



Housing and Redevelopment Authority
of the City of Saint Paul, Minnesota:
Redevelopment project files

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CONTRACT FOR PURCHASE
OF LAND FOR REDEVELOPMENT

This AGREEMENT, entered into this 12th day of May, 1961, between the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a public body corporate and politic organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "Authority" and **Ravoux Co., a Corporation organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "Redeveloper".**

Recitals

WHEREAS, the Authority pursuant to the Federal Housing Act of 1949 as amended (42 U.S.C.A. Section 1440, et. seq.) and c. 487 Laws of Minnesota 1947, as amended (M.S.A. 462.411 et. seq.) has heretofore entered into a Loan and Grant Contract with the United States of America for the purposes of undertaking a program to eliminate slum and blighted areas in the City of Saint Paul, Minnesota, hereinafter referred to as the "City"; and

WHEREAS, pursuant to the aforementioned Loan and Grant Contract and the aforesaid federal and state laws the Authority adopted and the City Council approved the Redevelopment Plan known as the "Western Redevelopment Project UR Minn. 1-2" located in said City in an area lying generally west of Rice Street and north of Rondo, the exact boundaries and limits of which are described and set forth in

Schedule "A", attached hereto and made a part hereof, which said area is referred to hereinafter as the "Project Area"; and

WHEREAS, a lawfully approved Redevelopment Plan is now in effect in the City of Saint Paul, Minnesota, providing for the clearance of the Project Area and its sale after clearance for redevelopments in accordance with said Redevelopment Plan.

WHEREAS, the Authority has determined that the sale of Project Land for redevelopment in accordance with the conditions and limitations provided for in the Redevelopment Plan would carry out and fulfill the objectives of the aforementioned Loan and Grant Contract, be in the best interests of the City and promote the health, safety, moral and welfare of its residents; and

WHEREAS, pursuant to the aforementioned determinations, the Authority has heretofore by formal notice invited proposals and offers for the redevelopment of the land in the Project Area; and

WHEREAS, the Redeveloper has offered to purchase that part of the Project Area described as follows:

Lot Three (3), Block Two (2), Western Area Addition, according to the plat thereof filed of record in the office of the Registrar of Titles within and for Ramsey County, Minnesota, Certificate of Title No. 189535,

hereinafter referred to as the "Property" and to redevelop the Property solely in accordance with the uses specified in the Redevelopment Plan and substantially in the manner set forth in the Redeveloper's Proposal submitted with this offer for the acquisition of the Property, which proposal is set forth in full in Schedule "B" attached hereto and made a part hereof; and

WHEREAS, the Redeveloper has tendered the guarantee of Donovan, Incorporated in a sum equal to ten per cent (10%) of the Redeveloper's estimate of total development cost for construction on and improvement of the property, as security for the performance of its obligation pursuant to the agreement, which said guarantee is to be retained by the Authority until completion of the improvements as hereinafter defined; and

WHEREAS, in view of the foregoing and the undertakings and representations of the Redeveloper pursuant to this Agreement, the Authority is willing to sell the Property to the Redeveloper to permit its redevelopment in accordance with the Redevelopment Plan, this Agreement, and the proposals submitted by the Redeveloper in support of his offer for the acquisition of the Property:

NOW, THEREFORE, in consideration of the purchase price hereinafter stated each of the parties hereto does covenant and agree as follows:

Article 1

General Terms of Conveyance of Property

1. (a) Subject to all the terms, covenants, and conditions of this Agreement the Authority will convey the Property to the Redeveloper upon the payment in full by the Redeveloper, which payment the Redeveloper hereby agrees to make, of a purchase price in the amount of Four Hundred Fifty-five Thousand Dollars (\$455,000.00).

(b) The Authority will convey title by quitclaim deed to the Redeveloper. Such conveyance and title shall be subject to right of re-entry for conditions broken and to all other conditions, covenants,

and restrictions whether legal or equitable and whether in the form of servitudes, restrictive covenants, limitations on use, or such other restrictions as are set forth or referred to in this Agreement. In addition, conveyance and title herein shall be subject to:

1. Easements for public streets, utilities, including but not limited to sewer and water utilities, and such other easements or rights-of-way as are designated approximately in the Redevelopment Plan, or as may be provided for by any duly constituted agency or department of the City.

2. Reservations to the State of Minnesota in trust for the taxing district concerned of minerals and mineral rights in those portions of the Property the title to which may have at any time heretofore been vested in the State of Minnesota.

3. Such conditions, covenants and restrictions running with the land as shall be imposed thereon by the deed of conveyance.

4. Taxes payable in the year and years subsequent to the year and date of the conveyance and to all special assessments and installments thereof heretofore or hereafter levied against the land conveyed by said deed payable with said taxes and to building and zoning laws, ordinances, state and federal laws and regulations, and easements of record if any.

(c) The Authority hereby agrees to furnish the Redeveloper within fifteen (15) days after the date of this Agreement a certificate of title to the Property as provided under the Torrens Act. The

Redeveloper shall be allowed twenty (20) days after receipt thereof to examine the said title and to make any objections thereto, said objections to be made in writing and delivered to the office of the Authority within the time set herein. Objections not made within the said twenty (20) day period shall be deemed to be waived. If, upon examination, title to the Property or any part thereof is found not to be good and marketable; and if after the receipt of such report, the title to said Property can, within one-hundred twenty (120) days, be made good and marketable, the title shall be corrected at the expense of the Authority and the conveyance made within said one-hundred twenty (120) day period. But if, however, the Authority's title be found not good and marketable, and if it be further established that said title cannot be corrected within the aforesaid one-hundred twenty (120) day period from the date of the receipt of written objection thereto, in that event, this Agreement shall be void; and neither party hereto shall be liable for damages hereunder to the other party and all money paid hereunder by the Redeveloper shall be refunded by the Authority without interest.

(d) If the Authority's title is good and marketable, the Redeveloper shall pay to the Authority the full purchase price of the Property within fifteen (15) days of the date that the Redeveloper is able to obtain mortgage financing, as defined in Article VI, paragraph 12 of this Agreement. Notwithstanding any other provisions of this Agreement such mortgage financing as therein defined, must be obtained, if possible, no later than one-hundred ninety-five (195) days from the date this offer is accepted by the Authority. If said mortgage financing is not obtained within said one hundred ninety-five (195) days, then the remedies provided for in

said Article VI, paragraph 12 of this Agreement shall be available to either party hereto.

Redeveloper agrees to pay the Authority interest at the rate of 4% on the purchase price hereunder for the period commencing ninety days after acceptance of this Agreement by the Authority and until such time as the full purchase price is paid or the Redeveloper notifies the Authority that it is unable to obtain mortgage financing as defined in Article VI, paragraph 12 of this Agreement.

Conveyance shall be made at 60 East Fourth Street, Saint Paul, Minnesota, or such other place as may be designated in writing by the Authority to the Redeveloper and the Redeveloper hereby agrees to accept such conveyance and to pay the Authority at the aforesaid time and place the purchase price and interest due hereunder, if any, in full in cash. In the event that Redeveloper shall fail to pay the full purchase price of the Property on said date, the Authority shall serve a notice of demand for payment and tender of delivery of deed upon the Redeveloper and upon its guarantor, and if such purchase price is not paid in full within thirty (30) days after the service of such notice of demand, the Authority may, at its option, hold the guarantor liable for the performance of this Agreement (subject to terms of that guarantee) or the Authority may, at its option, declare this Agreement terminated, and on such termination any payments made upon this contract shall be retained by the Authority as liquidated damages for the breach of this contract, time being of the essence hereof.

(e) Upon the execution of this Agreement the Redeveloper shall be permitted free access to the Property for the purpose of inspection, survey, test borings or other work preliminary to the initiation of the

construction of improvement thereon, but the Redeveloper shall be entitled to take full possession of the Property and to commence grading, excavating, and construction work only upon payment of the full purchase price as aforesaid and the execution and delivery to the Redeveloper of the aforesaid deed of conveyance of the Property. Such preliminary work as the Redeveloper shall undertake prior to the delivery of said deed of conveyance shall be at the sole risk and expense of the Redeveloper, and he shall save and protect the Authority against any claims or liens against the Property resulting from such preliminary work.

(f). The Authority represents and agrees that it will not authorize or approve a modification of the Redevelopment Plan to ^{approve} ~~per-mit~~ development for hotel or motel purposes of any portion of the Project Area presently designated on the Project Area Plan for use other than General Commerce, without the prior consent of this Redeveloper, its Successors or Assigns.

The Authority further represents and agrees that (except for that part of the Project Area designated as Parcel No. 4) it will not approve any construction plans or permit any change of construction plans heretofore approved which would permit development for hotel or motel purposes of any part of the Project Area designated on the Project Area Plan for use as General Commerce, without the prior consent of this Redeveloper, its Successors or Assigns.

Article II

Preparation of Land for Redevelopment

2. (a) The Authority shall, prior to conveyance of the Property and without expense to the Redeveloper, prepare the Property for purposes of the redevelopment thereof by the Redeveloper. Such preparations shall consist of:

(i) The demolition and removal to grade of all existing buildings, structures, and obstructions on the Property, including the removal of any debris resulting from such demolition;

(ii) The removal (by the Authority or by appropriate public bodies or public utility companies) of all paving (including curbs and gutters), sidewalks, and utility lines, installations, facilities, and related equipment, within or on the Property which are to be eliminated or removed pursuant to the Redevelopment Plan; provided, however, that the Authority shall not be responsible for the removal of walls, floors, or debris resulting from the demolition of structures as may remain below the surface of the ground, nor shall the Authority be responsible for the removal of trees, shrubs, or other natural growth.

(iii) Such filling and grading and leveling of the land (but not including top soil or landscaping) as shall be necessary to make it ready for construction of the improvements to be made thereon by the Redeveloper, it being intended that such filling, grading and leveling conform generally to the respective surface elevations of the land prior to the demolition of the buildings and structures thereon.

(b) The Authority shall, without expense to the Redeveloper or public assessment against the Property, and prior to the completion of the Improvements as hereinafter defined, or at such earlier time or times as shall be necessary or expedient, to enable the Redeveloper to construct or complete the Improvements in accordance with the provisions of this Agreement, provide for, or secure:

(i) The paving and improving, by the Authority itself or by the City, in accordance with the usual technical specifications and standards of the City, of such streets, and the street lighting and sidewalks in such public rights-of-way, as are to be provided pursuant to the Redevelopment Plan;

(ii) The installation and relocation (by the Authority itself or by appropriate public bodies or public utility companies) of such sewers drains, water and gas distribution lines, and electric telephone, and telegraph installations (exclusive in each case of house or building service lines), as are to be installed or relocated pursuant to the Redevelopment Plan; and

(iii) The vacating of present streets, alleys, other public rights-of-way, and plats, and dedication of new streets, alleys, and other public rights-of-way, in the Project Area, and the rezoning of such Area, in accordance with the Redevelopment Plan; Provided, That the Redeveloper will, upon request by the Authority, subscribe to and join with the Authority in any petitions and proceedings required for such vacations, dedications, and rezoning.

Article III

Construction of Improvements

3. (a) The Redeveloper agrees that the construction of Improvements on parcel 4 shall be in substantial conformity **any one of** with his proposal for the redevelopment of parcel 4 and shall be in accord with the Redevelopment Plan, this Agreement, and all applicable state and local laws and ordinances.

The Redeveloper further agrees for itself, its successors, heirs, and assigns of the Property or of any part thereof, as follows:

(i) That it shall devote the Property only to the uses specified in the Redevelopment Plan as heretofore amended, or as said plan may hereafter be amended as authorized by law.

(ii) That it will diligently prosecute the **according to any one of the alternatives** construction of the Improvements provided in the plan and the proposals submitted by the Redeveloper in support of his offer for the acquisition of land, and that such construction shall be commenced within **eighteen (18)** months from the date of conveyance of the Property to the Redeveloper and shall be completed in compliance with the terms of this Agreement and in conformity with the Redevelopment Plan within **three (3)** years from such date: Provided, That if a mortgage securing the money loaned to finance the Improvements, or any part thereof, is insured by the Federal Housing Administration, then the aforesaid completion time shall not apply, but instead the construction of such Improvements or any part thereof shall be completed within

the time specified in the applicable Building Loan Agreement approved by the Federal Housing Administration: Provided further, That the construction of such Improvements or any part thereof as are subject to the foregoing proviso shall in any event be completed within four (4) years from the date of execution of such Building Loan Agreement.

(iii) That no discrimination or segregation against any persons or groups of persons on account of race, creed, religion, national origin, or ancestry shall be practiced or tolerated in connection with the sale, lease, sublease, transfer, use, or occupancy of the Property or its development.

(b) The covenants and restrictions set forth in clauses (a) (i), (ii), and (iii) of this section 3 shall be covenants running with the land and shall be included in the Deed of Conveyance or lease of all other parcels of land within the Western Redevelopment Area Project UR Minn. 1 - 2 which have been sold or which may hereafter be sold by the Authority, it being the intent of this Agreement that the restrictions and covenants contained in clauses (a) (i), (ii), and (iii) of this section constitute servitudes for the benefit of all other parcels of land within the Western Redevelopment Area.

(c) The covenants and restrictions contained in clause (a) (iii) hereof shall remain in effect perpetually. The covenants contained in clauses (a) (i), (ii) hereof shall remain in effect for a period of forty (40) years from May 12, 1961, and at the expiration of such period such agreements and covenants shall terminate.

The covenants and restrictions contained in section 3 (a) hereof shall be deemed to be for the benefit of the community at

large and, in addition to constituting a servitude for the benefit of all parcels in the Western Redevelopment Area, the restrictions and covenants provided for in this section shall run in favor of the Authority, its successor or assigns, for the entire period during which such restrictions and covenants shall be in force and effect. In the event of any breach of any such restriction or covenant, the City or the Authority shall have the right to maintain any actions at law or suits in equity to enjoin the breach of any of these covenants or to enforce the restrictions contained in the deed to any of the land in the Western Redevelopment Area.

(d) Within 180 days after the execution of this Agreement, and as a condition precedent to the obligation of the Authority to convey the Property to the Redeveloper, the Redeveloper shall submit to the Authority, for its approval, plans (herein called "the Construction Plans") with respect to the Improvements to be constructed by the Redeveloper on the Property, in sufficient completeness and detail to show that such Improvements and the construction thereof will be in accordance with the provisions of the Redevelopment Plan. The Authority shall, if such Construction Plans conform to the provisions of the Redevelopment Plan and the Building Requirements, formally approve such plans and no further filing by the Redeveloper or approval by the Authority thereof shall be required. If the Authority rejects the Construction Plans in whole or in part as not being in conformity with the Redevelopment Plan and the Building Requirements, the Redeveloper shall submit new or corrected plans within a reasonable period of time to be specified by the Authority.

Redeveloper reserves the right to change the over-all design of the improvements proposed under each of the alternative plans submitted, consistent with the uses and purposes set forth in Redeveloper's narrative statement (Schedule "B"), provided, however, that any such changes shall be subject to the approval of the Housing and Redevelopment Authority of the City of Saint Paul, and provided further that any such requested approval shall not be unreasonably withheld.

4. (a) The Redeveloper shall upon the execution of this Agreement submit to the Authority the personal guarantee of Donovan, Incorporated, sole stockholder of Ravoux Co., said guarantee to be in the total amount of Two Hundred Twenty-six Thousand Dollars (\$226,000.00).

(b) The Redeveloper, in the letting of any contracts for construction of Improvements upon the Property, shall require of any such contractors completion and performance bonds in the full amounts of said contracts, naming the Authority as obligee thereof and protecting the Authority and the Property against any and all liens for claims arising out of said construction or Improvements upon the Property. All such completion and performance bonds shall be executed by responsible corporate sureties listed on current Treasury Department Circular No. 570.

5. (a) Subsequent to the conveyance of the Property to the Redeveloper, and until construction of the Improvements has been completed, the Redeveloper shall make, in such detail as may reasonably be required by the Authority, a report in writing to the Authority every six (6) months as to the actual progress of the Redeveloper with respect to such construction. In addition, the work of the Redeveloper shall be subject, periodically, to inspection

by representatives of the Authority.

(b) Prior to delivery of possession of the Property to the Redeveloper, the Authority shall permit the Redeveloper access thereto, whenever necessary to carry out the purposes of this and other sections of the Agreement; and, subsequent to such delivery, the Redeveloper shall permit access to the Property to the Authority, the United States of America, and the City whenever and to the extent necessary to carry out the purposes of this and other sections or provisions of the Agreement and the contract for Loan and Capitol Grant between the United States of America and the Authority referred to in the recitals of this Agreement.

(c) The Redeveloper shall, at its expense, secure any and all permits which may be required by the City for the construction of any buildings or the development of any Improvements upon the Property, and shall pay any and all fees or charges in connection with the issuance of such permits.

^(d)
-6.-(a) Promptly after completion of the Improvements in accordance with the provisions of this Agreement, the Authority will furnish the Redeveloper with an appropriate instrument so certifying. Such certification by the Authority shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction of the covenants and undertakings in this Agreement and in the Deed with respect to the obligation of the Redeveloper, and its successors and assigns, to construct the Improvements and the dates for the beginning and completion thereof: Provided, That if a mortgage securing the money loaned to finance the Improvements, or any part thereof, is insured by the Federal Housing

Administration, then such certification and such determination shall only be withheld because of failure to carry out specific requirements of the Redevelopment Plan or complete construction insofar as it is governed by the specific requirements of the Redevelopment Plan:

Provided further, That such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Redeveloper to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the Improvements, or any part thereof.

(e)
~~(b)~~ With respect to such individual parts or parcels of the Property which the Redeveloper is authorized by this Agreement to convey or lease as the Improvements to be constructed thereon or completed, the Authority will also, upon proper completion of the Improvements relating to any such part or parcel and provided the Redeveloper is not in default with respect to any of its obligations under this Agreement, certify to the Redeveloper that such Improvements have been made in accordance with the provisions of this Agreement. Such certification shall mean and provide (and the Deed shall so state): (1) that any party purchasing or leasing such individual part or parcel pursuant to the authorization herein contained shall not (because of such purchase or lease) incur any obligation with respect to the construction of the Improvements relating to such part or parcel or to any other part or parcel of the Property; and (2) that neither the Authority nor any other party shall thereafter have or be entitled to exercise with respect to any such individual part or parcel so sold (or in the case of lease, with respect to the leasehold interest) any rights or remedies that it may otherwise

have or be entitled to exercise with respect to the Property as a result of a default in or breach of any provisions of this Agreement or the Deed by the Redeveloper or any successor in interest or assign, unless (i) such default or breach be by the purchaser or lessee, or any successor in interest or assign, of or to such individual part or parcel with respect to the covenants contained and referred to in section 3 (a) of this Agreement, and (ii) the right or remedy relate to such default or breach.

^(f)
~~(c)~~ All certifications provided for in this section shall be in such form as will enable them to be recorded with the Register of Deeds or Registrar of Titles of Ramsey County, Minnesota. If the Authority shall refuse or fail to provide any certification in accordance with the provisions of this section, the Authority shall, within 90 days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in what respects the Redeveloper has failed to complete the Improvements in accordance with the provisions of this Agreement or is otherwise in default and what measures or acts it will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification.

Article IV

Anti-Speculation and Assignment Provisions

7. (a) The Redeveloper represents and agrees that its purchase of the Property and its other undertakings pursuant to this Agreement are for the purpose of redevelopment of the Property and not for speculation in land holding. The Redeveloper further agrees

that the burdens, duties, and obligations assumed hereunder may not be delegated without the consent of the Authority; that the qualifications and identity of the Redeveloper and its stockholders constitute one of the material considerations for this Agreement; and that a transfer of the stock in the Redeveloper or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in the ownership or distribution of such stock or with respect to the identity of the parties in control of the Redeveloper would, for the purposes of this Agreement, constitute a transfer or disposition of the Property within the meaning of this article.

(b) The Redeveloper hereby represents, covenants and agrees for itself, its stockholders, or any successor in interest of itself and its stockholders:

(i) That prior to completion of the Improvements as certified by the Authority, there shall be no transfer by any party owning 10 percent or more of the stock in the Redeveloper (which term shall be deemed for the purposes of this and related provisions to include successors in interest) of such stock or any part thereof or interest therein, nor shall any such owner suffer any such transfer to be made, without the approval of the Authority; nor shall there, without such approval, be or be suffered to be by the Redeveloper or by any owner of stock therein, any other similarly significant change in the ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, by any other

method or means, whether by increased capitalization, merger with another corporation, corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise. With respect to this provision, the Redeveloper and the parties signing this Agreement on behalf of the Redeveloper represent that they have the Authority of all of its existing stockholders to agree to this provision on their behalf and to bind them with respect thereto;

(ii) That except only:

(A) by way of security for, and only for, the purpose of obtaining financing necessary to enable the Redeveloper or successor in interest to perform its obligations with respect to making the Improvements under this Agreement, and

(B) as to any individual parts or parcels of the Property on which the Improvements to be constructed thereon have been completed, and which, by the terms of this Agreement, the Redeveloper is authorized to convey or lease as such Improvements are completed,

the Redeveloper (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Improvements as certified by the Authority, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Authority.

(c) The Authority shall be entitled to require as conditions to any such approval that:

- (i) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper (or, in the event the transfer is or relates to part of the Property, such obligations to the extent that they relate to such part);
- (ii) Any proposed transferee, by instrument in writing, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority, have expressly assumed all of the obligations of the Redeveloper under this Agreement and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions, and restrictions to the extent that they relate to such part);
- (iii) There has been submitted to the Authority for review, and the Authority has approved, all instruments and other legal documents involved

in effecting transfer;

- (iv) The consideration payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including carrying charges) to the Redeveloper of the Property (or allocable to the part thereof or interest therein transferred) and the Improvements, if any theretofore made thereon by it; it being the intent of this provision to preclude assignment of this Agreement or transfer of the property or any parts thereof other than those referred to in clause (ii) (B) of this subsection (b) for profit prior to the completion of the Improvements and to provide that in the event any such assignment or transfer is made (and is not cancelled), the Authority shall be entitled to increase the purchase price to the Redeveloper of the Property provided in section 1 of this Agreement by the amount that the consideration payable for the assignment or transfer is in excess of the amount authorized in this paragraph, and such consideration shall, to the extent it is in excess of the amount so authorized, belong and be paid to the Authority.
- (v) The Redeveloper and its transferee shall comply with such other conditions as the Authority may require in order to achieve and safeguard the

purposes of the MINNESOTA MUNICIPAL HOUSING
AND REDEVELOPMENT ACT, LAWS 1947, Chapter 487,
as amended (M.S.A. 462.411 - 462.711) and the
Redevelopment Plan:

Provided, That in the absence of specific written agreement by the
Authority to the contrary, no such transfer or approval by the
Authority thereof shall be deemed to relieve the Redeveloper or
any other party bound in any way by this Agreement or otherwise
with respect to the construction of the Improvements, from any of
its obligations with respect thereto.

3. In order to effectuate the purposes of this article,
the Redeveloper hereby agrees that prior to the certification
by the Authority of the completion of the Improvements, the
Redeveloper shall:

(i) Promptly notify the Authority of any change
whatsoever in the ownership, whether legal or beneficial, of its
stock or of any other act or transaction involving or resulting
in any change in the ownership of such stock or the relative dis-
tribution thereof, or with respect to the identity of the parties
in control of the Redeveloper for the degree thereof of which it
or any of its officers have been notified or otherwise have
knowledge or information; and

(ii) At such time or times as the Authority may request,
furnish the Authority with a complete statement, subscribed and
sworn to by the Secretary of the Redeveloper, setting forth all
of the stockholders of the Redeveloper and the extent of their
respective holdings, and in the event any other parties have a

beneficial interest in such stock their names and the extent of such interest, all as determined or indicated by the records of the Redeveloper, by specific inquiry made by the Secretary of all parties who, on the basis of such records, own 10 percent or more of the stock in the Redeveloper, and by such other knowledge or information as the Secretary shall have.

ARTICLE V

Mortgage Financing: Rights of Mortgagees

9. (a) Prior to the completion of the Improvements as certified by the Authority, neither the Redeveloper nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or to attach to the Property, except and only to the extent necessary, for the purpose of obtaining funds for making the Improvements. It is further agreed that the Redeveloper (or successor in interest) shall notify the Authority in advance of any mortgage financing it proposes to enter into with respect to the Property and in any event that it shall promptly notify the Authority of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Redeveloper or otherwise. For the purposes of such mortgage financing as may be made pursuant to this Agreement, the Property may, at the option of the Redeveloper (or successor in interest), be divided into several parts or parcels, provided that such subdivision, in the opinion of the Authority, is

not inconsistent with the purposes of the Redevelopment Plan and this Agreement.

(b) Notwithstanding any of the provisions of this Agreement, including but not limited to those representing covenants running with the land, the holder of any mortgage authorized by this Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings or action in lieu thereof, but not including (1) any other party who thereafter obtains title to the Property or such part from or through such holder or (2) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall in no wise be obligated by the provisions of this Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder; Provided, That nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any Improvements thereon, other than those uses or improvements provided or authorized in the Redevelopment Plan, as hereafter amended from time to time, and in this agreement.

10. (a) Whenever the Authority shall deliver or make any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under this Agreement, the Authority shall at the same time deliver to each holder of record of any mortgage authorized by this Agreement a

copy of such notice or demand, and each such holder shall (insofar as the rights of the Authority are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage; Provided, That if the breach or default is with respect to construction of the Improvements, nothing contained in this section or any other section or provision of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the Authority, by written agreement satisfactory to the Authority, to complete, in the manner provided in this Agreement, the Improvements on the Property or the part thereof to which the lien or title of such holder relates, and submitted evidence satisfactory to the Authority that it has the qualifications and financial responsibility necessary to perform such obligation. Any such holder who shall properly complete the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request made to the Authority to a certification or certifications by the Authority to such effect in the manner provided in section 6 of this Agreement; and such certification shall, of so requested by such holder, signify and provide that any remedies or rights with respect to recapture of or reversion or revesting of title to the Property that the Authority shall have or be entitled

to because of failure of the Redeveloper or any successor in interest to cure or remedy any default with respect to the construction of the Improvements on other parts or parcels of the Property, or because of any other default in or breach of this Agreement by the Redeveloper or successor in interest, shall not apply to the part or parcel of the Property to which such certification relates.

(b) In any case where, subsequent to default or breach by the Redeveloper (or successor in interest) under this Agreement, the holder of any mortgage on the Property or part thereof:

(i) has, but does not exercise, the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such inability or failure continues for a period of six (6) months after the holder has been notified or informed of the default or breach, or

(ii) undertakes construction or completion of the Improvements but does not complete such construction within such period as agreed upon by the Authority and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion with respect to the Redeveloper in the progress schedule in the Construction Plans as approved by the Authority), and such default shall not have been cured within ninety (90) days after written demand by the Authority so to do, the Authority shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property

by the Redeveloper or successor in interest shall so provide) have the option of paying to the holder the amount of the mortgage debt and securing an assignment of such debt and of the mortgage, or in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the Authority shall be entitled, at its option, to a conveyance to it of the Property or part thereof upon payment to such holder of an amount equal to the sum of: (1) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals received during foreclosure proceedings); (2) All expenses with respect to the foreclosure; (3) the net losses, if any, incurred by such holder in and as a direct result of the subsequent management of the Property; (4) the cost of any Improvements made by such holder; and (5) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

(c) For the purposes of this and other sections of the Agreement, the term "holder" in reference to a mortgage shall be deemed to include any insurer or guarantor of any obligation or condition secured by such mortgage, including but not limited to the Federal Housing Commissioner, the Administrator of Veterans Affairs, and any successor in office of either such official.

Article VI

Remedies

11. In the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party thereto or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In case such action is not taken, or diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may proceed by such remedies, legal or equitable, as are provided for by law or by the terms of this Agreement to cure such default or breach, including, but not limited to, proceedings to compel the specific performance by the party in default, and in the case of the Authority, the right to enforce the guaranty of Donovan, Inc. and to recover from the guarantor out of the guarantee amount such damages as may have been suffered by it, or by the City (in the form of loss of tax revenues from the Property (or the anticipated improvements thereon), or otherwise), as a result of the default or breach.

12. In the event that:

(a) the Authority does not tender conveyance of the Property, or possession thereof, in the manner and condition, and by the date, provided in this Agreement, and any such failure shall not be cured within ninety (90) days after written demand by the Redeveloper, or

(b) The Redeveloper shall, after preparation of Construction

Plans satisfactory to the Authority, furnish satisfactory evidence that it has been unable, after diligent effort for a period of at least ninety (90) days after approval by the Authority of the Construction Plans, to obtain mortgage financing for the construction of the Improvements on a basis and on terms that would generally be considered satisfactory by builders or contractors for improvements of the nature and type provided in such Construction Plans; and the Redeveloper shall, after having submitted such evidence and if so requested by the Authority, continue to make diligent efforts to obtain such financing for a period of sixty (60) days after such request, but without success,

then this Agreement may, at the option of the Redeveloper, be cancelled; and in that event, the Redeveloper shall be entitled to a return of the guaranty of Donovan, Inc., and neither the Authority nor the Redeveloper shall have any further rights against or liability to the other under this Agreement.

13. In the event that:

(a) Prior to conveyance of the Property to the Redeveloper and in violation of this Agreement;

(i) the Redeveloper (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property, or

(ii) there is any change in the ownership or distribution of the stock of the Redeveloper or the identity of the parties in control of the Redeveloper or the degree thereof; or

(b) The Redeveloper does not submit Construction Plans,

or (except as excused under paragraph b of section 12) evidence that it has the necessary equity capital and mortgage financing, in satisfactory form and in the manner and by the dates respectively provided in this Agreement therefor, or the Redeveloper does not pay the purchase price for, and take title to, the Property upon proffer of conveyance by the Authority pursuant to this Agreement, and any such default or failure shall not be cured within ninety (90) days after written demand by the Authority;

then this Agreement, and any rights of the Redeveloper, (or any assignee or transferee) that may have accrued thereunder shall, at the option of the Authority, be terminated; and neither the Redeveloper (or assignee or transferee) nor the Authority shall have any further rights against or liability to the other under this Agreement.

14 (a) In the event that subsequent to conveyance of the Property or any part thereof to the Redeveloper and prior to completion of the Improvements as certified by the Agency:

(i) the Redeveloper (or successor in interest) shall default in or violate its obligations with respect to the construction of the Improvements (including the nature and the dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work, and any such default or violation, abandonment, or suspension shall not be cured, ended, or remedied within 3 months (6 months, if the default is with respect to the date for completion of the Improvements) after written demand by the Agency so to do; or

(ii) the Redeveloper (or successor in interest) shall 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 this Agreement, or shall suffer by its fault any levy or attachment to be made, or any materialmen's or mechanics' lien or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged, or provision satisfactory to the Agency made for such payment, removal, or discharge, within 90 days after written demand by the Agency so to do; or

(iii) there is, in violation of this Agreement, any transfer of the Property or any part thereof, or any change in the ownership or distribution of the stock of the Redeveloper, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, and such violation shall not be cured within 90 days after written demand by the Agency to the Redeveloper;

then the Agency shall have the right to re-enter and take possession of the Property and to terminate (and re-vest in the Agency) the estate conveyed by the Deed to the Redeveloper, it being the intent of this, together with other provisions of this Agreement that the conveyance of the Property to the Redeveloper shall be made upon, and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Redeveloper specified in clauses (i), (ii), and (iii) of this subsection (a), failure on the part of the Redeveloper to remedy, end, or abrogate such default,

failure, violation, or other action or inaction, within the period and in the manner stated in said clauses, the Agency at its option may declare a termination in favor of the Agency of the title, and of all the rights and interest, in the Property conveyed by the Deed to the Redeveloper and that such title, and all rights and interest of the Redeveloper and any assigns or successors in interest, in the Property, shall revert to the Agency; Provided, That, such condition subsequent and any re-vesting of title as a result thereof in the Agency:

(1) Shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way (i) the lien of any mortgage authorized by this Agreement and executed for the sole purpose of obtaining funds to construct the Improvements, and (ii) any rights or interests provided in this Agreement for the protection of the holders of such mortgages; and

(2) Shall not apply to individual parts or parcels of the Property (or, in the case of parts or parcels leased, the leasehold interest) on which the Improvements to be constructed thereon have been completed and which have, pursuant to authorization contained in this Agreement, been sold or leased to other parties.

14 (b) The Authority shall have the right to institute such actions or proceedings as it may deem necessary to effectuate the purposes of this section, including the right to execute and record or file with the Register of Deeds or Registrar of Titles a written declaration of the termination of all right and title of the Redeveloper, its successors and

assigns, in the Property, and the revesting of title thereto in the Authority: Provided, that any delay by the Authority in initiating any such actions or proceedings or otherwise asserting its rights under this section shall not operate as a waiver of such rights or deprive it of or limit such rights in any way;

it being the intent of this provision that the Authority shall have the right, in its discretion, to attempt to remedy any breach or default prior to the exercise of its legal or equitable remedies, without thereby permitting the Redeveloper, his successors or assigns to raise the defense of waiver or laches; nor shall any waiver in fact made by the Authority with respect to any specific default by the Redeveloper under this section be considered or treated as a waiver of the rights of the Authority with respect to any other defaults by the Redeveloper under this section or with respect to the particular default except to the extent specifically waived by express notice in writing by the Authority to that effect.

(b) In the event that title to the Property or any part thereof shall revert in the Authority in accordance with the provisions of this Agreement, the Authority shall use its best efforts to resell the Property or part thereof, subject to such mortgage liens and leasehold interests as hereinbefore set forth, as soon and in such manner as the Authority shall find feasible and consistent with the objectives of the Redevelopment Plan as hereafter amended from time to time, to a qualified and responsible party or parties (as determined by the Authority) who will assume the obligation of making or completing the Improvements or such other Improvements in their stead as shall be satisfactory to the Authority and in accordance with the uses specified in the Redevelopment Plan, as hereafter amended from time to time. Upon such resale of the Property, the proceeds thereof shall be applied:

first, to reimburse the Authority, on its own behalf or on behalf

of the City, for all costs and expenses incurred by the Authority, including but not limited to salaries of personnel, in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by the Authority from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof, or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the Authority, an amount equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt; any payments made or to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Authority or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Redeveloper, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Authority by the Redeveloper and its successor or transferee; and

second, to reimburse the Redeveloper, its successor or transferee up to an amount equal to (1) the sum of the purchase price paid by it for the Property (or allocable to the part thereof) and the cash actually invested by it in making any of the Improvements on the Property or part thereof, less (2) any gains or income withdrawn or made by it from this Agreement or the Property.

Any balance remaining after such reimbursement shall be retained by the Authority as its property.

15. For the purposes of any of the provisions of this Agreement neither the Authority nor the Redeveloper as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any enforced delay, the time or times for performance of the obligations of the Authority with respect to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, as the case may be, shall be extended for a period of the enforced delay: Provided, That the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the enforced delay.

16. (a) The rights and remedies of the parties of this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

(b) The Redeveloper, for itself and its successor and assigns, and all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal, or otherwise, or whether by agreement or operation of law, including any and all claims and defenses based upon the extension of time, indulgence, or modification of terms of contract.

Article VII

Miscellaneous Provisions

17. No member, official, or employee of the Authority shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interest of any corporation, partnership or association in which he is directly or indirectly interested. No member, official, or employee of the Authority shall be personally liable to the Redeveloper or any successor in interest in the event of any default or breach by the Authority or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of this Agreement.

18. A notice or communication under this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered mail, postage prepaid, return receipt requested, and

(i) in the case of a notice or communication to the Redeveloper, is addressed as follows: c/o Donovan, Incorporated

1725 Carroll Street, Saint Paul, Minnesota

_____, and

(ii) in the case of a notice or communication to the Authority, is addressed as follows: The Housing and Redevelopment Authority, City of Saint Paul, 60 East Fourth Street, Saint Paul, Minnesota, or is addressed in such other way in respect to either party as that party may, from time to time, designate in

writing dispatched as provided in this section.

19. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the Authority to the Redeveloper or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

20. Any titles of the several parts and sections of and the table of contents of and index to this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

21. This Agreement is executed in five counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

22. In the event this contract shall be executed by a redeveloper which is not a Corporation, the words "successor" and "successors" shall be deemed to have been replaced prior to execution of the contract by the words "heirs" and "representatives."

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its behalf and its seal to be hereunto affixed and attested; and the Redeveloper has caused the same to be duly executed in its behalf, on or as of the day and year first above written.

By Joseph F. Gahle
CHAIRMAN
Harold J. Promnitz
SECRETARY

(SEAL)

Attest:

~~XXXXXXXXXXXX~~

Harold J. Promnitz

Ravoux Co.
By R. G. Donovan
President

(SEAL)

In presence of:

Attest:

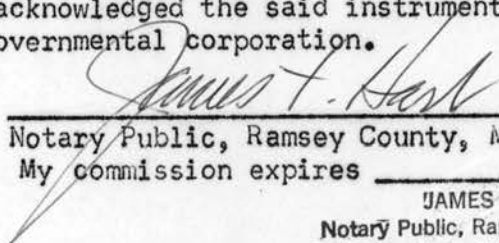
M. C. Haggerty
Assistant Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this 16th day of June, 1964, before me,
a Notary Public within and for said County, personally appeared

JOSEPH F. GABLER and HAROLD J. MORIARTY

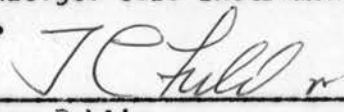
to me personally known, who being each by me duly sworn, did say that they are respectively the Chairman and the Secretary of the Housing and Redevelopment Authority of the City of Saint Paul, a governmental corporation organized and existing under the laws of the State of Minnesota, and that the seal affixed to the foregoing instrument is the corporate seal of said governmental corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Commissioners, and the said JOSEPH F. GABLER and HAROLD J. MORIARTY acknowledged the said instrument to be the free act and deed of said governmental corporation.


Notary Public, Ramsey County, Minnesota
My commission expires _____

JAMES T. HART
Notary Public, Ramsey County, Minn.
My Commission Expires Dec. 9, 1965.

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this 12th day of May, 1964, before me, a Notary Public within and for said county, personally appeared R. G. Donovan and M. C. Hoogesteger to me personally known, who being each by me duly sworn, did say that they are respectively the President and the Assistant Secretary of Ravoux Co., the corporation named in the foregoing instrument, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said R. G. Donovan and M. C. Hoogesteger acknowledged said instrument to be the free act and deed of said corporation.


Notary Public,
My commission expires _____ *

*If the Redeveloper is a partnership or individual, the form of acknowledgement shall be revised accordingly.

T. C. FIELD III
Notary Public, Ramsey County, Minn.
My Commission Expires Nov. 18, 1962

BOUNDARY DESCRIPTION - REDEVELOPMENT PROJECT UR MINN. 1-2 (Western Project)

The area known as Redevelopment Project UR Minn. 1-2 (Western Project) is bounded as follows:

Beginning at the intersection of the center lines of Western Avenue and Rondo Street, thence Easterly along the center line of Rondo Street to the intersection of the center lines of Rondo Street and Virginia Avenue, thence Northerly along the center line of Virginia Avenue to the intersection of the center lines of St. Anthony and Virginia Avenues, thence Westerly along the center line of St. Anthony Avenue to the Westerly line of Lot 7, Block 12, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended Southerly to the center line of St. Anthony Avenue thence Northerly along the Westerly line of said Lot 7 and along said line extended to the Northerly line of the alley in said Block 12, thence Westerly along the Northerly line of said alley 100 feet more or less to the Westerly line of Lot 4 in said Block 12, thence Northerly along the Westerly line of said Lot 4 and along said line extended to the center line of Central Avenue, thence Westerly along the center line of Central Avenue to the intersection of said center line of Central Avenue with the center line of Western Avenue, thence Northerly along said center line of Western Avenue to the Southerly line of the alley in Block 7 of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, thence Easterly along the Southerly line of the alley in said Block 7 extended Westerly to the center line of Western Avenue, thence Easterly along the Southerly line of the alley in said Block 7 said line extended across Virginia Avenue and along the Southerly line of the alley in Block 8 of Elfelt, Bernheimer & Arnold's Addition to St. Paul and said line extended to the center line of Farrington Avenue, thence Northerly along the center line of Farrington Avenue to the Southerly line of the alley in Block 3, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended Westerly to the center line of Farrington Avenue, thence Easterly along the Southerly line of said alley through Block 3 of Elfelt, Bernheimer & Arnold's Addition to St. Paul and along said line extended through Block 3 of Chamber's Addition to the City of St. Paul, to the center line of Galtier Street, thence Southerly along the center line of Galtier Street to the Southerly line of the alley in Block 4, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended to center line of Galtier Street, thence Easterly across Galtier Street along the Southerly line of the alley in Block 3, Florence's Addition to St. Paul, Corrected Plat, extended along said Southerly line of said alley and along said line extended to the center line of Marion Street, thence Northerly along the center line of Marion Street to the Southerly line of the alley in Block 1, Florence's Addition to St. Paul, Corrected Plat, extended to center line of Marion Street, thence Easterly along the Southerly line of said alley to the Westerly line of Lot 14, Auditor's Subdivision No. 6, thence Northerly along the Westerly line of said Lot 14 to a point 7.02 feet South of the Northwest corner of said Lot, thence Easterly on a line perpendicular to the Westerly line of said Lot to a point of intersection with the Easterly line of said lot, thence Northerly along said Easterly line to the Northeast corner of said lot, thence Easterly along the Northern boundary lines of Lots 15 and 16 of said Auditor's Subdivision No. 6 to a point of intersection with that portion of the Northern boundary line of Lot 16 in the Southeast corner of Lot 11 of said Auditor's Subdivision No. 6, thence Northerly on Easterly line of Lot 11, 21.97 feet to a point, thence Easterly along that portion of the Northern boundary of Lot 16 to the Northeast corner of said Lot, thence Southerly along the Eastern boundary of said Lot 16 to a point 21.97 feet South of the Northeast corner of said Lot 16, thence Easterly on a line perpendicular to the Easterly line of said Lot 16 through Lot 17 and along the Northern boundary of Lot 18 and that portion of the Northern boundary line of Lot 19 that lies West of the Southwest corner of Lot 7, thence continuing Easterly on a line extended through Lot 7 to a point of intersection with and perpendicular to the Eastern boundary of Lot 7, all in Auditor's Subdivision No. 6,

thence Southerly along the Eastern boundary line of Lot 7 to a point of intersection with the Northern boundary line of Lot 20, thence Easterly along the Northern boundary line of Lots 20, 21 and 22 to the center line of the public alley with Lot 22 on its Western boundary and Lots 23 and 25 on its Eastern boundary, thence Southerly along the center line of said alley to a point of intersection with the center line of Aurora Avenue, thence Westerly along the center line of Aurora Avenue to the intersection of Easterly line of Lot 19 extended to center line of Aurora Avenue, Auditor's Subdivision No. 6, thence Southerly across Aurora Avenue to the Northeasterly corner of Lot 2, Auditor's Subdivision No. 53, and Southerly along the Easterly line of said Lot 2 to the Southeasterly corner of said lot, thence Easterly along the Northerly line of Lots 9, 8, 7, 6, 5, and 1, H. H. Miller's subdivision, to the Westerly line of Rice Street, thence Southerly along the Westerly line of Rice Street to the intersection of the Westerly line of Rice Street with the Southerly line of Rondo Street, thence Southeasterly along the Southwesterly line of Rice Street to the point where the Southwesterly line of Rice Street intersects the Easterly line of Lot 1, Block 7, Rondo's Addition to the City of St. Paul, thence Southerly along the Easterly line of said Lot 1 to the Southeasterly corner of said Lot 1, thence Westerly along the Northerly line of Lots 10 and 9, Block 7, Rondo's Addition, to a point equidistant from the Easterly and Westerly lines of Lot 9, Block 7, Rondo's Addition, thence Southerly along a line equidistant from and parallel to the Easterly and Westerly line of said Lot 9 a distance of 50 feet, thence Westerly along a line parallel to the Northerly line of said Lot 9 to the Easterly line of Lot 6, Block 7, Rondo's Addition, thence Southerly along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot, thence Westerly along the Southerly line of said Lot 6 to the Easterly line of Ravoux Street, thence across Ravoux Street to the Northeasterly corner of Lot 4, Block 6, Rondo's Addition, thence Westerly along the Northerly line of said Lot 4, and along said line extended across Lot 3 of said Block 6 and across Cathedral Place to the Westerly line of Cathedral Place, thence Northerly along the Westerly line of Cathedral Place to the Northeasterly corner of Lot 14, Kuhn's Subdivision of Block 5, Rondo's Addition, thence Westerly along the Northerly line of Lots 14, 13, 12, 11 and 8, Kuhn's Subdivision of Block 5, Rondo's Addition, to the Easterly line of Louis Street, thence Westerly across Louis Street, to the Northeasterly corner of Lot 13, Block 1, Bailey's Addition to Rondo's Addition, thence Westerly along the Northerly line of Lots 13, 12, 11, 10 and 9, Block 1, Bailey's Addition to Rondo's Addition, and along the Northerly line of Lots 32 through 17, Block 7, Nininger's Addition to St. Paul, to the Easterly line of Farrington Avenue, thence Westerly across Farrington Avenue to the intersection of the center line of the alley in Block 2, Nininger's Addition to St. Paul with the Westerly line of Farrington Avenue, thence Westerly along the center line of said alley to the Easterly line of Virginia Avenue, thence Westerly across Virginia Avenue to the Northeasterly line of Lot 16, Block 2, Grace's Addition to St. Paul, thence Westerly along the Northerly line of Lots 16 through 9, Block 2, Grace's Addition, and said line extended to the center line of Western Avenue, thence Northerly along the center line of Western Avenue, to the point of beginning, all according to the recorded plats of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, Chamber's Addition to the City of St. Paul, Minnesota, Florence's Addition to St. Paul, Corrected Plat, Auditor's Subdivision No. 6, St. Paul, Minnesota, Auditor's Subdivision No. 53, St. Paul, Minnesota, H. H. Miller's Subdivision, Rondo's Addition to the City of St. Paul, Kuhn's Subdivision of Block 5, Rondo's Addition to Saint Paul, Bailey's Addition to Rondo's Addition to St. Paul, Nininger's Addition to St. Paul, and Grace's Addition to St. Paul, on file and on record in the office of the Register of Deeds in and for Ramsey County, Minnesota.

Schedule "B"

**Narrative Description of the
Proposed Development**

Redeveloper proposes to build a two hundred (200) unit, four-story motel with an accompanying two-story commercial area. These improvements will be located on the easterly portion of the premises in question.

The precise location of improvements is subject to Redeveloper's final decision as to which particular plan of development will be followed.

Redeveloper is actively considering and submits for approval a variety of alternatives, any one of which will contain at the minimum a two hundred unit motel and commercial premises, 9,450 square feet of which will be dedicated to banquet facilities.

Drawing No. 1 shows a site plan for one possible development of the tract.

Drawing No. 1A shows an alternative site plan in the event it is finally decided to make room for future expansion to the extent of 100 units to be located on the north side of the premises.

Drawing No. 2 shows a second alternative site plan. This plan differs from that shown on Drawing No. 1 in the relative location of the improvements upon the tract.

Drawing No. 2A shows a third alternative site plan. It (like Drawing 1A) contemplates future expansion to the extent of 100 units to be located the north side of the premises. The location of the improvements in D

2A follows the location contemplated in Drawing No. 2.

Each of these drawings is subject to further variation in that it may become necessary to transpose Building A and Building C.

Drawing No. 3 shows the floor plan for the commercial building (both floors), the floor plan for the rental area, elevation, and a typical rental room.

The drawings as submitted herewith sketch out parking facilities in relation to the need occasioned by the number of rental units and incidental use of the first floor of the commercial area. The drawings as submitted have not taken into account the hundreds of additional parking spaces necessary in order to service convention crowds and organizations making use of the banquet facilities. It is contemplated that as many as 1,000 of such persons (in addition to occupants of the rental units and patrons of commercial facilities on the first floor) will have need for nearby parking space on a regular basis. The Authority should understand, therefore, that the drawings as submitted are incomplete as to parking facilities and that it is estimated that on-premises parking facilities adequate to service maximum usage of the motel and banquet facilities would encompass the entire tract and not merely the areas shown on the enclosed plans as reserved for parking area. Initially, however, the area in the western portion of Parcel 4 and not shown as parking area will be developed as a lawn.

Redeveloper is presently in the midst of negotiations with Sears, Roebuck & Company respecting a portion of Parcel 4 desired by it for parking facilities.

If these negotiations with Sears are fruitful it is contemplated that both Sears' parking requirements and those of the improvements contemplated by Redeveloper will be satisfied since maximum usage by Sears' patrons should ordinarily occur during the day while the uses contemplated by Redeveloper should generate evening traffic in the main.

These are some of the pertinent factors as to details of construction:

1. The building will be of fire resistant masonry construction with concrete floor and roof slabs. The exterior walls will be of brick, aluminum and glass window wall, and block construction.
2. Each floor of the commercial area will contain approximately 9,450 square feet of area. The first floor will include facilities for a motel lobby, registration area, manager's office, public toilets, a cocktail lounge, a public dining room and kitchen facilities. The second floor banquet area is contemplated to include a large banquet hall, serving kitchen facilities, public toilets and a check room.
3. The rental unit buildings will have four (4) floors with a floor to floor height of eight feet, six inches. Load bearing walls will separate each unit at a space of approximately thirteen feet on centers.
4. Passenger elevators and stairways will be provided as indicated on the floor plan.
5. Both the rental and commercial facilities will be air conditioned.

CONTRACT FOR PURCHASE
OF LAND FOR REDEVELOPMENT

This AGREEMENT, entered into this 24th day of August, 1960, between the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a public body corporate and politic organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "Authority" and **Harry L. Plotke** an individual hereinafter referred to as the "Redeveloper".

Recitals

WHEREAS, the Authority pursuant to the Federal Housing Act of 1949 as amended (42 U.S.C.A. Section 1440, et. seq.) and c. 487 Laws of Minnesota 1947, as amended (M.S.A. 462.411 et. seq.) has heretofore entered into a Loan and Grant Contract with the United States of America for the purposes of undertaking a program to eliminate slum and blighted areas in the City of Saint Paul, Minnesota, hereinafter referred to as the "City"; and

WHEREAS, pursuant to the aforementioned Loan and Grant Contract and the aforesaid federal and state laws the Authority adopted and the City Council approved the Redevelopment Plan known as the "Western Redevelopment Project UR Minn. 1-2" located in said City in an area lying generally west of Rice Street and north of Rondo, the exact boundaries and limits of which are described and set forth in

Schedule "A", attached hereto and made a part hereof, which said area is referred to hereinafter as the "Project Area"; and

WHEREAS, a lawfully approved Redevelopment Plan is now in effect in the City of Saint Paul, Minnesota, providing for the clearance of the Project Area and its sale after clearance for redevelopments in accordance with said Redevelopment Plan.

WHEREAS, the Authority has determined that the sale of Project Land for redevelopment in accordance with the conditions and limitations provided for in the Redevelopment Plan would carry out and fulfill the objectives of the aforementioned Loan and Grant Contract, be in the best interests of the City and promote the health, safety, moral and welfare of its residents; and

WHEREAS, pursuant to the aforementioned determinations, the Authority has heretofore by formal notice invited proposals and offers for the redevelopment of the land in the Project Area; and

WHEREAS, the Redeveloper has offered to purchase that part of the Project Area described as follows: **Lot One (1), Block Two (2)**

Western Area Addition, according to the plat thereof filed of record in the office of the Registrar of Titles within and for Ramsey County Minnesota; Certificate of Title No. 189535.

hereinafter referred to as the "Property" and to redevelop the Property solely in accordance with the uses specified in the Redevelopment Plan and substantially in the manner set forth in the Redeveloper's Proposal submitted with this offer for the acquisition of the Property, which proposal is set forth in full in Schedule "B" attached hereto and made a part hereof; and

WHEREAS, the Redeveloper has

as security for the performance of his obligation pursuant to the Agreement which deposit is to be retained by the Authority, without obligation to pay interest thereon until completion of the improvements as hereinafter defined; and

WHEREAS, in view of the foregoing and the undertakings and representations of the Redeveloper pursuant to this Agreement, the Authority is willing to sell the Property to the Redeveloper to permit its redevelopment in accordance with the Redevelopment Plan, this Agreement, and the proposals submitted by the Redeveloper in support of his offer for the acquisition of the Property:

NOW, THEREFORE, in consideration of the purchase price hereinafter stated each of the parties hereto does covenant and agree as follows:

Article 1

General Terms of Conveyance of Property

1. (a) Subject to all the terms, covenants, and conditions of this Agreement the Authority will convey the Property to the Redeveloper upon the payment in full by the Redeveloper, which payment the Redeveloper hereby agrees to make, of a purchase price in the amount of **Seventeen Thousand Five Hundred and No/100** Dollars (\$ **17,500.00**).

(b) The Authority will convey title by quitclaim deed to the Redeveloper. Such conveyance and title shall be subject to right of re-entry for conditions broken and to all other conditions, covenants,

and restrictions whether legal or equitable and whether in the form of servitudes, restrictive covenants, limitations on use, or such other restrictions as are set forth or referred to in this Agreement. In addition, conveyance and title herein shall be subject to:

1. Easements for public streets, utilities, including but not limited to sewer and water utilities, and such other easements or rights-of-way as are designated approximately in the Redevelopment Plan, or as may be provided for by any duly constituted agency or department of the City.

2. Reservations to the State of Minnesota in trust for the taxing district concerned of minerals and mineral rights in those portions of the Property the title to which may have at any time heretofore been vested in the State of Minnesota.

3. Such conditions, covenants and restrictions running with the land as shall be imposed thereon by the deed of conveyance.

4. Taxes payable in the year and years subsequent to the year and date of the conveyance and to all special assessments and installments thereof heretofore or hereafter levied against the land conveyed by said deed payable with said taxes and to building and zoning laws, ordinances, state and federal laws and regulations, and easements of record if any.

(c) The Authority hereby agrees to furnish the Redeveloper within fifteen (15) days after the date of this Agreement a certificate of title to the Property as provided under the Torrens Act. The

Redeveloper shall be allowed twenty (20) days after receipt thereof to examine the said title and to make any objections thereto, said objections to be made in writing and delivered to the office of the Authority within the time set herein. Objections not made within the said twenty (20) day period shall be deemed to be waived. If, upon examination, title to the Property or any part thereof is found not to be good and marketable; and if after the receipt of such report, the title to said Property can, within one-hundred twenty (120) days, be made good and marketable, the title shall be corrected at the expense of the Authority and the conveyance made within said one-hundred twenty (120) day period. But if, however, the Authority's title be found not good and marketable, and if it be further established that said title cannot be corrected within the aforesaid one-hundred twenty (120) day period from the date of the receipt of written objection thereto, in that event, this Agreement shall be void; and neither party hereto shall be liable for damages hereunder to the other party and all money paid hereunder by the Redeveloper shall be refunded by the Authority without interest.

(d) If the Authority's title is good and marketable, the Redeveloper shall pay to the Authority the full purchase price of the Property within ninety (90) days from the date of this Agreement. Conveyance shall be made at 60 East Fourth Street, Saint Paul, Minnesota, or such other place as may be designated in writing by the Authority to the Redeveloper, and the Redeveloper hereby agrees to accept such conveyance and to pay the Authority at the aforesaid time and place the purchase price in full in cash. In the event the Redeveloper

shall fail to pay the full purchase price of the Property within ninety (90) days from the date of this Agreement, the Authority shall serve a notice of demand for payment and tender of delivery of deed upon the Redeveloper and upon its sureties and upon its bond, and if such purchase price is not paid in full within thirty (30) days after the service of such notice of demand, the Authority may, at its option, hold the sureties upon the said bond liable for the performance of this Agreement or the Authority may, at its option, declare this Agreement terminated, and on such termination, all the payments made upon this contract shall be retained by the Authority as liquidated damages for the breach of this contract, time being of the essence hereof.

(e) Upon the execution of this Agreement the Redeveloper shall be permitted free access to the Property for the purpose of inspection, survey, test borings or other work preliminary to the initiation of the construction of improvement thereon, but the Redeveloper shall be entitled to take full possession of the Property and to commence grading, excavating, and construction work only upon payment of the full purchase price as aforesaid and the execution and delivery to the Redeveloper of the aforesaid deed of conveyance of the Property. Such preliminary work as the Redeveloper shall undertake prior to the delivery of said deed of conveyance shall be at the sole risk and expense of the Redeveloper, and he shall save and protect the Authority against any claims or liens against the Property resulting from such preliminary work.

Article II

Preparation of Land for Redevelopment

2. (a) The Authority shall, prior to conveyance of the Property and without expense to the Redeveloper, prepare the Property for purposes of the redevelopment thereof by the Redeveloper. Such preparations shall consist of:

(i) The demolition and removal to grade of all existing buildings, structures, and obstructions on the Property, including the removal of any debris resulting from such demolition;

(ii) The removal (by the Authority or by appropriate public bodies or public utility companies) of all paving (including curbs and gutters), sidewalks, and utility lines, installations, facilities, and related equipment, within or on the Property which are to be eliminated or removed pursuant to the Redevelopment Plan; provided, however, that the Authority shall not be responsible for the removal of walls, floors, or debris resulting from the demolition of structures as may remain below the surface of the ground, nor shall the Authority be responsible for the removal of trees, shrubs, or other natural growth.

(iii) Such filling and grading and leveling of the land (but not including top soil or landscaping) as shall be necessary to make it ready for construction of the improvements to be made thereon by the Redeveloper, it being intended that such filling, grading and leveling conform generally to the respective surface elevations of the land prior to the demolition of the buildings and structures thereon.

(b) The Authority shall, without expense to the Redeveloper or public assessment against the Property, and prior to the completion of the Improvements as hereinafter defined, or at such earlier time or times as shall be necessary or expedient, to enable the Redeveloper to construct or complete the Improvements in accordance with the provisions of this Agreement, provide for, or secure:

(i) The paving and improving, by the Authority itself or by the City, in accordance with the usual technical specifications and standards of the City, of such streets, and the street lighting and sidewalks in such public rights-of-way, as are to be provided pursuant to the Redevelopment Plan;

(ii) The installation and relocation (by the Authority itself or by appropriate public bodies or public utility companies) of such sewers drains, water and gas distribution lines, and electric telephone, and telegraph installations (exclusive in each case of house or building service lines), as are to be installed or relocated pursuant to the Redevelopment Plan; and

(iii) The vacating of present streets, alleys, other public rights-of-way, and plats, and dedication of new streets, alleys, and other public rights-of-way, in the Project Area, and the rezoning of such Area, in accordance with the Redevelopment Plan; Provided, That the Redeveloper will, upon request by the Authority, subscribe to and join with the Authority in any petitions and proceedings required for such vacations, dedications, and rezoning.

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Article III

Construction of Improvements

3. (a) The Redeveloper agrees that the construction of Improvements on parcel 2 shall be in substantial conformity with his proposal for the redevelopment of parcel 2 and shall be in accord with the Redevelopment Plan, this Agreement, and all applicable state and local laws and ordinances.

The Redeveloper further agrees for itself, its successors, heirs, and assigns of the Property or of any part thereof, as follows:

(i) That it shall devote the Property only to the uses specified in the Redevelopment Plan as heretofore amended, or as said plan may hereafter be amended as authorized by law.

(ii) That it will diligently prosecute the construction of the Improvements provided in the plan and the proposals submitted by the Redeveloper in support of his offer for the acquisition of land, and that such construction shall be commenced within six (6) months from the date of conveyance of the Property to the Redeveloper and shall be completed in compliance with the terms of this Agreement and in conformity with the Redevelopment Plan within three (3) years from such date: Provided, That if a mortgage securing the money loaned to finance the Improvements, or any part thereof, is insured by the Federal Housing Administration, then the aforesaid completion time shall not apply, but instead the construction of such Improvements or any part thereof shall be completed within

the time specified in the applicable Building Loan Agreement approved by the Federal Housing Administration: Provided further, That the construction of such Improvements or any part thereof as are subject to the foregoing proviso shall in any event be completed within four (4) years from the date of execution of such Building Loan Agreement.

(iii) That no discrimination or segregation against any persons or groups of persons on account of race, creed, religion, national origin, or ancestry shall be practiced or tolerated in connection with the sale, lease, sublease, transfer, use, or occupancy of the Property or its development.

(b) The covenants and restrictions set forth in clauses (a) (i), (ii), and (iii) of this section 3 shall be covenants running with the land and shall be included in the Deed of Conveyance or lease of all other parcels of land within the Western Redevelopment Area Project UR Minn. 1 - 2 which have been sold or which may hereafter be sold by the Authority, it being the intent of this Agreement that the restrictions and covenants contained in clauses (a) (i), (ii), and (iii) of this section constitute servitudes for the benefit of all other parcels of land within the Western Redevelopment Area.

(c) The covenants and restrictions contained in clause (a) (iii) hereof shall remain in effect perpetually. The covenants contained in clauses (a) (i), (ii) hereof shall remain in effect for a period of forty (40) years from August 24, 1960, and at the expiration of such period such agreements and covenants shall terminate.

The covenants and restrictions contained in section 3 (a) hereof shall be deemed to be for the benefit of the community at

large and, in addition to constituting a servitude for the benefit of all parcels in the Western Redevelopment Area, the restrictions and covenants provided for in this section shall run in favor of the Authority, its successor or assigns, for the entire period during which such restrictions and covenants shall be in force and effect. In the event of any breach of any such restriction or covenant, the City or the Authority shall have the right to maintain any actions at law or suits in equity to enjoin the breach of any of these covenants or to enforce the restrictions contained in the deed to any of the land in the Western Redevelopment Area.

(d) Within 125 days after the execution of this Agreement, and as a condition precedent to the obligation of the Authority to convey the Property to the Redeveloper, the Redeveloper shall submit to the Authority, for its approval, plans (herein called "the Construction Plans") with respect to the Improvements to be constructed by the Redeveloper on the Property, in sufficient completeness and detail to show that such Improvements and the construction thereof will be in accordance with the provisions of the Redevelopment Plan. The Authority shall, if such Construction Plans conform to the provisions of the Redevelopment Plan and the Building Requirements, formally approve such plans and no further filing by the Redeveloper or approval by the Authority thereof shall be required. If the Authority rejects the Construction Plans in whole or in part as not being in conformity with the Redevelopment Plan and the Building Requirements, the Redeveloper shall submit new or corrected plans within a reasonable period of time to be specified by the Authority.

4. (a) The Redeveloper shall upon the execution of this Agreement submit to the Authority a completion and performance bond executed by a responsible surety in such amount as the Authority may require (not less than 10 percent of the Redeveloper's estimate of his total development cost for construction on and improvement of the Property, nor more than three times as large as the purchase price of the Property.) In lieu of such performance bond, the Redeveloper may make a cash deposit with the Authority of such amount as a guarantee of full and complete performance of this Agreement, or may submit a personal guarantee executed by such of its corporate officers, directors, and shareholders as the Authority may designate.

(b) The Redeveloper, in the letting of any contracts for construction of Improvements upon the Property, shall require of any such contractors completion and performance bonds in the full amounts of said contracts, naming the Authority as obligee thereof and protecting the Authority and the Property against any and all liens for claims arising out of said construction or Improvements upon the Property. All such completion and performance bonds shall be executed by responsible corporate sureties approved by the Authority.

5. (a) Subsequent to the conveyance of the Property to the Redeveloper, and until construction of the Improvements has been completed, the Redeveloper shall make, in such detail as may reasonably be required by the Authority, a report in writing to the Authority every six (6) months as to the actual progress of the Redeveloper with respect to such construction. In addition, the work of the Redeveloper shall be subject, periodically, to inspection

by representatives of the Authority.

(b) Prior to delivery of possession of the Property to the Redeveloper, the Authority shall permit the Redeveloper access thereto, whenever necessary to carry out the purposes of this and other sections of the Agreement; and, subsequent to such delivery, the Redeveloper shall permit access to the Property to the Authority, the United States of America, and the City whenever and to the extent necessary to carry out the purposes of this and other sections or provisions of the Agreement and the contract for Loan and Capitol Grant between the United States of America and the Authority referred to in the recitals of this Agreement.

(c) The Redeveloper shall, at its expense, secure any and all permits which may be required by the City for the construction of any buildings or the development of any Improvements upon the Property, and shall pay any and all fees or charges in connection with the issuance of such permits.

6. (a) Promptly after completion of the Improvements in accordance with the provisions of this Agreement, the Authority will furnish the Redeveloper with an appropriate instrument so certifying. Such certification by the Authority shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction of the covenants and undertakings in this Agreement and in the Deed with respect to the obligation of the Redeveloper, and its successors and assigns, to construct the Improvements and the dates for the beginning and completion thereof: Provided, That if a mortgage securing the money loaned to finance the Improvements, or any part thereof, is insured by the Federal Housing

Administration, then such certification and such determination shall only be withheld because of failure to carry out specific requirements of the Redevelopment Plan or complete construction insofar as it is governed by the specific requirements of the Redevelopment Plan: Provided further, That such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Redeveloper to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the Improvements, or any part thereof.

(b) With respect to such individual parts or parcels of the Property which the Redeveloper is authorized by this Agreement to convey or lease as the Improvements to be constructed thereon or completed, the Authority will also, upon proper completion of the Improvements relating to any such part or parcel and provided the Redeveloper is not in default with respect to any of its obligations under this Agreement, certify to the Redeveloper that such Improvements have been made in accordance with the provisions of this Agreement. Such certification shall mean and provide (and the Deed shall so state): (1) that any party purchasing or leasing such individual part or parcel pursuant to the authorization herein contained shall not (because of such purchase or lease) incur any obligation with respect to the construction of the Improvements relating to such part or parcel or to any other part or parcel of the Property; and (2) that neither the Authority nor any other party shall thereafter have or be entitled to exercise with respect to any such individual part or parcel so sold (or in the case of lease, with respect to the leasehold interest) any rights or remedies that it may otherwise

have or be entitled to exercise with respect to the Property as a result of a default in or breach of any provisions of this Agreement or the Deed by the Redeveloper or any successor in interest or assign, unless (i) such default or breach be by the purchaser or lessee, or any successor in interest or assign, of or to such individual part or parcel with respect to the covenants contained and referred to in section 3 (a) of this Agreement, and (ii) the right or remedy relate to such default or breach.

(c) All certifications provided for in this section shall be in such form as will enable them to be recorded with the Register of Deeds or Registrar of Titles of Ramsey County, Minnesota. If the Authority shall refuse or fail to provide any certification in accordance with the provisions of this section, the Authority shall, within 90 days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in what respects the Redeveloper has failed to complete the Improvements in accordance with the provisions of this Agreement or is otherwise in default and what measures or acts it will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification.

Article IV

Anti-Speculation and Assignment Provisions

7. (a) The Redeveloper represents and agrees that its purchase of the Property and its other undertakings pursuant to this Agreement are for the purpose of redevelopment of the Property and not for speculation in land holding. The Redeveloper further agrees

that the burdens, duties, and obligations assumed hereunder may not be delegated without the consent of the Authority; that the qualifications and identity of the Redeveloper and its stockholders constitute one of the material considerations for this Agreement; and that a transfer of the stock in the Redeveloper or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in the ownership or distribution of such stock or with respect to the identity of the parties in control of the Redeveloper would, for the purposes of this Agreement, constitute a transfer or disposition of the Property within the meaning of this article.

(b) The Redeveloper hereby represents, covenants and agrees for itself, its stockholders, or any successor in interest of itself and its stockholders:

(i) That prior to completion of the Improvements as certified by the Authority, there shall be no transfer by any party owning 10 percent or more of the stock in the Redeveloper (which term shall be deemed for the purposes of this and related provisions to include successors in interest) of such stock or any part thereof or interest therein, nor shall any such owner suffer any such transfer to be made, without the approval of the Authority; nor shall there, without such approval, be or be suffered to be by the Redeveloper or by any owner of stock therein, any other similarly significant change in the ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, by any other

method or means, whether by increased capitalization, merger with another corporation, corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise. With respect to this provision, the Redeveloper and the parties signing this Agreement on behalf of the Redeveloper represent that they have the Authority of all of its existing stockholders to agree to this provision on their behalf and to bind them with respect thereto;

(ii) That except only:

(A) by way of security for, and only for, the purpose of obtaining financing necessary to enable the Redeveloper or successor in interest to perform its obligations with respect to making the Improvements under this Agreement, and

(B) as to any individual parts or parcels of the Property on which the Improvements to be constructed thereon have been completed, and which, by the terms of this Agreement, the Redeveloper is authorized to convey or lease as such Improvements are completed,

the Redeveloper (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Improvements as certified by the Authority, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Authority.

(c) The Authority shall be entitled to require as conditions to any such approval that:

- (i) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper (or, in the event the transfer is or relates to part of the Property, such obligations to the extent that they relate to such part);
- (ii) Any proposed transferee, by instrument in writing, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority, have expressly assumed all of the obligations of the Redeveloper under this Agreement and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions, and restrictions to the extent that they relate to such part);
- (iii) There has been submitted to the Authority for review, and the Authority has approved, all instruments and other legal documents involved

in effecting transfer;

- (iv) The consideration payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including carrying charges) to the Redeveloper of the Property (or allocable to the part thereof or interest therein transferred) and the Improvements, if any theretofore made thereon by it; it being the intent of this provision to preclude assignment of this Agreement or transfer of the property or any parts thereof other than those referred to in clause (ii) (B) of this subsection (b) for profit prior to the completion of the Improvements and to provide that in the event any such assignment or transfer is made (and is not cancelled), the Authority shall be entitled to increase the purchase price to the Redeveloper of the Property provided in section 1 of this Agreement by the amount that the consideration payable for the assignment or transfer is in excess of the amount authorized in this paragraph, and such consideration shall, to the extent it is in excess of the amount so authorized, belong and be paid to the Authority.
- (v) The Redeveloper and its transferee shall comply with such other conditions as the Authority may require in order to achieve and safeguard the

purposes of the MINNESOTA MUNICIPAL HOUSING
AND REDEVELOPMENT ACT, LAWS 1947, Chapter 487,
as amended (M.S.A. 462.411 - 462.711) and the
Redevelopment Plan:

Provided, That in the absence of specific written agreement by the Authority to the contrary, no such transfer or approval by the Authority thereof shall be deemed to relieve the Redeveloper or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Improvements, from any of its obligations with respect thereto.

8. In order to effectuate the purposes of this article, the Redeveloper hereby agrees that prior to the certification by the Authority of the completion of the Improvements, the Redeveloper shall:

(i) Promptly notify the Authority of any change whatsoever in the ownership, whether legal or beneficial, of its stock or of any other act or transaction involving or resulting in any change in the ownership of such stock or the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper for the degree thereof of which it or any of its officers have been notified or otherwise have knowledge or information; and

(ii) At such time or times as the Authority may request, furnish the Authority with a complete statement, subscribed and sworn to by the Secretary of the Redeveloper, setting forth all of the stockholders of the Redeveloper and the extent of their respective holdings, and in the event any other parties have a

beneficial interest in such stock their names and the extent of such interest, all as determined or indicated by the records of the Redeveloper, by specific inquiry made by the Secretary of all parties who, on the basis of such records, own 10 percent or more of the stock in the Redeveloper, and by such other knowledge or information as the Secretary shall have.

ARTICLE V

Mortgage Financing; Rights of Mortgagees

9. (a) Prior to the completion of the Improvements as certified by the Authority, neither the Redeveloper nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or to attach to the Property, except and only to the extent necessary, for the purpose of obtaining funds for making the Improvements. It is further agreed that the Redeveloper (or successor in interest) shall notify the Authority in advance of any mortgage financing it proposes to enter into with respect to the Property and in any event that it shall promptly notify the Authority of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Redeveloper or otherwise. For the purposes of such mortgage financing as may be made pursuant to this Agreement, the Property may, at the option of the Redeveloper (or successor in interest), be divided into several parts or parcels, provided that such subdivision, in the opinion of the Authority, is

not inconsistent with the purposes of the Redevelopment Plan and this Agreement.

(b) Notwithstanding any of the provisions of this Agreement, including but not limited to those representing covenants running with the land, the holder of any mortgage authorized by this Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings or action in lieu thereof, but not including (1) any other party who thereafter obtains title to the Property or such part from or through such holder or (2) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall in no wise be obligated by the provisions of this Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder; Provided, That nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any Improvements thereon, other than those uses or improvements provided or authorized in the Redevelopment Plan, as hereafter amended from time to time, and in this agreement.

10. (a) Whenever the Authority shall deliver or make any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under this Agreement, the Authority shall at the same time deliver to each holder of record of any mortgage authorized by this Agreement a

copy of such notice or demand, and each such holder shall (insofar as the rights of the Authority are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage; Provided, That if the breach or default is with respect to construction of the Improvements, nothing contained in this section or any other section or provision of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the Authority, by written agreement satisfactory to the Authority, to complete, in the manner provided in this Agreement, the Improvements on the Property or the part thereof to which the lien or title of such holder relates, and submitted evidence satisfactory to the Authority that it has the qualifications and financial responsibility necessary to perform such obligation. Any such holder who shall properly complete the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request made to the Authority to a certification or certifications by the Authority to such effect in the manner provided in section 6 of this Agreement; and such certification shall, if so requested by such holder, signify and provide that any remedies or rights with respect to recapture of or reversion or reversioning of title to the Property that the Authority shall have or be entitled

to because of failure of the Redeveloper or any successor in interest to cure or remedy any default with respect to the construction of the Improvements on other parts or parcels of the Property, or because of any other default in or breach of this Agreement by the Redeveloper or successor in interest, shall not apply to the part or parcel of the Property to which such certification relates.

(b) In any case where, subsequent to default or breach by the Redeveloper (or successor in interest) under this Agreement, the holder of any mortgage on the Property or part thereof:

(i) has, but does not exercise, the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such inability or failure continues for a period of six (6) months after the holder has been notified or informed of the default or breach, or

(ii) undertakes construction or completion of the Improvements but does not complete such construction within such period as agreed upon by the Authority and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion with respect to the Redeveloper in the progress schedule in the Construction Plans as approved by the Authority), and such default shall not have been cured within ninety (90) days after written demand by the Authority so to do, the Authority shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property

by the Redeveloper or successor in interest shall so provide) have the option of paying to the holder the amount of the mortgage debt and securing an assignment of such debt and of the mortgage, or in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the Authority shall be entitled, at its option, to a conveyance to it of the Property or part thereof upon payment to such holder of an amount equal to the sum of: (1) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals received during foreclosure proceedings); (2) All expenses with respect to the foreclosure; (3) the net losses, if any, incurred by such holder in and as a direct result of the subsequent management of the Property; (4) the cost of any Improvements made by such holder; and (5) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

(c) For the purposes of this and other sections of the Agreement, the term "holder" in reference to a mortgage shall be deemed to include any insurer or guarantor of any obligation or condition secured by such mortgage, including but not limited to the Federal Housing Commissioner, the Administrator of Veterans Affairs, and any successor in office of either such official.

Article VI

Remedies

11. In the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party thereto or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In case such action is not taken, or diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may proceed by such remedies, legal or equitable, as are provided for by law or by the terms of this Agreement to cure such default or breach, including, but not limited to, proceedings to compel the specific performance by the party in default, and in the case of the Authority, the right to apply the Deposit to and in payment of the damages suffered by it, or by the City (in the form of loss of tax revenues from the Property (or the anticipated improvements thereon), or otherwise), as a result of the default or breach.

12. In the event that:

(a) the Authority does not tender conveyance of the Property, or possession thereof, in the manner and condition, and by the date, provided in this Agreement, and any such failure shall not be cured within ninety (90) days after written demand by the Redeveloper, or

(b) the Redeveloper shall, after preparation of Construction

Plans satisfactory to the Authority, furnish satisfactory evidence that it has been unable, after diligent effort for a period of at least ninety (90) days after approval by the Authority of the Construction Plans, to obtain mortgage financing for the construction of the Improvements on a basis and on terms that would generally be considered satisfactory by builders or contractors for improvements of the nature and type provided in such Construction Plans; and the Redeveloper shall, after having submitted such evidence and if so requested by the Authority, continue to make diligent efforts to obtain such financing for a period of sixty (60) days after such request, but without success,

then this Agreement may, at the option of the Redeveloper, be cancelled; and in that event, the Redeveloper shall be entitled to a return of the Deposit, and neither the Authority nor the Redeveloper shall have any further rights against or liability to the other under this Agreement.

13. In the event that:

(a) Prior to conveyance of the Property to the Redeveloper and in violation of this Agreement;

(i) the Redeveloper (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property, or

(ii) there is any change in the ownership or distribution of the stock of the Redeveloper or the identity of the parties in control of the Redeveloper or the degree thereof; or

(b) The Redeveloper does not submit Construction Plans,

or (except as excused under paragraph b of section 12) evidence that it has the necessary equity capital and mortgage financing, in satisfactory form and in the manner and by the dates respectively provided in this Agreement therefor, or the Redeveloper does not pay the purchase price for, and take title to, the Property upon proffer of conveyance by the Authority pursuant to this Agreement, and any such default or failure shall not be cured within ninety (90) days after written demand by the Authority;

then this Agreement, and any rights of the Redeveloper, (or any assignee or transferee) that may have accrued thereunder shall, at the option of the Authority, be terminated; in which event the Deposit shall be retained by the Authority as liquidated damages and as its property without any deduction, offset, or recoupment whatsoever; and neither the Redeveloper (or assignee or transferee) nor the Authority shall have any further rights against or liability to the other under this Agreement.

14. (a) The Authority shall have the right to institute such actions or proceedings as it may deem necessary to effectuate the purposes of this section, including the right to execute and record or file with the Register of Deeds or Registrar of Titles a written declaration of the termination of all right and title of the Redeveloper, its successors and assigns, in the Property, and the revesting of title thereto in the Authority: Provided, That any delay by the Authority in initiating any such actions or proceedings or otherwise asserting its rights under this section shall not operate as a waiver of such rights or deprive it of or limit such rights in any way;

it being the intent of this provision that the Authority shall have the right, in its discretion, to attempt to remedy any breach or default prior to the exercise of its legal or equitable remedies, without thereby permitting the Redeveloper, his successors or assigns to raise the defense of waiver or laches; nor shall any waiver in fact made by the Authority with respect to any specific default by the Redeveloper under this section be considered or treated as a waiver of the rights of the Authority with respect to any other defaults by the Redeveloper under this section or with respect to the particular default except to the extent specifically waived by express notice in writing by the Authority to that effect.

(b) In the event that title to the Property or any part thereof shall revert in the Authority in accordance with the provisions of this Agreement, the Authority shall use its best efforts to resell the Property or part thereof, subject to such mortgage liens and leasehold interests as hereinbefore set forth, as soon and in such manner as the Authority shall find feasible and consistent with the objectives of the Redevelopment Plan as hereafter amended from time to time, to a qualified and responsible party or parties (as determined by the Authority) who will assume the obligation of making or completing the Improvements or such other Improvements in their stead as shall be satisfactory to the Authority and in accordance with the uses specified in the Redevelopment Plan, as hereafter amended from time to time. Upon such resale of the Property, the proceeds thereof shall be applied:

first, to reimburse the Authority, on its own behalf or on behalf

of the City, for all costs and expenses incurred by the Authority, including but not limited to salaries of personnel, in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by the Authority from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof, or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the Authority, an amount equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt; any payments made or to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Authority or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Redeveloper, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Authority by the Redeveloper and its successor or transferee; and

second, to reimburse the Redeveloper, its successor or transferee up to an amount equal to (1) the sum of the purchase price paid by it for the Property (or allocable to the part thereof) and the cash actually invested by it in making any of the Improvements on the Property or part thereof, less (2) any gains or income withdrawn or made by it from this Agreement or the Property.

Any balance remaining after such reimbursement shall be retained by the Authority as its property.

15. For the purposes of any of the provisions of this Agreement neither the Authority nor the Redeveloper as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any enforced delay, the time or times for performance of the obligations of the Authority with respect to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, as the case may be, shall be extended for a period of the enforced delay: Provided, That the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the enforced delay.

16. (a) The rights and remedies of the parties of this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

(b) The Redeveloper, for itself and its successor and assigns, and all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal, or otherwise, or whether by agreement or operation of law, including any and all claims and defenses based upon the extension of time, indulgence, or modification of terms of contract.

Article VII

Miscellaneous Provisions

17. No member, official, or employee of the Authority shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interest of any corporation, partnership or association in which he is directly or indirectly interested. No member, official, or employee of the Authority shall be personally liable to the Redeveloper or any successor in interest in the event of any default or breach by the Authority or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of this Agreement.

18. A notice or communication under this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered mail, postage prepaid, return receipt requested, and

(i) in the case of a notice or communication to the Redeveloper, is addressed as follows: Harry L. Plotke
1058 Lowry Medical Arts Building, Saint Paul, Minnesota
_____, and

(ii) in the case of a notice or communication to the Authority, is addressed as follows: The Housing and Redevelopment Authority, City of Saint Paul, 60 East Fourth Street,
Saint Paul, Minnesota, or is addressed in such other way in respect to either party as that party may, from time to time, designate in

writing dispatched as provided in this section.

19. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the Authority to the Redeveloper or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

20. Any titles of the several parts and sections of and the table of contents of and index to this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

21. This Agreement is executed in five counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

22. In the event this contract shall be executed by a redeveloper which is not a Corporation, the words "successor" and "successors" shall be deemed to have been replaced prior to execution of the contract by the words "heirs" and "representatives."

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this _____ day of _____, 1960, before me,
a Notary Public within and for said County, personally appeared

_____ and _____

to me personally known, who being each by me duly sworn, did say that they are respectively the Chairman and the Secretary of the Housing and Redevelopment Authority of the City of Saint Paul, a governmental corporation organized and existing under the laws of the State of Minnesota, and that the seal affixed to the foregoing instrument is the corporate seal of said governmental corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Commissioners, and the said _____ and _____ acknowledged the said instrument to be the free act and deed of said governmental corporation.

Notary Public, Ramsey County, Minnesota
My commission expires _____

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this _____ day of _____, 1960, before me, a Notary Public within and for said county, personally appeared _____ and _____ to me personally known, who being each by me duly sworn, did say that they are respectively the _____ President and the _____ Secretary of _____, the corporation named in the foregoing instrument, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of _____, and said _____ and _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public,
My commission expires _____*

*If the Redeveloper is a partnership or individual, the form of acknowledgement shall be revised accordingly.

BOUNDARY DESCRIPTION - REDEVELOPMENT PROJECT UR MINN. 1-2 (Western Project)

The area known as Redevelopment Project UR Minn. 1-2 (Western Project) is bounded as follows:

Beginning at the intersection of the center lines of Western Avenue and Rondo Street, thence Easterly along the center line of Rondo Street to the intersection of the center lines of Rondo Street and Virginia Avenue, thence Northerly along the center line of Virginia Avenue to the intersection of the center lines of St. Anthony and Virginia Avenues, thence Westerly along the center line of St. Anthony Avenue to the Westerly line of Lot 7, Block 12, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended Southerly to the center line of St. Anthony Avenue thence Northerly along the Westerly line of said Lot 7 and along said line extended to the Northerly line of the alley in said Block 12, thence Westerly along the Northerly line of said alley 100 feet more or less to the Westerly line of Lot 4 in said Block 12, thence Northerly along the Westerly line of said Lot 4 and along said line extended to the center line of Central Avenue, thence Westerly along the center line of Central Avenue to the intersection of said center line of Central Avenue with the center line of Western Avenue, thence Northerly along said center line of Western Avenue to the Southerly line of the alley in Block 7 of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, thence Easterly along the Southerly line of the alley in said Block 7 extended Westerly to the center line of Western Avenue, thence Easterly along the Southerly line of the alley in said Block 7 said line extended across Virginia Avenue and along the Southerly line of the alley in Block 8 of Elfelt, Bernheimer & Arnold's Addition to St. Paul and said line extended to the center line of Farrington Avenue, thence Northerly along the center line of Farrington Avenue to the Southerly line of the alley in Block 3, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended Westerly to the center line of Farrington Avenue, thence Easterly along the Southerly line of said alley through Block 3 of Elfelt, Bernheimer & Arnold's Addition to St. Paul and along said line extended through Block 3 of Chamber's Addition to the City of St. Paul, to the center line of Galtier Street, thence Southerly along the center line of Galtier Street to the Southerly line of the alley in Block 4, Elfelt, Bernheimer & Arnold's Addition to St. Paul extended to center line of Galtier Street, thence Easterly across Galtier Street along the Southerly line of the alley in Block 3, Florence's Addition to St. Paul, Corrected Plat, extended along said Southerly line of said alley and along said line extended to the center line of Marion Street, thence Northerly along the center line of Marion Street to the Southerly line of the alley in Block 1, Florence's Addition to St. Paul, Corrected Plat, extended to center line of Marion Street, thence Easterly along the Southerly line of said alley to the Westerly line of Lot 14, Auditor's Subdivision No. 6, thence Northerly along the Westerly line of said Lot 14 to a point 7.02 feet South of the Northwest corner of said Lot, thence Easterly on a line perpendicular to the Westerly line of said Lot to a point of intersection with the Easterly line of said lot, thence Northerly along said Easterly line to the Northeast corner of said lot, thence Easterly along the Northern boundary lines of Lots 15 and 16 of said Auditor's Subdivision No. 6 to a point of intersection with that portion of the Northern boundary line of Lot 16 in the Southeast corner of Lot 11 of said Auditor's Subdivision No. 6, thence Northerly on Easterly line of Lot 11, 21.97 feet to a point, thence Easterly along that portion of the Northern boundary of Lot 16 to the Northeast corner of said Lot, thence Southerly along the Eastern boundary of said Lot 16 to a point 21.97 feet South of the Northeast corner of said Lot 16, thence Easterly on a line perpendicular to the Easterly line of said Lot 16 through Lot 17 and along the Northern boundary of Lot 18 and that portion of the Northern boundary line of Lot 19 that lies West of the Southwest corner of Lot 7, thence continuing Easterly on a line extended through Lot 7 to a point of intersection with and perpendicular to the Eastern boundary of Lot 7, all in Auditor's Subdivision No. 6,

thence Southerly along the Eastern boundary line of Lot 7 to a point of intersection with the Northern boundary line of Lot 20, thence Easterly along the Northern boundary line of Lots 20, 21 and 22 to the center line of the public alley with Lot 22 on its Western boundary and Lots 23 and 25 on its Eastern boundary, thence Southerly along the center line of said alley to a point of intersection with the center line of Aurora Avenue, thence Westerly along the center line of Aurora Avenue to the intersection of Easterly line of Lot 19 extended to center line of Aurora Avenue, Auditor's Subdivision No. 6, thence Southerly across Aurora Avenue to the Northeasterly corner of Lot 2, Auditor's Subdivision No. 53, and Southerly along the Easterly line of said Lot 2 to the Southeasterly corner of said lot, thence Easterly along the Northerly line of Lots 9, 8, 7, 6, 5, and 1, H. H. Miller's subdivision, to the Westerly line of Rice Street, thence Southerly along the Westerly line of Rice Street to the intersection of the Westerly line of Rice Street with the Southerly line of Rondo Street, thence Southeasterly along the Southwesterly line of Rice Street to the point where the Southwesterly line of Rice Street intersects the Easterly line of Lot 1, Block 7, Rondo's Addition to the City of St. Paul, thence Southerly along the Easterly line of said Lot 1 to the Southeasterly corner of said Lot 1, thence Westerly along the Northerly line of Lots 10 and 9, Block 7, Rondo's Addition, to a point equidistant from the Easterly and Westerly lines of Lot 9, Block 7, Rondo's Addition, thence Southerly along a line equidistant from and parallel to the Easterly and Westerly line of said Lot 9 a distance of 50 feet, thence Westerly along a line parallel to the Northerly line of said Lot 9 to the Easterly line of Lot 6, Block 7, Rondo's Addition, thence Southerly along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot, thence Westerly along the Southerly line of said Lot 6 to the Easterly line of Ravoux Street, thence across Ravoux Street to the Northeasterly corner of Lot 4, Block 6, Rondo's Addition, thence Westerly along the Northerly line of said Lot 4, and along said line extended across Lot 3 of said Block 6 and across Cathedral Place to the Westerly line of Cathedral Place, thence Northerly along the Westerly line of Cathedral Place to the Northeasterly corner of Lot 14, Kuhn's Subdivision of Block 5, Rondo's Addition, thence Westerly along the Northerly line of Lots 14, 13, 12, 11 and 8, Kuhn's Subdivision of Block 5, Rondo's Addition, to the Easterly line of Louis Street, thence Westerly across Louis Street, to the Northeasterly corner of Lot 13, Block 1, Bailey's Addition to Rondo's Addition, thence Westerly along the Northerly line of Lots 13, 12, 11, 10 and 9, Block 1, Bailey's Addition to Rondo's Addition, and along the Northerly line of Lots 32 through 17, Block 7, Nininger's Addition to St. Paul, to the Easterly line of Farrington Avenue, thence Westerly across Farrington Avenue to the intersection of the center line of the alley in Block 2, Nininger's Addition to St. Paul with the Westerly line of Farrington Avenue, thence Westerly along the center line of said alley to the Easterly line of Virginia Avenue, thence Westerly across Virginia Avenue to the Northeasterly line of Lot 16, Block 2, Grace's Addition to St. Paul, thence Westerly along the Northerly line of Lots 16 through 9, Block 2, Grace's Addition, and said line extended to the center line of Western Avenue, thence Northerly along the center line of Western Avenue, to the point of beginning, all according to the recorded plats of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, Chamber's Addition to the City of St. Paul, Minnesota, Florence's Addition to St. Paul, Corrected Plat, Auditor's Subdivision No. 6, St. Paul, Minnesota, Auditor's Subdivision No. 53, St. Paul, Minnesota, H. H. Miller's Subdivision, Rondo's Addition to the City of St. Paul, Kuhn's Subdivision of Block 5, Rondo's Addition to Saint Paul, Bailey's Addition to Rondo's Addition to St. Paul, Nininger's Addition to St. Paul, and Grace's Addition to St. Paul, on file and on record in the office of the Register of Deeds in and for Ramsey County, Minnesota.

CONTRACT FOR NEGOTIATED SALE OF REDEVELOPMENT LANDS
IN CONTROLLED AREAS TO OWNER OF PREMISES WITHIN THE
PROJECT AREA

THIS AGREEMENT, made and entered into as of the 8th day of October, 1959, by and between the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a public body corporate and politic, organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "Authority", and Anton J. Schimschock and Mina Schimschock, husband and wife, hereinafter referred to as the "Redevelopers".

RECITALS

WHEREAS, in furtherance of the objectives of Public Law 171, passed by the 81st Congress of the United States, as amended (U.S.C.A. Title 42, Section 1440, et seq.), and of Chapter 487, Laws Minnesota 1947, as amended (M.S.A. 462.411, et seq.), the Authority has undertaken a program of clearance and reconstruction of slum and blighted areas in the City of Saint Paul, Minnesota, hereinafter referred to as the "City", and in this connection has undertaken a project, sometimes known as "Western Redevelopment Project UR Minn. 1-2", located in the area of the City of Saint Paul lying generally west of Rice Street and North of Rondo Avenue, the exact boundary line description of which area is set forth in Exhibit A, attached hereto and made a part hereof, which area is herein called the "Project Area", and

WHEREAS, the Authority has prepared and on March 6, 1957, adopted a plan known as REDEVELOPMENT PLAN FOR THE WESTERN REDEVELOPMENT PROJECT, UR MINN. 1-2, WEST OF THE MINNESOTA STATE CAPITOL, REVISED FEBRUARY, 1957, and the City, acting through its Common Council, has by Resolution approved said Plan on April 2, 1957 (Council File No. 182121), said Plan providing for the clearance and redevelopment of the Project Area and the future uses of the land comprising such Area, and

WHEREAS, in order to enable the Authority to achieve the objectives of the Redevelopment Plan, and particularly to make the land in the Project Area available (after acquisition and clearance by the Authority) for redevelopment by private enterprise for the uses specified in the Redevelopment Plan, both the Federal Government and the City have undertaken to provide and have provided substantial aid and assistance to the Authority through a Contract for Loan and Capital grant, dated March 2, 1953, in the case of the Federal Government, and

WHEREAS, the Redevelopers now own certain property within the Project Area upon which is situated a two-family residential structure occupied by them, and

WHEREAS, the Redevelopers have offered to purchase property within the controlled area of the said Project described as follows:

Parts of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 29, Range 23, and of Lots 11 and 12, Block 3, "Elfelt, Bernheimer & Arnold's Addition to St. Paul described as follows: Beginning at the Northwest corner of Galtier Street (formerly Jay Street) and Aurora Avenue; thence North along the West line of said Galtier Street to the South line of the alley as opened by resolution adopted by the City Council of St. Paul on February 2, 1923, and filed May 25, 1923, in 23 Plans 39; thence West 66 feet; thence South to the North line of Aurora Avenue; thence East to place of beginning, except the East 60.45 feet thereof, according to the plat thereof on file and of record in the office of the Register of Deeds in and for Ramsey County, Minnesota.

Also the East five (5) feet of Lot Thirteen (13) and the West thirty-four and eight-tenths (34.8) feet of Lot Twelve (12), Block Three (3), Elfelt, Bernheimer & Arnold's Addition to St. Paul, and a part adjoining same in Chamber's Addition to the City of St. Paul, Minnesota, more particularly described as follows: Beginning 45 feet East from Southwest corner of Lot Thirteen (13), Block Three (3), Elfelt, Bernheimer & Arnold's Addition to the City of St. Paul, thence East thirty-nine and eight-tenths (39.8) feet, thence North one hundred nineteen (119) feet, thence West thirty-nine and eight-tenths (39.8) feet, thence South one hundred nineteen (119) feet to beginning, according to the recorded plat thereof on file and of record in the Office of the Register of Deeds in and for the County of Ramsey and State of Minnesota,

hereinafter referred to as the "Property", and to redevelop such Property for the uses specified in the Redevelopment Plan and more particularly as a means of excess to the garage structure located on the adjoining property, for location of clothes poles on said parcel of land and to be used as additional side yard to the present dwelling occupied by Redevelopers, and

WHEREAS, the Authority believes that the use of said property as a means of excess to the garage structure located at the rear of the adjacent property owned by Redevelopers, for location of clothes poles on said parcel of land and to be used as additional side yard to the present dwelling of Redevelopers and the fulfillment generally of this agreement and the intentions set forth herein are in the vital and best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of the applicable State and Federal laws and requirements under which the Western Redevelopment Project UR Minn. 1-2 has been undertaken and is being assisted, and

WHEREAS, the Redeveloper has submitted evidence satisfactory to the Authority that the Redevelopers have the qualifications and financial responsibility necessary to undertake the obligations provided in this Agreement, and

WHEREAS, the Authority, upon the basis of the foregoing and the undertakings of the Redevelopers pursuant to this Agreement is willing to sell the Property to the Redevelopers and to do so at a price permitting its redevelopment in accordance with the provisions of the Redevelopment Plan and the plans and proposals submitted by the Redevelopers and attached hereto as Exhibit B,

NOW, THEREFORE, each of the parties hereto, in consideration of the purchase price hereinafter stated, and in consideration of the mutual covenants and agreements herein contained, does hereby covenant and agree as follows:

ARTICLE I - General Terms of Conveyance of Property

1. (a) Subject to all the terms, covenants and conditions of this Agreement, the Authority will convey the Property to the Redevelopers upon the payment in full by the Redevelopers, which payment the Redevelopers hereby agree to make, of a purchase price in the amount of One Thousand Eight Hundred Ninety-four and 55/100 Dollars (\$1,894.55).

(b) The Authority shall convey title to the Property to the Redevelopers by quitclaim deed in the form attached hereto as Exhibit C, free and clear of all reservations, encumbrances and exceptions except as follows:

(1) Easements for public streets, sewer and water system, and such other easements or rights-of-way as are designated approximately in the Redevelopment Plan, Project UR Minn. 1-2.

(2) Reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights in those portions of the Property the title to which may have at any time heretofore been forfeited to the State of Minnesota for nonpayment of real estate taxes.

(3) Such covenants and restrictions running with the land as shall be imposed thereon by the Deed of Conveyance of Land for Redevelopment, which is attached hereto as Exhibit C.

(4) The terms and conditions of this contract.

(c) The Authority has registered or will register the title to the above described lands under the Torrens Act, and will, within 15 days from the date of this Agreement, furnish the Redevelopers with a Registered Property Certificate issued by a qualified abstractor showing the condition of the title to the Property. The Redevelopers shall have 30 days thereafter to examine the said title and report to the Authority. If title to the Property or any part thereof is not found to be good and marketable in

the Authority but can be made good and marketable within 45 days after the receipt of such report, the title shall be corrected at the expense of the Authority and conveyance made within said 45-day period. If the Authority's title is found not to be good and marketable and cannot be corrected within the aforesaid period, then, and in that event, this Agreement shall be void and all payments made hereunder shall be refunded to the Redevelopers. If the Authority's title is good and marketable, conveyance shall be made as hereinabove specified upon payment by the Redevelopers of the purchase price specified in Section 1 hereof not more than 90 days after the date of execution of this Agreement.

(d) In the event the Redeveloper shall fail to pay the full purchase price of the Property within 90 days from the date of this Agreement, the Authority shall serve a notice of demand for payment and tender of delivery of deed upon the Redevelopers, and if such purchase price is not paid in full within 30 days after the service of such notice of demand, the Authority may, at its option, declare this Agreement terminated. In the event the Authority exercises its option to declare the Agreement terminated, the Redevelopers shall be liable for ten percent (10%) of the agreed purchase price of the Property as and for liquidated damages for the breach of this contract.

(e) The Redevelopers shall, from the date of execution of this Agreement, be permitted free access to the Property for the purpose of inspection, survey, test borings, or other work preliminary to the initiation of construction work thereon, but the Redevelopers shall be entitled to take full possession of the Property and to commence grading, excavating, and construction work only upon payment of the full purchase price as aforesaid and the execution and delivery to the Redevelopers of the aforesaid deed of conveyance of the Property. Any preliminary work undertaken upon the Property prior to the execution of said deed of conveyance shall be at the sole risk and expense of the Redevelopers, and the Redevelopers shall save and protect the Authority against any lienable claims against the Property resulting from such preliminary work.

(f) Upon conveyance of the Property by the Authority to the Redevelopers, the Authority shall save and protect the Redevelopers against liability for real estate taxes upon the Property assessed for the year in which title is conveyed to the Redevelopers if such conveyance is made on or after May 1. The Redevelopers shall pay,

prior to the time such taxes may become delinquent, all real estate taxes assessed against the Property for the year in which conveyance of the Property is made to the Redevelopers if such conveyance is made prior to May 1, and for all real estate taxes assessed for years subsequent to the year in which such conveyance is made.

ARTICLE II - Preparation of Land for Redevelopment

2. (a) The Authority shall, prior to conveyance of the Property and without expense to the Redevelopers, prepare the Property for purposes of redevelopment and construction of the improvements by the Redevelopers. Such preparation shall consist of:

(1) The demolition and removal of any existing buildings, structures and obstructions on the Property, including the removal of any debris resulting from such demolition. The Authority shall not be responsible for the removal from the Property of trees, shrubs, or other natural growth, or for the removal of retaining walls or of basement walls and floors, and of such debris resulting from demolition of structures as may remain below the surface of the ground.

(2) The removal (by the Authority or by appropriate public bodies or public utility companies) of all paving (including curbs and gutters), sidewalks and utility lines within or on the Property which are to be eliminated or removed pursuant to the Redevelopment Plan.

(3) Such filling, grading and leveling of the land (but not including top soil or landscaping) as shall be necessary to make it ready for construction of the improvements (it being intended that such filling, grading and leveling shall conform generally to the respective surface elevation of the land prior to demolition of the buildings and structures thereof.)

(4) All costs of preparation of the land for redevelopment shall be borne by the Authority or by the appropriate public bodies or public utility companies, and any income or salvage received therefrom shall belong to the Authority.

(b) The Authority shall, without expense to the Redevelopers or public assessment against the Property, and prior to the completion of the improvements (or at such earlier time or times as may reasonably be necessary to enable the Redevelopers to construct or complete the improvements in accordance with the provisions of this Agreement), be responsible for:

(1) The provisions by the Authority or by the City, in accordance with the usual technical specifications and standards of the City, of the paving and improving of such streets (including the installation of curbs, gutters and catch basins and the removal of trees and shrubs), and of street lighting and sidewalks in such public rights-of-way as are to be provided pursuant to the Redevelopment Plan and as are reasonably necessary for the completion and ultimate use of the improvements to be constructed on the Property by the Redevelopers.

(2) The installation and relocation (by the Authority or by appropriate public bodies or public utility companies) of such sewers, drains, water and gas distribution lines, and electric, telephone and telegraph installation (exclusive in each case of house or building service lines) as are to be provided pursuant to the Redevelopment Plan.

(3) Securing the vacation of present streets, alleys and other public rights-of-way, and plats and the dedication of new streets, alleys and other public rights-of-way in the Project Area, and the rezoning of such Area in accordance with the Redevelopment Plan; provided that the Redevelopers shall, upon request by the Authority, subscribe to and join with the Authority in any petitions or proceedings required for such vacations, dedications or rezoning of any portion of the Project Area.

(c) The Redevelopers shall, at their expense, install or arrange for the installation of all water, sewer, gas, electric and other utility lines or connections which may be required upon the Property, including connections into utilities in public streets, and shall indemnify the Authority against assessments by the City of any of its subdivisions, or by any utility company arising out of the removal or relocation or the installation of utility lines and connections required by the development activities of the Redevelopers.

ARTICLE III - Improvements

3. Covenants Running with the Land.

(a) The Redevelopers agree for themselves, their successors, heirs and assigns of the Property or of any part thereof, as follows:

(1) That they shall devote the Property only to the uses specified in the Redevelopment Plan as heretofore amended, or as said Plan may hereafter be amended as authorized by law.

(2) That they will diligently prosecute necessary improvements to provide a means of access to the garage structure located on the adjacent property owned by Redevelopers, location of clothes poles on said parcel of land and other work necessary for the use of said parcel of land as additional side yard to the present dwelling of Redevelopers, with the terms and conditions of option for purchase of real estate between the Authority and the Redevelopers dated the _____ day of _____, 195____, and that said improvements shall be commenced within thirty (30) days from the date of conveyance of the property to the Redevelopers and shall be completed in compliance with the terms of this Agreement and in conformity with the Redevelopment Plan within ninety (90) days from such date.

(3) That they shall make no changes in the improvements upon said Property that are not in full conformity with the Redevelopment Plan as amended.

(4) That no discrimination or segregation against any persons or groups of persons on account of race, creed, religion, national origin or ancestry shall be practiced or tolerated in connection with the sale, lease, sublease, transfer, use or occupancy of the Property or its development, and that in the event of the breach of any such covenant, a legal or equitable action to enforce such covenant or to obtain damages for its breach may be brought by the Authority or its successors or assigns, or by any person or persons segregated or discriminated against in violation of the covenant. The Authority covenants and agrees that a like covenant shall be included in the deed of conveyance or lease of all other tracts of land which have been sold or may hereafter be sold within the Western Redevelopment Area, Project UR Minn. 1-2.

(b) It is intended and agreed, and the deed to the Redevelopers of the Property shall so expressly provide, that the agreements and covenants provided in this Section 3 of this Agreement shall be covenants running with the land and that they shall, in any event and except only as otherwise specifically provided in this Agreement, be binding to the fullest extent permitted by law, on all successors in interest to the Redevelopers. It is further intended and agreed that such agreements and covenants shall remain in effect for a period of 40 years from the date of final approval of the Redevelopment Plan by the Common Council of the City of Saint Paul; provided, however, that the agreements and covenants provided in Clauses (1), (3) and (4) of this Section 3 of this Agreement shall be binding upon the Redevelopers themselves, and each successor in interest, respectively, only during such period as they shall have title to or an interest in the Property or part thereof.

(c) The Authority shall (both in its own right and also for the purposes of protecting the interests of the community and any other parties, public or private, in whose favor or for whose benefit such agreements and covenants have herein been provided for) be deemed a beneficiary of the agreements and covenants provided in this Section 3, and such agreements and covenants shall (and the deed to the Redeveloper of the Property shall so state) run in favor of the Authority, for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Authority is or remains an owner of any land or interest therein to which such agreements and covenants relate. As such beneficiary, the Authority 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 at law or suits in equity or other proper proceeding to enforce the curing of such breach of agreement or covenant, to which beneficiaries of such agreement or covenant may be entitled.

4. Construction Plans and Review.

(a) The Redevelopers covenant that they have familiarized themselves with all applicable provisions of law, including Public Law 171, passed by the 81st Congress of the United States, as amended (U.S.C.A. Title 42, Section 1440, et seq.) and Chapter 487, Laws Minnesota 1947, as amended (M.S.A. 464.411 et seq.), and with the provisions of the REDEVELOPMENT PLAN FOR THE WESTERN REDEVELOPMENT PROJECT, UR MINN. 1-2, WEST OF THE MINNESOTA STATE CAPITOL, REVISED FEBRUARY 1957, adopted by the Authority, March 6, 1957, and approved by Resolution of the Common Council of the City of Saint Paul, April 2, 1957 (Council File No. 182121). Plans and specifications and all work with respect to the Improvements shall be in conformity with this Agreement, with the aforesaid applicable Federal, State and local laws and regulations, and with the aforesaid Redevelopment Plan, as amended. Within 30 days after conveyance of title the Authority shall make an examination and inspection of the Improvements made on said parcel of land. If such Improvements conform to the provisions of this Agreement and the Redevelopment Plan, the Authority shall, formally approve the same and notify the Redevelopers in writing of such approval within 30 days thereafter. Such Improvements shall in any event, be determined approved unless formal rejection thereof by the Authority in full or in part is made in writing setting forth in detail the reasons therefor which rejection shall be made within 30 days after inspection of such Improvements by the Authority. If the Authority rejects such improvements as not

being in full conformity with this Agreement and the Redevelopment Plan, the Redevelopers shall correct such work and improvements in order to comply with this Agreement within 30 days of written notification of the rejection of the work done in the making of such improvements on said parcel of land. The Redevelopers further specifically agree without reference to the examination and approval by the Authority as to the conformance of such improvements with this Agreement and the Redevelopment Plan, that such improvements shall be in complete conformity with the building code and zoning regulations of the City.

(b) During such period of time that said improvements are being made the work of the Redevelopers shall be subject to inspection by representatives of the Authority, the City and any other state or local public agency having jurisdiction under any state or local laws or regulations with respect to construction work or the improvements being made upon said parcel of land.

(c) Prior to delivery of possession of the Property to the Redevelopers, the Authority shall permit the Redevelopers access thereto, whenever necessary to carry out the purposes of this and other sections of the Agreement; and subsequent to such delivery, the Redevelopers shall permit access to the Property to the Authority, the United States of America, and the City whenever necessary to carry out the purposes of this and other sections of the Agreement and the Contract for Loan and Capital Grant between the United States of America and the Authority referred to in the recitals of this Agreement.

(d) The Redevelopers shall, at their expense, secure any and all permits which may be required by the City for the construction of any buildings or the development of any improvements upon the Property, and shall pay any and all fees or charges in connection with the issuance of such permits.

5. Certificate of Completion

(a) Promptly after completion of the improvements in accordance with the provisions of this Agreement, the Authority will furnish the Redevelopers with an appropriate

instrument so certifying. Such certification shall be (and it shall be so provided in the deed to the Property from the Authority to the Redevelopers and in certification itself), a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement, and in the deed obligating the Redevelopers and their successors and assigns, with respect to the construction of the improvements and the dates for the beginning and completion thereof.

(b) With respect to such individual parts or parcels of the Property which the Redevelopers are authorized by the Redevelopment Plan and this Agreement to convey or lease as the improvements to be constructed thereon are completed, the Authority will also, upon proper completion of the improvements relating to any such parts or parcels, and provided the Redevelopers are not in default with respect to any of their obligations under this Agreement, certify to the Redevelopers that such improvements have been made in accordance with the provisions of this Agreement, and such certification shall mean and provide (and the deed to the Property from the Authority to the Redevelopers shall so state) that any party purchasing such individual parts or parcels pursuant to the authorization herein contained shall not (because of such purchase) have incurred any obligations with respect to the construction of the improvements relating to such parts or parcels or to other parts or parcels of the Property.

(c) All certifications provided for in this section shall be in such form as will enable them to be recorded with the Register of Deeds of Ramsey County, Minnesota. If the Authority shall refuse or fail to provide certifications in accordance with the provisions of this section, the Authority shall, within 90 days after written request by the Redevelopers, provide the Redevelopers with a written statement, indicating in what respects the Redevelopers have failed to complete the improvements in accordance with the provisions of this Agreement and what measures or acts it will be necessary, in the opinion of the Authority, for the Redevelopers to take or perform in order to obtain such certification.

ARTICLE IV - Assignment and Speculation

6. The Redevelopers represent and agree that their purchase of the Property, and their other undertakings pursuant to this Agreement, are and will be used, for the purpose of redevelopment of the Property and not for speculation in land holding. The Redevelopers further recognize that in view of (1) the importance of the

redevelopment of the Property to the general health and welfare of the community;

(2) the substantial subsidy aids that have been made available by the Federal and local governments for the purpose of making such redevelopment possible; and

(3) the fact that a transfer of the interest in the Property of the Redevelopers or of a substantial part thereof is for a practical purpose a transfer or disposition of the Property then owned by the Redevelopers, the qualifications and identity of the Redevelopers are of particular concern of the community and the Authority. The Redevelopers further recognize that it is because of such qualifications and identity that the Authority is entering into this Agreement with the Redevelopers, and in so doing, is willing to accept and rely on their personal obligation of the Redevelopers for the faithful performance of all obligations and covenants hereby by them to be performed in lieu of any surety bond and a similar undertaking. The Redevelopers, therefore, agree that:

(a) Prior to completion of the improvements as certified by the Authority, there shall be no transfer by any party having an interest therein nor shall any such owner suffer any such transfer to be made without the approval of the Authority. With respect to this provision, the Redevelopers represent that no other persons will have any interest with them in this Property.

(b) Except only:

(1) By way of security for the purposes of obtaining financing necessary to enable the Redevelopers to perform their obligations with respect to making the improvements under this Agreement, and

(2) As to any individual parts or parcels of the Property on which the improvements to be constructed thereon have been completed, and which, by the terms of the Redevelopment Plan and this Agreement, the Redevelopers are authorized to convey or lease as such improvements are completed, the Redevelopers represent that they have not made or created, and agree that they will not, prior to the proper completion of the improvements, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance or lease, or any trust or power, in or with respect to this Agreement or the Property, or any parts

thereof, or any interests therein, or any contract or agreement to do any of the same, without the prior written approval of the Authority.

(c) The Authority, as conditions to the granting of written approval of any such sale, assignment, conveyance, lease, or trust or power, shall have the right to require that:

(1) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Authority, necessary and adequate to fulfill the obligations undertaken in this agreement by the Redevelopers (or, in the event the transfer is or relates to part of the Property, such obligations to the extent that they relate to such part):

(2) Any proposed transferee, by instrument in writing, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority, have expressly assumed all of the obligations of the Redevelopers under this Agreement and agreed to be subject to all the conditions and restrictions to which the Redevelopers are subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part);

(3) There has been submitted to the Authority for review, and the Authority has approved, all instruments and other legal documents involved in effecting transfer;

(4) The consideration paid or payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including carrying charges) to the Redevelopers of the Property (or allocable to the part thereof transferred) and the improvements, if any, theretofore made thereon by it; it being the intent of this provision to preclude assignment of this Agreement or transfer of the Property (or any parts thereof other than those referred to in clause (c) (2) of this section) for profit prior to the completion of the improvements and to provide that in the event any such assignment or transfer is made (and is not cancelled), the Authority shall be entitled to increase the purchase price to the Redevelopers of the Property provided in Section 1 of this

Agreement by the amount that the consideration paid or payable to the Redevelopers for the assignment or transfer is in excess of the amount authorized in this paragraph.

(5) The Redevelopers and their transferee shall comply with such other conditions as the Authority may find desirable in order to achieve and safeguard the purposes of the Federal, State and local laws and regulations hereinabove referred to and the Redevelopment Plan;

Provided, that in the absence of specific written agreement by the Authority to the contrary, no such transfer or approval by the Authority thereof shall be deemed to relieve the Redevelopers or any other person bound in any way by this Agreement or otherwise with respect to the making of the improvements, from any of its obligations with respect thereto.

ARTICLE V - Mortgage Financing

7. Rights of Mortgagees

(a) The Redevelopers agree that prior to the completion of the improvements, they will not engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purpose of obtaining funds necessary for making the improvements pursuant to this Agreement. The Redevelopers further agree to notify the Authority in advance of any mortgage financing proposed to be entered into by the Redevelopers with respect to the Property, and in any event to notify the Authority of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary action of the Redevelopers or otherwise. For the purposes of such mortgage financing as may be made pursuant to this Agreement, the Property may, at the option of the Redevelopers, be divided into several parts or parcels, provided that such subdivision is not inconsistent with the purposes of the Redevelopment Plan and this Agreement.

(b) Notwithstanding any of the provisions of this Agreement, including but not limited to those representing covenants running with the land, neither the

holder of any mortgage authorized by this Agreement, nor any transferee of the Property deriving title from or through such a holder or as a result of foreclosure proceeding or action in lieu thereof, nor any other party who acquires an interest in the Property as the result of the enforcement of any lien or claim thereon, shall in any wise be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion; nor shall any covenant or other provision in any deed to the Property delivered under this Agreement be construed to so obligate such holder, transferee, or party: Provided, that nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder, transferee, or other party, or any other party whatsoever, to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those provided or authorized in the Redevelopment Plan, as amended from time to time, and in this Agreement.

8. Notice: Obligations of Mortgagees

(a) Whenever the Authority shall deliver or make any notice or demand to the Redevelopers with respect to any breach or default by the Redevelopers in their obligation or covenant under this Agreement, the Authority shall at the same time deliver to each holder of record of any mortgage authorized by this Agreement a copy of such notice or demand, and each such holder shall (insofar as the rights of the Authority are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage. Such option shall likewise extend to any such holder and any other party who may have acquired title to the Property or part thereof by reason of foreclosure of the mortgage or action in lieu thereof or who derives title through such holder or other party; Provided, that if the breach or default of the Redevelopers is with respect to construction of the improvements, nothing contained in this section or any other section or provision of this Agreement shall be deemed to permit or authorize such holder, either

before or after foreclosure, or such other party or transferee, to undertake or continue the construction or completion of the improvements without first having expressly assumed the obligation to the Authority, by written agreement satisfactory to the Authority, to complete in the manner provided in this Agreement, the improvements on the Property or the part thereof to which the lien or title of such older, party, or transferee relates, and submitted evidence satisfactory to the Authority that it has the qualifications and financial responsibility necessary to perform such obligation. Any such older, party or transferee who shall properly complete the improvements relating to the Property or applicable part thereof shall be entitled, upon written demand made to the Authority, to a certification by the Authority to such effect in the manner provided in Section 6 of this Agreement, and such certification shall, if so requested by such holder, party, or transferee, mean and provide that any remedies or rights with respect to recapture of or revesting of title to the Property that the Authority shall have or be entitled to because of failure of the Redevelopers to cure or remedy any default with respect to the construction of the improvements on other parts or parcels of the Property, or because of any other default in or breach of this Agreement by the Redevelopers, shall not apply to the part or parcels of the Property on which such holder, party or transferee has made or completed the improvements.

(b) In any case where, subsequent to default by the Redevelopers, the holder of any mortgage on the Property or part thereof or any other party has, but does not exercise, the option to construct or complete the improvements relating to the part of the Property covered by its mortgage or to which it has title, or does not complete them within such period as shall have been agreed upon by the Authority, and such holder or other party (which shall in no event be less than the period prescribed with respect to the Redevelopers), the Authority shall (and every mortgage instrument made by the Redevelopers with respect to the Property shall so provide) have the option of paying the mortgage debt and

securing an assignment thereof and of the mortgage, or, in the event ownership of the Property (or part thereof) has vested in such holder or other party, the Authority shall be entitled, at its option, to a conveyance to it of the Property or part thereof against payment to such owner of the then fair market value of the Property or part thereof for the uses specified therefor in the Redevelopment Plan, as amended but in no event, if payment is to the holder of the mortgage, of an amount less than the sum of (1) the mortgage debt at the time of foreclosure or action in lieu thereof; (2) all expenses with respect to the foreclosure; (3) the net losses, if any, incurred by such holder in the subsequent management of the Property; (4) the costs of any improvements made by such holder; and (5) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts been part of the mortgage debt and such debt had continued in existence (or in the event title to the Property has as a result of or subsequent to foreclosure vested in some party other than the holder of the mortgage, in an amount not less than the sum of (1) the purchase price paid by such party for the Property; and (2) the costs (less appropriate depreciation allowance) of any Improvements made by such party, including in each case any carrying charges relating thereto.)

(c) For the purposes of this and other sections of the Agreement, the term "holder" in reference to a mortgage shall be deemed to include any insurer or guarantor of any obligation or condition secured by such mortgage, including but not limited to the Federal Housing Commissioner, the Administrator of Veterans Affairs, and any successor in office of either such official.

ARTICLE VI - Remedies

9. In the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party thereto or its successors, such party shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach. If such default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings

as may be necessary or desirable in its opinion to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

10. In the event that the Authority does not (1) tender conveyance of the Property, or (2) deliver possession thereof, in the manner and condition, and by the date, provided in this Agreement, and any such failure shall not be cured within 30 days after written demand by the Redevelopers, then this Agreement, and any rights of the Authority therein, or arising therefrom, with respect to the Redevelopers, shall at the option of the Redevelopers, be cancelled, and the Redevelopers shall be entitled to a return of any deposit or payment theretofore made toward the purchase price of the Property, and either the Authority nor the Redevelopers shall have any further rights or liability to the other under this Agreement.

11. In the event that:

(a) The Redevelopers do not take title to, and pay the balance of the purchase price for, the Property upon proper proffer of conveyance by the Authority pursuant to this Agreement, and any such failure shall not be cured within 30 days after written demand by the Authority, or

(b) Prior to conveyance of the Property to the Redevelopers, and in violation of this Agreement:

(1) The Redevelopers assign or attempt to assign this Agreement or any rights therein or in the Property, or

(2) There is any transfer or purported transfer of ownership by the Redevelopers, then this Agreement and any rights of the Redevelopers, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the Authority/or the Property, shall, at the option of the Authority, be terminated by the Authority, in which event the deposit shall be retained by the Authority as liquidated damages and as its property without any deduction, offset, or recoupment whatsoever, and neither the Redevelopers nor the Authority shall have any further rights or liability to the other under this Agreement.

12. (a) In the event that subsequent to conveyance of the Property to the

Redevelopers and prior to completion of the improvements as certified by the Authority hereunder:

(1) The Redevelopers shall default in their obligations with respect to the beginning and completion of construction of the improvements, or shall abandon construction work, and any such default or abandonment shall not be cured or remedied within six months after written demand by the Authority to the Redevelopers so to do; or

(2) The Redevelopers shall fail to pay real estates taxes or assessments on the Property when due, or shall place any encumbrance or lien unauthorized by this Agreement on the Property, or shall suffer any levy or attachment to be made, or any materialmen's or mechanics' lien or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged within 30 days after written demand by the Authority to the Redevelopers so to do; or

(3) There is any transfer or purported transfer of ownership by the Redevelopers in violation of this Agreement, and such violation shall not be cured within 30 days after written demand by the Authority to the Redevelopers so to do;

the Redevelopers shall, at the written demand of the Authority and by quitclaim deed, reconvey the Property to the Authority without further consideration (i.e., other than presently provided by or under this Agreement), and the Authority shall have the right to reenter and take possession of the Property either before or after such conveyance.

(b) Any such obligation and any reconveyance resulting therefrom:

(1) Shall be subject always to and limited by any mortgage liens authorized by this Agreement in existence at the time of the reconveyance and any rights or interests provided in this Agreement for the protection of the holders of mortgages and their successors in interest; and

(2) Shall not apply to parts or parcels of the Property on which the improvements to be constructed thereon have been completed and which have,

pursuant to authorization contained in the Redevelopment Plan and this Agreement, been sold, conveyed or leased to other parties. In the event the Redevelopers shall fail to reconvey as herein set forth within 30 days after the date of the written demand by the Authority, then failure to so reconvey shall be considered a breach of condition upon which the Property was originally conveyed to the Redevelopers and title to the Property shall (except for such parts and parcels and subject to such mortgage liens as hereinabove provided) revert to the Authority, and the Authority shall have the right to institute such actions or proceedings as it may deem desirable, including, but not limited to, proceedings to obtain possession, and the payment of all damages, expenses and costs.

(c) In the event the Redevelopers reconvey the Property or any part thereof, or title thereto shall revert, to the Authority in accordance with the provisions of this Agreement, the Authority shall, pursuant to its responsibilities under the Federal, State and local laws and regulations hereinabove referred to, use its best efforts to resell the Property as soon and in such manner as the Authority shall find feasible and consistent with the objectives of the Redevelopment Plan to a qualified and responsible party (as determined by the Authority) who will assume an obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to the Authority and in accordance with the uses specified in the Redevelopment Plan. Upon such resale of the Property, the proceeds thereof shall be applied,

first, to reimburse the Authority, on its own behalf or on behalf of the City, for all costs and expenses incurred by the Authority, including but not limited to salaries of personnel, in connection with the recapture, management, and resale of the Property; all taxes, assessments, and water and sewer charges with respect to the Property (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the Authority, an amount equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property at the time of reversion of title thereto in the Authority or to

discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Redevelopers; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property; and any amounts otherwise owing the Authority by the Redevelopers; and

second, to reimburse the Redevelopers up to the amount equal to (1) the sum of the purchase price paid by the Redevelopers to the Authority for the Property and the cash actually invested by the Redevelopers in making any of the improvements, less (2) any profits, income or gains withdrawn or made by the Redevelopers from this Agreement or the Property.

13. For the purpose of any of the provisions of this Agreement, neither the Authority nor the Redevelopers, as the case may be, shall be considered in breach of or default in its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Authority with respect to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, as the case may be, shall be extended for the period of the enforced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within 30 days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the enforced delay.

14. (a) The remedies of the parties to this agreement, whether provided by law or by this agreement, shall be cumulative, and the exercise by either party to any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or

breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance, or manner or time thereof, of any obligation of the other party under this agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party beyond those expressly waived and to the extent thereof, or a waiver in any respect with respect to any other rights of the party making the waiver or any other obligations of the other party.

(b) The Redeveloper, for itself and its successors and assigns, and all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this agreement, hereby waives, to the fullest extent permitted by law, any and all claims or defenses otherwise available on the ground of its being or having become a surety (or being or having become a person in the position of a surety), whether real, personal, or otherwise, or whether by agreement or operation of law, including, without limitation on the generality of the foregoing, any and all claims and defenses based upon extension of time, indulgence, or modification of terms of contract.

ARTICLE VII - Miscellaneous Provisions

15. The Redeveloper's plans and proposals for the improvement of the Property, which are attached hereto as Exhibit B, together with the REDEVELOPMENT PLAN FOR THE WESTERN REDEVELOPMENT PROJECT, UR MINN. 1-2, WEST OF THE MINNESOTA STATE CAPITOL, REVISED FEBRUARY 1957, adopted by the Authority March 6, 1957 and approved by the Common Council of the City of Saint Paul April 2, 1957 (Council File No. 182121), are hereby incorporated into this contract and made a part hereof as fully and completely as if set forth in full herein.

16. It is expressly covenanted and agreed by the Authority and the Redeveloper that the Redeveloper shall be bound by all provisions of the Building Requirements and Land Use Controls (which said Building Requirements and Land Use Controls constitute a part of the Redevelopment Plan, and that the Building Requirements and Land Use Controls shall be imposed as restrictions upon and running with the land for a period of 40 years from April 2, 1957 (being the date of ap-

proval of the Redevelopment Plan by the Common Council of the City of Saint Paul), and that said Building Requirements and Land Use Controls shall similarly be imposed as restrictions upon and running with the land in all other sales or leases which have been or will hereafter be made of tracts of land within the Western Redevelopment Area, Project UR Minn. 1-2.

17. The provisions of this agreement shall not be superseded by the delivery of, nor merged into the provisions of, the Deed of Conveyance of Lands for Redevelopment to the Redeveloper, but shall be independent of and shall survive the delivery of such deed of conveyance. All provisions of this agreement shall remain in effect and be binding upon the Redeveloper, its successors and assigns, and upon any person or corporation to whom any rights under this contract may be assigned or transferred with the consent of the Authority until such time as the Redeveloper's construction upon and development of the Property has been completed in full accordance with all the provisions of the applicable Federal and State statutes and with the Redevelopment Plan and the Authority shall have certified to such completion in the manner specified in Article III, Section 6(a), of this agreement, the provisions of this agreement shall no longer bind the Redeveloper or its successors, representatives, or assigns, but all covenants and restrictions imposed upon the land by the Building Requirements and Land Use Controls and running with the land shall notwithstanding remain in effect and be binding upon all successive owners or occupants of the Property for the full period of 40 years from April 2, 1957 (being the date of approval of the Redevelopment Plan by the Common Council of the City of Saint Paul).

18. No member of the Authority shall participate in any decision relating to this agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested. No member, officer, agent, or employee of the Authority shall have any interest, direct or indirect, in this agreement during the term of his membership, agency, or employment by the Authority or within two years after the termination of such membership, agency, or employment; provided, however, that the ownership directly or indirectly by any such present or former member, agency,

or employee of not more than 10% of the outstanding shares of stock of any corporation whose stock is listed on any nationally recognized stock exchange in which corporation such member, officer, agent, or employee takes no active part in management shall not be deemed such a conflicting interest as to bar such member, officer, agent, or employee from further participation on behalf of the Authority or to bar such corporation from having an interest in this contract.

19. The Redeveloper shall pay for all Federal revenue stamps upon deeds of conveyance from the Authority if such Federal revenue stamps are required, and shall pay the cost of recording said deeds.

20. A notice or communication under this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered mail, postage prepaid, return receipt requested, and

(a) in the case of a notice or communication to the Redeveloper, is addressed to Redeveloper at the following address: 436 Farrington Street, Saint Paul, Minnesota, and

(b) in the case of a notice or communication to the Authority, is addressed to the Authority at the following address: 1745 City Hall and Court House, Saint Paul 2, Minnesota, or to such other address in respect to either party as that party may, from time to time, designate in writing dispatched as above required.

21. Any titles of the several parts and sections of, and the table of contents of and index to, this agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

22. This agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, has caused this agreement to be signed on its behalf by its Chairman and its Secretary and its corporate seal to be hereunto affixed

and duly attested, and Anton J. Schimschok^{AK} and Mina Schimschok^{AK}, husband and wife, the Redevelopers, have caused this agreement to be executed and affixed their hands and seals hereto and duly attested, the day and year first above written.

HOUSING AND REDEVELOPMENT AUTHORITY OF
THE CITY OF SAINT PAUL, MINNESOTA

(SEAL)

Attest:

By

Chairman

Secretary

Secretary

In presence of:

REDEVELOPER

By

Anton J. Schimschok

Mina Schimschok

STATE OF MINNESOTA)
COUNTY OF RAMSEY) ss

On this 9th day of October, 1959, before me, a Notary Public within and for said County, personally appeared Joseph F. Gabler and Harold J. Morawitz, to me personally known, who, being each by me duly sworn, did say that they are respectively the Chairman and the Secretary of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a governmental corporation organized and existing under the laws of the State of Minnesota, and that the seal affixed to the foregoing instrument is the corporate seal of said governmental corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Commissioners, and the said Joseph F. Gabler and Harold J. Morawitz acknowledged the said instrument to be the free act and deed of said governmental corporation.

Notary Public, Ramsey County, Minnesota
My commission expires Sept 7, 1964

R. E. ACKERSON
Notary Public, Ramsey County, Minn.
My Commission Expires Sept. 7, 1964,

STATE OF MINNESOTA

COUNTY OF RAMSEY

ss

On this 8 day of October, 1959, before me, a Notary Public within and for said County, personally appeared Anton J. Schimschok and Mina Schimschok, husband and wife, to me known to be the persons described in, and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Harvey J. Diehl

Notary Public, Ramsey County, Minnesota
My commission expires _____

HARVEY J. DIEHL
Notary Public, Ramsey County, Minn.
My Commission Expires Feb. 24, 1963

12/12/55

BOUNDARY DESCRIPTION - REDEVELOPMENT PROJECT UR MINN. 1-2 (Western Project)

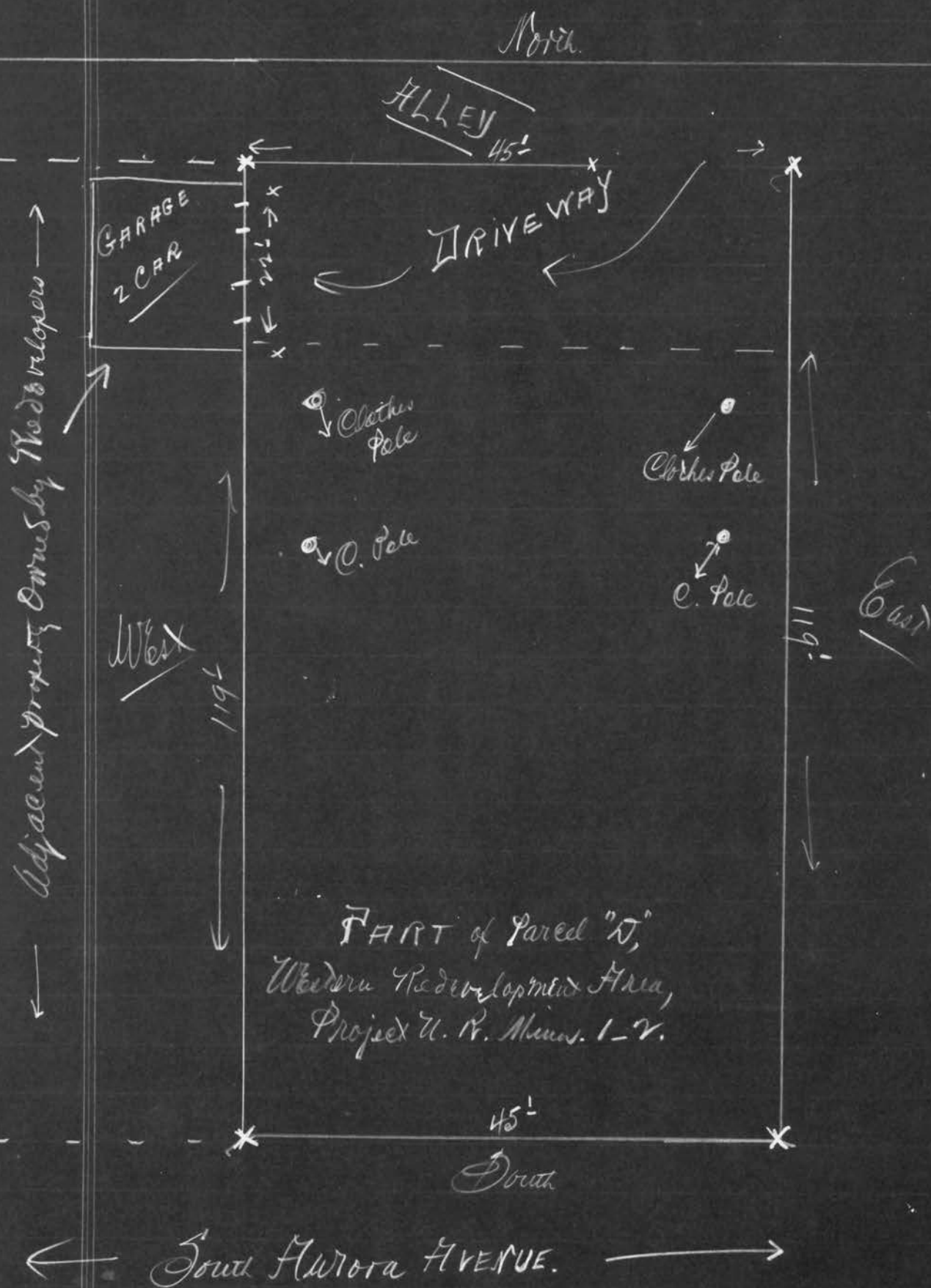
That area known as the Western Project which is bounded as follows:

Beginning at the intersection of the center lines of Western Avenue and Rondo Street, thence Easterly along the center line of Rondo Street to the intersection of the center lines of Rondo Street and Virginia Avenue, thence Northerly along the center line of Virginia Avenue to the intersection of the center lines of St. Anthony and Virginia Avenues, thence Westerly along the center line of St. Anthony Avenue to the Westerly line of Lot 7, Elfelt, Bernheimer & Arnold's Addition to St. Paul, thence Northerly along the Westerly line of said Lot 7 and along said line extended to the Northerly line of the alley in said Block 12, thence Westerly along the Northerly line of said alley 100 feet more or less to the Westerly line of Lot 4 in said Block 12, thence Northerly along the Westerly line of said Lot 4 and along said line extended to the center line of Central Avenue, thence Westerly along the center line of Central Avenue to the intersection of said center line of Central Avenue with the center line of Western Avenue, thence Northerly along said center line of Western Avenue to the Southerly line of the alley in Block 7 of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, thence Easterly along the Southerly line of the alley in said Block 7, along said line extended across Virginia Avenue and along the Southerly line of the alley in Block 8 of said Elfelt, Bernheimer & Arnold's Addition to St. Paul and said line extended to the center line of Farrington Avenue, thence Northerly along the center line of Farrington Avenue to the Southerly line of the alley in Block 3, Elfelt, Bernheimer & Arnold's Addition to St. Paul, thence Easterly along the Southerly line of said alley through Block 3 of said Elfelt, Bernheimer & Arnold's Addition and along said line extended through Block 3 of Chamber's Addition to the City of St. Paul, Minnesota to the center line of Galtier Street, thence Southerly along the center line of Galtier Street to the Southerly line of the alley in Block 4, Elfelt, Bernheimer and Arnold's Addition, thence Easterly across Galtier Street along the Southerly line of the alley in Block 3, Florence's Addition to St. Paul, Corrected Plat, extended, along said Southerly line of said alley and along said line extended to the center line of Marion Street, thence Northerly along the center line of Marion Street to the Southerly line of the alley in Block 1, Florence's Addition to St. Paul, Corrected Plat, thence Easterly along the Southerly line of said alley to the Westerly line of Lot 14, Auditor's Subdivision No. 6, St. Paul, Minnesota, thence Northerly along the Westerly line of said Lot 14 to the Northwesterly corner of said lot; thence Easterly along Southern boundary of Lots 13, 12, 11 to the South Easterly corner of Lot 11, thence Northerly along Eastern line of said lot 11, to the South Westerly corner of Lot 10, thence Easterly along the Southern Boundary of said Lot to the South Easterly corner of said Lot, thence Southerly along Western Boundary of Lot 9 to South Westerly corner of said Lot; thence Easterly along the Northerly lines of Lots 18, 19, 20, 21, and 22, Auditor's Subdivision No. 6, St. Paul, Minn., to the Northwest corner of Lot 23, Auditor's Subdivision No. 6, St. Paul, Minn., thence Southerly along the Westerly line of said Lot 23 to the Southwesterly corner of said lot, thence Easterly along the Northerly line of Lot 25, Auditor's Subdivision No. 6, St. Paul, Minnesota, to the Northeast corner of said Lot, thence Southerly along the Easterly line of said Lot to the center line of Aurora Avenue, thence Westerly along the center line of Aurora Avenue to the Southeasterly corner of Lot 19 extended, Auditor's Subdivision No. 6, St. Paul, Minn., thence Southerly across Aurora Avenue to the Northeasterly corner of Lot 2, Auditor's Subdivision No. 53, St. Paul, Minnesota, and Southerly along the Easterly line of said Lot 2 to the Southeasterly - (Description continued on following page)

Boundary Description - Redevelopment Project UR Minn. 1-2 (Continued)

corner of said Lot, thence Easterly along the Northerly line of Lots 9, 8, 7, 6, 5, and 1, H. H. Miller's Subdivision, to the Westerly line of Rice Street, thence Southerly along the Westerly line of Rice Street to the intersection of the Westerly line of Rice Street with the Southerly line of Rondo Street, thence Southeasterly along the Southwesterly line of Rice Street to the point where the Southwesterly line of Rice Street intersects the Easterly line of Lot 1, Block 7, Rondo's Addition to the City of St. Paul, thence Southerly along the Easterly line of said Lot 1 to the Southeasterly corner of said Lot 1, thence Westerly along the Northerly line of Lots 10 and 9, Block 7, Rondo's Addition to the City of St. Paul, to a point equidistant from the Easterly and Westerly lines of Lot 9, Block 7, Rondo's Addition to the City of St. Paul, thence Southerly along a line equidistant from and parallel to the Easterly and Westerly lines of said Lot 9 a distance of 50 feet, thence Westerly along a line parallel to the Northerly line of said Lot 9 to the Easterly line of Lot 6, Block 7, Rondo's Addition to the City of St. Paul, thence Southerly along the Easterly line of said Lot 6 to the Southeasterly corner of said lot, thence Westerly along the Southerly line of said Lot 6 to the Easterly line of Ravoux Street, thence across Ravoux St. to the Northeasterly corner of Lot 4, Block 6, Rondo's Addition to the City of St. Paul, thence Westerly along the Northerly line of said Lot 4 and along said line extended across Lot 3 of said Block 6 and across Cathedral Place to the Westerly line of Cathedral Place, thence Northerly along the Westerly line of Cathedral Place to the Northeasterly corner of Lot 14, Kuhn's Subdivision of Block 5, Rondo's Addition to St. Paul, thence Westerly along the Northerly line of Lots 14, 13, 12, 11, and 8, Kuhn's Subdivision of Block 5, Rondo's Addition to St. Paul, to the Easterly line of Louis Street, thence Westerly across Louis St., to the Northeasterly corner of Lot 13, Block 1, Bailey's Addition to Rondo's Addition to St. Paul, thence Westerly along the Northerly lines of Lots 13, 12, 11, 10, and 9, Block 1, Bailey's Addition to Rondo's Addition to St. Paul, and along the Northerly lines of Lots 32 through 17, Block 7, Nininger's Addition to St. Paul, to the Easterly line of Farrington Avenue, thence Westerly across Farrington Avenue to the intersection of the center line of the alley in Block 2, Nininger's Addition to St. Paul with the Westerly line of Farrington Avenue, thence Westerly along the center line of said alley to the Easterly line of Virginia Avenue, thence Westerly across Virginia Avenue to the Northeasterly line of Lot 16, Block 2, Grace's Addition to St. Paul, thence Westerly along the Northerly line of Lots 16 through 9, Block 2, Grace's Addition to St. Paul, to the center line of Western Avenue, thence Northerly along the center line of Western Avenue to the point of beginning, all in accordance with the recorded plats of said Elfelt, Bernheimer & Arnold's Addition to St. Paul, Chamber's Addition to the City of St. Paul, Minnesota, Florence Addition to St. Paul, Corrected Plat, Auditor's Subdivision No. 6, St. Paul, Minn., Auditor's Subdivision No. 53, St. Paul, Minn., H. H. Miller's Subdivision, Rondo's Addition to the City of St. Paul, Kuhn's Subdivision of Block 5, Rondo's Addition to Saint Paul, Bailey's Addition to Rondo's Addition to Saint Paul, Nininger's Addition to St. Paul, and Grace's Addition to St. Paul, on file and of record in the office of the Register of Deeds in and for Ramsey County, Minnesota.

9/29/55



Arthur J. Schimschock
Mina Schimschock

Signatures of Redevelopers -Exhibit B

DEED OF CONVEYANCE OF LAND FOR REDEVELOPMENT

THIS INDENTURE, made this 8th day of October, 1959, between the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA, a public body corporate and politic, organized and existing under the laws of the State of Minnesota, hereinafter referred to as the AUTHORITY, and Anton J. Schimschok and Mina Schimschok, husband and wife, hereinafter referred to as the REDEVELOPERS,

WITNESSETH:

WHEREAS, the Authority, acting pursuant to the provisions of Public Law 171, passed by the 81st Congress of the United States, as amended (U.S.C.A. Title 42, Sec. 1440, et seq.), and of Chapter 487, Laws Minnesota 1947, as amended (M.S.A. 462.411, et seq.), on March 6, 1957, adopted the REDEVELOPMENT PLAN FOR THE WESTERN REDEVELOPMENT PROJECT, UR MINN. 1-2, WEST OF THE MINNESOTA STATE CAPITOL, REVISED FEBRUARY 1957, and said Redevelopment Plan has been approved by Resolution of the Common Council of the City of Saint Paul April 2, 1957 (Council File No. 182121), and

WHEREAS, the Redevelopers have submitted a proposal for the purchase and re-development of certain lands within the Western Redevelopment Area, Project UR Minn. 1-2, and the Authority has accepted such proposal and entered into a contract with the Redevelopers for the purchase of land for redevelopment dated October 8, 1959.

NOW, THEREFORE, the Authority, in consideration of the sum of One Dollar(\$1.00) and other valuable consideration to it in hand paid by the Redevelopers, the receipt of which is hereby acknowledged, and in consideration of the observance and performance by the Redevelopers of the covenants of the aforesaid Contract for Purchase of Land for Redevelopment and of the covenants, conditions, and restrictions hereinafter contained, does hereby grant, bargain, quitclaim, and convey unto the said Redevelopers, their heirs, successors, and assigns, subject to the reservations, restrictions, and conditions hereinafter set forth, all that tract or parcel of land lying and being in the County of Ramsey and State of Minnesota described as follows, to-wit:

Parts of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 29, Range 23, and of Lots 11 and 12, Block 3, "Elfelt, Bernheimer & Arnolds" Addition to St. Paul described as follows: Beginning at the Northwest corner of Galtier Street (formerly Jay Street) and Aurora Avenue; thence North along the West line of said Galtier Street to the South line of the alley as opened by resolution adopted by the City Council of St. Paul on February 2, 1923, and filed May 25, 1923, in 23 Plans 39; thence West

66 feet; thence South to the North line of Aurora Avenue; thence East to place of beginning, except the East 60.45 feet thereof, according to the plat thereof on file and of record in the office of the Register of Deeds in and for Ramsey County, Minnesota.

Also the East five (5) feet of Lot Thirteen (13) and the West thirty-four and eight-tenths (34.8) feet of Lot Twelve (12), Block Three (3), Elfelt, Bernheimer & Arnold's Addition to St. Paul, and a part adjoining same in Chamber's Addition to the City of St. Paul, Minnesota, more particularly described as follows: Beginning 45 feet East from Southwest corner of Lot Thirteen (13), Block Three (3), Elfelt, Bernheimer & Arnold's Addition to the City of St. Paul, thence East thirty-nine and eight-tenths (39.8) feet, thence North one hundred nineteen (119) feet, thence West thirty-nine and eight-tenths (39.8) feet, thence South one hundred nineteen (119) feet to beginning, according to the recorded plat thereof on file and of record in the Office of the Register of Deeds in and for the County of Ramsey and State of Minnesota, (hereinafter referred to as the "Property")

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging or in any wise appertaining, to the said Redevelopers, their heirs, successors, and assigns, forever, subject, however, to the reservations, restrictions, and conditions which shall run with the land and be binding upon the Redevelopers, their heirs, successors, and assigns, as follows:

(a) The Redevelopers agree for themselves, their successors, heirs and assigns of the Property or any part thereof, as follows:

(1) That they shall devote the Property only to the use specified in the Redevelopment Plan, or such use as may be specified in any amendments or revisions of said Redevelopment Plan which may be adopted as authorized by law.

(2) That they will diligently prosecute the construction of the improvements (herein called the "Improvements") provided in the plans and proposals submitted by the Redevelopers and incorporated into the Contract for the Purchase of Land for Redevelopment between the Authority and the Redevelopers dated October 8, 1959, as Exhibit B, and that such construction shall be commenced within 30 days from the date of conveyance of the Property to the Redevelopers and shall be completed in compliance with the terms of the said Contract for the Purchase of Land for Redevelopment and in conformity with the Redevelopment Plan within 90 days from the date of said contract.

(3) That they shall make no changes in the Improvements after the completion of the construction thereof that are not in full conformity with the Redevelopment Plan as amended.

(4) That no discrimination or segregation against any persons or groups of persons on account of race, creed, religion, national origin, or ancestry shall be practiced or tolerated in connection with the sale, sublease, transfer, use, or occupancy of the Property or its development, and that in the event of the breach of any such covenant a legal or equitable action to enforce such covenants or to obtain damages for its breach may be brought by the Authority or its successors or assigns or by any person or persons segregated or discriminated against in violation of the covenant. The Authority covenants and agrees that a like covenant shall be included in the deed of conveyance or lease of all other tracts of land which have been sold or may hereafter be sold within the Western Redevelopment Area, Project UR Minn. 1-2.

(b) The Redevelopers shall not, without the prior written consent of the Authority, prior to the completion of the construction and development of the above described premises, as evidenced by the execution and delivery of a Certificate of Completion by the Authority, assign, transfer, or convey to any other person or corporation any right, title, or interest in or to the above described premises or any portion thereof. The Authority covenants that it will, upon completion by the Redevelopers (or by their approved successors or assigns), of all structures and other improvements upon the premises, make a final inspection of the premises to ascertain whether all such buildings and other improvements have been completed in accordance with the requirements of the aforesaid Federal and State statutes and of the Redevelopment Plan, and that, upon determination by the Authority of such satisfactory completion, the Authority will execute and deliver to the Redevelopers a Certificate of Completion certifying to such completion and conformance with the requirements of the aforesaid statutes and Redevelopment Plan. Such Certificate of Completion will be executed in such form as to permit it to be filed for record in the office of the Register of Deeds of Ramsey County, Minnesota, and shall constitute a conclusive determination of the satisfactory completion by the Redevelopers or their approved successors or assigns of all obligations and covenants between the Redevelopers and the Authority with ref-

erence to the improvement of the above described premises and of the conformity of such improvements with all requirements of the aforesaid Federal and State statutes and of the Redevelopment Plan. From and after the delivery and recording of such Certificate of Completion, this restriction against transfer or conveyance of the premises shall no longer remain in effect, but any subsequent transfer or conveyance shall notwithstanding be subject to all other continuing reservations, restrictions, and conditions herein contained.

(c) All buildings to be constructed upon the Property, and any other development or improvement thereupon, and any use to which the Improvements may be put shall be in full conformance with the Redevelopment Plan, Project UR Minn. 1-2, as heretofore adopted by the Authority and approved by Resolution of the Common Council of the City of Saint Paul, which said plan is on file and of record in the office of the City Clerk of the City of Saint Paul. All of the standards and requirements of said Redevelopment Plan are hereby incorporated into this instrument as fully and completely as if set forth in full herein, and this conveyance is subject to all of the reservations, restrictions, and conditions set forth therein.

(d) No portion of the Property shall be used for any unlawful or dangerous purpose, nor shall there be maintained or permitted thereon any nuisance or any business or other operation not specifically authorized by the Redevelopment Plan referred to in the preceding paragraph (c).

(e) All of the resolutions, restrictions, and conditions hereinabove set forth shall be and remain in full force and effect for a period of 40 years from April 2, 1957, excepting only the covenant against discrimination contained in paragraph (a)(4) of this instrument, which said covenant shall be perpetual; provided, however, that the agreements and covenants provided in clauses (a) (1), (a)(3), and (a)(4) of this instrument shall be binding upon the Redevelopers themselves and each successor in interest respectively only during such period as it shall have title to or an interest in the Property or part thereof.

(f) The Redevelopers, for themselves, their heirs, successors, and assigns hereby empower and authorize the Authority to bring any action or actions at law or in equity which the Authority in its discretion may deem necessary or proper for the enforcement or the prevention of the violation or breach of any of the reservations, restrictions, or conditions herein contained, or to recover damages for the violation

or breach of any of said reservations, restrictions, or conditions. Any waiver of a claim by the Authority for violation or breach of any of said reservations, restrictions, or conditions shall not be construed to be a waiver of any provisions of this agreement with respect to any other violation or breach by the Redevelopers, their heirs, successors or assigns. The Authority shall (both in its own right and also for the purposes of protecting the interests of the community and any other parties, public or private, in whose favor or for whose benefit such agreements and covenants have herein been provided for) be deemed a beneficiary of the agreements and covenants provided in this instrument, and such agreements and covenants shall run in favor of the Authority, for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Authority is or remains an owner of the Property or any part thereof. As such beneficiary, the Authority 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, at law or suits in equity or other proper proceeding to enforce the curing of such breach of agreement or covenant, to which beneficiaries of such agreement or covenant may be entitled.

IN TESTIMONY WHEREOF the Authority has caused these presents to be executed in its corporate name by its Chairman and its Secretary, and its corporate seal to be hereunto affixed the day and year first above written.

In Presence of:

John S. Gould
Mary C. Garvey

HOUSING AND REDEVELOPMENT AUTHORITY OF
THE CITY OF SAINT PAUL, MINNESOTA

By Joseph E. Gable Chairman
David James Secretary

(CORPORATE SEAL)

STATE OF MINNESOTA)
COUNTY OF RAMSEY) ss

On this 8th day of October, 1959, before me, a Notary Public within and for said County, personally appeared Joseph F. Gabler and Harold J. Moriarty, to me personally known, who, being each by me duly sworn, did say that they are respectively the Chairman and the Secretary of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a governmental corporation organized and existing under the laws of the State of Minnesota, and that the seal affixed to the foregoing instrument is the corporate seal of said governmental corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Commissioners, and the said Joseph F. Gabler and Harold J. Moriarty acknowledged the said instrument to be the free act and deed of said governmental corporation.

R. E. Ackerson

Notary Public, Ramsey County, Minnesota
My Commission expires Sept 7, 1964

R. E. ACKERSON
Notary Public, Ramsey County, Minn.
My Commission Expires Sept. 7, 1964.