

## LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT (this "Agreement") is made as of \_\_\_\_\_, 2013, by and between BURY & CARLSON, INC., a Minnesota corporation ("Tenant") and the CITY OF RAMSEY, a Minnesota municipal corporation ("Landlord").

### RECITALS

Tenant, as seller, and Landlord, as buyer, entered into a Purchase Agreement dated March 11, 2008 (the "Purchase Agreement") for the sale and purchase of real property located in Anoka County, Minnesota, described as Lot 1, Block 1, Bury & Carlson Addition, except road and subject to easements of record, together with all easements and rights benefiting or appurtenant to the land and Outlot B, Gateway North Industrial Park (the "Leased Premises").

Tenant and Landlord entered into that certain Lease Agreement dated March 28, 2008 (the "Lease") pertaining to the Leased Premises.

Subject and pursuant to the terms of this Agreement, Tenant and Landlord desire to terminate the Lease and memorialize their agreements regarding the purchase and sale of certain personal property located on the Leased Premises.

NOW, THEREFORE, in consideration of the mutual promises herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Tenant and Landlord, Tenant and Landlord agree as follows:

- 1.) Recitals. The foregoing recitals are correct and are incorporated herein.
- 2.) Definitions. Unless otherwise defined herein or unless the context otherwise requires, capitalized words and terms used in this Agreement shall have the same meaning as in the Lease.
- 3.) Lease Termination. The term of the Lease shall continue through 11:59 p.m. on June 30, 2013; the Lease shall terminate effective July 1, 2013 (the "Termination Date").
- 4.) Reconciliation of Rent. On or before the Termination Date, Landlord shall refund to Tenant the sum of \$6,734.47 (the "Rent Settlement Amount"). Landlord and Tenant disagree as to the amount of rent/taxes owed by Tenant to Landlord or owed by Landlord to Tenant. In settlement of disputed claims, Landlord and Tenant have agreed to a refund by Landlord to Tenant of the Rent Settlement Amount. Upon payment of the Rent Settlement Amount to Tenant, neither party shall have any obligations or liabilities to the other with respect to rent or tax payments arising out of or in connection with the Lease.

5.) Purchase of Material. Landlord agrees to purchase from Tenant 20,000 tons of the crushed material stockpiled at the Leased Premises at the rate of \$4.75 per ton, for a total of \$95,000.00. Landlord shall pay said \$95,000.00 to Tenant on or before the Termination Date.

6.) Purchase and Transfer Bunker Blocks.

(a) Effective as of the Termination Date, Tenant shall transfer to Landlord the bunker blocks currently located along the westerly side of the Leased Premises and the bottom two rows of the bunker blocks located on the easterly side of the Leased Premises, at no cost to Landlord.

(b) On the Termination Date, Landlord will purchase from Tenant 125 bunker blocks on the easterly side of the Leased Premises for \$30.00 per block, totaling \$3,750.00.

(c) On the Termination Date, Landlord will purchase from Tenant an additional 80 bunker blocks for \$30.00 per block, totaling of \$2,400.00.

(d) Landlord shall pay Tenant in full for the bunker blocks described above in this Section 6 on or before the Termination Date.

7.) Building and Small Scale. In accordance with Section 7.1(d) of the Lease, Landlord and Tenant acknowledge that the small in-ground scale, a tan scale shack building and the bunker blocks along the north side of the Leased Premises are the property of Landlord.

8.) AS-IS Condition. The stockpiled material and other personal property to be purchased, sold or otherwise transferred to Landlord shall be accepted in "as-is," "with all faults" condition, with no representations or warranties of any kind by Tenant.

9.) Condition of Leased Premises. Landlord acknowledges and agrees that (i) the Leased Premises are in acceptable condition, (ii) except as expressly stated below in this Section 9, Tenant shall not be obligated to make any repair, restoration or modification of the Leased Premises, and (iii) Tenant is in compliance with all applicable terms and provisions of the Lease and Tenant is not in default thereunder. Landlord waives any right to require Tenant to remove any alterations, additions or improvements to the Leased Premises. Without limiting the generality of the foregoing, Tenant shall not be obligated to remove the foundation, ramps, concrete wall or other improvements for the large scale on the Leased Premises; provided, however, Landlord and Tenant may separately agree to arrangements by which Tenant would remove said foundation and related improvements. Tenant shall retain and remove Tenant's machinery, trade fixtures and other personal property, with the exception of the 20,000 tons of stockpiled material and other items expressly stated above in this Agreement to be sold or otherwise conveyed by Tenant to Landlord. Tenant shall be allowed a reasonable period of time after the Termination Date to remove Tenant's property from the Leased Premises, which process may also include crushing certain materials currently on site that have not yet been crushed. Subject to force majeure and other events beyond Tenant's reasonable control, said period shall not extend beyond September 1, 2013.

10.) Relocation Escrow. Nothing in this Agreement shall modify or otherwise affect Landlord's obligation to pay to Tenant the undisbursed amount of the Relocation Escrow,

together with interest thereon, in accordance with the terms of the Purchase Agreement. Notwithstanding the foregoing, Tenant's Removal Obligation (as defined in Section 2(c)(5) of the Purchase Agreement) shall not include the property that Tenant is selling or otherwise conveying to Landlord pursuant to this Agreement or any separate agreement between Landlord and Tenant.

11.) Miscellaneous. The headings used herein are for convenience only and are not to be used in interpreting this Agreement. This Agreement shall be construed, enforced and interpreted under the laws of the State of Minnesota. This Agreement may not be modified, amended or changed orally, but only by an agreement in writing signed by the parties hereto. Neither party shall be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. If any provision of this Agreement is invalid or unenforceable, such provision shall be deemed to be modified to be within the limits of enforceability or validity, if feasible; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable. This Agreement is the entire agreement between the parties regarding the subject matter hereof; any prior or simultaneous oral or written agreement regarding the subject matter hereof is superseded by this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together which shall constitute one agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**LANDLORD:**  
**CITY OF RAMSEY**

**TENANT:**  
**BURY & CARLSON, INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: Mayor

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: City Administrator

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