

EXHIBIT 1

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is effective as of the 3rd day of February, 2003, and is by and between Ali Sabhari, of 121 Washington Avenue South, Minneapolis, Minnesota 55401 ("Seller") and Mahfood Abdalrhman Btoush, of 3512 Bryant Avenue South #207, Minneapolis, Minnesota ("Buyer").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Sale of Assets. Seller agrees to and will assign, transfer, convey, and deliver to Buyer, free and clear of all liens, charges, and encumbrances, Seller's entire interest in the grocery market doing business as Minneapolis Food & Dollar Store, located at 1845 Nicollet Avenue South, Minneapolis, Minnesota 55403, (hereinafter referred to as the "Assets"), and Buyer shall not assume any liabilities or obligations of Seller in connection with or as part of such transfer except as herein expressly provided.

1.1 All items of equipment, furniture, fixtures, leases, inventory, supplies, and all other personal property used by Seller in the operation of the grocery market (hereinafter the "Business") located at 1845 Nicollet Avenue South, Minneapolis, Minnesota 55403, and presently located at said address all of which shall be referred to as the "Assets" and which are set forth on Exhibit "A".

1.2 All proprietary and business information relating to the Assets and the Business of Seller presently located at 1845 Nicollet Avenue South, Minneapolis, Minnesota 55403.

1.3 All trade names, trademarks, service marks and the good will of the Business including without limitation, all of Seller's right, title and interest to the trade name, "Minneapolis Food & Dollar Store."

2. Purchase Price. In exchange for the assignment, transfer, conveyance and delivery to the Buyer by the Seller of the Assets, Buyer agrees to pay to Seller the sum of One-Hundred Five Thousand (\$105,000.00) Dollars plus the value of the inventory in the store at the time of closing which inventory is set forth on Exhibit "B". Said amounts shall be payable as follows:

A. The sum of Three Thousand and 00/100 Dollars (\$3,000.00) which shall be paid to Seller at the time of execution of the purchase agreement, and which shall be nonrefundable; provided, however, that if the Buyer is unable to obtain tobacco and confectionary licenses from the City of Minneapolis, the sum of \$3,000.00 shall be refunded to Buyer.

B. The sum of Twenty-Two Thousand and 00/100 Dollars (\$22,000.00) which shall be paid to Seller by certified check at the closing, which shall occur either on February 11, 2003, or the date the Buyer obtains tobacco and confectionary licenses from the City of Minneapolis, whichever is later. Provided, however, that the closing may, by mutual agreement of the parties, occur earlier than February 11, 2003, if the Buyer obtains licenses earlier than that date, and the closing may also occur later than the date the Buyer obtains licenses from the City.

C. The balance of Eighty Thousand and 00/100 Dollars (\$80,000.00) plus the value of the inventory shall be payable in monthly installments of Five Thousand Five Hundred and 00/100 Dollars (\$5,500.00), with the first payment due and payable thirty (30) days from the date the \$22,000.00 payment is made. The monthly installments of \$5,500.00 shall continue until such time as the remaining balance is fully paid.

3. Payments made pursuant to paragraph 2C shall continue monthly and on the same day of each month following the initial payment until all principal has been paid in full. There shall be no prepayment penalty, provided however, the prepayments shall not be made in any manner which shall be inconsistent with the provisions of any previous contracts outstanding on the property in which the Seller herein is a party, or, in the event that the sale is being treated by the Seller as an installment sale for income tax purposes. The balance due shall be secured by a Financing Statement, Security Agreement and Promissory Note to be executed at the time of closing. This agreement shall constitute a security agreement between the parties, and the parties further agree to sign any and all documents necessary for the perfection of the security interest granted herein

4. Premises Lease. Buyer acknowledges that Seller is not the owner of the premises and that premises are being leased from Sisaket Investments, L.L.C., with the current lease term expiring on March 31, 2006, and an option to renew for an additional five (5) year term.

4.1 Seller has the right to assign the existing lease to Buyer and Seller shall assign all of Seller's rights in the Premises Lease to Buyer. This agreement is contingent upon Buyer obtaining approval from the landlord to Seller's assignment of the lease agreement for the real estate on which the Business is located, with said lease containing such terms and conditions satisfactory to Buyer in Buyer's sole discretion, including renewal options deemed necessary by Buyer. Seller shall indemnify and hold Buyer harmless from any and all liabilities and obligations associated with said lease which have occurred prior to the closing. This provision shall survive the closing.

5. Seller's Representations. Seller represents, warrants, and covenants with Buyer as follows:

5.1 Seller owns all of the Assets, except the premises which are leased. Seller has the authority to enter into this Agreement and to convey good title to and possession of the Assets to Buyer at Closing. Seller shall assign his rights in the lease to Buyer and Seller shall have no obligation to negotiate any new or extended lease with the owner.

5.2 Seller is under no legal restriction on the transfer of the Assets and Seller owns outright and has good and marketable title to all assets, free and clear of all contracts, restrictions and encumbrances.

5.3 To the best of Seller's knowledge, all of the Assets transferred herein are functional and in good operating condition, reasonable wear and tear excepted, have been properly maintained and conform in all material respects to all applicable laws, rules and regulations,

however, Buyer has had the opportunity to inspect the Assets and acknowledges that he is purchasing the Assets in an "AS IS" condition.

5.4 Seller shall be responsible for all bills and obligations arising from the operation of the Business, including all utilities, prior to the date of closing, and Seller agrees to indemnify and hold Buyer harmless against any losses, costs, or damages Buyer suffers as a result of any bills or obligations incurred prior to said date.

5.5 Seller is not a party to any threatened or pending litigation, administrative proceedings, contracts, or claims in connection with or which materially affect the Assets of the Business.

5.6 In all matters involving this Agreement, the Assets, the Business, and the sale, Seller has complied with and will continue to comply with all applicable laws, rules and regulations.

6. Possession. Buyer shall have received, at or prior to the date of Closing, possession of the Assets.

6.1 Buyer acknowledges that Seller has provided Buyer with complete access to the records of the Business. Buyer has reviewed, inspected and found acceptable and to its satisfaction, all reports and accounting records, inventory lists and other assets of the Business.

7. Closing. The date of Closing shall be February 11, 2003 or the date the Buyer is able to obtain tobacco and confectionary licenses from the City of Minneapolis, whichever is later. Provided, however, that the parties may, by mutual agreement, hold the closing earlier than February 11, 2003 should the Buyer obtain licenses earlier than that date, or hold the closing subsequent to the date the Buyer obtains licenses. Seller shall deliver the following on the date of the closing:

7.1 Bill of Sale and Warranty of Title delivering good title to the Assets.

7.2 All credit records, and all other written material or computer data produced by or in the custody of Seller concerning the Business.

7.3 Assignments of all leases concerning the Assets and, specifically, the Business, including the lease to the Premises.

Buyer shall pay to Seller the following amount:

7.4 Cash or certified funds in the amount of Twenty-Two Thousand (\$22,000.00) Dollars.

8. Buyer's Representations. Buyer represents, warrants, and covenants that Buyer will indemnify Seller against any bills or obligations incurred by Buyer or as a result of the operation of the Business, including all utilities, from and after the date of the closing, or damages Seller

suffers as a result of default, misrepresentation, or failure of Buyer to perform obligations hereunder. Buyer shall also be responsible for all license applications, necessary for the operation of the Business by Buyer.

9. Survival of Agreement and Representations of Buyer. The agreements to be entered into by the parties, together with all representations and warranties contained in this Agreement and in any exhibit attached hereto, shall survive the Closing.

10. Default of Buyer. In the event of a default by the Buyer in the performance of any of the terms, covenants, and conditions of this Agreement, including the payment required pursuant hereto, Seller may pursue any remedy available at law or equity, provided, however, that in the event of a default, Seller shall first give Buyer notice of the default.

11. Further Assurances. The parties hereto agree to take such reasonable steps and to execute such other and further documents as may be necessary or appropriate to cause the terms and conditions contained herein to be carried into effect.

12. Entire Agreement, Waivers. This Agreement and the agreements referenced herein comprise the entire agreement among the parties hereto at the date hereof and supersede all prior agreements and understandings among them. Exhibits attached to this Agreement are incorporated herein by reference and specifically made a part of this Agreement.

13. Notices. Any notice to any party hereto pursuant to this Agreement shall be effective on the date delivered personally or given by certified or registered mail, postage prepaid, addressed to the parties at the addresses on page 1.

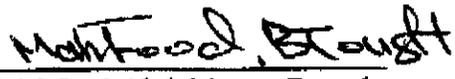
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

SELLER:

BUYER:



Ali Sabhari



Mahfood Abdalrhman Btoush

Dated 2-3-03

Dated 2-3-03

Exhibit A

The following comprises the assets being purchased by the purchaser from the seller:

1. Two (2) Cash registers
2. Two (2) office desks and one (1) chair
3. One (1) Television and satellite dish with receiver
4. Two (2) freezers
5. One (1) wood cash counter
6. One (1) stereo cassette player and radio
7. Credit card processing equipment includes terminal (Trans 380 x2), printer and pin pad
8. Alarm system. All ADT system includes keypad, control panel, motion detectors, screech horn, panic button and any miscellaneous item related to securing store and building inside and outside.
9. Camera security systems including eight (8) cameras, four (4) monitors, one (1) VCR real time, all switching equipment and any miscellaneous equipment related to securing store and building inside and outside.
10. One (1) fax/phone
11. Two (2) phones
12. Eight (8) glass display counters for use with tobacco related items and jewelry, etc.
13. All shelving inside store and basement
14. All wood inside store and basement
15. 'American Spirit' display
16. One (1) Sentry Safe
17. Three (3) office file/steel cabinets
18. Four (4) cigarette display for single pack and cartons Marlboro/Camel
19. One (1) large overhead single pack display
- ~~20. One (1) central heat/AC system~~
- ~~21. One (1) hanging Dayton gas heater~~
22. All open signs, ATM, cigarette and other displays in windows
23. Two (2) Pepsi coolers
24. Two (2) Coca Cola coolers
25. One (1) A&W cooler
26. Two (2) metal shelves for 2 liter bottles display

M.S. Fisher
2/21/03
M.B.
2-21-03

EXHIBIT B

The parties agree that the value of the inventory being purchased is \$78,567.67.

The valuation performed by the inventory company "Extended Inventory Services" is attached and guided the parties in determining the value of the inventory for purposes of the Asset Purchase Agreement.

SECURITY AGREEMENT

EXHIBIT 2

Mahfoud Abdalrhman Broush (Name of Debtor)
whose address is 3512 Bryant Ave. S. #207, Minneapolis, MN
State of Minnesota, (hereinafter called "Debtor" whether one or more) does hereby grant unto Ali Sabhari
(hereinafter called "Secured Party"), its successors and assigns, a security interest in the following goods and / or equipment located at 1B45
Nicollet Avenue South, Minneapolis, MN 55403

Description of Equipment and Goods

- Any and all assets listed in Exhibit A to the parties' Asset Purchase Agreement
Any and all inventory listed in Exhibit B to the parties' Assets Purchase Agreement
Any and all accounts of debtor and/or debtor's store/market, whether acquired now or in the future

together with all fixtures, parts, fittings, accessories, equipment, appurtenances and replacements of all or any part thereof, and other goods of the same class whether now owned or hereafter acquired by Debtor (all hereinafter called "Collateral"), and all proceeds of the Collateral, to secure prompt payment when due of a note or notes dated February 2003, executed and delivered by Debtor to Secured Party in the sum of \$... with interest as therein provided, and any and all extensions and renewals thereof, and any and all future advances made by Secured Party to Debtor or Secured Party's option, together with all other liabilities of said Debtor to Secured Party (primarily, secondarily, direct, contingent, sole, joint, or several) due or to become due or which may be hereafter contracted or acquired and the performance by Debtor of all of the terms and conditions of this Security Agreement (hereinafter referred to as "Obligations").

DEBTOR WARRANTS: (a) Debtor is or will be the owner of the Collateral clear of all liens, encumbrances and security interests, except the security interest granted hereby; (b) Debtor has the right to make this agreement; (c) the Collateral is used or bought for use and will be used primarily for the purpose or purposes checked below:

- Personal family or household purposes and that the location specified above is Debtor's residence unless a different address is shown in the following space:
Farm purposes and that the location specified above is Debtor's residence unless a different address is shown in the following space
and the purchase price of the Collateral (including credit for trade-in, if any) was \$
Business purposes and that the location specified above is Debtor's only place of business with the exception of

(d) and if the following is checked:
None or all of the Collateral is being acquired by Debtor with the proceeds of the note(s), which will be used for no other purpose. Debtor hereby authorizes Secured Party to disburse said proceeds to the seller of the Collateral as shown on Secured Party's records.
Debtor further warrants that if the Collateral has been or is to be attached to real estate, the name of the record owner of such real estate is and said real estate is described as follows:

THIS AGREEMENT IS SUBJECT TO THE TERMS PRINTED ON THE REVERSE SIDE HEREOF, WHICH ARE MADE A PART THEREOF.

Dated 2/21/03
Ali Sabhari (Secured Party)
by Ali Sabhari
By (To be signed if agreement is to be filed in lieu of Financing Statement)

2-21-03
Mahfoud Broush (Debtor)
Mahfoud Broush (Debtor)

DEBTOR FURTHER COVENANTS, WARRANTS AND AGREES THAT:

1. Debtor will pay the Secured Party all amounts payable on the note or notes mentioned above and all other notes held by Secured Party as and when the same shall be due and payable, whether at maturity, by acceleration or otherwise, and will perform all terms of said notes and this or any other security or loan agreement between Debtor and Secured Party, and will discharge all said liabilities.
 2. Debtor will defend the Collateral against all persons claiming an interest adverse to that of the Secured Party and pay promptly when due all taxes and assessments upon the Collateral.
 3. Debtor will keep the Collateral insured at all times against loss by fire and/or other hazards concerning which, in the judgment of the Secured Party, insurance protection is reasonably necessary, in a company or companies satisfactory to the Secured Party and in amounts sufficient to protect Secured Party against loss or damage to said Collateral and will pay the premiums therefor; that such policy or policies of insurance will be delivered to and held by the Secured Party, together with loss payable clauses in favor of the Secured Party as its interest may appear in form satisfactory to the Secured Party; and Secured Party may act at its own expense in obtaining, inspecting, settling and cancelling such insurance and enforcing any claims.
 4. Debtor will keep the Collateral in good condition and repair, reasonable wear and tear excepted, and will permit Secured Party to enter upon any lands owned, leased or otherwise controlled by the Debtor at reasonable times for the purpose of examining the Collateral.
 5. Debtor will pay as part of the debt hereby secured all amounts, including reasonable attorneys' fees and legal expenses, with interest thereon, paid by Secured Party (a) by way of taxes, levies, insurance, repairs to, or maintenance of the Collateral, and (b) in making possession of, disposing of or preserving the Collateral after any default hereunder described.
 6. Debtor will immediately notify Secured Party of any change in Debtor's residence or place of business.
 7. Debtor will not without the prior written consent of Secured Party (a) permit any liens or security interests (other than the security interest granted hereby) to attach to any of the Collateral; (b) permit any of the Collateral to be levied upon or attached by legal process; (c) sell or offer to sell or otherwise transfer the Collateral; (d) remove or permit the Collateral to be removed from the location or locations set forth above; or (e) do or permit anything to be done that may impair the value of any of the Collateral.
 8. If any of the Collateral is or is to become a fixture, Debtor agrees to furnish Secured Party, at its request, with a certificate or statement signed by all persons who have or claim an interest in the said fixture concerned, which statements shall provide that the signer consents to the security interest created hereby and discloses any interest in the Collateral or fixture.
 9. Debtor hereby authorizes Secured Party at Debtor's expense, to do all acts and things which Secured Party may deem necessary to perfect and continue perfected the security interest created by this security agreement and to protect the Collateral.
 10. Any notices from Secured Party to Debtor, if mailed, shall be deemed given when mailed, postage prepaid, addressed to Debtor either at Debtor's address specified above, or such other address of Debtor as may from time to time be shown as Secured Party's records.
 11. No financing statement covering the Collateral is on file in any public office, and at request of Secured Party, Debtor will join with Secured Party in executing one or more financing statements pursuant to the Uniform Commercial Code in form satisfactory to Secured Party and will pay the cost of filing the same in all public offices whenever filing is deemed necessary or desirable by Secured Party.
 12. **UNITE DEFAULT.** Debtor may make possession of the Collateral and use it in any lawful manner not inconsistent with agreements herein, or with the terms and conditions of any policy of insurance thereon.
 13. **DEFAULT.** Debtor shall be in default under this agreement upon the happening of any of the following events: (a) stoppayment, when due, of any amount payable on any of the liabilities or failure to observe or perform any term hereof; (b) if any covenant, warranty or representation shall prove to be untrue in any material respect; (c) any Debtor becomes insolvent or unable to pay debts as they mature or renounces its obligation for the benefit of creditors, or any proceeding is instituted by or against any Debtor alleging that such Debtor is insolvent or unable to pay debts as they mature; (d) entry of any judgment against any Debtor; (e) death of any Debtor who is a natural person, or of any partner of any Debtor which is a partnership; (f) dissolution, merger or consolidation, or transfer of a substantial part of the property of any Debtor which is a corporation or a partnership; (g) loss, theft, substantial damage, destruction or encumbrance of any of the Collateral; or (h) if Secured Party deems itself insecure for any reason.
- In the event of a default, Secured Party shall have the right, at its option and without demand or notice, to declare all or any part of the obligations immediately due and payable; and in addition, Secured Party may exercise, in addition to the rights and remedies granted hereby, all of the rights and remedies of a Secured Party under the Uniform Commercial Code or any other applicable law. Debtor agrees in the event of a default, to make the Collateral available to Secured Party at a place to be designated by Secured Party which is reasonably convenient. Debtor further agrees to pay all costs and expenses of Secured Party, including reasonable attorneys' fees, in the collection of any of the obligations or the enforcement of any of Secured Party's rights. If any action of sale, disposition or other remedial action by Secured Party is required by law to be given to Debtor, such notice shall be deemed reasonably and properly given if mailed to Debtor at the address specified above, or at such other address of Debtor as may be shown on Secured Party's records, at least (10) days before such sale, disposition or other remedial action. Waiver of any default hereunder by Secured Party shall not be a waiver of any other default or of a same default on a later occasion. No delay or failure by Secured Party to exercise any right or remedy shall be a waiver of such right or remedy and no single or partial exercise by Secured Party of any right or remedy shall preclude either or further exercise thereof at the exercise of any other right or remedy at any other time.
14. This agreement and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of Wisconsin. If any part of this contract shall be adjudged invalid, the remainder shall not thereby be invalidated.
 15. If more than one party shall sign this Security Agreement, the term "Debtor" shall mean all such parties and each of them and all such parties shall be jointly and severally obligated hereunder. All rights of Secured Party shall inure to the benefit of, its successors and assigns, and all obligations of Debtor shall bind Debtor's heirs, successors, administrators, successors and assigns.
 16. Additional provisions of this agreement (if none insert "none"):

Exhibit 3

Filing NO: 20036637127
 Filing Date: 2003/02/25
 Filing Time: 5:00 PM
 State of Minnesota
 Processing Office: Secretary of State
 Filed by: horsa01

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
 Nelson L. Peralta (612) 827-6300

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Nelson L. Peralta
 Capistrant & Associates, P.A.
 Uptown Business Center
 3009 Holmes Avenue South
 Minneapolis MN 55408

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME

OR **1b. INDIVIDUAL'S LAST NAME** **FIRST NAME** **MIDDLE NAME** **SUFFIX**

Stoush Mahfood Abdalrhman

2a. MAILING ADDRESS **CITY** **STATE** **POSTAL CODE** **COUNTRY**

3512 Bryant Avenue So. #207 Minneapolis, MN 55408 USA

2a. TAX ID # **SSN OR EIN** **ADDL. PHONE** **1a. TYPE OF ORGANIZATION** **1b. JURISDICTION OF ORGANIZATION** **1c. ORGANIZATIONAL ID #, if any**

ORGANIZATION DEBTOR NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR **2b. INDIVIDUAL'S LAST NAME** **FIRST NAME** **MIDDLE NAME** **SUFFIX**

2a. MAILING ADDRESS **CITY** **STATE** **POSTAL CODE** **COUNTRY**

2a. TAX ID # **SSN OR EIN** **ADDL. PHONE** **2a. TYPE OF ORGANIZATION** **2b. JURISDICTION OF ORGANIZATION** **2c. ORGANIZATIONAL ID #, if any**

ORGANIZATION DEBTOR NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR SP) - Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME

OR **3b. INDIVIDUAL'S LAST NAME** **FIRST NAME** **MIDDLE NAME** **SUFFIX**

Sabhari Ali

3a. MAILING ADDRESS **CITY** **STATE** **POSTAL CODE** **COUNTRY**

121 Washington Avenue So. Minneapolis, MN 55407 USA

4. This FINANCING STATEMENT covers the following collateral:

Any and all assets listed in Exhibit A to the parties' Asset Purchase Agreement (which assets shall be located at 1845 Nicollet Ave. S., Minneapolis, MN), the inventory listed in Exhibit B to the parties' Asset Purchase Agreement (also located at 1845 Nicollet Ave. S., Minneapolis, MN) and all accounts of debtor and/or debtor's store located at 1845 Nicollet Ave. S., Minneapolis, MN, whether acquired now or in the future.

5. ALTERNATIVE DESIGNATION OF COLLATERAL LIENEE/LESSOR CONSIGNEE/CONSIGNOR BALENTALOR SELLER/BUYER AS USER NON-UCC FILING

6. OPTIONAL FILER REFERENCE DATA