

City of Ramsey
Agenda
Housing and Redevelopment Authority (HRA)
Regular Session
Tuesday November 22, 2011
Immediately following the City Council meeting
Council Chambers, 7550 Sunwood Drive NW

1. **Call to Order**
2. **Citizen Input**
3. **Approve Agenda**
4. **Approve Minutes**
5. **HRA Business**
 1. Consider Amendment to Purchase Agreement - Suite Living
6. **Executive Director's Report**
7. **Commissioner Input**
8. **Adjournment**

HRA Regular Session

5. 1.

Meeting Date: 11/22/2011

By: Darren Lazan, Housing &
Redevelopment Authority

Title:

Consider Amendment to Purchase Agreement - Suite Living

Background:

The proposed amendment extends the closing date from November of 2011 to January 15, 2012. Mr. Wings with Toti development will be in attendance to discuss the current schedule and proposed closing schedule at the HRA.

This amendment includes a non-refundable fee of \$20,000 for the 60 day extension period outlined. Together with the original \$50,000 earnest monies, this payment brings the total amount of funds paid to \$95,000, with only \$50,000 applied to the purchase price at closing.

Notification:

Observations:

Recommendation:

The development team recommends the HRA approve the proposed Fourth Amendment to the Purchase Agreement with Toti Development and direct staff to execute the agreement.

Funding Source:

N/A

Council Action:

Approve the proposed Fourth Amendment to the Purchase Agreement with Toti Development and direct staff to execute the agreement.

Attachments

Fourth Amendment - Suite Living

Form Review

Inbox
Heidi Nelson

Reviewed By
Jo Thieling

Date
11/17/2011 03:20 PM
Started On: 11/17/2011 03:05 PM

Form Started By: Darren Lazan

Final Approval Date: 11/17/2011

FOURTH AMENDMENT TO PURCHASE AGREEMENT

THIS FOURTH AMENDMENT TO PURCHASE AGREEMENT ("**Amendment**") is dated November _____, 2011 ("**Effective Date**"), by and between 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 (the "**Seller**") and TOTI Holdings, LLC, a Minnesota limited liability company (the "**Buyer**").

Recitals

A. Seller and Buyer are parties to that certain Purchase Agreement dated September 15, 2010 (the "**Purchase Agreement**") pursuant to which Seller has agreed to sell and Buyer has agreed to purchase certain real property located in Outlot M, RAMSEY TOWN CENTER ADDITION, and Outlot A, RAMSEY TOWN CENTER FIFTH ADDITION, Anoka County, Minnesota, which legal description shall change to Lot 4, Block 1, COR ONE, Anoka County, Minnesota upon the recordation of the Final Plat, as that term is defined in the First Amendment (the "**Property**"). The Purchase Agreement was amended by that certain Amendment to Purchase Agreement by and between Seller and Buyer dated January 18, 2011 (the "**First Amendment**"); that certain Reinstatement of and Second Amendment to Purchase Agreement by and between Seller and Buyer dated April 21, 2011 (the "**Second Amendment**"); and that certain Third Amendment to Purchase Agreement by and between Seller and Buyer dated August 15, 2011 (the "**Third Amendment**"); and .

B. Under the terms of the Purchase Agreement, as amended, the Date of Closing was to have been November 1, 2011. Buyer is not ready to close on November 1, 2011.

C. Buyer has now proposed that the Date of Closing be extended and certain other terms of the Purchase Agreement be amended. Seller has agreed to extend the Date of Closing in exchange for a non-refundable extension fee to be paid in connection with the execution of this Third Amendment and has agreed to such other amendments.

D. Buyer and Seller desire to enter into this Third Amendment to memorialize their agreements with regard to the above items.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. All capitalized terms not expressly defined herein shall have the meanings ascribed to them in the Purchase Agreement, First Amendment and the Second Amendment.

2. The Date of Closing shall be amended from November 1, 2011 to January 15, 2012.

3. At or prior to the execution of this Fourth Amendment, and as a condition precedent to the effectiveness of this Fourth Amendment, Buyer shall have paid a one-time, non-refundable extension fee in the amount of \$20,000.00 ("**Extension Fee**"). Such Extension Fee shall be wholly earned when received, shall not be construed as Earnest Money, and shall not be

applicable towards payment of the Purchase Price. Failure by Buyer to pay the Extension Fee when due constitutes a Buyer default under the Purchase Agreement.

4. On the first day of each month from and after the date of this Agreement, Buyer shall provide to Seller a brief, written update as to Buyer's progress in securing financing and the status of the architectural plans for Buyer's Project, as that term is defined in the Purchase Agreement.

5. Except as expressly modified hereby, the terms and conditions set forth in the Purchase Agreement shall remain in full force and effect. To the extent that the Purchase Agreement and this Amendment conflict, the terms and conditions of this Amendment shall govern and control.

6. This Amendment may be executed in two or more counterparts, each one of which may be construed as an original.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment as of the Effective Date.

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: _____

Name: _____

Its: Chair

By: _____

Name: _____

Its: Executive Director

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment as of the Effective Date.

BUYER:

TOTI HOLDINGS, LLC,
a Minnesota limited liability company

By: _____
Brian R. Wings
Its: Chief Manager