

Letter of Intent

This Letter of Intent (the "Document") made this the 2nd day of April, 2019 (the "Execution Date"), between:

Knoll Properties, LLC of 6850 Sunwood Drive NW Ramsey, MN 55303
(the "Purchaser")

-AND-

The City of Ramsey of 7550 Sunwood Drive NW Ramsey, MN 55303
(the "Seller")

BACKGROUND:

- A. The Seller is the owner of industrial property that is available for sale.
- B. The Purchaser wish to purchase industrial property from the Seller.

This Document will establish the basic terms to be used in a future real estate contract for sale (the "Contract") between the Seller and the Purchaser. The terms contained in this Document are not comprehensive and it is expected that addition terms maybe added, and existing terms may be changed or deleted. The basic terms are as follows"

Non-Binding

1. This Document does not create a binding agreement between the Purchaser and the Seller and will not be enforceable. Only the future Contract, dully executed by the Seller and the Purchaser, will be enforceable. The terms and conditions of any future Contract will supersede any terms and conditions contained in this Document. The Seller and the Purchaser are not prevented from entering into negotiations with third parties with regard to this Document.

Transaction Description

2. The property (the "Property") that is the subject of this Document is located at the South East corner of 143rd and Jasper in the city of Ramsey MN.

Purchase Price

3. The total purchase price for the property is \$675,000.00 USD.
4. The Purchaser will pay to the Seller the deposit amount of \$67,500.00 USD (the "Deposit") on or before the second of May, 2019 (the "Deposit Date").
5. The Purchaser will pay the Seller the balance amount of \$607,500.00 USD on or before the 1st of June 2019 (the "Closing Date") as payment in full for the Property.

6. The purchaser will take possession of the Property on the 1st day of June 2019.
7. The Purchaser will enter into a development agreement with the City of Ramsey to construct a minimum of 60,000 square foot industrial building on the Property within on year after the Closing Date.

Real Property Disclosure

8. The Seller does not know of any material facts that would affect the value of the Property, except those that are observable by the Purchaser or known to the Seller and stated in this Document.

Representations

9. The Seller represents and warrants that the Property is free and clear of any liens, charges, encumbrances or rights of others which will not be satisfied out of the sales proceeds. If the representations of the Seller are untrue upon the Closing Date, the Purchaser may terminate any future agreement without penalty.

Terms and Conditions

10. The final purchase agreement will be subject to the Purchaser being approved for all financing by the Closing Date. Either the Seller or the Purchaser may cancel the final agreement if the Purchaser cannot obtain adequate financing by the Closing Date despite due diligence and good faith on the part of the Purchaser.
11. The Purchaser accepts the property in its current state and condition without further work, repairs, treatments or improvements.

This Document accurately reflects the understanding between the Seller and the Purchaser, signed on this the 2nd day of April, 2019.

Per: _____

David J. Knoll

Partner

Knoll Properties, LLC.

Per: _____

Sean Sullivan

Economic Development Manager

City of Ramsey