

**LAND SALE AGREEMENT
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
ONE ROOF COMMUNITY HOUSING**

THIS AGREEMENT entered into this ____ day of _____, 2023, by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, an economic development authority, created and existing under Minnesota Statutes (1989) Chapter 469, (hereinafter referred to as "DEDA") and ONE ROOF COMMUNITY HOUSING, a nonprofit organization, created and existing under Minnesota Statutes (1989) Chapter 317, (hereinafter referred to as "Developer").

WHEREAS, DEDA owns certain Property, as shown in **Exhibit A**, located at South 71st Avenue West and Raleigh Street in the Fairmount neighborhood of Duluth which has been deemed suitable for sale conveyance for affordable housing development, located in St. Louis County, Minnesota, which Property is further described as:

Lot 1, Block 12, CARLTON PLACE ADDITION TO DULUTH
Lot 2, Block 12, CARLTON PLACE ADDITION TO DULUTH
Lot 3, Block 12, CARLTON PLACE ADDITION TO DULUTH
Lot 4, Block 12, CARLTON PLACE ADDITION TO DULUTH
Lot 5, Block 12, CARLTON PLACE ADDITION TO DULUTH
Lot 6, Block 12, CARLTON PLACE ADDITION TO DULUTH

WHEREAS, Developer is desirous of acquiring the Property for development of no less than five (5) new housing units, to be included in the Developer's Community Land Trust program which ensures the final Project will be for sale to an individual or family whose income is at or below 80% of the Area Median Income; and

WHEREAS, DEDA, by virtue of its status as a governmental authority, has the authorization to sell the Property directly to the Developer; and

NOW, THEREFORE in consideration of mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

1. Sale of Property.

The proper DEDA officials hereby agree to sell the Property to Developer for the sum of \$1.00 (the "Purchase Price"). Developer also agrees to pay all state deed tax and

recording fees associated with the closing of the property. Within ten (10) days of the signing of this Agreement, Developer agrees to deposit the Purchase Price in the form of cash or a certified check with DEDA.

2. Contingent Performance

Upon the deposit of the Purchase Price with DEDA as provided for in Paragraph 1 above, DEDA hereby agrees to convey the Property to Developer under the terms and conditions of this Agreement. In addition, the parties hereto anticipate that the transaction covered by this agreement shall be completed within two (2) years of the effective date of this Agreement. If it is not so completed, either party not then in default of any of its obligations hereunder may terminate this Agreement without cause upon ten (10) days written notice to the other party as provided for in Paragraph 5 below, in which case, neither party shall have any further rights or obligations to the other party under this Agreement.

3. Developers Project

Developer hereby agrees that, within two (2) years of the date of the conveyance of the Property from DEDA to Developer, Developer will have completed construction of the Project as herein defined on the Property and will have conveyed the Project to an individual or family having an income at or below 80% of the Area Median Income as defined by the United States Department of Housing and Urban Development. For the purposes of this Agreement, the "Project" shall consist of the construction on the Property of no less than five (5) new housing unit of at least 1,000 square feet in size and having at least 2 bedrooms. The Project shall be constructed and installed only in conformance with plans approved in writing and in advance of construction by DEDA's Executive Director and must conform to all applicable building, zoning, or other codes or ordinances. The Developer will acquire any and all necessary permits for the construction of the project.

4. Environmental Indemnification.

Developer hereby agrees that for itself, its successors and assigns, it will indemnify and save DEDA and the City of Duluth and their officers, agents, servants and employees and any person who controls DEDA within the meaning of the Securities Act of 1933 harmless from and against all liabilities, losses, damages, costs, expenses, including reasonable attorney's fees and expenses, causes of action, suits, claims, demands and judgments arising out of any condition existing on the Property, whether pre-existing or after created, which constitutes a violation of any environmental law or laws with regard to pollutants or hazardous or dangerous substances promulgated by the government of the United States, the State of Minnesota or of any such duly promulgated rules and regulations of the United States Environmental Protection Agency or the

Minnesota Pollution Control Agency or the presence on the Property of any element, compound, pollutant, contaminant or toxic or hazardous substance, material or waste, or any mixture thereof, which otherwise causes injury or death to persons or damage to property and that indemnification granted hereby shall include all the costs of clean up, remediation, together with the costs incurred in proceedings before a court of law or an administrative agency, including attorney's fees, expenses, the fees and expenses of persons providing technical expertise addressing such problems, including expert witnesses, and the cost of preparing and securing approval of Response Action Plans as may be necessary to meet the requirements of the aforesaid agencies and any other costs and expenses of any kind whatsoever arising out of conditions existing on the Property. Provided, however, that the indemnity provided by Developer to DEDA and the City of Duluth pursuant to this paragraph is intended to run only to the benefit of DEDA and the City and is not intended to, nor shall it, inure to the benefit of any third party.

Promptly after receipt by DEDA of notice of the commencement of any action with respect to which the Developer is required to indemnify DEDA or the City under this Agreement, DEDA shall notify the Developer in writing of the commencement of the action, and, subject to the provisions as hereinafter stated, the Developer shall assume the defense of the action, including the employment of counsel selected by the Developer and the payment of expenses. Insofar as such action shall relate to any alleged liability of DEDA and/or the City with respect to which indemnity may be sought against the Developer, DEDA and/or the City shall have the right to employ separate counsel and to participate in the defense thereof, and the fees and expenses of such separate counsel shall be at the expense of the Developer. With respect to conditions on the Property created by the Developer during the Inspection Period, or otherwise as related strictly to claims or liabilities accruing after the date of this Agreement based on Buyer's actions hereunder, this paragraph shall survive the cancellation of this Agreement for any reason.

5. Default and Remedies.

In the event that Developer failed to perform or to comply with any of the terms, covenants and conditions of this Agreement, including but not limited to those contained in Paragraphs 2 and 3 above, and said failure to so perform or comply shall continue for a term of thirty (30) days after notice from DEDA to Developer of such nonperformance or noncompliance, Developer shall be in default of its obligations hereunder and DEDA may, at its option, exercise any one or more of the following rights and remedies. The remedies provided for under this Paragraph shall be deemed to be cumulative and non-exclusive and the election of one remedy shall not be deemed to be a waiver of any other remedy with regard to any occasion of default hereunder. Further, the waiver by DEDA of any default on the part of Developer hereunder or the failure of DEDA to declare

default on the part of Developer of any of its obligations pursuant to this Agreement shall not be deemed to be a waiver of any subsequent event of default on the part of Developer of the same or any other obligation of Developer hereunder and, to be effective, any waiver of any default by Developer hereunder shall be in writing by DEDA.

a. DEDA may seek and be entitled to monetary damages, including consequential damages, from Developer for any damages, including consequential damages incurred by DEDA as a result of Developer's default.

b. DEDA may seek and be entitled to receive reconveyance of the Property from Developer, free and clear of all liens and encumbrances whatsoever, if said default occurs prior to certification by DEDA's Executive Director of the completion of the Project.

c. DEDA may seek and be entitled to injunctive and declaratory relief as is necessary to prevent Developer's violation of the terms and conditions.

d. DEDA may seek such other legal or equitable relief as a court of competent jurisdiction may be determined as available to DEDA.

Notwithstanding the foregoing, if the default reasonably requires more than thirty (30) days to cure, Developer shall promptly commence said cure default, and with due diligence thereafter continuously prosecute said cure to completion within a reasonable period of time, and provided that Developer keeps DEDA informed of its progress in curing the default; provided in no event shall such additional cure period extend beyond 90 days.

6. No Representations by DEDA

Except as set forth herein, without limitation, Developer acknowledges that neither DEDA nor any of its officers, agents, servants, employees or any other person or entity representing or purporting to represent DEDA has made any representations or warranties (whether express or implied, oral or written) regarding the Property or the Project, including but not limited to the value, quality or condition of the Property or the Project; the status of title to the Property; the suitability of the Property or the Project for any activity or use which the Developer may conduct; the compliance of the Property or the Project with any laws or regulations; the habitability, merchantability, marketability, profitability, or fitness of the Property or the Project for a particular purpose; and compliance by the Property or the Project with any and all environmental rules, regulations, orders or laws. Developer acknowledges and agrees that DEDA has no obligation to remove any personal property or debris from the Property. Developer acknowledges and agrees that, to the maximum extent permitted by law, Buyer is purchasing the Property in its "AS-IS" condition. This paragraph shall survive the Closing and cancellation of this Agreement for any reason

7. Notices.

Any notice, demand or other communication under this agreement by either party to the other shall be deemed to be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, to:

In the Case of DEDA:

Duluth Economic Development Authority
City Hall – Room 418
Attn: Executive Director
411 West 1st Street
Duluth, Minnesota 55802

In the Case of Developer:

One Roof Community Housing
Attn: Jeff Corey
12 East 4th Street
Duluth, MN 55805

7. Force Majeure.

Under the terms of this Agreement, neither DEDA nor Developer shall be considered in default or in breach of any of the terms with respect to the performance to their respective obligations under this Agreement in the event of enforced delay in the performance of its obligations due to unforeseeable causes beyond its control and without its fault or negligence, including but not limited to acts of God, acts of a public enemy, acts of the federal government, acts of another party, fire, floods, epidemics, strikes or embargoes, or for delays of subcontractors due to such causes. In the event of any such delay, any time for completion or delivery under this Agreement shall be extended for the period of any such delay upon written notice from the party seeking the extension to the other party.

8. Release of right to receive reconveyance.

Upon the determination by DEDA's Executive Director that construction of the Project has been completed and upon Developer's request therefore, DEDA will furnish to the Developer a Release of right to receive reconveyance ("Release") certifying the completion of the Project. The Release shall satisfy and terminate the agreements of the Developer in this Agreement. The Developer may cause the Release to be recorded in the proper office for recordation of deeds and other instruments pertaining to the Property. Provided, however, the Release shall in no way release Developer from its obligations set forth in Section 3 to convey the Project to an individual or family having an income at or below 80% of the Area Median Income as defined by the United States

Department of Housing and Urban Development.

9. Applicable Law.

This Agreement, together with all of its paragraphs, terms and conditions, is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

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ONE ROOF COMMUNITY HOUSING
A Minnesota Non-profit

By: Jeff Corey

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

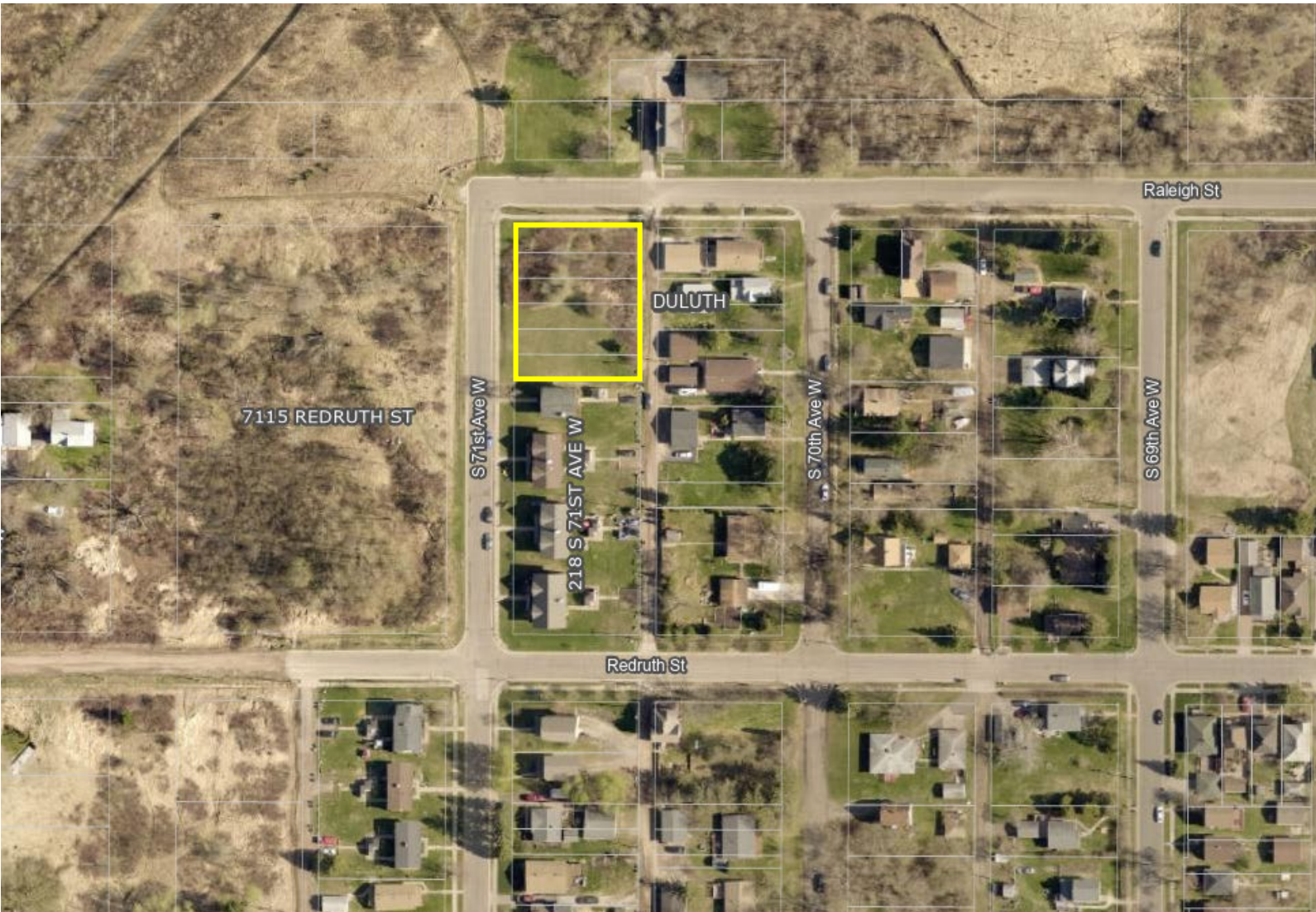
The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Jeff Corey, Its Executive Director, One Roof Community Housing.

Notary Public

This Instrument Drafted By:

Ethan Scrivner
Assistant Duluth City Attorney
Room 410
DEDA Hall
Duluth, Minnesota 55802
(218)730-5490

Exhibit A



Lots 1 through 6, Block 12, CARLTON PLACE ADDITION TO DULUTH