

**DECLARATION OF
SIGNAGE AND RELATED ELECTRICAL LINE EASEMENTS**

OCTOBER ____, 2012

THIS DECLARATION OF SIGNAGE AND RELATED ELECTRICAL LINE EASEMENTS (this "Declaration") is executed by 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 "HRA").

RECITALS

A. Recital One. The HRA is the fee owner of Lots 3, 4, and 5, Block 1, COR TWO, Anoka County, Minnesota, according to the plat thereof (sometimes referred to, individually, as "Lot 3," "Lot 4," "Lot 5" or a "Benefited Lot" and sometimes referred to collectively, as the "Benefited Lots" or the "Property").

B. Recital Two. The HRA intends to sell the Benefited Lots to various, unrelated entities.

C. Recital Three. Before conveying the Benefited Lots, the HRA desires to make this Declaration to (i) declare an easement in gross over and across portions of the Property for the benefit of the HRA to construct, maintain, repair, and replace two monument signs, and landscaping around such signs, over and across portions of the Property; (ii) declare an appurtenant easement in favor of each Benefited Lot to give the owners of each Benefited Lot the right to use, maintain, repair and replace one sign cabinet in each of the two monument signs; and (iii) declare an appurtenant easement in favor of each of the Benefited Lots to permit the owner of each Benefited Lot to run electrical lines from the Benefited Lot over portions of the Property to provide electrical service to the sign cabinets located within each of the two monument signs, all subject to the terms and conditions set forth in this Declaration.

D. Recital Four. For purposes of this Agreement, the term "Party" means the HRA or an assignee of the HRA's rights and obligations under this Agreement and each owner of a Benefited Lot.

DECLARATIONS

1. **Declaration of Easements.**

(a) The HRA hereby declares a perpetual, non-exclusive easement in gross for the benefit of the HRA (the "HRA Signage Easement") over the portion of Lot 4 described on the attached Exhibit A-1 (the "Lot 4 Signage Easement Area") and over the portion of Lot 5 described on the attached Exhibit A-2 (the "Lot 5 Signage Easement Area" and together with the Lot 4 Signage Easement Area, the "Signage Easement Areas") for purposes of (i) constructing, operating, using, maintaining, repairing, and replacing one monument sign within each Signage Easement Area (each a "Sign" and collectively, the "Signs"); (ii) planting, installing, maintaining, repairing and replacing lawns and

landscaping within the Signage Easement Areas (the “Landscaping”); and (iii) installing, operating, maintaining, repairing and replacing irrigation equipment within the Signage Easement Areas (the “Sprinklers”). The HRA may install and maintain letters and symbols on the Signs to identify the project currently known as “The COR at Ramsey.”

(b) The HRA hereby declares a perpetual, non-exclusive, appurtenant easement in favor of each Benefitted Lot (each an “Owner Signage Easement”, and together with the HRA Signage Easement, the “Owner Signage Easements”) over and across the Signage Easement Areas to allow the owner of each Benefitted Lot to use, maintain, repair and replace one of the three sign cabinets that the HRA installs in each of the Signs, (each a “Cabinet”). The attached Exhibit B sets forth the location within each Sign of the Cabinet that is assigned to each Benefitted Lot. Owners of a Benefitted Lot may use each of the Cabinets assigned to their Benefitted Lot to display two sign panels (each, a “Panel”, and collectively, the “Panels”). The owner of Benefitted Lots may only use the Cabinets and the Panels assigned to the owner’s Benefitted Lot for signage that advertises, promotes or is otherwise related to the business located on the owner’s Benefitted Lot.

(c) The HRA hereby declares a perpetual, non-exclusive, appurtenant easement in favor of each Benefitted Lot over the portions of the Property that are subject to public drainage and utility easements dedicated in the plat of COR TWO (the “Electrical Line Easement”) for the purpose of installing, maintaining, repairing and replacing electrical lines between the Benefitted Lot and the Cabinets allocated to that Benefitted Lot (the “Electrical Lines”). The rights the Electrical Line Easement gives the owners of the Benefitted Lots are subordinate to the rights of the public in the dedicated public easements. If an owner of a Benefitted Lot installs, maintains, repairs or replaces electrical lines in the Electrical Line Easement, the owner of the Benefitted Lot must do so in a manner that does not unreasonably interfere with the use of the use of the dedicated public easements. **[Does the HRA need an easement in gross to install electrical lines?]**

2. **The Construction and Installation of the Signs, Cabinets, Landscaping and Sprinklers and Electrical Service to the Signs.** This Declaration does not obligate the HRA to construct or install the Signs, Cabinets, Landscaping, Sprinklers or Electrical Lines. The construction and installation of the Signs, Cabinets, Landscaping and Sprinklers and Electrical Lines is addressed in the Development Agreement between the HRA and the City of Ramsey and Purchase Agreements and the purchasers of the Benefitted Lots. If the HRA constructs or installs Signs, Cabinets, Landscaping, Sprinklers or Electrical Lines, the HRA must construct and install the Signs, Cabinets, Landscaping, Sprinklers or Electrical Lines in a good and workmanlike manner. Construction and installation of the Signs, Cabinets, Landscaping, Sprinklers or Electrical Lines may not be undertaken between the hours of 11:00 a.m. and 2:00 p.m., but this restriction does not apply to maintenance or repair of the Signs, Cabinets, Landscaping, Sprinklers or Electrical Lines.

(a) **The Maintenance, Repair and Replacement of Signs, Landscaping and Sprinklers.** If the HRA constructs and installs Signs, Cabinets, Landscaping and Sprinklers, the HRA must maintain, repair, and, if necessary, replace the Signs (exclusive of the Cabinets

and the Panels), Landscaping and Sprinklers. The HRA has no obligation to maintain, repair or replace the Cabinets, or Panels. The HRA must also maintain, repair and replace Electrical Lines located with the Signage Easement Areas. The HRA must keep the Signs (exclusive of the Cabinets and the Panels), Landscaping, Electrical Lines located within the Sign Easement Areas and Sprinklers in good repair and in compliance with all applicable federal, state and local laws, ordinances, rules and regulations (collectively, the "Laws"). The HRA is responsible for connecting the Sprinklers to public water lines and is responsible for cost of water the Sprinklers use. The HRA will perform its obligations under this Section 3 at the HRA's sole cost and expense and without reimbursement from the owners of the Benefitted Lots until the earlier of (a) the City of Ramsey's adoption of an ordinance creating a special service district pursuant to Minnesota Statutes Chapter 428A or a similar district pursuant to special legislation adopted after the execution and recording of this Declaration (either a "Service District") and the HRA's assignment of its rights and obligations under this Declaration to the City to permit the City to perform the obligations of the HRA under this Section 3 as one of the special services the City provides in the Service District or _____, 20___. If the City establishes a Service District that includes the Property and that defines the City's exercise of its rights and performance of its obligations under this Declaration as services the City may provide in the Service District and the HRA assigns its rights and obligations under this Declaration to the City, the City may include the costs the City incurs to exercise its rights and perform its obligations under this Declaration in the charges the City imposes within the Service District. If the City has not established a Service District by _____, 20___, then unless and until the City establishes a Service District that includes the Property and that defines the City's exercise of its rights and performance of its obligations under this Declaration as services the City may provide in the Service District and the HRA assigns its rights and obligations under this Declaration to the City, the owners of the Benefitted Lots are each liable to the HRA or one third of the costs the HRA incurs after _____, 20___ in connection with the exercise of its rights and the perform of its obligations under this Declaration. The owner of each Benefitted Lot must pay any amounts due to the HRA pursuant to this Section 3 to the HRA within thirty (30) days after the owner's receipt of the HRA's invoice. Any amounts not paid within such thirty-day period shall accrue interest from the date thirty (30) days after the owner's receipt of the HRA's invoice until paid at a rate equal to the lesser of twelve percent (12%) per annum or the highest rate allowed by law.

3. **Installation of Panels, Maintenance, Repair and Replacement of Cabinets and Panels.** If the HRA constructs the Signs and installs the Cabinets, the owner of each Benefitted Lot must, at its sole cost and expense, install Panels on the Cabinets assigned to it pursuant to Section 1(c). The owner of each Benefitted Lot must, at its sole cost and expense, maintain, repair and replace its Cabinets and Panels and the Electrical Lines located on its Benefitted Lot and outside the boundaries of the Sign Easement Areas, so that the owner's Cabinets and Panels and those Electrical Lines are, at all times, in good operating condition and repair and in compliance with all Laws. If the owner of any Benefitted Lot should, at any time, choose not to display advertising on its respective Panel for a business located on the Benefitted Lot, that owner shall install blank Panels in its Cabinets. Should the owner of any Benefitted Lot fail to maintain, repair or replace its Cabinets or Panels in accordance with this paragraph, the HRA may, after providing the non-performing owner with not less than sixty (60) days written notice and an opportunity to cure, perform maintenance or repairs on or to or replace the non-performing owners' Cabinets or Panels and charge the costs of such maintenance to the non-

performing owner. The owner of each Benefited Lot must pay any amounts due to the HRA pursuant to this Section 4 to the HRA within thirty (30) days after the owner's receipt of the HRA's invoice. Any amounts not paid within such thirty-day period shall accrue interest from the date thirty (30) days after the owner's receipt of the HRA's invoice until paid at a rate equal to the lesser of twelve percent (12%) per annum or the highest rate allowed by law.

4. **Utility Services and Installation of Electrical Lines Within the Electrical Line Easement.** This Declaration creates the Electrical Line Easement to permit the owner of each Benefited Lot to run their own electrical lines to their Cabinets; however, as of the date of this Declaration, _____ the _____ intention _____ is _____ that _____

_____. If an owner of a Benefited Lot elects to install electrical lines within the Electrical Line Easement, the owner must first give the owners of each other Benefited Lot over which the owner will be installing electrical lines not less than twenty-one (21) days written notice that the owner intends to perform work within the Electrical Line Easement. An owner performing work within the Electrical Line Easement must perform the work in a good and workmanlike manner, must promptly restore any lawns or landscaping located within the Electrical Line Easement which are disrupted by the owner's work and must indemnify the owners of the other Benefited Lots and hold the owners of the other Benefited Lots harmless from any mechanics liens arising out of or relating to the owner's work within the Electrical Line Easement.

5. **Covenants and Restrictions Relating to Construction, Maintenance and Repair Activities.** Before commencing the construction of improvements or replacement improvements on another Party's Benefitted Lot pursuant to a right granted or declared under Section 1 or an obligation imposed under Section 2, 3 or 4, the Party exercising the right or performing the obligation must give the owner or owners of the Benefitted Lot or Benefitted Lots where the construction will occur not less than ten (10) days written notice of the commencement date of the work, the nature of the work to be performed and an estimated completion date for the work. The Party giving the notice must use commercially reasonable efforts to complete the work on or before the completion date stated in the notice. This notice does not apply to a Party's exercise of its right to operate, use, maintain or repair improvements or the performance of its obligation to maintain and repair improvements, that are located on another Party's Benefitted Lot. A Party performing work on another Party's Benefitted Lot must perform such work in a good and workmanlike manner, must comply with all Laws, must use commercially reasonable efforts to any lawns or landscaping damaged as a result of the work (other than lawns and landscaping that are intentionally removed as a part of the work) and must remove all of its equipment, tools, trash and debris from the other Party's Benefitted Lot upon the completion of the work. If the work is in the Electrical Line Easement, the Party must also restore any curbs, gutters or paving damaged as a result of the work. The easements granted in this Agreement do not give the Parties the right to park or store any construction vehicles, equipment or materials within the easements granted herein for periods longer than 12 hours. A Party who is exercising its rights or performing its obligations under this Agreement must use commercially reasonable efforts to perform the work in a manner that does not unreasonably interfere with the operation of the businesses located on the other Parties' Benefitted Lots. If a Party damages improvements located on portions of another Party's Benefitted Lot that are

outside of the Signage Easement Areas and outside the boundaries of the Electrical Line Easement, the Party causing the damage must promptly notify the owner of the Benefitted Lot upon which the damaged improvement is located of the damage and must commence and diligently pursue, to completion, repair or restoration of the damaged improvement to the condition that existed immediately before the damage occurred within thirty (30) days after the occurrence of the damage.

6. **Assignment.** The HRA may assign the HRA Signage Easement and all of its other rights and obligations under this Declaration to a third party upon notice to but without the need to obtain consent from the owners of the Benefitted Lots. Any such assignment is effective upon recording. Upon the recording of such an assignment, the HRA is relieved of all of its rights under this Declaration and all of its obligations under this Declaration which first arise on or after the date the Assignment is recorded. The owner of a Benefitted Lot may not assign, transfer, or lease any of its right under this Declaration except that upon a transfer of title to a Benefitted Lot, the successor in title to the Benefitted Lot succeeds to all of the rights and obligations of the prior owner under this Declaration and the prior owner is relieved of all of its rights under this Declaration and all of its obligations under this Declaration which first arise on or after the date the transfer of title is recorded.

7. **Run With Title.** The benefit and the burden of the Owner Signage Easements, the Electrical Line Easement, and the covenants and restrictions set forth in this Declaration run with title to the Property and inure to the benefit of and are binding upon all owners of all or any portion of the Property and upon their respective personal representatives, heirs, corporate successors, successors in title and assigns.

8. **Amendment.** No amendment, modification or termination of this Declaration shall be effective unless made by written instrument signed by the HRA and the owner of each Benefitted Lot or their respective successors and assigns.

9. **Enforcement.** The HRA and its assigns and the owners of any Benefitted Lot and their respective successors in title and assigns may enforce this Declaration in a legal or equitable action brought in a court of competent jurisdiction, and the prevailing party in any such action is entitled to recover from the opposing party the prevailing party's attorney's fees and costs. No waiver by either party of any default under this Declaration shall be effective or binding upon such party unless made in writing. No waiver of any default shall be deemed a waiver of any other or subsequent default hereunder. Neither party shall have the right to unilaterally terminate this Declaration.

10. **Estoppel Certificates.** The HRA and the owners of each Benefitted Lot, and their successors and assigns, must, from time to time upon not less than thirty (30) days notice from the other party, execute and deliver to the other party a certificate in recordable form stating that this Declaration is unmodified and in full force and effect or, if modified, that this Declaration is in full force and effect, as modified, and stating the modifications and stating whether or not, to the best of its knowledge, any other party is in default in any respect under this Declaration, and if in default, specifying such default.

11. **Merger.** It is the intention of the HRA that the Owner Signage Easements and Electrical Line Easement it is declaring in this Declaration with respect to the Property shall not merge into the HRA's or any successor owner's ownership of all or any portion of the Property.

12. **Counterparts.** This Declaration may be executed in multiple counterparts, each of which will be deemed an original and all of which shall constitute one agreement. Signatures to any counterpart shall be deemed to be signatures to, and may be appended or attached to, any other counterpart.

13. **Headings.** The headings of Sections in this Declaration are for convenience only. They form no part of this Declaration and shall not affect its interpretation. All schedules, exhibits, addenda or attachments referred to are incorporated and made a part of this Declaration.

14. **Integration.** This Declaration sets forth the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements, whether written or oral.

15. **Governing Law.** This Declaration shall be governed by the laws of the State of Minnesota.

IN WITNESS WHEREOF, the HRA has executed this Declaration effective as of the date and year first above written.

DECLARANT:

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 Director

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me on December __, 2011, by _____ and _____, the chair and executive director of 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, on behalf of said public body.

Signature of Notary Public

**DRAFTED BY AND WHEN
RECORDED RETURN TO:**
Briggs and Morgan, P.A. (CJC)
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
(612) 977-8400

EXHIBIT A-1

Legal Description of Lot 4 Signage Easement Area

THAT PART OF LOT 4, BLOCK 1, COR TWO, ANOKA COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 4; THENCE SOUTH 89 DEGREES 47 MINUTES 46 SECONDS WEST, ASSUMED BEARING ALONG THE NORTH LINE OF SAID LOT 4, A DISTANCE OF 202.17 FEET; THENCE SOUTH 00 DEGREES 12 MINUTES 14 SECONDS EAST, A DISTANCE OF 13.33 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 46 SECONDS WEST, PARALLEL WITH SAID NORTH LINE, A DISTANCE OF 46.67 FEET TO THE NORTHWEST LINE OF SAID LOT 4; THENCE NORTH 44 DEGREES 47 MINUTES 55 SECONDS EAST, ALONG SAID NORTHWEST LINE, A DISTANCE OF 18.86 FEET TO THE NORTHWEST CORNER OF SAID LOT 4; THENCE NORTH 89 DEGREES 47 MINUTES 46 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 33.33 FEET TO THE POINT OF BEGINNING.

EXHIBIT A-2

Legal Description of Lot 5 Signage Easement Area

THAT PART OF LOT 5, BLOCK 1, COR TWO, ANOKA COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 5; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, ASSUMED BEARING ALONG THE EAST LINE OF SAID LOT 5, A DISTANCE OF 26.50 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 16 MINUTES 25 SECONDS WEST, A DISTANCE OF 23.50 FEET; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, PARALLEL WITH SAID EAST LINE A DISTANCE OF 17.00 FEET; THENCE NORTH 89 DEGREES 16 MINUTES 25 SECONDS EAST, A DISTANCE OF 23.50 FEET TO SAID EAST LINE; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 17.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

Location of each Benefited Lot's Cabinet within the Signs