

ANOKA COUNTY MINNESOTA

Document No: 2163649.001 ABSTRACT

I hereby certify that the within instrument was filed in this
office for record on 02/16/2017 12:37:56 PM

Fees/Taxes in the amount of: \$46.00

Jonell M. Sawyer Deputy: Pam LeBlanc

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

Record ID: 3993785

**AGREEMENT
FOR REIMBURSEMENT OF FEES AND
REQUIREMENT OF SUBSEQUENT DEVELOPER(S)
TO POST REQUIRED FEES**

This Agreement (“Agreement”) is made and entered into this 25th day of January, 2017 (“Effective Date”) by and between **K. Hovnanian Homes of Minnesota, L.L.C.** (formerly known as K. Hovnanian T&C Homes at Minnesota, LLC) a Minnesota limited liability company having an office at 110 Fieldcrest Avenue, Edison, NJ 08837 (“K. Hovnanian”) and the **City of Ramsey**, a Minnesota municipal corporation having an address of 7550 Sunwood Drive NW, Ramsey, MN 55303 (“City”). The City and K. Hovnanian are collectively referred to as the “Parties.”

RECITALS

- A. K. Hovnanian owns the property described in Attachment A hereto (“Property”) that is located within the property known as the Ramsey Town Center 7th Addition.
- B. The City, K. Hovnanian and the Ramsey Town Center, LLC (“RTC”) are parties to the August 24, 2005 agreement entitled “City of Ramsey Secondary Development Contract for Ramsey Town Center 7th Addition Symphony Town Center” which was recorded with the Anoka County Registrar of Titles on August 25, 2005 as Document No. 1977751.011 (“2005 Secondary Development Contract”).
- C. Pursuant to the terms of the 2005 Secondary Development Contract, K. Hovnanian posted inspection fees (“Inspection Fees”) and a landscaping maintenance guaranty (“Landscaping Maintenance Guaranty”) with the City and which the City is currently holding in escrow.
- D. The City, K. Hovnanian, RTC and Stewart Title of Minnesota, Inc. (“Title Company”) are parties to the August 24, 2005 agreement entitled “Escrow Agreement” (“2005 Escrow Agreement”).
- E. The 2005 Escrow Agreement provides in part as follows: (1) RTC agreed to deposit funds into the Title Company’s escrow account (“Escrow Account”) to secure the completion of certain improvements and (2) if the required improvements were not installed by RTC and the City or K. Hovnanian installed the improvements, then the entity performing the improvements would be entitled to reimbursement from the funds in the Escrow Account for the work that was to be done by RTC.
- F. The Title Company has verified that as of the Effective Date there is \$173,592.94 remaining in the Escrow Account.
- G. K. Hovnanian has completed the following work at the following costs (the “Work”) that was to be done by RTC and for which K. Hovnanian is entitled to reimbursement under the Escrow Agreement:

- 1) Storm sewer improvements to complete 146th Street drainage -\$46,346.00;
- 2) Curb and pavement along 146th Street - \$5,858.00;
- 3) Reinstallation of sanitary sewer service to Block 3 - \$6,100.00; and
- 4) Hydrant relocation/curb repair along 146th Street and curb repair made at direction of City \$12,816.00.

The total costs incurred by K. Hovnanian to perform the Work that was to be done by RTC and which is reimbursable under the Escrow Agreement is \$71,120.00.

H. As set forth in the November 21, 2007 letter from K. Hovnanian's attorney (Attachment B hereto), RTC has consented to the release of \$71,120.00 to K. Hovnanian from the Escrow Account.

I. K. Hovnanian has decided not to proceed with the development of the Property and is currently trying to sell the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties agree that the Recitals set forth above are hereby incorporated as material covenants and terms to this Agreement.
2. K. Hovnanian has met the applicable requirements of the 2005 Secondary Development Contract and is entitled to reimbursement of the following surplus amounts (the "Reimbursement") that are currently in the City's escrow account:
 - a) Inspection Fees - \$33,637.85; and
 - b) Landscape Maintenance Guaranty - \$37,230.00.
3. The Reimbursement payment shall be made payable to "K. Hovnanian Homes of Minnesota, L.L.C." and issued within thirty (30) days of the Effective Date. The Reimbursement Payment shall be sent via overnight mail to:

Mary Ranum, Esq.
Fredrikson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402-1425

or, sent via wire as follows:

Wire Instructions:

ABA Number: 031207607
Bank Name: PNC Bank
Bank Location: Moorestown, NJ
Account Name: K. Hovnanian Enterprises, Inc.
Account Number: 8026269039
Reference: K. Hovnanian Homes of Minnesota, L.L.C

4. The City authorizes and approves the release from the Escrow Account of \$71,120.00 by the Title Company to K. Hovnanian.

5. Any subsequent developer ("Subsequent Developer") of the Property shall be required to satisfy all surety, guaranty and fee requirements existing at the time a development agreement is executed with the City.

6. Any notices sent to the Parties pursuant to this Agreement shall be in writing and shall either be hand delivered or mailed via overnight mail, certified mail or registered mail to the following addresses:

John Semple
VP & Chief Legal Counsel
K. Hovnanian Homes
110 Fieldcrest Ave.
Edison, NJ 08837

City Administrator
City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

7. This Agreement contains the entire agreement between the Parties as to the terms set forth herein and no amendment, modification or addendum to this Agreement shall be effective unless in writing dated subsequent to the date hereof and executed by the duly authorized officers of the respective Parties.

8. The Parties represent and warrant that their respective signatories are fully authorized to execute this Agreement and to legally bind the Party on whose behalf they are signing.

9. This Agreement may be executed in any number of counterparts, including counterparts delivered by facsimile or electronic mail, all of which together shall constitute a fully executed original Agreement. Facsimiles of signatures or signatures received by electronic mail shall constitute and be binding as though they were originals.

10. This Agreement shall be binding upon the Parties and their successors and assigns.

[Remainder of page is blank and signatures on next page]

CITY OF RAMSEY, MINNESOTA

By: Saul St

Name:

Title: Mayor

Date:

By: [Signature]

Name:

Title: City Administrator

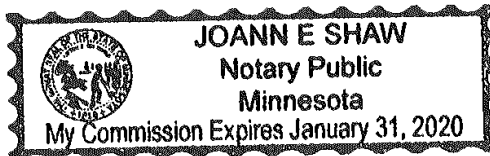
Date:

State of Minnesota)

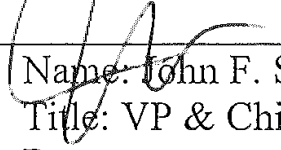
County of Anoka)

The foregoing instrument was signed before me on this 6th day of Feb., 2017 by Sarah Strommen (the City's Mayor) and Kurt Ulrich (the City's Administrator) as duly authorized representatives of the City of Ramsey, Minnesota.

Joann E Shaw
Notary Public



K. HOVNANIAN HOMES OF MINNESOTA, L.L.C.

By: 
Name: John F. Semple
Title: VP & Chief Legal Counsel
Date:

State of New Jersey)
County of Middlesex)

The foregoing instrument was signed before me on this 25th day of January, 2017 by John F. Semple as duly authorized representative K. Hovnanian Homes of Minnesota, L.L.C..


Notary Public

KIM A. DONNELLY
Notary Public, State of New Jersey
My Commission Expires August 22, 2021

This instrument drafted by:
John Semple, Esq.
K. Hovnanian Homes
110 Fieldcrest Avenue
Edison, NJ 08837

ATTACHMENT A
Legal Description of Property

EXHIBIT "A"
LEGAL DESCRIPTION

- Parcel 1: Lot 1, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 2: Lot 2, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 3: Lot 3, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 4: Lot 4, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 5: Lot 5, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 6: Lot 6, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 7: Lot 7, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 8: Lot 8, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 9: Lot 9, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 10: Lot 10, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 11: Lot 11, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 12: Lot 12, Block 2, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 13: Lot 5, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 14: Lot 6, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 15: Lot 7, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 16: Lot 8, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 17: Lot 9, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 18: Lot 10, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.
Parcel 19: Lot 11, Block 3, Ramsey Town Center 7th Addition, Anoka County, Minnesota.

Abstract.



ATTACHMENT B
November 21, 2007 Letter with RTC Consent



November 21, 2007

VIA U.S. MAIL and EMAIL - cmiverson@zlhlaw.com

Clark M. Iverson, Esq.
Zappia & LeVahn, Ltd.
941 Hillwind Road NE, Suite 301
Minneapolis, MN 55432

RE: Ramsey Town Center

Dear Mr. Iverson:

As we discussed during our recent telephone conversation, your client, Christy Dahlberg, is the personal representative of Bruce Nedegaard's Estate and has been appointed as the Chief Manager of Ramsey Town Center LLC, a Minnesota limited liability company ("RTC"). In August, 2005, RTC, the City of Ramsey ("City") and my client, K. Hovnanian T&C Homes of Minnesota, L.L.C. ("K. Hovnanian") entered into an Escrow Agreement (copy enclosed) pursuant to which RTC deposited into escrow with Stewart Title the sum of \$828,340.00 (the "Escrowed Funds") as security for certain work RTC was obligated to complete under its Master Development Agreement for Ramsey Town Center and which impacted the property acquired by K. Hovnanian from RTC. Prior to Mr. Nedegaard's death, RTC had completed a portion of that work for which part of the Escrowed Funds were released to RTC. Approximately \$169,740.00 remains in the escrow as of today. K. Hovnanian is requesting that RTC release any further interest in the remaining Escrowed Funds to allow K. Hovnanian and the City to determine how to utilize those funds. The amounts of remaining Escrowed Funds is well short of the cost to complete the work RTC has agreed to do.

For your information, the remaining Escrowed Funds are proposed to be utilized as follows:

- A. K. Hovnanian has already done some of the work that was to be completed by RTC. As of November 5, 2007, K. Hovnanian has incurred expenses of \$71,120.00 in connection with the following work:

Storm Sewer Improvements to complete 146 th Drainage	\$46,346.00
Complete curb & pavement along 146 th	\$5,858.00
Reinstallation of San. Sewer Service to Block 3	\$6,100.00
Hydrant Relocation/curb Repair (along 146 th - relocated due to installation in wrong location; curb repair made at direction of City of Ramsey)	\$12,816.00
Total due to K. Hovnanian as of November 5, 2007	\$71,120.00

Attorneys & Advisors
main 612.492.7000
fax 612.492.7077
www.fredlaw.com

Fredrikson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, Minnesota
65402-1425

MEMBER OF THE WORLD SERVICES GROUP

OFFICES: Minneapolis, Bismarck,

Clark M. Iverson, Esq.

November 21, 2007

Page 2

- B. The Glenn Rehbein Companies completed certain work in late Spring 2006 for which they have not yet been paid in the amount of \$12,600.00.
- C. K. Hovnanian has proposed to the City to complete the following work which was also the obligation of RTC under the Master Development Agreement and which is secured by the Escrowed Funds:

Wear Course & Striping (public streets)	\$57,000.00
Curb repair prior to Wear Course	\$10,000.00
Street sweep prior to wear	\$2,000.00
Public Walk along 146 th	\$10,000.00
Estimated Total	\$79,000.00

- D. The \$7,020 remaining after the above payments will be used to fund additional improvements within the undeveloped area of Ramsey Town Center 7th Addition.

If Ms. Dahlberg is agreeable to the release of any further interest in the Escrowed Funds, would you please have her sign the Consent at the bottom of this letter as the Chief Manager of RTC. The signed Consent, together with a copy of the document under which Ms. Dahlberg is appointed the Chief Manager of RTC, should then be returned to me for delivery to Stewart Title. K. Hovnanian is working with the City to obtain their consent to the proposed use of the Escrowed Funds.

If you have any questions or comments concerning this matter, please give me a call.

Yours truly,


Mary S. Ranum

Attorney at Law

Direct Dial: 612.492.7072

Email: mranum@fredlaw.com

MSR:EML:vlh:4283634

cc: Mr. Shawn Siders (via email - ssiders@khov.com)
Mr. Kevin Clark (via email - keclark@khov.com)

Clark M. Iverson, Esq.
November 21, 2007
Page 3

CONSENT

The undersigned agrees that it has no further interest in the Escrowed Funds and that they may be released as agreed upon by the City of Ramsey and K. Hovnanian T&C Homes at Minnesota, L.L.C.

Date Nov. 20, 2007

RAMSEY TOWN CENTER LLC

By 
Christy Dahlberg, Chief Manager

UNANIMOUS ACTION IN WRITING
BY THE MEMBERS OF
RAMSEY TOWN CENTER, LLC,
A MINNESOTA LIMITED LIABILITY COMPANY

The undersigned, being all of the members of Ramsey Town Center, LLC, a Minnesota limited liability company ("Company"), do hereby adopt in writing the following resolutions:

ELECTION OF BOARD OF GOVERNORS

RESOLVED, that Christy Dahlberg, the Personal Representative of the Estate of Bruce A. Nedegaard is elected as a governor of Ramsey Town Center, LLC.

SOLE MEMBER


Christy Dahlberg, Personal Representative of
the Estate of Bruce A. Nedegaard

UNANIMOUS ACTION IN WRITING
BY THE BOARD OF GOVERNORS
OF RAMSEY TOWN CENTER, LLC

The undersigned, being all of the governors of Ramsey Town Center, LLC, a Minnesota limited liability company ("Company"), subject to Chapter 322B of the Minnesota Statutes, do hereby adopt in writing the following resolutions:

ELECTION OF MANAGER/PRESIDENT

Christy Dahlberg, the Personal Representative of the Estate of Bruce A. Nedegaard is elected as Chief Manager/President of the Company.

SOLE MEMBER OF THE BOARD OF
GOVERNORS


Christy Dahlberg, Personal Representative of
the Estate of Bruce A. Nedegaard