

October 24, 2013

VIA U.S. MAIL

City of Ramsey, Planning Division
Attn: Tim Gladhill – Development Services Manager
7550 Sunwood Drive NW
Ramsey, Minnesota 55303

Re: **Request for Release from Allocation Agreement
Ramsey Town Center 3rd Addition
Our File No. 26353-000**

Dear Mr. Gladhill:

We represent Sophia-Ramsey LLC, the owner of Lots 1 and 2, Block 1, Ramsey Town Center 3rd Addition, Anoka County, Minnesota, according to the recorded plat thereof (the "Property"). The Property was previously subject to a Master Development Agreement.¹ However, that Master Development Agreement was subsequently terminated by a Termination Agreement (the "Termination").² Prior to the Termination, the previous owner of the property, Ramdance, LLC, entered into an Allocation Agreement with the Master Declarant and the City of Ramsey.³ The Allocation Agreement allocated the rights and obligations under the Master Development Agreement between the three (3) parties to the Allocation Agreement.

Article 3 of the Termination specifically states: "The...Allocation Agreements...are not terminated and are not otherwise affected by the termination of the Master Development Agreement." However, all of the rights/obligations allocated under the Allocation Agreement are allocations of the rights/obligations under specified sections of the Master Development Agreement. Therefore, the Allocation Agreement allocates rights and obligations that have

¹ City of Ramsey Master Development Agreement for Ramsey Town Center, dated September 17, 2003, filed in Anoka County on September 24, 2003 as **Document No. 446333.0 (Torrens)** and **Document No. 1854364.0 (Abstract)**; as amended by First Amendment to City of Ramsey Master Development Agreement for Ramsey Town Center, dated February 28, 2005 filed in Anoka County on March 9, 2005 as **Document No. 482049.001 (Torrens)** and **Document No. 1973508.001 (Abstract)**; as assigned by Assignment of Master Development Agreement for Ramsey Town Center, dated March 8, 2005, filed in Anoka County on March 10, 2005 as **Document No. 482071.010 (Torrens)**.

² Termination of Master Development Agreement and Parkland and Trail Plain Agreement, dated June 25, 2009, filed in Anoka County on June 26, 2009 as **Document No. 498611.002 (Torrens)** and **Document No. 2008427.001 (Abstract)**.

³ Allocation Agreement for the Master Development Agreement Ramsey Town Center

been terminated by the Termination Agreement. As a result, the terms of Allocation Agreement have been nullified and rendered ineffective by the Termination Agreement.

Consequently, this letter is being sent to request one of the following:

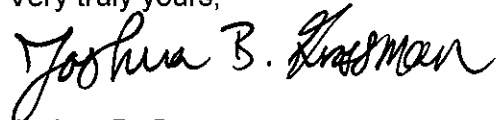
1. A letter from the City of Ramsey certifying that:
 - a. the City of Ramsey has no outstanding assessments that have been levied against the Property pursuant to the Allocation Agreement;
 - b. the Property is not otherwise encumbered by any outstanding obligations owed to the City of Ramsey pursuant to the Allocation Agreement; and
 - c. the City of Ramsey no longer has the authority to levy assessments against the Property pursuant to the Allocation Agreement (because the Master Development Agreement has been terminated).

OR

2. If there are outstanding assessments or obligations owed to the City of Ramsey pursuant to the Allocation Agreement, a letter from the City of Ramsey:
 - a. Stating the specific amount and nature of any such outstanding assessments or obligations; and
 - b. Certifying that the City of Ramsey does not have the authority to levy future assessments against the Property pursuant to the Allocation Agreement (because the Master Development Agreement has been terminated).

I have enclosed all of the referenced documents. Thank you for your attention to this matter. Please contact me with any questions or if there is anything I can do to help expedite the process.

Very truly yours,



Joshua B. Grossman

(612) 337-6134 | Direct
joshgrossman@siegelbrill.com

Enclosures



Record ID 1523709

Execution Version

481898.006

**ALLOCATION AGREEMENT
FOR THE MASTER DEVELOPMENT AGREEMENT
RAMSEY TOWN CENTER**

Return to:
Commercial Partners Title, LLC
200 South Sixth Street
Suite 1300
Minneapolis, MN 55402

THIS ALLOCATION AGREEMENT ("Agreement"), is made and entered into as of December 22, 2004, by and between RAMSEY TOWN CENTER LLC, a Minnesota limited liability company ("Master Developer"), RAMDANCE LLC, a Minnesota limited liability company ("Secondary Developer") and CITY OF RAMSEY, a Minnesota municipal corporation ("City").

RECITALS:

A. Master Developer and the City have entered into that certain Master Development Agreement for Ramsey Town Center, dated September 17, 2003, recorded September 24, 2003 as Document No. 1854364 (Anoka County Abstract) and Document No. 446333 (Anoka County Torrens) (the "Master Development Agreement").

B. Master Developer and Secondary Developer have entered into a purchase agreement dated March 18, 2004, a first amendment to purchase agreement dated April 5, 2004, and a second amendment to purchase agreement dated September 21, 2004 (collectively, "Purchase Agreement") for the purchase of approximately thirty (30) acres of land located at the southeast corner of the intersection of Sunwood Drive and Armstrong Boulevard, in the City of Ramsey, County of Anoka, State of Minnesota.

C. A portion of the property subject to the Purchase Agreement that consists of approximately 9.5 acres and is legally described as Outlot I, Ramsey Town Center, is being purchased by the Secondary Developer under the Purchase Agreement for retail development that includes a grocery store ("Property").

D. The Master Development Agreement provides certain rights and obligations and assesses certain costs of the Ramsey Town Center development against the Property.

E. Pursuant to Section 14.1(a) of the Master Development Agreement, the Master

Developer may convey the Property to the Secondary Developer if the City joins in an agreement with the Master Developer and Secondary Developer describing the allocation of rights and obligations under the Master Development Agreement.

F. Master Developer and Secondary Developer desire that this Agreement serve as the agreement describing the allocation of rights and obligations under the Master Development Agreement.

G. In order to provide a source of funds for the payment of some of the costs under the Master Development Agreement that are allocated under this Agreement. The Secondary Developer shall deliver to the City, contemporaneously with the execution of this Agreement, a Letter of Credit in favor of the City in form and substance satisfactory for the City in lieu of the Escrow Agreement and Escrowed funds referenced in the Master Development Agreement.

H. As part of the development of the Property, the Secondary Developer and the City shall also enter into one or more Secondary Development Agreements specifically related to the development of the Property ("Secondary Development Agreement").

I. The Master Developer and City, as of the date of this Agreement, are and have been negotiating a First Amendment to the Master Development Agreement (the "First Amendment").

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **DEFINITIONS.** Except as otherwise provided in this Agreement, the terms defined in the Master Development Agreement shall have the same meaning when used in this Agreement.

2. **REPRESENTATIONS AND WARRANTIES OF THE SECONDARY DEVELOPER.** The Secondary Developer represents and warrants to the City:

- a. The Secondary Developer holds fee title to the Property.
- b. The Secondary Developer is a Minnesota limited liability company in good standing under the laws of the State of Minnesota. The Secondary Developer's members or board of governors have authorized the individual executing this Agreement on behalf of the Secondary Developer.

3. **MASTER DEVELOPMENT AGREEMENT.** Secondary Developer acknowledges and agrees that the Property remains subject to the Master Development Agreement. Except to the extent expressly modified in this Agreement, Master Developer and Secondary Developer are both subject to all of the restrictions in the Master Development Agreement that relate to the Property. Except to the extent expressly set forth to the contrary in this Agreement: (a) Master Developer shall remain liable for the performance of all of the Developer's obligations under the Master Development Agreement; (b) the City shall remain liable to Master Developer for the performance of all of the City's obligations under the Master

Development Agreement; (c) Secondary Developer shall not be liable to the City for the performance of the Developer's obligations under the Master Development Agreement; and (d) the City shall not be liable to Secondary Developer for the performance of the City's obligations under the Master Development Agreement.

All conditions set forth in Section 4.2 of the Master Development Agreement have been met to the satisfaction of the City or waived by the City and the City no longer has a right to terminate the Master Development Agreement under that Section. The City represents that there is no default by Master Developer of any term or condition of the Master Development Agreement for which the City has provided Formal Notice under Section 15.1 of the Master Development Agreement. The City acknowledges and agrees that, except as specifically amended herein, the Master Development Agreement is in full force and effect and has not been modified or amended.

To the extent that any provisions of this Agreement are inconsistent with or contrary to the provisions of the Master Development Agreement, the provisions of this Agreement shall control.

4. FIRST AMENDMENT TO MASTER DEVELOPMENT AGREEMENT.

Secondary Developer acknowledges that the Master Developer and the City are in the process of negotiating the First Amendment. Secondary Developer acknowledges it has reviewed drafts of the First Amendment and Secondary Developer specifically acknowledges that the First Amendment provides for the City's levying of special assessments in the amount of \$141,000.00 against the Property for the AUAR Roadway Improvements and provides for increases in the amount of the special assessments the City will levy against the Property for the City Phase I Roadway Improvements, the City Phase II Roadway Improvements and the City Phase I Parking Improvements (which are re-defined in the First Amendment as the "Parking Improvements") by \$6,132.45, \$8,438.00 and \$42,000.00 respectively. Secondary Developer agrees that if the City and the Master Developer agree to and execute a First Amendment in a form which provides for special assessments as described above, Secondary Developer will execute the First Amendment for the purpose of subjecting the Property to such assessments and waiving its appeal rights with respect to such assessments, provided the First Amendment also provides: for (a) the deletion of Sections 4.18 (SPECIAL SERVICE DISTRICT – PARK IMPROVEMENTS) and 4.19 (SPECIAL SERVICE DISTRICT – AUAR ROADWAY IMPROVEMENTS) of the Master Development Agreement; (b) the City agreeing that it will not assess the Secondary Developer or the Property any amounts for an enhanced level of park improvements; and (c) the City agreeing that it will not assess the Secondary Developer or the Property any amounts for AUAR Roadway Improvements in excess of \$141,000.00.

5. SECONDARY DEVELOPER'S RIGHTS AND OBLIGATIONS UNDER THE MASTER DEVELOPMENT AGREEMENT. Secondary Developer's rights and obligations under the Master Development Agreement with respect to the Property shall be as follows:

a. **Section 4.7.** Both Master Developer and Secondary Developer shall have the benefit of Section 4.7 of the Master Development Agreement as it relates to the Property, and Secondary Developer may enforce Section 4.7, as it relates to the Property, against the City. So long as Secondary Developer has rights in any portion of the

Property, as fee owner, Secondary Developer must consent, in writing, to any requested change to the RTC Controls that affect that portion of the Property.

b. **Letter of Credit.** Secondary Developer agrees to submit a letter of credit in form and substance acceptable to the City, in place of the Escrow Agreement referenced in Sections 7.7, 7.13 and 9.7 of the Master Development Agreement, with respect to Secondary Developer's acquisition of the Property. If the letter of credit is for a limited term, the Secondary Developer must provide renewals of the letter of credit until the City releases the letter of credit. The City must release the letter of credit when the assessments levied against the Property described in Section 7.7, 7.13 and 9.7 are paid in full or, if the Developer and the City execute the First Amendment, when the special assessments described in the First Amendment have been levied and the time period in which an owner of property subject to the special assessment may appeal the special assessment has expired. The City shall give Secondary Developer fifteen (15) days written notice prior to drawing on the letter of credit. Said notice shall be addressed to:

Ramdance, LLC
Attn. Keith McDonald
669 North Medina Street
P.O. Box 8
Loretto, MN 55357

The City shall permit the Secondary Developer to pay special assessments levied against the Property prior to drawing on the letter of credit.

c. **Special Service District-Park Improvements.** Secondary Developer acknowledges that it is subject to and bound by the terms of Section 4.18 (Special Service District—Park Improvements) and waives the right to object to the establishment of the special service district, waives its right to appeal the establishment of the special service district, and waives its right to file an objection to the ordinance, pursuant to Minn. Stat. Ch. 428A as cited in Section 4.18, with respect to the Property.

d. **Service District-AUAR Roadway Improvement.** Secondary Developer acknowledges that it is subject to and bound by the terms of Section 4.19 (Special Service District—AUAR Roadway Improvements) and waives the right to object to the establishment of the special service district, waives its right to appeal the establishment of the special service district, and waives its right to file an objection to the ordinance, pursuant to Minn. Stat. Ch. 428A as cited in Section 4.19, with respect to the Property.

e. **Allocation of Assessments for City Phase I Improvements.** Section 7.6 of the Master Development Agreement provides for the assessment of a portion of the costs of the City Phase I Roadway Improvements against the Property. Minnesota Statutes Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess the costs of the City Phase I Roadway Improvements against the Property. Secondary Developer hereby consents to an assessment by the City in an amount equal to \$35,041.00 against the Property for the City Phase I Roadway Improvements. The amount of the assessment is calculated by multiplying 4.0% times \$876,035.00 in accordance with the Master Development Agreement. Secondary Developer waives any

and all procedural and substantive objections to a special assessment in the amount of \$35,041.00 against the Property, including, but not limited to, notice and hearing requirements, claims that the Property, or any part thereof, does not receive a benefit from the City Phase I Roadway Improvements claims that the assessment is not uniform upon the classes of property and claims that the amount of the special assessment allocated to the Property exceeds the benefit to the Property. Secondary Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this section run with title to the Property and are binding on Secondary Developer and its successors and assigns.

The City does not intend to levy this special assessment until the City completes the City Phase I Roadway Improvements. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. Once the City levies the special assessment against the Property, the amount of the special assessment set forth above shall be paid in a single installment to the City. As security to ensure payment of the special assessment for the City Phase I Roadway Improvements, Secondary Developer shall provide the City a letter of credit in form and substance acceptable to the City in the amount of 35,041.00. Payment of the special assessment shall be disbursed in accordance with the letter of credit. If the cost of the City Phase I Roadway Improvements is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429.071, but the Secondary Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$35,041.00 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$35,041.00 or to supplemental assessments.

f. **Completion of City Phase II Improvements.** The City represents that the City Phase II Roadway Improvements and City Phase II Utility Improvements have not been commenced but are anticipated to be commenced on or before June 1, 2005 and anticipated to be substantially completed on or before August 31, 2005, with the final lift of the City Phase II Roadway Improvements being installed within six months after this date subject to seasonal construction limitations. Substantially completed means that the City Phase II Roadway Improvements shall be open to the public for pedestrian and vehicle traffic and that water, sanitary sewer and storm sewer utilities shall be available to a connection point within property adjacent to such roadways in sufficient quantities for the development approved by the City.

g. **Allocation of Assessments for City Phase II Improvements.** Section 7.12 of the Master Development Agreement provides for the assessment of a portion of the costs of the City Phase II Roadway Improvements against the Property. Minnesota Statutes Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess the costs of the City Phase II Roadway Improvements against the Property. Secondary Developer hereby consents to an assessment by the City in an amount equal to \$13,426.00 against the Property for the City Phase II Roadway Improvements. The amount of the assessment is calculated by multiplying 4.0% times \$335,660.00 in accordance with the Master Development Agreement. Secondary Developer waives any and all procedural and substantive objections to a special assessment in the amount of

\$13,426.00, against the Property including, but not limited to, notice and hearing requirements, claims that the Property, or any part thereof, does not receive a benefit from the City Phase II Roadway Improvements claims that the assessment is not uniform upon the classes of property and claims that the amount of the special assessment allocated to the Property exceeds the benefit to the Property. Secondary Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this section run with title to the Property and are binding on Secondary Developer and its successors and assigns.

The City does not intend to levy this special assessment until the City completes the City Phase II Roadway Improvements. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. Once the City levies the special assessment against the Property, the amount of the special assessment set forth above shall be paid in a single installment to the City. As security to ensure payment of the special assessment for the City Phase II Roadway Improvements and the City Phase II Utility Improvements, Secondary Developer shall provide the City a letter of credit in form and substance acceptable to the City in the amount of \$13,426.00. Payment of the special assessment shall be disbursed in accordance with the letter of credit. If the cost of the City Phase II Roadway Improvements is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429.071, but the Secondary Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$13,426.00 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$13,426.00 or to supplemental assessments.

h. **Phase I Parking Ramps.** Section 9.6 of the Master Development Agreement provides for the assessment of a portion of the costs of the Phase I Parking Ramp against the Property. Minnesota Statutes Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess the costs of the Phase I Parking Ramp against the Property. Secondary Developer hereby consents to an assessment by the City in an amount equal to \$240,000.00 against the Property for the Phase I Parking Ramp. The amount of the assessment is calculated by multiplying 4.0% times \$6,000,000.00 in accordance with the Master Development Agreement. Secondary Developer waives any and all procedural and substantive objections to a special assessment in the amount of \$240,000.00 against the Property, including, but not limited to, notice and hearing requirements, claims that the Property, or any part thereof, does not receive a benefit from the Phase I Parking Ramp, claims that the assessment is not uniform upon the classes of property and claims that the amount of the special assessment allocated to the Property exceeds the benefit to the Property. Secondary Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this section run with title to the Property and are binding on Secondary Developer and its successors and assigns.

Until the City levies the special assessment, the special assessment constitutes a pending special assessment. Once the City levies the special assessment against the Property, the amount of the special assessment set forth above shall be paid in a single installment to

the City. As security to ensure payment of the special assessment for the Phase I Parking Ramp, Secondary Developer shall provide the City a letter of credit in form and substance acceptable to the City in the amount of \$240,000.00. Payment of the special assessment shall be disbursed in accordance with the letter of credit. If the cost of the City Phase I Parking Ramp is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429.071, but the Secondary Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$240,000.00 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$240,000.00 or to supplemental assessments.

i. **Streetscape Construction.** The Master Developer is responsible, at its cost and expense, to construct and install certain landscaping and pedestrian improvements within or adjacent to the rights-of-way for the City Phase I Roadway Improvements and the City Phase II Roadway Improvements in accordance with Section 11.1 and Section 11.2 of the Master Development Agreement (“Streetscape Construction”). The Secondary Developer is assuming the obligation to construct certain portions of the Streetscape Construction located along the south side of Sunwood Drive NW adjacent to the Property and the west side of Zeolite Street NW adjacent to the Property in accordance with the Secondary Development Agreement. Except for Secondary Developer’s Streetscape Construction obligation set forth above, Secondary Developer shall not be responsible to perform or pay for the cost of any obligation concerning Streetscape Construction. The City shall not assess the Secondary Developer or the Property any amounts for the Streetscape Construction.

j. **Phase Final Plans.** Secondary Developer is responsible for complying with Section 4.14 (preparation of final plans for grading within a phase) of the Master Development Agreement with respect to the Property.

6. **MASTER DEVELOPER'S RIGHTS AND OBLIGATIONS UNDER THE MASTER DEVELOPMENT AGREEMENT.** Except to the extent provided otherwise in this Agreement, Master Developer shall have all rights and obligations of the Developer under the Master Development Agreement with respect to the Property. Without limiting the generality of the foregoing, Master Developer agrees as follows with respect to the Property:

a. **Payments Responsibility.** Any payments or obligations to the City arising under the Master Development Agreement or any Secondary Development Agreement relating to the Property are the sole responsibility of Master Developer, except to the extent Secondary Developer has expressly assumed such payments or other obligations in writing. Without limiting the generality of the foregoing, Master Developer shall be responsible for the payment of all park and trail fees pursuant to Section 4.12 of the Master Development Agreement.

This Section 6 is an agreement between Master Developer and Secondary Developer, and is not binding on the City.

7. **CITY AGREEMENT.** The City hereby agrees as follows:

a. The City's remedies under Section 15.1 of the Master Development Agreement are hereby modified as follows with respect to the Property:

(1) **Default Notice.** The City shall provide Secondary Developer with Formal Notice of default by Master Developer under the terms of the Master Development Agreement, if the default specifically relates to the construction of improvements necessary for the Development of all or any portion of the Property, at the same time the City gives notice to Master Developer, and Secondary Developer shall have the same cure rights as Master Developer has under the Master Development Agreement. For purposes of such Formal Notice, Secondary Developer's address shall be 669 North Medina Street, P.O. Box 8, Loretto, MN 55357-0008 or to the City in accordance with the "Formal Notice" provision in the Master Development Agreement. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above; provided, that a notice not given as provided above is, if it is in writing, deemed given if and when actually received by a party.

(2) **Cure of Default.** The City under Section 15.1(b) of the Master Development Agreement grants Secondary Developer the right to provide the City with assurances that Secondary Developer will cure Master Developer's defaults under the Master Development Agreement that specifically relate to the construction of improvements necessary for the Development of all or any portion of the Property, and the right to perform Master Developer's obligations under the Master Development Agreement that specifically relate to the construction of improvements necessary for the Development of all or any portion of the Property as contemplated in Section 15.1(b) of the Master Development Agreement. If the City deems the assurances the Secondary Developer provides to be adequate and the Secondary Developer commences and continues performance of Master Developer's obligations under the Master Development Agreement in conformance with such assurances, the City agrees not to suspend any work, improvement or obligation to be performed by the City that is necessary for the Development of all or any portion of the Property as a result of such Master Developer default. For purposes of the various subsections of this Section 6(a), the question of whether a default relates to the construction of improvements necessary for the Development of all or any portion of the Property or a Phase within the Property shall be based on a reasonable determination by the City.

(3) **Limited Denial of Building Permits.** Under Section 15.1(d) of the Master Development Agreement, the City will not deny building permits for buildings within the Property if the default under the terms of the Master Development Agreement does not specifically relate to the construction of improvements necessary for the Development of all or any portion of the Phase or, if the default does specifically relate to the construction of improvements necessary for the Development of the Property or if the default does specifically relate to the construction of improvements necessary for the Development of the Property until Secondary Developer has received notice and had an opportunity to cure as provided above. The City agrees that Master Developer's default in the

performance of one or more of the obligations the letters of credit described in Sections 7.2(c) and 7.8(d) of the Master Development Agreement secure do not specifically relate to the construction of improvements necessary for the development of the Property and the City agrees not to deny building permits for buildings within a Phase of the Property and not to withhold approval of Final Plans of the Property if the Master Developer defaults in the performance of one or more of the obligations the Letters of Credit described in Sections 7.2(c) and 7.8(d) of the Master Development Agreement secure.

b. **Notification by City.** The City agrees to use reasonable efforts to provide to Secondary Developer, by facsimile and by U.S. mail, written notice of all meeting time, dates, locations and agendas of the Ramsey Town Center Review Board, and Secondary Developer shall be entitled to attend and participate in all such Review Board meetings; provided, however, the City shall have no liability for failure to provide such notice and the failure to provide such notice shall not prejudice the effectiveness of any action taken at any such meetings.

c. **City Consent to Conveyance.** The City hereby consents to the conveyance of the Property from Master Developer to Secondary Developer.

d. **City and Secondary Developer Acknowledgment of Development Agreement Status.** The City acknowledges and agrees that, except as specifically amended herein, the Master Development Agreement is in full force and effect and has not been modified or amended. Notwithstanding the terms of Section 10.1 of the Master Development Agreement, the City has allowed the Developer to commence the first phase of the mass grading and storm water management system construction without requiring the Developer to submit a letter of credit in an amount equal to 125% of the full cost of the mass grading for the Subject Property and 125% of the cost of the storm water management system which is a part of the first phase. Instead, the City has allowed the Developer to commence specified mass grading and storm water management system construction based on a letter of credit in an amount the City deems sufficient to secure the Developer's performance of the specified activities. The Secondary Developer acknowledges and agrees that the provisions of the Master Development Agreement relating to the Master Development Agreement are solely for the benefit to the City, and the Secondary Developer further agrees that City may from time to time and in the City's sole and absolute discretion, determine the amount of the letter of credit the City requires from the Master Developer or waive the requirement for the letter of credit.

8. MISCELLANEOUS PROVISIONS.

a. **Binding Upon Successors.** The terms, provisions, covenants, and agreements contained in this Agreement shall apply to, be binding upon, and inure to the benefit of, the parties hereto and their respective legal representatives, successors, and assigns.

b. **Paragraph Headings.** The paragraph headings used in this Agreement are for convenience purposes only, and shall not be used in the interpretation of this Agreement.

c. **No Waiver.** Failure of a party to insist in any one or more instances upon the performance of any of the covenants, agreements, and/or conditions of this Agreement, or to exercise any right or privilege herein conferred shall not be construed as a waiver of any such covenant or condition.

d. **Amendment by Written Agreement.** This Agreement cannot be varied except by written agreement executed by Master Developer, Secondary Developer and the City.

e. **Conflict with Applicable Laws.** If any items, terms, or provisions contained in this Agreement are in conflict with any applicable Federal, state, or local laws, this Agreement shall be affected only as to its application to such items, terms, or provisions, and shall in all other respects remain in full force and effect.

f. **No Partner or Joint Venture.** Nothing contained herein is intended to make, nor shall it ever be construed to make, Master Developer and Secondary Developer partners or joint venturers.

g. **Provisions Severable.** The provisions of this Agreement are severable, and if any provision or part hereof or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provisions or part hereof to other persons or circumstances shall not be affected thereby.

h. **Payment of Attorney's Fees.** In the event Master Developer or Secondary Developer breaches any of the terms, provisions, covenants, or agreements contained in this Agreement and Master Developer and Secondary Developer become involved in litigation with regard to breach hereof, the prevailing party shall be entitled to be paid its reasonable attorneys' fees.

i. **Meanings of Terms.** All capitalized terms used in this Agreement but not defined herein shall have the meanings set forth in the Master Development Agreement.

signature pages follow

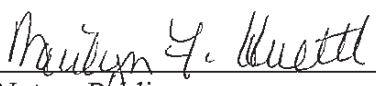
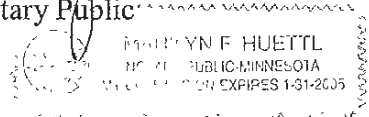
SECONDARY DEVELOPER:

RAMDANCE LLC,
a Minnesota limited liability company

By: 
Print: Keith J. McDonald
Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 27th day of December, 2004, by Keith J. McDonald, the chief manager of Ramdance LLC, a Minnesota limited liability company, on behalf of the company.


Notary Public: _____


*signature page to Allocation Agreement
Dated December 22, 2004*

22892A

MWT

7X of 10

(T)

ANOKA COUNTY MINNESOTA

Document No.: 481898.006 TORRENS

I hereby certify that the within instrument was filed in this
office for record on: 02/23 2005 2:37:00 PM

Fees/Taxes In the Amount of: \$29.50

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder Registrar of Titles

TAP, Deputy

Record ID: 1523709

1854364

446333

**CITY OF RAMSEY
MASTER DEVELOPMENT AGREEMENT
FOR RAMSEY TOWN CENTER**

By and Between

CITY OF RAMSEY,

And

RAMSEY TOWN CENTER LLC

Dated: September 7, 2003

This document was drafted by:

**BRIGGS AND MORGAN, P A. (TLB)
W2200 First National Bank Building
332 Minnesota Street
St. Paul, Minnesota 55101**

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1 5	The City and the Developer intend that the Subject Property will be developed and used as the RTC Project in accordance with the RTC Controls	1
1 6	The City and the Developer agree that the Developer may seek to create Development through the use of one or more Secondary Developers, and that Secondary Developers may increase the benefits to the City through increased Development	1
1 7	The City and the Developer acknowledge that the following principals have influenced the discussions and negotiations leading up to this Master Agreement and expect that these principals will continue to influence the Development of the Subject Property pursuant to this Master Agreement	1
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CITY OF RAMSEY
MASTER DEVELOPMENT AGREEMENT
FOR RAMSEY TOWN CENTER

THIS MASTER DEVELOPMENT AGREEMENT (the "Master Agreement"), is made, entered into and effective as of the 17th day of September, 2003, by and between the CITY OF RAMSEY, a Minnesota municipal corporation and a home rule charter city (the "City") and RAMSEY TOWN CENTER LLC, a Minnesota limited liability company (the "Developer") Subject to the terms and conditions of this Master Agreement, and in reliance upon the representations, warranties and covenants of the parties herein contained, the City and the Developer hereby agree as follows

ARTICLE 1
RECITALS AND GUIDING PRINCIPLES

1.1 The City and the Developer have entered into a Memorandum of Understanding dated April 11, 2003 providing preliminary guidelines for the creation and execution of this Master Agreement. This Master Agreement supersedes the Memorandum of Understanding as set forth in Section 12.3, the City and the Developer agree that the Memorandum of Understanding is hereby terminated and shall have no further force or effect.

1.2 The City has created the Town Center District under the Zoning Ordinance and the City will create a Town Center Review Board, as contemplated in the Zoning Ordinance. The City agrees to appoint the members of the Town Center Review Board within 90 days after the date hereof.

1.3 The City has determined that the Developer's Master Development Plan is consistent with the City's Comprehensive Plan and with the RTC Ordinance.

1.4 On August 12, 2003, the Council approved the Developer's Preliminary Plat for the Subject Property subject to the conditions subsequent set forth in the resolution approving the Preliminary Plat. The Developer has submitted the Master Final Plat to the City for review and approval.

1.5 The City and the Developer intend that the Subject Property will be developed and used as the RTC Project in accordance with the RTC Controls.

1.6 The City and the Developer agree that the Developer may seek to create Development through the use of one or more Secondary Developers, and that Secondary Developers may increase the benefits to the City through increased Development.

1.7 The City and the Developer acknowledge that the following principals have influenced the discussions and negotiations leading up to this Master Agreement and expect that

these principals will continue to influence the Development of the Subject Property pursuant to this Master Agreement

- (a) City Goals The activities of the City are undertaken for the purpose of providing a mixed use, transit-oriented and pedestrian-friendly development that is sustainable, provides housing, commercial and employment opportunities for the citizens of the City, and promotes the general welfare of the City. The City will endeavor to participate in the development of appropriate facilities to benefit residents of the City.
- (b) Developer Goals The activities of the Developer are undertaken for the purpose of creating, within the City, an entirely new community of residential, commercial, civic and retail users.
- (c) Financial Sourcing The City and the Developer desire to encourage investments by and partnerships of interest with other governmental units and not-for-profit entities.
- (d) Security The City and the Developer desire to provide appropriate means, security, recourse and remedies to protect the public and private investment.
- (e) Project Control The City and the Developer desire to provide a Master Development Plan and Master Agreement and mechanisms to ensure conformity to the Master Development Plan and Master Agreement, to ensure the community is built with controls and standards encouraging sales and livability.
- (f) Civic Investment The City and the Developer desire to individually and jointly invest in civic facilities for the general welfare and common good, including, but not limited to, community and government centers, parks and public green space, pedestrian trails, and convenient parking facilities and transit.

1.8 The Subject Property is bounded on the south by railroad right-of-way. The Developer has made inquiries with the City regarding the current planning and zoning status of property located south of the railroad right-of-way, north of the right-of-way of State Highway 10, west of Ramsey Boulevard and East of Armstrong Boulevard. The City has advised the Developer that the property is currently subject to an interim ordinance the City adopted pursuant to Minnesota Statutes, Section 462.355, Subd. 4 and that the City is currently pursuing the adoption of an official map pursuant to Minnesota Statutes, Section 462.359. If adopted, the official map will indicate the property is necessary for future public uses.

ARTICLE 2 DEFINITIONS

2.1 DEFINITIONS When used in this Master Agreement, the following terms shall have the meanings specified in this Article 2. Each definition or pronoun herein shall be deemed to refer to the singular, plural, masculine, feminine or neuter as the context requires. Words such as "herein," "hereinafter," "hereof," "hereto" and "hereunder," when used in reference to this

Master Agreement, refer to this Master Agreement as a whole, unless the context requires otherwise

- (a) AUAR "AUAR" means that certain Town Center Alternative Urban Area-wide Review, prepared by Emmons & Oliver Research, Inc., dated June 24, 2003
- (b) AUAR Roadway Improvements "AUAR Roadway Improvements" means those roadway improvements described on Exhibit J
- (c) Certificate of Completion "Certificate of Completion" has the meaning set forth in Section 14.6
- (d) Charter School "Charter School" means the land and building designed for use as an educational facility to be located on Lot 1, Block 1 of the Preliminary Plat
- (e) City "City" means the City of Ramsey, a Minnesota municipal corporation and home rule charter City
- (f) City Engineer "City Engineer" means the engineer or engineering firm designated by the City
- (g) City Hall Site "City Hall Site" means the portion of Outlot O of the Preliminary Plat identified as the 101,000 square foot City Hall/Police Station and the 63,000 square foot parking ramp depicted on the attached Exhibit B
- (h) City Phase I Roadway Improvements "City Phase I Roadway Improvements" means Sunwood Drive as shown on Sheets 58 and 61 through 68 of the Master Development Plan and Rhinestone Street NW as shown on Sheets 60 and 72 through 74 of the Master Development Plan
- (i) City Phase I Utility Improvements "City Phase I Utility Improvements" means the water, sanitary sewer and storm water improvements described on Exhibit C
- (j) City Phase II Roadway Improvements "City Phase II Roadway Improvements" means Civic Center Drive as shown on Sheets 94 to 98 of the Master Development Plan, Zeolite Street as shown on Sheets 69 to 71 of the Master Development Plan, and Town Center Drive North from Bunker Lake Boulevard (County 116) to the northerly boundary of the Subject Property (sometimes referred to as Variolite)
- (k) City Phase II Utility Improvements "City Phase II Utility Improvements" means the water, sanitary sewer and storm water improvements described on Exhibit D
- (l) City Property "City Property" means the City's Ninety Foot Tract and the City Well site
- (m) City Public Improvements "City Public Improvements" means the City Roadway Improvements and the City Utility Improvements

- (n) City Roadway Improvements "City Roadway Improvements" means the City Phase I Roadway Improvements and the City Phase II Roadway Improvements
- (o) City Utility Improvements "City Utility Improvements" means the City Phase I Utility Improvements and the City Phase II Utility Improvements
- (p) City Well Site "City Well Site" means Lot 1, Block 3 as depicted on the Preliminary Plat
- (q) City's Ninety Foot Tract "City's Ninety Foot Tract" means the north ninety (90) feet of the Northwest Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota
- (r) Comprehensive Plan "Comprehensive Plan" means the City's Comprehensive Plan dated December, 2001, as amended in February, 2002
- (s) Council "Council" means the governing body of the City
- (t) County "County" means Anoka County, Minnesota
- (u) Developer "Developer" means Ramsey Town Center LLC, a Minnesota limited liability company and, subject to Article 14, its successors in title and assigns
- (v) Developer Public Improvements "Developer Public Improvements" means those improvements the Developer is obligated to construct pursuant to Articles 10 and 11
- (w) Development "Development" means any use of the Subject Property (other than the level of agricultural use currently taking place on the Subject Property) and any construction on or improvement of the Subject Property. Development includes, but is not limited to, land clearing, grading, excavation, construction of buildings or structures and installation of Phase Public Improvements, Developer Public Improvements and City Public Improvements. Development also includes material alteration of the Subject Property
- (x) Development Guidelines "Development Guidelines" means the development standards and guidelines to be approved in accordance with Subdivision 5 of the RTC Ordinance
- (y) Final Plans "Final Plans" means, with respect to each Phase, the Final Plat, the Secondary Development Agreement, the final site plan (if applicable), and the other plans and drawings the City approves pursuant to the RTC Controls for that Phase and the improvements to be constructed within that Phase, as the same may be amended from time to time. The Final Plans shall address the following
 - (i) grading,
 - (ii) wetlands,

- (iii) surface water quality,
 - (iv) storm water controls, erosion controls and drainage,
 - (v) street and lot layout,
 - (vi) utilities,
 - (vii) landscaping,
 - (viii) basement elevations,
 - (ix) signage,
 - (x) easements for public utilities,
 - (xi) parking
 - (xii) building location and exterior building design and appearance
- (z) Final Plat "Final Plat" means the Master Final Plat and the final plat the City approves for each Phase in accordance with the RTC Controls
- (aa) Force Majeure "Force Majeure" means acts of God, including, but not limited to, floods, ice storms, blizzards, tornadoes, landslides, lightning and earthquakes (but not including reasonably anticipated weather conditions for the geographic area), riots, insurrections, war or civil disorder affecting the performance of work, blockades, power or other utility failures, fires or explosions, labor strikes or labor shortages and shortage of materials. If a party's performance of an obligation under this Master Agreement is expressly made subject to Force Majeure and the party is unable to perform the obligation within the time period set forth in this Master Agreement as the result of an occurrence of a Force Majeure, the time period in which the party is obligated to perform the obligation is extended during the continuance of the Force Majeure and a reasonable period for recovery or restoration thereafter
- (bb) Formal Notice "Formal Notice" means notices given by one party to the other if in writing and if and when delivered or tendered either in person or by depositing it in the United States mail for delivery via certified mail, return receipt requested, with postage and postal charges prepaid, addressed as follows

If to City

City of Ramsey
 15153 Nowthen Blvd
 Ramsey, MN 55303
 Attention: City Administrator

If to Developer Ramsey Town Center LLC
 4200 Central Ave NE
 Minneapolis, MN 55421
 Attention: President

or to such other address as the party addressed shall have previously designated by notice given in accordance with this Section. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above, provided, that a notice not given as provided above is, if it is in writing, deemed given if and when actually received by a party.

- (cc) Storm Sewer Phasing Plan Exhibit "Storm Sewer Phasing Plan Exhibit" means the Storm Sewer Phasing Plan described in Section 10.1 and attached as Exhibit K.
- (dd) Master Agreement "Master Agreement" means this agreement as the same may be from time to time modified, amended or supplemented.
- (ee) Master Development Plan "Master Development Plan" consists of the Final Plat and Engineering submittal, drafted by Polaris Group, Close Landscape Architecture, Glenn Rehbein Companies and URS, last revised August 27, 2003, showing the development concept uses, densities, acreages, street pattern and future subdivision plan for the Subject Property. The term "Master Development Plan" also includes any additions or changes to the various components of the Master Development Plan the Council subsequently approves pursuant to the RTC Ordinance.
- (ff) Master Final Plat "Master Final Plat" means the plat of Ramsey Town Center Addition which will be based on the Preliminary Plat the Council approved on August 12, 2003.
- (gg) Master Grading Plan "Master Grading Plan" means Sheets 19-47 of the Master Development Plan.
- (hh) Memorandum of Understanding "Memorandum of Understanding" means that certain letter agreement between the City and the Developer, dated April 11, 2003.
- (ii) Other Regulatory Agencies "Other Regulatory Agencies" means and includes, jointly and severally, the following:
 - (i) Minnesota Department of Transportation ("MnDOT"),
 - (ii) the County,
 - (iii) State of Minnesota,

- (iv) Lower Rum River Watershed Management Organization,
 - (v) Minnesota Pollution Control Agency,
 - (vi) Metropolitan Council,
 - (vii) Minnesota Department of Natural Resources ("DNR"),
 - (viii) U S Army Corps of Engineers,
 - (ix) Minnesota Department of Health,
 - (x) Minnesota Board of Water and Soil Resources,
 - (xi) Minnesota Environmental Quality Board,
 - (xii) any other regulatory or governmental agency or entity affected by, or having jurisdiction over, Development on the Subject Property
- (jj) Parkland "Parkland" means the portions of the Subject Property the Developer is obligated to convey to the City or dedicate to the public as public parks. The Parkland is legally described on the attached Exhibit E.
- (kk) Parkland Improvements "Parkland Improvements" has the meaning set forth in Section 4.11.
- (ll) Parkland and Trail Plan "Parkland and Trail Plan" means the preliminary Parkland and Trail Plans to be agreed upon pursuant to Section 4.11.
- (mm) Phase The City and the Developer contemplate that the Subject Property will be developed in numerous phases, the precise boundaries of which are not yet established. A "Phase" is a portion of the Subject Property intended for separate Development. A Phase may either be a "proposed" Phase if the City has not yet approved the Final Plans for that Phase or an "approved" Phase if the City has approved the Final Plans for that Phase.
- (nn) Phase I Landscape Plan "Phase I Landscape Plan" means the Phase I Landscape Plan described in Section 7.2(b).
- (oo) Phase I Parking Ramp "Phase I Parking Ramp" means the Phase I Parking Ramp described in Section 9.2.
- (pp) Phase II Landscape Plan "Phase II Landscape Plan" means the Phase II Landscape Plan described in Section 7.8(c).
- (qq) Phase Public Improvements "Phase Public Improvements" are those Public Improvements the Secondary Development Agreement for an approved Phase requires the Secondary Developer for that Phase to construct or install.

- (ri) Preliminary Plat "Preliminary Plat" means that preliminary plat for the Subject Property as a whole which the City Council approved on August 12, 2003 and any preliminary plat for a proposed Phase that Council subsequently approves
- (ss) Public Improvements "Public Improvements" means those elements of essential urban infrastructure, whether installed by the Developer, a Secondary Developer or the City, over which the City ultimately accepts ownership and maintenance responsibility pursuant to this Master Development Agreement or a Secondary Development Agreement, including, without limitation, the Developer Public Improvements, the City Public Improvements, the Phase Public Improvements and the Phase I Parking Ramp
- (tt) Public Rights-of-Way Layout Plan "Public Rights-of-Way Layout Plan" means Sheet 3 of the Master Development Plan. The Public Rights-of-Way Layout Plan is considered conceptual. Except for the layout of the rights-of-way dedicated to the public in the Master Final Plat, the final configuration of the rights-of-way to be dedicated to the public is likely to differ from that depicted on the Public Rights-of-Way Layout Plan. The final configuration of public rights-of-way other than the public rights-of-way dedicated in the Master Final Plat will be established during the City's review and approval of a preliminary plat and the Final Plans for each Phase
- (uu) RTC Controls "RTC Controls" means and includes, jointly and severally, the following
 - (i) AUAR,
 - (ii) Comprehensive Plan
 - (iii) RTC Ordinance,
 - (iv) Development Guidelines,
 - (v) Final Plans,
 - (vi) Master Development Plan,
 - (vii) Master Agreement or Secondary Development Agreement, as applicable,
 - (viii) Zoning Ordinance
- (vv) RTC Ordinance "RTC Ordinance" means Section 9 20 31 of the Zoning Ordinance, which sets forth the land use restrictions and other zoning regulations relating to the Subject Property. Subject to Section 4 7 below, the RTC Ordinance also includes any subsequent amendments, modifications or additions to the version of the RTC Ordinance existing on the date hereof

- (ww) RTC Project "RTC Project" means the Development of the Subject Property in accord with the RTC Controls and other requirements of this Master Agreement
- (xx) Secondary Developer "Secondary Developer" means any person (including any entity) that submits a development proposal for the Development of a proposed Phase
- (yy) Secondary Development Agreement "Secondary Development Agreement" means an agreement between the City and one or more Secondary Developers for the Development of one or more Phases There may be more than one Secondary Development Agreement for a Phase or a single Secondary Development Agreement may cover more than one Phase Secondary Development Agreements will specify the specific requirements for the Development of that Phase or those Phases including, but not limited to, the allocation of responsibility for the construction or installation of required Public Improvements, provide for the Secondary Developers' delivery of security acceptable to the City pursuant to Section 12.4 to secure the Secondary Developers' construction and installation of any Public Improvements the Secondary Development Agreements obligate the Secondary Developers to construct and identifying approved plans and specifications for the Secondary Developers' construction of Phase Public Improvements and private improvements on the Phase or those Phases
- (zz) Street and Utility Phasing Plan "Street and Utility Phasing Plan" means the Street and Utility Phasing Plan attached as Exhibit L
- (aaa) Subject Property "Subject Property" means in the aggregate and jointly and severally all of real property legally described on the attached Exhibit A
- (bbb) Town Center District "Town Center District" means that portion of the City consisting of five sub-districts created by and through the RTC Ordinance
- (ccc) Town Center Review Board "Town Center Review Board" means the board to be established pursuant to Subdivision 10 of the RTC Ordinance
- (ddd) Wetland Act "Wetland Act" means all local, state, County, City, and federal laws and regulations relating to water and wetlands, including, but not limited to, Section 404 of the Clean Water Act (33 U.S.C. 1344), Minnesota Statute Chapters 103A through 103G, and all regulations promulgated pursuant thereto "Wetland Act" also includes all additions, modifications and regulations subsequent to that version of the Wetland Act which exists on the date hereof
- (eee) Zoning Ordinance "Zoning Ordinance" means Chapter 9 of the Ramsey City Code, as amended from time to time

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF THE CITY The City represents and warrants to the Developer that

- (a) The City is a Minnesota municipal corporation and a home rule charter city and has the power to enter into this Master Agreement and carry out its obligations hereunder. The City has duly authorized the execution, delivery and performance of this Master Agreement.
- (b) The City has prepared the AUAR, as authorized by Minnesota Rules 4410.3610, and the City's current ordinances do not require further environmental review prior to Development of the RTC Project, except that a review of the AUAR is required every 5 years and a use proposed by a Secondary Developer may require further environmental review.

3.2 REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER The Developer represents and warrants to the City

- (a) Except for the City Property, the Developer holds fee title to the Subject Property.
- (b) The Developer is a Minnesota limited liability company in good standing under the laws of the State of Minnesota. The Developer's members or board of governors have authorized the individual executing this Master Agreement on behalf of the Developer to execute this Master Agreement on behalf of the Developer.

3.3 DEVELOPER'S OBLIGATION TO EXECUTE AND RECORD THIS AGREEMENT AND THE MASTER FINAL PLAT The parties contemplate that the Developer will obtain title to the Subject Property after the City approves and executes this Master Agreement. After the Council approves this Master Agreement, the City will execute this Master Agreement and deposit it in escrow with the Developer's title insurer. The Developer must submit the proposed Master Final Plat to the Council within 30 days after the date the Council approves this Master Agreement. As set forth in Section 4.2, the City may terminate this Master Agreement if the Developer does not acquire fee title to all of the Subject Property except for the City Property, execute this Master Agreement and the Master Final Plat and record this Master Agreement and the Master Final Plat on or before December 31, 2003. If, at the time the Master Development Agreement or the Master Final Plat are recorded, as applicable, all or any part of the Subject Property is subject to a mortgage or other consensual or nonconsensual lien, the Developer must cause the lienholder to execute this Master Agreement or the Master Final Plat, as applicable, or a separate instrument, to unconditionally subject the lienholder's interest in the Subject Property to the terms of this Master Agreement or the terms of the Master Final Plat, as applicable.

ARTICLE 4
TOWN CENTER DISTRICT LAND USE CONTROLS

4.1 RESTRICTIONS ON DEVELOPMENT The Developer may not permit or suffer any Development to occur on any part of the Subject Property (other than City Property the Developer does not own) until the Developer satisfies the conditions subsequent described in Section 4.2 below. After the Developer satisfies the conditions subsequent described in Section 4.2 below, the Developer may not, except as provided in Section 4.4 below, permit or suffer any Development to occur on any part of the Subject Property (other than City Property the Developer does not own) until the Council has approved Final Plans for a Phase which includes the part of the Subject Property upon which the Development will occur.

4.2 CONDITIONS SUBSEQUENT TO CITY APPROVAL Notwithstanding any other provision of this Master Agreement or the RTC Controls, the Developer may not permit or suffer any Development to occur on any part of the Subject Property (other than portions of the Subject Property the City owns) until the Developer has satisfied each of the following conditions subsequent to the City's approval of this Master Agreement:

- (a) The Developer acquires title to all of the Subject Property (except the City Property), executes and records this Master Agreement and causes any lienholder to subject its interest in the Subject Property to the terms of this Master Agreement and the Master Final Plat as contemplated in Section 3.3
- (b) The Developer satisfies all of the conditions subsequent to the Council's approval of the Preliminary Plat as set forth in the Resolution approving the Preliminary Plat,
- (c) The Council approves the Master Final Plat, and
- (d) Except for the items expressly described in Section 4.4(b) and 4.4(f), the Developer's recording of the Master Final Plat

The Developer must satisfy the conditions subsequent described in this Section 4.2 on or before December 31, 2003 or the City may terminate this Development Agreement. The City's right to terminate this Development Agreement pursuant to this Section 4.2 is not subject to the notice and cure provisions of Article 15.

4.3 APPROVAL OF FINAL PLANS FOR A PHASE The RTC Project will be developed in Phases. Except as provided in Section 4.4, no Development may occur on a Phase until a Secondary Developer has submitted a proposed Preliminary Plat and Proposed Final Plans for the Phase to the City in accordance with the RTC Controls, and the Council has approved the Preliminary Plat and Final Plans for that Phase in accordance with the RTC Controls. The Council will not approve the Final Plans for a Phase if the Public Improvements the Street and Utility Phasing Plan indicates will be constructed in connection with the portion of the Subject Property that includes the Phase are not constructed and the Council is not satisfied that such Public Improvements will be constructed pursuant to the terms of this Master Agreement or the Secondary Development Agreement for that Phase prior to the completion of that Phase. In connection with the Development of a Phase, the City may require the Developer or Secondary

Developer, as the case may be, to oversize Public Improvements or otherwise modify the design of Public Improvements as reasonably necessary to serve other properties. If the City determines that the Development of a Phase requires the construction of public water, sanitary sewer or storm water improvements which will benefit both property within the Phase and other property, the City has no obligation to provide the Developer or the Secondary Developer who constructs the water, sanitary sewer or storm water improvements with a credit to reflect the benefit to other property resulting from such improvements.

4.4 FINAL PLATS After the Developer satisfies the conditions subsequent described in Section 4.2, no Development may occur within any Phase until the City approves the Final Plans for that Phase and the Final Plat for that Phase, if applicable, is recorded with the County, provided, however, after the Developer satisfies the conditions subsequent described in Section 4.2, the following Development may occur without the Final Plans for a particular Phase being approved and without the Final Plat for that Phase being recorded:

- (a) the City's construction of the City Public Improvements and the Phase I Parking Ramp,
- (b) the Developer's mass grading and construction of the storm water management system to serve the Subject Property upon the Developer's satisfaction of the requirements set forth in Section 10.1,
- (c) the Developer's installation of the landscaping described in the Phase I Landscaping Plan upon the Developer's satisfaction of the requirements set forth in Section 7.2(b) and 7.2(c),
- (d) the Developer's installation of the landscaping described in the Phase II Landscaping Plan upon the Developer's satisfaction of the requirements set forth in Section 7.8(c) and 7.8(d),
- (e) the Developer's performance of the work described in the Parkland and Trail Plan upon the Developer's satisfaction of the requirements set forth in Section 11.3, and
- (f) the City will permit the Developer to obtain a building permit for the construction, up to and including the footings, of the Charter School upon the Developer's satisfaction of the conditions subsequent described in Section 4.2 above and the Developer's acquisition of site plan approval for the Charter School. The City may also require the execution of a Secondary Development Agreement with respect to the Phase which includes the Charter School.

4.5 HOMEOWNERS' ASSOCIATIONS AND RESTRICTIVE COVENANTS The City acknowledges that the Developer or Secondary Developers may utilize deed restrictions, covenants, agreements, architectural controls, homeowners' associations and other means to control the use and to ensure the maintenance of the land within the RTC Project.

4.6 INCONSISTENCY AMONG RTC CONTROLS In the event of a conflict between or among any of the RTC Controls, if the parties are unable to agree upon an

amendment addressing the conflict, the higher item on the list shall control. Notwithstanding the foregoing, the provision in a lower listed item which is more restrictive on the Developer than the provision of a higher listed item shall not be deemed to conflict and the more restrictive provision shall control.

4.7 CHANGE OF ORDINANCES The Council finds that the RTC Project is a planned and staged development within the meaning of Minn. Stat. § 462.358, Subd. 3(c). Pursuant to Minn. Stat. § 462.358, Subd. 3(c), the City agrees that for twelve (12) years from and after the date of this Master Agreement, the City will not, unless required otherwise by a court or higher governmental authority having jurisdiction, without the consent of the Developer, or any Secondary Developer for any Phase, change the Comprehensive Plan or the RTC Controls for the Subject Property or any Phase with respect to the following:

- (a) permitted, conditional or accessory uses,
- (b) development density,
- (c) lot size,
- (d) lot layout, depth and width,
- (e) building setbacks and height,
- (f) street dedication requirements,
- (g) the terms and conditions of Section 4.10 hereof,
- (h) platting requirements.

If the Developer or a Secondary Developer, with the Developer's consent, requests a change to the RTC Controls for a specific Phase and the City grants the change, then the above restrictions do not apply for that Phase to the extent necessary to accommodate the requested change. The provisions of this Section 4.7 do not apply to provisions of the City's ordinances establishing "connection" or establishing utility "connection" or "hook up" fees and charges or utility rates, provided, however, the City agrees that the City will not charge the Developer or any Secondary Developer any higher fees or charges than those charged to other landowners within the City.

4.8 SUBDIVISION MONUMENTS Prior to the City's execution of a Final Plat, the Developer or a Secondary Developer, as the case may be, must, at its own expense, install subdivision monuments pursuant to the requirements of the City's Zoning Ordinance as interpreted by the City's engineer.

4.9 DEDICATION OF PUBLIC RIGHTS OF WAY The Master Final Plat dedicates to the public all rights-of-way necessary for the City's construction of the City Roadway Improvements including sufficient right-of-way for the pedestrian sidewalks and trails which, pursuant to the Parkland and Trail Plan, the Developer is to construct adjacent to the City Roadway Improvements. The Final Plat for each Phase must dedicate to the public the necessary rights-of-way for all public rights-of-way (including public sidewalks and trails) to be located

within that Phase pursuant to the Public Rights-of-Way Layout Plan and the Parkland and Trail Plan. Except for sidewalks or trails located within the land the Developer will convey to the City pursuant to Section 4.11 below for public park purposes, all sidewalks or trails depicted upon the Parkland and Trail Plan are to be located within dedicated public easements or rights-of-way.

4.10 DEDICATION OF DRAINAGE AND UTILITY EASEMENTS The Master Final Plat will dedicate to the public all drainage and utility easements shown in the Master Development Plan. The Final Plat for each Phase must dedicate to the public the customary drainage and utility easements required by the City for plats.

4.11 PARKLAND IMPROVEMENTS AND CONVEYANCE OF PARKLAND The Developer must convey the Parkland to the City upon the earlier of (i) the Developer's completion of the Parkland Improvements, or (ii) December 31, 2005, provided, however, if the Developer is in default in the performance of an obligation to construct Parkland Improvements arising under the Parkland and Trail Plan described below, the City may, at its option, defer the conveyance of the Parkland from the Developer to the City until the Developer completes construction of the Parkland Improvements. When the Developer conveys the Parkland to the City, title to the Parkland must be marketable except for public drainage and utility easements which do not interfere with the City's use of the Parkland for park purposes. When the Developer conveys the Parkland to the City, the Developer must pay or provide for the payment of all real estate taxes and levied or pending special assessments due and payable with respect to the Parkland whether or not such real estate taxes and special assessments are due and payable at the time of the conveyance. For a period of 90 days following the Council's approval of this Master Agreement, the City and the Developer will attempt to agree on a Parkland and Trail Plan which defines any additional land which the Developer will convey or dedicate to the City for park purposes and sets forth the timing and terms and conditions of any such conveyance or dedication, describes, in detail, the improvements which the Developer is obligated to make to the Parkland and to any other land the Developer agrees to convey or dedicate to the City for park purposes (the "Parkland Improvements"), establishes a schedule for the Developer's commencement and completion of the Parkland Improvements, describes the security, if any, which the Developer must provide to the City to secure the Developer's performance of its obligation to construct the Parkland Improvements, and defines the timing of the Developer's obligation to deliver such security, if any, to the City.

4.12 PARK AND TRAIL FEES The RTC Controls require the payment of park and trail fees in connection with the Development of the Subject Property. The City and the Developer agree that the City will collect the park and trail fees at the time the City approves a Secondary Development Agreement for a Phase or at such later time as established in the City's Zoning Ordinance. The Developer or a Secondary Developer must pay the park and trail fees due in connection with the Development of the Charter School before or at the time the City issues the building permit for footings described in Section 4.4(f) above or issues a building permit to a Secondary Developer. Based on the Parkland and Trail Plan described in Section 4.11, the City will determine, in a manner consistent with City practices, whether the Developer is entitled to any credit against the park and trail fees due and payable in connection with the Development of Subject Property based on the Parkland the Developer is obligated to convey to City pursuant to Section 4.11 and the Parkland Improvements and trails the Developer is obligated to construct pursuant to the Parkland and Trail Plan. If the City determines that the

Developer is entitled to a credit against park and trail fees due and payable in connection with the Development of the Subject Property, the City also will determine, in a manner consistent with City practices, how and when the credit will be applied against future park and trail fees or otherwise made available to the Developer. In addition to any other park and trail fees the Developer is obligated to pay to the City under the terms of the RTC Controls the Developer will, on or before October 1, 2005, pay to the City, via certified funds or certified or wire transferred funds, the sum of \$250,000 for deposit in the general fund of the City and designated to fund costs associated with the maintenance of park improvements located within the Subject Property, including, but not limited, to personnel and capital equipment costs.

4.13 TRAFFIC DEMAND MANAGEMENT PROGRAM The City and the Developer agree to work diligently and in good faith with one another and with other appropriate governmental authorities, Secondary Developers and end users to develop a traffic demand management program to mitigate the impacts of the RTC Project. The City reserves the right to require participation by the end users of portions of Phases in a traffic demand management program in connection with the approval of Secondary Development Agreements.

4.14 PREPARATION OF FINAL PLANS FOR FINAL GRADING WITHIN A PHASE Prior to Final Plat Approval for any Phase, a Secondary Developer for that Phase must submit final grading plans and a narrative which addresses how final grading for streets, utilities, drainage and Development within the Phase will occur. These grading plans for a Phase, once approved, will become a part of the Final Plans for that Phase. The final grading plans must also include an overall erosion control plan which addresses erosion control and protection of surface water quality. The final grading plans for a Phase are subject to the review and approval of the City Engineer, review and recommendation from the local soil and water conservation district and approval of the Council. The City will not issue grading permits for grading within any portion of a Phase until the Council has approved the final grading plans for that Phase and a Secondary Developer has provided appropriate security as may be required by the Zoning Ordinance or the terms of any applicable Secondary Development Agreement.

4.15 PERMITS The Developer must obtain all necessary approvals, permits and licenses from the City and the Other Regulatory Agencies for any Development the Developer undertakes on the Subject Property including the performance of the Developer's obligations under this Master Agreement. Each Secondary Developer must obtain all necessary approvals, permits and licenses from the City and the Other Regulatory Agencies for all development the Secondary Developer performs or undertakes on the Subject Property, including any activities the Secondary Developer is obligated to undertake pursuant to the terms of the Final Plans for a Phase. The Developer and each Secondary Developer are responsible for all costs incurred to obtain approvals, permits and licenses each is required to obtain pursuant to the terms of this Section 4.15 and each is also responsible for the payment of all fines or penalties the City or any Other Regulatory Agency levies or imposes against it as a result of its failure to obtain necessary approvals, permits and licenses or its failure to comply with the terms and conditions set forth in the approvals, permits and licenses it obtains.

4.16 RELATIONSHIP BETWEEN NON-RESIDENTIAL AND RESIDENTIAL DEVELOPMENT The City is approving the Developer's Master Development Plan, agreeing to construct City Public Improvements and agreeing to participate in the construction of the

Phase I Parking Ramp to encourage both non-residential and residential development of the Subject Property. The City acknowledges that residential Development will occur more quickly than non-residential Development. To provide the City with a mechanism to ensure that the Developer diligently pursues both residential and non-residential Development, the City reserves the right, exercisable in the City's sole and absolute discretion, to refuse to approve (i) Final Plans that may result in residential Development having a cumulative, taxable market value in excess of \$241,815,000.00 until the Developer and Secondary Developers have commenced the construction of non-residential Development that has a cumulative, taxable market value of \$19,271,537.00 or more, (ii) Final Plans that may result in residential Development having a cumulative, taxable market value in excess of \$290,178,000.00 until the Developer and Secondary Developers have commenced the construction of non-residential Development that has a cumulative, taxable market value of \$25,695,382.00 or more, (iii) Final Plans that may result in residential Development having a cumulative, taxable market value in excess of \$338,541,000.00 until the Developer and Secondary Developers have commenced the construction of non-residential Development that has a cumulative, taxable market value of \$38,543,073.00 or more, and (iv) Final Plans that may result in residential Development having a cumulative, taxable market value in excess of \$386,904,000.00 until the Developer and Secondary Developers have commenced the construction of non-residential Development that has a cumulative, taxable market value of \$51,380,764.00 or more. The taxable market value of tax exempt property will not be included in calculating the taxable market value of non-residential Development. To the extent the application of this Section 4.16 requires the determination of taxable market value for residential Development or non-residential Development for which the Anoka County Assessor has not determined the market value for real estate tax purposes, the City shall determine the taxable market value based on the calculation of market value made by the City's building official at the time a building permit was issued for the Development.

4.17 AUAR ROADWAY IMPROVEMENTS AND COUNTY ROADWAY IMPROVEMENTS The City and the Developer acknowledge the importance of upgrading the regional roadways with the AUAR Roadway Improvements. The City and the Developer have met on several occasions with officials of MnDOT and the County to discuss the necessity of the AUAR Roadway Improvements and possible timing and funding alternatives with respect thereto. The City and the Developer will diligently and in good faith pursue entering into agreements with MnDOT and the County for the financing and construction of the AUAR Roadway Improvements by MnDOT and the County, respectively. The Developer acknowledges that the AUAR requires mitigation of potential impacts that may result from the full build out of the RTC Project. The Developer will continue to work with the City to pursue alternative strategies, including, for example, a traffic demand management plan, to mitigate any such impacts, so that the RTC Project complies with the requirements of the AUAR. To ensure compliance with the AUAR, the City reserves the right to refuse to grant approval for Final Plans for subsequent Phases if the City determines that the AUAR Roadway Improvements necessary to serve the Phase have not been constructed.

4.18 SPECIAL SERVICE DISTRICT – PARK IMPROVEMENTS The City may, in the future, adopt an ordinance ordering a special service district pursuant to Minnesota Statutes Chapter 428A to provide an enhanced level of park improvements within the Subject Property. If the City establishes a special service district or special service districts that include all or a

portion of the Subject Property to finance the City's construction and maintenance of an enhanced level of park improvements within the Subject Property, the Developer for itself and its successors and assigns, hereby waives the right to object to the establishment of the special service district pursuant to Minnesota Statutes, Section 428A 02 Subd 4(1), Subd 4(2) and Subd 4(3), waives its right to appeal the establishment of the special service district pursuant to Minnesota Statutes, Section 428A 02, Subd 5 and waives its right to file an objection to the ordinance pursuant to Minn Stat Section 428A 09, Subd 2 or any successor statute

4 19 SPECIAL SERVICE DISTRICT – AUAR ROADWAY IMPROVEMENTS The RTC Ordinance allows the Developer to develop the Subject Property to density levels not generally permitted elsewhere in the City As indicated in the AUAR, development pursuant to the Master Development Plan may result in traffic impacts that require mitigation, and if other financing sources are not available, the City may elect to participate in the construction of AUAR Roadway Improvements at a level not provided throughout the City to the same degree The City may, in the future, adopt an ordinance ordering a special service district pursuant to Minnesota Statutes, 428A to finance its involvement in the AUAR Roadway Improvements If the City establishes a special service district or special service districts that include all or a portion of the Subject Property to finance the City's participation in the construction of AUAR Roadway Improvements, the Developer, for itself and its successors and assigns, hereby waives the right to object to the establishment of the special service district pursuant to Minnesota Statutes, Section 428A 02, Subd 4(1), Subd 4(2) and Subd 4(3), waives its right to appeal the establishment of the special service district pursuant to Minnesota Statutes, Section 428A 02, Subd 5 and waives its right to file an objection to the ordinance or ordinances pursuant to Minnesota Statute, Section 428A 09, Subd 2 or any successor statute

ARTICLE 5 CONVEYANCES

5 1 CITY HALL SITE Promptly upon the Developer's execution and recording of this Master Agreement, the City will commence the process required under its charter to authorize the City to convey the City's Ninety Foot Tract to the Developer in exchange for the City Hall Site At such time as the City has completed the process required under its Charter and is authorized to convey the City's Ninety Foot Tract to the Developer, the City must convey the City's Ninety Foot Tract to the Developer subject to all covenants, conditions, restrictions and easements of record, if any, as of September 16, 2003 and the pending special assessments described in Sections 7 6, 7 12 and 9 6 and the Developer must convey marketable title to the City Hall Site to the City subject only to (a) the pending special assessments described in Sections 7 6, 7 12 and 9 6, (b) easements existing as of the date of this Master Agreement or established in the Master Final Plat, which do not adversely affect the City's intended use of the City Hall Site and do not impose any financial obligations on the owner of the City Hall Site, and (c) the restriction described below The Developer shall convey the City Hall Site to the City subject to the restriction that for a period of 30 years following the date of the conveyance the City may only use the City Hall Site for purposes of a City Hall, a performing arts center, a multi-modal transit station, a public parking facility or a combination of the above uses The restriction will run in favor of the owners of the balance of Outlot O as depicted on the Preliminary Plat and the benefits of the restriction are an appurtenance to those parcels The restriction must provide that in the event of a breach of the restriction the benefited party's sole

remedy is to commence an action in Anoka County District Court to enjoin any use of the City Hall Site which violates the restriction. The City and the Developer acknowledge that the precise location and configuration of the City Hall Site may change between the date hereof and the date of Developer is required to convey the City Hall Site to the City, based on a subsequent agreement between the City and the Developer, provided, in no event shall the City Hall Site, as so changed, have fewer square feet than that contained in the City Hall Site as of the date hereof.

5.2 CITY MAINTENANCE OF CITY HALL SITE After grading the City Hall Site pursuant to the Master Grading Plan, the City must seed the City Hall Site as required under the Master Grading Plan. Between the date the Developer conveys the City Hall Site to the City and the date the City commences construction of improvements on the City Hall Site, the City must maintain the City Hall Site in a neat, clean and trimmed condition.

5.3 CITY'S EXISTING WELL SITE The City currently owns the portion of the Subject Property legally described as the East 100.00 feet of the West 160.00 feet of the North 174.00 feet of the South 217.00 feet of the Southwest Quarter of the Northeast Quarter, Section 28, Township 32, Range 25, Anoka County, Minnesota (the "City Well Site"). A portion of the City Well Site is being replatted as Lot 1, Block 3 as shown on the Master Development Plan. The balance of the City Well Site is being platted as Outlot J as depicted on the Master Development Plan. Promptly upon the Developer's execution and recording of this Master Agreement, the City will commence the process required under its charter to authorize the City to quitclaim Outlot J to the Developer for the purpose of conveying to the Developer all of the City's right, title and interest in and to the portion of the City Well Site not included within Lot 1, Block 3 as depicted on the Master Development Plan. During Developer's grading and construction activities on the Seller's Subject Property, Developer must maintain a method of reasonable access to Lot 1, Block 3, as depicted on the Master Development Plan. The Developer must, at Developer's sole cost and expense, relocate the existing City water lines that run from the City Well Site to Highway 116 from the existing utility easement into the new utility easement to be created on the Master Final Plat.

ARTICLE 6 CITY PUBLIC IMPROVEMENTS – GRADING

6.1 CITY PUBLIC IMPROVEMENTS – GRADING The City must, at its expense, final grade the public rights-of-way underlying the City Roadway Improvements and, if the City constructs improvements on the City Hall Site, the City Hall Site, as contemplated in the Master Grading Plan. The City must undertake and complete its grading activities associated with the City Roadway Improvements within the timeframe set forth in this Master Agreement for the City's completion of the City Roadway Improvements.

ARTICLE 7 CITY PUBLIC IMPROVEMENTS – CITY ROADWAY IMPROVEMENTS

7.1 DESIGN The City will commence design of the City Roadway Improvements upon the later of the Developer's satisfaction of the conditions described in Section 4.2 or October 31, 2003. The Developer has submitted proposed designs for the City Roadway Improvements to the City, and the City will consider these proposed designs in the City's design.

process. When the City completes its design process for each phase of the City Roadway Improvements and before the City commences construction of that phase, the City will provide the Developer with copies of plans and specifications showing the City's design for that phase and will inform the Developer that the plans represent the final design plans upon which the City intends to base its public bid specifications. The Developer shall have 10 days from the receipt of the City's final design plans to provide final comments to the City. Street layout and right-of-way width must conform to the Master Development Plan unless the Council approves modifications to the layout and right-of-way widths pursuant to the RTC Ordinance.

7.2 CONDITIONS PRECEDENT TO THE CITY'S CONSTRUCTION OF THE CITY PHASE I ROADWAY IMPROVEMENTS The City is not obligated to issue the bonds described in Section 7.5 or commence construction of the City Phase I Roadway Improvements until

- (a) the Developer has substantially completed the mass grading described in Section 10.1 pursuant to the Master Grading Plan,
- (b) the Developer has provided the City with and the City has approved a detailed landscaping plan specifically describing the landscaping which the Developer will construct and install within or adjacent to the rights-of-way for the City Phase I Roadway Improvement (the "Phase I Landscape Plan"). The Phase I Landscape Plan must identify a commencement date for the Developer's performance of the work described in the Phase I Landscape Plan. The commencement date may be stated as a number of days following the City's substantial completion of the City Phase I Roadway Improvements (exclusive of the installation of the final lift). The Phase I Landscape Plan must also establish a specific completion date for the Developer's performance of the work described in the Phase I Landscape Plan. The completion date may be stated as a number of days from the commencement date. The Developer will not be deemed to have satisfied this condition until the City has approved the Phase I Landscape Plan,
- (c) the Developer has delivered a letter of credit to the City in an amount equal to 125% of the City's reasonable estimate of the cost of performing the work described in the Phase I Landscape Plan.

7.3 COMMENCEMENT AND COMPLETION OF THE CITY PHASE I ROADWAY IMPROVEMENTS Subject to Force Majeure, the City must commence construction of the City Phase I Roadway Improvements upon the later of the Developer's satisfaction of each of the conditions described in Section 4.2 and 7.2 or May 31, 2004. Subject to Force Majeure, the City must substantially complete construction of the City Phase I Roadway Improvements within 12 months of the date the City is obligated to commence the City Phase I Roadway Improvements pursuant to the preceding sentence (the "City Phase I Roadway Improvements Substantial Completion Date"), and must install the final lift of the City Phase I Roadway Improvements within 6 months following the City Phase I Roadway Improvements Substantial Completion Date, provided, however, if the City Phase I Roadway Improvements Substantial Completion Date is on or after November first of any year, the City is not obligated to install the final lift on the City Phase I Roadway Improvements until June first of the

following calendar year. Upon completion of the City's Phase I Roadway Improvements, the City Phase I Roadway Improvements will constitute public streets and will be maintained by the City as public streets.

7.4 STREET SIGNS AND GROUND COVER ESTABLISHMENT The City's obligation to construct the City Phase I Roadway Improvements includes the obligation to install all street identification signs and traffic control signs and signals required under the terms of the RTC Controls or required by any Other Regulatory Agency to serve the City Phase I Roadway Improvements. The City must also, as a part of the cost of construction the Phase I Roadway Improvements, seed or sod the boulevards adjacent to the City's Phase I Roadway Improvements pursuant to the requirements set forth in the Master Development Plan. Other than seeding or sodding the boulevards pursuant to the preceding sentence, the City is not responsible for any landscaping associated with the City Phase I Roadway Improvements.

7.5 CITY PHASE I ROADWAY IMPROVEMENTS FINANCING The City will issue general obligation improvement bonds pursuant to Minnesota Statutes, Chapter 429 to finance the City Phase I Roadway Improvements. The City will pay 80% of the cost of the City Phase I Roadway Improvements (including the cost of the street signs and ground cover establishment described in Section 7.4) from the City's capital project fund and will specially assess 20% of the costs of the City Phase I Roadway Improvements (including the cost of the street signs and ground cover establishment described in Section 7.4) against the Subject Property in the percentages set forth on Exhibit F. The levied special assessments will be payable in installments over a term of 15 years with interest at a rate equal to the rate the City is obligated to pay the general obligation improvement bonds referenced in this Section 7.5 plus 5 basis points.

7.6 ASSESSMENT AGREEMENT FOR CITY PHASE I ROADWAY IMPROVEMENTS Minnesota Statutes Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess the cost of the City Phase I Roadway Improvements against the Subject Property. The City currently estimates that the City Phase I Roadway Improvements will cost \$4,380,175.00. The Developer hereby consents to an assessment by the City in an amount equal to \$876,035.00 against the Subject Property (to be allocated among lots and outlots in the Master Final Plat created pursuant to the percentages set forth on Exhibit F), pursuant to Minnesota Statutes Chapter 429, the City Charter and the City Ordinances and waives any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Subject Property, or any part thereof, does not receive a benefit from the City Phase I Roadway Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F exceeds the benefit to such lot or outlot. Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. As set forth in Section 16.4, the consents and waivers set forth in this Section 7.6 run with title to the Subject Property and are binding on the Developer and its successors and assigns. The City does not intend to levy the special assessment until the City completes the City Phase I Roadway Improvements. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. Once the City levies the special assessment and subject to Section 7.7, Developer must pay the installments of special assessment certified for payment with annual real estate taxes when and as they become due. Upon the

recording of the Master Final Plat, the pending special assessment described in this Section 7 6 is allocated among the lots and outlots the Master Final Plat creates in the manner set forth on the attached Exhibit F. If a subsequent Final Plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such Final Plat. The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessments among the lots or outlots created by such Final Plat. The City must adopt the Developer's or, if applicable, a Secondary Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. If the cost of the City Phase I Roadway Improvements is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429 071, but the Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$876,035 00 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$876,035 00 or to supplemental assessments.

7 7 PREPAYMENT OF CITY PHASE I ROADWAY IMPROVEMENTS SPECIAL ASSESSMENTS UPON SALE OR TRANSFER Under Minnesota Statutes, Chapter 429, the City may cause the amounts assessed against the Subject Property to be payable in a single installment or in equal annual installments extending over a period not to exceed 30 years. The City will make the special assessment described in Section 7 6 payable in annual installments extending over 15 years in consideration for the Developer's agreement, subject to Section 16 6, to pay the entire, uncertified balance of the assessment levied pursuant to Section 7 6 against any lot or outlot (whether such lot or outlot is created in the Master Final Plat or is created as a result of a subsequent subdivision of all or a portion of a lot or outlot created in the Master Final Plat or a Final Plat for a Phase) upon the sale or other transfer (including, but not limited to, the conveyance of equitable ownership pursuant to a contract for deed) of that lot or outlot. If the Developer conveys or otherwise transfers ownership of a lot or outlot subject to the assessment described in Section 7 6 before the City levies the assessment, the Developer must, subject to Section 16 6, escrow the portion of the pending special assessment attributable to that lot or outlot with the City or with a title insurance company reasonably acceptable to the City to provide for the payment of the special assessment attributable to that lot or outlot when the City levies the special assessment, and the purchaser must, in the escrow agreement, acknowledge and agree that it is subject to and bound by the consents and waivers described in Section 7 6. If the Developer elects to escrow the funds with a title insurance company, the City must be a party to the escrow agreement.

7 8 CONDITIONS PRECEDENT TO THE CITY'S CONSTRUCTION OF THE CITY PHASE II ROADWAY IMPROVEMENTS The City is not obligated to issue the bonds described in Section 7 11 or commence the construction of the City Phase II Roadway Improvements until

- (a) the Developer has dedicated to the City all rights-of-way upon which the City Phase II Roadway Improvements are to be constructed,

- (b) the City reasonably determines that the assessed value for real estate tax purposes of the Subject Property, exclusive of the portions of the Subject Property (i) that are exempt from real estate taxes, (ii) for which no certificate of occupancy has been issued, and (iii) that are improved with owner occupied or rental housing, exceeds \$43,000,000,
- (c) the Developer has provided the City with and the City has approved a detailed landscaping plan specifically describing the landscaping which the Developer will construct and install within or adjacent to the rights-of-way for the City Phase II Roadway Improvements (the "Phase II Landscape Plan") The Phase II Landscape Plan must identify a commencement date for the Developer's performance of the work described in the Phase II Landscape Plan The commencement date may be stated as a number of days following the City's substantial completion of the City Phase II Roadway Improvements (exclusive of the installation of the final lift) The Phase II Landscape Plan must also establish a specific completion date for the Developer's performance of the work described in the Phase II Landscape Plan The completion date may be stated as a number of days from the commencement date The Developer will not be deemed to have satisfied this condition until the City has approved the Phase II Landscape Plan, and
- (d) the Developer has delivered a letter of credit to the City in an amount equal to 125% of the City's reasonable estimate of the cost of performing the work described in the Phase II Landscape Plan

7 9 COMMENCEMENT AND COMPLETION OF THE CITY PHASE II ROADWAY IMPROVEMENTS Subject to Force Majeure, the City must commence construction of the City Phase II Roadway Improvements within 180 days after the Developer's satisfaction of the contingencies described in Section 7 8 Subject to Force Majeure, the City must substantially complete construction of the City Phase II Roadway Improvements within 12 months of the date the City is obligated to commence the City Phase II Roadway Improvements pursuant to the preceding sentence (the "City Phase II Roadway Improvements Substantial Completion Date"), and must install the final lift of the City Phase II Roadway Improvements within 6 months following the City Phase II Roadway Improvements Substantial Completion Date, provided, however, if the City Phase II Roadway Improvements Substantial Completion Date is on or after November first of any year, the City is not obligated to install the final lift on the City Phase II Roadway Improvements until June first of the following calendar year Upon completion of the City's Phase II Roadway Improvements, the City Phase II Roadway Improvements will constitute public streets and will be maintained by the City as public streets

7 10 STREET SIGNS AND GROUND COVER ESTABLISHMENT The City's obligation to construct the City Phase II Roadway Improvements includes the obligation to install all street identification signs and traffic control signs and signals required under the terms of the RTC Controls or required by any Other Regulatory Agency to serve the City Phase II Roadway Improvements The City must also, as a part of the cost of construction the Phase II Roadway Improvements, seed or sod the boulevards adjacent to the City's Phase II Roadway Improvements pursuant to the requirements set forth in the Master Development Plan Other

than seeding or sodding the boulevards pursuant to the preceding sentence, the City is not responsible for any landscaping associated with the City Phase II Roadway Improvements

7 11 CITY PHASE II ROADWAY IMPROVEMENTS FINANCING The City will issue general obligation improvement bonds pursuant to Minnesota Statutes, Chapter 429 to finance the City Phase II Roadway Improvements The City will pay 80% of the cost of the City Phase II Roadway Improvements (including the cost of the street signs and groundcover establishment described in Section 7 10) from the City's capital project fund and will specially assess 20% of the cost of the City's Phase II Roadway Improvements (including the costs of the street signs and groundcover establishment described in Section 7 10) against the Subject Property in the percentages set forth on Exhibit F The levied special assessments will be payable in installments over a term of 15 years with interest at a rate equal to the rate the City is obligated to pay the general obligation improvement bonds referenced in this Section 7 11 plus 5 basis points

7 12 ASSESSMENT AGREEMENT FOR CITY PHASE II ROADWAY IMPROVEMENTS Minnesota Statutes, Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess the cost of the City Phase II Roadway Improvements against the Subject Property The City currently estimates that the City Phase II Roadway Improvements will cost \$1,678,000 00 The Developer hereby consents to an assessment by the City in an amount equal to \$335,660 00 against the Subject Property (to be allocated among the lots and outlots the Master Final Plat creates pursuant to the percentages set forth on Exhibit F), pursuant to Minnesota Statutes Chapter 429, the City Charter and the City Ordinances and waives any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Subject Property, or any part thereof, does not receive a benefit from the City Phase II Roadway Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or parcel pursuant to Exhibit F exceeds the benefit to such lot or parcel Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429 081 and any rights available under the City Charter or the City Ordinances As set forth in Section 16 4, the consents and waivers set forth in this Section 7 12 run with title to the Subject Property and are binding on the Developer and its successors and assigns The City does not intend to levy the special assessment until the City completes the City Phase II Roadway Improvements Until the City levies the special assessment, the special assessment constitutes a pending special assessment Once the City levies the special assessment and subject to Section 7 13 below, Developer must pay the installments of special assessment certified for payment with annual real estate taxes when and as they become due Upon a recording of the Master Final Plat, the pending special assessment described in this Section 7 12 is allocated among the lots and outlots the Master Final Plat creates in the manner set forth on the attached Exhibit F If a subsequent Final Plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F, the City must allocate the special assessment pending or levied against that lot or outlot among the lots and outlots created by such Final Plat The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessment among the lots and outlots created by such Final Plat The City must adopt the Developer's or, if applicable, a Secondary Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis

The City may accept or reject other proposed allocations in its sole and absolute discretion. If the cost of the City Phase II Roadway Improvements is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429.071, but the Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$335,660.00 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$335,660.00 or to supplemental assessments.

7.13 PREPAYMENT OF CITY PHASE II ROADWAY IMPROVEMENTS, SPECIAL ASSESSMENTS UPON SALE OR TRANSFER Under Minnesota Statutes, Chapter 429, the City may cause the amounts assessed against the Subject Property to be payable in a single installment or an equal annual installment extending over a period not to exceed 30 years. The City will make the special assessment described in Section 7.12, payable in annual installments extending over 15 years in consideration for the Developer's agreement subject to Section 16.6 to pay the entire, uncertified balance of the assessment levied pursuant to Section 7.12 against any lot or outlot (whether such lot or outlot is created in the Master Final Plat or is created as a result of a subsequent subdivision of all or a portion of a lot or outlot created in the Master Final Plat or a Final Plat for a Phase) upon the sale or other transfer (including, but not limited to, the conveyance of equitable ownership pursuant to a contract for deed) of that lot or outlot. If the Developer conveys or otherwise transfers ownership of a lot or outlot subject to the assessment described in Section 7.12 before the City levies the assessment, the Developer must subject to Section 16.6 escrow the portion of the pending special assessment attributable to that lot or outlot with the City or with a title insurance company reasonably acceptable to the City to provide for the payment of the special assessment attributable to that lot or outlot when the City levies the special assessment, and the purchaser must, in the escrow agreement, acknowledge and agree that it is subject to and bound by the consents and waivers described in Section 7.12 above. If the Developer elects to escrow the funds with a title insurance company, the City must be a party to the escrow agreement.

ARTICLE 8 CITY UTILITY IMPROVEMENTS

8.1 CITY OBLIGATION TO CONSTRUCT CITY UTILITY IMPROVEMENTS
The City will construct the City Utility Improvements pursuant to this Article 8.

8.2 DESIGN OF CITY UTILITY IMPROVEMENTS The City will forthwith design the City Utility Improvements. The Developer has submitted proposed designs for the City Utility Improvements to the City, and the City will consider these proposed designs in the City's design process. When the City completes its design process for each phase of the City Utility Improvements and before the City commences construction of that phase, the City will provide the Developer with copies of plans and specifications showing the City's design for that phase and will inform the Developer that the plans represent the final design plans upon which the City intends to base its public bid specifications. The Developer shall have 10 days from the receipt of the City's final design plans to provide final comments to the City.

8.3 COMMENCEMENT AND COMPLETION OF PHASE I CONSTRUCTION
Subject to Force Majeure, the City is obligated to commence and complete construction of the

City Phase I Utility Improvements on the same dates that the City is obligated to commence and substantially complete construction of the City Phase I Roadway Improvements pursuant to Section 7.3. The City Utility Improvements will be public improvements, and the City will maintain the City Utility Improvements as public improvements.

8.4 FINANCING OF CITY PHASE I UTILITY IMPROVEMENTS The City will issue general obligation revenue bonds pursuant to Minnesota Statutes, Chapter 444, to finance the City Phase I Utility Improvements. The City will repay the bonds from revenues the City's storm sewer, sanitary sewer and water system's generate (hook-up fees and rates and charges). For a period of three years after the date hereof, the City will not levy special assessments against the Subject Property to finance the cost of the City Phase I Utility Improvements. Thereafter, the City may levy special assessments against the Subject Property to finance the cost of the City Phase I Utility Improvements, but only to the extent necessary to cover shortfalls in the revenues received by the City from hook up fees and rates and charges from the Subject Property to cover debt service on the bonds issued to finance the Phase I Utility Improvements.

8.5 CONDITIONS PRECEDENT TO CITY'S CONSTRUCTION OF CITY PHASE II UTILITY IMPROVEMENTS The City is not obligated to commence construction of the City Phase II Utility Improvements until the conditions precedent described in Section 7.8 above are satisfied.

8.6 COMMENCEMENT AND COMPLETION OF PHASE II CONSTRUCTION Subject to Force Majeure, the City is obligated to commence and complete construction of the City Phase II Utility Improvements on the same dates that the City is obligated to commence and substantially complete construction of the City Phase II Roadway Improvements pursuant to Sections 7.8 and 7.9. The City Utility Improvements will be public improvements, and the City will maintain the City Utility Improvements as public improvements.

8.7 FINANCING OF CITY PHASE II UTILITY IMPROVEMENTS The City will issue general obligation revenue bonds pursuant to Minnesota Statutes, Chapter 444, to finance the City Phase II Utility Improvements. The City will repay the bonds from revenues the City's storm sewer, sanitary sewer and water system's generate (hook-up fees and rates and charges). For a period of three years after the date hereof, the City will not levy special assessments against the Subject Property to finance the cost of the City Phase II Utility Improvements. Thereafter, the City may levy special assessments against the Subject Property to finance the cost of the City Phase II Utility Improvements, but only to the extent necessary to cover shortfalls in the revenues received by the City from hook up fees and rates and charges from the Subject Property to cover debt service on the bonds issued to finance the Phase II Utility Improvements.

8.8 FEES The City represents that the City's current charges for access, hook-up or connection to City water, sanitary sewer and storm water utilities are set forth on the attached Exhibit G. The City agrees that the City will not charge the Developer or any Secondary Developer any higher access, hook-up or connection fees or charges than those charged to other landowners within the City. The City makes no representations or warranties regarding the amount of future access, hook-up or connection charges.

ARTICLE 9
PARKING STRUCTURES

9 1 PARKING STRUCTURES Section 9 20 31, Subd 2(a) of the RTC Ordinance states

To maximize the use of land and prevent proliferation of surface parking within this District, parking structures will be utilized to accommodate the majority of the District's parking needs

The Developer acknowledges and agrees that the City may refuse to approve Final Plans for Development of all or any portion of the Subject Property located within the TC-1 Mixed Use Core Sub-District unless sufficient structured parking already exists to satisfy the parking requirements for the improvements that may be constructed pursuant to the Final Plans for that Phase or the Final Plans for that Phase provide for the construction of structured parking which is acceptable to the City, or the City has commenced construction of the Phase I Parking Ramp pursuant to Section 9 4 and, upon completion thereof, sufficient structured parking will exist to satisfy the parking requirements for the improvements that may be constructed pursuant to the Final Plans for that Phase

9 2 PHASING OF STRUCTURED PARKING The Master Development Plan contemplates the construction of three parking ramps within the TC-1 Mixed Use Core Sub-District The City and the Developer have agreed upon a mechanism for financing the City's construction of the approximately 1,150 stall parking ramp described in the Master Development Plans (the "Phase I Parking Ramp") as set forth in this Article 9 The City agrees that unless and until the City initiates construction of the Phase I Parking Ramp pursuant to Section 9 4, the City will consider proposals from the Developer or Secondary Developers for alternative methods of providing for the financing and construction of the Phase I Parking Ramp At this time, the City and the Developer have been unable to agree on a method to provide for the financing and construction of the other two parking ramps described in the Master Development Plan The portion of the Master Development Plan that depicts the size and location of the Phase I Parking Ramp and the other two parking ramps will control the location and design of the Phase I Parking Ramp and the other two parking ramps unless the Developer and the City, in the amendment to this Master Agreement, or the City and a Secondary Developer, in a Secondary Development Agreement, agree to modify the designs or locations set forth in the Master Development Plans Notwithstanding the foregoing, the City may unilaterally alter the size and design of the Phase I Parking Ramp to the extent necessary to allow the City to construct the Phase I Parking Ramp for an amount not to exceed \$12,000,000

9 3 CONSTRUCTION OF PHASE I PARKING RAMP- DEVELOPER INITIATIVE The Developer may, by Formal Notice to the City, obligate the City to commence design and construction of the Phase I Parking Ramp upon the Developer's satisfaction of the following conditions precedent

- (a) The Developer's submission to the City and the City's approval, for purposes of this Section 9 3 only, of preliminary Final Plans for the Development of one or more Phases within the TC-1 Mixed Use Core Sub-District which will rely on the

Phase I Parking Ramp for parking. In reviewing and approving or disapproving the Developer's preliminary Final Plans, the City may consider whether the Final Plans are likely to receive final approval from the City and whether or not the Development the Final Plans contemplate is sufficiently significant to justify the construction of the Phase I Parking Ramp,

- (b) The Developer's conveyance to the City of marketable fee title to the portion of the Subject Property upon which the Phase I Parking Ramp is to be constructed. The Developer must convey the required property to the City via Warranty Deed. Before conveying the property to the City, the Developer must pay all state deed tax due on the conveyance of the property to the City and must pay or provide for the payment of all real estate taxes and special assessments levied or pending against the property (including special assessments pending against the property pursuant to the terms of this Master Agreement) as of the date of closing whether or not such taxes or assessments are currently due and payable. Title to the Property must be marketable, subject to only public utility easements which will not interfere with the development of the Property for the construction of the Phase I Parking Ramp.

9.4 CONSTRUCTION OF PHASE I PARKING RAMP At any time on or after January 1, 2006, if the Developer has not caused the City to commence design and construction of the Phase I Parking Ramp pursuant to Section 9.3 and the City and the Developer have not agreed on an alternative mechanism for financing and constructing the Phase I Parking Ramp, the City may in its sole and absolute discretion proceed with the construction of the Phase I Parking Ramp as a public improvement project pursuant to Minnesota Statutes Chapter 429 and Minnesota Statutes Chapter 459.14, Subd. 7 and levy special assessments to finance the construction of the Phase I Parking Ramp as provided in Section 9.5 below.

9.5 FINANCING OF THE PHASE I PARKING RAMP The City may issue General Obligation Improvement Bonds pursuant to the statutory authority set forth in Minnesota Statutes Section 459.14 to finance the cost of constructing the Phase I Parking Ramp pursuant to Section 9.3 or Section 9.4 and may levy special assessments against the Subject Property for 50% of the cost of constructing the Phase I Parking Ramp. The special assessment will be payable over a term of not less than 20 years at an interest rate payable on the bonds the City issues to finance the construction of the Phase I Parking Ramp plus 5 basis points.

9.6 ASSESSMENT AGREEMENT FOR PHASE I PARKING RAMPS Minnesota Statutes Chapter 429, Minnesota Statutes Section 459.14, the City's Charter and the City's Ordinances authorize the City to assess the cost of the Phase I Parking Ramp against the Subject Property. The Developer agrees that the fair share of the cost of the Phase I Parking Ramp attributable to the Subject Property is at least \$6,000,000 and that the Phase I Parking Ramp will benefit the Subject Property in at least the amount of \$6,000,000. The Developer hereby consents to the City's assessment of \$6,000,000 against the Subject Property (to be allocated among the lots and outlots the Master Final Plat creates pursuant to the percentages set forth on Exhibit F), pursuant to Minnesota Statutes Chapter 429, Minnesota Statutes Section 459.14, the City's Charter and the City's Ordinances and waives any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and

hearing requirements, claims that the Subject Property, or any part thereof, does not receive a benefit from the Phase I Parking Ramp, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F exceeds the benefit to such lot or outlot or portion of the Subject Property. The Developer also waives any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081. The City does not intend to levy the special assessment until immediately prior to or after the City's construction of the Phase I Parking Ramp, and until that time, the assessment described in this Section 9.6 constitutes a pending special assessment. Once the City levies the special assessment, and subject to Section 9.7 below, the Developer must pay the installments of the special assessment certified for payment with annual real estate taxes when and as they become due. Upon the recording of the Master Final Plat, the pending special assessment described in this Section 9.6 is allocated among the lots and outlots the Master Final Plat creates in the manner set forth on the attached Exhibit F. If a subsequent Final Plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such Final Plat. The Developer or a Secondary Developer must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessment among the lot or outlots created by such Final Plat. The City must adopt the Developer's or, if applicable, a Secondary Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. If the cost of the Phase I Parking Ramp is greater than anticipated, the City reserves the right to levy an assessment in a greater amount or levy supplemental assessments pursuant to Minnesota Statutes, Section 429.071, but the Developer has not, in any way, consented or agreed to an assessment in an amount greater than \$6,000,000 or to supplemental assessments or waived any appeal rights with respect to an assessment in an amount greater than \$6,000,000 or to supplemental assessments.

9.7 PREPAYMENT OF SPECIAL ASSESSMENTS FOR PHASE I PUBLIC PARKING RAMP UPON SALE OR TRANSFER. Under Minnesota Statutes, Chapter 429, the City may cause the amounts assessed against the Subject Property for the Phase I Public Parking Ramp to be payable in a single installment or in equal annual installments extending over a period not to exceed 30 years. The City will make the special assessment described in Section 9.6 payable in annual installments extending over 20 years in consideration for the Developer's agreement, subject to Section 16.6, to pay the entire, uncertified balance of the special assessment levied pursuant to Section 9.6 against any lot or outlot (whether such lot or outlot is created in the Master Final Plat or is created as a result of a subsequent subdivision of all or a portion of a lot or outlot created in the Master Final Plat or a Final Plat for a Phase) upon the sale or transfer (including, but not limited to, the conveyance of equitable ownership pursuant to a contract for deed) of that lot or outlot. If the Developer conveys or otherwise transfers ownership of a lot or outlot subject to the special assessment described in Section 9.6 before the City levies the special assessment, the Developer must, subject to Section 16.6, escrow the portion of the pending special assessment attributable to that lot or outlot with the City or with a title insurance company reasonably acceptable to the City to provide for the payment of the special assessment attributable to that lot or outlot when the City levies the special assessment, and the purchaser must, in the escrow agreement, acknowledge and agree that it is subject to and bound by the consents and waivers described in Section 9.6 above. If the Developer elects to

escrow the funds with a title insurance company, the City must be a party to the escrow agreement. Any escrow agreement established pursuant to this Section 9.7 shall provide for a refund of the escrowed funds, as directed by the City and the Developer jointly, if the City and the Developer agree on an alternative method for providing the financing for the construction of the Phase I Parking Ramp. If the City has not commenced construction of the Phase I Parking Ramp to be financed pursuant to Section 9.5 on or before the date 12 years after the date of this Master Agreement, the escrowed funds, with interest, shall be refunded as provided for in the escrow agreement, and the Developer shall have no further obligations under Sections 9.5, 9.6 or 9.7.

ARTICLE 10
DEVELOPER PUBLIC IMPROVEMENTS

10.1 DEVELOPER PUBLIC IMPROVEMENTS – MASS GRADING AND STORM WATER MANAGEMENT The Developer must mass grade the Subject Property and construct a storm water management system to serve the Subject Property in accordance with the Master Grading Plan and the Storm Sewer Phasing Plan Exhibit. Subject to Force Majeure, the Developer must commence and complete each phase of the mass grading and each phase of the construction of the storm water management system on or before the commencement and completion dates established for such work in the Grading Plan and the Storm Sewer Phasing Plan Exhibit. The Developer may not commence the first phase of the mass grading and storm water management system construction or any subsequent phase of the storm water management system construction until

- (a) the Developer has delivered to the City a letter of credit in an amount equal to 125% of the City Engineer's reasonable estimate of the cost of the work to be performed as a part of that phase (the letter of credit the Developer delivers prior to the commencement of construction of the first phase must be in an amount equal to 125% of the City Engineer's reasonable estimate of the full cost of the mass grading for the Subject Property and 125% of the City Engineer's reasonable estimate of the cost of the storm water management system construction which is a part of the first phase),
- (b) the Developer has paid to the City the inspection fees established under the Zoning Ordinance with respect to the work to be performed as a part of that phase, and
- (c) the Developer has provided the City with evidence that the Developer has obtained all approvals required from the Lower Rum River Water Management Organization for the work to be performed as a part of that phase.

ARTICLE 11
DEVELOPER PUBLIC IMPROVEMENTS –
LANDSCAPING, PARKLAND IMPROVEMENT, PEDESTRIAN IMPROVEMENTS

11.1 LANDSCAPING ASSOCIATED WITH CITY PHASE I ROADWAY IMPROVEMENTS Subject to Force Majeure, the Developer must commence the installation of

the landscaping described in the Phase I Landscaping Plan within 60 days of the City's substantial completion (exclusive of the final lift) of the City Phase I Roadway Improvements, and must complete the installation of the landscaping described in the Phase I Landscaping Plan on or before the date 180 days from the City's substantial completion (exclusive of the final lift) of the City Phase I Roadway Improvements. Notwithstanding the foregoing, if the City substantially completes the City Phase I Roadway Improvements between November 1 of any year and May 1 of the following year, the Developer is not obligated to commence the installation of the landscaping described in the Phase I Landscaping Plan until the following May 1 and is not obligated to complete the installation of the landscaping described in the Phase I Landscaping Plan until the following September 1. Upon the Developer's completion of the landscaping described in the Phase I Landscaping Plan, the Developer must submit to the City a guaranty as required by the Zoning Ordinance and upon the Developer's completion of the work and the City's receipt of such guaranty, the City will release the letter of credit referenced in Section 7 2(c).

11 2 LANDSCAPING ASSOCIATED WITH CITY PHASE II ROADWAY IMPROVEMENTS Subject to Force Majeure, the Developer must commence the installation of the landscaping described in the Phase II Landscaping Plan within 60 days of the City's substantial completion (exclusive of the final lift) of the City Phase II Roadway Improvements and must complete the installation of the landscaping described in the Phase II Landscaping Plan on or before the date 180 days from the City's substantial completion (exclusive of the final lift) of the City Phase II Roadway Improvements. Notwithstanding the foregoing, if the City substantially completes the City Phase II Roadway Improvements between November 1 of any year and May 1 of the following year, the Developer is not obligated to commence the installation of the landscaping described in the Phase II Landscaping Plan until the following May 1 and is not obligated to complete the installation of the landscaping described in the Phase II Landscaping Plan until the following September 1. Upon the Developer's completion of the landscaping described in the Phase II Landscaping Plan, the Developer must submit to the City a guaranty as required by the Zoning Ordinance and upon the City's receipt of such guaranty the City will release the letter of credit described in Section 7 8(d).

ARTICLE 12 RESPONSIBILITY FOR COSTS, SECURITY

12 1 DEVELOPER PUBLIC IMPROVEMENT COSTS The Developer shall pay for the Developer Public Improvements, that is, all costs of persons doing work or furnishing skills, tools, machinery or materials, or insurance premiums or equipment or supplies and all just claims for the same, and the City shall be under no obligation to pay the contractor or any subcontractor any sum whatsoever on account thereof, whether or not the City shall have approved the contract or subcontract.

12 2 PHASE IMPROVEMENT COSTS A Secondary Development Agreement for each Phase will require a Secondary Developer to pay for the Phase Public Improvements with respect to such Phase, that is, all costs of persons doing work or furnishing skills, tools, machinery or materials, or insurance premiums or equipment or supplies and all just claims for the same, and the City shall be under no obligation to pay the contractor or any subcontractor

any sum whatsoever on account thereof, whether or not the City shall have approved the contract or subcontract

12.3 CITY COSTS Except to the extent provided in this Section 12.3, the Developer must reimburse the City for all fees and charges the City incurs and pays to third parties in connection with the Development of the Subject Property, including, but not limited to, legal, planning, engineering and inspection fees and expenses incurred in connection with the preparation of this Master Agreement, the review and approval of plans and specifications for improvements contemplated in this Master Agreement or the Master Development Plans and the monitoring and final inspection of the Developer's progress, performance, construction and installation of the Developer Public Improvements. Developer must also reimburse the City for the City's staff time. A schedule of the reimbursement rates for City staff time are attached as Exhibit I. Notwithstanding the foregoing, the Developer is not obligated to reimburse the City for the City's staff time or to reimburse the City for fees and charges the City incurs and pays to third parties in connection with the Development of any subsequent Phase, including, but not limited to, legal, planning, engineering and inspection fees and expenses incurred in connection with the preparation of a Secondary Development Agreement, the review and approval of plans and specifications for improvements contemplated in a Secondary Development Agreement or the Final Plans for a Phase and the monitoring and final inspection of a Secondary Developer's progress, performance, construction and installation of Phase Public Improvements, unless so obligated under the terms of a Secondary Development Agreement to which the Developer is a party. The City represents that the reimbursement rates set forth on the attached Exhibit I are the same reimbursement rates the City charges to other developers. The City may, from time to time, change the reimbursement rates described on the attached Exhibit I provided that the changes are also applicable to the reimbursement rates the City charges other developers. The Developer must reimburse the City for out-of-pocket costs the City pays and must reimburse the City for City staff within 30 business days of the City's delivery of a notice to the Developer setting forth the amount of the City's out-of-pocket costs or staff time expenses through the date of the notice. As provided in Section 1.1, the Memorandum of Understanding is terminated. The Developer agrees to pay bona fide invoices rendered under the terms of the Memorandum of Understanding for work performed prior to the date the Developer executes this Agreement within 10 business days after the submission of such invoices to the Developer. In addition, the Developer agrees to pay the City \$250,000 in cash or wire transferred funds payable in two installments of \$125,000 on January 1, 2004 and January 1, 2005. The payments are intended to assist the City in recruiting and retaining new City employee positions of Associate Planner, Building Inspector, Engineering Technician and Executive Human Resources Assistant, but the City may use the funds for any purpose. The Developer agrees to keep in force the \$50,000 Letter of Credit that the Developer has already delivered to the City to secure the Developer's performance of its obligations under this Section 12.3 until December 31, 2007.

12.4 LETTERS OF CREDIT AND ALTERNATIVE SECURITY Various provisions of this Master Agreement require the Developer to deliver letters of credit to the City to secure the Developer's performance of various obligations. The City Council may, in its sole and absolute discretion, consider accepting the following alternative security arrangements (or combinations thereof) in lieu of requiring a letter of credit

- (a) Cash escrow accounts with bona fide title insurance companies as to which the City is a third party beneficiary
- (b) Letters of credit
- (c) Performance bonds
- (d) Insurance policies insuring performance
- (e) Evidence of construction financing sufficient to fund the improvements in question, with delivery to the City of copies of construction draws, lien waivers or other satisfactory evidence of payment of invoices as construction proceeds
- (f) Evidence of lines of credit sufficient to fund the improvements in question, updated regularly
- (g) Other arrangements satisfactory to the City

The City Council may also consider the alternative security arrangements described in this Section 12.4 in connection with the City's establishment of the requirements for Secondary Development Agreements. Each letter of credit required under the terms of this Master Agreement must be an Irrevocable Letter of Credit from a state or national banking association or other financial institution reasonably acceptable to the City (each a "Letter of Credit"). Unless otherwise expressly stated in this Master Agreement, a Letter of Credit must be in amount equal to 125% of the City's estimate of the cost to perform the obligation the performance of which the Letter of Credit secures. Each Letter of Credit must obligate the issuer thereof to honor the City's site draft for the full amount of the Letter of Credit provided the City submits to the issuer, along with the City's site draft, a Certificate signed by the City Administrator of the City of Ramsey stating the Developer is in default in the performance of the obligation the Letter of Credit secures (as stated in the Letter of Credit). Each Letter of Credit, except for the letter of credit the Developer provides pursuant to Section 10.1(a) which may be for a term of one year and, if not released, must be renewed pursuant to the requirements of this Section 12.4, must provide that it will automatically renew until released by the City. Each Letter of Credit must, in all other respects, be in a form reasonably acceptable to the City. Until the Developer completes the performance of the obligation the Letter of Credit secures, the Developer must obtain and provide the City with extensions or renewals of the Letter of Credit at least thirty (30) days prior to the stated expiration date of the Letter of Credit. The term "Letter of Credit" as used in this Master Agreement means the original Letter of Credit the Developer delivers to the City, each extension or renewal of the original or any subsequent Letter of Credit and any new Letter of Credit Developer delivers to the City to satisfy Developer's obligations under this Section 12.4. Each time a Letter of Credit is extended, renewed or replaced, the amount of the Letter of Credit may be reduced to an amount equal to 125% of the Developer's estimate of the total cost of completing the obligation which the Letter of Credit secures. In addition, Developer may, not more than once per calendar month, ask the City to consent to a reduction in the amount of a Letter of Credit to reflect the Developer's partial completion of the obligation the Letter of Credit secures. To request the City's consent to such a reduction in the amount of a Letter of Credit, the Developer must submit to the City a description of the work the Developer has completed and

mechanic's and materialmen's lien waivers showing the Developer's full payment for the completed work. The City's Engineer will inspect the work identified in the Developer's request and report the results of his or her inspection to the City Administrator. The City Administrator will approve the reduction and the outstanding amount of the Letter of Credit when the City Administrator is satisfied, based on the Engineer's report, that the amount of the requested reduction accurately reflects the cost of the work the Developer has completed and paid for. The City will release the Letter of Credit when the Developer has completed the work the Letter of Credit secures and the City has inspected and accepted the work. If the Developer fails to obtain a required extension or renewal of a Letter of Credit at least thirty (30) days prior to the stated expiration date of a Letter of Credit, the Developer is in default in the performance of its obligation to obtain and provide the City with extensions or renewals of the Letter of Credit and the City may draw on the Letter of Credit without providing the Developer with notice or an opportunity to cure.

ARTICLE 13
DEFENSE AND INDEMNIFICATION OF CITY

13.1 DEFENSE OF THE CITY The Developer must defend the City, its Council members, employees, agents, independent contractors and attorneys (collectively, the "City Parties"), with legal counsel reasonably acceptable to the City, from any and all third party demands, claims, actions, suits or proceedings which arise out of, result from or relate to any of the following:

- (a) The Developer's failure to perform any obligation this Master Agreement imposes upon the Developer or to observe any restriction this Master Agreement imposes upon the Developer or the Subject Property,
- (b) The Developer's failure to pay any contractors, subcontractors, laborers or material suppliers who have provided labor or materials at the request of the Developer,
- (c) The Developer's construction of the Developer Improvements

If the Developer fails to defend, the City shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter, for the account of and at the risk of the Developer. In the event that the Developer fails to defend, all attorneys' fees incurred by the City related to such defense shall be paid for by the Developer.

13.2 INDEMNIFICATION OF THE CITY The Developer must indemnify the City Parties against and must hold the City Parties harmless from any cost, expense, loss, obligation, liability, or damages resulting from a claim within the scope of the Developer's defense obligation under Section 13.1 above, provided, however, the Developer is not obligated to indemnify the City Parties against or to hold the City Parties harmless from liability under any judgment a court of competent jurisdiction enters against a City Party as a result of the City Party's negligence, willful misconduct, or violation of applicable law.

13.3 NOTICE Within a reasonable period of time after the City's receipt of actual notice of any demand, claim, action, suit or proceeding that is or may be within the scope of the

Developer's defense obligation under Section 13.1 above, the City must give the Formal Notice of any such matter in reasonable detail to the Developer.

ARTICLE 14
SUCCESSORS IN TITLE AND ASSIGNMENT

14.1 TRANSFERS OF TITLE AND ASSIGNMENT The Developer may not transfer title to all or any portion of the Subject Property or assign any of its rights or obligations under this Master Agreement without the consent of the City. For purposes of this Master Agreement, a transfer of shares, partnership interest, membership interest or other ownership interest in a Developer which results in a transfer in control of the Developer entity constitutes an assignment of the Developer's rights under this Master Agreement. The City may grant or withhold its consent in the City's sole and absolute discretion except as follows:

- (a) If the Developer conveys a portion of the Subject Property to a Secondary Developer, the City's joinder in an agreement with the Developer and the Secondary Developer describing the allocation of rights and obligations under this Master Agreement or the City's approval of Final Plans for the secondary development and execution of a Secondary Development Agreement with the Secondary Developer constitutes the City's consent to Developer's conveyance of the property that is the subject of the secondary development to the Secondary Developer, and
- (b) If the Developer conveys all of its remaining interest in the Subject Property to a successor developer, the City must consent to the conveyance of the real estate and the assignment of the Developer's rights under this Agreement provided:
 - (i) the Developer is not then in default under the terms of the Master Agreement,
 - (ii) the Developer conveys all of its remaining interest in the Subject Property (except for portions of the Subject Property that are subject to a Secondary Development Agreement) and assigns all of its rights under the Master Agreement to the successor developer,
 - (iii) the successor developer assumes, for the benefit of the City, all of the Developer's obligations under this Master Agreement and acknowledges, for the benefit of the City that he, she or it is subject to the consents and waivers set forth in Section 7.6, 7.12 and 9.6 and is subject to the prepayment obligations set forth in Section 7.7, 7.13 and 9.7, and
 - (iv) to the extent that the City is holding letters of credit or other security provided by the Developer at the time of the sale and assignment, the successor developer provides the City with substitute letters of credit or other security acceptable to the City Council pursuant to Section 12.4

If the Developer conveys all or a portion of the Subject Property to a third party without acquiring the City's consent, the Developer's successor in interest is subject to all of the

covenants and restrictions set forth in this Master Agreement, but is not entitled to enforce all or any part of this Master Agreement against the City

14.2 COLLATERAL ASSIGNMENTS The Developer may collaterally assign its rights under this Master Agreement to any entity to whom the Developer grants a mortgage on all or part of the Subject Property as additional security for the Developer's performance of the obligation the mortgage secures. If the mortgagee acquires title to all or a portion of the Subject Property as a result of the foreclosure of such mortgage and the enforcement of the collateral assignment, or as a result of deed in lieu of such foreclosure and enforcement, the rights and obligations of the mortgagee, in its capacity as a successor in title to the Developer, are as set forth in Section 14.3 below,

14.3 RIGHTS AND OBLIGATIONS OF FORECLOSING MORTGAGEE An individual or entity who acquires title to all or a portion of the Subject Property through the foreclosure of a mortgage or deed in lieu of foreclosure on such portion of the Subject Property remains subject to each of the restrictions set forth in this Master Agreement and remains subject to all of the obligations of the Developer under the terms of this Master Agreement, but the purchaser at a foreclosure sale or grantee under a deed in lieu of foreclosure shall have no personal liability for a breach of such obligations under this Master Agreement so long as

- (a) The party acquiring title through foreclosure or deed in lieu of foreclosure observes all of the restrictions set forth in the Master Agreement,
- (b) The Party who acquired title through foreclosure or deed in lieu of foreclosure does not undertake or permit any other party to undertake any Development on the portion of the Subject Property it owns,
- (c) The City has no obligation to approve Final Plans for a Phase created out of the portion of the Subject Property the foreclosing mortgagee (or mortgagee obtaining a deed in lieu of foreclosure) owns or to issue any related building permits

The purpose of this Section 14.3 is to permit a foreclosing lender (or mortgagee obtaining a deed in lieu of foreclosure) to hold title to the portion of the Subject Property it acquires through foreclosure or deed in lieu of foreclosure, without liability, until it can sell the property it holds to a third party who will assume the obligations of the Developer under the terms of this Master Agreement and proceed with the Development of the Subject Property pursuant to the terms of this Master Agreement. If, rather than passively holding title to the portion of the Subject Property it acquires through foreclosure or deed in lieu of foreclosure, the foreclosing lender (or mortgagee obtaining a deed in lieu of foreclosure) or other purchaser at a foreclosure sale desires to sell Phases to Secondary Developers for Development, the purchaser at the foreclosure sale (or mortgagee obtaining a deed in lieu of foreclosure) must assume and perform each of the obligations of the Developer under this Master Agreement. This Section 14.3 does not restrict the authority of the City to pursue its rights under any outstanding security, exercise remedies otherwise available under this Master Agreement or suspend the performance of its obligations under this Master Agreement as otherwise allowed.

14.4 DEVELOPER'S LENDER The City acknowledges that the Developer intends to mortgage the Subject Property (except for the City Property) to Community National Bank (the "Bank"), whose address is 5481 St. Croix Trail, North Branch, MN 55056-5200, Attention President, and that the Developer intends to collaterally assign its rights under the Master Agreement to the Bank pursuant to Section 14.2 above. The City agrees to provide Formal Notice to the Bank, at the address set forth above, in the event of any default by the Developer, at the same time the City provides any Formal Notice to the Developer required pursuant to Article 15 of this Master Agreement and to provide the Bank with the same opportunity to cure any default that is afforded to the Developer under the terms of this Master Agreement.

14.5 ESTOPPEL CERTIFICATES Within twenty (20) days after the City's receipt of Formal Notice requesting an estoppel certificate, the City will cause an appropriate representative of the City to execute, acknowledge and deliver to the Developer an estoppel certificate certifying

- (a) Either (i) that this Master Agreement is unmodified and in full force and effect, that this Master Agreement is in full force and effect as modified, and stating the modifications, or (ii) that this Master Agreement has terminated, and
- (b) Either that, to the best of City's actual knowledge, (i) neither the City nor the Developer is in default under this Master Agreement or (ii) stating that neither the City nor the Developer is in default under this Master Agreement except as stated in the Estoppel Certificate and setting forth, and specifying, the nature and extent of the default.

14.6 CERTIFICATE OF COMPLETION Upon the Developer's completion of all of the Developer Public Improvements or a discrete portion of the Developer Public Improvements, the City will, upon the Developer's request, furnish the Developer with a recordable Certificate of Completion substantially in the form attached as Exhibit H, or will provide the Developer with a written statement indicating, in reasonable detail, in what respects the Developer has failed to complete the relevant Developer Public Improvement and the measures or acts that are required, in the opinion of the City, for the Developer to complete the Developer Public Improvement in question. The City will provide the Certificate of Completion or written statement described in this Section 14.6 within thirty (30) days after receipt of the Developer's request. Unless sooner terminated pursuant to the terms hereof, this Master Agreement terminates and neither party has any further liability hereunder, upon the full build out of all of the public and private improvements contemplated by the Master Development Plan, as the same may be amended from time to time, which shall be evidenced by Certificates of Completion having been issued as to all of the public improvements and certificates of occupancy as to all of the private improvements. When the City has

- (a) Issued Certificates of Completion with respect to all of the Developer's Public Improvements, and
- (b) Entered into Secondary Development Agreements with Secondary Developer's for all of the Subject Property (other than property the City owns or property that has been dedicated to the Public),

The City will provide the Developer with a Certificate of Completion indicating that all of the Developer's obligations under this Agreement, except for the Developer's obligations under Article 13, have been satisfied and, except for Article 13, this Master Agreement is terminated Six years after the date the City issues the Certificate of Completion referenced in the preceding sentence, the Developer's obligations under Article 13 terminate and are of no further force and effect

ARTICLE 15 REMEDIES UPON DEFAULT

15.1 CITY'S REMEDIES Except as set forth in this Section 15.1 or in Section 15.6, if the Developer fails to perform one or more of its obligations under this Master Agreement or fails to abide by one or more restrictions this Master Agreement imposes on the Developer, the City shall give the Developer Formal Notice of the default and the Developer shall have thirty (30) days to cure the default. If, however, the Developer undertakes or permits Development in violation of the restrictions set forth in Sections 3.3, 4.1, 4.2 or 4.3 of this Master Development Agreement, the City shall give the Developer Formal Notice of the default and the Developer shall have forty-eight (48) hours to cure the default. If the Developer fails to perform one or more of its obligations in Sections 4.12, 7.6, 7.7, 7.12, 7.13, 9.6, 9.7, 12.3, 12.4, 13.1, 13.2, and 15.1(e), the City shall give the Developer Formal Notice of the default and the Developer shall have five (5) days to cure the default. If the Developer does not cure the default within the required period or such longer period as may be necessary if the default may not reasonably be cured within such period, provided the Developer pursues the cure with reasonable diligence, then the City may avail itself of any remedy afforded by law and any of the following cumulative, non-exclusive remedies

- (a) the City may specifically enforce this Master Agreement, including without limitation, the use of temporary restraining orders, temporary injunctions and permanent injunctions,
- (b) the City may suspend any work, improvement or obligation to be performed by the City until the City receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under the Master Agreement,
- (c) the City may collect on any security provided by the Developer pursuant to Article 12, to the extent necessary to cure the default and, if the security is a Letter of Credit, the City may draw on the Letter of Credit for any amount up to the full amount of the Letter of Credit. If the City draws on a Letter of Credit, the City must deposit the proceeds of the Letter of Credit in a bank account in the City's name. If the City elects to perform (or to engage third parties to perform) obligations of the Developer pursuant to subsection 15(e) below, the City may withdraw from said account and retain an amount equal to the total amount of the costs and expenses which the City incurs in connection with the performance of such obligations. If the City elects to perform obligations of the Developer under this Master Agreement, Developer is entitled to recover from the City any balance of the proceeds of the Letter of Credit remaining after the City has reimbursed

itself for all costs and expenses which the City incurs in connection with the full performance of the Developer's obligations and Developer is personally liable to the City for the amount by which the costs and expenses which the City incurs in connection with the performance of the Developer's obligations under this Master Agreement exceed the proceeds of the Letter of Credit. If the City elects to commence a civil action to recover its damages (to the extent such an action for damages is permitted under Section 15(f), the City must hold the proceeds of the Letter of Credit, less amounts the City deducts therefrom to reimburse the City for costs and expenses the City incurs in performing Developer's obligations, until a court enters a judgment against Developer at which time the City must apply the proceeds of the Letter of Credit, less amounts the City has deducted therefrom to reimburse the City for costs and expenses the City incurred in performing the Developer's obligations, towards the satisfaction of the judgment. If the proceeds of the Letter of Credit exceed the amount necessary for the satisfaction of any judgment the City obtains against Developer and the reimbursement of costs and expenses the City incurs in performing Developer's obligations, the City must remit the remaining balance of the Letter of Credit proceeds to the Developer,

- (d) the City may deny building permits for buildings within any Phase that is not subject to a Secondary Development Agreement and may withhold approval of Final Plans for any new Phase proposed by the Developer, until the default is cured,
- (e) the City may, at its sole option, perform the work or improvements to be performed by the Developer, in which case the Developer shall within thirty (30) days after written billing by the City reimburse the City for any costs and expenses incurred by the City. In the alternative, the City may, in whole or in part, specially assess any of the costs and expenses incurred by the City against any or all of the Subject Property then owned by the Developer, and the Developer hereby waives any and all procedural and substantive objections to the installation and construction of the work and improvements and the special assessments resulting therefrom, including but not limited to notice and hearing requirements and any claim that the special assessments exceed benefit,
- (f) If the Developer's default is the failure to perform one or more of its monetary obligations under Section 4 12, 7 6, 7 7, 7 12, 7 13, 9 6, 9 7, 12 3, 13 1, 13 2, 15 1(c) or 15 1(e), the City may commence an action against the Developer for monetary damages

Notwithstanding anything else in this Section 15, if the Developer's default is the failure to obtain an extension or renewal of a Letter of Credit or a replacement Letter of Credit within 30 days of the date an existing Letter of Credit will expire or if applicable law prevents the City from giving the notice of default described in this Section 15 1, the City may exercise the remedies described in Sections 15(b), 15(c), 15(d) or 15(e) without prior notice to the Developer and without the Developer having an opportunity to cure the Developer's default. If the City draws on a Letter of Credit as a result of the Developer's failure to provide an extension or renewal of a Letter of Credit or a replacement Letter of Credit, the City must hold the proceeds

of the Letter of Credit in a separate account the City maintains with a state or national bank or other financial institution acceptable to the City, may use the proceeds of the Letter of Credit in the same manner and to the same extent the City may use proceeds of a draw on a Letter of Credit pursuant to Section 15 1(c) and will remit unused proceeds of the Letter of Credit to the Developer upon the Developer's delivery to the City of a new Letter of Credit in the form and in the amount this Master Agreement requires

15 2 DEVELOPER'S REMEDIES If the City defaults in the performance of any of its obligations under this Master Agreement, the Developer shall give the City Formal Notice of such default and the City shall have 30 days to cure the default. If the City, after the Formal Notice to it by the Developer, does not cure the default within such 30 day period, or such longer period as may be necessary if the default may not reasonably be cured within such 30 day period, provided the City pursues the cure with reasonable diligence, then the Developer may avail itself of the following non-exclusive remedies

- (a) the Developer may specifically enforce this Master Agreement,
- (b) the Developer may suspend its performance under this Master Agreement until it receives assurances from the City, deemed adequate by the Developer, that the City will cure its default and continue performance under this Master Agreement, and
- (c) the Developer may terminate or cancel and rescind this Master Agreement

15 3 MASTER AGREEMENT TERMINATION DEFAULTS The following defaults by the Developer that have not been remedied after notice and expiration of the cure period provided in Section 15 1 above shall permit the City to terminate the Master Agreement and repeal the RTC Ordinance

- (a) Failure by the Developer to convey to the City the City Hall Site, as required by Section 5 1, or
- (b) Failure by the Developer to convey the Parkland to the City, as required by Section 4 11, or
- (c) Failure by the Developer to complete the Developer Public Improvements, but only to the extent the Developer is obligated to construct or install such improvements pursuant to the terms of this Master Agreement and provided the City has not elected to complete such Developer Public Improvements pursuant to Section 15 1(e) above
- (d) Failure by the Developer to perform the obligation placed on it by Sections 3 3, 4 12, 7 6, 7 7, 7 12, 7 13, 9 6, 9 7, 12 3, 12 4, 13 1, 13 2, 14, and 15 1(e) of this Master Agreement

Defaults (a) through (d) are the only defaults for which the remedies of this Section 15 3 are available to the City

15 4 NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER If any agreement contained in this Master Agreement is breached by the Developer and thereafter waived in writing by the City, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breaches hereunder

15 5 EXCLUSIVE REMEDIES The remedies set forth in Sections 15 1, 15 2 and 15 3 are exclusive

15 6 EMERGENCY If Developer's default creates an imminent threat to life, safety, or health of the public, the City, without affirmative duty to do so, may proceed immediately to cure the default and thereafter proceed pursuant to the provisions of Section 15 1(e)

15 7 AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES Whenever any default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City, unless the Developer prevails in any proceeding related to such default, in which event the City agrees, on demand therefor, to pay to the Developer the reasonable fees of attorneys and other expenses incurred by the Developer If the City defaults under this Master Agreement, the City shall, on demand therefor, pay to the Developer the reasonable attorneys' fees and other expenses related thereto incurred by the Developer, unless the City prevails in any proceeding related to such default, in which event the Developer agrees, on demand therefor, to pay to the City the reasonable fees of attorneys and other expenses incurred by the City

ARTICLE 16 MISCELLANEOUS

16 1 NO THIRD PARTY RECOURSE OR RIGHTS Third parties shall have no recourse or rights under this Master Agreement against the City or the Developer

16 2 CITY OWNED PROPERTY The City's execution of this Master Agreement is also intended to subject the City Property to the terms of this Master Agreement

16 3 RECORDING The Developer must record this Master Agreement or a memorandum summary hereof with the County Recorder and/or Registrar of Titles, as appropriate, prior to or contemporaneously with the recording of the Master Final Plat The City shall execute any and all documents necessary to implement the recording

16 4 BINDING AGREEMENT The parties mutually recognize and agree that, subject to Section 14, all terms and conditions of this Master Agreement shall run with the Subject Property, and shall be binding upon the successors and assigns of the Developer and the City

16 5 WAIVER Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this Master Agreement which inaccuracies would otherwise constitute a breach of this Master Agreement, waive compliance by another with any of the covenants contained in this Master

Agreement and performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Master Agreement. Any agreement on the part of any party for any such extension or waiver must be in writing. No waiver of any of the provisions of this Master Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

16.6 EXEMPT CONVEYANCES Sections 7.7, 7.13 and 9.7 obligate the Developer to prepay levied special assessments or escrow funds for the prepayment of pending special assessments when any portion of the Subject Property is sold. The following conveyances are exempt from the prepayment and escrow requirements of Sections 7.7, 7.13 and 9.7:

- (a) The City's conveyance to the Developer of the portion of the City owned well site not included within Lot 1, Block 3, as depicted on the Preliminary Plat or any series of conveyances between the Developer and the City necessary to transfer the portion of the City well site not included within Lot 1, Block 3 as described in the Preliminary Plat to the Developer,
- (b) The Developer's conveyance to a successor Developer of all of the Subject Property that the Developer owns, all of the Subject Property zoned for residential development that the Developer owns or all of the Subject Property zoned for non-residential development that the Developer owns, and
- (c) The City's conveyance of the City's 90 Foot Tract to the Developer and the Developer's conveyance of the City Hall Site to the City.

It is the City's intent to require the prepayment of levied special assessments or the escrow of funds for the prepayment of pending special assessments upon the Developer's conveyance to Secondary Developers, but not to require such prepayments or escrows upon the Developer's conveyance to a successor master developer, and the City may, at its option, elect to exempt other conveyances from the prepayment and escrow requirements.

16.7 GOVERNING LAW This Master Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

16.8 COUNTERPARTS This Master Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

16.9 HEADINGS The subject headings of the Sections of this Master Agreement are included for purposes of convenience only, and shall not affect the construction or interpretation of any of its provisions.

16.10 ACCESS The Developer hereby grants to the City, its agents, employees, officers and contractors a license to enter the Subject Property to perform the City's obligations with respect to the City Public Improvements and to inspect the Developer Public Improvements.

16 11 LIMITATION ON DEVELOPER'S CONSTRUCTION OBLIGATIONS

Notwithstanding anything contained in this Master Agreement to the contrary, the only obligations of Ramsey Town Center LLC with respect to the actual construction of the RTC Project are to (i) construct the Developer Public Improvements described in Articles 10 and 11, (ii) provide the security required by this Master Agreement with respect to the Developer Public Improvements, and (iii) use its best efforts to enter into agreements with Secondary Developers reasonably acceptable to the City to construct the portions of the RTC Project within the Phases

16 12 PROPRIETARY RIGHTS The City acknowledges that Ramsey Town Center LLC has and will invest significant amounts in the preparation of plans, surveys, drawings and other information relating to the proposed RTC Project (collectively the "Information") The City agrees that Ramsey Town Center LLC is the sole owner of any Information the Developer prepares or pays a third party to prepare and has the sole right to sell such Information to third parties Notwithstanding the foregoing, the Developer agrees that from and after the date the Developer provides the City Public Improvements design identified in Section 7.2 to the City, the City may use such materials in any manner the City deems appropriate The Developer further acknowledges that to the extent information the Developer provides to the City is subject to the Minnesota Data Practices Act, the City must comply with the provisions of the Act


16 13 EASEMENT RELOCATION If the City requires that the Developer grant easements to the City pursuant to the terms of this Master Agreement or otherwise and the lines or infrastructure to be located within an easement area are actually located outside the easement area, the City agrees to enter into amendments to the easements to relocate the easement area to coincide with the actual location of the lines or infrastructure


16 14 DEVELOPER'S WARRANTY The Developer warrants to the City that, for a period of one year from the date the City accepts the Developer Public Improvements, the Developer Public Improvements will be free from defects caused by faulty workmanship or defective materials

IN WITNESS WHEREOF, the parties have executed this Master Agreement as of the date first stated above

CITY:


CITY OF RAMSEY, MINNESOTA

By 
Name THOMAS G. GAMES
Its Mayor

By 
Name JAMES E. NORMAN
Its CITY ADMINISTRATOR

DEVELOPER:

RAMSEY TOWN CENTER LLC,
a Minnesota limited liability company

By 
Name BRUCE A. NIEDEGAARD
Its CHIEF MANAGER

STATE OF MINNESOTA)
) ss
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me on this 17th day of September, 2003, by THOMAS G. GAMEG and JAMES E. NORMAN, the Mayor and City Administration of the City of Ramsey, a Minnesota municipal corporation on behalf of the Corporation

William M. Goodrich
Notary Public



STATE OF MINNESOTA)
) ss
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me this 17 day of September, 2003, by Bruce A. Nedegaard the Chief Manager of RAMSEY TOWN CENTER LLC, a Minnesota limited liability company, on behalf of the limited liability company

Kelly J. Neola
Notary Public

KELLY J. NEOLA
Notary Public-Minnesota
Anoka County
My Commission Expires 12/31/05

THIS INSTRUMENT WAS DRAFTED BY

BRIGGS AND MORGAN, P A (TLB)
W2200 First National Bank Building
332 Minnesota Street
St Paul, Minnesota 55101

EXHIBIT A

Legal Description of the Subject Property

RAMSEY TOWN CENTER LLC (Developer) OWNED PROPERTY

Abstract Title Properties

The South 835 feet of the East 417 feet of the Southeast Quarter of the Northeast Quarter of Section 28, Township 32, Range 25, as measured along the East and South lines thereof,

And

The North 209 feet of the South 1044 feet of the East 417 feet of the Southeast Quarter of the Northeast Quarter of Section 28, Township 32, Range 25, as measured along the East and South lines thereof,

And

Lot 1, Block 1, R A Peltzer Addition, Anoka County, Minnesota,

And

The Southwest Quarter of the Northeast Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota, EXCEPT the North 150 00 feet of said Southwest Quarter of the Northeast Quarter and EXCEPT the East 100 00 feet of the West 160 00 feet of the North 174 00 feet of the South 217 00 feet of said Southwest Quarter of the Northeast Quarter,

And

The Southeast Quarter of the Northeast Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota, EXCEPT the North 150 00 feet of said Southeast Quarter of the Northeast Quarter and EXCEPT the East 417 00 feet of said Southeast Quarter of the Northeast Quarter,

And

The Northeast Quarter of the Southeast Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota,

And

Lots 1 and 8 AUDITORS SUBDIVISION NUMBER 34, according to the map or plat thereof on file and of record in the office of the County Recorder in and for Anoka County, Minnesota

And the following Registered Titles Properties

The Northwest Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota,

EXCEPT the following described four tracts

- 1 The North 90 feet of said Northwest Quarter,
- 2 Parcels 1 and 2, ANOKA COUNTY HIGHWAY RIGHT-OF-WAY PLAT NO 33, filed as Anoka County Recorder Document No 798409,
- 3 That part of said Northwest Quarter lying Southwesterly of the Northeasterly railroad right-of-way of Burlington Northern, Inc ,
- 4 A 120-foot wide strip of said Northwest Quarter, the centerline of which strip is described as follows

Beginning at the intersection of the East line of the Southeast Quarter of said Northwest Quarter and a line 60 00 feet South of and parallel with the North line of the Southeast Quarter of said Northwest Quarter, thence on an assumed bearing of North 89 degrees 29 minutes 01 seconds West, along said parallel line, a distance of 220 50 feet, thence Northwesterly a distance of 821 53 feet along a tangential curve concave to the Northeast, said curve having a radius of 1099 07 feet and a central angle of 42 degrees 49 minutes 37 seconds, thence North 46 degrees 39 minutes 23 seconds West, tangent to the last described curve, a distance of 600 00 feet to a point hereinafter referred to as "Point A", thence Westerly a distance of 821 51 feet along a tangential curve concave to the South, said curve having a radius of 1099 97 feet and a central angle of 42 degrees 49 minutes 35 seconds, thence North 89 degrees 28 minutes 58 seconds West, tangent to the last described curve, a distance of 500 00 feet to the West line of said Northwest Quarter, and said centerline there terminating,

And

That part of the Southwest Quarter of Section 28, Township 32, Range 25, Anoka County, Minnesota, lying Northeasterly of the Northeasterly railroad right-of-way of Burlington Northern, Inc

Torrens Property

Torrens Certificate No 89743

CITY OF RAMSEY OWNED PROPERTY 3

Abstract Title Properties

The East 100 00 feet of the West 160 00 feet of the North 174 00 feet of the South 217 00 feet of the Southwest Quarter of the Northeast Quarter Section 28, Township 32, Range 25, Anoka County, Minnesota,

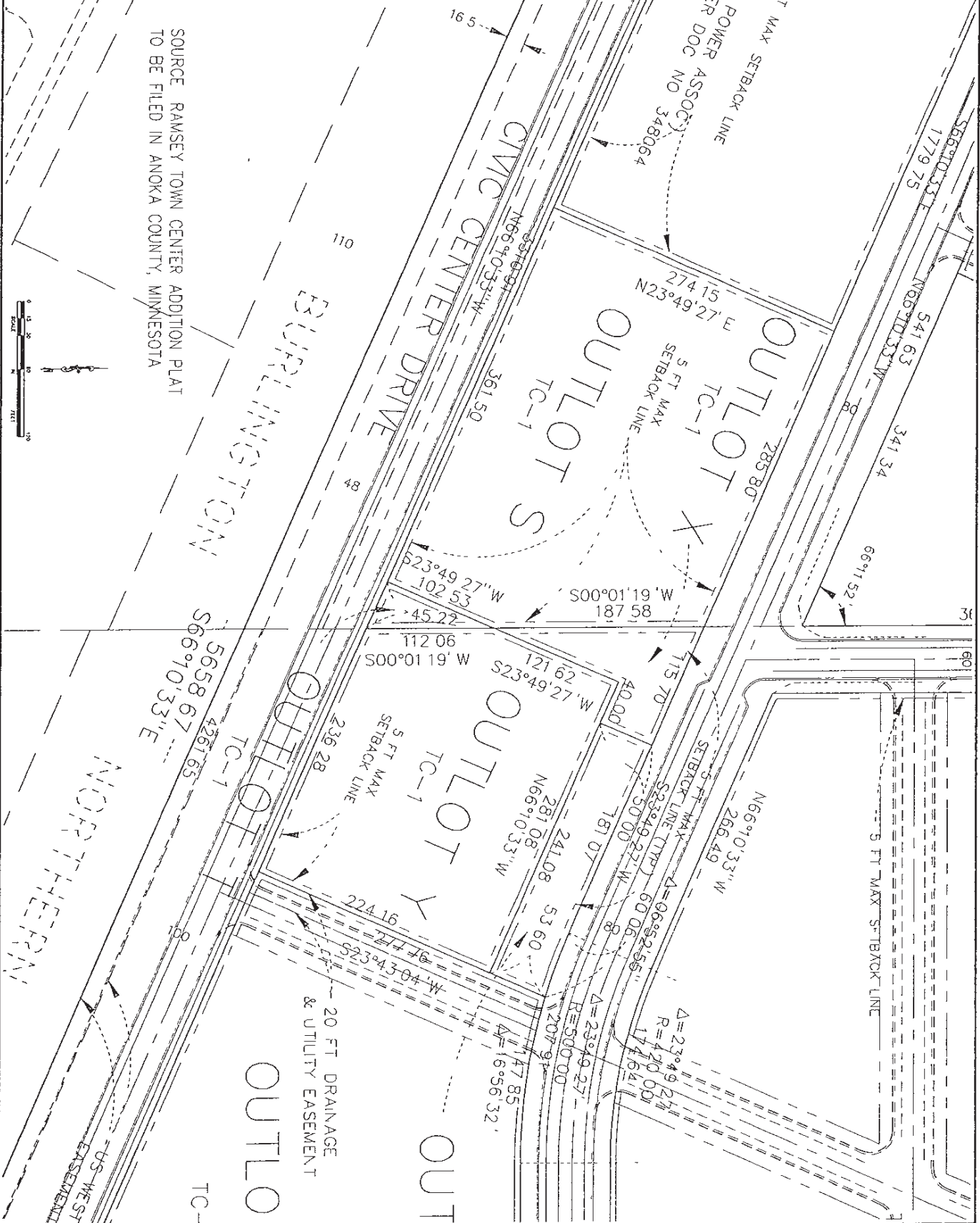
And

The North 90 feet of the Northwest Quarter (NW 1 / 4), Section 28, Township 32, Range 25

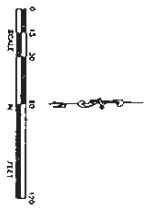
EXHIBIT B

Legal Description of City Hall Site

A 164,000 square foot parcel as depicted on the attached sheet B-2 and labeled as Outlots S, T, X and Y. The City Hall Site will be identified as a separate Outlot on the Master Final Plat.



SOURCE: RAMSEY TOWN CENTER ADDITION PLAT TO BE FILED IN ANOKA COUNTY, MINNESOTA



RAMSEY TOWN CENTER ADDITION
LEGAL DESCRIPTION OF CITY HALL SITE
EXHIBIT "B"
 RAMSEY, MN
 SEPTEMBER 15, 2003

POLARIS GROUP

2003 PRINTED BY POLARIS GROUP FROM GIS/2003/09/15/11:20:00

REIBEL

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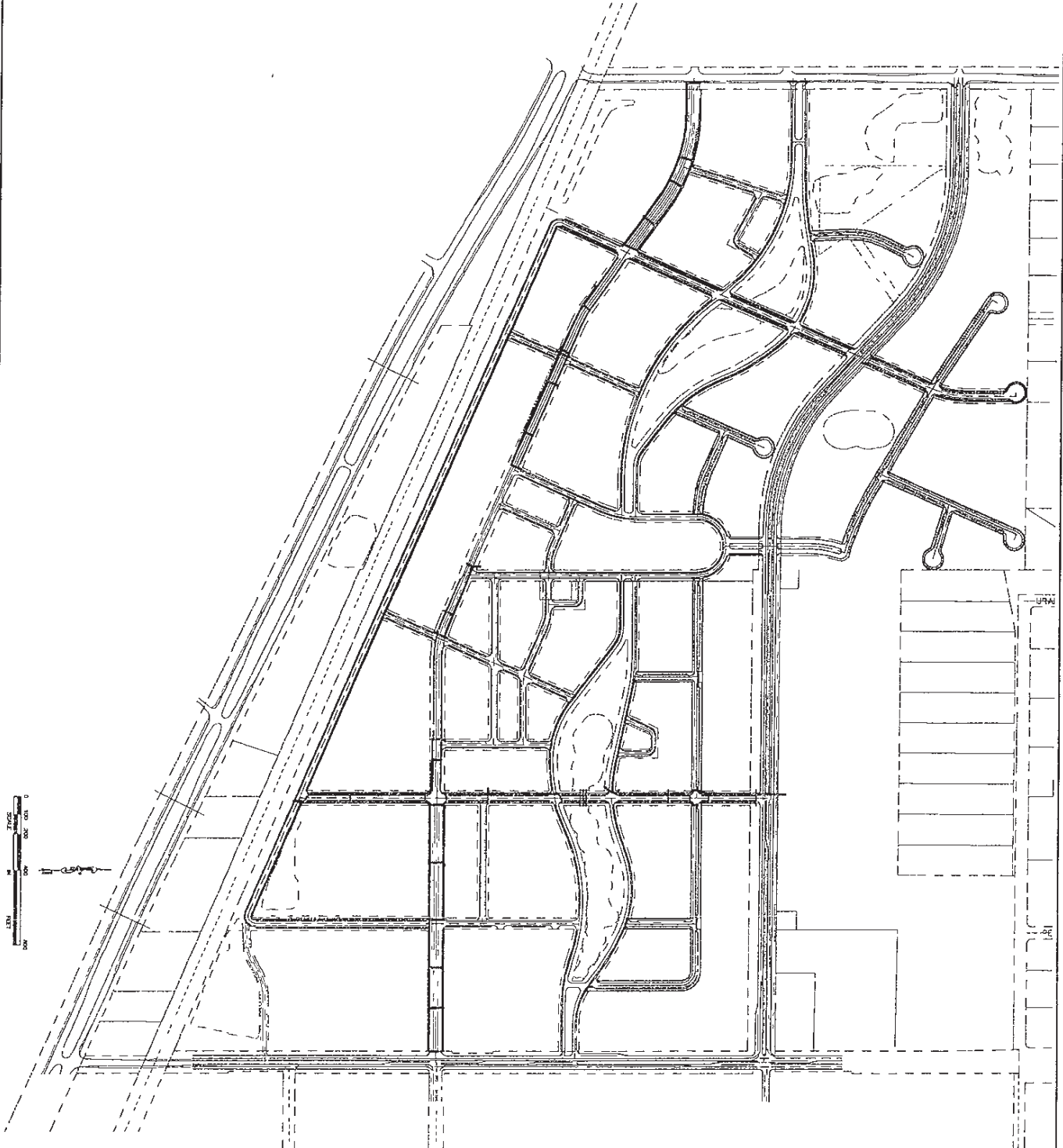
RAMSEY

0-2

EXHIBIT C

Description of City Phase I Utility Improvements

The attached sheets C-1 and C-2 of this Exhibit are reduced size versions of the original drawing by URS Engineers and Architects dated September 15, 2003. Full size copies of the attached sheets are available at the office of the City of Ramsey City Engineer.



RAMSEY TOWN CENTER ADDITION
CITY PHASE I UTILITY IMPROVEMENTS (STORM)
EXHIBIT "C"
RAMSEY, MN
SEPTEMBER 15, 2003

POLARIS GROUP

1111
17th Ave SW
Farmington, MN 55030
Phone: 612.779.2504
Fax: 612.779.1817

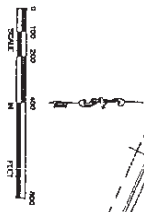
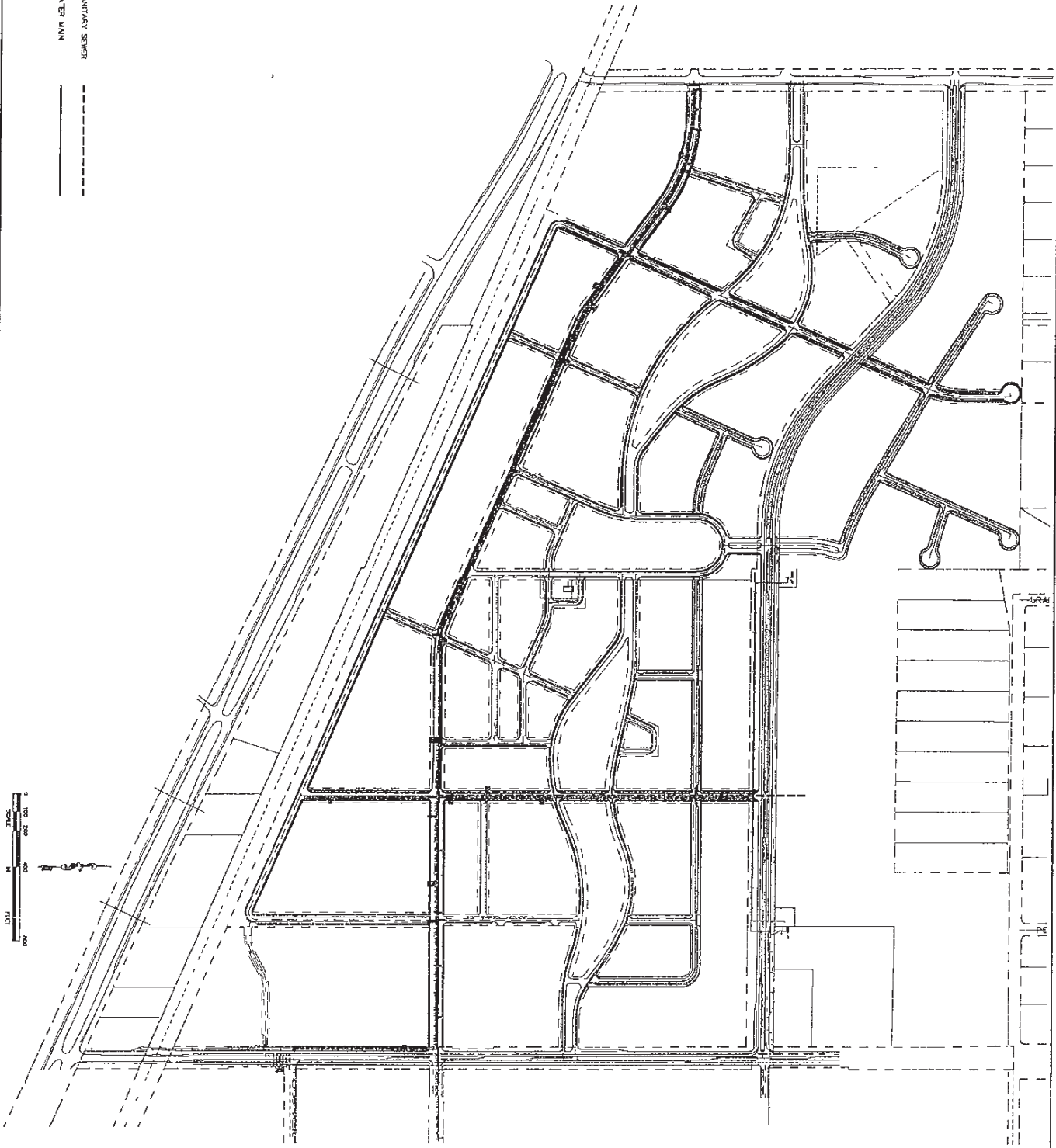
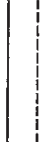
REBEIN

URS



C-2

SANITARY SEWER
WATER MAIN



RAMSEY TOWN CENTER ADDITION
CITY PHASE I UTILITY IMPROVEMENTS (SAN/WAT)
EXHIBIT "C"
RAMSEY, MN
SEPTEMBER 15, 2003

POLARIS GROUP

URS

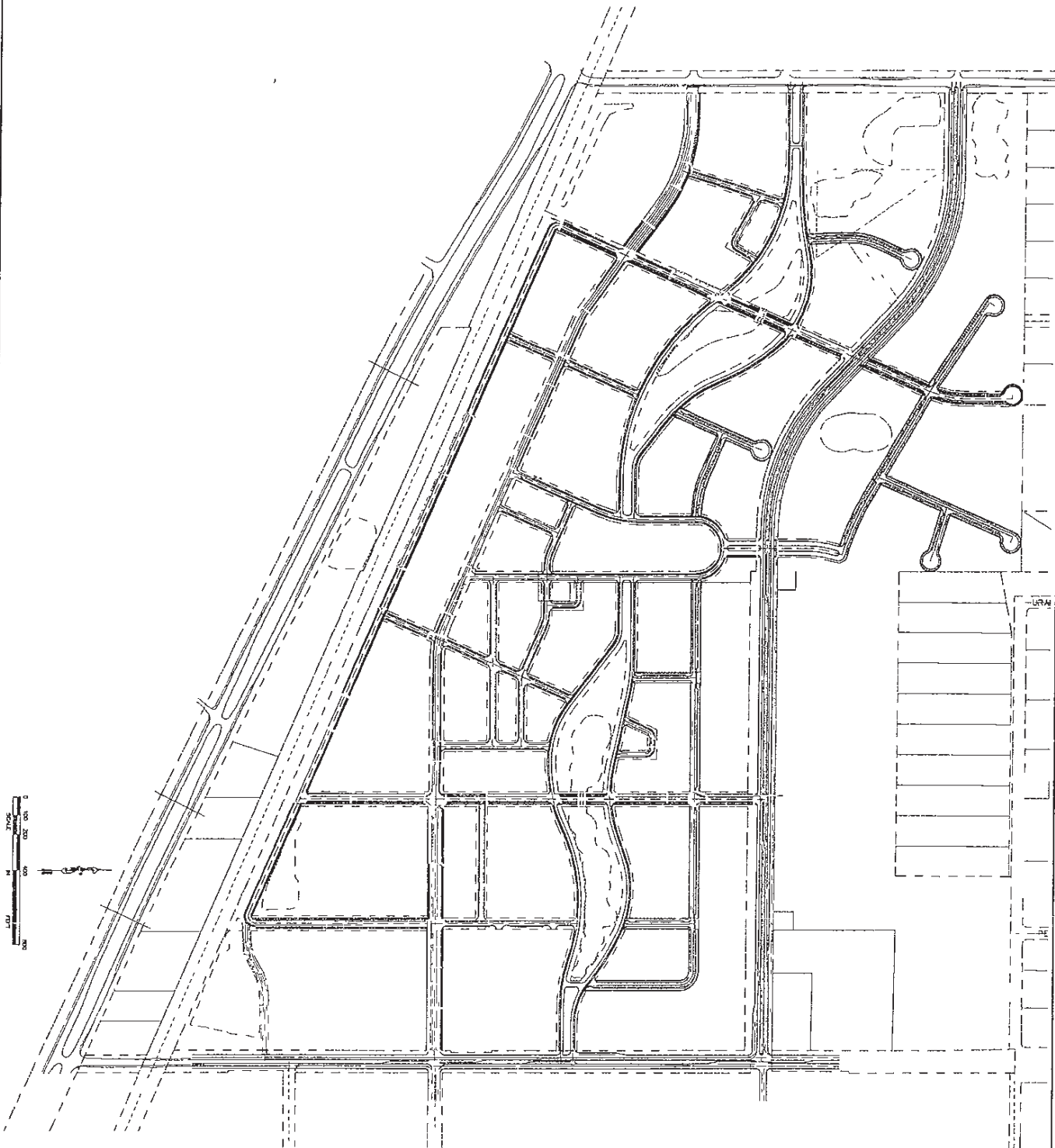
ALL EXIBIT

C-3

EXHIBIT D

Description of City Phase II Utility Improvements

The attached sheets D-2 and D-3 of this Exhibit are reduced size versions of the original drawing by URS Engineers and Architects dated September 15, 2003. Full size copies of the attached sheets are available at the office of the City of Ramsey City Engineer.



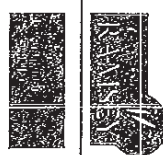
RAMSEY TOWN CENTER ADDITION
CITY PHASE II UTILITY IMPROVEMENTS (STORM)
EXHIBIT "D"
 RAMSEY, MN
 SEPTEMBER 15, 2003

POLARIS GROUP

225 EAST
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 MINNEAPOLIS, MN 55401
 PHONE 612.282.5000
 FAX 612.282.8017

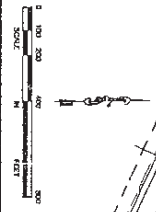
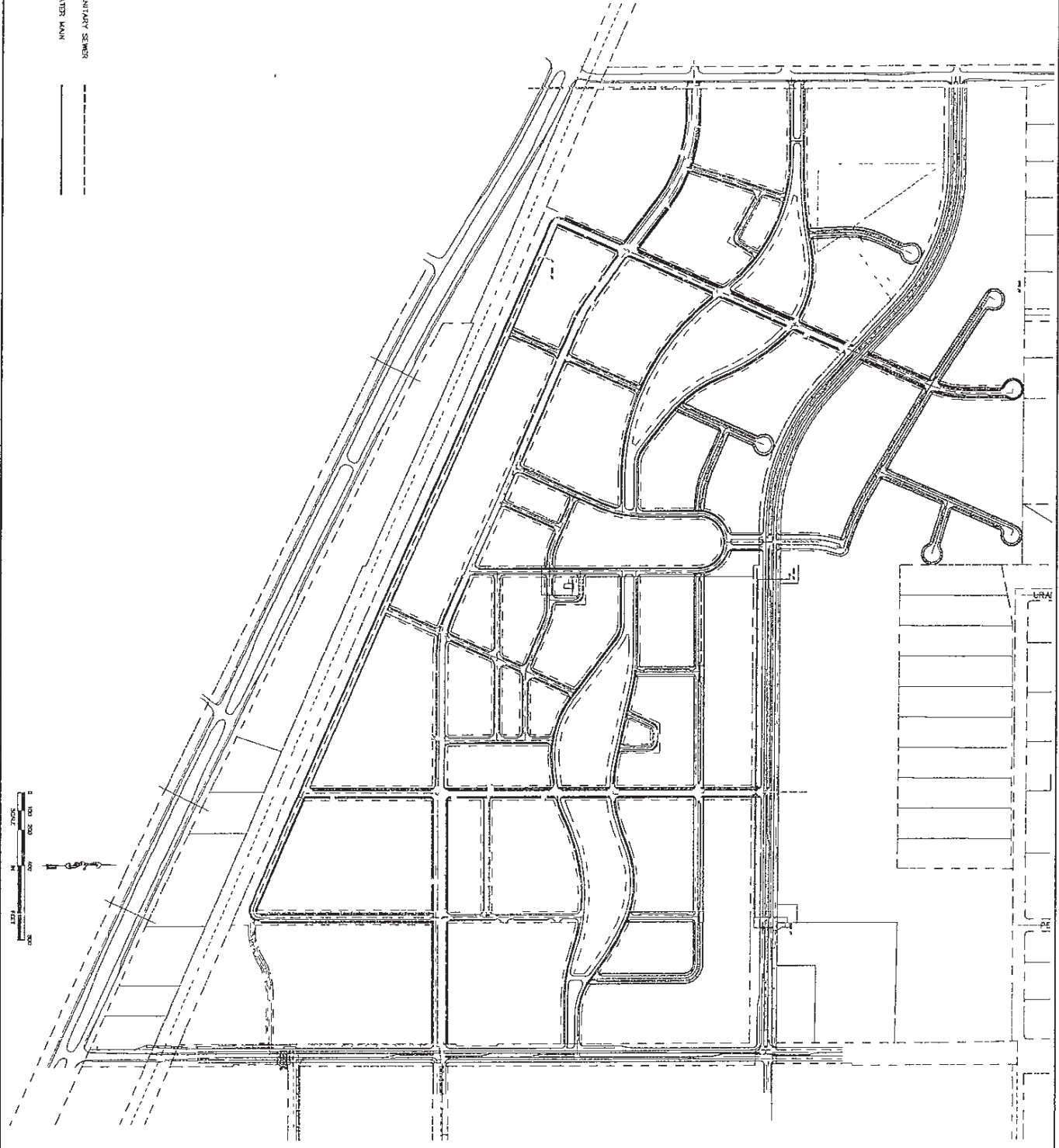
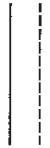


URS



D-2

NEW SEWERS
SANITARY MAIN
SEWER SERVICE LINES



RAMSEY TOWN CENTER ADDITION
CITY PHASE II UTILITY IMPROVEMENTS (SAN/WAT)
EXHIBIT "D"
RAMSEY, MN
SEPTEMBER 15, 2003

<p>POLARIS GROUP</p>	<p>REGISTERED STATE OF MINNESOTA PLANNING AND ENGINEERING NO. 041227 DATE 08/27/03</p>	<p>ALAN R. EISEN REGISTERED PROFESSIONAL ENGINEER NO. 12345 DATE 08/27/03</p>	<p>URS</p>		
----------------------	--	---	------------	--	--

D-3

EXHIBIT E

Legal Description of Parkland

Park 1 through Park 7 as depicted on the Preliminary Plat Park 1 through Park 7 are to be designated as Outlots on the Master Final Plat

EXHIBIT F

Special Assessment Allocations

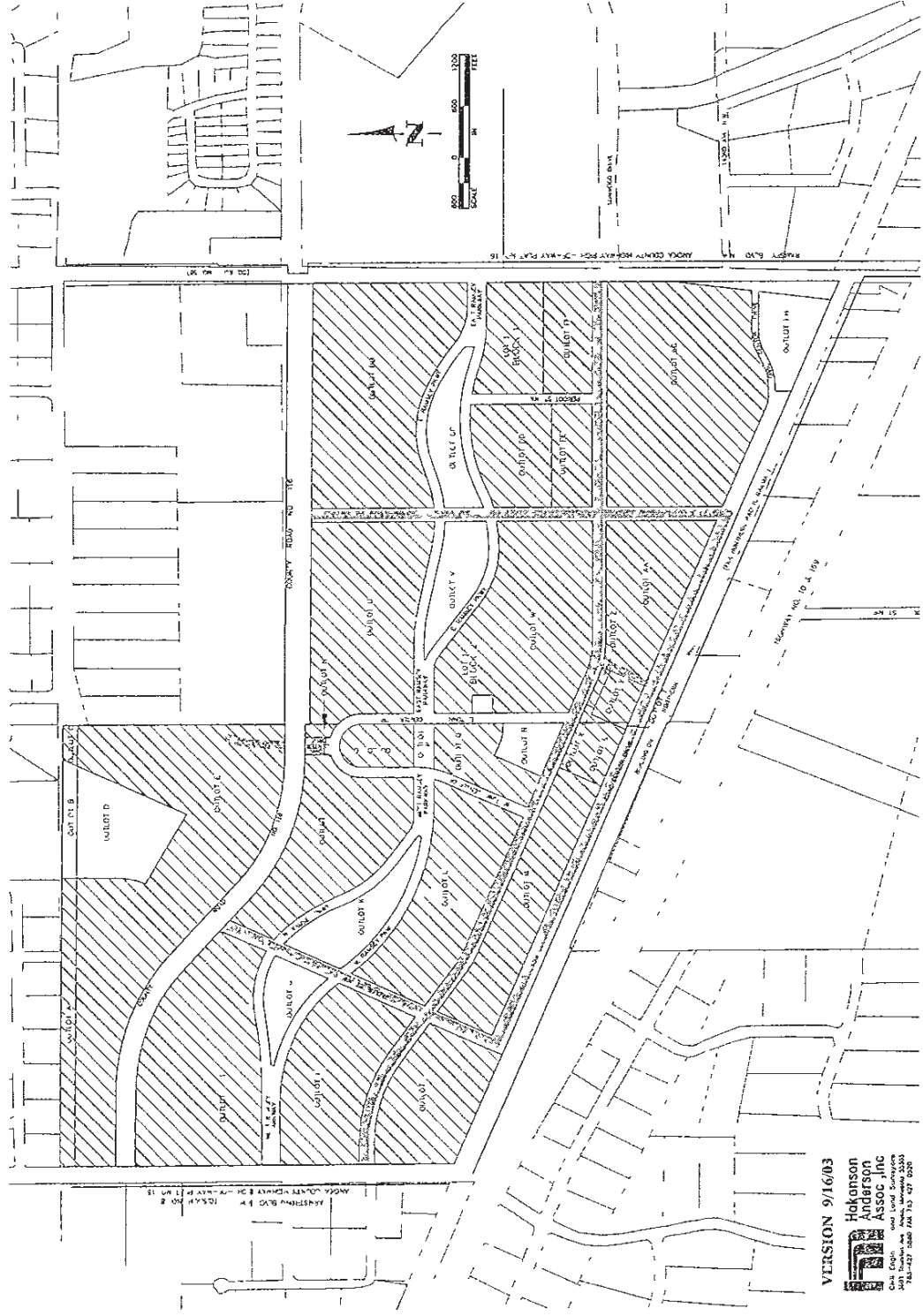
The attached sheet F-2 of this Exhibit is a reduced size version of the original drawing by Hakanson Anderson & Associates dated September 16, 2003. A full size copy of the attached sheet is available at the office of the City of Ramsey City Engineer.

RAMSEY TOWN CENTER ADDITION SPECIAL ASSESSMENT ALLOCATIONS EXHIBIT F

LEGEND

AREA TO BE ASSESSED FOR PHASE 1 & 2 ROADWAY IMPROVEMENTS PARKING RAMP NO 1

PHASE 1 & 2 CITY ROADWAY IMPROVEMENTS



Outlot	Square Feet	Acre	Percentage of Project Cost to be Assessed
A	152,413	3.50	1.5%
B	NA	NA	NA
C	19,840	0.45	2%
D	NA	NA	NA
E	1,485,054	34.12	14.2%
F	844,859	19.40	8.1%
G	NA	NA	NA
H	533,894	12.26	5.1%
I	414,288	9.51	4.0%
J	566,765	13.00	5.4%
K	558,216	12.81	5.4%
L	452,682	10.39	4.3%
M	13,093	0.30	0.1%
N	105,852	2.43	1.0%
O	NA	NA	NA
P	176,395	4.05	1.7%
Q	NA	NA	NA
R	92,610	2.13	0.9%
S	2,318	0.05	0.0%
T	752,724	17.28	7.2%
U	NA	NA	NA
V	805,451	18.50	7.7%
W	8,496	0.20	0.1%
X	60,734	1.39	0.6%
Y	12,124	0.28	0.1%
Z	427,434	9.81	4.1%
AA	984,587	22.60	9.4%
BB	NA	NA	NA
CC	285,959	6.11	2.6%
DD	145,470	3.34	1.4%
EE	191,186	4.39	1.8%
FF	113,344	2.60	1.0%
HH	NA	NA	NA
LOT 1	233,034	5.35	2.2%
BLK 1	10,441,355	239.70	100%

VERSION 9/16/03
Hakanson
Anderson
Assoc. Inc
3401 Franklin Ave. Suite 2000 55303
763-427-3888 FAX 763-427-8295

Map 17 2003 - 11.00m
RAMSEY TOWN CENTER ADDITION
SPECIAL ASSESSMENT ALLOCATIONS SHEET 1 of 1
EXHIBIT F
CITY OF RAMSEY, MINNESOTA
DATE 9/15/03 FILE NO. ROAD151 SHEETS

F-2

EXHIBIT G

City's Schedule of Hookup Charges and Fees

City of Ramsey
 2003 SCHEDULE OF RATES, FEES AND CHARGES
 Adopted November 12, 2002

SERVICE OR LICENSE	SPECIAL NOTES	2003* Adopted
Sanitary Sewer		
Connection charge/res Equivalent	inc by current construction index	577 00
Connection charge/acre comm /ind	inc by current construction index	3,103 00
Lateral Benefit Charges	inc by current construction index	3,200 00
Storm Sewer		
Trunk charges/res Equivalent	inc by current construction index	375 00
Trunk charge/acre comm /ind	inc by current construction index	3,741 00
Water		
Connection charge/res Equivalent	inc by current construction index	1,285 00
Connection charge/acre comm /ind	inc by current construction index	6,909 00
Lateral Benefit Charges	inc by current construction index	7,122 00

*Rates indicated are for calendar year 2003 Each succeeding year will be adjusted by an inflation factor

EXHIBIT H

Certificate of Completion

A RAMSEY TOWN CENTER LLC, a Minnesota limited liability company (the "Developer"), by a Master Development Agreement with the City of Ramsey, Minnesota (the "City"), dated effective as of _____, 2003, [as amended] (the "Contract"), has agreed to complete the Developer Public Improvements, as defined in and in accordance with the Contract, on that certain real property (the "Property") located in Anoka County, Minnesota, described on the attached Exhibit A

B The Developer has substantially completed construction of the Developer Public Improvements as required under the Contract

C The issuance of this Certificate of Completion by the City is not intended nor shall it be construed to be a warranty or representation by the City as to the structural soundness of the Developer Public Improvements including, but not limited to, the quality of materials, workmanship or the fitness of the Developer Public Improvements for their proposed use,

NOW THEREFORE, this is to certify that all construction and other physical improvements specified to be done and made by the Developer with regard to the Developer Public Improvements have been substantially completed, and the provisions of the Contract imposing obligations on the Developer to construct the Developer Public Improvements on the Property and the dates for the beginning and completion of such construction are hereby satisfied and terminated, and the County Recorder and Registrar of Titles in and for the County of Anoka and State of Minnesota are hereby authorized to record this instrument, to be a conclusive determination of the satisfactory termination of said provisions of the Contract related to the Developer Public Improvements, but the covenants crated by the remaining terms and conditions of the Contract, as to which a certificate of completion has not been issued, shall remain in full force and effect

Dated _____

CITY OF RAMSEY

By _____
Its _____

By _____
Its _____

[The City and the Developer acknowledge that the form of this Certificate will need to be modified if the Developer requests a partial Certificate of Completion in connection with the Developer's completion of a portion of the Developer Public Improvements]

STATE OF MINNESOTA)
) SS
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this ____ day of _____,
200_, by _____ and _____, the _____ and
_____, respectively, of the City of Ramsey

Notary Public

This Instrument was drafted by

DORSEY & WHITNEY LLP (MEH)
Suite 1500
50 South 6th Street
Minneapolis, MN 55402-1498

EXHIBIT I

City Staff Reimbursement Rates

City of Ramsey
2003 SCHEDULE OF RATES, FEES AND CHARGES
Adopted November 12, 2002

SERVICE OR LICENSE	SPECIAL NOTES	2003* Adopted
Attorney – municipal		At City cost
Attorney – non-municipal		At City cost
City Engineer		95 00/hr
Community Development Staff Time		74 00/hr
Engr Tech IV-Inspection Fees		65 00/hr
Tree Removal Administrative Charge		50 00
Weed Mowing Administrative Charge		50 00
Other City professional/staff services		2 75 X wage/hr
Other outside consultant services		At City cost

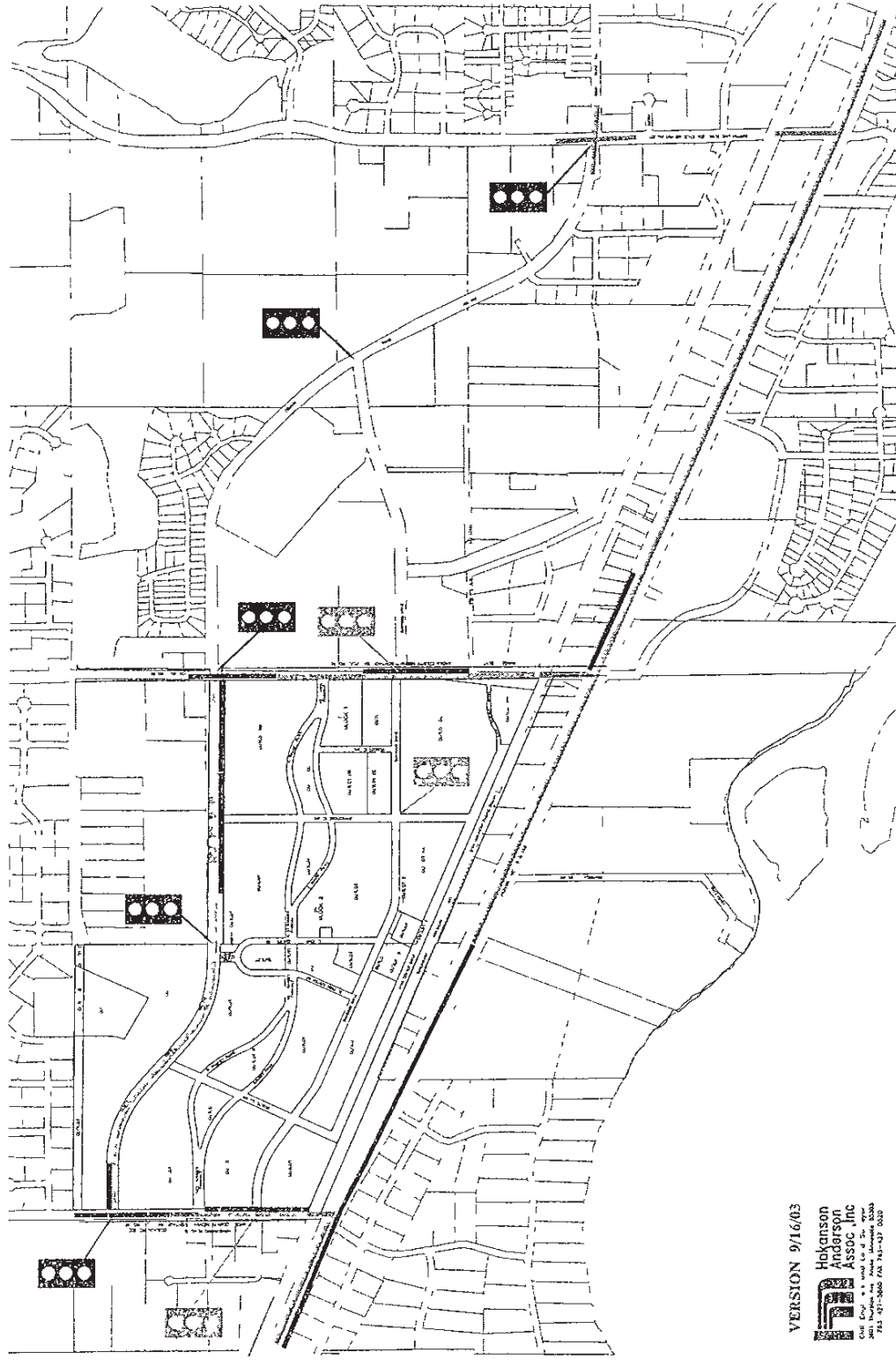
*Rates indicated are for calendar year 2003 Each succeeding year will be adjusted by an inflation folder

EXHIBIT J

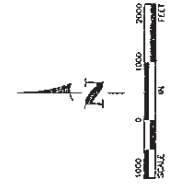
AUAR Roadway Improvements

The attached sheet J-2 of this Exhibit is a reduced size version of the original drawing by Hakanson Anderson & Associates dated September 16, 2003. A full size copy of the attached sheet is available at the office of the City of Ramsey City Engineer.

RAMSEY TOWN CENTER ADDITION A.U.A.R. ROADWAY IMPROVEMENTS EXHIBIT J



- LEGEND**
- PLAT PHASE
 - PHASE 1
 - PHASE 2
 - PHASE 3
 - PHASE 4
 - PHASE 1 PROPOSED SIGNAL
 - PHASE 2 PROPOSED SIGNAL
 - PHASE 3 PROPOSED SIGNAL
 - PHASE 4 PROPOSED SIGNAL



VERSION 9/16/03
**Hokanson
 Anderson
 Assoc. Inc.**
 Civil Engineers
 3143 Hennepin Avenue, Suite 200
 Minneapolis, MN 55412-1000

DATE: 17 2003 - 10 23am
 A U.A.R. ROADWAY IMPROVEMENTS EXHIBIT J
 SHEET 1 OF 1
 CITY OF RAMSEY, MINNESOTA
 FILE NO. RAM313
 SHEETS

J-2

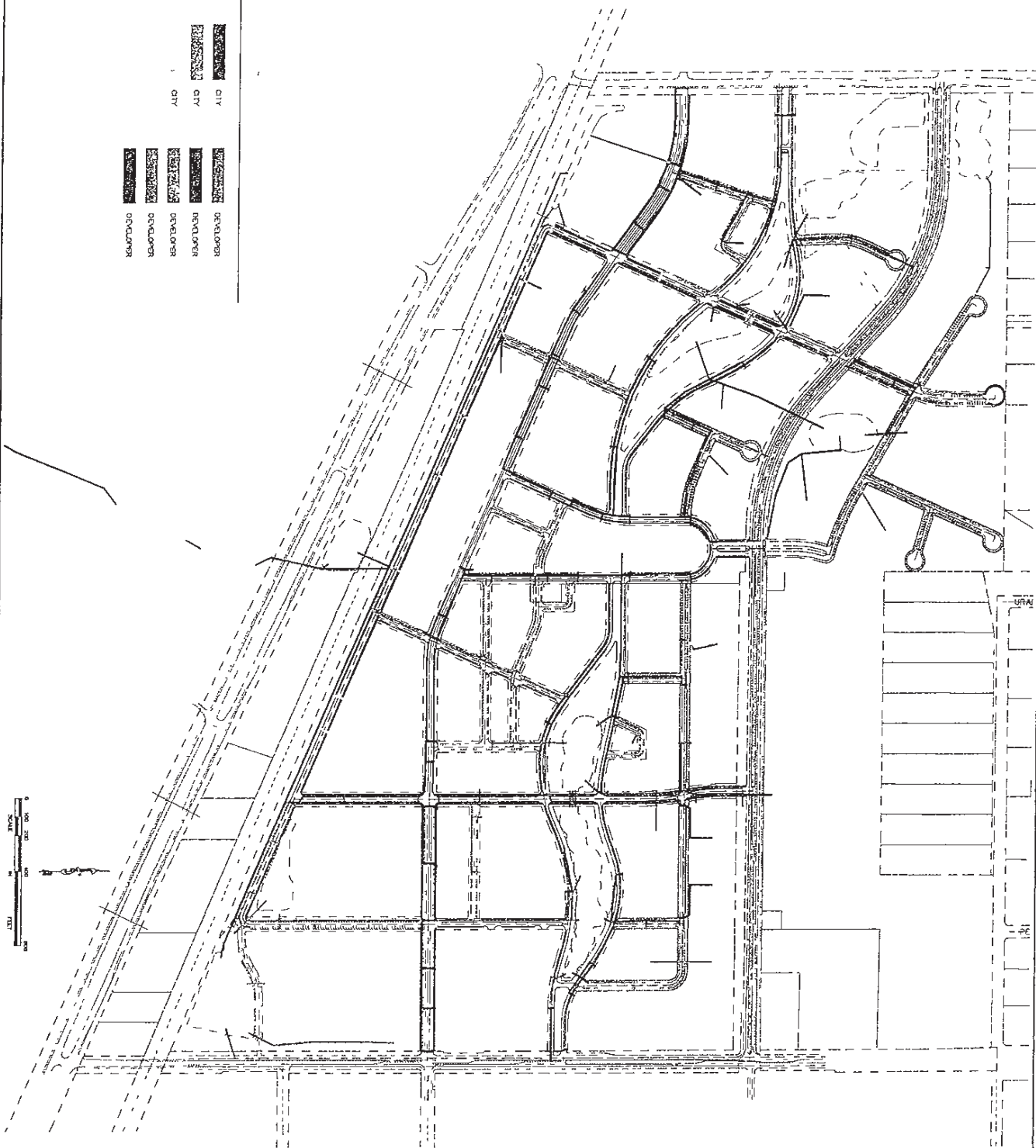
EXHIBIT K

Storm Sewer Phasing Plan Exhibit

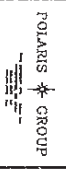
The attached sheet K-2 of this Exhibit is a reduced size version of the original drawing by URS Engineers and Architects dated September 15, 2003. A full size copy of the attached sheet is available at the office of the City of Ramsey City Engineer.

KEY

	PHASE 1	DTV	DEVELOPER
	PHASE 2	DTV	DEVELOPER
	PHASE 3	DTV	DEVELOPER
	PHASE 4	DTV	DEVELOPER



RAMSEY TOWN CENTER ADDITION
STORM SEWER PHASING PLAN EXHIBIT
EXHIBIT "K"
 RAMSEY, MN
 SEPTEMBER 16, 2003



37 E 4th St
 St Paul, MN 55101
 Phone: (612) 277-7200
 Fax: (612) 277-1977

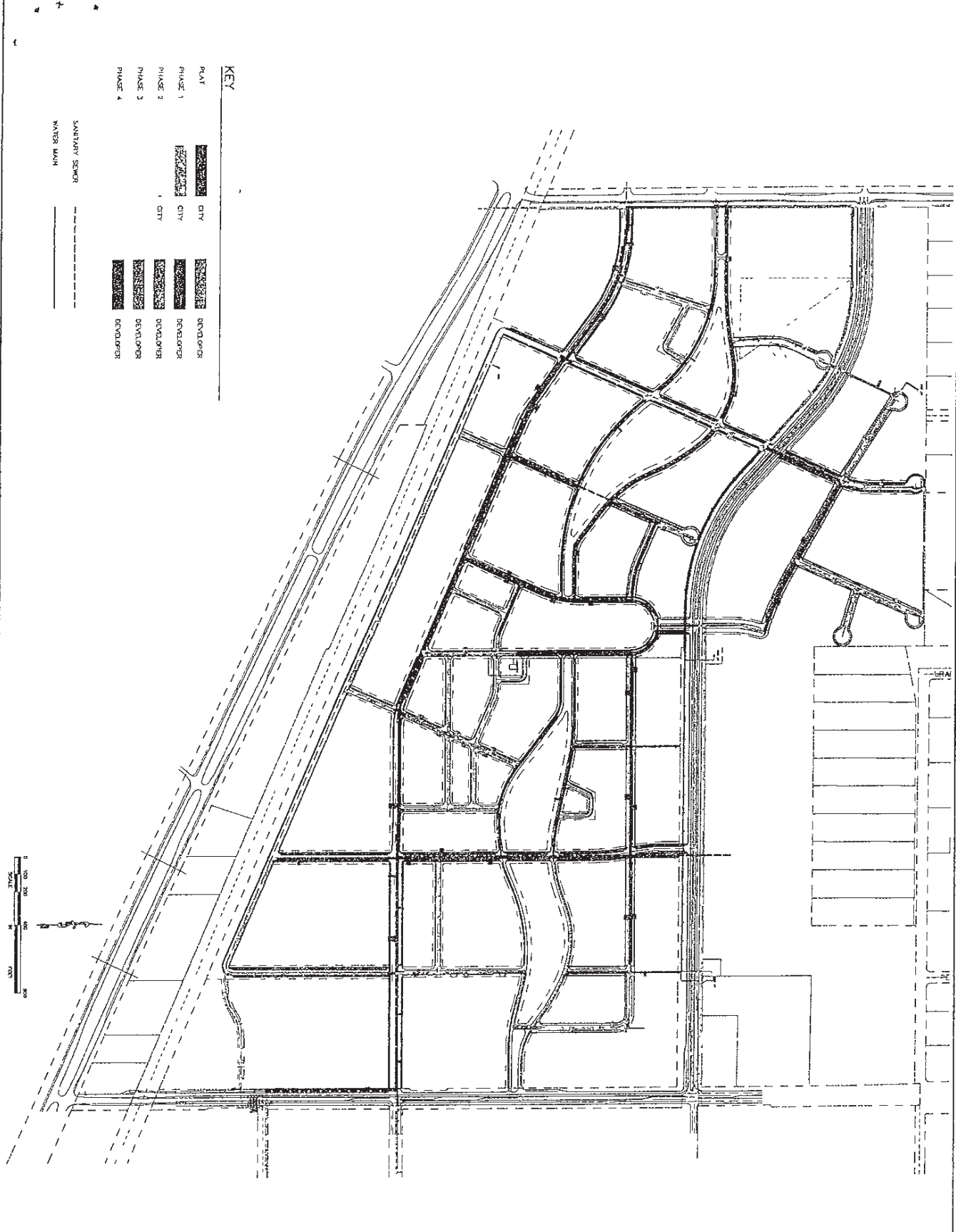


K-2

EXHIBIT L

Street and Utility Phasing Plan

The attached sheets L-2 and L-3 of this Exhibit are reduced size versions of the original drawings by URS Engineers and Architects dated September 15, 2003. This Exhibit L also includes the foregoing Exhibit K. Full size copies of the attached sheets are available at the office of the City of Ramsey City Engineer.



RAMSEY TOWN CENTER ADDITION
 UTILITY PHASING PLAN EXHIBIT
 EXHIBIT "L"
 RAMSEY, MN
 SEPTEMBER 15, 2003

POLARIS GROUP

URS

REISEN

2001 4th St
 517 Ave SW
 Frankfort, KY 40601
 Tel: 502.253.8117

2-7

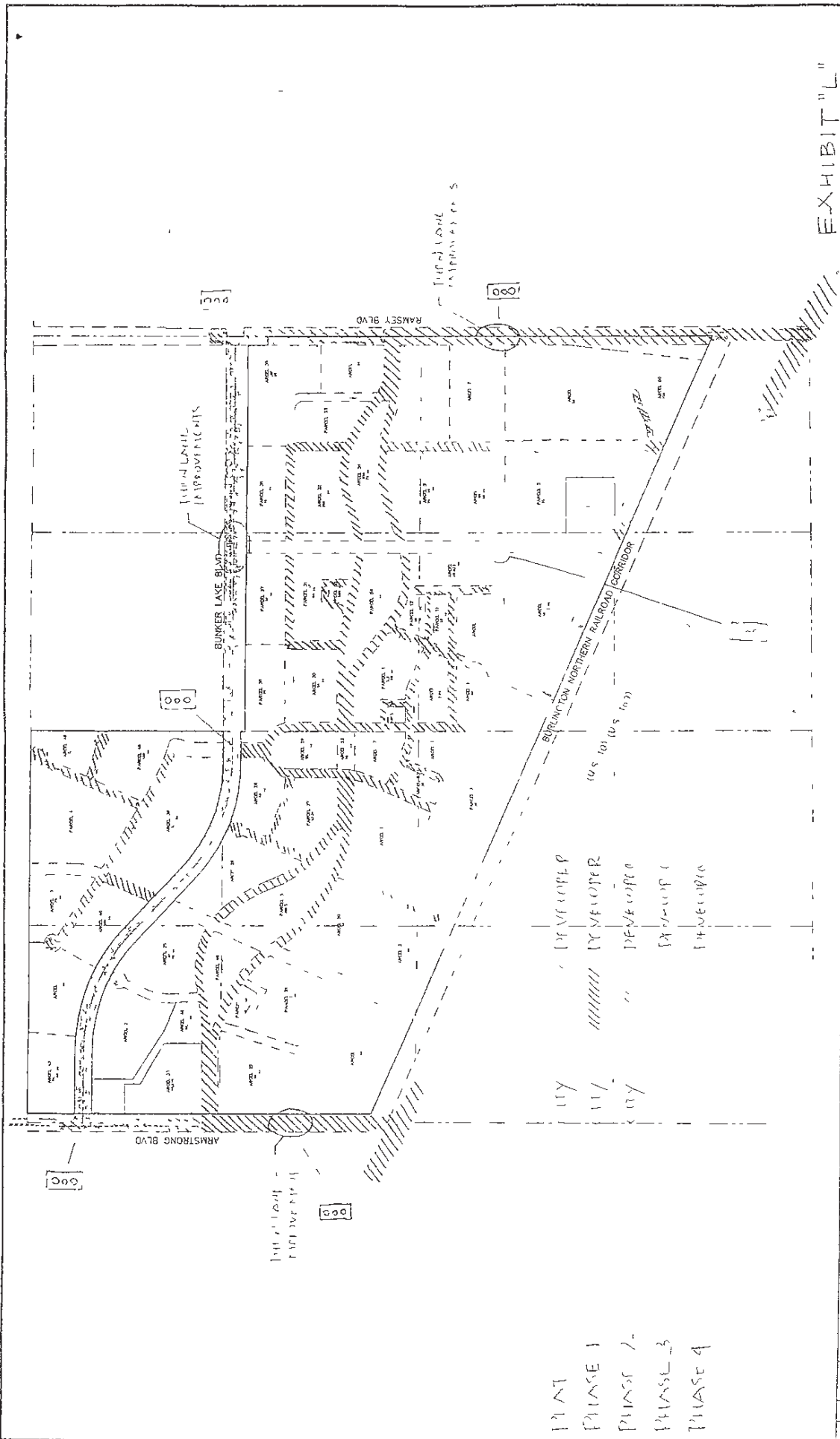


EXHIBIT "L"

REV BY: [] NO: [] DATE: [] DESCRIPTION: []	PROJECT NO: 30387 011 DRAWN BY: MKK CHECKED BY: [] DATE: 6/25/2003					LICENSED PROFESSIONAL ENGINEER STATE OF MINNESOTA LICENSE NO. 36515 DATE: 6/25/2003 MINN. LIC. NO. 31433	RAMSEY TOWN CENTER RAMSEY, MINNESOTA FUTURE SUBDIVISION PLAN STREET PHASING PLAN	SHEET NO.
---	--	--	--	--	--	--	---	-----------

4-3

TORRENS

Receipt #	3133753/30-	<input type="checkbox"/> Tax Lien/Release
Date/Time	9/24/03, 14:30	<input type="checkbox"/> Transfer
Doc Order	4 of 4	<input type="checkbox"/> Division
Recordability	Seap	<input type="checkbox"/> Status
Filing Fees	\$ 30-	<input type="checkbox"/> New legal Description
Well Cert Rec'd		<input type="checkbox"/> GAC
		<input type="checkbox"/> Deferred Specials
		<input checked="" type="checkbox"/> No Change
<input type="checkbox"/> Certified Copy/ _____ <input checked="" type="checkbox"/> Non-standard Document <input type="checkbox"/> From Certificate 100095 A # New Certificates 0		
BK	266	Page/Cert 100095

**DOCUMENT NO 446333.0 TORRENS
ANOKA COUNTY MINNESOTA**

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED IN THIS OFFICE
 FOR RECORD ON **SEP 24 2003** AND WAS DULY RECORDED
 AT **2:30 PM** FEES AND TAXES IN THE AMOUNT OF **\$30 00** PAID

2003133753

RECEIPT NO

MAUREEN J DEVINE

ANOKA COUNTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES
 TAP

BY _____
 DEPUTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES

ABSTRACT

Receipt #	3133738/89-	<input type="checkbox"/> Incorrect/No Reference #
Date/Time	9/24/03, 14:30	<input checked="" type="checkbox"/> Non-standard Document
Document Order	5 of 5	<input type="checkbox"/> Certified Copy/
PINs	Seap	14 pgs
Recordability	Seap	
Filing Fees	\$ 30-	<input type="checkbox"/> Tax Lien/Release
Copy/Additional Pg Fees	\$ 59-	<input type="checkbox"/> Transfer
Well Cert Fees	\$	<input type="checkbox"/> Division
		<input type="checkbox"/> Status
<input type="checkbox"/> Incomplete Form		<input type="checkbox"/> New legal Description
<input type="checkbox"/> Missing Attachment		<input type="checkbox"/> GAC
<input type="checkbox"/> No Legal Description		<input type="checkbox"/> Deferred Specials
<input type="checkbox"/> Non-existent Legal Description		<input checked="" type="checkbox"/> No Change
<input type="checkbox"/> Part(s) Illegible		

**DOCUMENT NO 1854364.0 ABSTRACT
ANOKA COUNTY MINNESOTA**

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED IN THIS OFFICE
 FOR RECORD ON **SEP 24 2003** AND WAS DULY RECORDED
 AT **2.30 PM** FEES AND TAXES IN THE AMOUNT OF **\$89.00** PAID

2003133738

RECEIPT NO

MAUREEN J DEVINE

ANOKA COUNTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES
 TAP

BY _____
 DEPUTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES

446333.0 TORRENS

446333.0 TORRENS
 METRO LEGAL SERVICES INC
 THE FOWLE BLDG STE 150
 330 2ND AVE S
 MPLS, MN 55401



Record ID 1524271

482049.001

ABSTRACT/TORRENS
DOCUMENT

ABSTRACT/TORRENS
DOCUMENT

1973508.001



Record ID 1524321

THIS PAGE IS NOT PART OF THE ORIGINAL DOCUMENT
PRESENTED FOR RECORDING

Added by Anoka County Recorder for posting only

Post to Abstract Document Number _____

PIN	Range
1. 28-32-25-14-0009	through 14-0092
2. _____ 13-0005	through 13-007
3. _____ 41-0002	through
4. _____ 21-0003	through 21-0006
5. _____ 22-0004	through 22-0005
6. _____ 23-0004	through 23-0006
7. _____ 24-0003	through 24-0008
8. _____ 31-0008	through 31-0011
9. _____ 42-0003	through 42-0007
10. _____ 41-0004	through 41-0007
11. _____ 44-0012	through
12.	through
13.	through
14.	through

FIRST AMENDMENT TO
CITY OF RAMSEY
MASTER DEVELOPMENT AGREEMENT
FOR RAMSEY TOWN CENTER

Dated: February 24, 2005

This Document was drafted by:
Briggs and Morgan, Professional Association (TLB)
2200 First National Bank Building
332 Minnesota Street
Saint Paul, MN 55101

FIRST AMENDMENT TO MASTER
DEVELOPMENT AGREEMENT

This FIRST AMENDMENT TO MASTER DEVELOPMENT AGREEMENT ("First Amendment") is made and entered into this 28 day of February, 2005, by and between the CITY OF RAMSEY, MINNESOTA, a municipal corporation organized and existing under the laws of the State of Minnesota (the "City"); RAMSEY TOWN CENTER LLC, a Minnesota limited liability company (the "Developer"); RAMDANCE LLC, a Minnesota limited liability company ("Ramdance"); and PSD, LLC, a Minnesota limited liability company ("PSD").

RECITALS:

WHEREAS, the City and the Developer are parties to the City of Ramsey Master Development Agreement for Ramsey Town Center by and between City of Ramsey and Ramsey Town Center LLC, dated as of September 17, 2003 and recorded in the office of the Anoka County Recorder and the office of the Anoka County Registrar of Titles on September 29, 2004 as Document Nos. 1854364.0 and 446333.0, respectively (the "Master Agreement");

WHEREAS, the Master Agreement encumbers certain property defined therein as the "Subject Property." Since the execution and recording of the Master Agreement, the "Subject Property" has been platted and replatted. The current description of the "Subject Property" is set forth on the attached Amended and Restated Exhibit A.

WHEREAS, the City and the Developer have negotiated certain mutually beneficial amendments to the Master Agreement as more particularly set forth herein; and

WHEREAS, the Interested Parties, as defined in this First Amendment, are executing this First Amendment to subject their interests in the Subject Property, as defined in the Master Agreement, to the terms of this First Amendment to Master Development Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the others as follows:

1. Section 2.1(g) of the Master Agreement is hereby deleted in its entirety and replaced with the following:

(g) City Hall and Parking Ramp Sites. "City Hall and Parking Ramp Sites" means the real property legally described on the attached amended and restated Exhibit B.

2. Section 2.1(q) of the Master Agreement is hereby amended to read as follows:

(q) City's Ninety Foot Tract. "City's Ninety Foot Tract" means Outlots A, B and C, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota.

3. Section 2.1(kk) of the Master Agreement is hereby amended to read as follows:

- (kk) Parkland Improvements. "Parkland Improvements" has the meaning set forth in the Parkland and Trail Plan.
4. Section 2.1(ll) is hereby amended to read as follows:
- (ll) Parkland and Trail Plan. "Parkland and Trail Plan" means the Parkland and Trail Plan Agreement for Ramsey Town Center dated as of February ___, 2005.
5. Section 2.1(oo) of the Master Agreement is hereby deleted in its entirety and replaced with the following:
- (oo) Parking Improvements. "Parking Improvements" means the parking improvements described on Exhibit N.
6. Section 2.1(ss) of the Master Agreement is hereby amended by replacing the reference to the "Phase I Parking Ramp" in the last line thereof with a reference to the "Parking Improvements."
7. Section 2.1(fff) is hereby added to the Master Agreement to read as follows:
- (fff) "Core Area" means the property legally described on the attached Exhibit M.
8. Section 2.1(ggg) is hereby added to the Master Agreement to read as follows:
- (ggg) First Amendment. "First Amendment" means this First Amendment to Master Development Agreement.
9. Section 2.1(hhh) is hereby added to the Master Development Agreement to read as follows:
- (hhh) Interested Parties. "Interested Parties" means Ramdance; PSD; Community National Bank, N.A.; William G. Sandison; Jerome B. Peterson and Ross W. Sandison; Pentagon Credit, LLC.; and any other individuals or entities with any legal or equitable title to or lien on, all or any part of the Unsold Subject Property including but not limited to vendee's under a purchase agreement, option holders, holders of any future interest in or to the property, and mortgagees.
10. Section 2.1(iii) is hereby added to the Master Agreement to read as follows:
- (iii) Unsold Subject Property. "Unsold Subject Property" means all of the Subject Property except Lot 1, Block 1; Lot 1, Block 2; and Outlots B, D, G, K, P, R, V, CC, DD and HH, RAMSEY TOWN CENTER ADDITION; Lots 1 through 47, Block 1; Lots 1 through 35, Block 2 and Outlot A, RAMSEY TOWN CENTER 2ND ADDITION; and Lot 1,

Block 1 and Outlot A, RAMSEY TOWN CENTER 4TH ADDITION, all in Anoka County, Minnesota.

11. Section 3.2(c) is hereby added to the Master Agreement to read as follows:

3.2 REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER. The Developer represents and warrants to the City:

(c) That the Developer holds fee title to all of the Unsold Subject Property except Outlot I, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, and except that part of Outlot W, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota legally described on the attached Exhibit O. That, to the best of the Developer's actual knowledge, Ramdance owns Outlot I, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, and, to the best of the Developer's actual knowledge, PSD owns that part of Outlot W, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota described on the attached Exhibit O. To the best of the Developer's actual knowledge, no persons or entities other than the Interested Parties have any recorded or unrecorded right, title, or interest in the Unsold Subject Property except as set forth on Exhibit P.

12. Section 4.3 of the Master Agreement is hereby amended to read as follows:

4.3 APPROVAL OF FINAL PLANS FOR A PHASE. The RTC Project will be developed in Phases. Except as provided in Section 4.4, no Development may occur on a Phase until a Secondary Developer has submitted a proposed Preliminary Plat and Proposed Final Plans for the Phase to the City in accordance with the RTC Controls, and the Council has approved the Preliminary Plat and Final Plans for that Phase in accordance with the RTC Controls. The Council will not approve the Final Plans for a Phase unless: (a) the Public Improvements the Street and Utility Phasing Plan indicates will be constructed in connection with the portion of the Subject Property that includes the Phase are constructed; or (b) the Council is satisfied, in its sole and absolute discretion, that such Public Improvements will be constructed prior to the completion of that Phase pursuant to the terms of this Master Agreement or the Secondary Development Agreement for that Phase. The Council also will not approve the Final Plans for a Phase unless: (a) the Developer has graded the portion of the Subject Property within that Phase in accordance with the Master Grading Plan and has constructed the portions of the Stormwater Management System either located on or serving the portion of the Subject Property within that Phase pursuant to the Storm Sewer Phase Plan Exhibit; or (b) the Council is satisfied, in its sole and absolute discretion, that such grading will be completed and such components of the Stormwater Management System will be constructed, prior to the completion of that Phase pursuant to the terms of this Master Agreement

or the Secondary Development Agreement for that Phase. In connection with the Development of a Phase, the City may require the Developer or Secondary Developer, as the case may be, to oversize Public Improvements or otherwise modify the design of Public Improvements as reasonably necessary to serve other properties. If the City determines that the Development of a Phase requires the construction of public water, sanitary sewer or storm water improvements which will benefit both property within the Phase and other property, the City has no obligation to provide the Developer or the Secondary Developer who constructs the water, sanitary sewer or storm water improvements with a credit to reflect the benefit to other property resulting from such improvements.

13. Section 4.4(a) of the Master Agreement is hereby amended by replacing the reference to the "Phase I Parking Ramp" therein with a reference to the "Parking Improvements."
14. Section 4.11 of the Master Agreement is hereby amended by deleting therefrom the following language:

For a period of 90 days following the Council's approval of this Master Agreement, the City and the Developer will attempt to agree on a Parkland and Trail Plan which defines any additional land which the Developer will convey or dedicate to the City for park purposes and sets forth the timing and terms and conditions of any such conveyance or dedication; describes, in detail, the improvements which the Developer is obligated to make to the Parkland and to any other land the Developer agrees to convey or dedicate to the City for park purposes (the "Parkland Improvements"); establishes a schedule for the Developer's commencement and completion of the Parkland Improvements; describes the security, if any, which the Developer must provide to the City to secure the Developer's performance of its obligation to construct the Parkland Improvements; and defines the timing of the Developer's obligation to deliver such security, if any, to the City.

15. In consideration for the City's Agreement to delete Section 4.18 from the Master Agreement pursuant to Section 16 below, the Developer hereby agrees to amend Section 4.12 by adding the following language at the end thereof:

In addition, the Developer agrees to pay the City the sum of Two Million Dollars (\$2,000,000.00) (the "Park Payment Obligation") to assist the City in constructing the enhanced level of public park improvements contemplated on portions of Outlots Q and Outlot R, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota. From and after the date of this First Amendment, each time the Developer sells or otherwise conveys a portion of the Unsold Subject Property, the Developer must pay to the City, for application to the Park Payment Obligation:

(a) if the property sold or otherwise conveyed is zoned for residential use, an amount equal to \$750.00 times the number of "residential units", as defined in this Section 15, that the City's Zoning Code would allow to be constructed on the property sold or otherwise conveyed; and

(b) if the property sold or otherwise conveyed is zoned for any non-residential use, \$5,000.00 for each acre of property sold or otherwise conveyed.

For purposes of this Section 4.12, a "residential unit" is any residential rental unit, residential unit in a common interest community or detached single family dwelling. The City will calculate the payment due based on the number of acres sold multiplied by the allowable housing densities within the property under the City's Zoning Ordinance. With respect to commercial property, the \$5,000.00 per acre payment shall be pro rated to account for any partial acres sold. Notwithstanding anything else in this Section 4.12, the Developer must pay to the City, on the date that is five (5) years from the date of this First Amendment, the entire outstanding principal balance of the \$2,000,000.00. No such payments are due as a result of Developer's sale of any portion of the Unsold Subject Property prior to the date of this First Amendment.

16. Subject to the condition precedent and the condition subsequent described below, Sections 4.17, 4.18 and 4.19 of the Master Agreement are deleted and the text of each Section is replaced with the following: "INTENTIONALLY OMITTED". The provisions of this Section 16 are not effective until the City has levied the special assessments described in Sections 7.6, 7.12, 7.16 and 9.2 of the Master Agreement, as amended by this First Amendment, and the period during which any party is entitled to object to or appeal any one or more of those assessments pursuant to Minnesota Statutes, Section 429.081 has expired. Once all applicable appeal periods under Minnesota Statutes, Section 429.081 have expired, the City and the Developer must execute a written instrument confirming the expiration of those appeal periods. If prior to the expiration of the appeal periods established by Minnesota Statutes, Section 429.081, Developer or any other party with any right, title or interest in or to the Unsold Subject Property files a notice of objection to the special assessment pursuant to Minnesota Statutes, Section 429.061, Subd. 2, or commences an action to appeal the special assessment pursuant to Minnesota Statutes, Section 429.081 or otherwise, this Section 16 shall, at the option of the City, terminate and be of no further force and effect.

17. Section 5.1 of the Master Agreement is hereby deleted in entirety, and a new Section 5.1, is hereby added to the Master Agreement to read as follows:

5.1 CITY HALL AND CITY PARKING RAMP SITES.

Contemporaneously with the execution of this First Amendment, City must convey the City's Ninety Foot Tract to the Developer subject to all covenants, conditions, restrictions and easements that were of record as of September 16, 2003, if any, and the pending special assessments described in Section 7.6, 7.12, 7.16 and 9.2 of the Master Agreement, as amended,

and the Developer must convey marketable title to the City Hall and Parking Ramp Sites to the City subject only to

(a) the pending special assessments described in Section 7.6, 7.12, 7.16 and 9.2 of this Master Agreement, as amended;

(b) the restriction set forth in the Declaration of Restrictive Covenant Regarding Banking or Financial Institutions Agreement dated September 24, 2003 and recorded in the office of the Anoka County Recorder and the Anoka County Registrar of Titles on September 26, 2003 as Document Nos. 1855389.0 and 446644.0, respectively. The City is taking title to the City Hall and Parking Ramp Sites subject to the restriction described in this subsection (b), but the City Council has advised the Developer that it is opposed to this restriction.

(c) the easements dedicated on the Master Final Plat; and

(d) the following restriction: For a period of 30 years following the date of the conveyance, the City may only use the City Hall and Parking Ramp Sites for purposes of a City Hall, a multi-modal transit station, one or more public parking ramps, one or more public parking lots or other parking facilities, or a combination of the above uses. The restriction will run in favor of the owners of property in the Core Area, and the benefits of the restriction are appurtenant to those parcels, but the restriction must provide that it may be amended or released with the written consent of the owners of a majority of the tax parcels within the Core Area. The restrictions shall further provide that a document amending or releasing a restriction need not be signed and acknowledged by a majority of the owners of the tax parcels, but, may include, in lieu thereof, an affidavit of the City Administrator of the City of Ramsey certifying that the City of Ramsey has obtained the written approval of the owners of a majority of the tax parcels in the Core Area approving such amendment or release. Said affidavit shall be prima facie evidence of the facts set forth therein. The restriction must provide that in the event of a breach of the restriction the benefited parties' sole remedy is to commence an action in Anoka County District Court to enjoin any use of the City Hall and Parking Ramp Sites which violates the restriction.

18. Section 5.2 of the Master Agreement is amended by replacing the six (6) references to the "City Hall Site" therein with the phrase "City Hall and Parking Ramp Sites."

19. The Master Agreement is hereby amended by adding a new Section 5.4 which reads as follows:

5.4 PARKING IMPROVEMENT MAINTENANCE AGREEMENT. Contemporaneously with the execution of this First Amendment and the conveyances described in Section 5.1, the City, the Developer and various other

Interested Parties are executing a Parking Improvement Maintenance Agreement. The Parties will record the Parking Improvement Maintenance Agreement against a portion of the Subject Property subject to the Parking Improvement Maintenance Agreement.

20. The Master Agreement is hereby amended by adding a new Section 5.5 which reads as follows:

5.5 OPTION. Contemporaneously with the execution of this First Amendment, the City and the Developer are executing an Option Agreement. The Parties will record the Option Agreement against the portion of the Subject Property subject to the Option Agreement.

21. Subject to Section 26, Sections 7.1 and 7.2 of the Master Development Agreement are deleted in their entirety, and each is replaced with the following: INTENTIONALLY OMITTED.

22. Subject to Section 26, Section 7.3 of the Master Development Agreement is hereby amended to read as follows:

7.3 COMMENCEMENT AND COMPLETION OF THE CITY PHASE I ROADWAY IMPROVEMENTS. The City substantially completed construction of the City Phase I Roadway Improvements on or before December 31, 2004 (the "City Phase I Roadway Improvements Substantial Completion Date"). The City must install the final lift of the City Phase I Roadway Improvements on or before June 1, 2005. The City Phase I Roadway Improvements constitute public streets and will be maintained by the City as public streets.

23. Subject to Section 26, Section 7.5 of the Master Development Agreement is hereby deleted in its entirety and replaced with the following: INTENTIONALLY OMITTED.

24. Subject to Section 26, Section 7.6 of the Master Development Agreement is hereby amended to read as follows:

7.6 ASSESSMENT AGREEMENT FOR CITY PHASE I ROADWAY IMPROVEMENTS. Minnesota Statutes, Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess all or a portion of the cost of the City Phase I Roadway Improvements against the property the City Phase I Roadway Improvements benefit. The City, the Developer and the Interested Parties hereby agree the City Phase I Roadway Improvements will benefit the Unsold Subject Property. Attached as Exhibit R is a Petition for the City Phase I Roadway Improvements executed by the Developer, Ramdance and PSD. The City will promptly commence and diligently pursue the actions necessary to specially assess \$876,035.00 of the cost of the City Phase I Roadway Improvements against the Unsold Subject Property pursuant to Minnesota

Statutes, Chapter 429. The special assessment will be allocated among the lots and outlots that constitute the Unsold Subject Property pursuant to the percentages set forth on Exhibit F-1. The special assessment will be payable in a single installment, but the City will defer the obligation to pay the special assessment until the earlier of (i) the date three years after the date the City levies the special assessment or (ii) the date the City approves a final plat replatting all or a portion of the Unsold Subject Property. Clause (ii) of the preceding sentence does not apply to final plats the City approved prior to the date of this First Amendment and does not apply to the final plat of RAMSEY TOWN CENTER 5TH ADDITION which has received final plat approval from the City Council but which is being modified and will be reapproved prior to being recorded. Interest will accrue on the unpaid balance of the deferred special assessment at the rate of 6.3% per annum. If the Developer replats a portion of the Unsold Subject Property, the special assessment will be due only with respect to the tax parcel or parcels that include all or a portion of the Unsold Subject Property that is being replatted and the special assessment will remain deferred for the balance of the Unsold Subject Property. The Developer and the Interested Parties hereby consent to the City's levying of a special assessment against the Unsold Subject Property for the City Phase I Roadway Improvements in an amount equal to \$876,035.00 pursuant to Minnesota Statutes, Chapter 429, the City Charter and the City Ordinances, and hereby waive any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Unsold Subject Property, or any part thereof, does not receive a benefit from the City Phase I Roadway Improvements, claims that property other than the Unsold Subject Property receives a benefit from the City Phase I Roadway Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F-1 exceeds the benefit to such lot or outlot. The Developer and the Interested Parties also waive any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this Section 7.6 run with title to the Unsold Subject Property and are binding on the Developer and its successors and assigns. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. If a subsequent final plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F-1, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such final plat. The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessments among the lots or outlots created by such final plat. The City must adopt the Developer's or, if applicable, a Secondary

Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. The City agrees that the City will not assess more than \$876,035.00 against the Unsold Subject Property for the City Phase I Roadway Improvements.

25. Subject to Section 26, Section 7.7 of the Master Agreement is hereby deleted in its entirety and replaced with the following: "INTENTIONALLY OMITTED".
26. The modifications to Sections 7.1 through 7.7 of the Master Agreement set forth in Sections 21, 22, 23, 24 and 25 of this First Amendment are subject to a condition subsequent as follows:

If the Developer or any other Interest Parties objects to one or more of the special assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment prior to or at the Assessment hearing or appeals one or more of such special assessments pursuant to Minnesota Statutes Section 429.081 or challenges such special assessments on any other basis, the provisions of Sections 21 through 25 of this First Amendment are, at the option of the City, of no further force and effect and the original provisions of Sections 7.1 through 7.7 of the Master Agreement shall be reinstated in their entirety. If neither the Developer nor any Interested Party objects to or appeals the assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment within the appeal periods provided under Minnesota Statutes Chapter 429, the condition subsequent described above shall be deemed satisfied, and the City will execute documentation consenting to the release of the escrowed funds currently held pursuant to Section 7.7 of the Master Agreement under the terms of the Escrow Agreements among and between the City, the Developer and D.R. Horton , Inc.; the City, the Developer and NAU, Inc. and the City, the Developer and Amcon Housing Development, LLC, respectively. The City's consent to the release of the escrowed funds shall be expressly conditioned upon the Escrow Agent's disbursement of escrowed funds first to the City to reimburse the City for the amounts, if any, the Developer owes to the City under the terms of the Master Agreement, including, but not limited to amounts owed to the City pursuant to Section 12.3 of the Master Agreement, as of the date of the escrowed disbursement.

27. Subject to Section 32, Section 7.8 of the Master Agreement is hereby deleted in its entirety and replaced with the following: "INTENTIONALLY OMITTED".
28. Subject to Section 32, Section 7.9 of the Master Agreement is hereby amended to read as follows:

7.9 COMMENCEMENT AND COMPLETION OF THE CITY PHASE II ROADWAY IMPROVEMENTS. Subject to Force Majeure, the City will commence the portion of the City Phase II Roadway

Improvements described on Exhibit Q on or before June 1, 2005, and substantially complete the portion of the City Phase II Roadway Improvements described on or before August 31, 2005. The City will install the final lift on the portion of the City Phase II Roadway Improvements described on Exhibit Q on or before June 1, 2006. The City will commence the construction of the balance of the City Phase II Roadway Improvements in one or more subphases. Within ninety (90) days after the Developer or a successor or assignee of the Developer records or files a Final Plat for a Phase, the City will commence construction of the City Phase II Roadway Improvements, if any, necessary for the development of that Phase; provided, however, if the Developer or a successor or assignee of the Developer records or files a Final Plat before May 15 of a year, the City is not obligated to commence construction of the City Phase II Roadway Improvements, if any, necessary for the development of that Phase until May 15th of that year and if the Developer or a successor or assignee of the Developer records or files a Final Plat for a Phase after July 15th of any year, the City is not obligated to commence construction of the City Phase II Roadway Improvements, if any, necessary for the development of that Phase until May 15th of the following calendar year. Notwithstanding anything to the contrary herein, before the City is obligated to commence construction of the City Phase II Roadway Improvements (other than the City Phase II Roadway Improvements described on Exhibit Q which the City will commence and complete as set forth above), the Developer must dedicate the 100 foot wide rights of way for the City Phase II Roadway Improvements located north of Bunker Lake Road. Subject to Force Majeure, the City must substantially complete construction of each subphase of the City Phase II Roadway Improvements within 6 months of the date the City commences that subphase of City Phase II Roadway Improvements pursuant to this Section 7.9 (the "City Phase II Roadway Improvements Substantial Completion Date"). The City must install the final lift for each subphase of the City Phase II Roadway Improvements on or before June 1st of the year following the year in which the City Phase II Roadway Improvements Substantial Completion Date occurs for that subphase of the City Phase II Roadway Improvements. Upon completion of the City's Phase II Roadway Improvements, the City Phase II Roadway Improvements will constitute public streets and will be maintained by the City as public streets.

29. Subsequent to Section 32, Section 7.11 of the Master Development Agreement is hereby deleted in its entirety and replaced with the following: INTENTIONALLY OMITTED.
30. Subject to Section 32, Section 7.12 of the Master Development Agreement is hereby amended to read as follows:

7.12 ASSESSMENT AGREEMENT FOR CITY PHASE II ROADWAY IMPROVEMENTS. Minnesota Statutes, Chapter 429, the

City's Charter and the City's Ordinances authorize the City to assess all or a portion of the cost of the City Phase II Roadway Improvements against the property the City Phase II Roadway Improvements benefit. The City, the Developer and the Interested Parties hereby agree the City Phase II Roadway Improvements will benefit the Unsold Subject Property. Attached as Exhibit R is a Petition for the City Phase II Roadway Improvements executed by the Developer, Ramdance and PSD. The City will promptly commence and diligently pursue the actions necessary to specially assess \$514,810.00 of the cost of the City Phase II Roadway Improvements against the Unsold Subject Property pursuant to Minnesota Statutes, Chapter 429. The special assessment will be allocated among the lots and outlots that constitute the Unsold Subject Property pursuant to the percentages set forth on Exhibit F-1. The special assessment will be payable in a single installment, but the City will defer the obligation to pay the special assessment until the earlier of (i) the date three years after the date the City levies the special assessment or (ii) the date the City approves a final plat replatting all or a portion of the Unsold Subject Property. Clause (ii) of the preceding sentence does not apply to final plats the City approved prior to the date of this First Amendment and does not apply to the final plat of RAMSEY TOWN CENTER 5TH ADDITION which has received final plat approval from the City Council but which is being modified and will be reapproved prior to being recorded. Interest will accrue on the unpaid balance of the deferred special assessment at the rate of 6.3% per annum. If the Developer replats a portion of the Unsold Subject Property, the special assessment will be due only with respect to the tax parcel or parcels that include all or a portion of the Unsold Subject Property that is being replatted and the special assessment will remain deferred for the balance of the Unsold Subject Property. The Developer and the Interested Parties hereby consent to the City's levying of a special assessment against the Unsold Subject Property for the City Phase II Roadway Improvements in an amount equal to \$514,810.00 pursuant to Minnesota Statutes, Chapter 429, the City Charter and the City Ordinances, and hereby waive any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Unsold Subject Property, or any part thereof, does not receive a benefit from the City Phase II Roadway Improvements, claims that property other than the Unsold Subject Property receives a benefit from the City Phase II Roadway Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F-1 exceeds the benefit to such lot or outlot. The Developer and the Interested Parties also waive any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this Section 7.12 run with title to the Unsold Subject Property

and are binding on the Developer and its successors and assigns. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. If a subsequent final plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F-1, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such final plat. The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessments among the lots or outlots created by such final plat. The City must adopt the Developer's or, if applicable, a Secondary Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. The City agrees that the City will not assess more than \$514,810.00 against the Unsold Subject Property for the City Phase II Roadway Improvements.

31. Subject to Section 32, Section 7.13 of the Master Development Agreement is hereby deleted in its entirety and replaced with the following: "INTENTIONALLY OMITTED".
32. The modifications to Sections 7.8 through 7.13 of the Master Agreement set forth in Sections 27, 28, 29, 30 and 31 of this First Amendment are subject to a condition subsequent as follows:

If the Developer or any other Interest Parties objects to one or more of the special assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment prior to or at the Assessment hearing or appeals one or more of such special assessments pursuant to Minnesota Statutes Section 429.081 or challenges such special assessments on any other basis the provisions of Sections 27 through 31 of this First Amendment are, at the option of the City, of no further force and effect and the provisions of Sections 7.8 through 7.13 of the original Master Agreement shall be reinstated in their entirety. If neither the Developer nor any Interested Party objects to or appeals the assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment above within the appeal periods provided under Minnesota Statutes Chapter 429, the condition subsequent described above shall be deemed satisfied, and the City will execute documentation consenting to the release of the escrowed funds currently held pursuant to Section 7.13 of the Master Agreement under the terms of the Escrow Agreements among and between the City, the Developer and D.R. Horton , Inc.; the City, the Developer and NAU, Inc.; and the City, the Developer and Amcon Housing Development, LLC, respectively. The City's consent to the release of the escrowed funds shall be expressly conditioned upon the Escrow Agent's disbursement of escrowed funds first to the City to reimburse the City for the amounts, if any, the Developer owes to the City under the terms of the Master Agreement, including, but not limited to amounts owed to the City pursuant to Section 12.3 of the Master Agreement, as of the date of the escrowed disbursement. If neither the Developer nor any Interested Party objects to or

appeals the assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment within the appeal periods provided under Minnesota Statutes Chapter 429, the three parcels subject to the Escrow Agreements described in this paragraph will not be subject to special assessments for the City Phase I Roadway Improvements, City Phase II Roadway Improvements, AUAR Roadway Improvements or Parking Improvements.

33. Section 7.14 is hereby added to the Master Development Agreement to read as follows:

7.14 AUAR ROADWAY IMPROVEMENTS. The City and the Developer acknowledge the importance of upgrading the regional roadways with the AUAR Roadway Improvements. The Developer acknowledges that the AUAR requires mitigation of potential impacts that may result from the full build-out of the RTC Project. The Developer will continue to work with the City to pursue alternative strategies, including, for example, a traffic demand management plan, to mitigate any such impacts, so that the RTC Project complies with the requirements of the AUAR. The City will construct the AUAR Roadway Improvements. The Developer acknowledge that the AUAR Roadway Improvements shall be constructed on a timetable to be determined by the City. The City may construct the AUAR Roadway Improvements in one or more phases as it deems appropriate in its sole and absolute discretion.

34. Section 7.15 is hereby added to the Master Development Agreement to read as follows:

7.15 STREET SIGNS AND GROUNDCOVER ESTABLISHMENT. The City's obligation to construct the AUAR Roadway Improvements includes the obligation to install all street identification signs and traffic control signs and signals required under the terms of the RTC Controls or required by any Other Regulatory Agency to serve the AUAR Roadway Improvements. The City must also, as a part of the cost of construction the Roadway Improvements, seed or sod the boulevards adjacent to the AUAR Roadway Improvements pursuant to the requirements set forth in the Master Development Plan. Other than seeding or sodding the boulevards pursuant to the preceding sentence, the City is not responsible for any landscaping associated with the AUAR Roadway Improvements.

35. Section 7.16 is hereby added to the Master Development Agreement to read as follows:

7.16 ASSESSMENT AGREEMENT FOR AUAR ROADWAY IMPROVEMENTS. Minnesota Statutes Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess all or a portion of the cost of the AUAR Roadway Improvements against the property the AUAR Roadway Improvements benefit. The City, the Developer and the Interested Parties agree the AUAR Roadway Improvements will benefit the Unsold Subject Property. Attached as Exhibit R is a Petition for the AUAR Roadway Improvements executed by the Developer, Ramdance

and PSD. The City will promptly commence and diligently pursue the actions necessary to assess \$3,000,000 of the cost of the AUAR Roadway Improvements against the Unsold Subject Property pursuant to Minnesota Statutes, Chapter 429. The special assessment will be allocated among the lots and outlots that constitute the Unsold Subject Property pursuant to the percentages set forth on Exhibit F-1. The special assessment will be payable in a single installment, but the City will defer the obligation to pay the special assessment until the earlier of (i) the date three years after the date the City levies the special assessment or (ii) the date the City approves a final plat replatting all or a portion of the Unsold Subject Property. Clause (ii) of the preceding sentence does not apply to final plats the City approved prior to the date of this First Amendment and does not apply to the final plat of RAMSEY TOWN CENTER 5TH ADDITION which has received final plat approval from the City Council but which is being modified and will be reapproved prior to being recorded. Interest will accrue on the unpaid balance of the deferred special assessment at the rate of 6.3% per annum. If the Developer replats a portion of the Unsold Subject Property, the special assessment will be due only with respect to the tax parcel or tax parcels that include all or a portion of the Unsold Subject Property that is being replatted and the assessment will remain deferred for the balance of the Unsold Subject Property. The Developer and the Interested Parties hereby consent to the City's levying of a special assessment against the Unsold Subject Property for the AUAR Roadway Improvements in an amount equal to \$3,000,000 pursuant to Minnesota Statutes, Chapter 429, the City Charter and the City Ordinances and hereby waive any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Unsold Subject Property, or any part thereof, does not receive a benefit from the AUAR Roadway Improvements, claims that property other than the Unsold Subject Property receives a benefit from the AUAR Roadway Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F-1 exceeds the benefit to such lot or outlot. The Developer and the Interested Parties also waive any appeal rights otherwise available pursuant to Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this Section 7.16 run with title to the Subject Property and are binding on the Developer and its successors and assigns. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. If a subsequent final plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F-1, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such final plat. The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its

review, a proposed allocation of the pending or levied special assessments among the lots or outlots created by such final plat. The City must adopt the Developer's or, if applicable, a Secondary Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. The City agrees that the City will not assess more than \$3,000,000 against the Unsold Subject Property for the AUAR Roadway Improvements.

36. Section 8.6 of the Master Agreement is hereby amended to read as follows:

8.6 COMMENCEMENT AND COMPLETION OF PHASE II CONSTRUCTION. Subject to Force Majeure, the City is obligated to commence and complete construction of the City Phase II Utility Improvements on the same dates that the City is obligated to commence and substantially complete construction of the City Phase II Roadway Improvements pursuant to Section 7.9. The City Utility Improvements will be public improvements, and the City will maintain the City Utility Improvements as public improvements.

37. Sections 9.1 through 9.7 of the Master Agreement are hereby deleted in their entirety and replaced with the following.

9.1 PARKING STRUCTURES. Section 9.20.31, Subd. 2(a) of the RTC Ordinance states:

To maximize the use of land and prevent proliferation of surface parking within this District, parking structures will be utilized to accommodate the majority of the District's parking needs.

In furtherance of the RTC Ordinance, the City will construct a two phase parking improvement project within the TC-1 Mixed Used Core Sub-District which project is defined herein as the "Parking Improvements". The City will construct the Parking Improvements pursuant to the Schedule set forth on Exhibit N as modified by the City Council Resolution ordering the construction of the Parking Improvements.

9.2 ASSESSMENT AGREEMENT FOR PARKING IMPROVEMENTS. Minnesota Statutes, Section 459.14, Minnesota Statutes, Chapter 429, the City's Charter and the City's Ordinances authorize the City to assess all or a portion of the cost of the Parking Improvements against the property the Parking Improvements benefit. The City, the Developer and the Interested Parties agree the Parking Improvements will benefit the Unsold Subject Property. Attached as Exhibit R is a Petition for the Parking Improvements executed by the Developer, Ramdance and PSD. The City will promptly commence and diligently pursue the actions necessary to

specialty access \$6,000,000 of the cost of the Parking Improvements against the Unsold Subject Property. The special assessment will be allocated among the Unsold Subject Property pursuant to the percentages set forth on Exhibit F-1. The special assessment will be payable in a single installment, but the City will defer the obligation to pay the special assessment until the earlier of (i) the date three years after the date the City levies the special assessment or (ii) the date the City approves a final plat replatting all or a portion of the Unsold Subject Property. Clause (ii) of the preceding sentence does not apply to final plats the City approved prior to the date of this First Amendment and does not apply to the final plat of RAMSEY TOWN CENTER 5TH ADDITION which has received final plat approval from the City Council but which is being modified and will be reapproved prior to being recorded. Interest will accrue on the unpaid balance of the deferred special assessment at the rate of 6.3% per annum. If the Developer replats a portion of the Unsold Subject Property the special assessment will be due only with respect to the tax parcel or tax parcels that include all or any portion of the Unsold Subject Property that is being replatted and the special assessment will remain deferred for the balance of the Unsold Subject Property. The Developer and the Interested Parties hereby consent to the City's levying of a special assessment against the Unsold Subject property for the Parking Improvements in an amount equal to \$6,000,000, pursuant to Minnesota Statutes, Section 459.14 and Chapter 429, the City Charter and the City Ordinances and hereby waive any and all procedural and substantive objections to a special assessment in that amount, including, but not limited to, notice and hearing requirements, claims that the Unsold Subject Property does not receive a benefit from the Parking Improvements, claims that property other than the Unsold Subject Property receives a benefit from the Parking Improvements, claims that the assessment is not uniform upon the same classes of property and claims that the amount of the special assessment allocated to any lot or outlot pursuant to Exhibit F-1 exceeds the benefit to such lot or outlot. The Developer and the Interested Parties also waive any appeal rights otherwise available pursuant to Minnesota Statutes, Section 459.14 or Minnesota Statutes, Section 429.081 and any rights available under the City Charter or the City Ordinances. The consents and waivers set forth in this Section 9.2 run with title to the Subject Property and are binding on the Developer and its successors and assigns. Until the City levies the special assessment, the special assessment constitutes a pending special assessment. If a subsequent final plat for a Phase subdivides one or more of the lots or outlots referenced on Exhibit F-1, the City must allocate the special assessment pending or levied against that lot or outlot among the lots or outlots created by such final plat. The Developer or a Secondary Developer, if applicable, must prepare and submit to the City, for its review, a proposed allocation of the pending or levied special assessments among the lots or outlots created by such final plat. The City must adopt the Developer's or, if applicable, a Secondary

Developer's proposed allocation if the Developer's or, if applicable, a Secondary Developer's proposed allocation is done on a per square foot basis. The City may accept or reject other proposed allocations in its sole and absolute discretion. The City agrees that the City will not assess more than \$6,000,000 against the Unsold Subject Property for the Parking Improvements.

38. The modifications to Sections 9.1 through 9.7 of the Master Agreement set forth in Section 37 of this First Amendment are subject to a condition subsequent as follows:

If the Developer or any other Interest Parties objects to one or more of the special assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment prior to or at the Assessment hearing or appeals one or more of such special assessments pursuant to Minnesota Statutes Section 429.081 or challenges such special assessments on any other basis the provisions of Section 37 of this First Amendment is, at the option of the City, of no further force and effect and the provisions of Sections 9.1 through 9.7 of the original Master Agreement shall be reinstated in their entirety. If neither the Developer nor any Interested Party objects to or appeals the assessments described in Section 24, Section 30, Section 35 or Section 37 of this First Amendment within the appeal periods provided under Minnesota Statutes Chapter 429, the condition subsequent described above shall be deemed satisfied, and the City will execute documentation consenting to the release of the escrowed funds currently held pursuant to Section 9.7 of the Master Agreement under the terms of the Escrow Agreements among and between the City, the Developer and D.R. Horton , Inc.; the City, the Developer and NAU, Inc. and the City, the Developer and Amcon Housing Development, LLC, respectively. The City's consent to the release of the escrowed funds shall be expressly conditioned upon the Escrow Agent's disbursement of escrowed funds first to the City to reimburse the City for the amounts, if any, the Developer owes to the City under the terms of the Master Agreement, including, but not limited to amounts owed to the City pursuant to Section 12.3 of the Master Agreement, as of the date of the escrowed disbursement.

39. Section 10.1 of the Master Agreement is hereby amended to read as follows:

10.1 DEVELOPER PUBLIC IMPROVEMENTS – MASS GRADING AND STORM WATER MANAGEMENT. Subject to Force Majeure, the Developer must complete all of the mass grading of the Subject Property and must complete construction of all of the storm water management system to serve the Subject Property in accordance with the Master Grading Plan and the Storm Sewer Phasing Plan Exhibit on or before November 30, 2006.

40. Section 11.1 of the Master Agreement is hereby amended to read as follows:

11.1 LANDSCAPING ASSOCIATED WITH CITY PHASE I ROADWAY IMPROVEMENTS. Subject to Force Majeure, the Developer must commence the installation of the landscaping described in the Phase I Landscaping Plan within sixty (60) days of the City's substantial completion (exclusive of the final lift) of the City Phase I Roadway Improvements, and must complete the installation of the landscaping described in the Phase I Landscaping Plan on or before the date 180 days from the City's substantial completion (exclusive of the final lift) of the City Phase I Roadway Improvements. Notwithstanding the foregoing, if the City substantially completes the City Phase I Roadway Improvements between November 1 of any year and May 1 of the following year, the Developer is not obligated to commence the installation of the landscaping described in the Phase I Landscaping Plan until the following May 1 and is not obligated to complete the installation of the landscaping described in the Phase I Landscaping Plan until the following September 1. The Letter of Credit the Developer delivers to the City pursuant to Section 12.4 is intended, in part, to secure the Developer's performance of its obligations under this Section 11.1. Upon the Developer's completion of the landscaping described in the Phase I Landscaping Plan, the Developer must submit to the City a guaranty as required by the Zoning Ordinance.

41. Section 11.2 of the Master Agreement is hereby amended to read as follows:

11.2 LANDSCAPING ASSOCIATED WITH CITY PHASE II ROADWAY IMPROVEMENTS. Subject to Force Majeure, the Developer must commence the installation of the landscaping described in the Phase II Landscaping Plan within sixty (60) days of the City's substantial completion (exclusive of the final lift) of the City Phase II Roadway Improvements and must complete the installation of the landscaping described in the Phase II Landscaping Plan on or before the date 180 days from the City's substantial completion (exclusive of the final lift) of the City Phase II Roadway Improvements. Notwithstanding the foregoing, if the City substantially completes the City Phase II Roadway Improvements between November 1 of any year and May 1 of the following year, the Developer is not obligated to commence the installation of the landscaping described in the Phase II Landscaping Plan until the following May 1 and is not obligated to complete the installation of the landscaping described in the Phase II Landscaping Plan until the following September 1. Notwithstanding the foregoing, to the extent that the City constructs the City Phase II Roadway Improvements in one or more phases, the Developer must install the landscaping described in the Phase II Landscaping Plan that relates to each phase of the City Phase II Roadway Improvements within the time periods described in this Section 11.2. The Letter of Credit the Developer delivers to the City pursuant to Section 12.4 is intended, in part, to secure the Developer's performance of its obligations under this Section 11.2. Upon the Developer's completion

of the landscaping described in the Phase II Landscaping Plan or any portion thereof, the Developer must submit to the City a guaranty as required by the Zoning Ordinance.

42. The last sentence of Section 12.3 of the Master Agreement is hereby deleted in its entirety and replaced with the following:

The Letter of Credit the Developer delivers to the City pursuant to Section 12.4 is intended, in part, to secure the Developer's performance of its obligations under this Section 12.3.

43. Section 12.4 of the Master Agreement is hereby amended to read as follows:

12.4 LETTERS OF CREDIT AND ALTERNATIVE SECURITY. Contemporaneously with the execution of this First Amendment, the Developer has delivered to the City a Letter of Credit in the amount of \$3,000,000 (the "Letter of Credit") to secure the Developer's obligations under Sections 10.1, 11.1, 11.2 and 12.3 herein. The Letter of Credit secures only the Developer's obligations under Sections 10.1, 11.1, 11.2 and 12.3 of the Master Agreement. To the extent that other letters of credit are required under any other Sections of this Agreement or a Phase Development Agreement, the Developer (or a Secondary Developer, in the case of a Secondary Development Agreement) must provide those additional Letters of Credit. The Letter of Credit and any other letters of credit required under the terms of this Master Agreement must: (i) be an Irrevocable Letter of Credit from a state or national banking association or other financial institution reasonably acceptable to the City; (ii) obligate the issuer thereof to honor the City's site draft for the full amount of the letter of credit provided the City submits to the issuer, along with the City's site draft, a Certificate signed by the City Administrator of the City of Ramsey stating the Developer is in default in the performance of one or more of the obligations the letter of credit secures (as stated in the letter of credit); (iii) provide that it will automatically renew until released by the City' and (iv) be, in all other respects, in a form reasonably acceptable to the City. At such time as the City reasonably determines that the total value of all of Developer's obligations under Sections 10.1, 11.1, 11.2 and 12.3 is less than \$2,400,000, the amount of the Letter of Credit may be reduced, not more often than once per month, to an amount equal to 125% of the City's estimate of the total cost of completing the performance of obligations which the Letter of Credit secures. To request the City's consent to such a reduction in the amount of the Letter of Credit, the Developer must submit to the City a description of the work the Developer has completed and mechanic's and materialmen's lien waivers showing the Developer's full payment for the completed work. The City's Engineer will inspect the work identified in the Developer's request and report the results of his or her inspection to the City Administrator. The City Administrator will approve the reduction and the outstanding amount of

the Letter of Credit when the City Administrator is satisfied, based on the Engineer's report, that the amount of the requested reduction accurately reflects the cost of the work the Developer has completed and paid for. The City will release the Letter of Credit when the Developer has fully performed all of the obligations the Letter of Credit secures and the City has inspected and accepted any work.

44. Section 15.1 of the Master Agreement is hereby amended as follows:

(a) The introductory clause of the third sentence of Section 15.1, which reads "if the Developer fails to perform one or more of its obligations in Sections 4.12, 7.6, 7.7, 7.12, 7.13, 9.6, 9.7, 12.3, 12.4, 13.1, 13.2 and 15.1(e)," is hereby revised to read as follows:

If the Developer fails to perform one or more of its obligations under Sections 4.12, 7.6, 7.12, 7.16, 9.2, 12.3, 12.4, 13.1, 13.2 or 15.1(e),

(b) Section 15.1(f) is revised to read as follows:

(f) If the Developer's default is the failure to perform one or more of its monetary obligations under Section 4.12, 7.6, 7.12, 7.16, 9.2, 12.3, 13.1, 13.2, 15.1(c) or 15.1(e), the City may commence an action against the Developer for monetary damages.

45. Section 15.3 is hereby amended as follows:

(a) Section 15.3(a) is hereby deleted in its entirety and replaced with the following:

(a) Failure by the Developer to convey to the City the City Hall and Parking Ramp Sites, as required by Section 5.1; or

(b) Section 15.3(d) is revised to read as follows:

(d) Failure by the Developer to perform the obligations placed on it by Sections 3.3, 4.12, 7.6, 7.12, 7.16, 9.2, 12.3, 12.4, 13.1, 13.2, 14, and 15.1(e) of this Master Agreement.

46. New Exhibits F-1, M, N, O and P in the form attached hereto, are hereby made a part of the Master Agreement.

47. Exhibit B of the Master Agreement is hereby deleted in its entirety and replaced with the Amended and Restated Exhibit B attached hereto.

48. This First Amendment may be executed in counterparts. This First Amendment is not effective until the City, the Developer, Ramdance and PSD have executed this First Amendment; the Developer's Mortgagees, Community National Bank, N.A.; William G. Sandison, Jerome B. Peterson and Ross W. Sandison; and Pentagon Credit, LLC have

consented to and agreed that their interests in the Subject Property are subject to this First Amendment. When all such parties have executed this First Amendment, separately executed counterparts may be assembled into a single fully executed original. PCS Building Company, the owner of Lot 1, Block 1 RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota; D.R. Horton, LLC-Minnesota, a Delaware corporation, the owner of Lots 1 through 47, Block 1; Lots 1 through 35, Block 2; and Outlot A; RAMSEY TOWN CENTER 2ND ADDITION, Anoka County, Minnesota, and NAU Holding Company, LLC, the owner of Lot 1, Block 1 RAMSEY TOWN CENTER 4TH ADDITION, Anoka County, Minnesota, are not parties to this First Amendment because this First Amendment imposes no obligations upon the property they own, but the City will ask those owners and their lenders to execute instruments acknowledging that the First Amendment has been amended as set forth herein. PSD is executing this First Amendment both as an owner of a portion of the Unsold Subject Property and as the owner of Outlot A, RAMSEY TOWN CENTER 4TH ADDITION, Anoka County, Minnesota. The City is executing this First Amendment both in its capacity as the City under the Master Agreement and as the owner of portions of the Subject Property.

DEVELOPER:

RAMSEY TOWN CENTER LLC,
a Minnesota limited liability company

By: Bruce A. Nedegaard
Name: BRUCE A. NEDEGAARD
Its: CHIEF MANAGER

STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 22 day of February, 2005 by Bruce A. Nedegaard, the Chief Manager of Ramsey Town Center LLC, a Minnesota limited liability company, on behalf of the company.



Kelly J. Nekola
Notary Public


[Signature Page to First Amendment to City of Ramsey
Master Development Agreement for Ramsey Town Center]

PSD, LLC, a Minnesota limited liability company

By: [Signature]
Name: JAMES D. DEAL
Its: CHIEF MANAGER

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me on this 22nd day of February, 2005 by JAMES D. DEAL, the CHIEF MANAGER of PSD, LLC, a Minnesota limited liability company, on behalf of the company.

William K. Goodrich
 Notary Public

[Signature Page to First Amendment to City of Ramsey
Master Development Agreement for Ramsey Town Center

DRAFTED BY:
Briggs and Morgan, P.A.
2200 First National Bank Building
St. Paul, MN 55101 (TLB)
(651) 808-6564

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ACKNOWLEDGMENT


The undersigned, NAU Holding Company, LLC, a Minnesota limited liability company, the owner of Lot 1, Block 1, RAMSEY TOWN CENTER 4TH ADDITION, Anoka County, Minnesota (the "NAU Property") acknowledges and agrees that the City of Ramsey Master Development Agreement for Ramsey Town Center dated September 17, 2003 and recorded in the office of the Anoka County Recorder and the office of the Anoka County Registrar of Titles on September 29, 2004 as Document Nos. 1851364.0 and 44633.0, respectively, has been amended as set forth in the First Amendment to City of Ramsey Master Development for Ramsey Town Center to which this Acknowledgment is attached and acknowledges and agrees that the NAU Property is subject to the terms of said Amendment.

NAU HOLDING COMPANY, LLC, a
Minnesota limited liability company

By: [Signature]
Name: JAMES D. DEAL
Its: CHIEF MANAGER

STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 23rd day of FEBRUARY, 2005 by JAMES D. DEAL, the Chief Manager of NAU Holding Company, LLC, a Minnesota limited liability company, on behalf of the company.

 [Signature]
Notary Public

DRAFTED BY:
Briggs and Morgan, P.A.
2200 First National Bank Building
St. Paul, MN 55101 (TLB)
(651) 808-6564

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MORTGAGEE'S CONSENT

The undersigned, Community National Bank, N.A., a national banking association, holds mortgages on a portion of the Subject Property pursuant to a Combination Revolving Credit Mortgage, Security Agreement, Assignment of Rents and Fixture Financing Statement with Future Advance Clause dated September 18, 2003 and recorded in the office of the Anoka County Recorder and the Anoka County Registrar of Titles on September 24, 2003, as Document Nos. 1854362 and 446331, respectively; and pursuant to a Combination Revolving Credit Mortgage, Security Agreement, Assignment of Rents and Fixture Financing Statement with Future Advance Clause dated October 9, 2003 and recorded in the office of the Anoka County Recorder and the Anoka County Registrar of Titles on October 17, 2003 as Document Nos. 1863874 and 449055, respectively (collectively, the "Mortgages"). Community National Bank, N.A. is executing this Mortgagee's Consent to evidence its consent to this First Amendment and to subject its interest in the Subject Property pursuant to the Mortgages to the terms of this First Amendment.

COMMUNITY NATIONAL BANK, N.A.

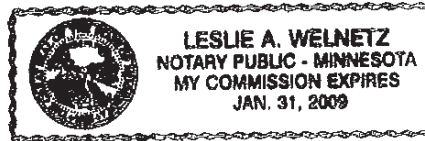
By: *William G. Sandison*
William G. Sandison, its President

STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 22 day of February, 2005 by William G. Sandison, the President of Community National Bank, N.A., a national banking association, on behalf of the association.

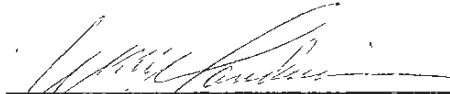
Leslie A. Welnetz
Notary Public

DRAFTED BY:
Briggs and Morgan, P.A.
2200 First National Bank Building
St. Paul, MN 55101 (TLB)
(651) 808-6564

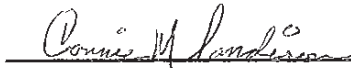


MORTGAGEE'S CONSENT

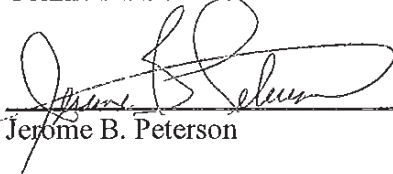
The undersigned, William G. Sandison and Connie M. Sandison, husband and wife, Jerome B. Peterson and Marlys R. Peterson, husband and wife, and Ross W. Sandison and Ellen E. Sandison, husband and wife, (collectively, the "Mortgages") hold a mortgage on a portion of the Subject Property pursuant to a Combination Revolving Credit Mortgage, Security Agreement, Assignment of Rents and Fixture Financing Statement with Future Advance Clause dated October 3, 2003 and recorded October 17, 2003 in the office of the Anoka County Recorder and the office of the Anoka County Registrar of Titles as Document Nos. 1863875 and 449056, respectively (the "Mortgage"). The Mortgagees are executing this Mortgagee's Consent to evidence their consent to Ramsey Town Center, LLC's execution of this First Amendment and to subject their interest in the Subject Property pursuant to the mortgage to the terms of the First Amendment.



William G. Sandison



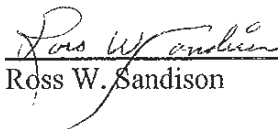
Connie M. Sandison



Jerome B. Peterson



Marlys R. Peterson



Ross W. Sandison

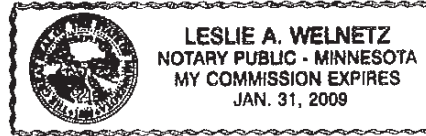


Ellen E. Sandison

STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 22 day of February, 2005 by William G. Sandison and Connie M. Sandison, husband and wife.

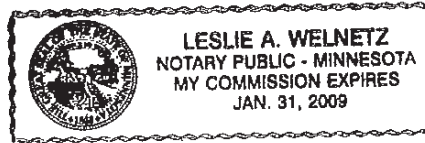
Leslie A. Welnetz
Notary Public



STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 22 day of February, 2005 by Jerome William B. Peterson and Marlys R. Peterson, husband and wife.

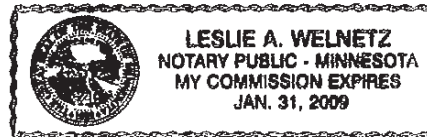
Leslie A. Welnetz
Notary Public



STATE OF MINNESOTA)
) ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me on this 22 day of February, 2005 by Ross W. Sandison and Ellen E. Sandison, husband and wife.

Leslie A. Welnetz
Notary Public



DRAFTED BY:
Briggs and Morgan, P.A. (TLB)
2200 First National Bank Building
St. Paul, MN 55101
(651) 808-6600

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MORTGAGEE'S CONSENT

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AMENDED AND RESTATED EXHIBIT A
CURRENT LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Lot 1, Block 1; Lot 1, Block 2 and Outlots A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA, CC, DD, FF, GG and HH, RAMSEY TOWN CENTER ADDITION;

Lots 1 through 47, Block 1; Lots 1 through 35, Block 2 and Outlots A and B, RAMSEY TOWN CENTER 2ND ADDITION; and

Lot 1, Block 1 and Outlot A, RAMSEY TOWN CENTER 4TH ADDITION,

all in Anoka County, Minnesota.

AMENDED AND RESTATED EXHIBIT B
LEGAL DESCRIPTION OF THE CITY HALL AND PARKING RAMP SITES

Outlots T, X, Y, Z, and the northwesterly 60.00 feet of Outlot AA, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, together with that part of Outlot S, said RAMSEY TOWN CENTER ADDITION, described as follows:

Beginning at the southeast corner of said Outlot S; thence North 66 degrees 10 minutes 33 seconds West, according to said RAMSEY TOWN CENTER ADDITION, assumed bearing along the southwesterly line of said Outlot S, 120.50 feet; thence North 23 degrees 43 minutes 04 seconds East 59.84 feet; thence North 66 degrees 10 minutes 33 seconds West 24.51 feet; thence North 23 degrees 43 minutes 04 seconds East 214.31 feet to the northerly line of said Outlot S; thence South 66 degrees 10 minutes 33 seconds East, along said northerly line, 69.82 feet to the northeast corner of said Outlot S; thence South 00 degrees 01 minutes 19 seconds West, along the easterly line of said Outlot S, 187.58 feet; thence South 23 degrees 49 minutes 27 seconds West, along said easterly line, 102.53 feet to the point of beginning.

AND

That part of Outlots M and S, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, described as follows:

Commencing at the southeast corner of said Outlot S; thence North 66 degrees 10 minutes 33 seconds West, according to said RAMSEY TOWN CENTER ADDITION, assumed bearing along the southwesterly line of said Outlot S, 120.50 feet to the point of beginning of the parcel to be described; thence North 23 degrees 43 minutes 04 seconds East 59.84 feet; thence North 66 degrees 10 minutes 33 seconds West 24.51 feet; thence North 23 degrees 43 minutes 04 seconds East 214.31 feet to the northerly line of said Outlot S; thence North 66 degrees 10 minutes 33 seconds West, along said northerly line, 40.00 feet; thence South 23 degrees 43 minutes 04 seconds West 70.00 feet; thence North 66 degrees 10 minutes 33 seconds West 226.57 feet; thence North 23 degrees 43 minutes 04 seconds East 70.00 feet to the northerly line of said Outlot M; thence North 66 degrees 10 minutes 33 seconds West, along said northerly line, 210.21 feet; thence South 23 degrees 43 minutes 04 seconds West 274.15 feet, to the southwesterly line of said Outlot M; thence South 66 degrees 10 minutes 33 seconds East, along the southwesterly lines of said Outlots M and S, 501.29 feet to the point of beginning.

AND

That part of Outlot L, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, described as follows:

Commencing at the southeast corner of said Outlot L; thence North 66 degrees 10 minutes 33 seconds West, according to said RAMSEY TOWN CENTER ADDITION, assumed bearing along the southwesterly line of said Outlot L, 599.10 feet; thence North 23 degrees 43 minutes 04 seconds East 73.76 feet to the point of beginning of the parcel to be described; thence continuing North 23 degrees 43 minutes 04 seconds East 206.50 feet; thence South 66 degrees 10 minutes 33 seconds East 420.34 feet; thence South 23 degrees 43 minutes 04 seconds West

206.50 feet; thence North 66 degrees 10 minutes 33 seconds West 420.34 feet to the point of beginning.

EXHIBIT F-1
REVISED SPECIAL ASSESSMENT ALLOCATIONS

Plat	Outlot	Percentage of Project Cost to be Assessed
RAMSEY TOWN CENTER ADDITION	A	1.66%
	C	0.22%
	E	16.18%
	F	9.20%
	H	5.81%
	I	4.51%
	J	6.17%
	L	6.08%
	M	4.93%
	N	0.14%
	O	1.15%
	Q	1.92%
	S	1.01%
	T	0.03%
	U	8.19%
	W	8.78%
	X	0.09%
	Y	0.66%
	Z	0.13%
AA	4.65%	
FF	2.08%	
GG	12.34%	
RAMSEY TOWN CENTER 2ND ADDITION	Outlot B	4.07%
Total		100.00%

EXHIBIT M
LEGAL DESCRIPTION OF THE CORE AREA

PARKING DISTRICT DESCRIPTION FOR THE CITY OF RAMSEY

All that part of Outlots L, M, Q, R, S, T, W, X, Y, Z and AA and that part of Sunwood Drive, Civic Center Drive, East Town Center Drive, West Town Center Drive and West Ramsey Parkway, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, lying within the following described boundary:

Commencing at the southeast corner of said Outlot M; thence North 66 degrees 10 minutes 33 seconds West, assumed bearing along the southwest line of said Outlot M, 979.56 feet; thence South 23 degrees 43 minutes 04 seconds West 50.00 feet to the center line of said Civic Center Drive and the point of beginning of the boundary to be described; thence South 66 degrees 10 minutes 33 seconds East, along said centerline, 1652.56 feet, to the intersection with the southwesterly extension of a line 30.00 feet southeasterly of and parallel with the northwesterly line of said Outlot AA; thence North 23 degrees 43 minutes 04 seconds East, along said parallel line and its extension, 870.99 feet; thence North 66 degrees 16 minutes 56 seconds West 293.70 feet; thence westerly along a tangential curve concave to the south 82.79 feet, said curve having a radius of 200.00 feet and a central angle of 23 degrees 43 minutes 04 seconds; thence bearing West 135.01 feet to the centerline of said East Town Center Drive; thence North 00degrees 01 minutes 19 seconds East, along said centerline, 436.60 feet; thence bearing West 557.48 feet; thence westerly along a tangential curve concave to the north 426.06 feet, said curve having a radius of 963.00 feet and a central angle of 25 degrees 20 minutes 58 seconds, to a point on a line bearing North 23 degrees 43 minutes 04 seconds East from the point of beginning; thence South 23 degrees 43 minutes 04 seconds West 867.54 feet to the point of beginning.

EXHIBIT N
DESCRIPTION OF THE PARKING IMPROVEMENTS

The Parking Improvements consist of two parking facilities that are described in the Feasibility Study and Report for City of Ramsey, Ramsey Town Center Parking Facilities dated January 2005 (the "Feasibility Study") which Feasibility Study was presented to the City of Ramsey's City Council and approved by a resolution of the City Council at the City Council's February 22, 2005 meeting. As set forth in the Feasibility Study, the Parking Improvements include 590 to 620 structured parking stalls in a facility described in the Feasibility Study as the Ramsey Municipal Parking Facility and 530 to 560 structured parking stalls in a facility described in the Feasibility Study as the Ramsey West Parking Facility.

EXHIBIT O
LEGAL DESCRIPTION OF THE PORTION OF THE UNSOLD
SUBJECT PROPERTY PSD, LLC OWNS

All that part of Outlot W, RAMSEY TOWN CENTER ADDITION, according to the recorded plat thereof, Anoka County, Minnesota, described as follows: Beginning at the Southeast corner of said Outlot W; thence on an assumed bearing of West along the southerly line of said Outlot W for 719.85 feet to a point of curvature in said southerly line; thence westerly for 53.22 feet along said southerly line along a tangential curve concave to the north, radius 420.00 feet and central angle 07 degrees 15 minutes 37 seconds; thence North 23 degrees 43 minutes 04 seconds East for 200.49 feet; thence on a bearing of East for 69.29 feet to the easterly line of said Outlot W; thence on a bearing of South along said easterly line for 186.92 feet to the point of beginning.

EXHIBIT P
ENCUMBRANCES ON THE UNSOLD SUBJECT PROPERTY

1. Mortgage by Ramsey Town Center, LLC to Community National Bank dated September 18, 2003, and recorded September 24, 2003, as document number 446331 (Torrens) and 1854362 (Abstract) in the amount of \$35,000,000.00.
2. Mortgage by Ramsey Town Center, LLC to Community National Bank dated October 3, 2003, recorded October 17, 2003, as document number 449055 (Torrens) and 1863874 (Abstract) in the amount of \$2,785,000.00.
3. Mortgage by Ramsey Town Center, LLC to William G. Sandison, Jerome B. Peterson and Ross W. Sandison dated October 3, 2003, recorded October 17, 2003, as document number 449056 (Torrens) and 1863875 (Abstract) in the amount of \$990,000.00.
4. Mortgage by Ramsey Town Center, LLC to Pentagon Credit, LLC, dated September 2, 2004, and recorded September 22, 2004, as document number 476991 (Torrens) and 1863875 (Abstract) in the amount of \$6,000,000,000.
5. Terms and conditions of Ordinance number 86-11 establishing a Storm Sewer Improvement Tax District recorded October 28, 1987, as document number 784944.
6. Easements for Roadway and Utility Purposes and Temporary Construction set out in Quit Claim Deed dated July 27, 2001 and recorded August 23, 2001 as document number 1597261.
7. Master Development Agreement with the City of Ramsey recorded September 24, 2003 as document numbers 1854364 (Abstract) 446333 (Torrens).
8. Terms and conditions of Restriction not to construct a banking institution recorded September 26, 2003, as document number 1855389 (Abstract) 446644 (Torrens).
9. UCC Financing Statement between Ramsey Town Center, LLC and Community National Bank filed January 13, 2004, as document number 1889431 (Abstract).
10. Streets, easements and restrictions as shown on the plat of Ramsey Town Center Addition and restrictions to access to County Roads and streets as shown thereon.
11. Purchase and sale agreement by and between Ramsey Town Center, LLC and Ramdance, LLC for the purchase and sale of Outlots H,I, L and M, Ramsey Town Center Addition dated March 18, 2004' and recorded July 9, 2004, as document number 471387 (Torrens).

12. Easement for drainage in favor of City of Ramsey as created in document dated July 24, 1998, and recorded July 24, 1998, as document number 1359406 (abstract).
13. Plat of Ramsey Town Center Addition recorded December 31, 2003, as document number 1886342 (abstract) and 455705 (Torrens).
14. Plat of Ramsey Town Center 2nd Addition recorded September 20, 2004, as document number 1958120 (abstract).
15. Plat of Ramsey Town Center 3rd Addition not of record as of the dates hereof.
16. Plat of Ramsey Town Center 4th Addition recorded August 9, 2004, as document number 1946932 (abstract).
17. Easement running in favor of Qwest dated September 2, 2004, and recorded September 8, 2004, as document number 1955137 for utility purposes, which easement is confined to a specific location on Outlot B, Ramsey Town Center 2nd Addition.
18. Resolutions granting variances recorded as document numbers 476034, 476035 and 476036 in favor of Ramdance, LLC on Outlot I, Ramsey Town Center Addition and Lot 1, Block 1, Ramsey Town Center 4th Addition.
19. Mortgage running in favor of Preferred Bank executed by NAU Holding Company, LLC, a Minnesota limited liability company, dated August 9, 2004, and recorded August 9, 2004, as document number 1947079 (abstract) in the original principal amount of \$2,225,000.
20. Anoka County Right of Way Plat Number 16 and the terms and conditions thereof dated April 13 1981, and recorded April 13, 1981, as document number 571346, and the Final Certificate and the terms and conditions thereof dated August 14, 1985, as document number 684425.
21. Dedication of right of access onto County State Aid Highway No. 83, County Road No. 56 and County Road No. 16 as shown on the plat of Ramsey Town Center Addition.

EXHIBIT Q
CITY PHASE II ROADWAY IMPROVEMENT

Zeolite Street N.W. between Sunwood Drive N.W. and Civic Center Drive N.W.; Civic Center Drive N.W. between Zeolite Street N.W. and Sapphire Street N.W.; and Suppline Street N.W. between Civic Center Drive N.W. and Sunwood Drive N.W. as those streets are described in the Feasibility Report for City Phase II Street, Storm Sewer, Water and Sanitary Sewer Improvements for Ramsey Town Center, City of Ramsey, Minnesota, City Improvement Project #05-22 dated January 2005.

ANOKA COUNTY MINNESOTA

Document No.: 482049.001 TORRENS

I hereby certify that the within instrument was filed in this
office for record on: 03/09/2005 11:48:00 AM

Fees/Taxes In the Amount of: \$39.00

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

TAP, Deputy

Record ID: 1524271

ANOKA COUNTY MINNESOTA

Document No.: 1973508.001 ABSTRACT

I hereby certify that the within instrument was filed in this
office for record on: 03/09/2005 11:48:00 AM

Fees/Taxes In the Amount of: \$50.50

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

TAP, Deputy

Record ID: 1524321



482071.010

**ASSIGNMENT OF MASTER DEVELOPMENT AGREEMENT
FOR RAMSEY TOWN CENTER**

This Assignment of Master Development Agreement ("Assignment") is made this 8th day of March, 2005 ("Effective Date") by and between RAMDANCE LLC, a Minnesota limited liability company ("Ramdance"), and SOPHIA-RAMSEY LLC, a Minnesota limited liability company ("Assignee").

RECITALS:

A. Ramsey Town Center LLC and the City of Ramsey ("City") entered into that certain Master Development Agreement for Ramsey Town Center, dated September 17, 2003, recorded September 24, 2003 as Document No. 1854364 (Anoka County Abstract) and Document No. 446333 (Anoka County Torrens).

B. Ramdance and the City entered into that certain Allocation Agreement dated December 22, 2004,* recorded against the Property (as defined below) that describes the allocation of rights and obligations under the above-referenced Master Development Agreement (the "Allocation Agreement"). *filed as of 02/23/05 as Document No 481898.006

C. Ramdance, the City and various other parties entered into that certain First Amendment to Master Development Agreement dated February 28, 2005,* recorded against the Property (as defined below) that further describes the allocation of rights and obligations under the above-referenced Master Development Agreement and defines the amount of special assessments being assessed for certain improvements (the "First Amendment"). *filed as of 03/09/05 as Document No 482049.001

D. The Master Development Agreement, Allocation Agreement and First Amendment to Master Development Agreement are collectively referred to as the "Master Development Agreements."

E. The Master Development Agreements have been recorded against Outlot I, Ramsey Town Center Addition. This property has been further subdivided as Ramsey Town Center 3rd Addition and is legally described as Lots 1 and 2, Block 1, and Outlot A, Ramsey Town Center 3rd Addition, according to the recorded plat thereof, Anoka County, Minnesota ("Property").

F. Ramdance conveyed Lots 1 and 2, Block 1, Ramsey Town Center 3rd Addition, to

Assignee on the Effective Date.

G. Ramdance desires to assign all of its right, title and interest in the Master Development Agreements to Assignee, and Assignee desires to accept the assignment, except for those rights specifically retained by Ramdance as set forth in this Assignment.

H. Assignee is not assuming any of the obligations of Ramdance under the Master Development Agreements and Ramdance shall remain liable for all obligations under the Master Development Agreements as set forth in this Assignment.

NOW THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Except as otherwise provided in this Assignment, the terms defined in the Master Development Agreements shall have the same meaning when used in this Assignment.

2. Assignment. Ramdance hereby transfers, assigns and conveys to Assignee all of Ramdance's right, title and interest in, to and under the Master Development Agreements, except that Ramdance and Assignee retain any rights to enforce the obligations of the City to construct Zeolite Street in accordance with the Master Development Agreements, and further except that Ramdance shall retain its rights to receive a release of the letter of credit provided under the Allocation Agreement.

3. Assumption. Assignee does not assume any of Ramdance's obligations to pay assessments under the Master Development Agreements. The Property and Assignee remain subject to the terms and conditions of the Master Development Agreements and the restrictions contained therein and the Assignee specifically assumes Ramdance's obligations to construct the Streetscape improvements as defined in paragraph 5.i. of the Allocation Agreement.

4. Ramdance's Liability under the Master Development Agreements. Ramdance agrees to remain liable and to perform and be bound by all obligations of the Master Development Agreements. Ramdance's obligations to pay assessments under the Master Development Agreements are limited to payment of the following assessments:

Phase I Roadway Improvements	\$ 39,509.00
Phase II Roadway Improvements	\$ 23,218.00
AUAR Roadway Improvements	\$135,300.00
Parking Improvements	\$270,600.00

Total	\$468,627.00

Ramdance shall pay these assessments to the City as of the earlier of the Effective Date or the date that is required by the First Amendment. Upon payment of these assessments, Ramdance shall have no further obligations under the Master Development Agreements for special assessments and no further amounts shall be owed or assessed against the Property under the Master Development Agreements.

5. Indemnification. Ramdance hereby agrees to indemnify and hold Assignee harmless from and against any and all liabilities, claims, damages, costs and expenses (including, without limitation, reasonable attorney's fees, expenses and court costs) arising from or relating to all obligations under the Master Development Agreements, except for the obligations to construct the Streetscape improvements as defined in paragraph 5.i. of the Allocation Agreement.

6. Ratification of Master Development Agreements. Ramdance, Assignee and the City hereby acknowledge and agree that the Master Development Agreements are valid and in full force and effect and that Ramdance is not in default under any terms of the Master Development Agreements for which notice of default has been given by the City to Ramdance. . Ramdance and the City have no offsets, claims or defenses against the other with respect to the Master Development Agreements. The City acknowledges and agrees that the Master Development Agreements have not been modified or amended except by the following documents: (a) Allocation Agreement; (b) First Amendment; (c) City of Ramsey Parkland and Trail Plan Agreement for Ramsey Town Center dated February 28, 2005; and (d) Parking Improvement Use and Maintenance Agreement dated February 28, 2005.

7. Binding Effect. This Assignment shall be binding upon and inure to the benefit of Ramdance and Assignee and their respective successors and assigns.

8. Counterparts. This Assignment may be executed separately and independently in any number of counterparts and each and all of which together shall be deemed to have been executed simultaneously and regarded as one agreement dated the Effective Date.

9. Facsimile Copies. A facsimile signature on a facsimile copy of this Assignment shall have the same force and effect as an original and shall bind a party to the terms and conditions hereof. All parties shall execute up to four originals of the Assignment signed by facsimile.

10. Conditions Precedent. This Assignment is conditioned upon the execution by the City of the attached written consent to this Assignment. This Assignment shall not be valid or of any force and effect until such written consent is provided by the City. Upon execution by the City of such written consent, this condition shall be automatically satisfied without further action on the part of any party and this Assignment shall be valid and in full force and effect.

signature pages to follow

ASSIGNEE:

SOPHIA-RAMSEY LLC,
a Minnesota limited liability company

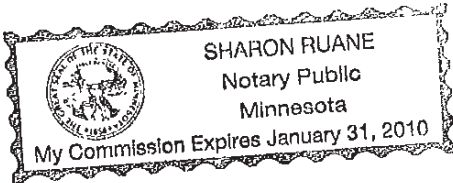
By: *Patrick J. Hart*

Print: *Patrick Hart*

Its: *President.*

STATE OF MINNESOTA)
) ss.
COUNTY OF *Hennepin*)

The foregoing instrument was acknowledged before me this *8th* day of *March*, 2005, by *Patrick J. Hart, Jr.*, the *Pres/Chief Man* of Sophia-Ramsey LLC, a Minnesota limited liability company, on behalf of the company.



Sharon Ruane
Notary Public

*signature page to Assignment of Master Development Agreement
for Ramsey Town Center*

This instrument was drafted by
and should be returned to:

Fafinski Mark & Johnson, P.A. (GPB)
Flagship Corporate Center
775 Prairie Center Drive, Suite 400
Eden Prairie, MN 55344
Ph (952) 995-9500

24418 (10)

SR (7)

ANOKA COUNTY MINNESOTA

Document No.: 482071 010 TORRENS

I hereby certify that the within instrument was filed in this office for record on: 03.10.2005 2:57:00 PM

Fees/Taxes In the Amount of: \$19.50

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

TAP, Deputy

Record ID: 1525486



Record ID 2217114

498611.002

**ABSTRACT/TORRENS
DOCUMENT**

**ABSTRACT/TORRENS
DOCUMENT**

2008427.001



Record ID 2217150

**TERMINATION OF MASTER DEVELOPMENT AGREEMENT
AND PARKLAND AND TRAIL PLAN AGREEMENT**

1. **Recitals.**

1.1 **Recital One.** The City of Ramsey, a Minnesota municipal corporation and a home rule charter city (the "City"), and Ramsey Town Center LLC, a Minnesota limited liability company (the "Developer") are parties to the City of Ramsey Master Development Agreement for Ramsey Town Center dated as of September 17, 2003. The Master Development Agreement was recorded with the Anoka County Registrar of Titles on September 24, 2003 as Document No. 446333.0 and recorded with the Anoka County Recorder on September 24, 2003 as Document No. 1854364.0. The Master Development Agreement was amended by the First Amendment to City of Ramsey Master Development Agreement for Ramsey Town Center between the City, the Developer, Ramdance LLC, a Minnesota limited liability company ("Ramdance") and PSD, LLC, a Minnesota limited liability company ("PSD") dated February 28, 2005. The First Amendment was recorded with the Anoka County Registrar of Titles on March 9, 2005 as Document No. 482049.001 and recorded with the Anoka County Recorder on March 9, 2005 as Document No. 1973508.001 (collectively, the "Master Development Agreement").

1.2 **Recital Two.** The City and the Developer are parties to the City of Ramsey Parkland and Trail Plan Agreement for Ramsey Town Center dated February 28, 2005 (the "Parkland and Trail Plan Agreement"). The Parkland and Trail Plan Agreement was recorded with the Anoka County Registrar of Titles on March 16, 2005 as Document No. 482124.003 and recorded with the Anoka County Recorder on March 16, 2005 as Document No. 1973660.002).

1.3 **Recital Three.** The City and the Developer are parties to the Parking Improvement Use and Maintenance Agreement dated February 28, 2005 (the "Parking Improvement Agreement"). The Parking Improvement Agreement was recorded with the Anoka County Registrar of Titles on March 16, 2005 as Document No. 482124.002 and recorded with the Anoka County Recorder on March 16, 2005 as Document No. 1973660.001.

1.4 **Recital Four.** The City is a party to various Development Agreements, Development Contracts, Secondary Development Contracts, Allocation Agreements and Escrow Agreements among and between the City of Ramsey, Ramsey Town Center, LLC and various parties who acquired property within the plat of Ramsey Town Center from Ramsey Town Center, LLC (collectively, the "Secondary Development Agreements, Allocation Agreements and Escrow Agreements").

1.5 **Recital Five.** Sections 11.1 and 11.2 of the Master Development Agreement obligate Ramsey Town Center, LLC to construct certain landscaping associated with the City Phase I Roadway Improvements and to construct landscaping associated with City Phase II Roadway Improvements. The Master Development

Agreement defines the construction of landscaping associated with the City Phase I Roadway Improvements and the construction of landscaping associated with City Phase II Roadway Improvements pursuant to Sections 11.1 and 11.2 of the Master Development Agreement as "Developer Public Improvements."

1.6 **Recital Six.** Ramsey Town Center, LLC did not complete the landscaping associated with the City Phase I Roadway Improvements and did not complete the City Phase II Roadway Improvements, as required by Sections 11.1 and 11.2 the Master Development Agreement.

1.7 **Recital Seven.** Section 12.3 of the Master Development Agreement obligates Ramsey Town Center, LLC to reimburse the City for various fees and charges the City incurred in connection with the development of the property subject to the Master Development Agreement.

1.8 **Recital Eight.** Ramsey Town Center , LLC did not reimburse the City for various fees and charges the City incurred in connection with the development of the property subject to the Master Development Agreement as required by Section 12.3 of the Master Development Agreement.

1.9 **Recital Nine.** On August 11, 2006 the City gave Ramsey Town Center, LLC and Community National Bank "Formal Notice" that Ramsey Town Center, LLC was in default in the performance of its obligations under Sections 11.1, 11.2 and 12.3 of the Master Development Agreement. A copy of the notice and an Affidavit of Mailing are attached as Exhibit A.

1.10 **Recital Ten.** Pursuant to Section 15.1 of the Master Development Agreement, the Developer had 30 days after Formal Notice to cure a default under Sections 11.1 and 11.2 of the Master Development Agreement and 5 days after Formal Notice to cure a default under Section 12.3 of the Master Development Agreement. The Master Development Agreement provides for the extension of the applicable cure periods if the default cannot reasonably be cured within the stated period, provided Ramsey Town Center, LLC commences the cure and pursues the cure with reasonable diligence.

1.11 **Recital Eleven.** Ramsey Town Center, LLC has not cured the defaults under Sections 11.1 and 11.2 of the Master Development Agreement, has not cured the default under Section 12.3 of the Master Development Agreement

1.12 **Recital Twelve.** Section 15.3 of the Master Development Agreement authorizes the City to terminate the Master Development Agreement as a remedy for the specific defaults listed in subsections 15.3(a)-(e) after the City has given the notice required by Section 15.1 and the applicable cure period has expired. Section 15.3(c) authorizes the City to terminate the Master Development Agreement if Ramsey Town Center, LLC defaults in the performance of its obligation to complete "Developer Public Improvements," as defined in the Master Development Agreement, and Section 15.3(d) authorizes the City to terminate the Master Development Agreement if Ramsey Town

Center, LLC defaults in the performance of its obligation under Section 12.3 of the Master Development

1.13 **Recital Thirteen.** Pursuant to Section 7.1 of the Parkland and Trail Plan Agreement, the remedy provisions found in Article 15 of the Master Development Agreement apply to the Parkland and Trail Plan Agreement

1.14 **Recital Fourteen.** The City Council of the City (the "City Council") authorized the termination of the Master Development Agreement and the Parkland and Trail Plan Agreement by resolution No. 09-06-_____ dated June 23, 2009. A Certified Copy of the Resolution is attached as Exhibit B.

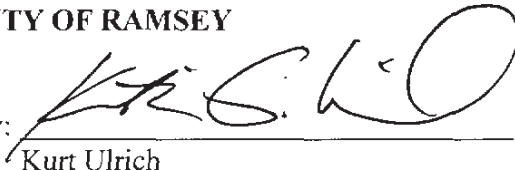
1.15 **Recital Fifteen.** The purpose of this Agreement is to document the termination of the Master Development Agreement and the Parkland and Trail Plan Agreement as authorized by the City Council.

2. **Termination.** The City hereby terminates the Master Development Agreement and the Parkland and Trail Plan Agreement pursuant to Section 15.3 of the Master Development Agreement and Section 7.1 of the Parkland and Trail Plan Agreement.

3. **Affect on Other Documents.** The Parking Improvement Agreement and the Secondary Development Agreements, Allocation Agreements and Escrow Agreements are not terminated and are not otherwise affected by the termination of the Master Development Agreement and the Parkland and Trail Plan Agreement.

(Signatures on following pages)

CITY OF RAMSEY

By: 

Kurt Ulrich

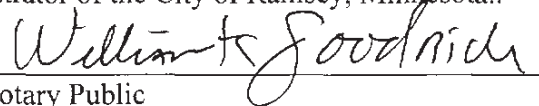
Its: City Administrator

Date: 6/25/09

STATE OF MINNESOTA)

COUNTY OF ~~RAMSEY~~ Anoka) ss.

The foregoing instrument was acknowledged before me this 26th day of June, 2009, by Kurt Ulrich, as the City Administrator of the City of Ramsey, Minnesota..


Notary Public



Drafted by:
Briggs and Morgan, P.A. (tlb)
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2157
612-977-8285

EXHIBIT A

Copy of Formal Notice and Affidavit of Mailing

BRIGGS AND MORGAN

PROFESSIONAL ASSOCIATION

2200 FIRST NATIONAL BANK BUILDING
332 MINNESOTA STREET
SAINT PAUL, MINNESOTA 55101
TELEPHONE (651) 808-6600
FACSIMILE (651) 808-6450

WRITER'S DIRECT DIAL

(651) 808-6564

WRITER'S E-MAIL

tbray@briggs.com

August 11, 2006

**CERTIFIED MAIL – RETURN RECEIPT
REQUESTED**

Ramsey Town Center LLC
4200 Central Avenue N.E.
Minneapolis, MN 55421
Attention: President

**CERTIFIED MAIL – RETURN RECEIPT
REQUESTED**

Community National Bank
5481 St. Croix Trail
North Branch, MN 55056-5200

Subject: *City of Ramsey – Development Agreement for Ramsey Town Center by and between City of Ramsey and Ramsey Town Center LLC dated September 17, 2003 as amended by First Amendment to City of Ramsey Master Development Agreement for Ramsey Town Center dated February 28, 2005; Our File No. 12952.19*

Capitalized terms used in this letter and not otherwise defined herein have the meanings set forth in the City of Ramsey Master Development Agreement for Ramsey Town Center by and between City of Ramsey and Ramsey Town Center LLC dated September 17, 2003 (the "Original Master Development Agreement" as amended by the First Amendment to Master Development Agreement by and between the City of Ramsey, Ramsey Town Center LLC, Ramdance LLC and PSD, LLC dated February 28, 2005 (the "First Amendment"). The Original Master Development Agreement and the First Amendment are referred to herein, collectively, as the "Master Development Agreement."

This letter is delivered pursuant to Section 15.1 of the Master Development Agreement and constitutes the City's Formal Notice to the Developer and to Community National Bank that the Developer is in default in the performance of the Developer's obligations under Section 11.1, 11.2, 12.3 and 12.4 of the Master Development Agreement.

This notice of the Developer's defaults under Sections 11.1, 11.2, 12.3 and 12.4 of the Master Development Agreement is not intended to imply that Developer is not in default in the performance of any of the Developer's other obligations of the Master Development Agreement or as a waiver of such other defaults if they exist. The City is in the process of reviewing the Master Development Agreement to determine the status of the Developer's performance of the Developer's obligations and observance of the restrictions set forth in other Sections of the

1934727v1

MINNEAPOLIS OFFICE • IDS CENTER • WWW.BRIGGS.COM
MEMBER – LEX MUNDI, A GLOBAL ASSOCIATION OF INDEPENDENT LAW FIRMS

BRIGGS AND MORGAN

Ramsey Town Center, LLC
Community National Bank
August 11, 2006
Page 2

Master Development Agreement, and the City reserves the right to provide the Developer and Community National Bank with subsequent Formal Notices of any other defaults.

The City will examine the various Secondary Development Agreements and provide a copy of this Notice to any third parties who are entitled to receive a copy of default notices under the terms of any Secondary Development Agreement. The City is not, at this time, providing copies of this Formal Notice to any other third parties. The City assumes that Ramsey Town Center LLC and Community National Bank will provide copies of this letter to any third parties to whom they have a contractual obligation to provide copies of default notices, and the City asks that Ramsey Town Center LLC and Community National Bank copy the City on any correspondence delivering this Formal Notice to third parties, so the City knows what parties, other than Ramsey Town Center LLC and Community National Bank, have received this Notice.

Very truly yours,



Thomas L. Bray

TLB:se

cc: City of Ramsey, Attn: James E. Norman (Via E-Mail)
William K. Goodrich (Via E-Mail)

1934727v1

EXHIBIT B

Certified Copy of the Resolution

Councilmember Elvig introduced the following resolution and moved for its adoption:

RESOLUTION #09-06-135

RESOLUTION AUTHORIZING THE TERMINATION OF THE CITY OF RAMSEY MASTER DEVELOPMENT AGREEMENT FOR RAMSEY TOWN CENTER AND THE CITY OF RAMSEY PARKLAND AND TRAIL PLAN AGREEMENT FOR RAMSEY TOWN CENTER

WHEREAS, the City is a party to the City of Ramsey Master Development Agreement for Ramsey Town Center by and between the City of Ramsey and Ramsey Town Center, LLC dated September 17, 2003, recorded with the Anoka County Registrar of Titles on September 24, 2003 as Document No. 446333.0 and recorded with the Anoka County Recorder on September 24, 2003 as Document No. 1854364.0, as amended by the First Amendment to City of Ramsey Master Development Agreement for Ramsey Town Center between the City of Ramsey, Ramsey Town Center, LLC, Ramdance LLC and PSD, LLC dated February 28, 2005, recorded with the Anoka County Registrar of Titles on March 9, 2005 as Document No. 482049.001 and recorded with the Anoka County Recorder on March 9, 2005 as Document No. 1973508.001 (collectively, the "Master Development Agreement"); and

WHEREAS, the City is a party to the City of Ramsey Parkland and Trail Plan Agreement for Ramsey Town Center by and between the City of Ramsey and Ramsey Town Center, LLC dated February 28, 2005, recorded with the Anoka County Registrar of Titles on March 16, 2005 as Document No. 482124.003 and recorded with the Anoka County Recorder on March 16, 2005 as Document No. 1973660.002 (the "Parkland and Trail Plan Agreement"); and

WHEREAS, the City is a party to the Parking Improvement Use and Maintenance Agreement by and between the City of Ramsey and Ramsey Town Center, LLC dated February 28, 2005, recorded with the Anoka County Registrar of Titles on March 16, 2005 as Document No. 482124.002 and recorded with the Anoka County Recorder on March 16, 2005 as Document No. 1973660.001 (the "Parking Improvement Agreement"); and

WHEREAS, the City is a party to various Development Agreements, Development Contracts, Secondary Development Contracts, Allocation Agreements and Escrow Agreements among and between the City of Ramsey, Ramsey Town Center, LLC and various parties who acquired property within the plat of Ramsey Town Center from Ramsey Town Center, LLC (collectively, the "Secondary Development Agreements, Allocation Agreements and Escrow Agreements"); and

WHEREAS, Sections 11.1 and 11.2 of the Master Development Agreement obligate Ramsey Town Center, LLC to construct certain landscaping associated with the City Phase I Roadway Improvements and to construct landscaping associated with City Phase II Roadway Improvements. The Master Development Agreement defines the construction of landscaping associated with the City Phase I Roadway Improvements and the construction of landscaping associated with City Phase II Roadway Improvements pursuant to Sections 11.1 and 11.2 of the Master Development Agreement as "Developer Public Improvements;" and

WHEREAS, Ramsey Town Center, LLC did not complete the landscaping associated with the City Phase I Roadway Improvements and did not complete the City Phase II Roadway Improvements, as required by Sections 11.1 and 11.2 the Master Development Agreement; and

WHEREAS, Section 12.3 of the Master Development Agreement obligates Ramsey Town Center, LLC to reimburse the City for various fees and charges the City incurred in connection with the development of the property subject to the Master Development Agreement; and

WHEREAS, Ramsey Town Center , LLC did not reimburse the City for various fees and charges the City incurred in connection with the development of the property subject to the Master Development Agreement as required by Section 12.3 of the Master Development Agreement; and

WHEREAS, On August 11, 2006 the City gave Ramsey Town Center, LLC and Community National Bank "Formal Notice" that Ramsey Town Center, LLC was in default in the performance of its obligations under Sections 11.1, 11.2 and 12.3 of the Master Development Agreement; and

WHEREAS, pursuant to Section 15.1 of the Master Development Agreement, the Developer had 30 days after Formal Notice to cure a default under Sections 11.1 and 11.2 of the Master Development Agreement and 5 days after Formal Notice to cure a default under Section 12.3 of the Master Development Agreement. The Master Development Agreement provides for the extension of the applicable cure periods if the default cannot reasonably be cured within the stated period, provided Ramsey Town Center, LLC commences the cure and pursues the cure with reasonable diligence; and

WHEREAS, Ramsey Town Center, LLC has not cured the defaults under Sections 11.1 and 11.2 of the Master Development Agreement, has not cured the default under Section 12.3 of the Master Development Agreement; and

WHEREAS, Section 15.3 of the Master Development Agreement authorizes the City to terminate the Master Development Agreement as a remedy for the specific defaults listed in subsections 15.3(a)-(e) after the City has given the notice required by Section 15.1 and the applicable cure period has expired. Section 15.3(c) authorizes the City to terminate the Master Development Agreement if Ramsey Town Center, LLC defaults in the performance of its obligation to complete "Developer Public Improvements," as defined in the Master Development Agreement, and Section 15.3(d) authorizes the City to terminate the Master Development Agreement if Ramsey Town Center, LLC defaults in the performance of its obligation under Section 12.3 of the Master Development; and

WHEREAS, pursuant to Section 7.1 of the Parkland and Trail Plan Agreement, the remedy provisions found in Article 15 of the Master Development Agreement apply to the Parkland and Trail Plan Agreement; and

WHEREAS, the City desires to terminate the Master Development Agreement and the Parkland and Trail Plan Agreement pursuant to Section 15.3(c) and 15.3(d) based on Ramsey Town Center, LLC's defaults.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA:

1. That, based on the defaults described in the City's August 11, 2006 Notice to Ramsey Town Center, LLC and Community National Bank, City Staff is authorized to terminate the Master Development Agreement and the Parkland and Trail Plan Agreement in accordance with Section 15.3 of the Master Development Agreement.
2. That the Mayor and City Administrator are authorized to sign the attached Termination of Master Development Agreement and the Parkland and Trail Plan Agreement at any time after the date of this Resolution. The Termination of Master Development Agreement and the Parkland and Trail Plan Agreement is not effective and the Master Development Agreement and the Parkland and Trail Plan Agreement are not terminated unless and until the Mayor and City Administrator execute the Termination of Master Development Agreement.
3. That the Parking Improvement Agreement and the Secondary Development Agreements, Allocation Agreements and Escrow Agreements shall not be terminated or otherwise affected by the termination of the Master Development Agreement and the Parkland and Trail Plan Agreement.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Jeffrey and upon vote being taken thereon, the following voted in favor thereof:

Mayor Ramsey
Councilmember Elvig
Councilmember Jeffrey
Councilmember Dehen
Councilmember Look
Councilmember McGlone
Councilmember Wise

and the following voted against the same.

None


and the following were absent:

None

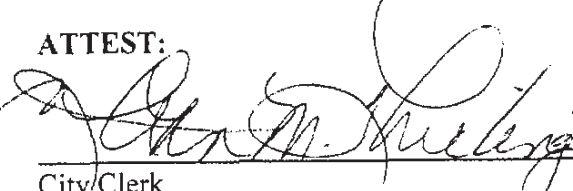
and the following abstained

None

Whereupon said resolution was declared duly passed and adopted by the Ramsey City Council
this the 23rd day of June, 2009.



Mayor

ATTEST:


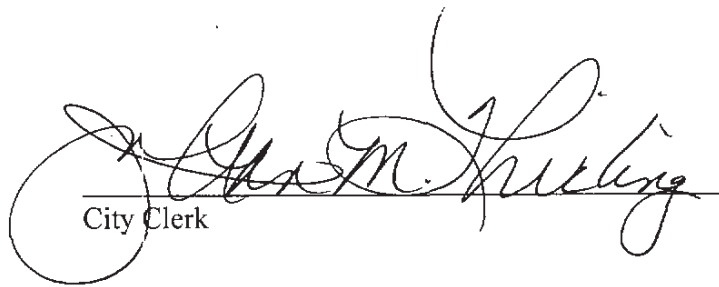
City Clerk

CERTIFICATION

State of Minnesota)
)
County of Anoka)
)
City of Ramsey)

I hereby certify that the foregoing Resolution #09-06-135 is a true and correct copy of a resolution to and adopted by the City Council of the City of Ramsey at a meeting thereof held in the City of Ramsey, Minnesota, on the 23rd day of June 2009, as disclosed by the records of said City in my possession.

Dated this the 26th day of June 2009.



City Clerk



ANOKA COUNTY MINNESOTA

Document No.: 498611.002 TORRENS

I hereby certify that the within instrument was filed in this office for record on: 06/26/2009 3:00:00 PM

Fees/Taxes In the Amount of: \$508.00

MAUREEN J. DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

GKE, Deputy

Record ID: 2217114

ANOKA COUNTY MINNESOTA

Document No.: 2008427.001 ABSTRACT

I hereby certify that the within instrument was filed in this office for record on: 06/26/2009 3:00:00 PM

Fees/Taxes In the Amount of: \$48.00

MAUREEN J. DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

GKE, Deputy

Record ID: 2217150