

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No.: 02-42302

Gail L. Grabow,

Chapter 7

Debtor.

**TRUSTEE'S MOTION FOR EXPEDITED HEARING AND
MOTION FOR AUTHORIZATION TO SELL REAL ESTATE
AND TO PAY SHARE OF REALTOR'S FEES**

The undersigned Trustee brings these motions and gives notice of hearing.

1. A hearing on these motions will be held before the Honorable Robert J. Kressel on the 28th day of October, 2004 at 10:00 o'clock a.m. in Courtroom 8 West, U.S. Courthouse and Federal Building, 300 South Fourth Street, Minneapolis, Minnesota 55402. Any responses or objections thereto must be served and filed no later than 24 hours prior to the time and date of the hearing. IF NO OBJECTIONS OR RESPONSES ARE SERVED AND FILED, THE COURT MAY GRANT THE RELIEF REQUESTED WITHOUT A HEARING.

2. The undersigned moves the Court for an expedited hearing on this motion.

3. The undersigned further moves for an order authorizing the sale of the interest formerly owned by the Debtor in real estate located at 5020 Morgan Avenue South, Minneapolis, Minnesota, described as follows, to wit:

Lot 6, Block 3, Thornton Park Second Division
Hennepin County

to Paul C. Dunkirk and Miriam Johnson-Dunkirk for consideration of \$386,000.00 in cash payable at closing, as reflected in the attached purchase agreement.

4. These motions arise from the following facts:
 - (a) The Debtor filed her petition on July 10, 2002, and this case was closed on November 5, 2002.
 - (b) This case was reopened upon the petition of the undersigned under an Order dated October 11, 2004.
 - (c) At the time she filed her petition, the Debtor owned a 1/3 remainder interest in the real estate described above. The Debtor's mother, who owned a life estate in the real estate at the time the Debtor filed her petition, is now deceased.
 - (d) The undersigned believes that the proposed sale of the real estate is an arms-length transaction, and the sale is for fair and reasonable consideration.
 - (e) The interest of this bankruptcy estate is 1/3 of the net sale proceeds.
 - (f) This bankruptcy estate owns a 1/3 interest in the subject real estate, and will receive 1/3 of the net proceeds of the sale thereof.

5. If testimony is necessary at any hearing on this motion, the undersigned will call the Debtor as a witness, and the undersigned may testify and offer evidence, as well.

6. The basis for an expedited hearing on this motion is that a closing is scheduled for the sale of the real estate on October 29, 2004. Through her counsel, the Debtor has indicated that she was unaware that she had held, together with her two siblings, a remainder interest in the real estate until a routine title search revealed her interest, which title search was received on or about October 8, 2004. An expedited hearing on this motion is necessary in order to preserve the value of the sale for the estate. The estate will realize an estimated \$126,000.00 of proceeds, which may be sufficient to pay the creditors 100% of their claims.

WHEREFORE, the undersigned respectfully requests that the Court enter orders as follows:

1. Granting the motion for an expedited hearing;
2. Granting the motion authorizing the sale of the real estate and authorizing the payment of the estate's one-third proportionate share of usual and customary closing costs and realtor's fees; and
3. For such other relief as is just and equitable.

**LEONARD, O'BRIEN
SPENCER, GALE & SAYRE, LTD.**

Dated: October 15, 2004

By: /e/ Brian F. Leonard
Brian F. Leonard, #62236
Attorneys for Brian F. Leonard, Trustee
100 South Fifth Street, Suite 2500
Minneapolis, MN 55402
Phone: (612) 332-1030
Fax: (612) 332-2740

VERIFICATION

I, Brian F. Leonard, the movant herein, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information and belief.

Dated: October 15 2004

/e/ Brian F. Leonard
Brian F. Leonard

312676/WORD



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20,231
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PURCHASE AGREEMENT
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1. Date 9/4/04
2. Page 1 of _____

- 3. RECEIVED OF Paul C. Dunkirk and M. KIM JOHNSON - DUNKIRK
- 4. a married couple
- 5. the sum of three thousand six hundred Dollars (\$ 3,600)
- 6. by CHECK CASH NOTE as earnest money to be deposited upon acceptance of Purchase Agreement by all parties, on
- 7. before the third business day after acceptance, in the trust account of listing broker but to be returned to Buyer if Purchase Agreement is not accepted by Seller. Said earnest money is part payment for the purchase of the property located at
- 8. Street Address: 5020 Morgan Ave S
- 9. City of Mpls County of Hennepin, State of Minnesota
- 10. legally described as: Lot G, Block 3, Thornton
- 11. including all fixtures on the following property, if any, owned by Seller and used and located on said property, including but not limited to garden built plants, shrubs and trees; storm sash, storm doors, screens and awnings; window shades, blinds, traverse and curtain and drapery rods; attach lighting fixtures and bulbs; plumbing fixtures, water heater, heating plants (with any burners, tanks, stokers and other equipment used connection therewith), built-in air-conditioning equipment, electronic air filter, water softener OWNED RENTED NONE, built-in humidifier and dehumidifier, liquid gas tank and controls (if the property of Seller), sump pump; attached television antenna, cable TV jacks and wiring; BUILT-INS: dishwashers, garbage disposals, trash compactors, ovens, cook-top stoves, microwave ovens, hood fans, intercom
- 12. ATTACHED: carpeting, mirrors, garage door openers and all controls; smoke detectors, fireplace screens, doors and heaters; AND the following personal property: Range, refrigerator, washer and all window treatments as viewed on property 9/4/04
- 13. all of which property Seller has this day agreed to sell to Buyer for sum of (\$ 359,900) 380,000
- 14. Three thousand six hundred and no/100ths Dollars
- 15. which Buyer agrees to pay in the following manner: cash down payment of at least 20 percent (%) of the sale price, which includes the earnest money, and financing, the total amount secured against this property to fund this purchase, not to exceed 20 percent (%) of the sale price.
- 16. Such financing will be a first mortgage or contract deed; or a first mortgage with subordinate financing, as described in the attached Addendum: Conventional FHA DVA Assumption Contract for Deed Other: _____
- 17. The date of closing shall be 10/29/04 OR SELLER'S CHOICE
- 18. This Purchase Agreement IS IS NOT subject to a Contingency Addendum for sale of Buyer's property. (If answer is IS, see attached Addendum)
- 19. (If answer is IS NOT, the closing of Buyer's property, if any, may still affect Buyer's ability to obtain financing, if financing is applicable.)
- 20. This Purchase Agreement IS IS NOT subject to cancellation of a previously written Purchase Agreement dated _____
- 21. (If answer is IS, said cancellation shall be obtained no later than _____, 20____. If said cancellation is not obtained by said date, this Purchase Agreement is cancelled. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer.)
- 22. This Purchase Agreement IS IS NOT subject to a Vacant Land Addendum. (If answer is IS, see attached Addendum.) Buyer has been made aware of the availability of property inspections. Buyer Elects Declines to have a property inspection performed at Buyer's expense
- 23. This Purchase Agreement IS IS NOT subject to an Inspection Addendum. (If answer is IS, see attached Addendum)
- 24. DEED/MARKETABLE TITLE: Upon performance by Buyer, Seller shall deliver a Warranty Deed or Other: _____ Deed
- 25. joined in by spouse. If any, conveying marketable title, subject to:
- 26. (A) building and zoning laws, ordinances, state and federal regulations; (B) restrictions relating to use or improvement of the property without effective forfeiture provisions; (C) reservation of any mineral rights by the State of Minnesota; (D) utility and drainage easements which do not interfere with existing improvements; (E) rights of tenants as follows (unless specified, not subject to tenancies): _____
- 27. (F) others (must be specified in writing): _____
- 28. BUYER SHALL PAY SELLER SHALL PAY on date of closing any deferred real estate taxes (e.g., Green Acres, etc.) or special assessments, payment of which is required as a result of the closing of this sale.
- 29. BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING SELLER SHALL PAY ON DATE OF CLOSING all installment of special assessments certified for payment, with the real estate taxes due and payable in the year of closing.
- 30. BUYER SHALL ASSUME SELLER SHALL PAY on date of closing all other special assessments levied as of the date of this Agreement
- 31. BUYER SHALL ASSUME SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Agreement
- 32. for improvements that have been ordered by any assessing authorities. (Seller's provision for payment shall be the payment into escrow of two (2) times the estimated amount of the assessments or less, as required by Buyer's lender.)
- 33. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of which is not otherwise herein provided.
- 34. As of the date of this Agreement, Seller represents that Seller HAS HAS NOT received a notice regarding any new improvement project from any assessing authorities, the costs of which project may be assessed against the property. Any such notice received by Seller after the date of this Purchase Agreement and before closing shall be provided to Buyer immediately. If such notice is issued after the date of this Purchase Agreement and on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare this Purchase Agreement cancelled by written notice to the other party, or licensee representing or assisting the other party, in which case this Purchase Agreement is cancelled. If either party declares this Purchase Agreement cancelled, Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer.

PURCHASE AGREEMENT

64. Page 2

65. **TITLE & EXAMINATION:** Within a reasonable time after acceptance of this Agreement, Seller shall provide
 66. evidence of title, which shall include proper searches covering bankruptcies, state and federal judgments and liens
 67. and levied and pending Special Assessments, to Buyer or Buyer's designated title service provider, as follows:
68. If property is abstract, Seller shall provide either (1) a commitment for an owner's policy of title insurance on a current
 69. ALTA form issued by an insurer licensed to write title insurance in Minnesota. Seller shall pay the cost of an owner's policy, including the
 70. entire premium, title examination fee and the costs of evidence of title for such title insurance policy if no lender's policy is obtained; or
 71. the additional cost of obtaining a simultaneously issued owner's policy if a lender's policy is obtained (Buyer shall pay the premium and the title examination fee for the lender's policy); or (2) an abstract of title certified to date.
 72. Seller shall pay for all abstracting fees and surrender any abstract in Seller's possession or control to Buyer at closing.
74. If property is Torrens, Seller shall provide, at Buyer's option and request, either (1) a Registered Property Abstract
 75. (RPA) certified to date; or (2) a commitment for an owner's policy of title insurance on a current ALTA form issued
 76. by an insurer licensed to write title insurance in Minnesota. Seller shall be responsible to pay, under either option, or
 77. those costs necessary to prepare the RPA or commitment. Buyer shall, at Buyer's option, pay for either the Attorney's
 78. Opinion or the title insurance premium and examination fee.
79. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event Seller has not
 80. provided marketable title by the date of closing, Seller shall have an additional 30 days to make title marketable or,
 81. the alternative, Buyer may waive title defects by written notice to Seller. In addition to the 30-day extension,
 82. Buyer and Seller may, by mutual agreement, further extend the closing date. Lacking such extension, either party
 83. may declare this Purchase Agreement cancelled by written notice to the other party, or licensee representing or assisting the other
 84. party, in which case this Purchase Agreement is cancelled. If either party declares this Purchase Agreement cancelled, Buyer and Seller
 85. shall immediately sign a Cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid hereunder
 86. to be refunded to Buyer.
87. **SUBDIVISION OF LAND:** If this sale constitutes or requires a subdivision of land owned by Seller, Seller shall pay
 88. all subdivision expenses and obtain all necessary governmental approvals. Seller warrants that the legal description
 89. of the real property to be conveyed has been or shall be approved for recording as of the date of closing. Seller warrants
 90. that the buildings are or shall be constructed entirely within the boundary lines of the property. Seller warrants
 91. that there is a right of access to the property from a public right-of-way. These warranties shall survive the delivery
 92. of the deed or contract for deed.
93. Seller warrants that prior to the closing, payment in full will have been made for all labor, materials, machine
 94. fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction
 95. alteration or repair of any structure on, or improvement to, the property.
96. Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
 97. proceedings, violation of any law, ordinance or regulation. If the property is subject to restrictive covenants, Seller
 98. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. All
 99. such notices received by Seller will be provided to Buyer immediately.
100. Seller agrees to allow reasonable access to the property for performance of any surveys or inspections agreed to herein.
101. **RISK OF LOSS:** If there is any loss or damage to the property between the date hereof and the date of closing for any reason, including
 102. fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the property is destroyed
 103. or substantially damaged before the closing date, this Purchase Agreement is cancelled, at Buyer's option, by written notice to Seller
 104. or licensee representing or assisting Seller. If Buyer cancels this Purchase Agreement, Buyer and Seller shall immediately sign
 105. a Cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid hereunder to be refunded
 106. to Buyer.
107. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.
108. **ENTIRE AGREEMENT:** This Purchase Agreement, any attached exhibits and any addenda or amendments signed
 109. by the parties shall constitute the entire agreement between Seller and Buyer and supersedes any other written
 110. oral agreements between Seller and Buyer. This Purchase Agreement can be modified or cancelled only in writing signed
 111. by Seller and Buyer or by operation of law. All monetary sums are deemed to be United States currency for purposes of this agreement.
 112. Buyer or Seller may be required to pay certain closing costs, which may effectively reduce the proceeds from the sale or increase the
 113. cost of the property at closing.
114. **ACCEPTANCE:** Buyer understands and agrees that this Purchase Agreement is subject to acceptance by Seller in writing.
115. **DEFAULT:** If Buyer defaults in any of the agreements hereunder, Seller may terminate this Purchase Agreement under the provisions of MN
 116. Statute 559.21. If either Buyer or Seller defaults in any of the agreements hereunder or there exists an unfulfilled condition after the date
 117. specified for fulfillment, either party may cancel this Purchase Agreement under MN Statute 559.217, Subd. 3. Whenever it is provided
 118. herein that the Purchase Agreement is cancelled, said language shall be deemed a provision authorizing a Declaratory Cancellation under
 119. MN Statute 559.217, Subd. 4.
120. If this Purchase Agreement is not cancelled or terminated as provided hereunder, Buyer or Seller may seek actual damages for breach
 121. of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific performance, such action must
 122. be commenced within six months after such right of action arises.
123. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender registry and persons
 124. registered with the predatory offender registry under MN Statute 243.166 may be obtained by contacting the local law enforcement office
 125. in the community where the property is located, or the Minnesota Department of Corrections at (651) 642-0200, or from the Department
 126. of Corrections Web site at www.corr.state.mn.us.



PURCHASE AGREEMENT

127. Address 5620 M...
128. Page 9 Date 9/14/04

- 129. Buyer shall pay PRORATED FROM DAY OF CLOSING...
130. the year 20 04
131. Seller shall pay PRORATED TO DAY OF CLOSING...
132. the year 20 04
133. warrants taxes due and payable in the year 20 04 shall be FULL- PART- NON- homestead classification.
134. If part- or non-homestead classification is circled, Seller agrees to pay Buyer at closing \$ N/A
135. toward the non-homestead real estate taxes.
136. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which not otherwise herein provided.
137. No representations are made concerning the amount of subsequent real estate tax
138. POSSESSION: Seller shall deliver possession of the property no later than Immediately after closin
139. All interest, homeowner's association dues, rents and all charges for city water, city sewer, electricity and natural gas shall be prorated between the parties as of date of closing.
140. Buyer shall pay Seller for remaining gallons of fuel oil or liquid petroleum gas on the day closing, at the rate of the last fill by Seller.
141. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HEREIN from the property by possession date.
142. ENVIRONMENTAL CONCERNS: To the best of Seller's knowledge, there are no hazardous substances or underground storage tanks except herein noted: Storage tank filled for distillation

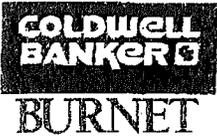
- 146. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:
147. CITY SEWER YES NO / CITY WATER YES NO
148. NOT APPLICABLE SELLER BUYER AGREES TO PROVIDE WATER QUALITY TEST RESULTS SHOWING POTABLE WATER
149. IF REQUIRED BY GOVERNING AUTHORITY AND/OR LENDER.
150. NOT APPLICABLE SELLER BUYER AGREES TO PROVIDE, IF REQUIRED BY THE TERMS OF THIS PURCHASE AGREEMENT
151. OR BY GOVERNING AUTHORITY AND/OR LENDER, A LICENSED INSPECTOR'S SEPTIC SYSTEM INSPECTION REPORT C
152. NOTICE INDICATING IF THE SYSTEM COMPLIES WITH APPLICABLE REGULATIONS. NOTICE: A VALID CERTIFICATE C
153. COMPLIANCE FOR THE SYSTEM MAY SATISFY THIS OBLIGATION. NOTHING IN LINES 150 TO 153 SHALL OBLIGATE SELLE
154. TO UPGRADE, REPAIR OR REPLACE THE SEPTIC SYSTEM, UNLESS OTHERWISE AGREED TO IN THIS PURCHASE AGREEMENT
155. BUYER HAS RECEIVED THE WELL DISCLOSURE STATEMENT OR A STATEMENT THAT NO WELL EXISTS ON THE PROPERT
156. AND A SEPTIC SYSTEM DISCLOSURE STATEMENT OR A STATEMENT THAT NO SEPTIC SYSTEM EXISTS ON OR SERVESTH
157. PROPERTY, AS REQUIRED BY MINNESOTA STATUTES.

- 158. SELLER WARRANTS THAT CENTRAL AIR-CONDITIONING, HEATING, PLUMBING AND WIRING SYSTEMS USED AND LOCATED C
159. SAID PROPERTY SHALL BE IN WORKING ORDER ON DATE OF CLOSING, EXCEPT AS NOTED IN THIS AGREEMENT
160. BUYER HAS THE RIGHT TO A WALK-THROUGH REVIEW OF THE PROPERTY PRIOR TO CLOSING TO ESTABLISH THAT TH
161. PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF PURCHASE AGREEMENT. SELLER AGREE
162. TO NOTIFY BUYER IMMEDIATELY IN WRITING OF ANY SUBSTANTIVE CHANGES FROM ANY PRIOR REPRESENTATION
163. REGARDING THE PHYSICAL CONDITION OF THE PROPERTY.
164. BUYER ACKNOWLEDGES THAT NO ORAL REPRESENTATIONS HAVE BEEN MADE REGARDING POSSIBLE PROBLEMS C
165. WATER IN BASEMENT OR DAMAGE CAUSED BY WATER OR ICE BUILDUP ON ROOF OF THE PROPERTY, AND BUYER RELIE
166. SOLELY IN THAT REGARD ON THE FOLLOWING STATEMENT BY SELLER:
167. SELLER HAS NOT HAD A WET BASEMENT AND HAS NOT HAD ROOF, WALL OR CEILING DAMAGE CAUSE
168. BY WATER OR ICE BUILDUP. BUYER HAS NOT RECEIVED A SELLER'S PROPERTY DISCLOSURE STATEMENT OR
169. SELLER'S DISCLOSURE ELECTION FORM. BUYER HAS RECEIVED THE INSPECTION REPORTS, IF REQUIRED BY MUNICIPALITY.

170. Michael Nash / Cheryl Krause NOTICE
171. is Seller's Agent Buyer's Agent Dual Agent Facilitator
172. Edina (Company)
173. Shawna Gibson is Buyer's Agent
174. CBS (Company)
175. THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.

- 176. DUAL AGENCY REPRESENTATION
177. PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:
178. Dual Agency representation DOES NOT apply in this transaction. Disregard lines 179-192.
179. Dual Agency representation DOES apply in this transaction. Complete the disclosure in lines 180-192.
180. Broker represents both the Seller(s) and the Buyer(s) of the property involved in this transaction, which creates a dual agency. Th
181. means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because the parties may have conflicti
182. interests, Broker and its salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in th
183. transaction without the consent of both Seller(s) and Buyer(s). Seller(s) and Buyer(s) acknowledge that:
184. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will remain confident
185. unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other information will be share
186. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; ar
187. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of the sa
188. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker and
189. salespersons to act as dual agents in this transaction.

190. (Seller) (Buyer)
191. (Seller) (Buyer)
192. (Date) (Date)



PURCHASE AGREEMENT

193. Address 5020 Morgan Ave S
194. Page 4 Date 9/4/04

- 195. OTHER XX
- 196. _____
- 197. _____
- 198. _____
- 199. _____

200. Other addenda may be attached which are made a part of this Purchase Agreement. (Enter total number of pages of this Purchase Agreement, including addenda, on line two (2) of page one (1).)

202. I, the owner of the property, accept this Agreement and I agree to purchase the property for the price and in accordance with the terms and conditions set forth above.

203. authorize the listing broker to withdraw said property from the market, unless instructed otherwise in writing. I have reviewed all pages of this Purchase Agreement.

204. the market, unless instructed otherwise in writing.

205. I have reviewed all pages of this Purchase Agreement.

206. If checked, this Agreement is subject to attached Counteroffer Addendum.

208. X Mark Grabow 9-7-04 X Miriam Johnson-Dunkirk 9/4/04
 (Seller's Signature) (Date) (Buyer's Signature) (Date)

209. X Stretcher Grabow 9-7-04 X Miriam Johnson-Dunkirk
 (Seller's Printed Name) (Date) (Buyer's Printed Name)

210. X _____ X Married
 (Marital Status) (Marital Status)

211. X _____ X P. J. Dunkirk 9/4/04
 (Seller's Signature) (Date) (Buyer's Signature) (Date)

212. X _____ X Paul C. Dunkirk
 (Seller's Printed Name) (Buyer's Printed Name)

213. X _____ X Married
 (Marital Status) (Marital Status)

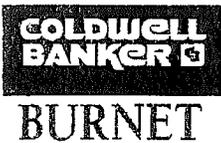
214. FINAL ACCEPTANCE DATE 9-7-04

215. THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).
 216. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

217. I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAD THE OPPORTUNITY TO REVIEW THE ARBITRATION DISCLOSURE AND
 218. RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT, WHICH IS AN OPTIONAL, VOLUNTARY AGREEMENT AND IS NOT PART OF THE
 219. PURCHASE AGREEMENT.

220. SELLER(S) Mark Grabow BUYER(S) Miriam Johnson-Dunkirk

221. SELLER(S) Stretcher Grabow BUYER(S) P. J. Dunkirk
Paul C. Dunkirk



Handwritten notes: "lines 9, 11", "MG", "48", "99", "9/14", "N/A", "30/1 N/A", "MARKET N/A", "5.5 N/A".

FINANCING ADDENDUM CONVENTIONAL OR PRIVATELY INSURED CONVENTIONAL MORTGAGE

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form.

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1. Date 9/14/04 2. Page

3. Addendum to Purchase Agreement between parties, dated 9/14, 20 04, pertaining to the purchas

4. and sale of the property at 3020 MORGAN AVES

5.

6. There [] IS [X] NOT a Buyer's Financial Disclosure Statement submitted with this Purchase Agreement

7. Buyer shall apply for and secure at Buyer's expense a

8. [X] CONVENTIONAL [] PRIVATELY INSURED CONVENTIONAL [] FIRST MORTGAGE AND SUBORDINATE FINANCIN

9. ARM [] N/A mortgage in the amount stated in the Purchase Agreement

10. amortized monthly over a period of not more than 30/1 N/A years, with an initial mortgage interest rate at r

11. more than 5.5 N/A percent (%) per annum. The mortgage application IS TO BE MADE WITHIN FIVE (5)

12. BUSINESS DAYS after the acceptance of this Purchase Agreement. Buyer agrees to use best efforts to secure a commitme

13. for such financing and to execute all documents required to consummate said financing.

14. FINANCING CONTINGENCY: This Purchase Agreement is contingent upon the following and applies only to the fir

15. mortgage (check one): 16. [] If Buyer cannot secure a commitment for such mortgage, this Purchase Agreement is cancelled. Buyer ar

17. Seller shall immediately sign a Cancellation of Purchase Agreement confirming said cancellation and directing all earne

18. money paid hereunder to be refunded to Buyer.

19. [X] Buyer shall provide Seller, or licensee representing or assisting Seller, with a final underwriting approval commitment for t

20. loan specified in this Purchase Agreement, including completed appraisal and stating all conditions required by the lender

21. close the loan, on or before 9/17, 20 04. If said commitment is not provided by said date, Seller may, at Seller

22. option, declare this Purchase Agreement cancelled, up to the date of closing, by written notice to Buyer, or licensee representir

23. or assisting Buyer, in which case this Purchase Agreement is cancelled, unless Buyer fulfills this condition by providing th

24. underwriting approval commitment prior to such written notice of cancellation, in which case that condition has been

25. satisfied. If Seller cancels the Purchase Agreement, Buyer and Seller shall immediately sign a Cancellation of Purchas

26. Agreement confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer. If sa

27. commitment is not provided by said date and this Purchase Agreement does not close on the closing date specified, th

28. Purchase Agreement is cancelled. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreeeme

29. confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer. Upon delivery of sa

30. commitment to Seller, or licensee representing or assisting Seller, the responsibility for satisfying all conditions, except wo

31. orders, required by said commitment is deemed accepted by Buyer. Upon delivery of said commitment, if the Purchas

32. Agreement does not close on the stated closing date for ANY REASON relating to financing, other than the Seller's failur

33. to complete work orders to the extent required by the Purchase Agreement, including but not limited to interest rate ar

34. discount points, if any, Seller may, at Seller's option, declare this Purchase Agreement cancelled, in which case this Purcha

35. Agreement is cancelled. If Seller declares the Purchase Agreement cancelled, Buyer and Seller shall immediately sign

36. Cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid hereunder to b

37. forfeited to Seller as liquidated damages, or, in the alternative, Seller may seek all other remedies allowed by law.

38. PRIVATE MORTGAGE INSURANCE (PMI): PMI may be required by the lending institution. Buyer agrees to pay 2

39. subsequent years' mortgage insurance premiums as required by the lending institution. The said mortgage insuranc

40. premiums will increase the mortgage amount unless paid in cash at closing.

41. DISCOUNT POINTS: If Seller has agreed to pay discount points pursuant to this Purchase Agreement, a Financir

42. Addendum Seller's Contribution to Closing Coasts and Discount Points must be attached. Nothing in this Purchase Agreeeme

43. shall prohibit Buyer from paying any mortgage discount points.

44. LOCKING OF MORTGAGE INTEREST RATE ("RATE"): The Rate shall be locked with the lender by Buye

45. (check one)

46. [X] WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE OF THIS PURCHASE AGREEMENT; OR

47. [] AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER.

48. THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).

49. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.



FINANCING ADDENDUM
CONVENTIONAL OR PRIVATELY
INSURED CONVENTIONAL MORTGAGE

50. Page 9/4/04

51. Property located at 5020 Morgan Ave S

52. LENDER COMMITMENT WORK ORDERS: Nothing in this Purchase Agreement shall be construed as a warranty that

53. Seller shall make repairs required by the Lender commitment. However, Seller agrees to pay up to \$ 0

54. make repairs as required by the Lender commitment. If the Lender commitment is subject to any work orders for which the cost

55. of making said repairs shall exceed this amount, Seller shall have the following options:

56. (a) making the necessary repairs; or

57. (b) negotiating the cost of making said repairs with Buyer; or

58. (c) declaring the Purchase Agreement cancelled, in which case this Purchase Agreement is cancelled

59. Buyer and Seller shall immediately sign a Cancellation of the Purchase Agreement confirming such

60. cancellation and directing all earnest money paid hereunder to be refunded to Buyer, unless Buyer provides a

61. payment of the cost of said repairs or escrow amounts related thereto above the amount specified on line 53 of this Addendum

62. OTHER: PROPERTY MUST APPRAISE FOR FINANCING

63. and be fully insured by major insurance carrier

64. Mark Grabow 9-7-04 [Signature] 9/4/04
(Seller) (Date) (Buyer) (Date)

65. Catherine Grabow 9-7-04 [Signature] 9/4/04
(Seller) (Date) (Buyer) (Date)

66. 9/4/04
67. [Signature]

THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).
IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No.: 02-42302

Gail L. Grabow,

Chapter 7

Debtor.

**TRUSTEE'S MEMORANDUM IN SUPPORT OF HIS MOTIONS
FOR EXPEDITED HEARING AND FOR AUTHORIZATION
TO SELL REAL ESTATE**

Section 363 of the Bankruptcy Code states as follows:

“(b)(1) The trustee, after notice and hearing, may use, sell, release, other than in the ordinary course of business, property of the estate.”

The sale which is the subject of the instant motion requests authorization and approval of a sale of real estate outside the ordinary course of business.

The sale is an arms-length transaction, and the consideration being received therefore is fair and equivalent consideration reflecting the full value of the subject real estate.

An expedited hearing is necessary in order to preserve the sale scheduled for October 29, 2004.

Federal Rules of Bankruptcy Procedure 2002 requires at least twenty days notice by mail of a sale, “unless the court for cause shown directly shortens the time . . . ”

The undersigned believes that proper justification exists for shortening the notice and allowing this matter to be heard on an expedited basis.

**LEONARD, O'BRIEN
SPENCER, GALE & SAYRE, LTD.**

Dated: October 15, 2004

By: /e/ Brian F. Leonard
Brian F. Leonard, #62236
Attorneys for Brian F. Leonard, Trustee
100 South Fifth Street, Suite 2500
Minneapolis, MN 55402
Phone: (612) 332-1030
Fax: (612) 332-2740

312677/WORD

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

BKY Case No. 02-42302

GAIL GRABOW,

Debtor.

**AFFIDAVIT OF BRIAN F. LEONARD IN SUPPORT OF MOTION FOR
EXPEDITED HEARING AND AUTHORIZATION FOR SALE OF REAL ESTATE**

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Brian F. Leonard, after being duly sworn on oath, states as follows:

1. I am the duly appointed and acting Trustee in this reopened bankruptcy case.
2. I have examined the Purchase Agreement attached as an exhibit to my motion herein.

In addition, I have spoken with counsel for the Debtor, and I have spoken with personnel at Edina Realty who were retained by the Debtor and her two siblings (prior to the reopening of this bankruptcy case) as the sales agent for the sale of the real estate described in my motion, and I have taken other steps and communicated with other parties in my investigation of this matter.

3. Based upon my investigation as described in the preceding paragraph, it is my belief that the sale of the subject real estate as reflected in the Purchase Agreement is an arms-length transaction between unrelated parties. It is my opinion that the sale is a good faith transaction between the parties. The subject real estate had been listed in the Multiple Listing Service in the Twin Cities metropolitan area, and three offers were received, with the highest offer reflected in the Purchase Agreement attached to my motion herein being \$386,000.00. The Purchase Agreement reflects the best offer received for the subject real estate. The estimated market value of the subject

real estate in the records of Hennepin County, on which real estate taxes payable in 2004 are based, is an estimated market value of \$327,500.00. The Purchase Agreement was negotiated between the buyer and seller through the prospective realtor agents of the buyer and seller. The buyer's realtor agent is Coldwell Banker Realty Services and the Seller's realtor agent is Edina Realty Co. Accordingly, the seller and the buyer each were represented by third parties in this transaction. The Sellers and the Buyers are not related and were not previously acquainted.

4. Based upon all of the foregoing, it is my firm opinion and belief that the sale purposed in my motion is purposed in good faith, and represents the highest and best offer for the real estate which could be obtained. The purchaser's identified in the Purchase Agreement are good faith purchasers under 11 U.S.C. § 363(m), and that the provision of 11 U.S.C. § 363(n) have not been violated.

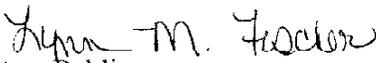
FURTHER YOUR AFFIANT SAYETH NOT.

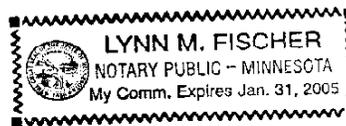
Dated: October 15, 2004



Brian F. Leonard

Subscribed and sworn to before
me this 15th day of October, 2004.


Notary Public



UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY Case No. 02-42302

GAIL GRABOW,

Debtor.

UNSWORN CERTIFICATE OF SERVICE

I, Stephanie Wood, declare under penalty of perjury that on the 15th day of October, 2004, I mailed a copy of the annexed *Trustee's Motion for Expedited Hearing and Motion for Authorization to Sell Real Estate and to Pay Share of Real Estate and to Pay Share of Realtor's Fees, Trustee's Memorandum in Support of his Motions for Expedited Hearing and for Authorization to Sell Real Estate, Affidavit of Brian F. Leonard, and Order (proposed)* on:

SEE ATTACHED SERVICE LIST

by and mailing to all parties copies thereof, enclosed in an envelope, postage prepaid, and by depositing the same in the post office at Minneapolis, Minnesota, directed to said party at the last known addresses of said parties.

Dated: October 15, 2004


Stephanie Wood

313069/WORD

SERVICE LIST
GAIL L. GRABOW
BKY CASE NO.: 02-42302

Gail L. Grabow
4610 Bryant Avenue S.
Apt. 304
Minneapolis, MN 55409

Laurie Savran
1422 W. Lake Street
Suite 320
Minneapolis, MN 55408

Chase
P.O. Box 52195
Phoenix, AZ 85072

Citi Cards
P.O. Box 6401
The Lakes, NV 88901

Hennepin County Sheriff
Hennepin County Courthouse
Minneapolis, MN 55415

MBNA America
P.O. Box 15137
Wilmington, DE 19886

MN Dept. of Revenue
Bankruptcy Section
P.O. Box 64447
St. Paul, MN 55164-0447

United States Attorney
600 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

United States Trustee
1015 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

Dept. of Manpower Services
390 N. Robert Street
St. Paul, MN 55101

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

BKY Case No. 02-42302

GAIL GRABOW,

Debtor.

**ORDER APPROVING SALE OF REAL ESTATE AND
AUTHORIZING PAYMENT OF CLOSING COSTS AND REALTORS COMMISSION**

At Minneapolis, Minnesota this ____ day of October, 2004.

A hearing was held on the Motion of the Chapter 7 Trustee (a) seeking approval of the purchase and sale of real estate on the 28th day of October, 2004, at 10:00 o'clock a.m. and (b) requesting an expedited hearing on the motion. Appearances were noted in the record.

The Court finds that:

1. The sale described below is proposed in good faith and represents the highest and best offer for the real estate which was received by the Chapter 7 Trustee.
2. The Purchaser (identified below) is a good faith buyer under § 363(m) of the Bankruptcy Code and the provisions of § 363(n) of the Bankruptcy Code have not been violated.
3. Proper grounds exist for having this motion heard on an expedited basis.

Based upon the foregoing findings, **IT IS HEREBY ORDERED**, that the motions of Chapter 7 Trustee, Brian F. Leonard, are granted, and said Trustee is authorized and directed to sell the bankruptcy estates interest in the real estate described as Lot 6, Block 3, Thornton Park Second Division, Hennepin County, Minnesota, to Paul C. Dunkirk and Miriam Johnson-Dunkirk (the "**Purchaser**") for \$386,000.00.

IT IS FURTHER ORDERED that the Chapter 7 Trustee is authorized and directed to consummate and implement the aforementioned sale of real estate and to execute and deliver instruments and documents reasonably necessary or desirable to implement the foregoing, and to pay normal and customary closing costs, including a realtor's commission of 6% of the sale price to Michael Nash and Edina Realty.

Robert J. Kressel
United States Bankruptcy Court Judge

312878/WORD