

SECOND AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT

THIS SECOND AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT (the “Amendment”) is made effective _____, 2019, (the “Effective Date”) by and between the City of Northfield, Minnesota (the “City”), a body corporate and politic organized and existing under the laws of the State of Minnesota, and Rebound Development Partners, LLC, a Minnesota limited liability company (with respect only to the Lot 5 Improvements hereinafter defined, the “Developer”).

RECITALS

WHEREAS, the City and Big Ten Residential, LLC, a Minnesota limited liability company (“Big Ten”) executed a Contract for Private Development dated May 17, 2016 (the “Original Agreement” and, together with this Amendment and as previously amended, the “Agreement”) providing for the redevelopment of certain property located within the City;

WHEREAS, all capitalized terms in this Amendment not otherwise defined herein shall have the meanings ascribed to them in the Original Agreement;

WHEREAS, with the City’s consent, Big Ten subsequently conveyed Lot 5, Block 1, The Crossings of Northfield (“Lot 5”) to the Developer and, pursuant to an Assignment and Assumption of Contract for Private Development Lot 5, dated March 15, 2018 (the “Assignment”), Big Ten assigned, and the Developer assumed, all rights title interest, duties and obligations in the Original Development Agreement with respect to Lot 5, including the obligations related to certain Future Commercial Improvements to be constructed on Lot 5 (the “Lot 5 Improvements”).

WHEREAS, due to Unavoidable Delays, including unexpected inclement weather, and other unforeseen construction delays and challenges, the construction of Future Commercial Improvements on Lot 5, Block 1, The Crossings of Northfield pursuant to the Original Agreement (the “Lot 5 Improvements”) has been delayed;

WHEREAS, the Developer has requested that Section 4.3 of the Original Agreement, to the extent assigned by the Assignment, be amended to extend the deadlines to commence and complete construction of the Lot 5 Improvements;

WHEREAS, the City approved an amendment to the Original Agreement, on December 11, 2018, to extend the construction commencement date and the construction completion date for Lot 5 by three months;

WHEREAS, the Developer has requested that Section 4.3 of the Agreement be further amended to extend, by two years, the deadlines to commence and complete construction of the Lot 5 Improvements and that, upon any further extension, the Developer will pay certain amounts to the City all as provided in this Amendment.

AGREEMENT

In consideration of the mutual covenants of the parties set out in this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Section 4.3(a) of the Original Agreement shall be deleted in its entirety and replaced with the following:

Section 4.3. Commencement and Completion of Construction. (a) *Minimum Improvements.* (i) Subject to Unavoidable Delays, the Developer shall commence and complete construction of each Component of the Minimum Improvements in accordance with the following schedule:

Component	Commencement	Completion
Hotel Improvements, subject to clause (ii) below	April 30, 2017	April 30, 2018
Future Commercial Improvements on Lot 5, subject to clauses (iii) and (iv) below	March 31, 2021	March 31, 2022
Future Commercial Improvements on Lot 4	No required date	No required date

(ii) The Developer will make reasonable and good faith efforts to commence construction of the Hotel Improvements in the fall of 2016 and complete construction of the Hotel Improvements in the late summer or fall of 2017. However, in the event the Developer is unable to commence construction of the Hotel Improvements in the fall of 2016, the Developer (in its sole discretion) shall have the right to delay commencement of construction until the spring of 2017, provided that the construction commences on or before April 30, 2017. The purpose for delaying construction until the spring of 2017, if necessary, is to avoid additional costs of commencing construction during the winter months and to avoid opening the hotel in the winter months during which time the demand for hotel rooms in Northfield is generally the lowest.

(iii) If construction of the Future Commercial Improvements on Lot 5 has not commenced by March 31, 2021, the Developer shall pay an extension fee \$20,000.00 to the City and the commencement date for Future Commercial Improvements on Lot 5 shall be March 31, 2023 and the completion date for Future Commercial Improvements on Lot 5 shall be March 31, 2024.

(iv) If construction of the Future Commercial Improvements on Lot 5 has not commenced by March 31, 2023, the Developer shall either: (i) re-convey Lot 5 to the City; or (ii) pay the City an amount equal to the fair market value of Lot 5 based on an appraisal by an appraiser, selected by the Developer and consented to by the City, who has not less than 10 years' experience as a broker of retail commercial real estate in the Northfield area and who is not related directly or indirectly to the Developer and has not

been employed or retained by the Developer in the prior 10 years; and, upon payment of such amount, Sections 9.3 and 9.4 of Agreement shall terminate and be of no further effect and the City shall deliver a certificate releasing Lot 5 from the City's right of reverter, to be filed by the Developer with the County Recorder for Rice County. All costs relating to an appraisal shall be borne by the Developer.

2. No further amendment. Except as amended above, all other terms and conditions of the Original Agreement shall remain in full force and effect.

3. Effective Date. The amendments made to the Original Agreement, as amended by this Amendment, shall be effective as of the date hereof.

[Signatures on the following pages]

IN WITNESS WHEREOF, this Amendment has been executed as of the day and year first above written.

CITY OF NORTHFIELD, MINNESOTA

By _____
Its Mayor

By _____
Its City Clerk

REBOUND DEVELOPMENT PARTNERS, LLC,
a Minnesota limited liability company

By _____

Its: Partner