

REQUEST FOR COUNCIL ACTION

Date: 10/12/09

Item No.: 12.f

Department Approval

City Manager Approval



Item Description: Consider Acquisition of portions of property located at 2785 Fairview Ave., City of Roseville for road and infrastructure purposes

BACKGROUND

The City is in the process of negotiating with the property owners within the Twin Lakes redevelopment area to acquire portions of their property for road and infrastructure purposes. In the Fall of 2008, the property owners of 2785 Fairview Ave., Hagen Ventures LLC, approached the City and inquired if the City of Roseville would be interested in purchasing a portion of their property that is needed for Twin Lakes Parkway. Since that time, the City and Hagen Ventures have negotiated and drafted a purchase agreement for City Council consideration. Below is a summary of the purchase agreement:

- The purchase agreement is between the City of Roseville and Hagen Ventures LLC, owners of 2785 Fairview, a multi-tenant trucking terminal/warehouse.
- The city is acquiring approximately 1.95 acres for Twin Lakes Parkway. The purchase will include the land upon which the officially-mapped Twin Lakes Parkway will be constructed upon (including an accessory building) as well as triangular remnant parcel in the northwest portion of the property.
- The purchase price \$1,006,500, which is the value based on an appraisal conducted by Dan Dwyer for the city this past spring. Hagen Ventures will be required to escrow \$60,000 for future potential use in cleaning up the property from previous tenants and for any environmental remediation.
- Seller (Hagen Ventures LLC) waives any rights it has for relocation benefits from the city.
- Current tenants of the property that are impacted by the purchase are on month-to-month leases and will likely be eligible for relocation benefits. Any new tenants after closing will also be on a month-to-month lease, but will not likely be eligible for relocation benefits.
- The City will need to process and approve a subdivision to separate the parcel that it is purchasing from the parcel that will be retained by Hagen Ventures.
- The closing shall take place no later than December 31, 2009.
- Hagen Ventures warranty that they have no knowledge of hazardous or toxic substances on the land to be purchased, except as disclosed in prior reports.

- Hagen Ventures is waiving all claims that they assert they have against the City, including any claim based on the ‘cloud’ of condemnation.
- As part of the transaction, the city and Hagen Ventures will enter into a lease agreement. The agreement will allow Hagen Ventures to continue to lease the property to other tenants until June 1, 2011.
- The city will have the ability to terminate the lease early with an early termination fee of \$8,916.66 for each month prior to June 1, 2011.
- The lease would allow them to continue to use the property as a truck terminal, truck maintenance facility and distribution facility.
- Hagen Ventures will be responsible for all utilities and taxes and will be required to hold general liability insurance in the amount of \$1.5M for each occurrence.

POLICY OBJECTIVE

The action being considered will lead to the construction of infrastructure in the Twin Lakes redevelopment area. Twin Lakes has long been indentified in the Roseville Comprehensive Plan as in important redevelopment area for the City.

BUDGET IMPLICATIONS

The costs for the acquisition of a portion of 2785 Fairview for the roads and infrastructure will initially be funded through existing TIF balances. As the Twin Lakes area is redeveloped, developers/property owners will be required to pay for their appropriate costs of the infrastructure, including the purchase of right-of-way, as based on the adopted Twin Lakes Infrastructure Study.

STAFF RECOMMENDATION

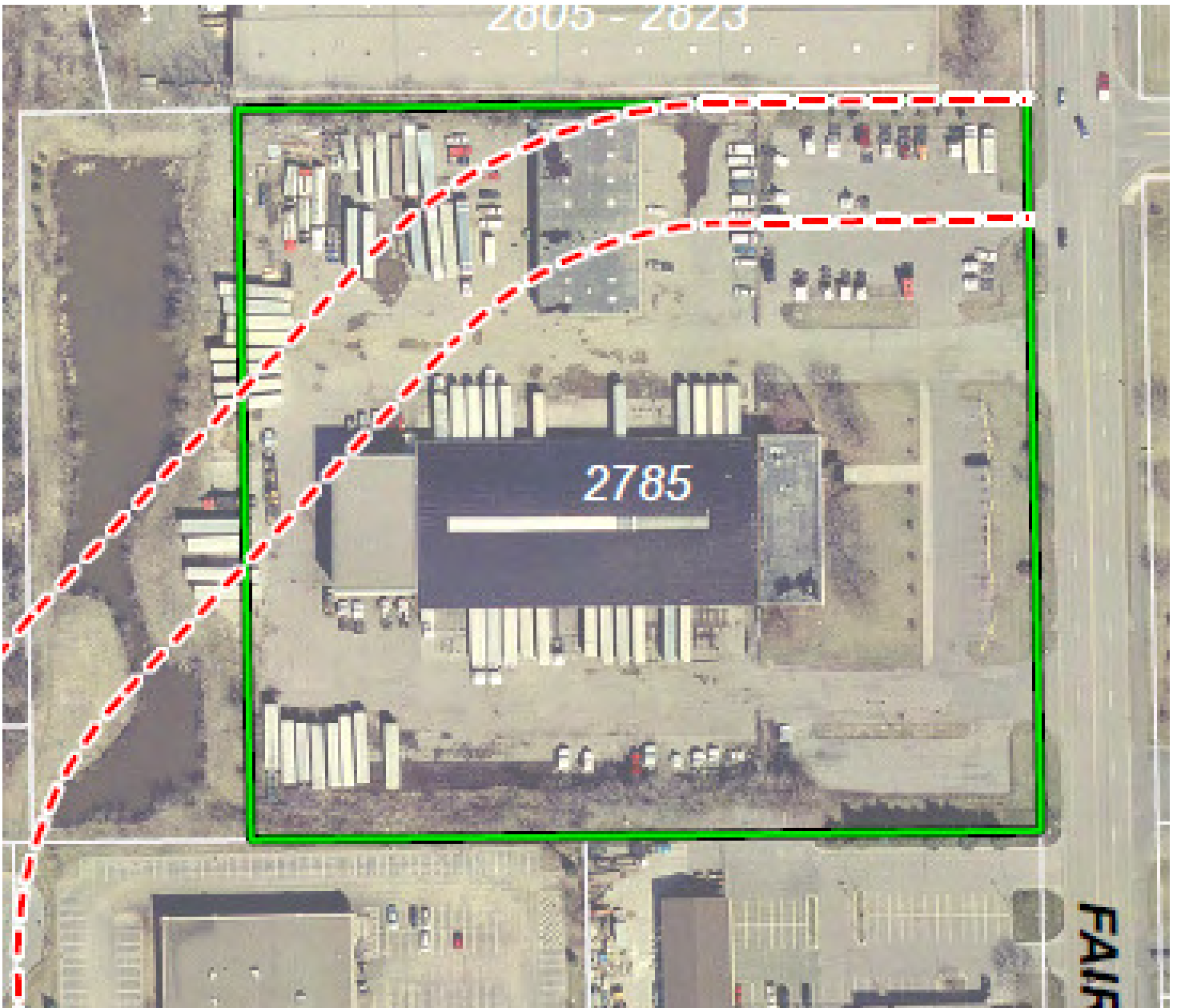
Staff recommends entering into the purchase agreement with Hagen Ventures LLC to purchase a portion of 2785 Fairview Ave. for road and infrastructure purposes within Twin Lakes.

REQUESTED COUNCIL ACTION

MOTION to enter into a purchase agreement with Hagen Ventures LLC to purchase a portion of 2785 Fairview Ave. for road and infrastructure purposes within Twin Lakes.

Prepared by: Patrick Trudgeon, Community Development Director (651) 792-7071
Attachments: A: Aerial of 2785 Fairview Ave.
B: Summary of Appraisal; 2785 Fairview Ave.
C: Purchase Agreement

Hagen Ventures LLC – 2785 Fairview Ave, Roseville



**A "BEFORE" AND "AFTER"
SUMMARY APPRAISAL REPORT**

OF

**Hagen Ventures, LLC
A Truck Terminal / Distribution Facility**

LOCATED AT

**2785 Fairview Avenue N
Roseville, Minnesota**

FOR

**Mr. Patrick Trudgeon, AICP
Community Development Director
City of Roseville
2660 Civic Center Drive
Roseville, MN 55113**

AS OF

December 19, 2008

BY

**Daniel E. Dwyer
Certified General Real Property Appraiser
MN License #4001170**

**DAHLEN, DWYER & FOLEY, INC.
55 East 5th Street; Suite 1350
St. Paul, MN 55101**

Dahlen, Dwyer & Foley, Inc.

55 EAST 5TH STREET • SUITE 1350 • ST. PAUL, MINNESOTA 55101 • (651) 224-1381 • FAX (651) 223-5736

DWIGHT W. DAHLEN, MAI, SREA
DANIEL E. DWYER
SEAN M. FOLEY
JEFFREY A. DAHLEN
JANE E. HAMMES
MICHAEL T. TINKER
BRIAN W. DAHLEN

January 28, 2009

Mr. Patrick Trudgeon, AICP
Community Development Director
City of Roseville
2660 Civic Center Drive
Roseville, MN 55113

RE: Hagen Ventures, LLC
A Truck Terminal/Distribution Facility
2785 Fairview Avenue N
Roseville, MN 55113

Dear Mr. Trudgeon:

In accordance with your request, I have prepared a ***"Complete Summary Appraisal"*** on the property located at 2785 Fairview Avenue N in Roseville, Minnesota. The property consists of a 43,088 SF truck terminal/distribution facility having approximately 13.4% office space along with a 10,975 SF maintenance building located immediately to the north of the terminal/distribution building. The GBA for both buildings totals 54,063 SF. The improvements were constructed in 1960 with an addition to the truck terminal/distribution facility in 1989. The site is rectangular in shape and contains a total of 7.41 acres or 322,780 SF. Zoning is I-1 or Light Industrial District. The Roseville Comprehensive Plan has the subject property guided BP or Business Park.

The purpose of this appraisal is to determine the loss in market value to the property due to the City of Roseville's Twin Lakes Roadway Project. This project includes taking of road right-of-way, taking of a remnant strip, temporary easements, and taking of the truck maintenance facility along with the 1989 addition to the terminal/distribution facility.

This appraisal has been prepared in conformance with ***MnDOT's "Right-of-Way Manual"*** dated January 10, 2002 and ***US DOT's 49 CFR Part 24***. Based upon my inspection of the property, and in consideration of the City of Roseville's takings for the Twin Lakes Roadway Project, I have developed the following opinions of value for the property as of December 19, 2008:

VALUE "BEFORE" THE TAKING:..... \$2,950,000

VALUE "AFTER" THE TAKING:..... \$1,950,000

DAMAGES DUE TO TAKING: \$1,000,000

The damages are allocated as follows:

VALUE OF RIGHT-OF-WAY FOR TWIN LAKES PARKWAY:..... \$439,000

VALUE OF REMNANT PARCEL:..... \$175,000

VALUE OF REMAINDER DAMAGES: \$386,000

PLUS VALUE OF TEMPORARY EASEMENT: \$6,500

TOTAL DAMAGES DUE PROPERTY OWNER: \$1,006,500

The preferred way to determine damages accruing to a property due to a taking is the "before" and "after" method. Under this method, which is usually the simplest approach, the value of the property is estimated "before" and "after" the taking(s), the difference between the two being the damages accruing to the property as a result of the taking including damages to the remainder, if any. The measure of damages to the subject property is the comparative market value of the property "before" and "after" the taking by the City of Roseville of road right-of-way, a temporary easement, a remnant parcel, a truck maintenance facility and a 60'x101' addition to the main building.

Under Minnesota State Law, the value of the "remainder" parcel in the "after" situation does not take into consideration any special or general benefits that may accrue to the property as the result of the City of Roseville's Twin Lakes Roadway Project.

This appraisal report has been made in conformity with the following:

- The "Uniform Standards of Professional Appraisal Practice" of the Appraisal Foundation as mandated by the Financial Institution's Reform, Recovery and Enforcement Act of 1989 (FIRREA).

- The "Standards of Professional Practice and Conduct" of the Appraisal Institute.
- All terms specified in conversations with Mr. Patrick Trudgeon of the City of Roseville.
- This appraisal assignment has not been based on a requested minimum valuation, specific valuation or the approval of a loan. The estimate of market value contained herein was developed independent of any undue influence.
- No part of the appraiser's compensation was, is, or will be directly or indirectly related to the opinions of market value reported herein.
- MnDOT's Right-of-Way Manual dated January 2, 2002, Section 5-491.202.
- US DOT's **49 CFR Part 24.**

This appraisal has been made subject to certain limiting conditions and assumptions as hereinafter expressed. Such facts and information as contained herein were obtained from sources that I considered reliable and are true to the best of my knowledge and belief.

Neither my engagement to make this appraisal (or any future appraisals for this particular client), nor any compensation therefore, are contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of subsequent event.

Dahlen, Dwyer, & Foley, Inc. does not have a business or personal relationship with the property's owner(s); is not an owner or lessee in the property; and has no management, leasing or sales responsibility for the property.

Information in this report was gathered from sources believed to be reliable but it is not guaranteed. Possession of this report, or copy thereof, does not carry with it the right of publication nor may it be used for any purpose, except that for which it was requested without the previous written consent of the appraiser and, in any event, only with property qualification.

The following report describes my method of approach, contains data gathered in my investigation, and demonstrates my analysis in arriving at the estimate of market value for the subject property.

Respectfully submitted,

DAHLEN, DWYER & FOLEY, INC

A handwritten signature in dark ink, appearing to read "Daniel E. Dwyer", followed by a horizontal line.

Daniel E. Dwyer, CEO
Certified General Real Property Appraiser
MN License # 4001170

DED/jh
DD&F File #:9030

EXECUTIVE SUMMARY

Project:	Twin Lakes Parkway Project
Parcel #:	14
Fee Owner:	Hagen Ventures, LLC
Property Address:	2785 Fairview Avenue N Roseville, Minnesota 55113
Assessor's PID #:	04.29.23.31.0019
Zoning:	I1 or Light Industrial District
Comprehensive Plan:	BP or Business Park
Property Rights Appraised:	Fee Simple Interest "before" and "after"
Land Size:	7.41 Acres or 322,780 SF
Shape of Parcel:	Rectangular
GBA:	54,063 SF
Date Built:	1960, 1989
Rights Acquired:	Road right-of-way – 59,749 SF Temporary easement – 8,465 SF Remnant parcel – 23,818 SF 1989 addition – 6,060 SF Truck maintenance facility – 10,957 SF
Length of Temporary Easement:	One year or 12 months from commencement date of roadway construction to be determined by the City of Roseville
Report Format:	Summary
Highest & Best Use – "Before":	Current use
Highest & Best Use – "After":	Current use

Valuation Conclusions:

Estimated Value – “Before”:	\$2,950,000
Estimated Value – “After”:	<u>\$1,950,000</u>
Damages due to taking:	\$1,000,000

Allocation of Damages:

Value of fee taking for roadway:	\$439,000
Value of remnant parcel:	\$175,000
Value of remainder damages:	\$386,000
Plus value of temporary easement:	<u>\$6,500</u>

Total Damages Due Prop. Owner: \$1,006,500

Date of Inspections:	December 14, 2008
	December 19, 2008

Date of Value Estimate:	December 19, 2008
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Appraiser:	Daniel E. Dwyer
	Certified General Real Property Appraiser
	MN License #4001170

Dahlen, Dwyer & Foley, Inc.
55 E. 5th Street, Suite 1350
St. Paul, MN 55101
651-224-1381

PURCHASE AGREEMENT

THIS AGREEMENT is made as of _____, 2009 (the "Effective Date") by and between Hagen Ventures, LLC, a Minnesota limited liability company ("Seller"), and the City of Roseville, a municipal corporation ("Buyer").

RECITALS:

A. Seller is the fee owner of that certain real property commonly known as 2785 Fairview Avenue, located in Ramsey County, Minnesota.

B. Seller wishes to convey, and Buyer wishes to purchase, that certain portion of the real property containing approximately 87,329 square feet, the legal description of which is set forth on Exhibit A ("Property"), which Property is identified on the sketch attached hereto as Exhibit A-1, together with all rights, privileges, easements, and appurtenances belonging thereto.

AGREEMENT:

In consideration of the mutual covenants and agreements herein contained and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Purchase Price and Manner of Payment. The total purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be \$1,006,500.00 and shall be paid as follows:

- a. Upon execution of this Agreement \$10,000.00 as earnest money ("Earnest Money"):
- b. On the Closing Date the balance of the Purchase Price (\$996,500.00) in a cash or other immediately available funds, less an escrow of \$60,000 to be held pursuant to the Escrow Agreement attached hereto as Exhibit E (the "Escrow Agreement").

2. Seller's waiver of relocation benefits. Seller acknowledges that the Buyer is a governmental subdivision with the right of eminent domain and that Seller may have the right to relocation benefits pursuant to Minnesota Statutes Section 117.52. The Purchase Price represents the total consideration for the Property and Seller waives any rights pursuant to Minnesota Statutes Section 117.52 to any relocation benefits. Seller agrees to execute the Waiver of Relocation Benefits, attached as Exhibit B.

3 Existing and prospective leases and subleases. Seller represents that all present leases, including subleases of the property, are on a month-to-month basis. Seller further represents that, when it becomes a tenant of the property after the closing pursuant to Paragraph 5(h) of this Agreement and the Lease, as hereinafter defined, it will only enter month to month subleases with all new subtenants. Seller represents that it will notify all subtenants who take occupancy after the closing that the property, prior to the execution of any sublease, that the Property has been acquired

by Buyer, and that as a result, any subtenant who takes possession after the closing will not be considered as a displaced person for the purposes of obtaining relocation benefits, and that any subtenant who takes occupancy after the closing will not be entitled to relocation benefits stemming from or relating to Buyer's acquisition of the property. Seller shall not be liable for any relocation benefits stemming from or relating to Buyer's acquisition of the property.

4. Buyer Contingencies. The obligations of Buyer under this Agreement are contingent upon each of the following:

- a. Representation and Warranties.** The representations and warranties of Seller contained in this Agreement must be accurate in all material respects now and on the Closing Date as if made on the Closing Date.
- b. Title.** Title shall have been found marketable, or been made marketable, in accordance with the requirements and terms of Section 7 below.
- c. Performance of Seller's Obligations.** Seller shall have performed all of the obligations required to be performed by Seller under this Agreement as and when required by this Agreement.
- d. Condition of Property.** Buyer shall be reasonably satisfied with the physical and environmental condition of the Property within thirty (30) days of the Effective Date.
- e. Subdivision Approval.** All subdivision approvals shall have been obtained by Buyer, at Buyer's sole cost and expense, given the fact the Property is part of a larger tax parcel. Buyer will undertake its best efforts to obtain such approve on or before December 21, 2009.

If any contingency set forth above has not been satisfied on or before the Closing Date or such earlier date set forth above, then this Agreement may be terminated, at Buyer's option, by written notice from Buyer to Seller. Upon such termination, the Earnest Money shall be refunded to Buyer, and upon such return, neither party will have any further rights or obligations regarding this Agreement or the Property. All the contingencies set forth in this Section are for the sole and exclusive benefit of the Buyer and the Buyer shall have the right to waive any contingency by written notice to Seller.

5. Closing: The closing of the purchase and sale contemplated by this Agreement shall occur on a "Closing Date" which shall take place within ten (10) days of the satisfaction of the contingencies, but not later than December 31, 2009. The closing shall take place at a mutually agreeable time and place. Seller shall retain possession of the Property on the Closing Date pursuant to the Lease. At the closing Buyer shall pay the balance of the Purchase Price to Seller and the following closing documents shall be executed and delivered.

- a.** A warranty deed conveying the Property to Buyer, free and clear of all encumbrances, except the following "Permitted Encumbrances":

- (1) Any property taxes and special assessments to be paid by Buyer pursuant to this Agreement; and
 - (2) Building codes and laws and ordinances relating to zoning, land use and environmental matters.
 - (3) Utility and/or roadway easements that do not interfere with the operation of the Property.
 - (4) Reservations of mineral rights to the State of Minnesota.
 - (5) Any encumbrances that are Permitted Encumbrances pursuant to Section 7(c) hereof.
- b. A title insurance policy, or a suitably marked-up commitment for title insurance initialed by the Title Insurer, as hereinafter defined, in the form required by this Agreement.
 - c. A standard form of Seller's affidavit.
 - d. The appropriate federal income tax reporting forms.
 - e. A Certificate of Real Estate Value.
 - f. A closing statement detailing the financial terms of the closing.
 - g. All other documents necessary to transfer the Property to Buyer free and clear of all encumbrances except the Permitted Encumbrances.
 - h. The Lease attached hereto as Exhibit C (the "Lease").
 - i. The Release of Claims, attached hereto as Exhibit D (the "Release of Claims").
 - j. The Escrow Agreement.
 - k. The Temporary Construction Easement, attached hereto as Exhibit F (the "Temporary Construction Easement").

6. Costs and Prorations. Seller and Buyer agree to the following prorations and allocations of costs:

- a. **Title Insurance and Closing Fee.** Buyer will pay all costs of issuing the title insurance commitment. Buyer will pay all title insurance premiums and surcharges required for the issuance of any owner's title insurance policy required

by Buyer. Seller and Buyer will each pay one-half of any reasonable and customary closing fee charged by the Title Insurer.

- b. **Documentary Taxes.** Seller shall pay all state deed tax for the warranty deed to be delivered by Seller under this Agreement.
- c. **Real Estate Taxes and Levied and Pending Assessments.** General real estate taxes due and payable for the period prior to closing shall be paid by Seller. Seller shall be responsible for all special assessments levied or pending against the Property as of the date of this Agreement except for those identified herein as specifically the responsibility of Buyer. Seller shall be responsible for the payment of any and all general real estate taxes and installments of special assessments relating to the Property that accrue during the term of the Lease. Buyer shall be responsible for the payment of any and all general real estate taxes and installments of special assessments relating to the Property that accrue after the termination of the Lease.
- d. **Attorney's Fees.** Each party will pay its own attorney's fees.
- e. **Miscellaneous Fees and Costs.** Any fees or costs associated with the platting, development, sale or closing of the property that are not by this Agreement specifically designated to be the responsibility of the Seller will be paid by the Buyer.

7. **Title.**

- a. **Quality of Title.** Seller shall convey good and marketable fee title to the Property to Buyer, subject to no liens, easements, encumbrances, conditions, reservations or restrictions other than the Permitted Encumbrances.
- b. **Title Evidence.** Within twenty days after the date of this Agreement, Buyer shall obtain the following (collectively, "Title Evidence"):
 - (1) A commitment ("Title Commitment") from a title company selected by Seller (the "Title Insurer") for the most current form of ALTA owner's policy of insurance in the amount of the Purchase Price insuring title to the Property.
- c. **Buyer's objections.** Within twenty days after receiving the last of the Title Evidence, Buyer shall make written objections ("Objections") to any marketability issues identified by of the Title Evidence. Buyer's failure to make Objections within such time period will constitute waiver of Objections. Any matter shown on such Title Evidence and not objected to by Buyer shall be deemed an additional "Permitted Encumbrance" hereunder. Seller shall have 60 days after receipt of the Objections to cure the Objections, during which period the Closing will be postponed as necessary. If the Objections are not cured within

such 60-day period, Buyer will, in addition to any other remedy available at law or under this Agreement, have the option to do either of the following:

- (1) Terminate this Agreement and receive a refund of the Earnest Money; or
 - (2) Waive the objections and proceed to close.
- d. **Title Policy.** Buyer will cause the Title Insurer to deliver to Buyer at the closing a title policy issued pursuant to the commitment, or a suitably marked-up commitment initialed by the Title Insurer undertaking to issue such a title policy in the form required by the commitment as approved by Buyer.

8. Representations and Warranties by Seller. Seller represents and warrants to Buyer as follows:

- a. **Authority.** Seller has the requisite power and authority to enter into and perform this Agreement.
- b. **Title to Property.** Seller owns marketable fee simple title to the Property.
- c. **Rights of Others to Purchase Property.** Seller has not entered into any other contracts for the sale of the Property.
- d. **FIRPTA.** Seller is not a "foreign person," "foreign partnership," "foreign trust" or "foreign state": as those terms are defined in § 1445 of the Internal Revenue Code.
- e. **Proceedings.** To the knowledge of Seller, there is no action, litigation, investigation, condemnation or proceeding of any kind pending or threatened against Seller or the Property from any entity other than Buyer.
- f. **Wells and Septic Systems.** To Seller's knowledge, Seller represents that it is not aware of any wells or septic systems located on the Property, except as disclosed to Buyer in writing prior to Closing Date. Seller shall prepare, execute, and file any required well certificate on or before the Closing Date.
- g. **Hazardous Substances.** Except as set forth in that certain Preliminary Environmental Evaluation dated November 17, 2008 and prepared by Braun Intertec (the "Report"), to the Seller's actual knowledge, no hazardous or toxic substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. § 9601-9657, as amended, have been generated, treated, stored, released, or disposed of, or otherwise deposited in or located on the Property, including with limitation, the surface or subsurface waters of the Property, nor to Seller's actual knowledge, except as set forth in the Report, has any activity been undertaken on the Property which would cause (i) the Property to become a hazardous waste treatment,

storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. § 6901, et. seq., or any similar state law or local ordinance or any other environmental law; (ii) a release or threatened release of hazardous waste from the Property within the meaning of, or otherwise bring the Property within the ambit of CERCLA, or any similar state law or local ordinance, or any other environmental law; or (iii) the discharge of pollutants or effluents into any water source or system, or the discharge into the air or any emissions, which would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. § 7401, et. seq., or any similar state law or local ordinance or any other environmental law. To Seller's knowledge, except as set forth in the Report: (i) there are no substances or conditions in or on the Property which may support a claim or cause of action under RCRA, CERCLA, or any other federal, state, or local environmental statutes, regulations, ordinances, or other environmental regulatory requirements, and (ii) no underground deposits which cause hazardous wastes or underground storage tanks are located on the Property.

Seller will defend, indemnify and hold harmless Buyer from and against any expenses or damages, including reasonable attorney's fees, that Buyer incurs because of the breach of any of the above representations and warranties. Each such representation shall survive Closing for a period expiring on the one (1) year anniversary of the termination of the Lease. Consummation of this Agreement by Buyer with knowledge of any such breach by Seller will constitute a waiver or release by Buyer of any claims due to such breach. Except as expressly set forth herein, Buyer agrees to accept the Property in its as-is condition.

9. Representations and Warranties by Buyer. Buyer represents and warrants to Seller that Buyer has the requisite power and authority to enter into this Agreement and perform it.

10. Right to Inspect. Buyer shall have the right to enter the Property and perform such surveys, tests and investigations as Buyer deems advisable, all at Buyer's sole expense, and Buyer will provide Seller with copies of any such surveys, tests or investigation reports. Buyer shall keep the Property free from mechanics liens arising from such work. Buyer shall be responsible for any property damage or personal injury arising from such work, and Buyer agrees to indemnify and hold harmless Seller from any loss, cost or expense (including reasonable attorneys' fees) for death, bodily injury or damage to the Property to the extent caused by such work.

11. Control of Property. Subject to the provisions of this Agreement, until the Date of Closing, except as set forth in Section 10, Seller shall have full responsibility and the entire liability for any and all damages or injuries of any kind whatsoever to the Property, to any and all persons, whether employees or otherwise, and to any other property from and connected to the Property, except liability arising from the negligence of Buyer, its agents, contractors, or employees.

12. Condemnation. If, prior to the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller shall immediately give notice to Buyer

of such fact and at Buyer's option (to be exercised within ten days after Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement and the Earnest Money shall be refunded to Buyer. If Buyer fails to exercise its option to terminate the Agreement, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings.

13. Broker's Commission. Seller and Buyer represent and warrant to each other that they have dealt with no broker, finder or other person entitled to a commission, finder's fee or similar fee in connection with this transaction, except that Seller has worked with Financial Network and the fees of Financial Network will be paid in full as a part of Closing pursuant to a separate agreement.

14. Assignment. Either party may assign its rights under this Agreement, but such assignment shall not be effective until the assigning party has given written notice of the assignment to the other party. Any such assignment will not relieve such assigning party of its obligations under this Agreement.

15. Survival. All of the terms of this Agreement will survive and be enforceable after the Closing.

16. Notices. Any notices required or permitted to be given by any party to the other shall be given in writing, and shall be (i) hand delivered to any officer of the receiving party, or (ii) mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, or (iii) properly deposited with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller: Hagen Ventures, LLC
6278 Otter Lake Road
White Bear Lake, MN 55110
Attention: Bob Hagen

With copy to: Fredrikson & Byron, P.A.
200 S. Sixth Street, Suite 4000
Minneapolis, MN 55402
Attention: Steve Quam

If to Buyer: City of Roseville
2660 Civic Center Drive
Roseville, MN 55113-1899
Attention: City Manager

With copy to: Ratwik, Roszak & Maloney, P.A.
300 U.S. Trust Building
730 Second Avenue South
Minneapolis, MN 55402

Attention: Jay T. Squires

Notices shall be deemed effective on the earlier of the date of receipt or in the case of such deposit in the mail or overnight courier, on the first business day following such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party.

17. Captions. The captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

18. Entire Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings and representations between the parties regarding the Property. There are no verbal or written side agreements that change this Agreement.

19. Amendment; Waiver. No amendment of this Agreement, and no waiver of any provision of this Agreement, shall be effective unless set forth in a writing expressing the intent to so amend or waive, and the exact nature of such amendment or waiver, and signed by both parties (in the case of amendment) or the waiving party (in the case of waiver). No waiver of a right in any one instance shall operate as a waiver of any other right, nor as a waiver or such right in a later or separate instance.

20. Governing Law. This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.

21. Binding Effect. This Agreement binds and benefits the parties and their respective successors and assigns.

22. Remedies.

- a. Default by Buyer.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving a 30-day written notice to Buyer pursuant to Minnesota Statutes § 559.21. If Buyer fails to cure such default within 30 days of the date of such notice, this Agreement will terminate, and upon such termination Seller will retain the Earnest Money as liquidated damages, time being of the essence of this Agreement; or Seller may sue for specific performance of this Agreement or actual damages caused by Buyer's default provided that such suit is commenced within sixty (60) days of the alleged default.
- b. Default by Seller.** If Seller defaults under this Agreement, Buyer shall have the right to terminate this Agreement by giving a 30-day written notice to Seller pursuant to Minnesota Statutes § 559.21. If Seller fails to cure such default within 30 days of the date of such notice, this Agreement will terminate, and upon such termination Buyer may sue for specific performance of this Agreement or actual

damages caused by Seller's default provided that such suit is commenced within sixty (60) days of the alleged default.

The remainder of this page is intentionally blank.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date set forth above.

SELLER: HAGEN VENTURES, LLC:

By: _____

Date: _____

By: _____

Date: _____

BUYER: CITY OF ROSEVILLE

By: _____
Mayor

Date: _____

By: _____
City Manager

Date: _____

EXHIBITS

- A Legal Description
- B Waiver of Relocation Benefits
- C Lease
- D Release of Claims
- E Escrow Agreement

RRM: #131917/sld/lmj
4611756v2

EXHIBIT A
LEGAL DESCRIPTION

That part of the South 550 feet of the East 630 feet of the Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23, Ramsey County, Minnesota, which lies west of the east 43.00 feet thereof and which lies northerly and northwesterly of the following described line:

Commencing at the Southeast corner of the Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23, Ramsey County, Minnesota; thence North 01 degrees 08 minutes 13 seconds West, assumed bearing along the east line of said Northeast Quarter of the Southwest Quarter, 468.25 feet, to the point of beginning of said line to be hereinafter described; thence South 88 degrees 58 minutes 08 seconds West, 167.25 feet; thence southwesterly, 401.90 feet, along a tangential curve, concave to the southeast, having a radius of 500.00 feet and a central angle of 46 degrees 03 minutes 17 seconds; thence South 42 degrees 55 minutes 31 seconds West, tangent to the last described curve, 148.39 feet, to the west line of Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23 and said line there terminating.

EXHIBIT A-1
SKETCH OF PROPERTY

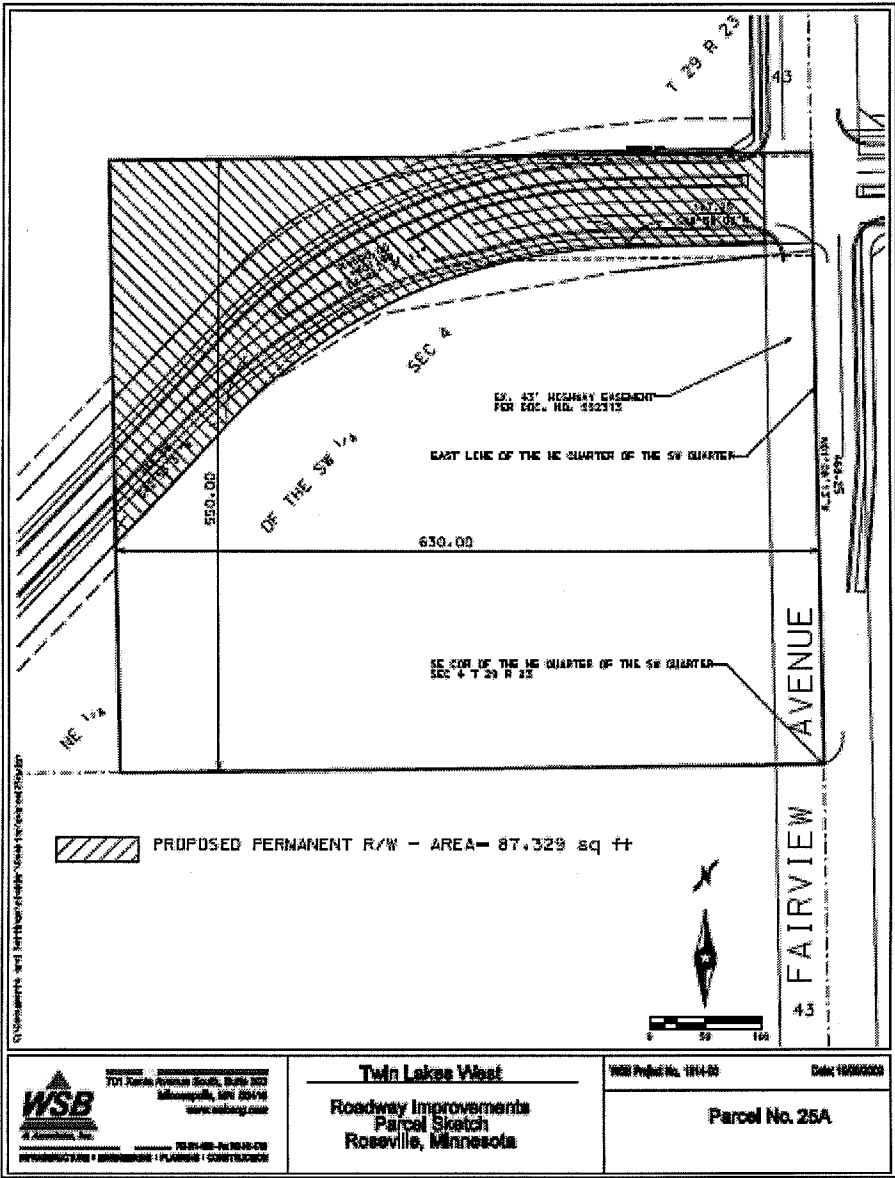


EXHIBIT "B"

WAIVER OF RELOCATION BENEFITS

THIS AGREEMENT is made as of _____, 2009 between _____, ("Seller"), and the City of Roseville, a municipal corporation ("Buyer").

I. RECITALS

- 1.01 Buyer is a municipal corporation under the laws of the State of Minnesota, having its principal office in the City of Roseville, County of Ramsey, Minnesota.
- 1.02 Seller resides at _____ in the City _____, County of _____, Minnesota.
- 1.03 Buyer desires to purchase certain real estate owned by Seller, which is legally described in Exhibit A, attached hereto.
- 1.04 Pursuant to Minnesota Statutes section 117.521, Seller desires to waive any possible claim that Seller may have for relocation benefits pursuant to Minnesota and federal law.
- 1.05 Buyer has explained to Seller that, but for Seller's waiver herein, Seller may be or is eligible under Minnesota Statutes chapter 117 for relocation assistance, relocation services, relocation payments, and relocation benefits as separately listed below:

Type of Relocation Owner may be eligible for:

Relocation Assistance:	Assistance in locating and moving operation to a replacement site, coordination of the move and filing appropriate documents for relocation claim.
Relocation Services:	Provide comparable properties for possible replacement sites, transportation to properties if needed, perform DSS inspections, calculation of relocation payments and review of documentation and written relocation claim.

Relocation Payments: Estimated Moving Costs for Equipment: \$ _____

Estimated Closing Costs: \$ _____

Estimated Hook Up Charges: \$ _____

Relocation Benefits: Relocation benefits would include all of the above.

Total: \$ _____

- 1.06 Seller specifically represents and agrees that they are entering into this agreement voluntarily. Seller further agrees that prior to execution of this agreement, _____, representing the Buyer, explained the contents of this agreement and relocation guidebook.

NOW, THEREFORE, in consideration of the premises and their mutual promises, the parties hereto hereby agree as follows:

II. AGREEMENT

- 2.01 Seller, for good and valuable consideration provided as part of the Purchase Price paid by Buyer for the Property and for relocation benefits, the receipt and sufficiency of which is hereby acknowledged, hereby waives, releases, relinquishes, and forfeits forever any other claim that Seller may otherwise have for relocation assistance, relocation services, relocation payments, and relocation benefits under Minnesota Statutes Chapter 117 and other provisions of state and federal law. The Purchase Price of the Property and the payment of relocation benefits for the total unallocated sum of \$1,006,000.00 serves as consideration in return for this waiver.
- 2.02 Under Minnesota Statutes, Seller may not waive relocation assistance relating to the acquisition of properties situated wholly or in part within any district for redevelopment authorized under Laws 1971, chapter 548 or 677; or Laws 1973, chapter 196, 761, or 764; or Laws 1974, chapter 485; or Minnesota Statutes chapter 462, 458, or 458c.

SELLER:

By: _____

Date: _____

By: _____

Date: _____

BUYER: THE CITY OF ROSEVILLE

By: _____
Mayor

Date: _____

By: _____
City Manager

Date: _____

CERTIFICATION OF WITNESS

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

I, _____, being duly sworn, hereby confirm the following:

1. I reside at _____ in the City of _____ and County of _____ in the State of Minnesota.
2. I witnessed the execution of the foregoing agreement by the Seller.
3. I was not personally involved in the acquisition by the City of Roseville of the Property from the Seller.
4. I did observe _____, representative of the Buyer, whose address is _____, explain the contents of the foregoing Waiver of Relocation Benefits to the Seller. The explanation was conducted in an understandable manner. The Seller appeared to understand the terms and condition of the foregoing agreement.
5. No express or implied threats of taking the Property by eminent domain were made by the Buyer or its representatives to the Seller. Nor, to my knowledge, were any other threats made by the Buyer, or its representatives throughout the entire process of acquiring the Property that were intended to induce the Seller to waive their relocation assistance or benefits.
6. To the best of my information and belief, the Seller entered into said agreement voluntarily.

Witness

Subscribed and sworn to before me
this _____ day of _____, 2009.

Notary Public

CERTIFICATION OF WITNESS

STATE OF MINNESOTA)
) ss.
COUNT OF RAMSEY)

I, _____, being duly sworn, hereby confirm the following:

1. My business address is _____.
2. I witnessed the execution of the foregoing agreement by the Seller.
3. I was not personally involved in the acquisition of the Property by the Buyer from the Seller.
4. I did explain, on behalf of the Buyer, the contents of the foregoing Waiver of Relocation Benefits to the Seller. The explanation was conducted in an understandable manner. The Seller appeared to understand the terms and conditions of the foregoing agreement.
5. No express or implied threats of taking the Property by eminent domain were made by the Buyer or its representatives to the Seller. Nor, to my knowledge, were any other threats made by the Buyer or its representatives throughout the entire process of acquiring the Property that were intended to induce the Seller to waive their relocation assistance or benefits.
6. To the best of my information and belief, the Seller entered into said agreement voluntarily.

Witness

Subscribed and sworn to before me
this day of , 2009

Notary Public

EXHIBIT "C"

LEASE

This is a legal agreement ("Lease") between Hagen Ventures, LLC, a Minnesota limited liability company ("Tenant") and the City of Roseville, a municipal corporation ("Landlord") to rent the Premises described below. Landlord and Tenant agree to the following terms.

This Lease may be enforced in court against the Landlord or the Tenant if either one of them does not comply with this Lease.

1. Premises. The Premises ("Premises") is located at 2785 Fairview Avenue, legally described as follows:

That part of South 550 feet of the East 630 feet of the Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23, Ramsey County, Minnesota, which lies west of the east 43.00 feet thereof and which lies northerly and northwesterly of the following described line:

Commencing at the Southeast corner of the Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23, Ramsey County, Minnesota; thence North 01 degrees 08 minutes 13 seconds West, assumed bearing along the east line of said Northeast Quarter of the Southwest Quarter, 468.25 feet, to the point of beginning of said line to be hereinafter described; thence South 88 degrees 58 minutes 08 seconds West, 167.25 feet; thence southwesterly, 401.90 feet, along a tangential curve, concave to the southeast, having a radius of 500.00 feet and a central angle of 46 degrees 03 minutes 17 seconds; thence South 42 degrees 55 minutes 31 seconds West, tangent to the last described curve, 148.39 feet, to the west line of Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23 and said line there terminating.

The Premises is shown in the sketch attached as Exhibit B.

2. Term of Lease. This Lease is for a fixed term from the date Landlord acquires the Property and ending on June 1, 2011, time being of the essence.

a. Early Termination by Tenant. Tenant may terminate this Lease at any time earlier than the end of the term upon 30 days' written notice to Landlord.

b. Early Termination by Landlord. Landlord has the right to terminate this Lease prior to June 30, 2011 upon the delivery of 60 days' written notice to Tenant, which notice must be accompanied by an early termination fee in the amount of \$8,916.66 for each month between the early termination date and June 30, 2011, prorated for any partial months.

3. Rent. Rent for the Premises is One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged.

4. **Acceptance/Quiet Enjoyment.** Tenant accepts the condition of the Property and Premises in an "as-is" and "with-all-faults" condition. If Tenant complies with the provisions of this Lease, Tenant may use the Premises for the term of this Lease.

5. **Use of Premises.** The Premises must be used only as a truck terminal, a truck maintenance facility, a distribution facility, or related uses. Tenant may not use the Premises for unlawful activity. In particular, Tenant agrees that (a) Tenant will not unlawfully allow controlled substances in the Premises; (b) the Premises will not be used by the Tenant or others acting under its control to manufacture, sell, give away, barter, deliver, exchange, distribute, or possess a controlled substance in violation of any local, state, or federal law, including Minn. Stat. Chapter 152; and (c) the Premises shall not be used in a way that violates any state, federal, or local law pertaining to hazardous substances.

6. **Maintenance and Repair.**

- a. By Landlord. Landlord has no responsibility whatsoever for maintenance or repair of the Property and Premises or any of its structures or utility systems, including but not limited to the heating, electrical, plumbing or air conditioning systems.
- b. By Tenant. Tenant promises, at Tenant's expense, to maintain the Premises in a neat and orderly condition. Tenant agrees to eliminate any violation of health and safety laws that result from the negligent, willful, malicious or irresponsible conduct of the Tenant or the Tenant's family, agents or guests or sublessees. Tenant shall comply with all sanitary laws affecting the cleanliness, occupancy and preservation of the Premises.

7. **Alterations/Removal of Property from the Premises.** Tenant may not make any material alterations to the Premises without Landlord's written consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, during the term of this Lease, Tenant may remove any and all portions of fixtures, improvements and personal property, provided that Tenant may not remove any load bearing walls or cause any unsafe condition (e.g. exposed wires, pipes, etc.) to exist.

8. **Utilities.** Tenant shall pay for all utilities for the Premises, including, without limitation, electricity, gas, telephone, garbage hauling and any and all expenses related to any well or septic system.

9. **Taxes.** Tenant shall be responsible for the payment of any and all real estate taxes and installments of special assessments relating to the Property that accrue during the Term of the Lease (including real estate taxes due and payable in 2010 and subsequent years, if applicable).

10. **Insurance.** Tenant shall, at Tenant's expense, procure general liability and personal property insurance for the term of the Lease. General liability insurance shall have the following limits: \$1,500,000 per occurrence. Proof of insurance shall be provided to Landlord,

and Landlord shall be named as an additional insured on the Policy. The Policy must indicate it is not cancelable except on 30 day's written notice to the Landlord.

11. Right of Entry. Landlord and Landlord's agents may, upon prior written notice to Tenant, enter the Premises at reasonable hours to inspect the Premises.

12. Assignment and Subletting. Tenant may not assign this Lease or lease the Premises to anyone else (sublet) without the prior consent of the Landlord, which consent shall not be unreasonably withheld so long as such subleases are on a month-to-month basis. Landlord hereby approves of those sublessees listed in Exhibit A, which subleases are on a month-to-month basis. Any assignment or sublease made without Landlord's written consent will not be effective. Any sublease must provide that it will automatically terminate upon the termination of this Lease. Tenant represents that it will notify any subtenants who take occupancy after the date hereof that the Premises is owned by Landlord, and that any such subtenant will not be considered as a displaced person for the purposes of obtaining relocation benefits, and will not be entitled to relocation benefits stemming from or relating to Landlord's ownership of the property.

13. Surrender of Premises. Tenant shall move out of the Premises when the Lease term ends. When Tenant moves out, Tenant shall leave the Premises in "broom clean" condition and as it was when the Lease started, with the exception of reasonable wear and tear, damage from insured casualty, and the removal of fixtures, improvements, and personal property, as provided herein. All of Tenant's personal property, garbage and debris must be removed at Tenant's cost. Tenant is not required to remove fixtures or improvements. Pursuant to a separate Escrow Agreement, Tenant has posted a \$60,000 escrow to assure that the property is delivered to Landlord, at termination of the Lease, in the condition required herein and relating to certain environmental work, as set forth in such Escrow Agreement.

14. Default. If Tenant violates a term of this Lease and Landlord does not terminate this Lease or evict Tenant, Landlord may still terminate this Lease and evict Tenant for any other violation of this Lease, provided Landlord has given Tenant 10 days' notice of the violation and Tenant has failed to cure the violation. If contraband or a controlled substance manufactured, distributed, or acquired in violation of Minnesota law is seized in the Building or on the Property on which the Building is located incident to a lawful search or arrest, and if Tenant has no defense under Minnesota Statutes Section 609.5317, Tenant shall have no further right to possession of the Premises, and Landlord may bring an eviction action against Tenant.

15. Heirs and Assigns. The terms of this Lease apply to the Tenant and Landlord. The terms of this Lease also apply to any heirs, legal representatives, successors and assigns of Tenant or Landlord.

The remainder of this page is intentionally blank.

Attachment C

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

LANDLORD:

CITY OF ROSEVILLE, municipal corporation

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009, by _____, the _____ of the City of Roseville, a municipal corporation, on behalf of the municipal corporation.

NOTARY PUBLIC

The signatures continue on the following page.

TENANT:

HAGEN VENTURES, LLC

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2009, by _____, the _____ of Hagen Ventures, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

NOTARY PUBLIC

THIS INSTRUMENT WAS DRAFTED BY:

Jay T. Squires
Ratwik, Roszak & Maloney, P.A.
300 U.S. Trust Building
730 Second Ave. So.
Minneapolis, MN 55402
(612) 339-0060

RRM: #131926/sld/lmj

**EXHIBIT A
SUBLEASES**

The following sublessees currently occupy the part of the Premises pursuant to month-to-month arrangements with Tenant:

1. Vehitec
2. Futures Cos. AKA Trailer Repair
3. R&R Machinery

EXHIBIT B
SKETCH OF PREMISES

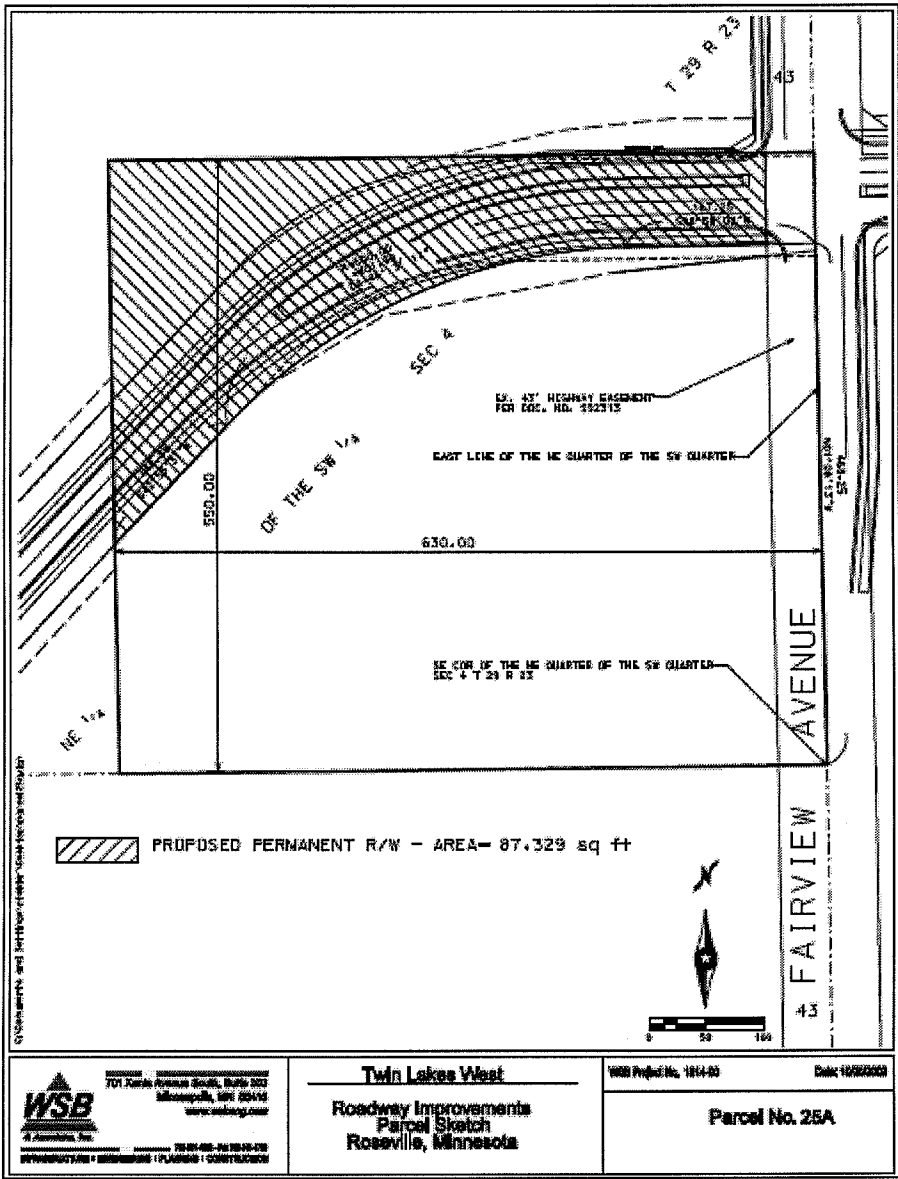


EXHIBIT "D"

RELEASE OF ALL CLAIMS

This Release of All Claims is executed by _____ (collectively "Seller").

1. **Release of All Claims.** Seller hereby fully releases, acquits, and forever discharges the City of Roseville, its current and former City Council members, officers, employees, agents, representatives, insurers, attorneys, and other affiliates from any and all liability for any and all damages, actions, or claims – regardless of whether they are known or unknown, direct or indirect, asserted or unasserted – that arise out of or relate to any action, decision, event, fact, or circumstance occurring on or before the date Seller signs this Agreement.

- (a) Seller understands and agrees that by signing this Agreement they are waiving and releasing any and all claims, complaints, causes of action, and demands of any kind that Seller may have based on any federal or state law including, but not limited to, Minnesota Statutes Ch. 117.
- (b) Seller understands and agrees that this Release of All Claims specifically includes, but is not limited to, any and all claims that arise out of or relate in any way to the City's initiation and abandonment of condemnation proceedings as to Seller's Property, to any "cloud of condemnation" theory or "bad faith in condemnation," or to any theory based on the location of Seller's Property within the Twin Lakes Development Area.

By signing below, Seller specifically acknowledges that they have read this Release; that Seller has had an opportunity to review the terms of this Release with legal counsel; and that Seller understands and agrees to be legally bound by all terms of the Release.

Date: _____

Date: _____

EXHIBIT E
ESCROW AGREEMENT

This Escrow Agreement ("**Agreement**") is entered into this _____ of _____, 2009, by and among Hagen Ventures, LLC, a Minnesota limited liability company ("**Seller**"), and the City of Roseville, a municipal corporation ("**Buyer**"), and _____ ("**Escrow Agent**").

RECITALS

WHEREAS, pursuant to that certain Purchase Agreement, dated _____ (the "**Purchase Agreement**"), by and between Seller and Buyer, Seller has agreed to sell and Buyer has agreed to purchase certain real property consisting of approximately 1.95 acres in size, located in Ramsey County, Minnesota, as more fully described therein (the "**Property**").

WHEREAS, Buyer has leased the Property back to Seller pursuant to a Lease Agreement of even date herewith (the "**Lease**"). Seller is required to surrender the Property to Landlord at the termination of the Lease in the condition required pursuant to Section 13 of the Lease (the "**Surrender Condition**"; the work required to put the Property in Surrender Condition shall be referred to as the "**Surrender Condition Work**").

WHEREAS, Buyer may elect to undertake certain environmental investigation or remediation relating to the Property (the "**Environmental Work**").

NOW, THEREFORE, for and in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby understood and agreed as follows:

1. Seller has deposited with Escrow Agent the sum of Sixty Thousand and 00/100 Dollars (\$60,000.00) (the "**Escrow Funds**"), receipt of which is hereby acknowledged, to fund the cost incurred by Buyer for any Surrender Condition Work (if Tenant fails to deliver the Property in the condition required pursuant to Section 13 of the Lease) and/or the cost incurred by Buyer for any Environmental Work.

2. The Escrow Funds will be held by the Escrow Agent in an interest bearing account and disbursed in accordance with the terms and conditions set forth herein.

3. After five (5) business days following delivery to Escrow Agent and Seller of paid invoices for such Surrender Condition Work or Environmental Work, Escrow Agent shall be authorized to disburse from the Escrow Funds an amount equal to the amount paid by Buyer pursuant to said invoices, unless within said five (5) business days Seller objects to such disbursement in writing specifying its reasons therefor. Should Seller so object, Seller and Buyer agree to work together in good faith to resolve their differences with respect to the invoices.

Attachment C

4. Any Escrow Funds remaining in escrow twelve (12) months following the termination of the Lease, and any accrued interest thereon, shall be released to Seller upon Seller's written request, unless prior to the expiration of such twelve (12) month period, Escrow Agent receives written notice from Buyer that a good faith dispute exists about application of the escrow. In such event, Escrow Agent may, at its option, either (i) continue to hold the Escrow Funds until such time as Buyer and Seller resolve their dispute and issue joint written instructions relative to the disbursement of the Escrow Funds or (ii) deposit said Escrow Funds with a court of competent jurisdiction and thereupon be relieved from all further obligations hereunder.

5. Seller's obligation under the Purchase Agreement for the Surrender Condition Work and Environmental Work shall be limited to the Escrow Funds.

6. Any interest or other income earned on the Escrow Funds after payment of any fee required by Section 9 hereof shall become part of the Escrow Funds and be subject to any claims hereunder. The term of this Escrow Agreement shall commence on the date hereof and shall terminate upon disbursement of all Escrow Funds in accordance with this Agreement.

7. Any notice or other communication required by this Agreement shall be in writing and shall be deemed to have been given one personally delivered, when mailed by U.S. Certified Mail, Return Receipt Requested Postage Prepaid to the address of the parties hereto (such mailed notice being deemed to have been given three (3) days after having been so deposited in the mail), or when transmitted by facsimile with proof of complete transmission, as follows:

If to Seller: Hagen Ventures, LLC
6278 Otter Lake Road
White Bear Lake, MN 55110
Attention: Bob Hagen

With copy to: Fredrikson & Byron, P.A.
200 S. Sixth Street, Suite 4000
Minneapolis, MN 55402
Attention: Steve Quam

If to Buyer: City of Roseville
2660 Civic Center Drive
Roseville, MN 55113-1899
Attention: City Manager

With copy to: Ratwik, Roszak & Maloney, P.A.
300 U.S. Trust Building
730 Second Avenue South
Minneapolis, MN 55402
Attention: Jay T. Squires

or at such other address or addresses as the parties hereto may specify in writing.

Attachment C

8. Escrow Agent's sole function hereunder shall be to receive and disburse funds in accordance with the terms hereof and with notices received which Escrow Agent shall believe to be genuine or presented by a proper party. Seller and Buyer agree to indemnify and hold Escrow Agent harmless from and against any liability resulting from the good faith exercise of its rights and obligations hereunder.

9. For services hereunder, Escrow Agent shall receive a fee in the amount of \$ _____ which shall first be paid one-half (1/2) by Buyer and one-half (1/2) by Seller.

10. This Agreement shall be construed in accordance with the laws of the State of Minnesota.

11. This Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their respective heirs, representatives, personal representatives, successors and assigns.

12. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original and but all of which counterparts shall constitute one and the same instrument.

13. No modification of this Agreement shall be valid unless in writing, signed by all parties hereto.

The remainder of this page is intentionally blank.

Attachment C

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLER: HAGEN VENTURES, LLC:

By: _____

Date: _____

By: _____

Date: _____

BUYER: CITY OF ROSEVILLE

By: _____
Mayor

Date: _____

By: _____
City Manager

Date: _____

ESCROW AGENT: [_____]

By: _____
Its: _____

Exhibit F

The space above this line is reserved for recording purposes.

TEMPORARY CONSTRUCTION EASEMENT

THIS EASEMENT, made and entered into this ____ day of _____, 2009, by and between Hagen Ventures, LLC, a Minnesota limited liability company ("**Grantor**"), and the City of Roseville, Minnesota, a Minnesota municipal corporation ("**Grantee**").

RECITALS

A. Grantor is the fee owner of the following described property in Ramsey County, Minnesota ("**Property**"):

The South 550 feet of the East 630 feet of the Northeast Quarter of the Southwest Quarter of Section 4, Township 29, Range 23, Ramsey County, Minnesota.

B. Grantor desires to grant to the Grantee a temporary construction easement over a portion of the Property, according to the terms and conditions contained herein.

AGREEMENT

1. Grant of Temporary Construction Easement. For good and valuable consideration, Grantor hereby grants and conveys to Grantee a non-exclusive temporary construction easement for construction purposes over, under, across and through that part of the Property identified on Schedule A, attached hereto, and legally described as follows (the "**Easement Area**"):

That part of the Property which lies west of the east 43.00 feet thereof, and which lies south of the above described permanent easement for right of way purposes and also which lies northerly and northwesterly of the following described line:

Commencing at said Southeast corner of the Northeast Quarter of the Southwest Quarter; thence North 01 degrees 08 minutes 13 seconds West, assumed bearing along said east line of the Northeast Quarter of the Southwest Quarter, 461.73 feet, to the point of beginning of said line to be hereinafter described; thence South 83 degrees 49 minutes 27 seconds West, 180.84 feet; thence South 79

degrees 35 minutes 02 seconds West, 210.93 feet; thence South 58 degrees 07 minutes 45 seconds West, 117.55 feet, to the southeasterly line of the above described permanent easement for right of way purposes and said line there terminating.

The Easement Area contains 7,448 square feet.

Grantor and Grantor's tenants and permittees shall retain the right to use the Easement Area for ingress and egress to and the operation of their business on the Property, so long as such use does not unreasonably interfere with Grantee's construction.

2. Warranty of Title. Grantor covenants that it is the owner of the Property and has the authority to grant this temporary construction easement.

3. Duration. This temporary construction easement and the rights granted hereunder shall commence on the date hereof and expire one (1) year after the commencement of construction of a road in the "Proposed Permanent R/W" identified on Schedule A. Upon expiration of the temporary construction easement, the Grantee shall remove any temporary structures which were constructed during the term of the temporary easement, and shall restore the Easement Area to the same topography as existed prior to the construction on the property.

4. Scope of Easement. The temporary construction easement granted herein includes the right of the Grantee, its contractors, agents, and employees to enter the Easement Area at all reasonable times for the purposes of construction, grading, sloping, and restoration purposes, and all purposes ancillary thereto, together with the right to remove trees, shrubs, or other vegetation in the easement area, as well as the right to deposit earthen materials within the easement areas and to move, store, and remove equipment and supplies, and to perform any other work necessary and incident to the project. Grantee shall have the right to keep the Easement Area clear of all buildings, structures, fences, trees, shrubbery, undergrowth and other obstructions that may interfere with or endanger the right of construction access.

5. Rights of Public. Grantor does not intend that the public should have any interest in the above described land by virtue of the temporary construction easement or otherwise, except as herein set forth. It is expressly agreed by and between the parties hereto that the Grantor retains ownership of the Property and all incidents of ownership not specifically herein granted to the Grantee. Grantor does not intend that the public should have any interest in the land or right to trespass thereon by virtue of this temporary construction easement or otherwise, except as herein set forth.

6. Indemnity. Notwithstanding the foregoing, Grantee agrees to indemnify and hold Grantor, and their successors and assigns, harmless from and against any and all liabilities, losses, damages, costs, expenses (including reasonable attorney fees and expenses), causes of action, suits, claims, demands and judgments of any nature because of bodily injuries to, or death of, any person or because of damages to property of Grantor or others, arising out of the use of the Easement Area by the Grantee or its contractors, agents or servants, or due to the willful misconduct or negligent acts or omissions of Grantee or its contractors, agents or servants.

7. Binding Effect. All provisions herein shall run with the land and shall extend to and bind the heirs, successors, representatives, and assigns of Grantor. This temporary construction easement may not be assigned by Grantee without the prior written consent of Grantor. The parties agree that this temporary construction easement will not be recorded.

The remainder of this page is intentionally blank.

IN WITNESS WHEREOF, the Parties have hereunto set their hands the day and year first above written.

GRANTOR: HAGEN VENTURES, LLC

GRANTEE: CITY OF ROSEVILLE

By: _____

By: _____

Its: _____

Its: _____

ATTEST:

City Clerk/Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2009, before me a Notary Public within and for said _____ County, personally appeared _____, the _____ of Hagen Ventures, LLC, a Minnesota limited liability company, to me known to be the person described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed as authorized by said limited liability company.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this _____ day of _____, 2009, before me a Notary Public within and for said County, personally appeared _____, to me known, who being by me duly sworn, did say that he is the _____ of the City of Roseville, Minnesota, the entity named in the foregoing instrument, and that said instrument was signed on behalf of said entity by authority of its City Council as the free act and deed of said entity.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Ratwik, Roszak, & Maloney, P.A.
300 U.S. Trust Building
730 Second Avenue South
Minneapolis, MN 55402
(612) 339-0060

Schedule A
Sketch of Temporary Construction Easement

