

March 30, 2022

To the City of Ramsey:

The Schiebout Family Limited Partnership, LLLP (the "Buyer"), on behalf of its partners, is pleased to present this binding letter of intent to purchase the property described as Outlot A, Gigi Addition (the "Property") from the City of Ramsey (the "Seller"), pursuant to the terms substantially contained in the Term Sheet attached hereto, which will be reduced to a written purchase agreement within ninety (90) days of the date of the City's acceptance of this letter of intent.

It is agreed that the ninety (90) day period is to allow the Buyer to perform certain feasibility studies related to the proposed hotel use of the Property, and that within said ninety (90) day period, Buyer and the City shall enter into a purchase agreement for the purchase and sale of the Property, or this letter of intent shall be void and the \$5,000 Earnest Money shall be returned to the Buyer.

The Seller is entitled to a copy of the hotel feasibility study / demand market analysis obtained by the Buyer.

Sincerely,

THE SCHIEBOUT FAMILY LIMITED PARTNERSHIP, LLLP

Emily Allegra

Emily Allegra, Partner
Phone: 763-516-1078
Email: Emily@schieboutfa.com

AGREED AND ACCEPTED BY:

THE CITY OF RAMSEY

Mark E. Kuzma
Name: Mark E. Kuzma
Title: Mayor
Phone: 763-433-4367
Email: mkuzma@cityoframsey.com

Kurtis G. Ulrich
Name: Kurtis G. Ulrich
Title: City Administrator
Phone: 763-433-9845
Email: kulrich@cityoframsey.com

Date: 5/6, 2022

THE SCHIEBOUT FAMILY LIMITED PARTNERSHIP, LLLP - TERM SHEET 3.30.22

Real Estate	Tax ID Number: 28-32-25-23-0020 – Outlot A, Gigi Addition (the “Property”)
Acreage	Approximately 1.43 acres or 62,290 SF
Asking Price	\$311,454 (\$5.00 / SF)
Offer Price	Developer is requesting “up front” land cost write down of 100% through TIF
Earnest Money	\$5,000 will be provided to the City (the “Seller”) at the time of execution of the Letter of Intent (LOI). Upon execution of a Purchase Agreement and submittal of a complete Business Subsidy Application the Earnest Money will be held in escrow and drawn down to cover the costs of the Third Party TIF Analysis and drafting of the TIF Agreement. In the event that a Purchase Agreement is not entered into by the City and The Schiebout Family Limited Partnership, LLLP (the “Buyer”) the Earnest Money shall be returned to the Buyer.
Inspection Period	180 days from Effective Date (Date City Council approves) (city requires plat/ site plan. approval before sale); two, 60 day extensions.
Closing	Within 30 days of expiration of Inspection Period.
Extensions	Developer will deposit \$1,000 in escrow for each 60 day extension (2 extensions allowed). Once extensions are made the earnest money becomes non-refundable in the event closing does not occur as a result of acts of Developer. If closing occurs, all Earnest Money will be applied to Developer’s costs to the City or EDA for attorneys’ fees and costs and other submissions.
City take care of	Provide existing ALTA Survey and updated Title Work. The Developer will contract to plat the property and the City will reimburse costs of platting.
Performance	City to require construction of a minimum 60 unit, Three Story Hotel with hot breakfast and indoor pool; a Certificate of Occupancy one year after Closing (could be extended to 16 months based on supply chain issues or force majeure). If this is not done, the City may exercise the Right of Re-Entry.
Assignment	Assignment to a new LLC buyer will be permitted without consent of the City, provided the majority membership of such LLC are Schiebout family members.
Contingencies	In addition to all other requirements and contingencies by the Buyer and Seller herein, the Purchase Price of \$1.00 and the 100% up front land cost write down through TIF is contingent on the following: <ol style="list-style-type: none">Satisfactory review of the underwriting by the Seller demonstrating the need of financial assistance in the form of a land write down of \$311,454City Council approval and execution of a Tax Increment Financing Agreement between the Seller and Buyer and or its assigns.City Council approval of Business Subsidy for Buyer and or its assigns.Hotel feasibility study supporting a viable market in the City of Ramsey, Developer obtaining surveys, environmental and geotechnical reports, wetland studies and such other items Developer determines to be necessary to build and operate the proposed hotel.

Review

EDA (Sean): LOI / Land Transaction/ Purchase Agreement/ TIF / Right of
Re-Entry

Planning Commission (TBD): Land Use, Development Agreement, Site Plan,
Plat

City Council: Final Approval on both items