

PURCHASE AND DEVELOPMENT AGREEMENT

Robbinsdale, Minnesota

This AGREEMENT, is entered into as of this _____ day of _____, 20____, by and between the Robbinsdale Economic Development Authority, a public body corporate and politic under the laws of Minnesota, having its principal office at 4100 Lakeview Avenue North, Robbinsdale, Minnesota 55422 (“REDA”), and _____, a _____, having its principal office at _____ (“Buyer”).

Received of Buyer, the sum of \$__(minimum \$500) as earnest money deposit for the purchase of property situated at _____ Robbinsdale, in the County of Hennepin, State of Minnesota, and legally described as follows:

all of which property the Robbinsdale Economic Development Authority, hereinafter referred to as the REDA, has this day sold to _____, hereinafter referred to as the Buyer, for the sum of \$_____ which sum shall be payable as follows:

- (a) \$ _____ the receipt of which is hereby acknowledged, as earnest money deposit, and
- (b) \$ _____ principal balance due upon closing.

The contract is subject to the following conditions:

1. Buyer agree to construct a single-family detached residential structure on the property purchased, said structure to be completed not later than _____. Upon completion, the structure,

including land, shall have an assessor's estimated market value of not less than \$_____. For purposes of this section, the word "completion" shall mean the issuance of a Certificate of Occupancy by the City of Robbinsdale (City) Building Official.

2. The REDA shall retain title to the property and shall not be required to close and deliver a deed to the property unless and until the following provisions are complied with:

a) Buyer will submit to the REDA not later than _____ the final construction plans for the single family residential structure to be constructed. Final construction plans shall consist of a scaled site plan, elevation drawing from the adjacent street, a floor plan of each floor, and a description of the exterior finish component.

b) Buyer will submit to the REDA not later than _____ Buyer's proof of financing, satisfactory to the REDA, that the Buyer have financing sufficient to construct the proposed structure.

c) Buyer shall secure the approval of the Robbinsdale Building Department as to the structure and final construction plans, including first floor elevation, and will furnish proof of the submission of such plans to the Robbinsdale Building Department at the time the plans are submitted to the REDA.

d) The final construction plans as submitted by the Buyer must be approved by the REDA.

Thereupon the REDA shall undertake whatever additional actions are necessary to determine compliance with this agreement. The REDA agrees to convey marketable title to the lots by Quit Claim Deed in the form of Exhibit A attached hereto, subject to the following exceptions:

a. Building and zoning laws, ordinances, and State and Federal regulations.

b. Restrictions relating to use or improvement of the premises as contained in any applicable redevelopment plan.

c. Reservation of any minerals or mineral rights to the State of Minnesota.

d. Utility and drainage easements which do not interfere with present improvements.

e. Any restrictive covenants applicable to the property.

3. The REDA shall have 15 days from its receipt of the final construction plans to review and either approve or reject the plans or approve the plans with conditions. In such case that the REDA approves the proposed plans with conditions, the Buyer shall have the option of preparing new plans consistent with the REDA's request; or, alternatively, of canceling this contract whereupon all monies deposited by the Buyer shall be refunded, provided the Buyer shall have provided a quit claim deed to the REDA conveying any and all of Buyer's rights in the subject property. If the REDA fails to approve the proposed plans, the Buyer shall notify the REDA not

more than fifteen (15) days after notice of such disapproval of the Buyer' desire to cancel this agreement.

4. Buyer agree that if prior to closing and conveyance of the deed to the property they do not comply with any of the provisions of this agreement, then the REDA shall have the right to retain the aforementioned earnest money deposit as liquidated damages.

5. Buyer shall not enter the property to proceed with construction until closing is complete and the deed to the property is conveyed to the Buyer. Following completion of closing and conveyance of the deed, Buyer will proceed with construction according to the final construction plans as approved by the REDA and Buyer agree to meet the following deadlines for construction:

a) Buyer will have the foundation for the proposed new single family residence laid and completed not later than _____.

b) Buyer will have the shell of the proposed structure, including all exterior framework, erected and completed not later than _____.

c) Buyer will have the proposed structure completed not later than _____.

6. Generally, the completed residential structure shall consist of the following:
DESCRIBE PROJECT.

7. Upon request the Buyer shall furnish to the REDA an estimated cost construction sheet, including the names of all contractors and subcontractors and their bids for construction of the proposed improvement or estimated construction costs, and total construction costs.

8. The REDA shall have the right to request from the Buyer detailed information as to the progress of the construction, said demand for information to be made not more than once a month. The REDA shall have the right to request the Buyer to furnish information as to amounts paid to contractors and to subcontractors and shall have the right to inspect any and all books and records of the Buyer relating to construction of the proposed improvements on the premises. The REDA shall have the right to inspect the premises during construction and upon completion.

9. Buyer agree that they will not assign this agreement or any interest herein without prior written approval of the REDA.

10. Buyer agree that if there occurs any breach in the terms of this agreement after payment of the purchase price for the land and before issuance of a certificate of completion (Exhibit B), then the title to and possession of the premises, hereinbefore described, shall at the REDA's option revert in and revert to the REDA and the REDA shall have the right but not the obligation, to complete any construction of the proposed improvements, and the REDA shall have the absolute right to sell the premises and to refund to the Buyer amounts, if any, remaining after the REDA reimburses itself for all its costs, expenses and damages incurred as a result of such breach. Buyer further agree that in the event of such breach they will furnish the REDA, at its request, with all final construction plans pertaining to the construction of the proposed

improvements. Upon satisfaction by Buyer of their obligations hereunder, including specifically their obligations to construct the proposed improvements, the REDA will provide the Buyer with a certificate in recordable form certifying that such obligations have been fulfilled.

11. Taxes on this property shall be prorated as of date of closing. The REDA makes no representation or warranty whatsoever regarding the amounts of taxes or special assessments that may be levied against the property subsequent to the date of purchase by the Buyer.

12. The REDA shall, within a reasonable time after execution of this agreement, furnish title commitment certified to date to include proper searches covering bankruptcies, and State and Federal judgments and liens. The Buyer shall be allowed ten days after receipt thereof for examination of said title information and the making of any objections thereto, said objections to be made in writing or deemed to be waived. If any objections are so made the REDA shall be allowed 120 days to make such title marketable. Pending correction of title the payments hereunder required shall be postponed, but upon correction of title and within ten days after written notice to the Buyer, the parties shall perform this agreement according to its terms. Abstract, Registered Property Abstract, or Title Insurance for the subject premises will be delivered to purchaser upon full performance of the contract as stated in Section 1 of Deed.

If said title is not marketable and is not made so within 120 days from the date of written objections thereto as above provided, this agreement shall be null and void, and no party to the agreement shall be liable for damages hereunder. All money theretofore paid by the Buyer shall be refunded. If the title to said property be found marketable or be so made within said time, and said Buyer shall default in any of the agreements and continue in default for a period of ten days, then and in that case the REDA may terminate this contract and on such termination all the payments made upon this contract shall be retained by said REDA as liquidated damages, time being of the essence hereof. This provision shall not deprive the parties of the right of enforcing the specific performance of this contract provided such contract shall not be terminated as aforesaid, and provided action to enforce such specific performance shall be commenced within six months after such right of action shall arise.

13. The Buyer acknowledge that construction of a residence within the City of Robbinsdale is subject to regulation by the Robbinsdale Zoning Ordinance and the Robbinsdale Building Code. It shall be the Buyer' responsibility to seek and secure such approvals or permits as may be required by these ordinances or codes.

15. Closing. Buyer agree the closing shall take place no later than 15 days after satisfaction of the conditions set forth at Section 2 above. The Buyer agree to make final payment of the balance of the purchase price to the REDA at the time of the closing.

16. Termination. Either party may terminate this Agreement upon the giving of ten (10) days written notice to the other party if all conditions to conveyance of the property are not satisfied by _____.

ROBBINSDALE ECONOMIC
DEVELOPMENT AUTHORITY

BUYER

STATE OF MINNESOTA)

) SS

COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, _____, by _____, the Executive Director of the Robbinsdale Economic Development Authority, a public body, politic and corporate under the laws of Minnesota, on behalf of the Authority.

Notary Public

STATE OF MINNESOTA)

) SS

COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, _____, by _____,

Notary Public

Drafted by:
Robbinsdale Economic Development Authority
4100 Lakeview Avenue N
Robbinsdale, MN 55422
(763) 537-4534

QUIT CLAIM DEED

THIS INDENTURE, between the Robbinsdale Economic Development Authority, a public body corporate and politic created pursuant to the Laws of Minnesota ("Grantor"), and [DEVELOPER], ("Grantee").

WITNESSETH, that Grantor, for valuable consideration, the receipt whereof is hereby acknowledged, does hereby convey and quitclaims to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Hennepin and State of Minnesota described as follows, to-wit (hereinafter referred to as the "Property").

LEGAL DESCRIPTION

[LEGAL]

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging in anywise appertaining, to the said Grantee, its successors and assigns, forever,

Provided:

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restriction and provisions of an agreement entered into between the Grantor and Grantee on the _____ day of _____, 20__, identified as "Purchase and Development Agreement" (hereafter referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, without the consent of the Grantor until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed on record. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for the purchase of Property hereby conveyed and for erecting improvements thereon in conformity with the Agreement, any applicable redevelopment plan and applicable provisions of the Zoning Ordinance of the City of Robbinsdale, Minnesota.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the improvements thereon, as provided in the Agreement.

Promptly after completion of the improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying.

Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder or Registrar of Titles, Hennepin County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the improvements in accordance with the provisions of the Agreement or are otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

In the event the Grantee herein shall, prior to the recording of the certificate of completion hereinabove referred to:

(a) Default in or violate its obligations with respect to the construction (including the nature and dates for the beginning and completion thereof), or abandon or substantially suspend construction work; or

(b) Fail to pay real estate taxes or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by the Agreement with the Grantor, or shall suffer any levy or attachment to be made, or any materialmen's or mechanic's liens, or any other unauthorized encumbrances or liens to attach, and such taxes or assessments shall not have been paid or the encumbrance or lien removed or discharged, or provisions satisfactory to the Grantor made for such payments, removal or discharge; or

(c) Transfer, in violation of the Agreement, the Property or any part thereof;

and the grantee shall fail to cure such default or violation within 30 days after written demand from the grantor then the Grantor shall have the right to re-enter and take possession of the Property and terminate and revest in the Grantor the estate conveyed by this Deed to the Grantee, its assigns or successors in interest.

Upon filing the certificate of completion referred to in Section 1 of this Deed, this Section 2 of this Deed shall be of no further force and effect.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall:

- (a) Devote the Property to, and only to and in accordance with the uses specified in any applicable redevelopment plan;
- (b) Not discriminate on the basis of race, color, creed, national origin, or sex in the sale, lease, rental, or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof; and

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor, its successors and assigns, and any successor in interest to the Property, or any part thereof against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided herein, both for and in their own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

SECTION 4.

This deed is also given subject to:

- (a) The ordinances and building and zoning laws of the City of Robbinsdale and State and federal laws and regulations in so far as they affect this real estate; and
- (b) Restrictions relating to use or improvement of the premises as contained in any applicable redevelopment plan.
- (c) Reservation of any minerals or mineral rights to the State of Minnesota.
- (d) Utility and drainage easements, which do not interfere with, present improvements.
- (e) Any restrictive covenants applicable to the Property.
- (f) Taxes payable subsequent to the date of this conveyance and to all special assessments and installments thereof payable subsequent to the date of this conveyance.

