REAL PROPERTY AGREEMENT

This Real Property Agreement ("Agreement") is made and entered into as of the _____ day of _____, 2016, by and between the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") and State Supply Co., Inc. and Lombardo Bros, LLC (collectively "State Supply").

RECITALS

A. State Supply owns real property in the City of Saint Paul legally described on Exhibit A attached hereto (the "State Supply Property") and which is bounded on the north by Woodward Ave.

B. The HRA owns real property to the north of the State Supply Property commonly referred to as 520 Payne Ave, Saint Paul, Mn and is separated from the State Supply Property by Woodward Ave.

C. To expand the public right-of-way at the intersection of 7th and Payne in Saint Paul, the City of Saint Paul ("City") desires to acquire an exclusive easement on the portion of the State Supply Property that is legally described on Exhibit B attached hereto ("City Easement Property").

D. State Supply is willing to grant to the City a right-of-way easement on the City Easement Property to the City in the form of Exhibit C ("City Easement") in exchange for the following ("State Supply Conditions"): (a) the City granting State Supply's Petition to Vacate that portion of Woodward Ave ("Petition") as described in the Petition ("Vacated Property"); and (b) the HRA conveying to State Supply, upon the granting of the Petition, that portion of vacated Woodward Ave that accrues to the HRA and is legally described on Exhibit D attached hereto ("HRA Vacated Property").

E. The HRA is willing to convey the HRA Vacated Property to State Supply in exchange for the following ("HRA Conditions"): (a) State Supply conveys and grants the City Easement to the City; and (b) State Supply grants a non-exclusive access easement to the HRA for vehicle and pedestrian ingress and egress purposes over the Vacated Property in the form of the easement attached hereto as Exhibit E ("HRA Easement").

F. The parties desire to memorialize their understandings as set forth in this Agreement.

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TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of and in reliance on the foregoing Recitals, the covenants, restrictions, contingencies and agreements contained herein, the parties hereby agree as follows:

1. Conveyance of City Easement Property and HRA Easement. Subject to the satisfaction of the State Supply Conditions, State Supply agrees to execute and deliver the City Easement to the City, and the HRA Easement to the HRA. No additional consideration beyond this Agreement is required to be paid to State Supply by the HRA or City for these conveyances.

2. Conveyance of HRA Vacated Property. Subject to the satisfaction of the HRA Conditions, the HRA agrees to convey the HRA Vacated Property to State Supply subject to the restrictive covenants described in Exhibit F attached hereto ("Restrictive Covenants").

3. Restrictions on Use of the HRA Vacated Property. State Supply agrees to hold, use, occupy and convey the HRA Vacated Property subject to the Restrictive Covenants. The Restrictive Covenants shall be included in the HRA Quit Claim Deed of the HRA Vacated Property to State Supply.

4. "As-is" Conveyance. State Supply agrees to accept conveyance of the HRA Vacated Property in its 'as-is' condition. The HRA makes no representations or warranties of any kind concerning the HRA Vacated Property, or any improvements located thereon.

5. Costs, Fees. State Supply shall pay all fees and costs and state deed tax related to the recording of the Quit Claim Deed for the HRA Vacated Property. The HRA shall pay all fees and costs related to the recording of the City Easement and HRA Easement.

6. Contingency. The HRA's obligations under this Agreement are subject to approval of this Agreement by the HRA's Board of Commissioners.

7. Notices. Any notices in connection with this Agreement shall be given to the intended party by U.S. mail, postage prepaid, or by hand delivery, at the respective addresses set forth on the signature page of this Agreement. Notices delivered by U.S. mail shall be effective on the third day following the postmark and notices delivered by hand shall be effective upon delivery if left with a competent person at the delivery address during customary business hours.

8. Construction and Binding Effect. This Agreement contains the entire agreement of the parties, and supersedes all prior oral or written agreements between the parties. This Agreement shall be construed in accordance with the laws of the State

of Minnesota, and shall be binding upon the parties hereto and their successors and assigns.

9. Survival of Covenants and Representations. Any representations and covenants contained in this Agreement shall survive the delivery of the Quit Claim Deed and instruments contemplated hereby, and shall be enforceable by any party after such delivery.

10. Electronic Signature. An electronic signature is as effective and binding as an original signature on this Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be made as of the day and year first above written.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

By: _____
Its Executive Director

Approved as to form:

_____
Assistant City Attorney

Mailing Address:

City Hall Annex, Suite 1100
25 West 4th Street
Saint Paul, MN 55102

State Supply Co., Inc.

By: _____

Its _____

Lombardo Bros, LLC

By: _____

Its _____

Mailing Address:

597 7th ST. E
Saint Paul, Mn 55130

EXHIBIT A

[*Legal description of entire State Supply Property*]

EXHIBIT B

[Legal description of easement area to be given to City of Saint Paul]

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EXHIBIT C

[*Attach Right-of-Way Easement to City*]

EXHIBIT D

That part of the north half of Woodward Avenue, formerly known as Woodward Street, vacated, adjoining Blocks 7 and 12, BRUNSON'S ADDITION TO THE TOWN OF ST. PAUL, according to the recorded plat thereof, Ramsey County, Minnesota, lying easterly of a line drawn from the northwest corner of Lot 4, said Block 12, to the southwest corner of Lot 4, said Block 7, and that part of East Street lying between the south line of said north half of Woodward Street, vacated, and the south line of said Block 7 extended easterly and westerly of the westerly line of the Ramsey County Regional Railroad Authority, formerly Northern Pacific Railway, right-of-way.

EXHIBIT E

[*Access Easement to HRA*]

ACCESS EASEMENT

KNOW ALL BY THESE PRESENTS, That **State Supply Co., Inc. and Lombardo Bros, LLC** (collectively the"Grantor"), in consideration of the sum of $1.00 and other good and valuable consideration in hand paid by the **Housing and Redevelopment Authority of the City of Saint Paul, Minnesota**, a body corporate and politic ("Grantee"), the receipt and sufficiency whereof is hereby acknowledged, does hereby convey and grant unto the Grantee and its successors and assigns, a non-exclusive vehicle and pedestrian access easement over and across the real property owned by Grantor as described on Exhibit A attached hereto for ingress, egress and access purposes ("Grantor Parcel") with the perpetual right, privilege and authority to use the Grantor's real property for such purposes.

Grantor covenants and agrees with Grantee, its successors and assigns, that Grantor is the owner of the Grantor Parcel and has the right to grant and convey an easement in the manner and form aforesaid.

Grantor covenants and agrees with Grantee not to obstruct or allow the obstruction of the use and exercise of Grantee's easement rights under this instrument.

This instrument and the covenants and agreements contained herein are binding upon the Grantor and its successors and assigns.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be duly executed as of the _____ day of _____, 2016.

State Supply Co., Inc.

By _____
Its _____

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

The foregoing was acknowledged before me this ____ day of _____, 2016, by _____the _____ of State Supply Co., Inc., , a Minnesota corporation, on behalf of said corporation.

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RANK)	_____ SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

Lombardo Bros, LLC

By _____
Its _____

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

The foregoing was acknowledged before me this ____ day of _____, 2016, by _____the _____ of Lombardo Bros, LLC, a Minnesota limited liability company, on behalf of said company.

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RANK)	_____ SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

This instrument was drafted by:

City Attorney Office
400 City Hall
St. Paul, Mn 55102

Exhibit A

Those parts of Woodward Avenue, formerly known as Woodward Street, and East Street, adjoining Blocks 7 and 12, BRUNSON'S ADDITION TO THE TOWN OF ST. PAUL, according to the recorded plat thereof, Ramsey County, Minnesota, not previously vacated, lying easterly of a line drawn from the northwest corner of Lot 4, said Block 12 to the southwest corner of Lot 4, said Block 7, northwesterly of the northwesterly line of 7th Street and westerly of the westerly line of the Ramsey County Regional Railroad Authority, formerly Northern Pacific Railway, right-of-way.

EXHIBIT F

Restrictive Covenants

1 No billboards or advertising signs shall be erected on any part of the real property; provided, however, that this restriction shall not prohibit the erection of business signs on the real property.

2 No part of the real property shall be used for the storage or disposal of garbage, refuse, or debris, except to the extent that such storage or disposal is an accessory use to the real property, as defined and provided for in the City Code.