

EXHIBIT 2

DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (this “Agreement”) is effective as of _____, 2025 (the “Effective Date”) and is by and between the CITY OF DULUTH, a municipal corporation and political subdivision under the laws of the State of Minnesota (“City”) and the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under Minnesota Statutes Chapter 469 (“DEDA”). City and DEDA are referred to in this Agreement collectively as the “Parties.”

RECITALS

WHEREAS, City is the owner of certain real property in St. Louis County, Minnesota, legally described on the attached Exhibit A, together with any and all improvements located thereon and all privileges, rights, and easements appurtenant thereto (the “Property”).

WHEREAS, DEDA is an economic development authority established under Minnesota Statutes Chapter 469 with the purpose of supporting economic opportunities and development in the city of Duluth.

WHEREAS, through Resolution No. 25-0845 passed by the City Council on October 27, 2025, the City Council directed City administration to complete a land use study regarding the Property.

WHEREAS, through Resolution No. 25-0913 passed by the City Council on November 24, 2025, City stated its intention to convey the Property for development purposes.

WHEREAS, DEDA has the expertise and capabilities to facilitate the division, sale and development of the Property, subject to the conditions and requirements established in this Agreement.

WHEREAS, City desires to convey the Property to DEDA upon the terms and conditions of this Agreement with a preferred focus on projects that maximize the creation and development of new housing units across all income levels, provided the development of new housing units aligns with the highest and best use of the Property and such projects are deemed economically feasible.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained in this Agreement, the Parties covenant and agree for themselves and their successors and assigns as follows:

AGREEMENT

I. Definitions.

A. “Appraisal” shall mean an appraisal prepared by an Appraiser (defined below) in conformity with the guidelines titled “Uniform Standards of Professional Appraisal Practice” that determines the Appraised Value (defined below) of the Property or a Tract.

B. “Appraised Value” shall mean the fair market value of the Property or a Tract as established by an Appraisal dated no more than six months prior to the effective date of a Purchase Agreement for the Property or Tract.

C. “Appraiser” shall mean an appraiser licensed and in good standing with the State of Minnesota as a Certified General Appraiser.

D. “AUAR” shall mean an Alternative Urban Areawide Review regarding the Property.

E. “City Administrator” shall mean City’s City Administrator.

F. “Developer” shall mean a person or entity selected by DEDA through the Public Sale Process (defined below) to which any portion of the Property will be conveyed for development in accordance with this Agreement, a Purchase Agreement, a Development Agreement, adopted plans, and applicable law and regulations.

G. “Development Agreement” shall mean an agreement between DEDA and a Developer relating to the development of the Property or a Tract, which shall be (i) commercially reasonable; and (ii) comply with the requirements of this Agreement and all applicable law.

H. “Executive Director” shall mean the Executive Director of DEDA.

I. “Purchase Agreement” shall mean an agreement between DEDA, as seller, and a Developer, as purchaser, for the sale and purchase of any portion of the Property, which shall (i) be commercially reasonable; (ii) comply with the requirements of this Agreement and all applicable law; and (iii) require, as a condition of closing, that the parties enter into a Development Agreement on the date of closing.

J. “Sale Price” shall mean the purchase price paid by a Developer to DEDA for the Property or a Tract.

K. “Tract” shall mean any portion of the Property sold by DEDA that is less than the entirety of the Property.

II. City Conveyance of the Property to DEDA.

A. Conveyance. Subject to compliance with the terms and conditions of this Agreement, City shall convey the Property to DEDA for the sum of one dollar and no/100ths (\$1.00).

B. Title Insurance. City and DEDA have ordered a commitment for an ALTA Owner's Policy of Title Insurance insuring title to the Property from First American Title Insurance Company in an amount equal to the estimated market value of the Property as determined by the St. Louis County Assessor or as otherwise agreed to by the Parties (the "Title Commitment"). DEDA shall pay for the cost of the Title Commitment. The premium for a title insurance policy, if DEDA purchases title insurance, shall be paid for by DEDA.

C. Survey. As soon as practicable after issuance of the Title Commitment, DEDA shall cause to be prepared an ALTA/ASCM survey of the Property, certified to City and DEDA (the "Survey"). City and DEDA shall have the right to review the Survey and request changes to the Survey to more accurately describe the Property and any easements and other encumbrances located thereon. DEDA shall pay for the cost of the Survey. The Survey and the Title Commitment shall be referred to collectively in this Agreement as the "Title Evidence."

D. Title Objections. In the event the Title Evidence reflects that title to the Property is not in a condition that is acceptable to DEDA, DEDA may object to the title by specifying DEDA's objections in writing to City within 60 days of receipt of the Survey (the "Objections"). Any matter disclosed by the Title Evidence and not timely objected to by DEDA shall be a "Permitted Exception." At City's election, City may cure all of the Objections, or City may decline to cure one or more of the Objections. City shall notify DEDA of its election by delivering written notice to DEDA within 30 days of receipt of the Objections. If City cures all of the Objections, the Parties shall proceed to the Closing (defined below) subject to the terms and conditions of this Agreement. If City declines to cure or is unable, with such diligence as determined by City to be reasonable, to cure all of the Objections, DEDA may terminate this Agreement by delivering written notice of termination to City within 15 days of receiving notice that City will not cure or is unable to cure one or more of the Objections. If DEDA 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. If DEDA fails to terminate this Agreement pursuant to this paragraph, DEDA shall be deemed to have waived the Objections and the Parties shall proceed to the Closing subject to the terms and conditions of this Agreement.

E. Environmental. Prior to the Closing, DEDA may, at its sole option and expense, obtain such environmental inspections and reports as to the Property as it deems necessary or advisable. DEDA's inspections will be conducted in accordance with the following procedures: (a) all persons performing any tests will be properly and currently licensed and qualified and will have obtained all valid and appropriate permits required to perform such tests; (b) DEDA will advise City at least two (2) days in advance of the dates of all tests and inspections; (c) City will have the right to have a representative accompany DEDA and its agents, employees, contractors, and invitees while they are on the Property; (d) DEDA will promptly pay when due the costs of all entry, inspections, tests, and examinations done with regard to the Property; (e) DEDA will, at

its sole cost and expense, repair and restore the Property to its original condition before any such entry upon the Property and performance of any inspection, test, or examination. City shall have the right to review the environmental reports obtained by DEDA. If DEDA objects to the results of the environmental inspections and reports, its sole remedy shall be to terminate this Agreement in writing delivered to City. If DEDA 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. City shall not reimburse DEDA for costs it incurs under this section related to environmental inspections and reports regarding the Property.

F. Land Use Study. City shall undertake a land use study of the Property that includes a robust public engagement process (the “Land Use Study”). The Land Use Study shall include the elements identified in City Council Resolution No. 25-0845R passed on October 27, 2025. The Land Use Study must be completed by July 27, 2026 and shall be submitted to the City Council for approval or rejection on or before August 31, 2026. In the event the City Council approves the Land Use Study on or before September 30, 2026 and the Land Use Study recommends that any specific portion(s) of the Property should be preserved for permanent conservation status (the “Reserved LUS Property”), then the City Council may, by resolution, direct the City Administrator to enter into an amendment to this Agreement removing the Reserved LUS Property from this Agreement. If (i) the City Council does not approve the Land Use Study by September 30, 2026, OR (ii) the removal of the Reserved LUS Property from this Agreement is unacceptable to DEDA, then this Agreement shall automatically terminate; upon request, each party shall promptly sign a cancellation evidencing the cancellation of this Agreement and except as expressly set forth in this Agreement, the Parties shall have no further obligations to one another pursuant to this Agreement. If the Parties mutually agree to amend this Agreement to remove the Reserved LUS Property, DEDA shall cause the Title Evidence to be updated as necessary to omit the Reserved LUS Property. DEDA shall pay the cost of the Land Use Study (the “Land Use Study Expense”) up to a maximum of \$200,000, payable from DEDA Fund 860. If (i) the City Council rejects the Land Use Study, OR (ii) the City Council does not approve the Land Use Study by September 30, 2026, City shall promptly reimburse DEDA for the Land Use Study Expense. If the City Council approves the Land Use Study, City shall have no obligation whatsoever for the Land Use Study Expense unless the Land Use Study Expense exceeds \$200,000. In the event the cost of the Land Use Study exceeds \$200,000, City shall be responsible for the amount exceeding \$200,000.

G. Future Land Use and Zoning. Prior to the Closing, City shall use reasonable efforts to diligently pursue consistent amendments to existing City zoning and future land use maps relating to the Property to a zoning and future land use category or categories that will permit the economic development of the Property in accordance with the Development Program for Development District No. 17. City will perform all administrative acts reasonably required to obtain the zoning and future land use amendments, including but not limited to, the Land Use Study, an amendment to City’s comprehensive land use plan, and a zoning map amendment. DEDA shall collaborate and support City’s efforts in good faith and provide reasonable assistance to City upon request, which may include designating one or more representatives of DEDA to participate in City meetings and proceedings relating to the Property and above-described activities, and contributing to the preparation and review of studies, proposals, or other key documents and tasks necessitated by the above. Notwithstanding any of the foregoing, DEDA acknowledges that comprehensive land use amendments and rezonings require recommendation

by City's planning commission and approval by the City Council, and that City staff have no authority or control over discretionary decisions made by City's planning commission or the City Council.

H. Protective Designations of City-Owned Property Not Subject to this Agreement. City acquired approximately 1,500-1,800 acres of previously tax-forfeited lands in 2024 under a project known as the "Strategic Public Lands Realignment Project" (the "Public Lands"), and none of the Public Lands are located within the Property. The goals of the Strategic Public Lands Realignment Project were outlined in Resolution Nos. 22-0251 and 23-0463, passed by the City Council. Through these resolutions, the City Council stated an intent to grant future protective designations of the Public Lands through park dedication, inclusion in the Duluth Natural Areas Program or rezoning as Park and Open Space District (P-1) (the "Project Goals"). City shall use its best efforts to substantially complete the Project Goals as to a minimum of 1,500 acres of the Public Lands on or before January 12, 2027, as evidenced by the passage of a resolution of the City Council making a determination of substantial completion of the Project Goals (the "Public Lands Resolution"). The actions undertaken under this paragraph shall be collectively referred to as the "Protective Designation Process." City shall, at its own expense, be solely responsible to complete the Protective Designation Process.

I. Closing. The closing on the conveyance of the Property from City to DEDA (the "Closing") shall occur on or before March 31, 2027 (the "Closing Date") at the office of First American Title Insurance Company-Consolidated Title & Abstract Company in Duluth, Minnesota (the "Title Company") or at such place as the parties shall mutually agree upon. The Closing shall be conducted by the Title Company. DEDA acknowledges that the Title Company may require the purchase a title insurance policy as a condition of the Closing. City shall deliver possession of the Property to DEDA on the Closing Date. Notwithstanding the above, the Parties may, by written agreement, extend the Closing Date up to a maximum of 120 days, in the sole discretion of the City Administrator, on behalf of City, and the Executive Director, on behalf of DEDA. If the Closing has not occurred on or before the Closing Date (as it may be extended by the City Administrator and the Executive Director): (i) this Agreement shall automatically terminate; (ii) upon request, each party shall promptly sign a cancellation evidencing the cancellation of this Agreement; and (iii) except as expressly set forth in this Agreement, the Parties shall have no further obligations to one another pursuant to this Agreement. At or prior to the Closing, the City Administrator and the Executive Director may, by mutual agreement, authorize the execution of an amendment to this Agreement to attach a complete and correct legal description for the Property, in accordance with the Survey (the "Survey Amendment"). If amended, the new legal description for the Property shall not include land in addition to what is described in this Agreement. Notwithstanding the foregoing, the authority granted to the City Administrator and the Executive Director to enter into the Survey Amendment includes the ability to modify the legal description for the Property to include adjacent streets, alleys or other rights-of-way vacated before or after the Effective Date.

J. Deed and Easements. On the Closing Date, City shall deliver a quitclaim deed, substantially in the form of Minnesota Uniform Conveyancing Blanks Form 10.3.5 (the "Deed"), to DEDA conveying City's interest in the Property to DEDA, subject to the Permitted Exceptions, the Easements (defined below) and those other encumbrances already in favor of City and/or the

public. DEDA acknowledges that City intends to preserve all easements in favor of City and the public in its conveyance to DEDA via the Deed. In the event City determines, based on the Survey, that the Property should be subject to one or more easements in favor of City, the public, or third parties for right of way, utilities or other public purposes (collectively, the "Easements"), then (i) City will dedicate the Easements to the appropriate parties prior to the Closing Date; and/or (ii) on the Closing Date, DEDA shall enter into one or more easement agreements with City and/or third parties to establish the Easements in the locations determined by City. If DEDA objects to the location of any of the Easements or the terms of any easement agreement, its sole remedy shall be to terminate this Agreement in writing delivered to City. DEDA shall pay for the cost of any survey work needed to create the legal descriptions for the Easements and any related survey work (collectively, the "Easement Survey Work").

K. Taxes and Closing Costs. DEDA shall pay all costs of the Closing, including but not limited to title company charges and fees, state deed tax and recording fees associated with the recording of this Agreement, the Deed, the Easements, all necessary resolutions and ordinances of City and DEDA and any other documents in the office of the St. Louis County Recorder and/or Registrar of Titles, as applicable (collectively, the "Closing Costs"). Real estate taxes on the Property shall be prorated as of the Closing Date based upon the latest available tax statements (though the Parties believe the Property is currently property tax-exempt). DEDA shall be responsible for all real estate taxes and assessments for the year following the Closing and all subsequent years. City will not reimburse DEDA for any real estate taxes or assessments against the Property in the years following the Closing.

L. Statutory Disclosures. City staff handling the sale of the Property on behalf of City 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; (2) methamphetamine production on the Property; or (3) the presence of lead-based paint or lead-based paint hazards on the Property.

III. DEDA's Conditions to Closing. The Closing on the sale of the Property and the obligation of DEDA to accept title to the Property shall be subject to the following conditions:

A. Zoning. The Property shall have been rezoned to a zoning category or categories acceptable to DEDA that will permit the economic development of the Property in accordance with the Development Program for Development District No. 17, as set forth in Section II.G. above.

B. Representations. City's representations in this Agreement shall be true in all material respects at the time of the Closing as though such representations were made at such time.

C. Performance by Seller. City shall have performed all of its obligations under this Agreement.

D. Government Approvals. The City Council and the City's Planning Commission shall have adopted all necessary approvals for the conveyance of the Property in conformance with

applicable law, including but not limited to 1955 Minn. Laws, Chapter 82. This contingency may not be waived.

E. Closing Documents. City shall have executed and delivered all documents required by this Agreement or reasonably required by the Title Company to effectuate the provisions of this Agreement.

If any of the foregoing conditions have not been satisfied or waived by DEDA prior to the Closing Date, this Agreement may be terminated at DEDA's option by written notice from DEDA to City. All of the contingencies set forth in Section III of this Agreement are for the sole and exclusive benefit of DEDA and except as noted above, DEDA shall have the right to unilaterally waive any contingency by written notice to City.

IV. City's Conditions to Closing. The Closing on the sale of the Property and the obligation of City to sell the Property shall be subject to the following conditions:

A. Land Use Study. City Council shall have approved the Land Use Study on or before September 30, 2026. This contingency cannot be waived.

B. Update to Comprehensive Land Use Plan. City shall have taken all steps necessary, including but not limited to City Council approval, to amend City's 2035 Comprehensive Land Use Plan to incorporate an amended future land use map for the Property (less the Reserved LUS Property, if any). This contingency cannot be waived.

C. Zoning. City shall have taken all steps necessary (including City Council approval) to amend City's official zoning map to reclassify the Property (less the Reserved LUS Property, if any) to a zoning classification other than Park and Open Space (P-1). This contingency cannot be waived.

D. Protective Designation Process. City shall have taken all steps necessary to complete the Protective Designation Process as to a minimum of 1,500 acres of the Public Lands on or before January 12, 2027. If the Protective Designation Process has not been completed as to a minimum of 1,500 acres of the Public Lands for any reason on or before January 12, 2027, then the City shall be deemed to have waived this closing contingency and the parties may proceed to Closing, but in no event does failure to pass the Public Lands Resolution release the City of its obligation to complete the Protective Designation Process. In the event the Public Lands Resolution is not passed on or before January 12, 2027, the City agrees to create a written plan for approval by the City Council via resolution on or before January 12, 2027, describing the steps and timeline it will take to complete the Protective Designation Process as soon as reasonably practicable (the "Written Plan Resolution"). Following the Written Plan Resolution, the City shall continue its best efforts to complete the Protective Designation Process and pass the Public Lands Resolution.

E. Representations. DEDA's representations in this Agreement shall be true in all material respects at the time of the Closing as though such representations were made at such time.

F. Performance by Buyer. DEDA shall have performed all of its obligations under this Agreement.

G. DEDA Approval. The DEDA Board shall have adopted a resolution approving the conveyance of the Property to DEDA on the terms and conditions set forth in this Agreement. This contingency cannot be waived.

H. Closing Documents. DEDA shall have executed and delivered all documents required by this Agreement or reasonably required by the Title Company to effectuate the provisions of this Agreement.

If any of the foregoing conditions have not been satisfied or waived by City prior to the Closing Date, this Agreement may be terminated at City option by written notice from City to DEDA. All of the contingencies set forth in Section IV of this Agreement are for the sole and exclusive benefit of City and, except as noted above, City shall have the right to unilaterally waive any contingency by written notice to DEDA.

V. DEDA Conveyance of the Property to Developers

A. Platting by DEDA Prohibited; Legal Access to Tracts. DEDA may not plat or replat the Property and, if the Property is divided into two or more Tracts, DEDA may not plat or replat any Tract. If the Property is divided by DEDA into Tracts, each Tract must be created through other subdivision processes described under 50-37.5 of City's Unified Development Chapter, as may be amended, and must comply with all applicable federal, state, and local requirements. DEDA must ensure that each Tract it creates has legal access to and from a public street.

B. AUAR Requirement. Prior to issuing a Request for Proposal (defined below) for any portion of the Property, DEDA must obtain the AUAR. DEDA shall pay for the initial cost of the AUAR. Any periodic updates or amendments to the AUAR shall be paid for solely by DEDA and will not be reimbursed by City.

C. Public Sale Process. DEDA shall sell the Property as a whole, or divided into two or more Tracts, to one or more Developers through a public sale process in accordance with the requirements of this Agreement and Section 1 of 1955 Minn. Laws, Chapter 82 (the "Public Sale Process"). The Public Sale Process shall include the creation and publication of one or more requests for proposal from the public under the processes normally used by DEDA for similar matters (each, a "Request for Proposal"). At a minimum, each Request for Proposal shall be advertised through publication on City's website for no less than 30 days prior to the deadline to respond to the Request for Proposal to ensure reasonable notice to the public. DEDA may only sell the Property or a Tract to a Developer pursuant to the Public Sale Process. DEDA shall diligently pursue and conduct the Public Sale Process for the sale and development of all portions of the Property.

D. Prioritization of Housing Opportunities. Throughout the Public Sale Process and selection of Developers, DEDA shall prioritize projects that maximize creation and development of new housing units across all income levels, provided the development of new housing units

aligns with the highest and best use of the Property and such projects are deemed economically feasible.

E. Request for Proposal Timing Requirements. Each Request for Proposal issued by DEDA shall expire upon DEDA's determination that none of the responses are acceptable but no later than twelve (12) months from the date of the initial publication of the Request for Proposal (the "RFP Expiration Date"). DEDA may not enter into a Purchase Agreement pursuant to a Request for Proposal after the RFP Expiration Date. Until all portions of the Property are sold by DEDA (or reconveyed to City), DEDA shall continuously work to sell portions of the Property pursuant to Requests for Proposals as required by this paragraph. Until all portions of Property have been sold by the Public Sale Process, DEDA shall issue a new Request for Proposals no later than 60 days following the latest of the following events: (i) the RFP Expiration Date of all issued Requests for Proposals; (ii) DEDA's entry into a Development Agreement for all of the Property included in a Request for Proposal; and (iii) DEDA's determination that none of the responses to a specific Request for Proposal are acceptable to DEDA.

F. Appraisals. DEDA shall obtain an Appraisal for the Property (or each Tract) prior to entering into a Purchase Agreement for the Property (or Tract). DEDA shall sell the Property (or Tract) for no less than the Appraised Value, unless approved in advance by the City Council.

G. Purchase Agreement and Development Agreement Requirements. DEDA shall enter into a Purchase Agreement with each Developer selected through the Public Sale Process. DEDA is not required to select the Developer offering the highest Sale Price; however, the Sale Price of the Property (or Tract) must not be less than the Appraised Value unless approved in advance by the City Council. A Development Agreement encumbering the Property (or Tract) being sold (the "Development Property") must be entered into at closing on the sale to each Developer. DEDA shall diligently enforce the terms and conditions of each Purchase Agreement and each Development Agreement. Each Purchase Agreement and Development Agreement, as applicable, shall include the following minimum requirements, which cannot be waived by DEDA or City without the prior written approval of the City Council:

1. The Developer must meet all requirements of the Purchase Agreement for acquisition of the Development Property and close on its purchase of the Development Property within twelve months of the effective date of the Purchase Agreement (which shall be the date the Purchase Agreement is fully executed by the President and Secretary of DEDA). If the Developer fails to close on its purchase within twelve months of the effective date of the Purchase Agreement, or at any point ceases to diligently move forward with the purchase of the Development Property, the Purchase Agreement shall terminate and the Developer's interest in the Development Property shall terminate, with fee title vesting in DEDA, free and clear of all encumbrances except for encumbrances existing on or created by DEDA and/or City on the Closing Date or subsequent encumbrances created in favor of City and/or the public.

2. The deed from DEDA to Developer shall include, as a covenant running with the land, the conditions of Minnesota Statutes Sections 469.090 to 469.108 relating to the use of the Development Property, and shall provide that if said covenant is violated, DEDA may declare a breach of the covenant and seek a judicial decree from the District Court declaring a forfeiture and

a cancellation of the deed. DEDA will file an appropriate release or satisfaction of such covenants upon (i) completion of construction of the project required by the Development Agreement, as determined in the sole discretion of the Executive Director, and (ii) issuance of a certificate of occupancy by City's Construction Services and Inspections Division.

3. In conjunction with the closing on the conveyance of the Development Property to Developer, the Development Agreement must be properly recorded against the Development Property in the Offices of the St. Louis County Recorder and Registrar of Titles, as applicable, with proof of recording provided to the Executive Director and with a copy provided to the City Administrator.

4. In the Development Agreement, the Developer shall indemnify City and DEDA relating to the environmental condition of the Development Property, in the same or similar form to the indemnification provisions set forth in Section XV.B. below.

5. Development of the Development Property must be in compliance with all applicable ordinances, rules, regulations and laws of City and the state of Minnesota. The Developer shall be responsible for obtaining all approvals and permits of any kind required to implement construction from any governmental agency having jurisdiction with regard thereto, including but not limited to roadway access permits, wetland permits, storm water management permits, utility construction permits, fill and grading permits, erosion and sediment control permits, and building permits.

6. Prior to application for any building permits for the Development Property, Developer shall have prepared and filed with the Executive Director, in form and substance acceptable to the City Engineer, plans for public improvements, if any, to be constructed or installed on the Development Property, including but not limited to road improvements, sidewalks, utilities, storm water management plan, etc.

7. In the Development Agreement, Developer shall agree to development timelines, as determined in DEDA's discretion, and if the Developer ceases to diligently move forward with the development of the Development Property as required by the Development Agreement, DEDA shall terminate (subject to the Developer's right to cure) the Development Agreement and reacquire Developer's fee interest in the Development Property, free and clear of all encumbrances except for encumbrances existing on or created by DEDA and/or City on the Closing Date or subsequent encumbrances created in favor of City and/or the public.

8. If a Developer completes construction of a project under a Development Agreement, as evidenced by a release from DEDA granted under Section V.G.2 above and issuance of a certificate of occupancy by City's Construction Services and Inspections Division (or other evidence of completion as deemed satisfactory by the City Administrator in their sole discretion), and that Developer is not currently in default under a Development Agreement, City will provide a written release of the impacted Development Property from this Agreement.

VI. Transfer of Funds to City and Reimbursable Expenses.

A. Sale Price Transferred to City; Reimbursement of Initial Expenses. Within six months of the closing on the sale of the Property (or a Tract) by DEDA to a Developer, DEDA shall remit the Sale Price to City. DEDA may deduct the cost of the Title Evidence, the Easement Survey Work, the Closing Costs, and the AUAR from its first transfer of the Sale Price to City (subsequent updates made to the AUAR from time to time, if any, shall be paid for by DEDA and will not be reimbursed by City). DEDA shall provide City with invoices evidencing such expenses no less than 30 days prior to the date on which the Sale Price from which the expenses are to be deducted is transferred to City. In the event that the combined cost of the Title Evidence, the Easement Survey Work, the Closing Costs, and the AUAR exceeds the Sale Price to be transferred to City in the initial transfer of the Sale Price, DEDA may deduct the remainder of the cost of the Title Evidence, the Easement Survey Work, the Closing Costs, and the AUAR from subsequent transfers of the Sale Price to City until DEDA has been fully reimbursed for those costs.

B. Reimbursable Sale and Development Expenses. Subject to the limitations set forth in subparagraphs 1-4 below, City shall reimburse DEDA as to the following additional expenses relating to the sale and development of the Property (collectively, the “Reimbursable Expenses”): (i) survey costs to divide the Property into Tracts (each, a “DEDA Survey”), and (ii) the cost of the Appraisal(s). Except as set forth in the preceding paragraph, no additional expenses of DEDA will be reimbursed by City.

1. City shall reimburse DEDA for 100% of the Reimbursable Expenses in connection with the sale of the Property or a Tract to a Developer. However, City shall only reimburse DEDA for 100% of the costs for one DEDA Survey and one Appraisal per Tract (or one DEDA Survey and one Appraisal for the entirety of the Property if not divided into Tracts). If more than one DEDA Survey or more than one Appraisal (or an updated or re-certified Appraisal) is obtained in connection with the Property (or a Tract), for any reason, City shall only reimburse DEDA for 50% of the cost for the additional DEDA Survey(s) or Appraisal(s), as applicable.

2. If DEDA incurs Reimbursable Expenses in connection with a transaction that does not result in a conveyance to a Developer, then City shall only reimburse DEDA for 50% of the cost of the DEDA Survey or the Appraisal, as applicable.

3. All DEDA Surveys must be completed by Short Elliott Hendrickson Inc. unless otherwise approved by the City Administrator.

4. Reimbursement to DEDA of Reimbursable Expenses shall occur through a reduction of the Sale Price transmitted by DEDA to City. All Reimbursable Expenses must be approved in advance and in writing by the City Administrator. If DEDA fails to obtain advance written approval of any Reimbursable Expense, City shall not reimburse DEDA for such expense. DEDA shall provide evidence of costs incurred for Reimbursable Expenses by submitting invoices to City no less than 30 days prior to the date on which the Sale Price from which the Reimbursable Expense is to be deducted is transmitted to City.

VII. Initial Development Deadline; Ten Year Development Period; Reconveyance.

A. Initial Development Deadline. No later than 48 months from the Closing Date (the “Initial Development Deadline”) DEDA shall have: (i) entered into a Development Agreement for some portion of the Property, AND (ii) caused a Developer to devote a portion of the Property to its intended use or to have begun work on the improvements to the Property to devote it to its intended use (in a manner sufficient to comply with the requirements of Minn. Stat. § 469.105, Subd. 5.). The City Administrator, in their sole discretion, may extend the Initial Development Deadline up to a maximum of twelve (12) additional months. If the Initial Development Deadline is not met (as it may be extended by the City Administrator), then DEDA must cease its efforts to develop the Project, including but not limited to the Public Sale Process, and reconvey the entirety of the Property to City. However, in the event the Property or, if divided, a Tract(s), as of the Initial Development Deadline: (i) has been sold to a Developer; AND (ii) is subject to a Development Agreement under which the Developer is not currently in default (whether or not DEDA has provided notice of default to such Developer), DEDA’s obligation to reconvey the Property or the Tract(s) to City is conditioned upon default by Developer and return of the Property or the Tract(s) to DEDA. Reconveyance under this paragraph must be (i) free and clear of all encumbrances except for encumbrances existing on or created by DEDA and/or City on the Closing Date or subsequent encumbrances created in favor of City and/or the public; (ii) free and clear of all structures or buildings and personal property except for those structures or buildings existing as of the Closing Date, which must be in the same or better physical condition than on the Closing Date; and (iii) together with legal access to and from the reconveyed portion of the Property to a public street. DEDA shall promptly put the Property to be reconveyed into the condition required by this paragraph and deliver a deed to City for the Property being reconveyed. The parties intend for the reconveyance of the entirety of the Property under this paragraph to be made in a single reconveyance. Notwithstanding the foregoing, City may, in its sole discretion, further extend the Initial Development Deadline as to any portion of the Property by a resolution of the City Council amending this Agreement and providing for such extension

B. Ten Year Development Period. Within ten years of the Closing Date (the “Development Deadline”), DEDA shall have (i) sold the entirety of the Property to a Developer(s), or (ii) as to any then-unsold portion of the Property, have entered into an enforceable Purchase Agreement with a Developer(s) for the unsold portion of the Property. If, on the Development Deadline, DEDA is the owner of any portion of the Property and that portion of the Property is not subject to a Purchase Agreement, then DEDA shall promptly convey that portion of the Property to City. If, on the Development Deadline, DEDA is (i) the owner of a portion of the Property that is subject to one or more Purchase Agreements, and (ii) any of those Purchase Agreements later terminate without a closing for any reason, then, upon termination of each of those Purchase Agreement(s), DEDA shall immediately convey that portion of the Property to City. If, on the Development Deadline, any portion of the Property is subject to a Development Agreement for which a Certificate of Completion has not been issued AND DEDA later becomes the owner of any portion of the Property due to termination of a Development Agreement, then, upon termination of the Development Agreement(s), DEDA shall immediately convey that portion of the Property to City. Notwithstanding the foregoing, City may, in its sole discretion, extend the Development Deadline as to any portion of the Property by a resolution of the City Council amending this Agreement and providing for such extension.

C. Optional Reconveyance. If, at any time after the date that is five years from the Closing Date, DEDA may, at its sole option, convey any portion of the Property that it owns in fee (and not subject to a Purchase Agreement or a Development Agreement) to City. In such event, (i) DEDA shall no longer have any obligation to develop the reconveyed portion of the Property; and (ii) City will not reimburse DEDA for any expenses as to that portion of the Property that would otherwise be Reimbursable Expenses. If City has already reimbursed DEDA for Reimbursable Expenses attributable to the portion of the Property to be reconveyed, then DEDA must promptly pay City for such Reimbursable Expenses.

D. Status of the Property. All conveyances of the Property, or any portion thereof, by DEDA to City under this Section VII, shall: (i) be free and clear of all encumbrances except for encumbrances existing on or created by DEDA and/or City on the Closing Date or subsequent encumbrances created in favor of City and/or the public; and (ii) include legal access to and from the Property, or portion thereof, to a public street. Any portion of the Property conveyed by DEDA to City must be in the same or better physical condition than on the Closing Date. DEDA shall be solely responsible, at its expense, to take all actions necessary to put the Property, or portion thereof, into the condition required by this paragraph.

VIII. Assumption of Risk.

DEDA acknowledges and agrees that it has exclusively relied on its own consultants, advisors, counsel, employees, agents, principals and/or studies, investigations and/or inspections with respect to the Property, its condition, value and potential. The conveyance of the Property to DEDA shall constitute DEDA's acknowledgment that it has independently inspected and investigated the Property. At the Closing, DEDA shall assume the risk that adverse matters, including but not limited to adverse physical and environmental conditions and the suitability or unsuitability of the Property for DEDA's intended use may not have been revealed by DEDA's investigations.

IX. No Representations by City.

Without limitation, DEDA acknowledges that City has made no representations or warranties (whether express or implied, oral or written) regarding the Property, including but not limited to the value, quality or condition of the Property; the status of title to the Property; the suitability of the Property for any activity or use which DEDA may conduct; the compliance of the Property with any laws or regulations; the habitability, merchantability, marketability, profitability, or fitness of the Property for a particular purpose; and compliance by the Property with any and all environmental rules, regulations, orders or laws. DEDA acknowledges and agrees that City has no obligation to remove any personal property or debris from the Property. DEDA acknowledges and agrees that, to the maximum extent permitted by law, DEDA is purchasing the Property in its "AS-IS" condition. This Section IX shall survive the Closing and cancellation of this Agreement for any reason.

X. Default and Remedies.

A. Default. In the event a party fails to perform or to comply with any of the terms, covenants and conditions of this Agreement, the non-defaulting party shall give written notice of such default, specifying the nature of the default and, as appropriate, the corrective measures required and allowing the defaulting party reasonable time to cure, said cure period not to exceed thirty (30) days. If the default is not corrected within such cure period, or is incapable of being cured, the non-defaulting party may, at its option, exercise any one or more of the rights and remedies allowed by law and/or described in this Agreement. The remedies provided for under this Agreement 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 a non-defaulting party of any default on the part of the defaulting party or the failure of the non-defaulting party to declare default on the part of the defaulting party 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 the defaulting party of the same or any other obligation of the defaulting party hereunder and, to be effective, any waiver of any default by the defaulting party shall be in writing by the non-defaulting party.

B. City's Remedies. In the event of a default, City may:

1. Seek and be entitled to monetary damages, including consequential damages, from DEDA for any damages incurred by City as a result of DEDA's default.
2. Institute an action for specific enforcement to compel DEDA to perform any or all of its obligations under this Agreement.
3. Upon a resolution by the City Council, be entitled to receive reconveyance of the Property, or any portion thereof, from DEDA: (i) free and clear of all encumbrances except for encumbrances existing on or created by DEDA and/or City on the Closing Date or subsequent encumbrances created in favor of City and/or the public; (ii) free and clear of all structures or buildings and personal property except for those structures or buildings existing as of the Closing Date, which must be in the same or better physical condition than on the Closing Date; and (iii) together with legal access to and from the reconveyed portion of the Property to a public street. If the City Council elects this option as a remedy, DEDA shall promptly put the Property to be reconveyed into the condition required by this subparagraph and deliver a deed to City for the Property being reconveyed. Alternatively, seek and be entitled to receive reconveyance of the Property or any portion thereof, from DEDA in the same condition as required in this subparagraph.
4. Seek and be entitled to injunctive and declaratory relief as is necessary to prevent DEDA's violation of the terms and conditions.
5. Seek such other legal or equitable relief as a court of competent jurisdiction may be determined as available to City.

C. DEDA's Remedies. In the event of default, DEDA may:

1. Seek and be entitled to monetary damages, including consequential damages from City for any damages incurred by DEDA as a result of City's default.

2. Institute an action for specific enforcement to compel City to perform any or all of its obligations under this Agreement.

3. Seek and be entitled to injunctive and declaratory relief as is necessary to prevent City's violation of the terms and conditions.

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

XI. Subordination

City may, in its sole discretion, decide to subordinate this Agreement to liens or rights of other parties. Subordination of rights will be deemed valid only when reduced to writing.

XII. 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 regular U.S. Mail, registered mail, or certified mail, postage prepaid or hand delivered to:

In the Case of City: City of Duluth
Attn: City Clerk
411 W. First Street, Room 318
Duluth, Minnesota 55802

In the Case of DEDA: Duluth Economic Development Authority
Attn: Executive Director
411 W. First Street, Room 160
Duluth, Minnesota 55802

XIII. No Real Estate Broker.

DEDA represents and warrants to City that this Agreement is made and entered into without the aid or assistance of a real estate broker or other agent, and DEDA hereby represents and warrants to City that DEDA has not entered into an agreement or made any undertaking of any kind whatsoever as a result of which any claim could properly be brought against City for any commission, finder's fee or other form of compensation of a similar character as a result of this transaction.

XIV. Construction.

City and DEDA 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 any party by virtue of the authorship of any of the provisions of this Agreement. In the event of a dispute, this Agreement shall be construed without reference to any rule of construction based on the identity of the drafters of this Agreement.

XV. Indemnification.

A. Liability. DEDA shall be liable for any damage or injury to any person or property occasioned by the acts of DEDA, its employees, agents, contractors and subcontractors, relating to the Property. DEDA shall indemnify and hold harmless City and its officers, directors, agents and employees from any and all liens, liabilities, losses, claims, costs, or damages, including reasonable attorney fees and costs, causes of action, suits, claims, demands, and judgments of any nature resulting from the use or development of the Property pursuant to this Agreement.

B. Indemnification. DEDA hereby agrees that for itself, its successors and assigns, it will indemnify and save City and its officers, agents, servants and employees harmless from and against all liabilities, losses, damages, costs, expenses, including 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 federal, state or local environmental laws, rules or regulations with regard to pollutants or hazardous or dangerous substances or arising out of 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 person(s) or damage to property. DEDA's indemnification shall include all the costs of clean up; remediation; costs incurred in proceedings before a court of law or an administrative agency including attorney's fees, expenses, and the fees and expenses of persons providing technical expertise addressing such problems, including expert witnesses; 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 DEDA to City pursuant to this paragraph is intended to run only to the benefit of City and is not intended to, nor shall it, inure to the benefit of any other third party. Promptly after receipt by City of notice of the commencement of any action with respect to which DEDA is required to indemnify City under this Agreement, City shall notify DEDA in writing of the commencement of the action, and, subject to the provisions as hereinafter stated, DEDA shall assume the defense of the action, including the employment of counsel satisfactory to City and the payment of expenses. In so far as such action shall relate to any alleged liability of City with respect to which indemnity may be sought against DEDA, 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 DEDA. This Section XV shall survive the Closing and cancellation of this Agreement for any reason.

XVI. General Provisions

A. Recitals; Agreement Runs with the Land and Release. The recitals at the beginning of this Agreement are true and correct and are incorporated into this Agreement by reference. The terms and conditions of this Agreement shall survive delivery of the Deed and shall run with the Property. City may release any portion of the Property from this Agreement at such time as City determines that the terms and conditions of this Agreement, as to the released portion of the Property, have been satisfied.

B. Assignment. DEDA shall neither assign nor transfer any rights or obligations under this Agreement or any Development Agreement without prior written approval of City.

C. Authorization. The Parties represent to each other that the execution of this Agreement has been duly and fully authorized by their respective governing bodies or boards, that the officers of the Parties who executed this Agreement on their behalf are fully authorized to do so, and that this Agreement when thus executed by said officers of said Parties on their behalf will constitute and be the binding obligation and agreement of the Parties in accordance with the terms and conditions hereof.

D. Amendments. Any amendments to this Agreement shall be in writing and shall be executed by the same officers who executed this Agreement or their successors in office. Any amendments to this Agreement shall be recorded in the office of the St. Louis County Recorder and Registrar of Titles, as applicable.

E. Waiver. The waiver by City or DEDA of any breach of any term, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant, or condition of this Agreement.

F. Choice of Law, Venue and Jurisdiction. 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. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota. However, litigation in the federal courts involving the Parties shall be in the appropriate federal court within the State of Minnesota.

G. No Third Party Beneficiaries. This Agreement is to be construed and understood solely as an Agreement between DEDA and City and shall not be deemed to create any rights in any other person. No person shall have the right to make a claim that they are a third party beneficiary of this Agreement or of any of the terms and conditions hereof, which, as between City and DEDA, may be waived at any time by mutual agreement between City and DEDA.

H. Relationship Between Parties. Nothing in this Agreement is intended or shall be construed in any manner as creating or establishing a relationship of co-partners between the Parties or of constituting DEDA as an agent, representative or employee of City for any purpose or in any manner whatsoever.

I. Invalidity. In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the Parties.

J. Complete Agreement. This Agreement, including exhibits, constitutes the entire agreement between the Parties and supersedes all prior written and oral agreements and negotiations between the Parties relating to the subject matter hereof. This Agreement may be executed, acknowledged and delivered in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The exhibits to this Agreement are as follows:

Exhibit A: Legal Description of the Property

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have hereunto set their hands the day and date first shown below.

CITY OF DULUTH

By: _____
Mayor

By: _____
City Clerk

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

This instrument was acknowledged before me on _____, _____, by Roger J. Reinert, 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 _____, _____, by Alyssa Denham, 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

DULUTH ECONOMIC DEVELOPMENT AUTHORITY

By: _____
Its President

By: _____
Its Secretary

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

The foregoing instrument was acknowledged before me this _____ day of _____, _____ by _____, the President of the Duluth Economic Development Authority, a public body, corporate and politic and political subdivision under Minnesota Statutes Chapter 469, on behalf of the Authority.

Notary Public

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

The foregoing instrument was acknowledged before me this _____ day of _____, _____ by _____ the Secretary of the Duluth Economic Development Authority, a public body, corporate and politic and political subdivision under Minnesota Statutes Chapter 469, on behalf of the Authority.

Notary Public

This instrument was drafted by:
Office of the City Attorney
Room 410 City Hall
411 West 1st Street
Duluth, MN 55802-1198

EXHIBIT A

Lots 1 to 13 inclusive in Block 12 and Lots 1, 2 and 3, Block 19, BRIGHTON GARDENS, 2ND DIVISION

AND

ALSO, all of Lots 10, 12 and 13, and all of that part of Lot 9 described as follows:

Beginning at the Southeast corner of said Lot 9 thence northerly along the easterly line of Lot 9 to the northeast corner of said lot, thence westerly along the northerly line of said lot, a distance of 330 feet to a point, then at a deflection of 45 degrees to the left from the northerly line of Lot 9, a distance of 880 feet in a southwesterly direction to a point, thence at a deflection of 45 degrees to the left a distance of 420 feet more or less in a southerly direction to the point of intersection with the easterly line of the Benson Road (East Lester Boulevard) as platted, thence along the easterly line of said road as it is laid out to its point of intersection with the southerly line of said Lot 9, thence along the southerly line of Lot 9 a distance of 610 feet more or less, to the point of beginning, all in EDGEWATER;

EXCEPT all those parts of Lots 10 and 13, EDGEWATER, lying southerly of the following described line:

Commencing at the West Quarter Corner of Section 4, Township 50 North, Range 13 West, thence North 1 degree 04 minutes 21 seconds West, assigned bearing, along the west line of said section 4, a distance of 381.59 feet; thence North 89 degrees 27 minutes 39 seconds East a distance of 567.80 feet to a point on the west line of said Lot 10, EDGEWATER, said west line of Lot 10 being the centerline of Benson Road, according to said plat of EDGEWATER, said Benson Road now being known as Lester River Road, and said point being the POINT OF BEGINNING; thence continuing North 89 degrees 27 minutes 39 seconds East a distance of 961.27 feet to the northwesterly line of East Oneida Street, LESTER PARK FOURTH DIVISION; said line also being the southeasterly line of said Lot 13, EDGEWATER; thence continuing North 89 degrees 27 minutes 39 seconds East a distance of 511.49 feet, more or less, to the southeast line of said Lot 23, Block 62, LESTER PARK FOURTH DIVISION, and there terminating.

ALSO EXCEPT that part of Lot 9, EDGEWATER lying west of the centerline of Benson Road (East Lester Boulevard, now known as Lester River Rd.)

All of the South half of the Northeast quarter of the Southwest Quarter ($S \frac{1}{2}$ of the $NE \frac{1}{4}$ of the $SW \frac{1}{4}$), lying east of the centerline of the Benson Road (East Lester Boulevard, now known as Lester River Rd.) as laid out through this tract; the Southeast Quarter of the Southwest Quarter ($SE \frac{1}{4}$ of $SW \frac{1}{4}$), and that part of the Southwest Quarter of the Southwest Quarter ($SW \frac{1}{4}$ of $SW \frac{1}{4}$) described as follows: Beginning at the southeast corner of the Southwest Quarter of the Southwest Quarter ($SW \frac{1}{4}$ of $SW \frac{1}{4}$) of Section Thirty-three (33) Township Fifty-one (51) North Range Thirteen (13) West on the township line between Township Fifty (50) and Fifty-one (51)

North, thence three hundred thirty (330) feet north along the sixteenth line of the Section, thence Southwest to the said township line between Township Fifty (50) North and Township Fifty-one (51) North at a point 330 feet west of the point of beginning, thence 330 feet east along said section line to the point of beginning; all said lands lying and being in Section Thirty-three (33), Township Fifty-one (51) North, Range Thirteen (13) West of the Fourth Principal Meridian, said description being according to the Government survey thereof;

AND

That part of the Southwest Quarter of Southwest Quarter (SW $\frac{1}{4}$ of SW $\frac{1}{4}$) lying East of the centerline of Benson Road (East Lester Boulevard, now known as Lester River Rd.), EXCEPT for 1.25 ac. at SE corner, Section Thirty-three (33), Township Fifty-one (51) North, Range Thirteen (13) West of the Fourth Principal Meridian

AND

That part of the Northwest Quarter of the Southwest Quarter (NW $\frac{1}{4}$ of the SW $\frac{1}{4}$), lying southeasterly of the centerline of Benson Road (East Lester Boulevard, now known as Lester River Rd.), Section Thirty-three (33), Township Fifty-one (51) North, Range Thirteen (13) West of the Fourth Principal Meridian

AND

That part of the Southerly 125 feet of the North Half of the Northeast Quarter of the Southwest Quarter (N $\frac{1}{2}$ of NE $\frac{1}{4}$ of SW $\frac{1}{4}$) of Section Thirty-three (33), Township Fifty-one (51), Range Thirteen (13), lying East of the centerline of Benson Road (East Lester Boulevard, now known as Lester River Rd.), as the same was established on February 7, 1969

AND

Lots 1-20, inclusive, Block 8; Lots 1-20, inclusive, Block 9; Lots 1-19, inclusive, Block 10; Lots 1 and 2, Block 13; Lots 1 and 2, Block 14; Lots 1 and 2, Block 15; Lots 1-10, inclusive, Block 16; Lots 1-10, inclusive, Block 17, and Lots 1-10, inclusive, Block 18, all in BRIGHTON GARDENS, 2ND DIVISION

AND

Lots 5 to 22, inclusive, Block 62 LESTER PARK FOURTH DIVISION; Lots 1 to 4, inclusive, and Lots 23 to 28, inclusive, Block 62; LESTER PARK FOURTH DIVISION EXCEPT all those parts of Lots 1 through 4, inclusive, and Lots 23 through 28, inclusive, Block 62, LESTER PARK FOURTH DIVISION, lying southerly of the following described line: Commencing at the West Quarter Corner of Section 4, Township 50 North, Range 13 West, thence North 1 degree 04 minutes 21 seconds West, assigned bearing, along the west line of said section 4, a distance of 381.59 feet; thence North 89 degrees 27 minutes 39 seconds East a distance of 567.80 feet to a point on the west line of said Lot 10, EDGEWATER, said west line of Lot 10 being the centerline

of Benson Road, according to said plat of EDGEWATER, said Benson Road now being known as Lester River Road, and said point being the POINT OF BEGINNING; thence continuing North 89 degrees 27 minutes 39 seconds East a distance of 961.27 feet to the northwesterly line of East Oneida Street, LESTER PARK FOURTH DIVISION; said line also being the southeasterly line of said Lot 13, EDGEWATER; thence continuing North 89 degrees 27 minutes 39 seconds East a distance of 511.49 feet, more or less, to the southeast line of said Lot 23, Block 62, LESTER PARK FOURTH DIVISION, and there terminating;

AND

Lots 1, 3 and 5, Block 61, LESTER PARK FOURTH DIVISION

St. Louis County, Minnesota