

**From:** [Anthony Bassett](#)  
**To:** [Zimny, Joanna \(CI-StPaul\)](#); [legislativehearings@ci.stpaul.mn.u](mailto:legislativehearings@ci.stpaul.mn.u)  
**Cc:** [Magner, Steve \(CI-StPaul\)](#); [Ubl, Stephen \(CI-StPaul\)](#); [Bruhn, Nathan \(CI-StPaul\)](#); [Boulware, Christine \(CI-StPaul\)](#); [Sheffer, Vicki \(CI-StPaul\)](#); [Soley, Reid \(CI-StPaul\)](#); [Yannarely, Joe \(CI-StPaul\)](#); [jhilgendorf@hjlawfirm.com](mailto:jhilgendorf@hjlawfirm.com)  
**Subject:** documents relating to upcoming legislative hearing 975 Marshall Ave.Bassett Hilgendorf R-R Ltr.10-16-20  
**Date:** Friday, October 23, 2020 12:59:04 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)  
[0 975 Marshall Ave.Bassett Hilgendorf R-R Ltr.10-16-20.pdf](#)  
[1 Platinum Bank account balance.pdf](#)  
[2 Appl for Code Compl Inspec 2020 .pdf](#)  
[3a Affidavit of Anthony Bassett re City Legislative Hearing \(4847186.1\) ....pdf](#)  
[4 PERFORMANCE DEPOSIT FORM 2020.pdf](#)  
[5 bid 975 Marshall Ave 10-16-20.pdf](#)  
[6 VB Reg Form and Info 2020 .pdf](#)  
[7 Order Appointing Receiver \(4849938.1\).pdf](#)

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**Think Before You Click:** This email originated **outside** our organization.

Dear Ms. Zimny,

We believe we have met the conditions outlined in your letter dated 10/16/20 (copy attached) in preparation for the upcoming legislative hearing to be held on Oct. 27.

See attached for documentation of items #1 through #7. Payments associated with item #2 and item #4 were delivered today to the office of the Department of Safety & Inspections.

Please let us know if any additional documents are needed prior to the upcoming Oct 27 hearing.

Best regards,

*Anthony R. Bassett*  
Construction Funding LLC  
7900 International Drive, Suite 510  
Bloomington, MN 55425  
Phone: 612-716-1550  
Fax: 612-392-7993  
[Tony@StoneMG.com](mailto:Tony@StoneMG.com)

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**From:** Zimny, Joanna (CI-StPaul) [<mailto:joanna.zimny@ci.stpaul.mn.us>]  
**Sent:** Friday, October 16, 2020 8:24 AM  
**To:** Anthony Bassett; [jhilgendorf@hjlawfirm.com](mailto:jhilgendorf@hjlawfirm.com)  
**Cc:** [Magner, Steve \(CI-StPaul\)](#); [Ubl, Stephen \(CI-StPaul\)](#); [Bruhn, Nathan \(CI-StPaul\)](#); [Boulware, Christine \(CI-StPaul\)](#); [sskrypek@kuepperslaw.com](mailto:sskrypek@kuepperslaw.com); [Sheffer, Vicki \(CI-StPaul\)](#); [Soley, Reid \(CI-StPaul\)](#); [Yannarely, Joe \(CI-StPaul\)](#)  
**Subject:** 975 Marshall Ave.Bassett Hilgendorf R-R Ltr.10-16-20

Attached please find a letter regarding the above matter.

Thank you,  
Joanna



**Joanna Zimny**

*Executive Assistant*

City Council Legislative Hearings

15 W. Kellogg Blvd - Suite 310

Saint Paul, MN 55102

P: 651-266-8515



Making Saint Paul the Most Livable City in America



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**CITY OF SAINT PAUL**  
OFFICE OF THE CITY COUNCIL  
310 CITY HALL  
15 WEST KELLOGG BOULEVARD  
SAINT PAUL, MN 55102-1615  
Marcia Moermond, Legislative Hearing Officer  
EMAIL: [legislativehearings@ci.stpaul.mn.us](mailto:legislativehearings@ci.stpaul.mn.us)  
PHONE: (651) 266-8560 FAX: (651) 266-8574

October 16, 2020

Anthony Bassett  
Construction Funding LLC  
7900 International Drive, Ste. 510  
Bloomington MN 55425

Joel Hilgendorf  
o/b/o Construction Funding LLC  
Hellmuth & Johnson  
8050 W 78<sup>th</sup> St  
Minneapolis MN 55439

VIA EMAIL: [tony@stonemg.com](mailto:tony@stonemg.com)

VIA EMAIL: [jhilgendorf@hjlawfirm.com](mailto:jhilgendorf@hjlawfirm.com)

Re: Order to raze and remove the structure at 975 Marshall Avenue

Dear Mr. Bassett & Mr. Hilgendorf:

This is to confirm that on October 13, 2020, Marcia Moermond, Legislative Hearing Officer recommended laying the matter over to **Legislative Hearing Tuesday, October 27, 2020 between 9:00 and 10:00 AM**. This hearing will take place via phone. At that time the following conditions must be met in order to receive grant of time for rehabilitation:

- ✓ 1. submit evidence of financial documentation for the estimated cost of \$50,000 to rehab the project, noting that proof of funds will need to be demonstrated before getting approval for grant of time;
- ✓ 2. apply for a Code Compliance inspection with the Department of Safety & Inspections (DSI);
- ✓ 3. submit an affidavit dedicating the funds for the rehab;
- ✓ 4. post a \$5,000 performance deposit with the Department of Safety & Inspections (DSI);
- ✓ 5. submit preliminary work plan and bids;
- ✓ 6. provide updated Vacant Building Registration form to the Department of Safety & Inspections (attached);
- ✓ 7. provide proof of court appointed receiver; and
8. the property must be maintained.

Please email documents to [legislativehearings@ci.stpaul.mn.us](mailto:legislativehearings@ci.stpaul.mn.us). The City Council Public Hearing has been scheduled for Wednesday, October 28 at your request. If you wish to contest to this recommendation and give live testimony remotely at the City Council Public Hearing on **between 3:30 p.m. and 5:00 p.m.**, please contact me at 651-266-8515 or [Councilhearing@ci.stpaul.mn.us](mailto:Councilhearing@ci.stpaul.mn.us) to let our staff know before **noon**. If I don't hear from you, I will assume you are not appealing further.

Please let me know if you have any questions, I can be reached at 651-266-8515.

Thank you,

/s/

Joanna Zimny  
Legislative Hearing Executive Assistant

Encl: 2020 Vacant Building Registration Form

cc: Steve Magner, Code Enforcement Manager (DSI)  
Steve Ubl, Building Official (DSI)  
Nathan Bruhn, Building Inspector (DSI)  
Joe Yannarely, Vacant Building Supervisor (DSI)  
Christine Boulware, Heritage Preservation Planner  
Vicki Sheffer, Executive Assistant (DSI)  
Reid Soley  
Sean Skrypek VIA EMAIL: [sskrypek@kuepperslaw.com](mailto:sskrypek@kuepperslaw.com)  
David Zinz MN Premier Properties, LLC  
7595 Currell Blvd #251432, Woodbury, MN 55125 (via US Mail)



Accounts Bill Pay e-Statements Options Mobile Settings

Accounts Interbank Transfers Transactions Transfers Stop Payments Statements Account Info

Current Transactions Download Search

Platinum Bank | 7667 10th Street North | Oakdale, MN 55128 | 651.332.5200

Transactions from 09/20/2020 to 10/20/2020



View Range: [Since Last Statement](#) | [7 Days](#) | [15 Days](#) | **30 Days** | [All](#)

View Transactions for: Construction Funding

Current Balance: \$259,971.46  
[Available Balance](#): \$259,971.46



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In re:

File No.: RLH RR 20-14

Order to raze and remove the structure at  
975 Marshall Avenue.

**AFFIDAVIT OF ANTHONY R. BASSETT**

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STATE OF MINNESOTA    )  
  )ss.  
COUNTY OF HENNEPIN    )

Anthony R. Bassett, being first duly sworn upon oath, deposes and states as follows:

1. I am the Chief Manager of Construction Funding, LLC (“**Construction Funding**”).
2. Construction Funding is the owner and holder of a mortgage dated March 14, 2018, filed March 16, 2018 with the Office of the Ramsey County Recorder as Document No. A04702210 (“**Mortgage**”).
3. The Mortgage grants to Construction Funding a mortgage interest in the real property commonly located at 975 Marshall Avenue, St. Paul (the “**Property**”).
4. The City of St. Paul has issued Substantial Abatement Order No. RLH RR 20-14 to consider whether to raze and demolish the structures located on the Property.
5. On October 13, 2020, the City issued a Notice (“**Notice**”) indicating eight (8) identified conditions that needed to be met in order to receive grant of time for rehabilitation of the Property. A true and correct copy of the Notice is attached hereto as **Exhibit A**.
6. This affidavit is submitted generally in support of Construction Funding’s request for a grant of time for rehabilitation, and specifically to satisfy condition No. 3 in the Notice.

7. Construction Funding has separately submitted evidence of financial documentation that Construction Funding has on account funds in excess of \$50,000.00, sufficient to rehab the project (the “**Project Funds**”).

8. Constructing Funding has dedicated the Project Funds for the rehab project at the Property and for no other purpose or project.

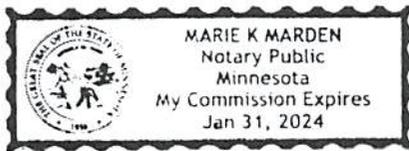
FURTHER YOUR AFFIANT SAYETH NAUGHT.

Dated: October 23, 2020

\_\_\_\_\_  
Anthony R. Bassett

Subscribed and sworn to before me this  
23rd day of October, 2020.

\_\_\_\_\_  
Signature of Notary Public or Other Official





# Nilles Builders Inc

Building • Roofing • Renovations  
Remodeling • General Contracting  
INSURED • BONDED • LICENSED



10/16/20

Tony Basset  
Construction Funding LLC

## **Proposal for renovations for 975 Marshall Ave in St. Paul**

### Scope of work to include the following:

- Removal and disposal of front porch short wall framing and sheathing and front porch flooring down to the floor joists
- Removal and disposal of board-up materials at overhead garage door, and of original overhead doors and door hardware
- Removal and disposal of sidewalk at east side of house
- Removing of flooring and underlayment materials at kitchen and bathroom floors
- Removal and disposal of railroad ties from rear yard, and also weed trees and branches
- Completion of siding and trim covering application at exterior of house and garage
- Installation of treated wood steps and landing to Code at rear entrance
- Installation of new front porch tongue-and-groove 1x4 flooring, and new turned spindle railing system to Code
- Tuck-pointing as needed of the exterior foundation above grade as needed
- Adding fill soil and reseeding as needed around the house perimeter to achieve positive drainage
- Repairs as needed to the east masonry window well
- Extending brick chimney up through the roof to Code, and adding metal chimney liner to Code
- New custom metal handrail at front porch steps
- New steel panel overhead doors for garage
- New electrical service to garage, and garage wiring to Code
- Tuck-pointing as needed of all interior foundation wall areas, including repairs around windows
- New concrete plinth blocks at bases of each basement support column
- Enclosing open side of basement stairs to Code
- Securing and/or modifying all interior stairs' handrails to Code
- Two new 40-gallon water heaters
- Two new medium-efficiency boilers
- Painting of all basement walls, ceilings, and floor
- Cutting out all defective hardwood flooring throughout first and second floors, and replacing with matching flooring
- Sanding and refinishing all hardwood flooring at first and second floors
- Jumping all first and second floor ceilings with new sheetrock
- Insulating any open exterior wall areas to Code
- Repairing existing wall surfaces to smooth condition, or adding new sheetrock as needed, throughout first and second floors
- New dry-laid composite plank flooring at both kitchens
- New ceramic tile at bathroom floors
- New bathroom vent fans to Code
- New kitchen cabinetry and laminate countertops
- New kitchen appliances
- We include \$3,000 in repairs to radiators and heat piping as needed
- New water piping to Code throughout house
- New basement laundry tub and faucet

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- New electrical services for house common areas and for each apartment (3 total) with wiring of all areas to Code
- New front and rear house entry doors
- New front and rear entry doors to each apartment
- Repairs as needed and new hardware as needed for interior doors, and replacement of 4 interior doors with 5-panel doors.
- Repairs or replacing of baseboards and casings as needed throughout, including missing window stops
- Full painting of walls, ceilings, and painted woodwork, and cleaning of all natural woodwork
- Third floor knee walls, raising of collar ties, and floor leveling, with new partition walls for three quarter bath
- Third floor wiring to Code, and with 3 new cast iron radiators
- Third floor one operating skylight and one fixed skylight
- Third floor insulation to Code
- Third floor sheetrocking throughout
- Third floor one-piece painted trim woodwork throughout
- Third floor final painting
- Third floor carpeting throughout
- New carpeting at rear and front entry stairs, and at stairs to third floor
- City permits and inspections included

**Material cost allowances as follows:**

- Fixtures and accessories for 3 bathrooms	\$ 1,650
- Sinks, faucets, and garbage disposals for two kitchens	720
- Appliances for 2 kitchens	3,600
- Kitchen cabinets and counter tops for 2 kitchens	7,500
- 6 entry doors and door hardware	1,680
- Light fixtures	600

**Full cost, all work: \$224,421**

Option One: Third floor to be finished as a separate apartment, with full kitchen, partitioned bedroom, and second stair access from the front stair tower. Separate HVAC and separate electrical service.

**Full added cost: \$29,810**

**Terms of payment:** To be arranged.

Note: Nilles Builders Inc. has been a member of the Better Business Bureau of Minnesota for more than 25 years, and holds their highest A+ rating.

Thanks for inviting us to bid on this work and please call with any questions.

Brad Nilles, pres

STATE OF MINNESOTA  
COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT  
DISTRICT COURT

Case Type: 14 (Other Civil)

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Construction Funding, LLC,  
Plaintiff,

Court File No.: 62-CV-20-4865  
Assigned to: Laura Nelson

v.

**ORDER APPOINTING RECEIVER**

Minnesota Premier Properties, LLC and Plaza  
Holdings, LLC,  
Defendants.

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The above-entitled matter came on before this Court on October 8, 2020 at 11:00 a.m. before the Honorable Laura Nelson, Judge of District Court. Plaintiff Construction Funding, LLC moved the Court for the appointment of a receiver. Joel A. Hilgendorf appeared on behalf of Plaintiff, and Ryan T. Connors appears on behalf of Plaza Holdings, LLC. Based upon the Complaint and all of the files, record and proceedings herein, including the arguments of counsel, the Court being fully advised, makes the following Order:

**Dismissal of Plaza Holdings, LLC**

1. Plaza Holdings, LLC represents that the unrecorded and incomplete deed attached as Exhibit B to the Complaint has no effect, and that it has no ownership or other interest in the real property that is the subject of this proceeding.
2. Plaza Holdings, LLC therefore shall be and hereby is dismissed as a party to this action.

### Appointment of Receiver

3. Pursuant to Minn. Stat. §§ 576.25, 582.06, and under the equitable powers of this Court, and upon sufficient showing that Minnesota Premier Properties, LLC (“**Defendant**”) defaulted on the Note and Mortgage and that waste is occurring on the Property and failure to occupy, maintain and pay taxes on the Subject Property and that due to a City of St. Paul Substantial Abatement Order the Property is in danger of imminent demolition, Plaintiff is entitled to the appointment of a receiver. The Court hereby grants Plaintiff’s motion in its entirety.

4. Guardian Property Management and Services, LLC a Minnesota limited liability company with an address of 708 Cleveland Ave. SW, Suite 160, New Brighton, MN 55112, is hereby appointed by this Court as its receiver (the “**Receiver**”) of the real property located in Ramsey County, Minnesota and legally described as:

The East 8 feet of Lot 15 and all of Lot 16, except the East 4 feet thereof, Block “A”, Marshall Boulevard Addition to the City of St. Paul, Ramsey County, Minnesota,

including all improvements located thereon (the “**Receivership Property**”). The Receivership Property has a street address of 975 Marshall Ave., St. Paul, MN 55104.

5. The receivership shall be a limited receivership as defined in Minn. Stat. § 576.21.

6. The Receiver is competent, qualified, and impartial and the requirements of Minn. Stat. § 576.26 and MINN. GEN. R. PRAC. 137.02 are satisfied.

7. The Receiver is not required to deposit a bond as a condition of its appointment, conditioned on the faithful performance of its duties hereunder and according to applicable law.

### **Defendant's Cooperation**

8. Immediately upon its appointment, the Receiver shall inform the Defendant that the Receiver has been appointed and that all rents and monies owing under any lease agreements or other contractual arrangements relating to the Receivership Property shall be paid to the Receiver and shall further deliver a copy of this Order to Defendant via first class mail (with a courtesy copy to Defendant's counsel of record, if any) and to any manager or other occupant of the Receivership Property.

9. Promptly after being served by first class mail with a copy of this Order, Defendant, and its members and officers, shall do the following:

(a) Surrender possession of the Receivership Property to the Receiver and inform the Receiver of the names and identity of any person or entity in current possession of the Receivership Property;

(b) Immediately deliver to the Receiver all rents, issues, profits, security deposits, bank accounts, and all other income or monies relating to the Receivership Property within 48 hours of receipt;

(c) Provide the Receiver with all necessary keys, computer cards, or other access devices;

(d) Deliver to the Receiver originals or true and correct copies of all leases, lease amendments, contracts, written agreements, contracts for deed, tenant files, maintenance records, financial books, records, service contracts, or other documents or materials relating in any manner to the management, maintenance, leasing, or operation of the Receivership Property;

(e) Defendant and its members and officers, shall, and shall cause their respective employees, agents, contractors, representatives, and/or assigns to endorse and deliver to the Receiver all checks, security deposits, and other payments currently in possession or control of Defendant or hereafter received by said parties representing rents, income, revenue, or other

monies due to Defendant and its members relating to or in connection with the Receivership Property, and Defendant and its members shall cooperate in all respects and assist the Receiver in connection with the orderly transition and transfer of the operation and management of the Receivership Property in such manner as the Receiver shall reasonably request;

(f) Provide cooperation and assistance to the Receiver in order to transition the management of the Receivership Property to the Receiver so that the Receiver can discharge its duties under this Order; and

(g) Defendant and all employees, agents, and contractors shall cooperate with the Receiver in providing all information and access materials requested and are enjoined from interfering with the Receiver's performance of its duties.

10. Upon the Receiver's request, the sheriff of the county in which the Property is located shall accompany the Receiver while the Defendant's assets are turned over to the Receiver.

11. Promptly after being served a copy of this Order, any bank in which Defendant holds an account related to the Receivership Property shall surrender all funds currently held in that account or that may be held in the future in that account to the Receiver.

#### **Receiver's Duties**

12. The Receiver is hereby authorized to operate and manage the Receivership Property pursuant to the terms of this Order and in accordance with applicable law. The Receiver shall have all of the powers and authority usually held by receivers and reasonably necessary to accomplish the purposes herein stated, including, but not limited to, the following powers and all others authorized under Minnesota Statutes Chapter 576 which, unless otherwise stated, may be exercised without further order of the Court:

(a) to take charge of the Receivership Property and the improvements thereon and its rents, issues, and profits, and any and all personal property used or associated therewith, regardless of where such property is located, including, but not limited to, rental payments, lease payments, bank accounts, security deposits, records, contracts, contract for deeds, leases, rent rolls, accounts receivable, fixtures, furniture, appliances, supplies, construction materials, and equipment used or associated therewith.

(b) to collect in a timely fashion any rents and payments and other monies now due or which may hereafter become due from tenants or other users of the Receivership Property under any lease or other contractual agreement, including a contract for deed, and to immediately take whatever steps are reasonably necessary to secure these rents or monies owed;

(c) to evict tenants;

(d) to commence, continue, settle, or otherwise terminate legal proceedings related to the Receivership Property, including, without limitation, proceedings to evict tenants, to regain possession of the Receivership Property or parts thereof, and to collect rents or other sums due on account of the Receivership Property; provided, however, that the Receiver shall not take any action that is inconsistent with the terms of this Order or applicable law; and provided further that prior to settling any matter, the Receiver shall obtain Court approval as set forth in (f) below;

(e) to permit access to the Receivership Property by Plaintiff or its designated agent for the purpose of obtaining an appraisal of the Receivership Property or any other purpose authorized under Minnesota Statutes Chapter 576;

(f) to establish a bank account(s) in the name of the Receiver and to deposit all sums collected by the Receiver in said bank account(s) in the name of the Receiver and to make withdrawals from, and issue checks, upon the bank account(s);

(g) to negotiate, extend, terminate, modify, renegotiate, ratify or enter into leases (“**Leases**”), including extensions, expansions, or renewals of a term within or beyond the period of receivership;

(h) to negotiate, extend, terminate, modify, renegotiate, ratify or enter into contracts (“**Contracts**”), including, without limitation, contracts to provide property management, security, janitorial, leasing, utility and other services to the Receivership Property and to pay for those services as an expense of the Receivership Property;

(i) to hire or terminate employees, contractors, or agents in connection with the operation of the Receivership Property including, without limitation, present or future managers, leasing agents, and brokers, including, without limitation, individuals or entities which may be affiliated with the Receiver, and to pay said employees, contractors, or agents as an expense of the Receivership Property;

(j) to contract for necessary capital improvements which may be necessary to protect the value of the Receivership Property;

(k) to hire one lawyer or one law firm and such accountants or other professionals as the Receiver deems necessary to represent, advise and assist the Receiver and to pay such lawyer, or law firm, accountants and other professionals a reasonable fee and reimbursement of their expenses as expenses of the Receivership Property without need for further or prior Court approval, notwithstanding the provisions of the Minnesota General Rules of Practice;

(l) to maintain the improvements located on the Receivership Property, and to repair them as needed and as the Receiver deems appropriate;

(m) to exercise all rights of the owner of the Receivership Property with respect to all associations relating to the Receivership Property, including voting and sitting on the governing board at such associations and having access to all books and records of such associations; and

(n) to pay prior obligations incurred by Defendant or others responsible for the Receivership Property only if deemed necessary for the continued operation of the Receivership Property and its improvements.

13. The Receiver shall manage the Receivership Property in a manner designed to maximize the value of the Receivership Property pursuant to the terms of this Order and in accordance with applicable law. The Receiver shall permit Plaintiff or its designated agent access to the Receivership Property for purposes of obtaining an appraisal of the Receivership Property and for any other lawful purpose in accordance with applicable law.

14. The Receiver shall, without limitation, use its best efforts to distribute all funds obtained pursuant to this Order monthly in the following order of priority to the extent practical:

- (a) To the payment of the Receiver's fees;
- (b) To the payment of tenant security deposits;
- (c) To the payment when due of prior or current real estate taxes or special assessments for the Receivership Property;
- (d) To the payment when due of premiums for insurance, or the periodic escrow for the payment of such insurance premiums;
- (e) To the expenses of operating the Receivership Property and conducting the business thereof; and
- (f) To the repair, maintenance, renewal, replacement, or alteration of the Receivership Property.

Notwithstanding the foregoing, or any of the provisions contained in Minnesota Statutes Chapter 576 regarding distribution and payment of expenses, the Receiver is granted a discretion to make payments in the order that the Receiver deems appropriate in order to preserve and

maintain the Receivership Property consistent with its use as of the date of this Order and its ongoing use thereafter.

15. The Receiver shall not be liable for the debts and obligations of the Defendant. The Receiver is an officer of the Court and is entitled to quasi-judicial immunity as provided for in Minnesota law. *See e.g., Schmidt v. Gayner, 62 N.W. 265, 265 (Minn. 1895).*

16. The Receiver shall keep all parties reasonably apprised of the status of its efforts in managing the Receivership Property.

17. The Receiver is hereby authorized to contact either the Plaintiff or the Defendant in connection with any questions the Receiver has with respect to the ongoing management and operation of the Receivership Property and in connection with the Receiver's obligations to maintain and preserve the Receivership Property pursuant to the terms of this Order, notwithstanding any contrary provisions that may be incorporated into Rule 137.02 of the Minnesota Rules of District Courts or otherwise.

18. The Receiver shall serve until the earlier of an Order of this Court terminating the receivership. The Receiver shall be fully and completely discharged upon approval of the final accounting.

19. Upon termination of the Receiver's receivership of the Receivership Property, all duties, obligations, and interest of the Receiver in and under the Leases and Contracts shall, by operation of law, be automatically assigned from the Receiver to the holder of the current fee interest in the Receivership Property, and the Receiver shall have no further obligation under the Leases or the Contracts. Upon such termination, the Receiver is automatically and without further action released from any and all actions and causes of action, judgments, executions, suits, debts, claims, demands, liabilities, obligations, damages and expenses of any and every

character, known or unknown, direct and/or indirect, at law or in equity, of every kind or nature, arising out of or in any way connected to the Leases or the Contracts.

**Receiver's Compensation**

20. The Receiver shall provide the Court with a statement of revenues and expenses of the Receivership Property no less often than quarterly, and within approximately fifteen (15) days after April 15, July 15, October 15, and January 15 of each calendar year during the term of the receivership, or as soon thereafter as is practical, and a final account as a precondition to, and at the time of, discharge of the Receiver. The Receiver shall mail copies of the quarterly statements and final accounting to the Court, the Plaintiff, and the Defendant. Any objection to the Receiver's accounting must be made in writing, filed with the Court, and served upon all counsel within fifteen (15) days of the date that the accounting is deposited in the mail for service. If no objections are served and filed within the fifteen (15) day deadline, the accounting of the Receiver shall be deemed approved by the Court. In the event of any objection to the accounting, the Receiver shall schedule a hearing with the Court giving the parties at least fifteen (15) days notice thereof.

21. The Receiver shall be entitled to compensation as follows:

(a) Management fees at the monthly rate of \$150.00 per month and maintenance services at a hourly rate of \$64.00 per hour, payable commencing from the date of this Order and continuing thereafter until termination of the receivership by law or otherwise. The final payment shall be prorated based on the days of the month that remain based on a 31-day month.

(b) No other fees except as set forth below.

(c) In addition to the Receiver's fee, the Receiver shall be reimbursed for its costs and expenses in operating the Receivership Property including reasonable business and travel expenses associated with the receivership, and shall be entitled to prompt reimbursement of any

out-of-pocket expenses incurred by the Receiver in connection with its duties hereunder. Use of personal automobiles may be billed at the rate allowed under the Internal Revenue Code. Legal fees, selling costs, appraisal fees, parking, long distance, telephones, cell phones, photocopies, and other reasonable expenses shall be reimbursed at the Receiver's cost.

22. The Receiver may at its option, from time to time, advance its own funds to pay expenses of the Receivership Property and shall be entitled to reimbursement of those advances.

23. The Receiver may request an advance from Plaintiff to cover any operating deficiencies as a result of the shortfall of cash flow derived from the Receivership Property.

#### **Miscellaneous**

24. This Order is not intended to create a taxable entity.

25. Any dispute regarding any obligation under the terms of this Order shall be brought to the Court's attention without regard to the timing and document requirements for motions under the Minnesota General Rules of Practice or the Minnesota Rules of Civil Procedure by way of telephone conference call, letter briefs, or any other manner appropriate for expedited resolution.

26. The Receiver may reserve the right to accept this receivership and may enter into a separate agreement with the parties concerning its exposure to liability.

27. The entry of this Order is without prejudice to the rights of any party and does not in any way constitute a waiver by any party to any rights that each or any of them may have with respect to any property identified herein or the Receivership Property; provided, however, that the parties shall not hereafter create any other interest in or dispose of any such property or the Receivership Property subject to the terms of this Order without further agreement of the parties and order of the Court.

#### **Clarification and Instructions**

28. The Receiver and any other party to this action may, at any time, apply to this Court, without separate notice of motion required to be served on all parties, for further instructions or directions regarding the Receiver and the Receiver's duties and any transactions related to the management and operation of the Receivership Property.

. Dated: October 22, 2020

**BY THE COURT:**

---

The Honorable Laura Nelson  
Judge of District Court