DEVELOPMENT AGREEMENT

FOR THE PLAT OF

THOMPSON SQUARE

BY AND BETWEEN

THE CITY OF WEST ST. PAUL

AND

M/I HOMES OF MINNEAPOLIS/ST. PAUL, LLC
THIS AGREEMENT, made and entered into on the _____ day of ____________, 2022, by and between the City of West St. Paul, a Minnesota municipal corporation (“CITY” and “OWNER”), and M/I Homes of Minneapolis/St. Paul, LLC, a Delaware limited liability company (“DEVELOPER” and “OWNER”).

RECITALS:

WHEREAS, the OWNER is the fee simple OWNER of the DEVELOPMENT PROPERTY;

and

WHEREAS, in pursuant of the DEVELOPMENT PROJECT, the DEVELOPER and OWNER has applied to the CITY for approval of the DEVELOPMENT PLANS and FINAL PLAT for Thompson Square; and

WHEREAS, in conjunction with the granting of these approvals, the CITY requires the installation and/or availability of public utilities (sewer and water), streets, storm sewer pipes, ponds, and other facilities; and

WHEREAS, under authority granted to it, including Minnesota Statutes Chapters 412, 429, and 462, the COUNCIL approved the FINAL PLAT and DEVELOPMENT PLANS on the following conditions:

1. That the DEVELOPER and OWNER enter into this DEVELOPMENT AGREEMENT, which contract defines the work which the DEVELOPER undertakes to complete; and

2. The DEVELOPER shall provide an irrevocable letter of credit and cash deposits in the amounts and with conditions satisfactory to the CITY, providing for assurance of payment for the actual construction and installation of the improvements in the DEVELOPMENT PLANS, as specified and required by the CITY.

WHEREAS, the DEVELOPMENT PLANS were prepared by a registered professional engineer and have been submitted to and approved by the CITY ENGINEER.

NOW, THEREFORE, subject to the terms and conditions of this DEVELOPMENT AGREEMENT and in reliance upon the representations, warranties and covenants of the parties herein contained, the CITY, OWNER and DEVELOPER agree as follows:

ARTICLE 1
DEFINITIONS

1.1. TERMS. The following terms, unless elsewhere defined specifically in the DEVELOPMENT AGREEMENT, shall have the following meanings as set forth below.

1.2. BUILDER. “BUILDER” means an entity that will be constructing a residence on a lot in the FINAL PLAT.
1.3. **CITY.** “CITY” means the City of West St. Paul, a Minnesota municipal corporation.

1.4. **CITY ENGINEER.** “CITY ENGINEER” means the City Engineer of the City of West St. Paul or delegatees.

1.5. **CITY WARRANTIES.** “CITY WARRANTIES” means all CITY WARRANTIES identified in Article 12 of this DEVELOPMENT AGREEMENT.

1.6. **COUNCIL.** “COUNCIL” means the Council of the City of West St. Paul.

1.7. **COUNTY.** “COUNTY” means Dakota County, Minnesota.

1.8. **DEVELOPER.** “DEVELOPER” means M/I Homes of Minneapolis/St. Paul, LLC, a Delaware limited liability company.

1.9. **DEVELOPER DEFAULT.** “DEVELOPER DEFAULT” means and includes, jointly and severally, any of the following or any combination thereof:

   a) failure by the DEVELOPER to timely pay the CITY any money required to be paid under the DEVELOPMENT AGREEMENT;

   b) failure by the DEVELOPER to timely construct the DEVELOPER IMPROVEMENTS according to the DEVELOPMENT PLANS and the CITY standards and specifications;

   c) failure by the DEVELOPER to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this DEVELOPMENT AGREEMENT;

   d) breach of the DEVELOPER WARRANTIES.

1.10. **DEVELOPER IMPROVEMENTS.** “DEVELOPER IMPROVEMENTS” means and includes, individually and collectively, all the improvements identified in Article 4.

1.11. **DEVELOPER WARRANTIES.** “DEVELOPER WARRANTIES” means all DEVELOPER WARRANTIES identified in Article 10 of this DEVELOPMENT AGREEMENT.

1.12. **DEVELOPMENT AGREEMENT.** “DEVELOPMENT AGREEMENT” means this instant agreement by and among the CITY and DEVELOPER.

1.13. **DEVELOPMENT PLANS.** “DEVELOPMENT PLANS” means all the street infrastructure, utility and grading plans, drawings, specifications, and surveys dated May 27, 2022 and prepared by Pioneer Engineering, P.A., hereby incorporated by reference and made a part of this DEVELOPMENT AGREEMENT.
1.14. **DEVELOPMENT PROJECT.** “DEVELOPMENT PROJECT” means a residential
development to be known as Thompson Square that will be constructed on the DEVELOPMENT
PROPERTY that is substantially in conformance with the FINAL PLAT.

1.15. **DEVELOPMENT PROPERTY.** “DEVELOPMENT PROPERTY” means that real
property legally described on Exhibit A, attached hereto, upon which the DEVELOPMENT
PROJECT will be constructed.

1.16. **FINAL PLAT.** “FINAL PLAT” means the FINAL PLAT, approved by the
COUNCIL on July 11, 2022, attached hereto as Exhibit B.

1.17. **FORCE MAJEURE.** “FORCE MAJEURE” means acts of God, including, but not
limited to floods, ice storms, blizzards, tornadoes, landslides, lightning and earthquakes (but not
including reasonably anticipated weather conditions for the geographic area), riots, global pandemics,
edemics, insurrections, war or civil disorder affecting the performance of work, blockades, power
or other utility failures, and fires or explosions.

1.18. **FORMAL NOTICE.** “FORMAL NOTICE” means notices given by one party to
the other if in writing and if and when delivered or tendered either in person or by depositing it in the
United States mail in a sealed envelope, by certified mail, return receipt requested, with postage and
postal charges prepaid, addressed as follows:

**If to CITY & OWNER:**
City of West St. Paul  
Attention: City Manager  
1616 Humboldt Ave.  
West St. Paul, MN 55118

**If to DEVELOPER & OWNER:**
M/I Homes of Minneapolis/St. Paul, LLC  
5354 Parkdale Drive, Suite 100  
St. Louis Park, MN 55416

or to such other address as the party addressed shall have previously designated by notice given in
accordance with this Section. Notices shall be deemed to have been duly given on the date of service
if served personally on the party to whom notice is to be given, or on the third day after mailing if
mailed as provided above, provided, that a notice not given as above shall, if it is in writing, be deemed
given if and when actually received by a party.

1.19. **INDIRECT COSTS.** “INDIRECT COSTS” means the costs related to:

a) Finance, administration and legal costs; and

b) Engineering services performed by CITY Staff; and

c) Testing and Right of Way services; and

d) Consulting engineering services.
1.20. **OTHER REGULATORY AGENCIES.** “OTHER REGULATORY AGENCIES” means and includes, individually and collectively, the following:

   a) Minnesota Department of Transportation

   b) Dakota County

   c) Minnesota Pollution Control Agency

   d) Metropolitan Council

   e) Minnesota Department of Natural Resources

   f) Minnesota Board of Water and Soil Resources

   g) Any other regulatory or governmental agency or entity affected by or having jurisdiction over the DEVELOPER IMPROVEMENTS.

1.21. **OWNER or OWNERS.** “OWNER” or “OWNERS” means the City of West St. Paul, a Minnesota municipal corporation, and M/I Homes of Minneapolis/St. Paul, LLC, a Delaware limited liability company.

1.22. **OWNER DEFAULT.** “OWNER DEFAULT” means and includes, jointly and severally, any of the following or any combination thereof:

   a) failure by the OWNER to timely pay the CITY any levied assessments required to be paid under the DEVELOPMENT AGREEMENT;

   b) failure by the OWNER to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this DEVELOPMENT AGREEMENT;

   c) breach of the OWNER WARRANTIES.

1.23. **OWNER WARRANTIES.** “OWNER WARRANTIES” means that the OWNER hereby warrants and represents the following:

   a) **AUTHORITY.** OWNER is the fee simple OWNER of DEVELOPMENT PROPERTY and has the right, power, legal capacity and authority to enter into and perform its obligations under this DEVELOPMENT AGREEMENT, and no approvals or consents of any persons are necessary in connection with the authority of OWNER to enter into and perform its obligations under this DEVELOPMENT AGREEMENT.
b) **NO DEFAULT.** OWNER is not in default under any lease, contract or agreement to which it is a party or by which it is bound which would affect performance under this DEVELOPMENT AGREEMENT. OWNER is not a party to or bound by any mortgage, lien, lease, agreement, instrument, order, judgment or decree which would prohibit the execution or performance of this DEVELOPMENT AGREEMENT by OWNER or prohibit any of the transactions provided for in this DEVELOPMENT AGREEMENT.

c) **NO LITIGATION.** There is no suit, action, arbitration or legal, administrative or other proceeding or governmental investigation pending, or threatened against or affecting OWNER.

d) **FULL DISCLOSURE.** None of the representatives and warranties made by OWNER or made in any exhibit hereto or memorandum or writing furnished or to be furnished by OWNER or on its behalf contains or will contain any untrue statement of material fact or omit any material fact the omission of which would be misleading.

e) **FEE TITLE.** OWNER owns fee title to all the land in the FINAL PLAT.

1.24. **PRELIMINARY PLAT.** “PRELIMINARY PLAT” means the preliminary plat approved by the COUNCIL.

1.25. **PRIOR EASEMENT HOLDERS.** “PRIOR EASEMENT HOLDERS” means and includes, jointly and severally, all holders of any easements or other property interests which existed prior to the grant or dedication of any public easements transferred by the FINAL PLAT or transferred pursuant to this DEVELOPMENT AGREEMENT.

1.26. **TRAIL PROJECT.** “TRAIL PROJECT” means the trail that is to be constructed from Crawford Drive to Oakdale Avenue through properties adjacent to the FINAL PLAT as well as on Outlot A, Thompson Square.

1.27. **SITE IMPROVEMENTS.** “SITE IMPROVEMENTS” means and includes, individually and collectively, all the improvements identified on Exhibit G and in Article 3.

1.28. **SOIL REMEDIATION PROJECT.** “SOIL REMEDIATION PROJECT” means the environmental remediation and soil corrections on Lots 1-59, Block 1 and Outlot B, Thompson Square of DEVELOPMENT PROPERTY to be completed by DEVELOPER, pursuant to plans approved by the CITY.

1.29. **UTILITY COMPANIES.** “UTILITY COMPANIES” means and includes, jointly and severally, the following:

   a) Utility companies, including electric, gas and cable;

   b) Pipeline companies.
ARTICLE 2
FINAL PLAT APPROVAL

2.1. FINAL PLAT APPROVAL. The COUNCIL approved the FINAL PLAT. All conditions contained in the CITY Council Resolution for the FINAL PLAT shall be considered a condition of this DEVELOPMENT AGREEMENT.

2.2. RECORDING OF FINAL PLAT. The DEVELOPER shall record the FINAL PLAT and this DEVELOPMENT AGREEMENT with the COUNTY Recorder. No building permits shall be issued unless the DEVELOPER shows evidence to the CITY that the FINAL PLAT and this DEVELOPMENT AGREEMENT have been recorded with the COUNTY Recorder and the CITY has received the financial obligations required in Article 15.

ARTICLE 3
SITE IMPROVEMENTS

3.1. SITE IMPROVEMENTS. DEVELOPER shall construct and install, at its own cost, all SITE IMPROVEMENTS identified on Exhibit G in accordance with industry standards for making public improvements.

3.2. SOIL REMEDIATION PROJECT. DEVELOPER shall construct and complete the Soil Remediation Project.

ARTICLE 4
DEVELOPER IMPROVEMENTS

4.1. DEVELOPER IMPROVEMENTS. The DEVELOPER shall install, at its own cost, the DEVELOPER IMPROVEMENTS in accordance with the DEVELOPMENT PLANS and in accordance with the approvals of the CITY Council, and all ordinances and PRELIMINARY and FINAL PLAT resolutions of the CITY or any amendments thereto and any Miscellaneous Requirements identified on Exhibit D, attached hereto.

4.2. GROUND MATERIAL. The DEVELOPER shall ensure that adequate and suitable ground material shall exist in the areas of street and utility improvements and shall guarantee the removal, replacement or repair of substandard or unstable material through the warranty period. The cost of said removal, replacement or repair is the responsibility of the DEVELOPER.

4.3. GRADING/DRAINAGE PLAN, EASEMENTS AND HOURS OF CONSTRUCTION ACTIVITIES.

a) The DEVELOPER shall construct drainage facilities adequate to serve the DEVELOPMENT PROJECT in accordance with the DEVELOPMENT PLANS. The DEVELOPER agrees to grant to the CITY all necessary temporary or permanent easements for the preservation and maintenance of the drainage system, for drainage basins and for utility service and for utility looping. The DEVELOPER shall enter into any easement agreements and stormwater management agreements with the CITY that
are deemed necessary to fulfill the obligations of this Section. The grading and drainage plan shall include lot and building elevations, drainage swales to be sodded, storm sewer, catch basins, erosion control structures and ponding areas necessary to conform to the overall CITY storm sewer plan. The grading of the site shall be completed in conformance with the DEVELOPMENT PLANS, subject only to such design criteria and engineering design and construction specifications as are used in the DEVELOPMENT PLANS notwithstanding any amendment or change to CITY standards for development subsequent to approval of the FINAL PLAT.

b) DEVELOPER shall dedicate drainage and utility easements as shown on the FINAL PLAT. Additional utility and drainage easements that may be required by the CITY may be granted by an acceptable document as approved by the CITY. Prior to issuance of a Certificate of Occupancy to a BUILDER for any dwelling unit constructed on a lot within the subdivision, a Certificate of Compliance by a land surveyor must be submitted to the CITY by the BUILDER reflecting conformance with the approved grading plan and confirming that the lot corner monuments are installed. DEVELOPER shall provide the CITY an as-built survey of the DEVELOPMENT PROPERTY in AUTOCAD format after the final rough grading is complete.

c) Construction activities are limited to Monday through Saturday between the hours 7:00 AM and 9:00 PM and are prohibited on CITY holidays, except by permission from the Public Works Director.

4.4. **GRADING OF STREETS.** The DEVELOPER must grade, in accordance with the grading plan provided to and approved by the CITY, all private streets, boulevards, driveways and other public lands, if any, and other lands shown in the approved grading plan. If the DEVELOPER does not perform the work required by this paragraph, the CITY will complete all work required of the DEVELOPER. The DEVELOPER will be financially responsible for payments for this work not covered by the escrows on Exhibit G, which will be assessed as provided in Section 16.2.

4.5. **INTERIM BITUMINOUS STREET.** The DEVELOPER will construct a bituminous wedge for the roadways within the FINAL PLAT. The bituminous wedge will be removed once 90% of the residences are built or after three (3) years. At the end of three (3) years from the day the bituminous wedge is installed, even if 90% of the homes are not constructed, the DEVELOPER will remove the wedge and place the wear course pavement. The DEVELOPER is responsible for the replacement of any damaged sidewalk or curbside. The BUILDER will be responsible to preserve and protect the public roadway and any sidewalk/trail.

4.6. [INTENTIONALLY BLANK].

4.7. **STREET SWEEPING.** The DEVELOPER is responsible for the removal of all construction debris and earth materials within the public right-of-way typically resulting from new home construction activities. The CITY will inspect the roadways to ensure the DEVELOPER is keeping all roadway surfaces clean. If any portion of a roadway surface is found in an unacceptable condition, the CITY will have appropriate equipment dispatched to the site and all costs associated with the clean-up effort will be billed to the DEVELOPER.
4.8. **STREET SIGNS.** The DEVELOPER shall be financially responsible for the installation of street identification signs, townhome address range signs, no parking signs on both sides of private streets, where appropriate and non-mechanical and non-electrical traffic control signs. Street signs will be in conformance with the names as indicated on the FINAL PLAT and pursuant to CITY standards. The actual number and location of signs to be installed shall be determined by the CITY.

4.9. **SOD.** The DEVELOPER agrees that the BUILDER must pay for an install cultured sod from the street curb to the rear lot line(s) of each lot in the entire FINAL PLAT. For a lot where the Certificate of Occupancy is issued between August 1 and May 1 of the following year, completion of the work described in this paragraph shall be completed by the BUILDER by June 15; for a lot where the Certificate of Occupancy is issued between May 1 and July 31, completion of the work described in this paragraph shall be completed by the BUILDER by the September 15. Notwithstanding anything to the contrary in this DEVELOPMENT AGREEMENT, it is agreed that in lieu of the BUILDER installing sod on each lot, the BUILDER may provide to a lot owner a certificate that entitles the lot owner to have sod delivered to that lot at the owner’s request for installation by the lot owner.

4.10. **BOULEVARD AND AREA RESTORATION.** The DEVELOPER shall sod all boulevards, if any, within 30 days of the completion of street related improvements and restore all other areas disturbed by the development grading operation in accordance with the approved erosion control plan, over the entire FINAL PLAT. Upon request of the CITY ENGINEER, the DEVELOPER shall remove the silt fences after grading and construction have occurred.

4.11. **LOT CORNER MONUMENTS.** The DEVELOPER shall install all subdivision lot corner monumentation within one year from the date of recording the FINAL PLAT, or the monumentation shall be installed on a per lot basis at the time the building permit for the subject lot is issued, whichever occurs first. At the end of the one year period from recording of this DEVELOPMENT AGREEMENT, the DEVELOPER shall submit to CITY ENGINEER written verification by a registered land surveyor that the required monuments have been installed throughout the FINAL PLAT.

4.12. **TREES.** The DEVELOPER shall plant at least one tree per lot, of a species approved by the City. The minimum size of tree to be planted shall be two and one-half inch caliper (2 ½”), as measured by the American Association of Nurserymen.

4.13. **STREET MAINTENANCE, RESTORATION, ACCESS AND REPAIR DURING CONSTRUCTION.** The DEVELOPER shall clear, on a daily basis, any soil, earth or debris from the streets and wetlands within or adjacent to the FINAL PLAT resulting from the grading or building on the land within the FINAL PLAT by the DEVELOPER or its agents, and shall restore to the CITY’s specifications any gravel base contaminated by mixing construction or excavation debris, or earth in it, and repair to the CITY’s specifications any damage to bituminous surfacing resulting from the use of construction equipment.
Furthermore, the DEVELOPER shall maintain reasonable access to any occupied buildings within the FINAL PLAT, including necessary street maintenance such as grading, graveling, patching and snow removal prior to permanent street surfacing. The DEVELOPER agrees to perform and assume all responsibilities relating to snow removal and ice control, if the streets have not been accepted for winter maintenance by the CITY ENGINEER by October 15, or later if approved by the CITY’s Public Works Director. Completion of the work described in the paragraph shall be completed within fifteen (15) days after notice by the CITY to the DEVELOPER that repair or restoration is required.

4.14. OCCUPANCY AND ACCESS. No building permit for any lot shall be issued until the DEVELOPER has constructed a temporary access consisting of a bituminous surface base that is acceptable in design by the CITY and the conditions on Exhibit D have been followed. Special consideration may be given for one model townhome building permit if approved by the City’s Building Official and Fire Marshal, prior to roadway Class V gravel base and utilities being installed.

No temporary certificate of occupancy for any lot shall be issued until the DEVELOPER has constructed a temporary bituminous roadway that is acceptable in design by the CITY and water and sanitary sewer improvements are available for use. No certificate of occupancy for any lot within the FINAL PLAT shall be issued until all water and sanitary sewer improvements are available for use and the first lift of street pavement has been installed. Furthermore, the DEVELOPER is responsible for the construction and cost of constructing any necessary temporary bituminous roadway before the public roadway is constructed and shall maintain reasonable access to any occupied homes, including necessary street maintenance prior to permanent street improvements that are accepted by the CITY.

4.15. DRIVEWAYS. Upon building a residence on a lot, the BUILDER shall construct a concrete or bituminous surface driveway for the lot in accord with CITY approved standards. For a lot for which a certificate of occupancy is issued between August 1 and May 1 of the following year, completion of the work described in this paragraph must be completed by June 15; for a lot for which a certificate of occupancy is issued between May 1 and July 31, completion of the work described in this paragraph shall be completed by September 15.

4.16. VEGETATION. The DEVELOPER shall comply with CITY ordinances and policies related to preservation of vegetation and trees and specifically shall exercise reasonable efforts in residential areas to save mature, non-diseased trees and vegetation on the subject land which do not have to be removed for reasonable installation of buildings, streets, utilities or drainage improvements, construction activities related thereto, or site grading. Prior to any excavation, the DEVELOPER shall require a certified arborist to install tree protection on all trees that are to be saved and to mark trees such trees with a red band prior to any excavation. All diseased trees shall be removed according to CITY ordinance requirements.

4.17. LANDSCAPING. The responsibility for landscaping requirements are as follows:

a) The DEVELOPER is responsible for:
i. Installing all landscaping improvements within the lots containing the Homeowners’ Association-owned common elements shown on the DEVELOPER’S approved landscape plan.

ii. Granting the CITY the right to trim overgrown vegetation within the lots containing the Homeowners’ Association-owned common elements.

iii. Installing all landscaping improvements as depicted on the DEVELOPER’S landscape plan in a timely manner.

b) The Homeowners’ Association for the townhomes shall be required to maintain the landscaping and irrigation systems within the Plat and the Homeowners’ Association-owned common elements, including Lot 59, Block 1.

c) The DEVELOPER will be financially responsible for this work, which shall be secured by a Letter of Credit or cash escrow as described in Exhibit G.

4.18. EROSION CONTROL. The DEVELOPER shall provide and follow a plan for erosion control and pond maintenance in accord with the Best Management Practices (BMP) as delineated in the Minnesota Pollution Control Agency handbook titled Water Quality in Urban Areas and a grading permit from the CITY. Such plan shall be detailed on the DEVELOPMENT PLANS and shall be subject to approval of the CITY ENGINEER. The DEVELOPER shall install and maintain such erosion control structures as appear necessary under the DEVELOPMENT PLANS, or as it becomes necessary subsequent thereto. The DEVELOPER shall be responsible for all damage caused as the result of grading and excavation within the FINAL PLAT including, but not limited to, restoration of existing control structures and clean-up of public right-of-way, until all lots are final graded and improvements are completed. As a portion of the erosion control plan, the DEVELOPER shall seed or sod any disturbed areas in accordance with the DEVELOPMENT PLANS. After the site is rough graded, the DEVELOPER must provide erosion control devices that are reasonably required by the CITY. DEVELOPER shall be financially responsible for this work, which shall be secured by a Letter of Credit described on Exhibit H. The parties recognize that time is of the essence in controlling erosion. If the DEVELOPER does not provide erosion control, the CITY may, after a twenty-four (24) hour notice, take appropriate action to control erosion. The CITY may, without notice draw upon any cash or letter of credit to pay costs incurred by the CITY in controlling erosion within the FINAL PLAT, or at the CITY’s option, assess the additional costs incurred as part of the DEVELOPER IMPROVEMENTS.

4.19. PROHIBITION ON TRANSFER OF RESPONSIBILITY. The DEVELOPER must not transfer or assign its responsibility to perform the requirements of Street Sweeping, Street Signs, Street Maintenance, Restoration, Access and Repair, Landscaping, and Erosion Control to any lot purchaser or BUILDER of a home on any lot within the FINAL PLAT. Notwithstanding the foregoing, it is agreed that DEVELOPER may transfer its responsibility for sod installation, provided DEVELOPER remains liable for the performance thereof and it is understood and agreed that upon transfer of the NPDES permit to the BUILDER or buyer of an individual lot, all responsibilities subsumed under the said NPDES permit specific to the subject lot shall, thereafter, be the BUILDER’S or buyer’s responsibility and not DEVELOPER’S responsibility.
4.20. **WEED/GRASS MAINTENANCE.** DEVELOPER must not allow or permit within the FINAL PLAT, excluding land deeded to the CITY for public purposes, any weeds, grass, brush, or other rank vegetation to a height greater than eight (8) inches, or permit any accumulation of dead weeds, grass or brush. In the event the DEVELOPER fails to comply with this provision, the CITY may give the DEVELOPER notice to cut or remove material in violation of this paragraph. All costs of cutting or removing incurred by the CITY must be paid by the DEVELOPER or assessed against the property that is in violation.

**ARTICLE 5**

**PARK CONTRIBUTION REQUIREMENTS**

5.1. **PARK DEDICATION.** The DEVELOPER shall comply with the park dedication requirements as defined in the City Code. Park dedication fees identified in Exhibit G must be paid prior to the release of the FINAL PLAT.

**ARTICLE 6**

**PERMITS, LICENSES AND OTHER APPROVALS**

6.1. **PERMITS.** The DEVELOPER shall obtain all necessary approvals, permits and licenses from the CITY, the OTHER REGULATORY AGENCIES and the UTILITY COMPANIES, as identified on Exhibit E, attached hereto. Major design requirements of any such entities shall be determined prior to completion and incorporated into the DEVELOPMENT PLANS. All costs incurred to obtain said approvals, permits and licenses, and also all fines or penalties levied by any agency due to the failure of the DEVELOPER to obtain or comply with conditions of such approvals, permits and licenses, shall be paid by the DEVELOPER. The DEVELOPER shall defend and hold the CITY harmless from any action initiated by the OTHER REGULATORY AGENCIES and the UTILITY COMPANIES resulting from such failures of the DEVELOPER.

**ARTICLE 7**

**OTHER DEVELOPMENT REQUIREMENTS**

7.1. **MISCELLANEOUS REQUIREMENTS.** Any additional requirements to approval of the FINAL PLAT and DEVELOPMENT PLANS as specified by the COUNCIL in resolutions adopted for the DEVELOPMENT PROJECT.

7.2. [INTENTIONALLY BLANK].

7.3. **PRIVATE STREETS.** There are private streets and street lights within the FINAL PLAT that will be owned and maintained by the Homeowners’ Association. DEVELOPER shall enter into a maintenance agreement with the CITY regarding the maintenance, reconstruction, snowplowing, street lights and damage to CITY utilities that are located within the private streets.

7.4. **REMOVAL OF GOLF COURSE CLUBHOUSE STRUCTURE.** As part of the DEVELOPER IMPROVEMENTS, DEVELOPER shall be responsible for the demolition and removal of the clubhouse structure, removal and disconnection of all utilities connected to the structure, properly capping such utilities, including electrical, water and sewer, removal of all existing
trails or sidewalks and removal of the parking lot, all located on Lot 59, Block 1 of DEVELOPMENT PROPERTY. DEVELOPER shall deposit an escrow for these removals, as provided on Exhibit H.

ARTICLE 8

[INTENTIONALLY BLANK]

ARTICLE 9

RESPONSIBILITY FOR COSTS

9.1. DEVELOPER AND SITE IMPROVEMENT COSTS. The DEVELOPER shall pay for the DEVELOPER IMPROVEMENTS and SITE IMPROVEMENTS; that is, all costs of persons doing work or furnishing skills, tools, machinery or materials, or insurance premiums or equipment or supplies and all just claims for the same; and the CITY shall be under no obligation to pay the contractor or any subcontractor any sum whatsoever on account thereof, whether or not the CITY shall have approved the contract or subcontract. Such SITE IMPROVEMENTS are identified on Exhibit G.

The DEVELOPER is responsible for contracting and paying for the street and utility testing costs. The CITY’s designated inspector on the DEVELOPMENT PROJECT will coordinate the street and utility testing activities. All testing reports shall be sent to the CITY with a copy to the DEVELOPER.

If deductions are owed on the street and utility construction pursuant to the MNDOT standards for construction, then these deductions will be paid by DEVELOPER to CITY within thirty (30) days after DEVELOPER receives notices of such deductions.

9.2. ENFORCEMENT COSTS. The DEVELOPER shall pay the CITY for costs incurred in the enforcement of this DEVELOPMENT AGREEMENT, including engineering costs and reasonable attorneys’ fees.

9.3. TIME OF PAYMENT. DEVELOPER shall pay all bills from the CITY within thirty (30) days after billing. Bills not paid within thirty (30) days shall bear interest at the rate of eight percent (8%) per year.

ARTICLE 10

DEVELOPER WARRANTIES

10.1. STATEMENT OF DEVELOPER WARRANTIES. The DEVELOPER hereby warrants and represents the following:

a) AUTHORITY. DEVELOPER is the fee title owner of Lots 1-59 and Outlot B of the DEVELOPMENT PROPERTY in the FINAL PLAT and has the right, power, legal capacity and authority to enter into and perform its obligations under this DEVELOPMENT AGREEMENT, and no approvals or consents of any persons are necessary in connection with the authority of DEVELOPER to enter into and perform its obligations under this DEVELOPMENT AGREEMENT.
b) **NO DEFAULT.** DEVELOPER is not in default under any lease, contract or agreement to which it is a party or by which it is bound which would affect performance under this DEVELOPMENT AGREEMENT. DEVELOPER is not a party to or bound by any mortgage, lien, lease, agreement, instrument, order, judgment or decree which would prohibit the execution or performance of this DEVELOPMENT AGREEMENT by DEVELOPER or prohibit any of the transactions provided for in this DEVELOPMENT AGREEMENT.

c) **PRESENT COMPLIANCE WITH LAWS.** DEVELOPER has complied with and is not in violation of applicable federal, state or local statutes, laws, and regulations including, without limitation, permits and licenses and any applicable zoning, environmental or other law, ordinance or regulation affecting the FINAL PLAT and the DEVELOPMENT PLANS and the DEVELOPER IMPROVEMENTS; and DEVELOPER is not aware of any pending or threatened claim of any such violation.

d) **CONTINUING COMPLIANCE WITH LAWS.** DEVELOPER will comply with all applicable federal, state and local statutes, laws and regulations including, without limitation, permits and licenses and any applicable zoning, environmental or other law, ordinance or regulation affecting the FINAL PLAT and the DEVELOPMENT PLANS and the DEVELOPER IMPROVEMENTS.

e) **NO LITIGATION.** There is no suit, action, arbitration or legal, administrative or other proceeding or governmental investigation pending, or threatened against or affecting DEVELOPER or the FINAL PLAT or the DEVELOPMENT PLANS or the DEVELOPER IMPROVEMENTS. DEVELOPER is not in default with respect to any order, writ, injunction or decree of any federal, state, local or foreign court, department, agency or instrumentality.

f) **FULL DISCLOSURE.** None of the representatives and warranties made by DEVELOPER or made in any exhibit hereto or memorandum or writing furnished or to be furnished by DEVELOPER or on its behalf intentionally contains or will contain any untrue statement of material fact or intentionally omit any material fact the omission of which would be misleading. Any unintentional untrue statements or omissions shall be corrected or cured within thirty (30) days after the DEVELOPER receives FORMAL NOTICE or obtains knowledge of such error, unless an extension is granted by the CITY.

g) **PLAT COMPLIANCE.** The FINAL PLAT and the DEVELOPMENT PLANS comply with all CITY, COUNTY, metropolitan, state and federal laws and regulations, including but not limited to, subdivision ordinances, zoning ordinances and environmental regulations.

h) **WARRANTY ON PROPER WORK AND MATERIALS.** The DEVELOPER warrants all work required to be performed by it under this DEVELOPMENT AGREEMENT against defective material and faulty workmanship for a period of two
(2) years after its completion and acceptance by the CITY. The DEVELOPER shall be solely responsible for all costs of performing repair work required by the CITY within thirty (30) days of notification. All trees, grass, and sod shall be warranted to be alive, of good quality, and disease free for one year after planting. Any replacements shall be similarly warranted for one year from the time of planting. The warranty period for street and drainage and erosion control improvements shall be for two (2) years after completion and acceptance by the CITY; the warranty for the street, drainage and erosion control improvements shall also include the obligation of the DEVELOPER to repair and correct any damage to or deficiency with respect to such improvements.

i) **OBTAINING PERMITS.** The DEVELOPER shall obtain in a timely manner and pay for all required permits, licenses and approvals, and shall meet, in a timely manner, all requirements of all applicable, local, state and federal laws and regulations which must be obtained or met before the DEVELOPER IMPROVEMENTS may be lawfully constructed. A list of the CITY permits, licenses, and approvals required is identified on Exhibit E.

j) **HOMEOWNERS’ ASSOCIATION.** DEVELOPER shall create a Homeowners’ Association for the townhomes within 180 days of the Effective Date of this DEVELOPMENT AGREEMENT that governs the rights and responsibilities of the property owners. DEVELOPER shall specifically incorporate the responsibilities of the Homeowners’ Association that are identified in this DEVELOPMENT AGREEMENT as being the responsibility of the Homeowners’ Association.

**ARTICLE 11**

**OWNER WARRANTIES**

**11.1. STATEMENT OF OWNER WARRANTIES.** The OWNER hereby makes and states the OWNER WARRANTIES.

**ARTICLE 12**

**CITY WARRANTIES**

**12.1. STATEMENT OF CITY WARRANTIES.** The CITY hereby warrants and represents as follows:

a) **ORGANIZATION.** CITY is a municipal corporation duly incorporated and validly existing in good standing the laws of the State of Minnesota.

b) **AUTHORITY.** CITY is the fee owner of Outlot A of the DEVELOPMENT PROPERTY and has the right, power, legal capacity and authority to enter into and perform its obligations under this DEVELOPMENT AGREEMENT.
ARTICLE 13
INDEMNIFICATION OF CITY

13.1. INDEMNIFICATION OF CITY. Provided the CITY is not in DEFAULT under the DEVELOPMENT AGREEMENT with respect to the particular matter causing the claim, loss or damage, DEVELOPER shall indemnify, defend and hold the CITY, its COUNCIL, agents, employees, attorneys and representatives harmless against and in respect of any and all claims, demands, actions, suits, proceedings, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties and attorneys’ fees, that the CITY incurs of suffers, which arise out of, result from or relate to:

a) breach by the DEVELOPER of the DEVELOPER WARRANTIES;

b) failure of the DEVELOPER to timely construct the DEVELOPER IMPROVEMENTS according to the DEVELOPMENT PLANS and the CITY ordinances, standards and specifications;

c) failure by the DEVELOPER to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this DEVELOPMENT AGREEMENT;

d) failure by the DEVELOPER to pay contractors, subcontractors, laborers, or materialmen;

e) failure by the DEVELOPER to pay for materials;

f) approval by the CITY of the FINAL PLAT;

g) approval by the CITY of the DEVELOPMENT PLANS;

h) failure to obtain the necessary permits and authorizations to construct the DEVELOPER IMPROVEMENTS;

i) construction of the DEVELOPER IMPROVEMENTS;

j) delays in construction of the DEVELOPER IMPROVEMENTS;

k) payment by DEVELOPER for any required costs or assessments;

l) all costs and liabilities arising because building permits were issued prior to the completion and acceptance of the DEVELOPER IMPROVEMENTS.

13.2. NOTICE. Within a reasonable period of time after the CITY’s receipt of actual notice of any matter giving rise to a right of payment against the CITY pursuant to Section 13.1, the CITY shall give the FORMAL NOTICE in reasonable detail to the DEVELOPER. The DEVELOPER shall not be obligated to make any payment to the CITY for any such claim until the passage of thirty (30)
days from the date of its receipt of FORMAL NOTICE from the CITY, during which time the DEVELOPER shall have the right to cure or remedy the event leading to such claim.

13.3. DEFENSE OF CLAIM. Provided the CITY is not in DEFAULT under the DEVELOPMENT AGREEMENT with respect to the particular matter causing the claim or demand, with respect to claims or demands asserted against the CITY by a third party of the nature covered by Section 13.1, and provided that the CITY gives FORMAL NOTICE thereof, the DEVELOPER will, at its sole expense, provide for the defense thereof with counsel of its own selection but approved by the CITY; the DEVELOPER will pay all costs and expenses including attorneys’ fees incurred in so defending against such claims, provided that the CITY shall at all times also have the right to fully participate in the defense at the CITY’s expense. If the DEVELOPER fails to defend, the CITY shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter, for the account of and at the risk of the DEVELOPER.

ARTICLE 14
CITY REMEDIES UPON DEVELOPER DEFAULT

14.1. CITY REMEDIES. If a DEVELOPER DEFAULT occurs, that is not caused by FORCE MAJEURE, the CITY shall give the DEVELOPER FORMAL NOTICE of the DEVELOPER DEFAULT and the DEVELOPER shall have thirty (30) days to cure the DEVELOPER DEFAULT. If the DEVELOPER, after FORMAL NOTICE to it by the CITY, does not cure the DEVELOPER DEFAULT, then the CITY may avail itself of any remedy afforded by law and any of the following remedies:

a) the CITY may specifically enforce this DEVELOPMENT AGREEMENT;

b) the CITY may suspend any work, improvement or obligation to be performed by the CITY;

c) the CITY may collect on the irrevocable letter of credit (“LOC”) or cash deposit pursuant to Article 15 hereof;

d) the CITY may suspend or deny building and occupancy permits for buildings within the FINAL PLAT;

e) the CITY may, at its sole option, perform the work or improvements to be performed by the DEVELOPER, in which case the DEVELOPER shall within thirty (30) days after written billing by the CITY reimburse the CITY for any costs and expenses incurred by the CITY for any expenses not covered by the financial securities in Exhibits G and H. In the alternative, the CITY may in whole or in part, specially assess any of the costs and expenses incurred by the CITY; and the DEVELOPER hereby waives any and all procedural and substantive objections to the installation and construction of the work and improvements and the special assessment resulting therefrom, including, but not limited to, notice and hearing requirement and any claim that the special assessments exceed benefit to the FINAL PLAT. The DEVELOPER hereby waives any appeal rights otherwise available pursuant to Minn. Stat. § 429.081.
14.2. **NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER.** In the event any agreement contained in this DEVELOPMENT AGREEMENT is breached by the DEVELOPER and thereafter waived in writing by the CITY, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder. All waivers by the CITY must be in writing.

14.3. **NO REMEDY EXCLUSIVE.** No remedy herein conferred upon or reserved to the CITY shall be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the DEVELOPMENT AGREEMENT or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the CITY to exercise any remedy reserved to it, it shall not be necessary to give notice, other than the FORMAL NOTICE.

14.4. **EMERGENCY.** Notwithstanding the requirement contained in Section 14.1 hereof relating to FORMAL NOTICE to the DEVELOPER in case of a DEVELOPER DEFAULT and notwithstanding the requirement contained in Section 14.1 hereof relating to giving the DEVELOPER a right to cure the DEVELOPER DEFAULT, in the event of an emergency as determined by the CITY ENGINEER, resulting from the DEVELOPER DEFAULT, the CITY may perform the work or improvement to be performed by the DEVELOPER without giving any notice or FORMAL NOTICE to the DEVELOPER and without giving the DEVELOPER the right to cure the DEVELOPER DEFAULT. In such case, the DEVELOPER shall within thirty (30) days after written billing by the CITY reimburse the CITY for any and all costs incurred by the CITY. In the alternative, the CITY may, in whole or in part, specially assess the costs and expenses incurred by the CITY; and the DEVELOPER hereby waives any and all procedural and substantive objections to the installation and construction of the work and improvements and the special assessments resulting therefrom, including, but not limited to, notice and hearing requirements and any claim that the special assessments exceed benefit to the FINAL PLAT. The DEVELOPER hereby waives any appeal rights otherwise available pursuant to Minn. Stat. § 429.081.

**ARTICLE 15**

**FINANCIAL OBLIGATIONS**

15.1. **DEVELOPER’S LETTER OF CREDIT AMOUNT.** Prior to release of the FINAL PLAT for recording, the DEVELOPER shall deposit with the CITY an irrevocable LOC for the amounts required in Exhibits G and H. In lieu of an irrevocable LOC, DEVELOPER may deposit cash or other security acceptable to CITY.

All cost estimates shall be acceptable to the CITY ENGINEER. The bank and form of the irrevocable LOC shall be subject to approval by the CITY Finance Director and shall continue to be in full force and effect until released by the CITY. The irrevocable LOC shall be for a term ending two (2) years after acceptance by the CITY. In the alternative, the letter of credit may be for a one year term provided it is automatically renewable for successive one year periods from the present or any future expiration dates, and further provided that the irrevocable LOC states that at least sixty
(60) days prior to the expiration date the bank will notify the CITY if the bank elects not to renew for an additional period. The irrevocable LOC shall secure compliance by the DEVELOPER with the terms of this DEVELOPMENT AGREEMENT. The CITY may draw down on the irrevocable LOC or cash deposit, without any further notice than that provided in Section 14.1 relating to a DEVELOPER DEFAULT, for any of the following reasons:

a) a DEVELOPER DEFAULT; or

b) upon the CITY receiving notice that the irrevocable LOC will be allowed to lapse prior to two (2) years after acceptance by the CITY.

The CITY shall use the LOC proceeds to reimburse the CITY for its costs and to cause the DEVELOPER IMPROVEMENTS to be constructed to the extent practicable; if the CITY ENGINEER determines that such DEVELOPER IMPROVEMENTS have been constructed and after retaining 10% of the proceeds for later distribution pursuant to Section 15.2, the remaining proceeds shall be distributed to the DEVELOPER.

With CITY approval, the irrevocable LOC may be reduced pursuant to Section 15.2 from time to time as financial obligations are paid.

15.2. LOC RELEASE AND ESCROW INCREASE; DEVELOPER IMPROVEMENTS. The DEVELOPER may request that the LOC or cash deposits required by the DEVELOPMENT AGREEMENT be reduced at the following milestones:

a) Two grading reductions at least two months apart;

b) Three site improvement reductions at least two months apart;

c) Final streets is retained in full until completion of the final streets;

d) One landscape reduction of 50% upon complete installation required per the approved landscape plan.

If it is determined by the CITY that the DEVELOPMENT PLANS were not strictly adhered to, or that work was done without CITY inspection, the CITY may require, as a condition of acceptance, that the DEVELOPER post an additional irrevocable LOC, or cash deposit equal to 125% of the estimated amount necessary to correct the deficiency or to protect against deficiencies arising therefrom. In the event that work, which is concealed, was done without permitting CITY inspection, then the CITY may, in the alternative, require the concealed condition to be exposed for inspection purposes.

15.3. DEVELOPER’S CASH FEES AND CASH ESCROW REQUIREMENTS. At the time that the DEVELOPMENT AGREEMENT is approved, DEVELOPER shall deposit cash and cash escrows with the CITY for those items and in the amounts required in Exhibit G and H.
ARTICLE 16
MISCELLANEOUS

16.1. CITY’S DUTIES. The terms of this DEVELOPMENT AGREEMENT shall not be considered an affirmative duty upon the CITY to complete any DEVELOPER IMPROVEMENTS.

16.2. ADDITIONAL IMPROVEMENTS. If the DEVELOPER fails to construct the DEVELOPER IMPROVEMENTS, the CITY at its option, may install and construct the DEVELOPER IMPROVEMENTS. In such case, the CITY, at its option, may specially assess the cost wholly or in part therefore under Minnesota Statutes Chapter 429, or may draw on the irrevocable LOC or cash deposit. If the CITY specially assesses the cost of any portion thereof, then the DEVELOPER hereby waives any and all procedural and substantive objections to the installation of the improvements and the special assessments, including, but not limited to, notice and hearing requirements and any claim that the special assessments exceed the benefit to the FINAL PLAT. The DEVELOPER waives any appeal rights otherwise available pursuant to Minnesota Statute § 429.081. The DEVELOPER acknowledges that the benefit from the improvements equal or exceed the amount of the special assessments.

16.3. NO THIRD PARTY RE COURSE. Third parties shall have no recourse against the CITY under this DEVELOPMENT AGREEMENT.

16.4. VALIDITY. If any portion, section, subsection, sentence, clause, paragraph or phrase of this DEVELOPMENT AGREEMENT is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this DEVELOPMENT AGREEMENT.

16.5. RECORDING. The DEVELOPMENT AGREEMENT and PLAT shall be recorded with the COUNTY Recorder and the OWNER and DEVELOPER shall provide and execute any and all documents necessary to implement the recording.

16.6. BINDING AGREEMENT. The parties mutually recognize and agree that all terms and conditions of this recordable DEVELOPMENT AGREEMENT shall run with the land in the FINAL PLAT, and shall be binding upon the successors and assigns of the DEVELOPER. This DEVELOPMENT AGREEMENT shall also run with and be binding upon any after acquired interest of the DEVELOPER in the land made the subject of the FINAL PLAT.

16.7. CONTRACT ASSIGNMENT. The DEVELOPER may not assign this DEVELOPMENT AGREEMENT without the prior written consent of the COUNCIL, which approval will not be unreasonably withheld. In such case, the third-party buyer will be required to accept and assume all contractual and financial responsibilities provided in this DEVELOPMENT AGREEMENT. Upon satisfaction of such requirements by such third-party buyer, the DEVELOPER’s obligations hereunder shall terminate. Absent approval of the Council, the DEVELOPER’s obligations hereunder shall continue in full force and effect, even if the DEVELOPER sells one or more lots, the entire PLAT, or any part of it.

16.8. COMPLETION DATE. Absent a written extension by the parties, the DEVELOPMENT PROJECT shall be completed by November 1, 2024.
16.9. **TAX ABATEMENT AGREEMENT.** Developer agrees to comply with the terms and conditions of the Tax Abatement Agreement, if any.

16.10. **AMENDMENT AND WAIVER.** The parties hereto may by mutual written agreement amend this DEVELOPMENT AGREEMENT in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this DEVELOPMENT AGREEMENT or in any document delivered pursuant hereto which inaccuracies would otherwise constitute a breach of this DEVELOPMENT AGREEMENT, waive compliance by another with any of the covenants contained in this DEVELOPMENT AGREEMENT, waive performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this DEVELOPMENT AGREEMENT. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this DEVELOPMENT AGREEMENT shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

16.11. **GOVERNING LAW.** This DEVELOPMENT AGREEMENT shall be governed by and construed in accordance with the laws of the State of Minnesota.

16.12. **COUNTERPARTS.** This DEVELOPMENT AGREEMENT may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

16.13. **HEADINGS.** The subject headings of the paragraphs and subparagraphs of this DEVELOPMENT AGREEMENT are included for purposes of convenience only and shall not affect the construction of interpretation of any of its provisions.

16.14. **INCONSISTENCY.** If the DEVELOPMENT PLANS are inconsistent with the words of this DEVELOPMENT AGREEMENT or if the obligation imposed hereunder upon the DEVELOPER are inconsistent, then that provision or term which imposes a greater and more demanding obligation on the DEVELOPER shall prevail.

16.15. **ACCESS.** The DEVELOPER and CITY hereby grant to each other, their agents, employees, officers, contractors and assigns a license and right of entry to enter the other’s portion of the DEVELOPMENT PROPERTY to perform all work and inspections deemed appropriate by the CITY and DEVELOPER for the installation and construction of DEVELOPER IMPROVEMENTS and SITE IMPROVEMENTS, as well as the SOIL MITIGATION PROJECT and TRAIL PROJECT.

[The remainder of this page has been intentionally left blank.]
IN WITNESS WHEREOF, the parties have executed this DEVELOPMENT AGREEMENT.

CITY/OWNER:
CITY OF WEST ST. PAUL

By: ____________________________
    David J. Napier
    Its Mayor

By: ____________________________
    Nathan Burkett
    Its City Manager

STATE OF MINNESOTA  )
   ) ss.
COUNTY OF DAKOTA  )

On this ___________ day of ____________, 2022, before me a Notary Public within and for said County, personally appeared David J. Napier and Nathan Burkett to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Manager of the City of West St. Paul, the municipality named in the foregoing instrument, and that the said instrument was signed in behalf of said municipality by authority of its City Council and said Mayor and City Manager acknowledged said instrument to be the free act and deed of said municipality.

______________________________________________
Notary Public
DEVELOPER/OWNER:
M/I HOMES OF MINNEAPOLIS/ST. PAUL, LLC

By: ________________________________
Name: ______________________________
Title: ______________________________

STATE OF ____________) )
COUNTY OF ____________) ss.

On this ___ day of ____________, 2022, before me a Notary Public within and for said County, personally appeared __________________ to me personally known, who being by me duly sworn, did say that he is the __________________ of M/I Homes of Minneapolis/St. Paul, LLC, a Delaware limited liability company, the company named in the foregoing instrument, and that said instrument was signed on behalf of said limited liability company.

________________________________________________________________________
Notary Public

THIS INSTRUMENT DRAFTED BY AND
AFTER RECORDING PLEASE RETURN TO:

Korine Land, #262432
LeVander, Gillen, & Miller, P.A.
1305 Corporate Center Drive, Suite 300
Eagan, MN 55121
(651) 451-1831
EXHIBIT A
DEVELOPMENT PROPERTY

Real property located in the County of Dakota, State of Minnesota, to be platted and legally described as follows:

Lots 1-59, Block 1, Thompson Square
Outlots A and B, Thompson Square

Abstract Property
EXHIBIT D
MISCELLANEOUS REQUIREMENTS AND CONDITIONS
IMPLIED BY THE CITY

1) CONDITIONS TO BE SATISFIED BEFORE CITY RELEASES THE FINAL PLAT TO BE RECORDED.

a) Letter of Credit. DEVELOPER must provide the LOC required in this DEVELOPMENT AGREEMENT.

b) All Cash Deposits. DEVELOPER must pay all cash deposits required in this DEVELOPMENT AGREEMENT.

c) Planning Fees. DEVELOPER must pay the CITY all planning, engineering review and legal fees that have been incurred up to the date of approval of this DEVELOPMENT AGREEMENT.

d) Park Dedication Fees. DEVELOPER must pay park dedication fees as required in Exhibit G.

e) The following documents have been executed:

- Deed for Lot 59, Block 1 to the Homeowners’ Association
- Deed for Outlot B to the Homeowners’ Association
- Drainage and Utility Easement Agreement with Homeowners’ Association for Outlot B
- A maintenance agreement for private streets and streetlights with Homeowner’s Association
- A Stormwater Maintenance Agreement with the Homeowners’ Association for Outlot B

2) BUILDING PERMITS. No building permits may be obtained until:

a) All the conditions in Paragraph 1 of this Exhibit D have been met;

b) All storm water ponds an associated drainage features including storm sewer and drainage swales have been installed;

c) The following documents have been recorded:

- Final Plat
- Development Agreement
- Deed for Lot 59, Block 1 to the Homeowners’ Association
- Deed for Outlot B to the Homeowners’ Association
• Drainage and Utility Easement Agreement with Homeowners’ Association for Outlot B
• Maintenance Agreement for private streets and streetlights with Homeowners’ Association
• A Stormwater Maintenance Agreement with the Homeowners’ Association for Outlot B

3) **CERTIFICATES OF OCCUPANCY.** Prior to issuance of any certificate of occupancy, all the following conditions must be satisfied:

   a) All the conditions listed in Paragraphs 1 and 2 of this Exhibit D must be satisfied.

   b) The base course of bituminous for the streets serving the lot must be constructed by the DEVELOPER and approved by the CITY and determined by the CITY to be available for use.

   c) The utilities have been installed.

   d) As built surveys have been received by the CITY.

   e) All landscaping elements required in Section 4.17 have been planted and installed.

4) **SUBDIVISION EROSION CONTROL.** DEVELOPER is responsible for erosion control throughout the FINAL PLAT pursuant to the NPDES permit until all lots in the FINAL PLAT are built upon and until turf is established in each of the individual lots in the FINAL PLAT.

5) **CLEAN UP OF CONSTRUCTION DEBRIS ON STREETS AND ADJOINING PROPERTY.** The escrow amount stated on Exhibit G shall include an appropriate amount as determined by the Director of Public Works to ensure that the DEVELOPER removes any construction debris from streets adjoining the FINAL PLAT and from private properties that adjoin the FINAL PLAT. During the construction of the residences and other improvements within the FINAL PLAT, the DEVELOPER is responsible for removing any construction debris (including roofing materials, paper wrappings, construction material and other waste products resulting from construction) that may be blown from the construction site into adjoining private properties or into CITY streets or that may fall from delivery trucks onto adjoining private properties or CITY streets. Further, during construction, the DEVELOPER must clear the CITY streets of any dirt or other earthen material that may fall onto the CITY streets from the delivery trucks that are being used in the excavation and grading of the site.

6) **MAILBOXES.** The DEVELOPER is responsible for the placement of a mailbox for all the lots within the DEVELOPMENT PROJECT and must comply with the United States Postal Service’s mailbox design and placement requirements. The mailboxes must all be of similar design and color within the DEVELOPMENT PROJECT.
7) **SIDEWALK SNOW REMOVAL AND TRAIL MAINTENANCE.** The Homeowners’ Association shall provide snow removal of trails and sidewalks within Lots 1-59, Block 1. CITY shall provide snow removal on trails within Outlot A.
EXHIBIT E
PERMITS, LICENSES AND OTHER APPROVALS

1. Any licenses or permits required by the Minnesota Department of Health.

2. NPDES Permit from the MPCA.

3. Right of Way Permit from the CITY.

4. Grading Permit from the CITY.

5. Any contractor licenses from the CITY or the State of Minnesota.

6. Building Permits from the CITY.

7. Electrical Permits from the CITY.

8. Utility permits that may be required from the CITY, State of Minnesota or any utility company.

9. Right of Way Permit from the COUNTY.
EXHIBIT F

[Intentionally Left Blank]
EXHIBIT G
DEVELOPER’S CASH REQUIREMENTS AND
INDIRECT COST CASH ESCROW

CASH REQUIREMENTS

<table>
<thead>
<tr>
<th>City Fees</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
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<tbody>
<tr>
<td>Connection Charge Fee (Residential)</td>
<td>58 units</td>
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<td>$14,500.00</td>
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<tr>
<td>Sewer Permit Fee</td>
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<td>1.5% Sewer Project Valuation + .0005% State Surcharge</td>
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<tr>
<td>Right-Of-Way Permit Fee</td>
<td>1 per Contractor</td>
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<td>Park Dedication Fees</td>
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<td>Environmental Permit</td>
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<td>Oakdale Ave. Turn Lanes</td>
<td>6.5 acres</td>
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<td>Oakdale Ave. Sidewalk Improvements</td>
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<td><strong>Total Cash Fees</strong></td>
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<td></td>
<td><strong>$265,963.65</strong></td>
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CASH ESCROW

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<td>Stormwater Review Escrow</td>
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<td><strong>Total Cash Escrow</strong></td>
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SITE IMPROVEMENTS

LOC ESCROW

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<th>Site Improvement LOC</th>
<th>Estimated Construction Cost</th>
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<td>Streets</td>
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<td>Clean up of Construction Debris</td>
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<td>Sanitary Sewer</td>
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<td>Storm Sewer</td>
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<td>Watermain</td>
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<td>Street Lights</td>
<td>$30,000.00</td>
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<td>Landscaping</td>
<td>$35,800.00</td>
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<td><strong>Subtotal:</strong></td>
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</tr>
<tr>
<td><strong>Total Site Improvement LOC (125%)</strong></td>
<td><strong>$1,265,701.35</strong></td>
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## DEVELOPER’S LOC REQUIREMENTS FOR SITE GRADING, EROSION CONTROL, SOIL REMEDIATION PROJECT AND CLUBHOUSE STRUCTURE AND UTILITY REMOVAL

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<tr>
<td>Soil Remediation Project</td>
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<td>Grading and Erosion Control Work</td>
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<td>Clubhouse and utility removal</td>
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<td><strong>Subtotal:</strong></td>
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<td><strong>Total Grading LOC (125%)</strong></td>
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