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[Reserved for Recording Data]

## **RIGHT OF RE-ENTRY AGREEMENT**

This Right of Re-entry Agreement is entered into on \_\_\_\_\_, 2019, by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **Knoll Properties, LLC**, a Minnesota Limited Liability Company (“Buyer”).

### Recitals

A. On \_\_\_\_\_, 2019, Seller conveyed title of the following Property to Buyer:

LOT 1, BLOCK 1, ANDERSON DAHLEN SOUTH ADDITION, Anoka County,  
Minnesota

B. Title to the Property was conveyed subject to Buyer fulfilling certain Conditions as set forth below.

C. As indicated in the Purchase Agreement between the City of Ramsey and Knoll Properties, LLC, dated April 23, 2019, Section 28, it is the intent of the parties to create and set forth a right to impose a penalty or a right of re-entry in favor of Seller in the event Buyer fails to satisfy the Conditions.

### Agreement

1. The recitals are incorporated herein as if fully set forth.
2. Seller shall have the right, but not the obligation, to either impose a penalty against the Property pursuant to Paragraph 3, or to re-enter and take possession of the

Property pursuant to Paragraph 4, in the event that any of the following Conditions are not satisfied by Buyer:

- a. Buyer must obtain a certificate of occupancy from the City of Ramsey, for the project described below by December 31, 2020.

Project Description:

- i. Knoll Properties, LLC Site Plan, approved by the City of Ramsey on June 25, 2019 by Resolution #19-139.
  - ii. Development Agreement for Knoll Properties, LLC, approved by the City of Ramsey on August 12, 2019 by Resolution #19-193.
3. Seller may impose a penalty of \$150,000.00 against the Property if the certificate of occupancy is not obtained by December 31, 2020, for the construction of a minimum 60,000 square foot manufacturing/warehouse building (the "Project"), pursuant to the deadline set forth above. The penalty is due upon written notice to Buyer from Seller of the failure to satisfy a contingency. In the event the penalty is not paid within 30 days of receipt of the notice, Seller may, but is not required to, certify the penalty to Anoka County as an assessment against the Property. Buyer waives any and all rights under Minnesota Statutes, chapter 429, and any other applicable law, including any right to notice of hearing and hearing, the right to object, and the right to appeal the assessment. Buyer further waives any requirements of the City Charter that may apply to said assessment.
4. As an alternative to imposition of a financial penalty and not in addition thereto, Seller may re-enter and take physical possession of the Property. Title to the Property shall be restored in Seller, and Buyer shall execute whatever documents and undertake whatever steps are necessary to establish and confirm Seller's fee simple interest in the Property free of any claims or encumbrances, including mechanic's liens. In the event that Seller re-enters and takes physical possession of the Property, Seller shall, within 30 days thereof, pay to Buyer Six Hundred Seventy-Five Thousand and 00/100 Dollars (\$675,000.00), the purchase price that Buyer paid to Seller for the Property pursuant to the April 23 Purchase Agreement, less expenses relating to the Purchase Agreement incurred by the Seller. The Seller waives the right to re-enter and take physical possession of the Property if the Buyer obtains a Building Permit within three (3) months of Closing and commences construction of the Project but reserves the right to impose a financial penalty defined in Paragraph 3.
5. This Right of Reentry Agreement shall automatically terminate as of July 31, 2021, if Seller has not exercised its right of reentry under Paragraph 4 or if no

penalty has been certified to Anoka County under Paragraph 3. Upon request, Seller shall execute a termination of this Agreement in recordable form and deliver it to Buyer.

6. Buyer's obligation to obtain a certificate of occupancy by December 31, 2020, and Seller's right to pursue its remedies under Paragraphs 3 and 4, shall be extended in the event of any failure or delay caused by or resulting from acts beyond Buyer's control, including, without limitation: acts of God; flood, fire, earthquake, tornado or explosion; war, invasion, hostilities (whether war is declared or not), terroristic threats or acts, riot, or other civil unrest; government order or law; actions, embargoes, or blockades; action by any governmental authority; and strikes or labor stoppages or slowdowns. If a force majeure event listed above occurs and results in a failure or delay, Buyer shall give notice to Seller within 60 days, stating the period of time that the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure that the effects of such force majeure event are minimized.
7. This document constitutes the entire Right of Re-entry Agreement between the parties. Any modifications or amendments to this Agreement must be in writing and signed by both parties.

**CITY OF RAMSEY**

By: \_\_\_\_\_  
John LeTourneau, Mayor

By: \_\_\_\_\_  
Kurt Ulrich, City Administrator

This instrument was acknowledged before me on \_\_\_\_\_, 2019,  
by John LeTourneau and Kurt Ulrich as Mayor and City Administrator, respectively, of  
the City of Ramsey, Minnesota.

\_\_\_\_\_  
Notary Public

**Knoll Properties, LLC**, a Minnesota Limited Liability Company.

By: \_\_\_\_\_  
David J. Knoll, Chief Manager

This instrument was acknowledged before me on \_\_\_\_\_, 2019,  
by David J Knoll, Chief Manager of Knoll Properties, LLC.

\_\_\_\_\_  
Notary Public

This instrument drafted by:  
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(JLL)