

**AMENDMENT #1
TO
LEASE AGREEMENT**

This is an Amendment to the Lease Agreement dated April 22, 2014, between the City of Ramsey, Minnesota, and Motors on Ten LLC d/b/a M & G Trailer Sales and Service (Original Lease Agreement).

1. EFFECTIVE DATE. This Amendment is effective as of January 10, 2017.
2. TERMS. The purpose of this Amendment is to:
 - a. Add additional leased area to the original Subject Property.
 - b. Extend the term of the original Lease Agreement to March 31, 2022.
 - c. The terms and definitions of the Original Lease Agreement continue in full force and effect except as otherwise provided in this Amendment.
3. SUBJECT PROPERTY. This Amendment adds an additional 58,000 square feet (“Additional Leased Area”) to the original 40,000 square foot Subject Property. The total leased area now is 98,000 square feet. The Additional Leased Area is shown on Appendix A. The Additional Leased Area is part of the same parcel containing the original Subject Property, PID 28-32-25-43-0002, 7443 U.S. Highway 10.
4. PERMITTED USE. The permitted uses of the Additional Leased Area are the same as the permitted uses of the original Subject Property. No vehicles, trailers or other equipment may be parked, or temporarily staged, outside of the fenced area on the Subject Parcel or the Additional Leased Area.
5. SURFACE REQUIREMENTS. Must receive Interim Use Permit (IUP) from City of Ramsey and meet requirements outlined in said permit including, but not limited to: surfacing specifications, required screening, stormwater improvements, and buffering.
6. EARLY TERMINATION. Tenant may terminate the Lease Agreement, as amended, by delivering a written notice to Landlord at least 120 days prior to termination, in which case Tenant shall be responsible for paying Landlord’s property taxes until the Subject Property and Additional Leased Area return to a tax exempt status, as determined by Anoka County. This may result in the tenant paying the following year’s property taxes.

7. RENT. The monthly rent for the Subject Property and the Additional Leased Area combined is as follows:

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|----------------------------------|----------------------|
| a. April 2017 through March 2018 | \$4,083.00 per month |
| b. April 2018 through March 2019 | \$4,328.00 per month |
| c. April 2019 through March 2020 | \$4,573.00 per month |
| d. April 2020 through March 2021 | \$4,818.00 per month |
| e. April 2021 through March 2022 | \$5,063.00 per month |

8. DEPOSIT. The total deposit amount is increased from \$1,500 to \$10,000. Tenant shall submit the additional \$8,500 with Landlord upon execution of this Amendment. The total deposit amount shall be available for use by Landlord as provided in section 7 of the original Lease Agreement, and may also be used by Landlord in its sole discretion to return the Subject Property and Additional Leased Area to its original condition (unimproved, flat, no fences, with established wild grass) in the event Tenant does not do so.

9. SIGNAGE. With the exception of the existing M&G pylon sign, no signs, banners, dynamic display boards, or any other messaging systems are allowed on the Subject Property or in the Additional Leased Area, without the written permission of the Landlord, subject to state and federal law.

10. TENANT PROPERTY IMPROVEMENTS. Upon termination of the Lease Agreement, as amended, Tenant shall remove all improvements Tenant made to the Subject Property and Additional Leased Area, at Tenant's sole cost.

11. RIGHT OF ENTRY. Tenant shall maintain a minimum drive lane width of 15 feet through the Subject Property and Additional Leased Area, and shall install a gate on the east end of the Additional Leased Area for emergency public safety access only.

12. COMPLIANCE. Notwithstanding anything to the contrary, this Amendment is not effective until all required approvals are obtained, including:

- An amended Interim Use Permit from the City of Ramsey;
- Approval and permit from the Lower Rum River Watershed District; and
- Site plan review and approval by the City of Ramsey.

LANDLORD. City of Ramsey, Minnesota

TENANT. Motors on Ten, LLC, d/b/a
M&G Trailer Sales and Service.

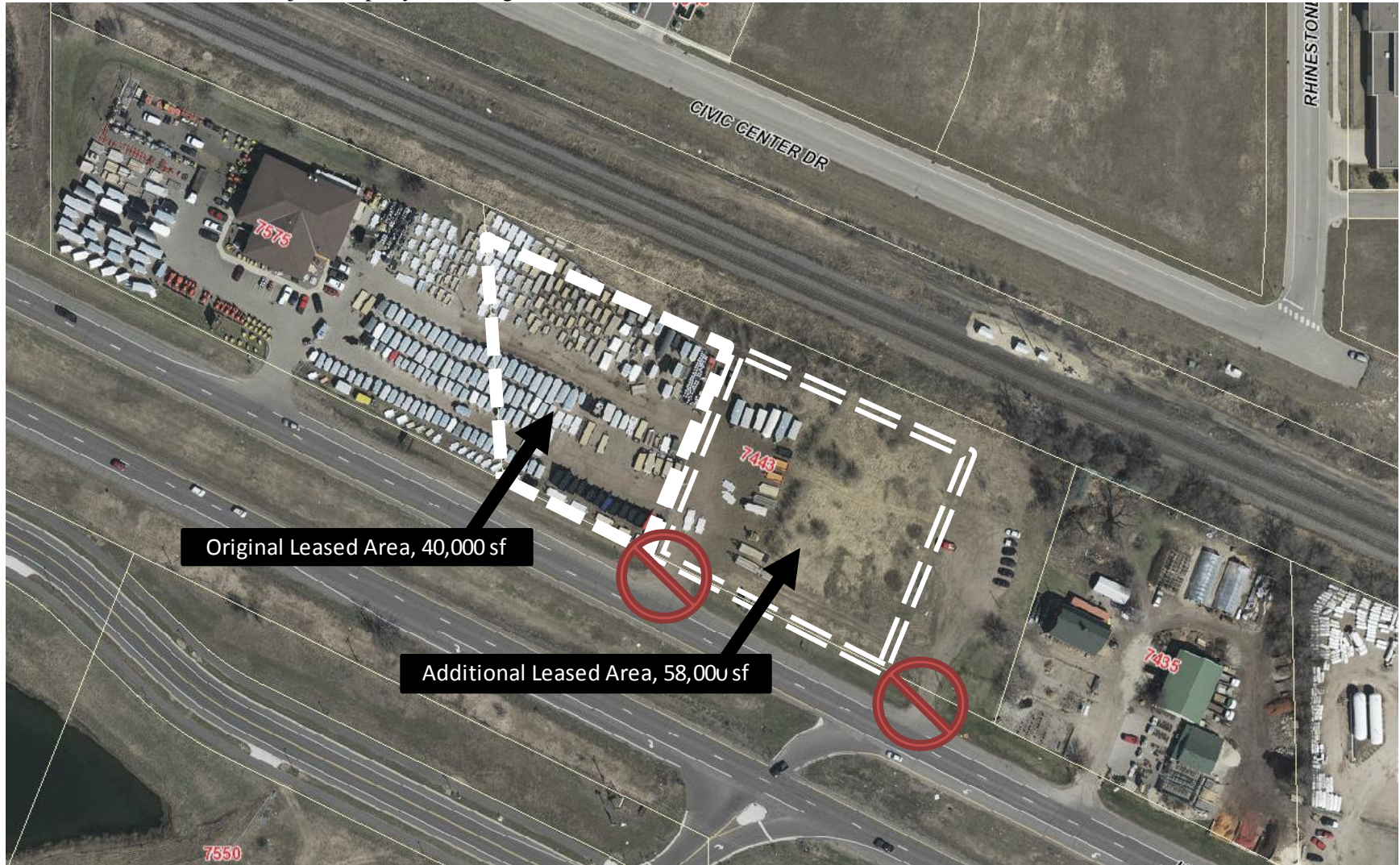
Sarah Strommen, Mayor

Steve Jung, Owner

Kurt Ulrich, City Administrator

Appendix A

Subject Property from Original Lease and Additional Leased Area from Lease Amendment #1



Reference map only, please see City of Ramsey Interim Use Permit (IUP) for official details and scaled map.