

PURCHASE AGREEMENT

FOR THE PORTIONS OF LOT 1, BLOCK 1, LOT 2, BLOCK 1 AND OUTLOT A, RAMSEY TOWN CENTER 5TH ADDITION TO BE REPLATTED AS LOT 3, BLOCK 1, COR ONE

1. **Parties**. The parties to this Purchase Agreement (the "Agreement") are:
 - a. The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body politic and corporate under the laws of the state of Minnesota ("Seller");
 - b. The City of Ramsey, Minnesota, a home rule charter city organized and existing under the constitution and laws of the State of Minnesota (the "City"); and
 - c. F & C Ramsey, LLC., an Indiana limited liability company ("Buyer").

This Agreement sometimes refers to Seller and Buyer individually as a "Party" and collectively as the "Parties". The Parties are also parties to a Development Agreement of even date herewith (the "Development Agreement"). Capitalized terms that are used in this Agreement, defined in the Development Agreement, and not otherwise defined in this Agreement, have the meanings set forth for such terms in the Development Agreement.

2. **Effective Date**. This Agreement is dated, for reference purposes, and is effective as of January 31, 2011 (the "Effective Date").

3. **Property**. The property that is the subject of this Agreement is the portion of Lot 1, Block 1, Lot 2, Block 1 and Outlot A, RAMSEY TOWN CENTER 5TH ADDITION, Anoka County, Minnesota depicted as Lot 3, Block 1 on the Preliminary Plat of COR ONE, Anoka County, Minnesota that the City approved on November 23, 2010 (the "Land"). As used in this Agreement the term "Property" means the Land and all hereditaments and appurtenances to the Land including but not limited to the easements described in this Section 3. There are currently no improvements located on the Land. The Parties do not contemplate the conveyance of any personal property pursuant to this Agreement. At or before the Closing, Seller and the City will record an amendment to the Parking Improvement Use and Maintenance Agreement dated February 28, 2005 and recorded in the office of the Anoka County Recorder and the office of the Anoka County Registrar of Titles on March 16, 2005 as Document Nos. 1973660.001 (Abstract) and 482124.002(Torrens) (the "PUMA") to:

a. subject the Parking Ramp Addition, as defined in Section 11(c)(iii), to the terms of the PUMA, subject to the exclusive easement described in subsection b;

b. grant the owner of the Land an exclusive, appurtenant easement for vehicular parking purposes over the portion of the Parking Ramp, as defined in Section 11(c)(iii), that is depicted on the attached Exhibit C (the "F & C Exclusive Easement Area."). The F & C Exclusive Easement Area must be sufficient in size to allow for

striping of 275 parking stalls which number shall include required handicapped accessible stalls.

c. grant the owner of the Land a non-exclusive, appurtenant easement to use an additional 25 parking spaces in the Parking Ramp, (other than parking spaces that are subject to exclusive easements or other exclusive use rights in favor of the owners of other properties subject to the PUMA);

d. grant the owner of the Land a non-exclusive, appurtenant easement for pedestrian access between the Land and the F & C Exclusive Easement Area; and

e. grant the owner of the Land a non-exclusive, appurtenant easement for vehicular access between the adjacent public rights of way and the F & C Exclusive Easement Area.

In addition, the City must, at or before the Closing, adopt an amendment to the "Parking Plan," as defined in the PUMA to allocate not less 25 parking stalls in the Parking Ramp (other than parking spaces that are subject to exclusive easements or other exclusive use rights in favor of the owners of other properties subject to the Puma) to the Land. Parking stalls other than handicapped accessible stalls must be at least 9 feet by 18 feet in size.

4. **Purchase and Sale.** Seller agrees to sell the Property to Buyer pursuant to the terms of this Agreement, and Buyer agrees to purchase the Property from Seller pursuant to the terms of this Agreement.

5. **Purchase Price.** The purchase price of the Property is \$250,000.00 (the "Purchase Price").

6. **Closing.** Seller and Buyer must meet at Ramsey Municipal Center, 7550 Sunwood Drive, Ramsey, Minnesota at 9:30 a.m. on April 29, 2011 (the "Date of Closing") at which time the Parties will perform the obligations set forth in this Section 6 (the "Closing"). At Closing:

a. Seller and the City must provide Commercial Partners Title, LLC ("Title") with a recorded copy of or a recordable original of the amendment to the PUMA that is described in Section 3 and a recorded copy of or a recordable original of the final plat of COR ONE, Anoka County, Minnesota. Seller must pay all fees and charges payable to the City of Ramsey pursuant to Chapter 117 of the City's Ordinances in connection with the City's approval of the plat of CORE ONE. Those fees are specifically identified on Exhibit G of the Development Agreement;

b. Seller must:

i Deliver to Buyer a certified copy of a Resolution of Seller's board of commissioners authorizing the execution of this Agreement and the performance of Seller's obligations under this Agreement;

- ii Deliver to Buyer a duly executed and acknowledged Limited Warranty Deed conveying title to the Land from Seller to Buyer, subject to the following "Permitted Encumbrances:"
- (A) Building, zoning and subdivision statutes, laws, ordinances and regulations;
 - (B) Reservations of minerals or of mineral rights in favor of the State of Minnesota, if any;
 - (C) The lien of real estate taxes and special assessments not yet due and payable;
 - (D) Any dedicated drainage and utility easements shown on the Plat of COR ONE;
 - (E) The reservation of a right of reverter in favor of Seller. The Right of Reverter shall provide that if Buyer fails to commence construction of the "Minimum Improvements" on or before the "Commencement Date" or to substantially complete the construction of the "Minimum Improvements" in accordance with the "Final Construction Plans" on or before the "Completion Date," as those terms are defined in the Development Agreement, and as the same may be extended as a result of an Unavoidable Delay pursuant to Section 5.4 of the Development Agreement, or if the holder of a "Construction Mortgage," as defined in the Development Agreement, commences proceedings to foreclose the Construction Mortgage prior to Buyer's substantial completion of the Minimum Improvements, Seller may commence an action in Anoka County District Court seeking an order re-vesting title to the Development Property in Seller and granting Seller immediate possession of the Development Property. Buyer is deemed to have commenced construction when Buyer has: (a) obtained all building permits from the City necessary for the construction of the "Minimum Improvements," as defined in the Development Agreement, on the Property which work would constitute "the actual and visible beginning of improvement on the ground," as that phrase is used in Minnesota Statutes, Section 514.05 and interrupted by the Minnesota Courts. Seller will subject Seller's future interest in the Property pursuant to the Right of Reverter to the lien of any Construction Mortgage provided the holder of the Construction Mortgage acknowledges, in writing both for itself and any successor's in title to the Construction Mortgage, that if Seller obtains a District

Court Order re-vesting title to the Property in Seller prior a foreclosure of the Construction Mortgage and expiration of the redemption period provided for in Minnesota Statutes Sections 580 and 581, as applicable, Seller shall be entitled to redeem the Property from foreclosure, as an owner.

- (F) A Declaration of Easement declaring or a reservation in the Limited Warranty Deed reserving an exclusive easement over a portion of the Land for public vehicular and pedestrian ingress and egress between Lot 2, Block 1, COR ONE, Anoka County, Minnesota and Sunwood Drive for the benefit of and as an appurtenance to Lot 2, Block 1, COR ONE, Anoka County, Minnesota;
- (G) The PUMA, as amended pursuant to Section 3;
- (H) A declaration of covenants, restrictions and easements that Seller may, at Seller's option, execute and record against title to the Property to establish an owner's association to perform certain obligations for the benefit of and to enforce certain covenants and restrictions, against the owners of the property subject to the declaration;
- (I) Any special service district ordinance that the City may, at the City's option, adopt pursuant to Minnesota Statutes Chapter 428(A) on or before the Date of Closing; and
- (J) All matters that become Permitted Encumbrances pursuant to Section 10.

- iii execute and deliver to Buyer and Title a Minnesota Uniform Conveyancing Blank Affidavit Regarding Business Entity evidencing the absence of bankruptcies, judgments, tax liens or corporate dissolution proceedings involving parties with the same or similar names as the Seller and evidencing the absence of mechanic's liens and the absence of known unrecorded interests, encroachments or boundary line questions affecting the Land;
- iv execute and deliver to Buyer a non-foreign affidavit in recordable form containing such information as is required under IRS Section 1445(b)(2) and any regulations relating thereto;
- v execute and deliver to the closing agent, Buyer or other appropriate party appropriate Federal Income Tax Reporting Forms; and
- vi pay or provide evidence of payment of the following: the State Deed Tax due upon the execution of the Limited Warranty Deed; the cost of the Title Commitment, as defined in Section 9(a), and

the Survey, as defined in Section 9(b); real estate taxes, levied special assessments, private assessments and special service district charges, if any, pursuant to the provisions of Section 7 below; and one-half of any reasonable and customary closing fees Title charges to conduct closing of this transaction.

- c. Buyer shall:
 - i. Tender the Purchase Price to Seller in wire transferred funds; and
 - ii. Pay or provide evidence of payment of the following: real estate taxes, private assessments and special service district charges, if any, pursuant to the provisions of Section 7; the cost of recording the Limited Warranty Deed from Seller to Buyer; all premiums and other charges for any title insurance policies Buyer purchases for itself and its lender; all costs associated with Buyer's financing; and one-half of any reasonable and customary closing fees Title charges to conduct the closing of this transaction.

7. **Real Estate Taxes, Special Assessments and Owners Association Assessments.**

a. **Real Estate Taxes.** On or before the Date of Closing, Seller must pay the real estate taxes, if any, due and payable with respect to the Property in years prior to the year of Closing. In connection with recording the Plat, the Seller must pay all real estate taxes due and payable with respect to the Property in the year the Plat is recorded. Seller and Buyer must prorate the real estate taxes, if any, due and payable with respect to the Property in the year of Closing on a per diem basis as of the Date of Closing. If the Plat is recorded in the year of Closing, Buyer must reimburse Seller for Buyer's pro rata share of the real estate taxes paid by Seller in connection with the recording of the Plat.

b. **Special Assessments.** On or before the Date of Closing, Seller must pay all special assessments that are levied against the Property as of the Date of Closing.

c. **Private Assessments or Special Service District Charges.** If, before the Date of Closing, Seller records a declaration against the Land or establishes a special service district pursuant to Minnesota Statute Chapter 428A that includes the Land, Seller and Buyer must pro rate, as of the Date of Closing, any private assessments levied pursuant to the terms of the declaration or any service charges imposed against the Land pursuant to the terms of the ordinance establishing the special service district on a per diem basis to the Date of Closing.

8. **Possession.** Seller will deliver possession of the Property to Buyer at Closing.

9. **Evidence of Title.** Within twenty (20) days after the Effective Date, with respect to the Title Commitment (as defined below), and within thirty (30) days after the Effective Date, with respect to the Survey (as defined below), Seller must, at Seller's sole cost and expense, deliver the following to Buyer:

a. A current 2006 form ALTA title insurance commitment for the Property from Title, in its capacity as an agent for Old Republic National Title Insurance Company (the "Title Commitment"); and

b. A current ALTA/ACSM Land Title survey of the Land prepared by a surveyor registered under the laws of the state in which the Land is located. The survey must be certified to Buyer, Buyer's lender and Title, if any, and the certification language must be reasonably acceptable to Buyer and Title (the "Survey"; collectively with the Title Commitment, the "Evidence of Title"). The Survey will not depict the easements granted to the owner of the Land in the PUMA.

10. **Examination of Title.** Within ten (10) days of Buyer's receipt of the last item of the Evidence of Title or within ten (10) days of Buyer's discovery of a defect in the marketability of Seller's title to the Property which defect was not reasonably ascertainable from the Evidence of Title, Buyer may give Seller written notice of alleged defect(s) in the marketability of Seller's actual and record title to the Property and request that Seller make Seller's title marketable ("Objections"). The Existing Encumbrances may not serve as a basis for an Objection. Any defects in the marketability of Seller's title to the Property, including but not limited encumbrances of record as of the Effective Date, which Buyer does not object to, in writing, within the time period set forth above, will be deemed Permitted Encumbrances, and Seller may expressly exclude such Permitted Encumbrances from the Limited Warranty Deed described in Section 6(b)(ii). Within ten (10) days of Seller's receipt of Buyer's Objection(s), Seller must notify Buyer, in writing, what actions, if any, Seller will undertake to address each of Buyer's Objections. If Seller notifies Buyer that Seller will attempt to address Buyer's Objections, Seller will have until the date thirty (30) days before the Date of Closing to resolve the Objection so that it no longer constitutes a defect in the marketability of Seller's title. If (i) Seller notifies Buyer that Seller does not intend to take any actions to address one or more of Seller's Objections or that Seller intendeds to take actions that Buyer does not deem to be acceptable, (ii) Seller notifies Buyer that Seller intends to make Seller's title marketable but is unable to do so on or before the date thirty (30) days before the Date of Closing, or (iii) Seller fails to notify Buyer if it intends to make Seller's title marketable within the ten (10) day period provided for above, Buyer must either:

a. terminate this Agreement pursuant to the procedures set forth in Section 18 below;

b. notify Seller that Buyer waives Buyer's Objections. If Buyer waives Buyer's Objections, the matters giving rise to such Objections will be deemed a Permitted Encumbrances and the Parties must fully perform their obligations under this Agreement.

If Buyer does not notify Seller of Buyer's election to terminate this Agreement pursuant to subsection (a) above or waive Buyer's Objections pursuant to subsection (b) above within fifteen (15) days after the earlier of (i) the expiration of the ten (10) day period in which Seller must respond to Buyer's objections, if Seller fails to respond; (ii) Buyer's receipt of Seller's response, if Seller's response is not acceptable to Buyer; or (iii) the date thirty (30) days before the Date of Closing if Seller responds, Seller's response is acceptable to Buyer, but Seller is unable to make Seller's title marketable in a timely manner, this Agreement will automatically terminate, Buyer

must deliver an executed and recordable termination of purchase agreement or quit claim deed to the Property to Seller .

11. **Representations, Statutory Disclosures and Covenants of Seller and the City.**

a. **Representations of Seller.** Seller represents to Buyer that, as of the Effective Date:

- i Seller has the legal authority to enter into this Agreement and sell the Property.
- ii There are no actions, suits, proceedings or investigations pending or, to Seller's knowledge, threatened against the Property, including, without limitation, (A) condemnation or eminent domain claims, actions or proceedings, or (B) actions to seize any portion of the Property under any civil or criminal law authorizing seizure or forfeiture as a penalty for violation.
- iii To the best of Seller's actual knowledge, there are no tenants or other third parties in possession of any portion of the Land.
- iv Seller has not entered into any other contracts for the sale of the Property nor are there any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the consummation of this Agreement.
- v To the best of Seller's actual knowledge: there are no Hazardous Substances located on the Property, except as may be disclosed in the Phase I Environmental Site Assessment for Ramsey Town Center, Highway 10 and Ramsey Boulevard, NW, Ramsey, Minnesota dated April 27, 2007 (Delta Project No. 5A0703-198), prepared by Delta Environmental Consultants, Inc. for Minnwest Bank Central, a copy of which Seller has provided to Buyer (the "Environmental Report"); the Property is not subject to any liens or claims by government or regulatory agencies or third parties arising from the release or threatened release of Hazardous Substances in, on or about Property; and, except as may be disclosed in the Environmental Report, the Property has not been used in connection with the generation, disposal, storage, treatment or transportation of Hazardous Substance. For purposes of this Agreement, the term "Hazardous Substance" includes but is not limited to substances defined as "hazardous substances," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response Compensation Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq., and substances defined as "hazardous wastes," "hazardous substances," "pollutants, or contaminants" as defined in the Minnesota Environmental

Response and Liability Act, Minnesota Statutes, §115B.02. The term "hazardous substance" also includes asbestos, polychlorinated biphenyls, petroleum, including crude oil or any fraction thereof, petroleum products, heating oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas useable for fuel (or mixtures of natural gas and synthetic gas).

b. Statutory Disclosures. As required by statute, Seller hereby represents to Buyer that, to the best of Seller's actual knowledge:

- i There are no wells located on the Land.
- ii There are no underground or above ground storage tanks of any size or type located on the Land.
- iii Sewage is not currently generated at the Property, and there are no abandoned individual sewage treatment systems located on the Land.
- iv Methamphetamine production has not occurred on the Land.

c. Covenants of Seller and the City.

- i From and after the Effective Date, Seller will not perform any grading or excavation on the Land, will not construct, remove or modify any improvements or landscaping on the Land, without Buyer's consent which consent Buyer may not unreasonable withhold, condition or delay.
- ii On or before the Date of Closing Seller will pay, in full, any persons who provide lien labor or materials towards the improvement of the Land at the request of Seller.
- iii On or before June 30, 2012, the City must substantially complete the construction of the approximately 200 stall addition (the "Parking Ramp Addition") to the existing municipal parking ramp that is located on Lot 1, Block, 1, RAMSEY TOWN CENTER 5TH ADDITION, Anoka County Minnesota (the "Existing Parking Ramp") that is described on the attached Exhibit A and complete the construction of the improvements to the Parking Ramp and the installation the equipment, described on Exhibit B (the "F & C Parking Improvements"). If the City's completion of construction of the Parking Ramp Addition or the completion of the construction or installation of the F & C Parking Improvements, is delayed as a result of an Unavoidable Delay, as defined in the Development Agreement, the City gives the Buyer notice of the Unavoidable Delay within thirty (30) days after the onset of the Unavoidable Delay and the City uses all commercially reasonable

efforts to complete the construction of the Parking Ramp Addition and the construction and installation of the F & C Parking Improvements, as promptly as reasonably possible given the conditions causing the Unavoidable Delay, the completion date for the Parking Ramp Addition and the F & C Parking Improvements will be extended for a period of time equal to the duration of the condition causing the Unavoidable Delay plus a reasonable time for recovery and restoration following the cessation of such condition. As used herein, the term "Parking Ramp" means the Existing Parking Ramp and the Parking Ramp Addition.

- iv Seller will pay any commission or fee due to any agent Seller has engaged or subsequently engages in connection with the transactions described in this Agreement.

For purposes of Sections 11(a) and 11(b), the phrase "Seller's actual knowledge" means the actual knowledge of Mr. Kurt Ulrich, the City Administrator of the City of Ramsey. If, at any time prior to Closing, Seller acquires actual knowledge that a representation set forth in Section 11(a) or 11(b) is no longer accurate in some material respect, Seller will promptly notify Buyer. The representations and covenants set forth above will survive the Closing of this transaction and Seller's delivery of the Limited Warranty Deed to Buyer, but any action by Buyer alleging that (i) one or more of the representations set forth in Section 11(a) or 11(b) was inaccurate, when made; (ii) Seller failed to promptly notify Buyer after Seller acquired actual knowledge that a representation set forth in Sections 11(a) or 11(b) was no longer accurate in some material respect; or (iii) Seller breached one or more of the covenants set forth in Section 11(c), must be commenced within six (6) months after the Date of Closing by filing an action in Anoka County District Court or Buyer will be deemed to have waived any such claims.

12. **Representations and Covenants of Buyer.**

a. **Representations of Buyer.** Buyer represents to Seller that, as of the Effective Date:

- i Buyer is a corporation, duly organized pursuant to and in good standing under the laws of the State of Indiana; and
- ii The individual signing this Agreement on behalf of Buyer is fully authorized and empowered to sign this Agreement on Buyer's behalf.

b. **Covenants of Buyer.**

- i Buyer will pay any commission or fee due to any agent Buyer has engaged or subsequently engages in connection with the transactions described in this Agreement;

- ii Buyer will use commercially reasonable efforts to apply, in a timely manner, for and to obtain the "Permits" as defined in Section 14(e);
- iii Buyer will use commercially reasonable efforts to apply, in a timely manner, for and to obtain the third party financing described in Section 14(f);
- iv Buyer will reimburse the City for the cost of the F&C Parking Improvements pursuant to the procedures set forth in this Section 12(b)(iv). At any time after the City has incurred costs in connection with the construction or installation of F&C Parking Improvements, but no more often than once per month, the City may submit to Buyer invoices for costs the City has incurred and evidence that the City has paid those costs. Buyer must pay the City an amount equal to the sum of the submitted, paid invoices the City submits to Buyer, in wire transferred funds, within thirty (30) days of the City's submission of the invoices and evidence of payment; and
- v Buyer will cooperate with Seller in Seller's efforts to negotiate sewer access charges payable to the Metropolitan Council in connection with the Project including, but not limited to, providing Seller with information relating to the design and construction of the Minimum Improvements.

If, at any time prior to Closing, Buyer acquires actual knowledge that a representations set forth in Section 12(a) is no longer accurate in some material respect, Seller will promptly notify Seller. The representations and covenants set forth above will survive the Closing of this transaction and Seller's delivery of the Limited Warranty Deed to Buyer, but any action by Seller alleging that (i) one or more of the representations set forth in Section 12(a) was inaccurate, when made; (ii) Buyer failed to promptly notify Seller after Buyer acquired actual knowledge that a representation set forth in Sections 12(a) was no longer accurate in some material respect; or (iii) Buyer breached one or more of the covenants set forth in Section 12(b)(i) – (iii), must be commenced within six (6) months after the Date of Closing by filing an action in Anoka County District Court or Seller will be deemed to have waived any such claims. Any action by Seller alleging that Buyer's breached one or more of the covenants set forth in Section 12(b)(iv) must be commenced within six (6) months after the City's completion of the F & C Parking Improvements or Seller will be deemed to have waived any such claims.

13. **Inspections.** At all times prior to the Date of Closing, Buyer and its agents have the right, upon reasonable notice to Seller, to go upon the Land to inspect the Land and to determine the condition of the Land and the improvements located thereon, including specifically the presence or absence of hazardous substances, petroleum products and asbestos in, on, or about the Land. Buyer agrees to indemnify and defend Seller from and to hold Seller harmless against any and all claims, causes of action or expenses, including attorneys fees, relating to or arising from Buyer's presence on the Land prior to the Date of Closing. Buyer

agrees to repair any damage to the Land caused by such inspections and to return the Land to substantially the same condition as existed prior to Buyer's inspection. The obligations of Buyer under this Section 13 survive the termination of this Agreement. Buyer acknowledges that Buyer is purchasing the Land in reliance on Buyer's inspection of the Land pursuant to this Section 13 and on Buyer's judgment regarding the sufficiency of such inspections. Buyer is not relying on any written or oral representations, warranties or statements that Seller or Seller's Agents have made other than the representations of Seller set forth in Section 11.

14. **Buyer's Contingencies.** Buyer's obligations under this Agreement are contingent on:

a. Buyer's determination, in Buyer's sole discretion based on the information and inspections described in Section 14 above and any other information that Buyer deems relevant, that the geotechnical and environmental condition of the Land is acceptable to Buyer;

b. Buyer's determination, in Buyer's reasonable discretion, that the terms of the amendment to the PUMA that Seller and the City prepare pursuant to Section 3 is acceptable to Buyer;

c. Buyer's determination, in Buyer's reasonable discretion, that the terms of any private declaration of covenants, restrictions and easements that will constitute a Permitted Encumbrance pursuant to Section 6(b)(ii)(G) are acceptable to Buyer;

d. Buyer's determination, in Buyer's reasonable discretion, that the terms of any special service district ordinance that the City adopts before the Date of Closing in accordance with Minnesota Statutes Chapter 428A and that will constitute a Permitted Encumbrance pursuant to Section 6(b)(ii)(H) are acceptable to Buyer;

e. Buyer's acquisition of any rezoning, subdivision or other governmental approvals, variances, conditional use permits, or other federal, state or local approvals or permits necessary for Buyer's construction of Minimum Improvements, as defined in the Development Agreement, on the Land (collectively, the "Permits"); and

f. Buyer's acquisition of third party financing, which phrase includes the financing the City Loan the City is providing pursuant to the terms of the Development Agreement, to finance not less than 65% of Buyer's estimated cost of developing and constructing the Project.

g. Buyer's determination, in Buyer's reasonable discretion, that Seller will secure a stop on the North Star Commuter Rail Line and complete construction of a rail stop and station on or before July 1, 2012.

Buyer may exercise the contingency described in subsection (a) and terminate this Agreement pursuant to Section 18 on or before December 31, 2010. Buyer may exercise the contingency described in subsection (b) and terminate this Agreement pursuant to Section 18 on or before the date ten (10) business days after the date Seller or the City delivers the proposed amendment to the PUMA to Buyer for review. Buyer may exercise the contingency described in subsection (c)

and terminate this Agreement pursuant to Section 18 on or before the date ten (10) business days after the date Seller or the City delivers the proposed private declaration to Buyer for review. Buyer may exercise the contingency described in subsection (d) and terminate this Agreement pursuant to Section 18 on or before the date ten (10) business days after the date Seller or the City delivers the proposed special service district ordinance to Buyer for review. Buyer may exercise the contingency described in subsection (e) and terminate this Agreement pursuant to Section 18 on or before April 15, 2011. Buyer may exercise the contingency described in subsection (f) and terminate this Agreement pursuant to Section 18 on or before April 15, 2011. Buyer may exercise the contingency described in subsection (g) and terminate this Agreement pursuant to Section 18 on or before January 28, 2011. If Buyer does not exercise a contingency by giving Seller notice in accordance with Sections 18 on or before the date set forth above for the exercise of that contingency, that contingency terminates and Buyer may no longer terminate this Agreement based upon that contingency.

15. **Seller's and the City's Contingencies.** Seller's and the City's obligations under this Agreement are contingent on:

a. Buyer's providing Seller with evidence, reasonably acceptable to Seller, that Buyer has obtained all Permits necessary for the construction of the Minimum Improvements, as defined in the Development Agreement; and

b. Buyer's providing Seller with evidence, reasonably acceptable to Seller, that Buyer has obtained third party financing, which phrase includes the financing the City is providing pursuant to the terms of the Development Agreement, to finance Buyer's estimated cost of developing and constructing the Project.

c. Seller's determination, in Seller's reasonable discretion, that Seller will secure a stop on the North Star Commuter Rail Line and complete construction of a rail stop and station on or before July 1, 2012.

Seller may exercise the contingency described in subsection (a) and terminate this Agreement pursuant to Section 18 on or before the Date of Closing. Seller may exercise the contingency described in subsection (b) and terminate this Agreement pursuant to Section 18 on or before the Date of Closing. Seller may exercise the contingency described in subsection (c) and terminate this Agreement pursuant to Section 18 on or before January 28, 2011.

16. **Condemnation.** If a public or private entity with the power of eminent domain commences condemnation proceedings against all of any part of the Property, Seller must immediately notify Buyer, and either Seller or Buyer may, at Buyer's sole option, terminate this Agreement pursuant to Section 1 below. The Parties will have twenty (20) days from the effective date of Seller's notice to Buyer to exercise their termination right. If neither Party terminates this Agreement within said twenty (20) day period, the Parties must fully perform their obligations under this Agreement, with no reduction in the Purchase Price, and Seller must assign to Buyer, on the Date of Closing, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings. Seller may not designate counsel, appear or otherwise act with respect to any such condemnation proceedings without Buyer's prior written consent unless Buyer fails to respond within seven (7) days to a request for such written consent.

17. **Default.** If either Party defaults in the performance of any of the Party's obligations under this Agreement, the non-defaulting Party may, after written notice to the defaulting Party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting Party are as follows:

a. **Buyer's Default.** If Buyer defaults in the performance of any of Buyer's obligations under this Agreement or if one or more of the representations of Buyer in Section 12 is inaccurate as of the Effective Date, Seller and the City have the right to:

- i Seller may terminate this Agreement pursuant to Minnesota Statutes, Section 559.21
- ii Seller and the City may commence an action in a court of competent jurisdiction seeking a judgment terminating this Agreement and awarding damages to Seller. In any such action for damages, Seller's and the City's damages shall be limited to the recovery of amounts spent by Seller and the City in the planning, consideration, negotiation and documentation of this transaction and in the exercise of Seller's rights and the performance of Seller's obligations under this Agreement. In any such action, Seller may also recover Seller's reasonable attorneys' fees and costs; or
- iii initiate a civil action to compel Buyer's specific performance of Buyer's obligations under this Agreement provided that Seller commences the action within three (3) months of the date of Buyer's default. In any such action for specific performance, Seller may also recover Seller's attorneys fees and costs.

The remedies set forth in this Section 17(a) are Seller's and the City's sole and exclusive remedies in the event of Buyer's default or a misrepresentation by Buyer.

b. **Seller's Default.** If Seller defaults in the performance of any of Seller's obligations under this Agreement, Buyer may:

- i terminate this Agreement pursuant to Section 18, below,
- ii commence an action in a court of competent jurisdiction seeking a judgment terminating this Agreement and awarding damages to Buyer. In any such action for damages, Buyer's damages shall be limited to the recovery of amounts spent by Buyer in the planning, consideration, negotiation and documentation of this transaction and in the exercise of Buyer's rights and the performance of Seller's obligations under this Agreement. In any such action, Buyer may also recover Buyer's reasonable attorneys' fees and costs;; or
- iii initiate a civil action to compel Seller's and the City's specific performance of their Obligations under this Agreement provided

that Buyer commences such action within three (3) months of the date of the default. In any such action for specific performance, Buyer may also recover Buyer's attorneys fees and costs.

The remedies set forth in this Section 17(b) are Buyer's sole and exclusive remedies in the event of Seller's.

18. **Termination of this Agreement.** Sections 10, 12, 14, 16 and 17(b) allow Buyer to terminate this Agreement under certain conditions. Sections 15 and 16 of this Agreement allows Seller to terminate this Agreement under certain conditions. The following procedures govern the Parties exercise of their termination rights (except that Seller's termination of this Agreement pursuant to Section 17(a) is governed by Minnesota Statutes Section 559.21 and not by this Section 18):

a. A Party intending to terminate this Agreement pursuant to one of the above-referenced Sections (the "Terminating Party") must notify the non-terminating Party (the "Non-Terminating Party"), in writing and in accordance with Section 21, of the Terminating Party's intent to terminate this Agreement.

b. The Terminating Party's notice must recite the Section of this Agreement that authorizes the Terminating Party's termination of this Agreement and must describe the facts and circumstances which the Terminating Party asserts justify termination under the referenced Section.

c. The Terminating Party's notice of termination will be effective as of the date the Terminating Party deposits the notice of termination with the United States Postal Service, with all necessary postage paid, for delivery to the Non-Terminating Party via certified mail, return receipt requested at the address set forth in Section 21. If the Terminating Party delivers a notice of termination in a different manner than described in the preceding sentence, the notice of termination will be effective as of the date the Non-Terminating Party actually receives the notice of termination. The Terminating Party must also mail a copy of the notice of termination to the Parties respective attorneys as provided for in Section 21 below.

d. If the Non-Terminating Party disputes the Terminating Party's right to terminate this Agreement, the Non-Terminating Party must so notify the Terminating Party, in writing, within five (5) business days of the Non-Terminating Party's receipt of the Terminating Party's notice of termination.

e. If the Non-Terminating Party does not dispute the Terminating Party's right to terminate the Agreement, Buyer must execute and delivery to Seller a recordable termination of this Agreement or quit claim deed conveying the Property to Seller.

f. If the Parties dispute the validity of an attempted termination of this Agreement, either Party may initiate a civil action in a court of competent jurisdiction to determine the status of this Agreement, and the Party that prevails in any such action is entitled to recover the costs and reasonable attorneys' fees which such Party incurs in the action from the non-prevailing Party.

19. **Survival.** The representations, warranties, covenants, agreements and indemnities set forth in this Agreement will remain operative and will survive Closing and the execution and delivery of the deed and will not be merged therein.

20. **Assignment.** The terms and conditions hereof are hereby made binding on the successors and assigns of both parties hereto. However, Buyer may not assign Buyer's rights or obligations under this Agreement to any third party without Seller's consent which consent Seller may grant or withhold in Seller's sole and absolute discretion. Notwithstanding the foregoing, Buyer may assign Buyer's rights and obligations under this Agreement to a limited liability company or other entity that Buyer controls or that Buyer's members control, subject to Seller's consent which consent Seller may not unreasonably withhold. Such an assignment will not relieve Buyer from liability for a default in the performance of Buyer's obligations under this Agreement.

21. **Notice.** Any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and delivered to the other parties (i) in person; (ii) by facsimile transmission (with confirmation of transmission available upon request from the non-sending party); (iii) by a nationally recognized overnight delivery service; or (iv) by certified mail, return receipt requested. If notice is given in person or via facsimile transmission, notice is deemed to have been given when personal delivery was received by the party or when the facsimile transmission was transmitted. If notice is given by a nationally recognized overnight delivery service, notice is deemed to have been given the day following delivery to the delivery service of such notice. If notice is given by certified mail, notice is deemed to have been given three (3) days after a certified letter containing such notice, properly addressed with postage prepaid, is deposited in the United States mail. Notices should be sent to the parties at the following addresses:

To Seller or the City: The City of Ramsey, Minnesota
Ramsey Municipal Center
7550 Sunwood Drive
Ramsey, Minnesota 55303
Attention: City Administrator

With a copy to: Thomas L. Bray
Briggs and Morgan, P.A.
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2157
Telephone: (612) 977-8650
Fax: (612) 977-8288
E-Mail: tbray@briggs.com

To Buyer: F&C Ramsey, LLC
8900 Keystone Crossing #1200
Indianapolis, IN 46240
Attn: David M. Flaherty
Telephone: (317) 816-9300
Fax: (317) 816-9301
E-Mail: dflaherty@flahertycollins.com

With a copy to: Barnes & Thornburg
11 S. Meridian St.
Indianapolis, IN 46204
Attn: Stephen Lee
Telephone: (317) 231-7200
Fax: (317) 231-7433
E-mail: stephen.lee@BTLaw.com

22. **Miscellaneous.**

a. **Entire Agreement.** This Agreement the Development Agreement and the other Agreements referenced in the Development Agreement embody the entire agreement between the Parties and cannot be varied, except by the written agreement of the parties. This Agreement supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties other than the Development Agreement.

b. **Attorneys' Fees; Costs; Venue.** If any legal action is commenced by any party to enforce any provision of this Agreement, the losing party will pay to the prevailing party all actual expenses, including reasonable costs and attorney's fees, incurred by the prevailing party. The prevailing party is the party who receives substantially the relief sought, whether by judgment, summary judgment, dismissal, settlement or otherwise. Venue is proper in the county in which the Property is located.

c. **Counterparts.** This Agreement may be executed in several original counterparts, each of which and all together will constitute this Agreement in its entirety. A counterpart of this Agreement or any amendment thereto executed by a party and delivered to the other party via telecopier will be construed as a legally binding signature. Without delay, the sending party should deliver an original, signed counterpart to the other party.

d. **Headings.** The headings contained in this Agreement are for reference purposes only and do not in any way affect the meaning or interpretation hereof.

e. **Exhibits.** The Exhibits attached to this Agreement are incorporated into and are a part of this Agreement.

f. **Dates.** Time is of the essence with respect to this Agreement. If the final day of a period or date of performance under this Agreement falls on a Saturday, Sunday

or legal holiday, then the final day of the period or the date of performance will be deemed to fall on the next day that is not a Saturday, Sunday or legal holiday.

g. Enforceability. If any provision of this Agreement is adjudged to be invalid or unenforceable by a court of competent jurisdiction, this Agreement should be construed as if such invalid or unenforceable provision had not been inserted herein and should not affect the validity or enforceability of the remainder of this Agreement.

h. No Third Party Beneficiaries. Nothing in this Agreement, expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns. Furthermore, nothing in this Agreement is intended to relieve or discharge any obligation of any third person to any party hereto or give any third person any right of subrogation or action over or against any party to this Agreement.

i. No Partnership. Nothing contained herein and no act by Buyer or Seller in the performances of, or in any way related to, this Agreement should be construed to create or evidence in any manner any employment, partnership, agency or joint venture relationship between the parties hereto. Buyer and Seller represent and acknowledge that it is their mutual intention that the sole relationship created between them by this Agreement is that of vendor and purchaser.

j. Construction. All of the parties to this Agreement have participated freely in the negotiations and preparation hereof. Accordingly, this Agreement should not be construed more strictly against any one of the parties.

k. Waiver. Failure of either Buyer or Seller to exercise any right given hereunder or to insist upon strict compliance with regard to any term, condition or covenant specified herein, will not constitute a waiver of Buyer's or Seller's right to exercise such right or to demand strict compliance with any term, condition or covenant under this Agreement.

l. Choice of Law. This Agreement is governed by and construed in accordance with the laws of the State of Minnesota.

[The remainder of this page is intentionally left blank.]

SELLER:

**THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RAMSEY, MINNESOTA, A PUBLIC BODY
POLITIC AND CORPORATE UNDER THE
LAWS OF THE STATE OF MINNESOTA**

By: _____

Its: Chair

By: _____

Its: Executive Secretary

Signature Date: _____

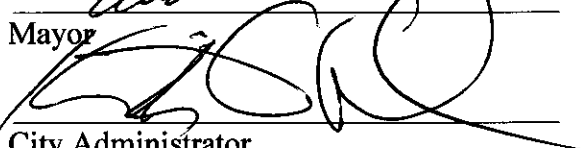
1/31/11

(Separate Signature Page to Purchase Agreement)

CITY

**THE CITY OF RAMSEY, MINNESOTA, A
HOME RULE CHARTER CITY ORGANIZED
AND EXISTING UNDER THE
CONSTITUTION AND THE LAWS OF THE
STATE OF MINNESOTA**

By: 
Its: Mayor

By: 
Its: City Administrator

Signature Date: 1 | 31 | 2011

(Separate Signature Page to Purchase Agreement)

BUYER:

F & C RAMSEY, LLC

By: 

Its: manager

Signature Date: 1-25-11

(Separate Signature Page to Purchase Agreement)

EXHIBIT A

(Parking Ramp Addition)

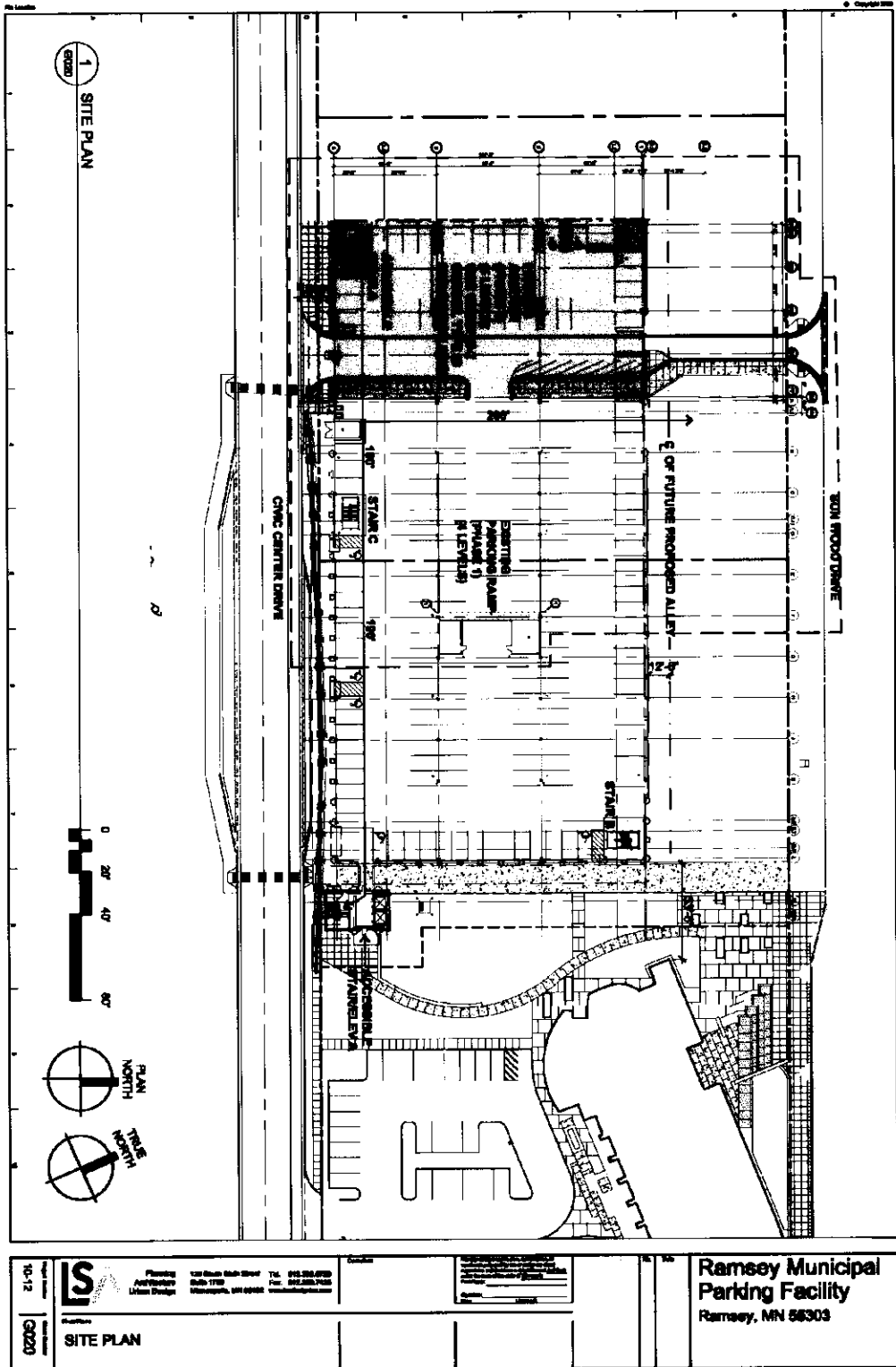


EXHIBIT B

**(F&C Parking Improvements)
Way finding and stall designation signage**

EXHIBIT B-1

DESCRIPTION OF THE ADDITIONAL PARKING IMPROVEMENTS

Way Finding and Stall Designation Signage

1. Way finding signs to indicate the location of reserved residential parking. The location and design of way finding signs to be prepared by Developer in a timely fashion and submitted to City for approval.
2. Stall designation signage to be located at each of the reserved residential stalls. The location and design of stall designation signs to be prepared by Developer in a timely fashion and submitted to City for approval.

EXHIBIT C

(Depiction of the F & C Exclusive Easement Area)

