

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this “**Agreement**”) is made as of _____, 2023 (“**Effective Date**”), by and between DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota (“**Seller**”) and 424W, LLC, a Minnesota limited liability company (“**Buyer**”).

RECITALS

A. The City of Duluth, a Minnesota municipal corporation and political subdivision (the “**City**”), is the owner of real property in Duluth, St. Louis County, Minnesota legally described on the attached **Exhibit A** (the “**Real Property**”).

B. Buyer wishes to obtain title to the Property (defined below) for economic development purposes and because of the sale of the Real Property Buyer will invest no less than \$2,000,000 in the adjacent Ordean Building located at 424 West Superior St. for residential and commercial uses, such purposes advancing City and Seller goals for development in downtown Duluth.

C. To advance economic development goals, Seller intends to obtain title to the Property (defined below) from the City and sell the Property to Buyer pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth in this Agreement, and other good and valuable consideration, the receipt, sufficiency and mutuality of which are acknowledged, Buyer and Seller agree as follows:

1.0 Property To Be Purchased. Subject to compliance with the terms and conditions of this Agreement, Seller shall: (i) acquire title to the Property and (ii) if it acquires title to the Property, sell the Property to Buyer on the terms and conditions set forth in this Agreement. Buyer shall purchase from Seller the following (collectively, the “**Property**”):

- (a) the Real Property; and
- (b) all improvements located on the Real Property, if any, except the cantilevered sidewalk and storage building located on the Property and previously conveyed by Seller in that certain instrument dated September 6, 1996, registered in the Office of the St. Louis County, Minnesota Registrar of Titles on October 3, 1996 as Document No. 619913.

Seller shall convey and Buyer shall accept title to the Property subject to (i) the easements, restrictions and reversionary clause set forth in the quit claim deed attached as **Exhibit B** (the “**Deed**”); (ii) the deed from City to Seller attached as **Exhibit C**; and (iii) the Permitted Exceptions (defined in Section 4.3 below).

- 1.1 Removal of Deed Reverter Language. In the event that Buyer satisfies the Contract for Deed dated September 1, 2019, registered in the Office of the St. Louis County Registrar of Titles on September 9, 2019 as Document No. 1014753 (the “Contract for Deed”) on or before the Closing Date (defined below), as evidenced by the recording of a deed in satisfaction of the Contract for Deed, then the following language may be omitted from the Deed:

Title to the Property shall revert to Grantor automatically in the event Grantee’s vendee interest in the Contract for Deed dated September 1, 2019, registered in the Office of the St. Louis County Registrar of Titles on September 9, 2019 as Document No. 1014753 (the “Contract for Deed”) is terminated or assigned, voluntarily or involuntarily, for any reason (except the recording of a deed in favor of Grantee in satisfaction of the Contract for Deed). This reversion shall automatically terminate upon the recording of a deed in favor of Grantee in satisfaction of the Contract for Deed.

- 2.0 Purchase Price. The purchase price to be paid by Buyer for the purchase of the Property shall be Twenty-seven Thousand Five Hundred and no/100 Dollars (\$27,500.00) (the “**Purchase Price**”), to be paid in cash at Closing (defined below).
- 3.0 Closing. The closing of the purchase and sale of the Property from Seller to Buyer contemplated by this Agreement (the “**Closing**”) shall occur on or before September 1, 2024 (the “**Closing Date**”) or such earlier date as may be agreed upon by the parties. However, it is the intention of Buyer and Seller that the Closing occur simultaneously on the date of the closing of the sale of the Property from City to Seller. Seller shall deliver possession of the Property on the date of Closing. The Closing shall take place at the office of First American Title Insurance Company-Consolidated Title & Abstract Company (“**Title**”) in Duluth, Minnesota, or at such other place as the parties shall mutually agree upon. The parties acknowledge that Title will not handle the Closing without Buyer’s purchase of a title policy for the Property.
- 4.0 Contingencies.
- 4.1 City Council Contingency. Seller’s obligation to sell the Property to Buyer is contingent on the City Council adopting an ordinance approving the sale of the Property to Seller on or before the Closing Date (the “**Council Contingency**”). If the Council Contingency is not satisfied on or before the Closing Date, then: (i) this Agreement shall terminate and, upon request, each party shall promptly sign a cancellation of purchase agreement evidencing the cancellation of this Agreement; and (ii) except as expressly set forth in this Agreement, the parties shall have no further obligations to one another pursuant to this Agreement. Neither Buyer nor Seller may waive the Council Contingency.
- 4.2 City Conveyance. Seller shall have received a deed, in substantially the form attached as Exhibit C, from City conveying the Property to Seller on or before the Closing Date (the “**Deed Contingency**”). Neither Buyer nor Seller may waive the Deed Contingency.

- 4.3 Title. As soon as practical, Seller shall obtain, at Seller's expense, a title insurance commitment from Title for an ALTA Owner's Policy of Title Insurance insuring title to the Property in the amount of the Purchase Price (the "**Title Commitment**"). In the event that the Title Commitment reflects that the title to the Property is not in a condition that is acceptable to Buyer, Buyer may object to the title defects by specifying its objections in writing to Seller within 20 days of receipt of the Title Commitment. At Seller's election, Seller may fix any title defects or may decline to fix any title defects by delivering written notice to Buyer within 14 days of receipt of Buyer's title objections. If Seller agrees to fix the title defects, Seller shall fix the title defects and the parties shall proceed to the Closing subject to the terms and conditions of this Agreement. If Seller declines to fix the title defects or fails to do so prior to the Closing Date, Buyer may: (i) terminate this Agreement by delivering written notice of termination to Seller; or (ii) waive its objections and proceed to the Closing. If Buyer does not cancel this Agreement prior to Closing, Buyer shall accept title to the Property in as-is condition as of the Closing. Any title exceptions, defects or encumbrances that are not objected to by Buyer as set forth in this Section 4.3, or are initially objected to but later waived or deemed waived by Buyer as set forth in this Section 4.3, are referred to collectively in this Agreement as the "**Permitted Exceptions**." Buyer is required to obtain a title policy for the Property at Closing, and Seller will pay for the cost of such title policy of the Property to insure the Property in Buyer's name in the amount of the Purchase Price.
- 4.4 Property Inspection. Buyer acknowledges that (i) Seller cannot grant Buyer permission to physically access the Property because it does not currently own the Property; and (ii) any physical inspection of the Property must be performed by Buyer pursuant to a separate agreement with the City. Buyer is solely responsible for any and all investigation relating to the condition of the Property, including environmental contamination. If Buyer is unsatisfied with the condition of the Property, Buyer may terminate this Agreement by delivering written notice of termination to Seller prior to the Closing Date. If Buyer terminates this Agreement pursuant to this paragraph, the parties shall have no further obligations to one another pursuant to this Agreement except as expressly set forth in this Agreement.
- 5.0 Seller's Conditions To Closing. The Closing of the transaction contemplated by this Agreement and the obligation of Seller to sell the Property shall be subject to the following conditions:
- (a) Representations. Buyer's representations in this Agreement shall be true at the time of Closing as though such representations were made at such time.
 - (b) Performance by Buyer. Buyer shall have performed all of its obligations under this Agreement.

If the conditions set forth at 5.0(a) and (b) have not been satisfied or waived prior to the Closing Date, this Agreement may be terminated, at the option of Seller, by written notice

from Seller to Buyer delivered to Buyer no later than the Closing Date. All of the contingencies set forth in Section 6.0 of this Agreement are for the sole and exclusive benefit of Seller and Seller shall have the right to unilaterally waive any contingency by written notice to Buyer.

6.0 Buyer Representations. Buyer makes the following representations:

- (a) Authority to Enter into Agreement. Buyer is a limited liability company in good standing under the laws of the State of Minnesota, has the full power and authority to: (i) enter into this Agreement; and (ii) purchase the Property in accordance with this Agreement.
- (b) No Additional Consent Needed. No consent or authorization from any other person, entity or government agency is required for Buyer to enter into and perform Buyer's obligations under this Agreement except as has already been obtained.
- (c) No Impact on Other Agreements. The execution of this Agreement will not constitute a breach or default under any agreement to which Buyer is bound.
- (d) No Other Actions Affecting Agreement. There is no suit, action, legal, administrative or other proceeding or inquiry pending or threatened against Buyer which could affect Buyer's ability to enter into and perform Buyer's obligations under this Agreement. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against Buyer, nor are any such proceedings contemplated by Buyer.
- (e) Prompt Payment of Obligations. Buyer shall promptly pay when due any and all charges for engineering, surveying or other studies, reports, assessments or investigations which are commissioned or requested by Buyer.
- (f) Buyer Investment Commitment. To fulfill the economic development purposes of the sale of the Real Property, Buyer agrees to invest no less than \$2,000,000 in the renovation of the adjacent Ordean Building located at 424 West Superior St. for residential and commercial uses.

Each of the above representations is material and is relied upon by Seller. Each of the above representations shall be deemed to have been made as of the Closing and shall survive the Closing.

7.0 Statutory Disclosures. Seller's employees directly handling the sale of the Property on behalf of Seller have no actual knowledge of the following with respect to the Property: (1) the presence of a well, underground storage tank or subsurface sewage treatment system; or (2) methamphetamine production on the Property.

8.0 As Is Provisions. Buyer is purchasing the Property “AS IS” and “WHERE IS”, and with all faults. Seller makes no representations or warranties, whether express or implied, by operation of law or otherwise, with respect to the quality, physical condition or value of the Property, the compliance of the Property with applicable building or fire codes or other laws or regulations. Buyer agrees that Seller is not liable or bound by any guarantees, promises, statements, representations or information pertaining to the Property made or furnished by Seller or any agent, officer, director, employee or other person representing or purporting to represent Seller, except as and to the extent expressly set forth in Section 7.0. To the fullest extent allowed by Minnesota and Federal law, Buyer and Seller agree as follows: Buyer expressly waives the requirement of any disclosure not expressly contained in this Agreement (including, without limitation, any disclosure required pursuant to Minn. Stat. §513.52-513.60), and Buyer agrees to take the Property “As Is” notwithstanding any matter set forth in any disclosure statement required by Minnesota law.

BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH IN SECTION 7.0, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO:

- (a) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY;
- (b) THE INCOME TO BE DERIVED FROM THE PROPERTY;
- (c) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON;
- (d) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCE OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY OR ANY FRANCHISE LICENSE OR AGREEMENT OR ANY GRANT OR SIMILAR AGREEMENT;
- (e) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY;
- (f) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY;
- (g) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY;

- (h) THE AVAILABILITY OF WATER OR OTHER RESOURCES OR UTILITIES;
OR
- (i) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING SOLID WASTE, AND INCLUDING THE DISPOSAL, RELEASE OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS SUBSTANCE.

- 9.0 Independent Investigation. The consummation of this transaction shall constitute Buyer's acknowledgment that Buyer has independently inspected and investigated the Property and has made and entered into this Agreement based upon such inspection and investigation and its own examination of the condition of the Property. Upon Closing, Buyer shall assume the risk that adverse matters, including but not limited to construction defects and adverse physical and environmental conditions and the suitability or unsuitability of the Property for Buyer's intended uses, may not have been revealed by Buyer's investigations. Buyer, upon Closing, shall be deemed to have waived, relinquished and released Seller from and against, and covenanted not to sue any of the foregoing with regard to, any and all claims, demands, causes of action (including causes of action in tort or under any environmental law), losses, damages, liabilities (whether based on strict liability or otherwise), losses, damages, liabilities, costs and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, which Buyer might have asserted or alleged against Seller at any time (including without limitation to the extent covered by or that would be covered by [as opposed to paid] by insurance) by reason of or arising out of any latent or patent construction defects or physical conditions, violations of any applicable laws (including, without limitation, any environmental laws), the suitability of the Property for any purposes contemplated by Buyer and any and all other acts, omissions, events, circumstances or matters regarding the Property.
- 10.0 Buyer Reliance. All information, whether written or oral, previously, now, or hereafter made available to Buyer by Seller, its agents, or any other person acting for or on behalf of Seller, whether in the form of appraisals, market studies, projections, brochures, maps, surveys, soil reports, engineering studies, environmental studies, inspection reports, plans and specifications, and all other information and materials have been or will be furnished by Seller to Buyer solely as an accommodation, and neither Seller nor its agents has verified the accuracy of such information or the qualifications of the persons preparing such information. Buyer agrees that, notwithstanding the fact that Buyer has received certain information from Seller, or its respective agents or consultants, Buyer has relied solely upon and will continue to rely solely upon its own analysis and will not rely on any information provided by Seller, or its agents or consultants.
- 11.0 Real Estate Taxes and Special Assessments. The Property is currently tax-exempt and Buyer and Seller do not expect there to be any current or past due taxes or assessments outstanding

as of the Closing. In the event that there are any current or past due taxes or assessments outstanding as of the Closing, Seller shall pay them at Closing as a part of the closing costs. Buyer shall be responsible for all real estate taxes and assessments for the year following Closing and all subsequent years.

12.0 Closing Documents. At or prior to Closing, the parties shall execute and deliver the following, as applicable:

- (a) The Deed, substantially in the form attached as Exhibit B.
- (b) Resolution by Seller, in recordable form, authorizing the conveyance of the Property to Buyer;
- (c) All other documents required by this Agreement or reasonably required by Title to effectuate the provisions of this Agreement.

13.0 Closing Costs. The following costs and expenses shall be paid in connection with the Closing:

- (a) Seller shall pay the cost of:
 - (i) All expenses associated to effectuate the transfer of title to the Property from City to Seller;
 - (ii) All fees associated with the issuance of the Title Commitment, including state and federal tax lien, judgment and bankruptcy searches;
 - (iii) The premium for a title policy insuring title to the Property in the name of Buyer in the amount of the Purchase Price;
 - (iv) All state deed taxes and/or transfer taxes on the Deed;
 - (v) All recording fees, including but not limited to record the Deed and Seller's resolution authorizing the sale of the Property to Buyer;
 - (vi) All expenses, including recording fees, to correct any objections that Seller elects to undertake pursuant to Section 4.3 above;
 - (vii) Title's closing fees;
 - (viii) All attorneys' fees and expenses incurred by Seller; and
 - (ix) Any other item allocated to Seller in this Agreement.
- (b) Buyer shall pay the cost of:

- (i) Any surveys, reports or inspection reports obtained by Buyer; and
- (ii) All attorneys' fees and expenses incurred by Buyer.

14.0 Commission. Seller and Buyer represent and warrant to each other that they have not engaged the services of any broker in connection with the sale and purchase contemplated by this Agreement. Seller and Buyer shall each indemnify and hold the other harmless of any claim made by any broker or sales agent or similar party for a commission due or alleged to be due under the terms of any brokerage agreement entered into by said party.

15.0 Risk of Loss. If there is any loss or damage to the Property between the date of this Agreement and the date of Closing, the risk of loss shall be on Seller. If the Property is destroyed or damaged prior to the Closing, Buyer may cancel this Agreement upon written notice to Seller and in such event, the parties shall have no further obligations to one another pursuant to this Agreement except as expressly set forth in this Agreement.

16.0 Default.

- (a) If Buyer defaults in the performance of Buyer's obligations under this Agreement due to no fault of Seller, then Seller may, after at least thirty (30) days prior written notice to Buyer and Buyer's failure to cure the default within said notice period, either (i) declare this Agreement terminated, or (ii) Seller may elect to seek specific performance of this Agreement. Termination and specific performance pursuant to this Section are the sole and exclusive remedies afforded to Seller and in no event shall Buyer be liable for any actual, general, specific, punitive, incidental, speculative, consequential or other damages of any kind or nature.
- (b) If Seller defaults in the performance of Seller's obligations under this Agreement due to no fault of Buyer, then Buyer may, after at least thirty (30) days prior written notice to Seller and Seller's failure to cure the default within said notice period, either (i) declare this Agreement terminated, or (ii) Buyer may elect to seek specific performance of this Agreement. Termination and specific performance pursuant to this Section are the sole and exclusive remedies afforded to Buyer and in no event shall Seller be liable for any actual, general, specific, punitive, incidental, speculative, consequential or other damages of any kind or nature.
- (c) Notwithstanding anything in this Section 16 to the contrary, any action by Buyer or Seller for specific performance must be commenced no later than 180 days after the date of discovery of the default.
- (d) The limitation set forth in the preceding sentence shall not apply to claims for indemnification or contribution specifically provided for in this Agreement.
- (e) The provisions in this Section 16.0 shall survive any termination or cancellation of this Agreement and shall survive the Closing.

- 17.0 Assignment. Neither Seller or Buyer may assign its interest in this Agreement.
- 18.0 Time of Essence. Time is of the essence of this Agreement.
- 19.0 Governing Law. This Agreement is made and executed under and in all respect to be governed by the laws of the State of Minnesota. Any dispute that may arise between the parties arising out of this Agreement shall be adjudicated before a court located in St. Louis County, Minnesota and the parties irrevocably submit to the exclusive jurisdiction of the federal and state courts of the State of Minnesota located in St. Louis County with respect to any action or legal proceeding commenced by any party.
- 20.0 Notices. The mailing addresses for notice purposes of Seller and Buyer are as follows (or to such other respective addresses as may be designated by notice given in accordance with provisions of this Section):

If to Seller: Duluth Economic Development Authority
Attn: Executive Director
411 W. First Street, Room 418
Duluth, MN 55802

If to Buyer: 424W, LLC



Any notice, request, demand or other communication permitted or required under this Agreement shall be in writing and shall be deemed duly delivered when delivered personally or when deposited in the United States mails, First Class, postage prepaid or delivered to a reputable courier addressed to the party for whom it is intended at the address specified above or at such other address as either party shall notify the other of in writing as provided above.

- 21.0 Headings. The captions and headings of the various sections of this Agreement are for convenience only and are not to be construed as defining or as limiting in any way the scope or intent of the provisions hereof.
- 22.0 Invalidity. If for any reason any portion or paragraph of this Agreement shall be declared void or unenforceable by any court of law at equity, it shall only affect such particular portion or paragraph of this Agreement and the balance of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.
- 23.0 Counterparts/Facsimile/E-Mail Signatures. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement. Facsimile and E-

mail signatures shall be binding on the transmitting party and shall have the same force and effect as if the original signature had been delivered.

- 24.0 Waiver. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
- 25.0 No Rights or Benefits to Third Parties. The parties do not intend to create rights in, or to grant remedies to, any third-party as a beneficiary of this Agreement or to create any duty to, or standard of care on behalf of, any third-party by any covenant, obligation or undertaking established in this Agreement. There are no incidental third-party beneficiaries to this Agreement.
- 26.0 Construction of Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement is to be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring a party by virtue of the authorship of any of the provisions of this Agreement.
- 27.0 Entire Agreement and Amendment. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof. No modification, amendment or waiver may be made to the terms of this Agreement without the written consent of both parties.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date indicated above.

**DULUTH ECONOMIC
DEVELOPMENT AUTHORITY**

424W, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT A TO PURCHASE AGREEMENT
Legal Description

Lots 78 and 80, Block 1, DULUTH PROPER THIRD DIVISION
Lot 78, Block 8, CENTRAL DIVISION OF DULUTH

Except the cantilevered sidewalk and storage building previously conveyed by Grantor in that certain instrument dated September 6, 1996, registered in the Office of the St. Louis County, Minnesota Registrar of Titles on October 3, 1996 as Document No. 619913.

St. Louis County, Minnesota

EXHIBIT B TO PURCHASE AGREEMENT

QUIT CLAIM DEED

eCRV Number: _____

Deed Tax Due: \$ _____

Date: _____, 2023

FOR VALUABLE CONSIDERATION, the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota, “Grantor,” hereby conveys and quitclaims to 424W, LLC, a Minnesota limited liability company, “Grantee,” real property in St. Louis County, Minnesota, described as follows (the “Property”):

Lots 78 and 80, Block 1, DULUTH PROPER THIRD DIVISION
Lot 78, Block 8, CENTRAL DIVISON OF DULUTH

Except the cantilevered sidewalk and storage building previously conveyed by Grantor in that certain instrument dated September 6, 1996, registered in the Office of the St. Louis County, Minnesota Registrar of Titles on October 3, 1996 as Document No. 619913.

together with all hereditaments and appurtenances belonging thereto, and subject to all existing easements, restrictions and reservations of record.

Title to the Property shall revert to Grantor automatically in the event Grantee’s vendee interest in the Contract for Deed dated September 1, 2019, registered in the Office of the St. Louis County Registrar of Titles on September 9, 2019 as Document No. 1014753 (the “Contract for Deed”) is terminated or assigned, voluntarily or involuntarily, for any reason (except the recording of a deed in favor of Grantee in satisfaction of the Contract for Deed). This reversion shall automatically terminate upon the recording of a deed in favor of Grantee in satisfaction of the Contract for Deed.

This deed contains as a covenant running with the land that the conditions of Minnesota Statutes §§ 469.090 to 169.108 relating to the use of the Property. If said covenant is violated, Grantor may declare a breach of the covenant and seek a judicial decree from the District Court declaring a forfeiture and a cancellation of this deed.

Check here if all or part of the described real property is Registered (Torrens) X

Grantor certifies that the Grantor does not know of any wells on the Property.

[Remainder of this page is intentionally left blank.]

DULUTH ECONOMIC
DEVELOPMENT AUTHORITY

By: _____
Its: President

By: _____
Its: Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

This instrument was acknowledged before me on _____, 2023, by ChaQuana McEntyre, the President of the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota.

Notary Public

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

This instrument was acknowledged before me on _____, 2023, by Ellie Just, the Secretary of the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota.

Notary Public

This Instrument was drafted by:
City of Duluth
Office of the City Attorney
411 W. First Street, Room 410
Duluth, Minnesota 55802

Tax Statements should be sent to:

**EXHIBIT C TO PURCHASE AGREEMENT
QUIT CLAIM DEED FROM CITY TO SELLER**

QUIT CLAIM DEED

eCRV Number: _____

Deed Tax Due: \$ _____

Date: _____, 2023

FOR VALUABLE CONSIDERATION, the CITY OF DULUTH, a municipal corporation and political subdivision under the laws of the State of Minnesota, "Grantor," hereby conveys and quitclaims to DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota, "Grantee," real property in St. Louis County, Minnesota, described as follows (the "Property"):

Lots 78 and 80, Block 1, DULUTH PROPER THIRD DIVISION
Lot 78, Block 8, CENTRAL DIVISON OF DULUTH

Except the cantilevered sidewalk and storage building previously conveyed by Grantor in that certain instrument dated September 6, 1996, registered in the Office of the St. Louis County, Minnesota Registrar of Titles on October 3, 1996 as Document No. 619913.

together with all hereditaments and appurtenances belonging thereto, and subject to the following easements and restrictive covenants:

(1) the existing easement in favor of the City of Duluth for public highway purposes as described in an instrument dated February 23, 1966 and registered in the Office of the St. Louis County, Minnesota Registrar of Titles on July 25, 1966 as Document No. 321640.

(2) a perpetual easement for street and utility purposes reserved and dedicated by Grantor, in trust for the benefit of the public, over, under and across that portion of the Property described as follows:

A strip of land thirteen feet (13') in width in Lot 80, Block 1, DULUTH PROPER THIRD DIVISION, lying between the following two lines:

A line Nineteen feet (19') northeast of and parallel with the southwest line of said Lot 80

A line Thirty-two feet (32') northeast of and parallel with the southwest line of said Lot 80

AND

That portion of the northwest Fifteen feet (15') of Lots 78 and 80, Block 1, DULUTH PROPER THIRD DIVISION, lying between the following two lines:

A line Thirty-two feet (32') northeast of and parallel with the southwest line of said Lot 80

A line Fifty-four feet (54') northeast of and parallel with the southwest line of said Lot 80

This easement shall run with the land and be binding upon Grantee and its successors and assigns.

(3) Grantee, its successors and assigns, must maintain the Property as undeveloped open space and shall not construct or place temporary or permanent buildings, structures or storage containers on the Property. This restriction shall not prevent Grantee and its successors and assigns from: (a) installing landscaping and fencing on the Property, as permitted by City Code and other applicable law; or (b) repairing or replacing, in similar manner and in substantially the same location, the cantilevered sidewalk and storage building located in whole or in part on the Property and conveyed by Grantor in that certain instrument dated September 6, 1996, registered in the Office of the St. Louis County, Minnesota Registrar of Titles on October 3, 1996 as Document No. 619913.

(4) Grantee, its successors and assigns, shall not allow anyone to leave or park a motor vehicle on the Property; however, motor vehicles are not prohibited from entering and crossing the

Property, if permitted by City Code and other applicable law. This restriction does not apply to bicycles or other non-motorized vehicles.

(5) all other existing easements, restrictions and reservations of record.

Grantee agrees that City of Duluth shall sustain irreparable harm and damages if the restrictions set forth in paragraphs (3) and (4) are violated and therefore City of Duluth shall have the right to a temporary restraining order, a temporary injunction and a permanent injunction in order to enforce the restrictions. The restrictions may be amended or modified only by the express written agreement of the City of Duluth, which agreement must be recorded with the St. Louis County Registrar of Titles. Each restriction shall run with and burden the Property and shall be deemed a covenant that touches and concerns the Property and benefits the City of Duluth. HOWEVER, the restrictions set forth in paragraphs (3) and (4) shall not restrict the City of Duluth's or the public's use of the Property for highway, street or utility easement purposes as set forth in the easements recited in paragraphs (1) and (2) above or any future easements in favor of the City of Duluth.

Check here if all or part of the described real property is Registered (Torrens) X

Grantor certifies that the Grantor does not know of any wells on the Property.

[Remainder of this page is intentionally left blank.]

CITY OF DULUTH:

By: _____
Mayor

By: _____
City Clerk

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

This instrument was acknowledged before me on _____, 2023, by Emily Larson, Mayor of the City of Duluth, a municipal corporation and political subdivision organized and existing under the laws of the State of Minnesota.

Notary Public

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

This instrument was acknowledged before me on _____, 2023, by Ian B. Johnson, City Clerk of the City of Duluth, a municipal corporation and political subdivision organized and existing under the laws of the State of Minnesota.

Notary Public

This Instrument was drafted by:
City of Duluth
Office of the City Attorney
411 W. First Street, Room 410
Duluth, Minnesota 55802

Tax Statements should be sent to:
Duluth Economic Development Authority
411 West 1st St. Room 418
Duluth, MN 55802