

PURCHASE AND DEVELOPMENT AGREEMENT

\_\_\_\_\_, 2007

Robbinsdale, Minnesota

Received of \_\_\_\_\_, the sum of \$\_\_\_\_\_ as earnest money deposit for the purchase of property situated at \_\_\_\_\_ Avenue N, Robbinsdale, in the County of Hennepin, State of Minnesota, and legally described as follows:

all of which property the Robbinsdale Economic Development Authority, hereinafter referred to as the REDA, has this day agreed to sell to \_\_\_\_\_, \_\_\_\_\_, hereinafter referred to as the Buyers, for the sum of \$\_\_\_\_\_ which sum shall be payable as follows:

(a) \$ \_\_\_\_\_ the receipt of which is hereby acknowledged, as earnest money deposit, and

(b) \$ \_\_\_\_\_ principal balance due upon closing.

The contract is subject to the following conditions:

1. Buyers agree to construct a single-family detached residential structure on the property purchased, said structure to be completed not later than\_\_\_\_\_. Upon completion, the structure, including land, shall have an assessor's estimated market value of not less than \$\_\_\_\_\_. Buyers agree to enter into an assessment agreement and to obtain an assessor's certification substantially in the form of Exhibit A attached hereto prior to or at closing. For purposes of this section, the word "completion" shall mean the issuance of a Certificate of Occupancy by the City of Robbinsdale (City) Building Official.

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

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

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

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

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

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

- a. Building and zoning laws, ordinances, and State and Federal regulations.
- b. Restrictions relating to use or improvement of the premises as contained in any applicable redevelopment plan.
- c. Reservation of any minerals or mineral rights to the State of Minnesota.
- d. Utility and drainage easements which do not interfere with present improvements.
- e. Any restrictive covenants applicable to the property.

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

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

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

a) Buyers will have the foundation for the proposed new single family residence laid and completed not later than \_\_\_\_\_.

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

c) Buyers will have the proposed structure completed not later than \_\_\_\_\_.

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

**[Insert description of house]**

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

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

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

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

furnish the REDA, at its request, with all final construction plans pertaining to the construction of the proposed improvements. Upon satisfaction by Buyers of their obligations hereunder, including specifically their obligations to construct the proposed improvements, the REDA will provide the Buyers with a certificate in recordable form certifying that such obligations have been fulfilled.

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

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

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

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

**14. The Buyers shall provide new 1-inch water service and a new 4-inch schedule 40 PVC sewer service from the City main to the property.**

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

**16. Experienced General Contractor to Perform Major Construction Work. Sale of property is contingent upon proof that experienced licensed general contractor, approved**



ASSESSMENT AGREEMENT

and

ASSESSOR'S CERTIFICATION

by and among

THE ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

[DEVELOPER]

and

CITY ASSESSOR OF THE CITY OF ROBBINSDALE

---

---

THIS ASSESSMENT AGREEMENT, dated as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_, by and among The Robbinsdale Economic Development Authority (the "Authority"), [DEVELOPER], (the "Redeveloper(s)"), and the City Assessor of the City of Robbinsdale (the "Assessor").

WITNESSETH, that [DATE] the Authority and [DEVELOPER] entered into a Purchase and Development Agreement (the "Purchase Agreement") regarding certain real property located in Robbinsdale, hereinafter referred to as "Redevelopment Property" and legally described as follows:

[LEGAL DESCRIPTION]

WHEREAS, it is contemplated that pursuant to said Purchase Agreement the Redeveloper(s) will construct a single family home; and

WHEREAS, the Authority and the Assessor have reviewed the plans and specifications for the improvements which it is contemplated will be erected;

NOW, THEREFORE, the parties to this Assessment Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. As of January 1, [YEAR] minimum market value which shall be assessed for the land above-described with the [description of project] constructed thereon, shall be [VALUE] and no/100 Dollars (\$[DOLLAR]). The parties to this Assessment Agreement expect that the construction of the above-referenced improvements will be completed not later than [DATE]. Nothing in this Agreement shall limit the discretion of the assessor or any other public official or body having the duty to determine the market value of the Property for ad valorem tax purposes to assign to the Property a market value in excess of the minimum market value specified in this agreement.

2. The minimum market value herein established shall be of no further force and effect and this Assessment Agreement shall terminate on the earlier of the following: (a) December 31, 2023 (b) the date when the improvements constructed on the land described above have been substantially destroyed by fire or other casualty.

The events referred to in Section 2(b) and of this Assessment Agreement shall be evidenced by a certificate or affidavit executed by the Authority.

3. This Assessment Agreement shall be promptly recorded together with a Deed to the Redevelopment Property from the Authority to the Redeveloper(s), by the Redeveloper(s) with a copy of Minnesota Statutes, Section 469.177, and Subdivision 8. The Redeveloper(s) shall pay all costs of recording.

4. Neither the preambles nor provisions of this Assessment Agreement are intended to, nor shall they be construed as, modifying the terms of the Purchase Agreement between the Authority and the Redeveloper(s).





COPY OF MINNESOTA STATUTES SECTION 469.177, Subd. 8.

Assessment Agreements. An authority may, upon entering into a development or redevelopment agreement pursuant to Section 469.176, Subdivision 5, enter into a written assessment agreement in recordable form with the developer or redeveloper of property within the tax increment financing district which establishes a minimum market value of the land and completed improvements to be constructed thereon until a specified termination date, which date shall be not later than the date upon which tax increment will no longer be remitted to the authority pursuant to Section 469.176, Subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, shall execute the following certification upon such agreement:

The undersigned assessor, being legally responsible for the assessment of the above-described property upon completion of the improvements to be constructed thereon, hereby certifies that the market value assigned to such land and improvements upon completion shall not be less than \$\_\_\_\_\_.

Upon transfer of title of the land to be developed or redeveloped from the authority to the developer or redeveloper, such assessment agreement, together with a copy of this subdivision, shall be filed for record and recorded in the office of the county recorder or filed in the office of the registrar of titles of the county where the real estate or any part thereof is situated. Upon completion of the improvements by the developer or redeveloper, the assessor shall value the property pursuant to section 273.11, except that the market value assigned thereto shall not be less than the minimum market value contained in the assessment agreement. Nothing herein shall limit the discretion of the assessor to assign a market value to the property in excess of the minimum market value contained in the assessment agreement nor prohibit the developer or redeveloper from seeking, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes; provided, however, that the developer or redeveloper shall not seek, nor shall the city assessor, the county assessor, the county auditor, any board of review, and board of equalization, the commissioner of revenue or any court of this state grant a reduction of the market value below the minimum market value contained in the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording or filing of an assessment agreement complying with the terms of this subdivision shall constitute notice of the agreement to any subsequent purchaser or encumbrancer of the land or any part thereof, whether voluntary or involuntary, and shall be binding upon them.

**Drafted By:**  
**Robbinsdale Economic Development Authority**  
**4100 Lakeview Ave N; Robbinsdale, MN 55422**  
**(612) 537-4534**

## QUIT CLAIM DEED

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

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

LEGAL DESCRIPTION

[LEGAL]

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

Provided:

SECTION 1.

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

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

Promptly after completion of the improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the

Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the improvements, or any part thereof.

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

## SECTION 2.

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

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

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

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

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

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

## SECTION 3.

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

(a) Devote the Property to, and only to and in accordance with the uses specified in any applicable redevelopment plan;

(b) Not discriminate on the basis of race, color, creed, national origin, or sex in the sale, lease, rental, or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof; and

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

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

#### SECTION 4.

This deed is also given subject to:

(a) The ordinances and building and zoning laws of the City of Robbinsdale and State and federal laws and regulations in so far as they affect this real estate; and

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

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

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

(e) Any restrictive covenants applicable to the Property.

(f) Taxes payable subsequent to the date of this conveyance and to all special assessments and installments thereof payable subsequent to the date of this conveyance.



