
[Reserved for Recording Data]

RIGHT OF RE-ENTRY AGREEMENT

This Right of Re-entry Agreement is entered into on _____, 2020, by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **Cobblestone Hotel Development, LLC**, a Minnesota Limited Liability Company (“Buyer”).

Recitals

A. On _____, 2020, Seller conveyed title of the following Property to Buyer:

The East half of Outlot A, COR Stone Brook Academy, to be platted as: T.B. D.

Anoka County PID Number: Portion of 28-32-25-23-0018

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 Cobblestone Hotel Development, LLC, dated February 5, 2020, 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 site plan approval and a certificate of occupancy for the construction of a minimum 60-unit 4-story hotel with restaurant compliant with COR zoning requirements prior to January 1, 2022.
 - b. Buyer must maintain proof of sufficient financing from the date of closing until issuance of a certificate of occupancy. Said proof shall be in the form a letter of credit in an amount equal to 110% of the value of construction remaining to be completed, or a sworn statement from the bank(s) financing the development indicating that Buyer has cash accounts and/or loan proceeds sufficient to cover 110% of the value of construction remaining to be completed. The form for the proof of financing is subject to approval by the City. If Buyer utilizes a sworn statement in lieu of a letter of credit, the City reserves the right to periodically request updated statements throughout the construction period of the project until a certificate of substantial completion is issued.
3. Seller may impose a separate penalty of \$311,020 against the Property if the certificate of occupancy is not obtained 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.
5. Upon satisfaction of the Conditions set forth in Section 2 above, this Right of Re-entry Agreement may be released in whole or in part in a recordable writing executed by the Seller's Mayor and City Administrator.
6. 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: _____
Kurtis G. Ulrich, City Administrator

This instrument was acknowledged before me on _____, 2020,
by John LeTourneau and Kurtis G. Ulrich as Mayor and City Administrator, respectively,
of the City of Ramsey, Minnesota.

Notary Public

BUYER: Cobblestone Hotel Development, LLC

By: _____
Brian Wogernese, Managing Member

This instrument was acknowledged before me on _____, 2020,
by Brian Wogernese, Managing Member of Cobblestone Hotel Development, LLC.

Notary Public

This instrument drafted by:
Ratwik, Roszak & Maloney, P.A.
730 Second Ave. S., Suite 300
Minneapolis, MN 55402
(612) 339-0060
(JL)