



*A Real Estate Services Company*  
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**City of Ramsey**  
7550 Sunwood Drive  
Ramsey, Minnesota 55303

April 21, 2021

RE: Proposal to lease space at: 6745 Hwy 10 Ramsey, MN

Dear Mr. Sullivan,

This correspondence is to serve as a letter of intent to enter into a lease agreement for warehouse space located at 6745 Hwy 10 Ramsey, MN. This letter of intent will allow us to move forward on a layout and to finalize a building lease agreement for the building. The general terms of the lease are anticipated to be as follows:

**TENANT: Mille Lacs Motor Sports II, Inc.**  
**6781 Hwy 10**  
**Ramsey, MN 55303**

- 1) LOCATION:** 6745 Hwy 10 Ramsey, MN. Which includes the area shown on Exhibit A crosshatched red and labelled “Building” and including the lined area in yellow labelled “Outside Storage and located within the current gated area.
- 2) SIZE:** 5,930 square feet which may be adjusted downward based on the allowable square footage approved in the Certificate of Occupancy presented by the City of Ramsey.
- 3) LEASE TERM:** Beginning May 1, 2021 and ending on May 31, 2023. There will be no extensions of this lease term.
- 4) COMMENCEMENT DATE:** The earlier of when the Tenant obtains the Certificate of Occupancy and presents all contractor lien waivers, or July 1, 2021. Tenant will not be allowed to operate within the Premises until the City’s final inspection and approval (building and fire departments)
- 5) BASE RENT:** **Mille Lacs Motor Sports** will pay the following **monthly** rent (based on 5,930 square feet):
- Months 1- 12 \$8.50 / sf (\$4,200.42)  
Months 13 – 24 \$8.76 / sf (\$4,328.90)
- 6) IMPROVEMENTS:** Tenant will provide the following improvements to the premises prior to Lease Commencement:
- 1) Landlord will provide the space in it’s AS-IS” condition
  - 2) Tenant will perform the following modifications at Tenant’s sole expense (prior to the Lease Commencement):
    - Remove existing landscaping in front of building, add new rock and plant new shrubs.
    - Complete the improvements detailed in Exhibit B Memorandum from the City of Ramsey Building Division and obtain a Certificate of Occupancy from the City of Ramsey.
    - Submit to a final inspection of building and fire teams and repair listed items from the inspection

- Paint front end of building and repair rotten siding, clean windows of any advertising
- Remove the existing pylon sign.
- Prior to performing any improvements, all bids must be submitted to the City of Ramsey for review.
- The outside storage area shall be screened to Highway 10. Within the outside storage area, there must remain a drive isle from the gate to the back to the space for fire equipment access.

- 7) SECURITY DEPOSIT:** One month's gross rent (\$4,200.42) shall be due upon Lease execution.
- 8) 1<sup>st</sup> MONTH DUE:** First month's gross rent (\$4,200.42) shall be due at Lease execution.
- 9) USE:** Tenant shall use the space as service bay for ATV's, boats and snowmobiles.
- 10) SIGNAGE:** At Tenant's expense, pre-approved by Landlord and shall meet all City codes and standards.
- 11) OPERATING COSTS:** **Mille Lacs Power Sports** will pay for their own electrical useage, telephone, internet, trash, heat, snowplowing and lawn mowing.
- 14) INSURANCE:** As required by the lease, to include liability and property insurance. Tenant shall provide a liability policy with the City of Ramsey named as an Additional Insured upon lease execution.
- 15) Leasing Fee:** A fee of 5% of the lease amount shall be due to Premier Commercial Properties at the Lease Commencement.

Both **Mille Lacs Motor Sports II, Inc.** and **Landlord** intend to negotiate diligently and enter into a formal lease agreement no later than May 1, 2021. We hope that these terms are generally acceptable and that we can move forward in finalizing a lease. We also hope you understand that this is a **non-binding letter of intent**, and that the only binding agreement between both parties will be the completed and signed Lease.

Please indicate your understanding and acceptance of these general terms by signing below and returning to my attention.

TENANT:

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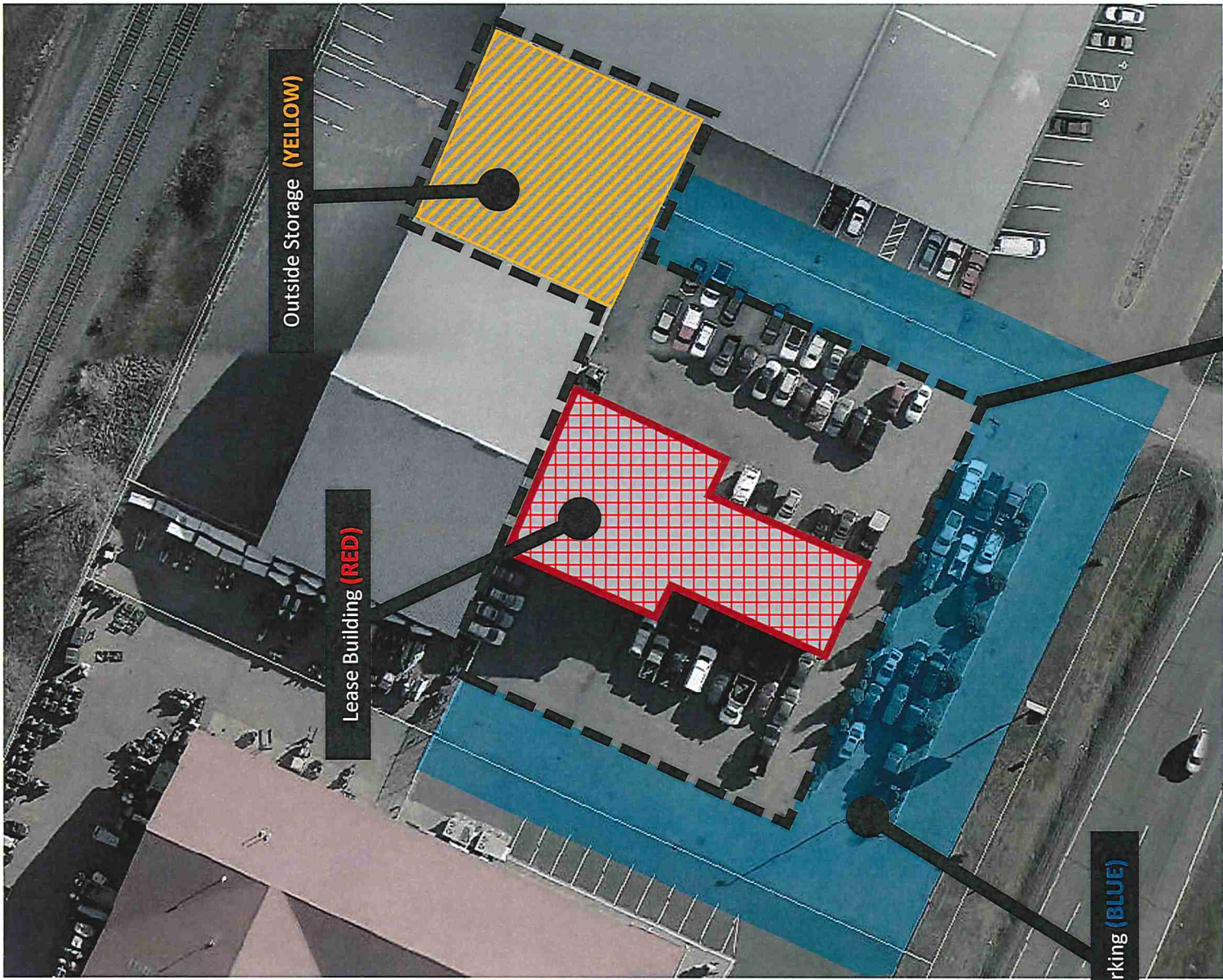
BUILDING OWNER:

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Thank you,

Marty Fisher 612-708-2873

EXHIBIT A  
Lease Premises



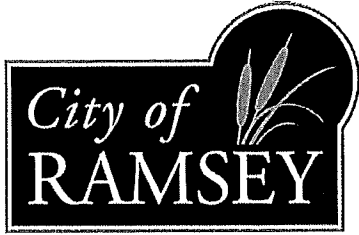
Outside Storage (YELLOW)

Lease Building (RED)

No Parking (BLUE)

Lease Premises (BLACK DASHED LINE)

# EXHIBIT B



7550 Sunwood Drive NW • Ramsey, MN 55303

City Hall: 763.427.1410 • Fax: 763.427.5543

[www.cityoframsey.com](http://www.cityoframsey.com)

## MEMORANDUM

**Date:** April 6, 2021  
**From:** City of Ramsey Building Division  
**Re:** 6745 Highway 10

An internal request was made for the Building Division to conduct an on-site inspection of the building at 6745 Hwy. 10 to evaluate it for potential occupancy. The following list of items represents the minimum steps required for the type of use described at the time of the inspection. Completion of the work could allow for the minimum requirements needed to occupy the building.

### Office Area:

- Properly terminate all open electrical wiring.
- Service bathroom fixtures to ensure they are functioning properly.

### Two Bay Vehicle Service Area with Below Grade "Pits":

- Disconnect and eliminate all pit electrical wiring. Work to include confirming the electrical panel located in the two bay area does not service the three bay area.
- Disconnect and eliminate all non-gravity plumbing in the pit area. Work to include removal of fixtures and capping water lines as needed.
- Install a barrier to prevent access to the stairway leading to the pit area.
- Install structural covers over pit openings – designed to withstand the anticipated loads.
- Pump existing waste out of sump basket and dispose of properly. Work to include providing an electrical outlet at the grade level for the sump pump and a means to service to the pump if needed.
- Provide a structural evaluation of the steel beam located in the pit area supporting the concrete planks and the cracked plank perpendicular to the beam by a Licensed Design Professional.

*It is our mission to work together to responsibly grow our community,  
and to provide quality, cost-effective, and efficient government services.*

Three Bay Lease Area:

- Pump existing waste out of each trench drain and dispose of properly.
- Service the flammable waste interceptor.
- Properly terminate all open electrical wiring. Remove extension cord servicing the overhead garage door opener.
- Eliminate all trip hazards projecting from the floor.
- Provide a detailed description of the intended use and occupancy to the Building Division and Fire Department for further code compliance analysis.

The outline provided by the Building Division is not intended to be all inclusive of steps needed to gain occupancy. Other code related or structural deficiencies could be discovered at any time while the work is being conducted.

Regards,



Jesse Szykulski | jszykulski@cityoframsey.com

Building Official

City of Ramsey | Community Development

P: 763-433-9849 | F: 763-433-9848

7550 Sunwood Drive NW | Ramsey, MN 55303

[www.cityoframsey.com](http://www.cityoframsey.com)

CC:

Tim Gladhill – Deputy City Administrator

Carey Schiferli – Assistant Fire Chief / Fire Marshal

Sean Sullivan – Economic Development Manager

Property File