

**FIRST AMENDMENT TO  
MASTER REDEVELOPMENT AGREEMENT**

THIS FIRST AMENDMENT TO MASTER REDEVELOPMENT AGREEMENT (“Amendment”) is made and entered into as of October 16, 2018 (“Effective Date”), by and among the CITY OF EDINA, MINNESOTA, a Minnesota statutory city (the “City”), the HOUSING AND REDEVELOPMENT AUTHORITY OF EDINA, MINNESOTA, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “Authority”) and PENTAGON REVIVAL, LLC, a Delaware limited liability company (“Master Redeveloper”).

**RECITALS**

WHEREAS, the City, the Authority and Master Redeveloper are parties to a Master Redevelopment Agreement dated May 20, 2014 (the “Master Agreement”); and

WHEREAS, the Master Agreement allows Master Redeveloper to designate a separate entity (referred to in the Master Agreement as a “Secondary Redeveloper”) to undertake the development and construction any Phase or Element of the Minimum Improvements; and

WHEREAS, Master Redeveloper desires to designate PENTAGON VILLAGE, LLC, a Minnesota limited liability company (“South Redeveloper”), as the Secondary Redeveloper for approximately 12 acres of the Project Area, referred to herein as the “South Project Area” and legally described on the attached Exhibit A; and

WHEREAS, South Redeveloper is an Affiliate of Master Redeveloper, and the two entities share common ownership; and

WHEREAS, pursuant to City Council Resolution No. 2018-62 (“Pentagon South Approval Resolution”) and City Ordinance No. 2018-11 (“Pentagon South PUD Ordinance”), the City has approved South Redeveloper’s application for the rezoning the South Project Area to a planned unit development and has approved a Final Plat, a Final Development Plan, and a final Development Contract for the South Project Area (together with the Pentagon South Approval Resolution and Pentagon South PUD Ordinance, collectively, the “Pentagon South City Approvals”); and

WHEREAS, on the same date as this Amendment, the City, the Authority and South Redeveloper have entered into that certain Redevelopment Agreement related to the South Project Area (the “Pentagon South Redevelopment Agreement”); and

WHEREAS, South Redeveloper now proposes to construct certain improvements on the South Project Area pursuant to the terms and conditions of the Pentagon South City Approvals and that Pentagon South Redevelopment Agreement; and

WHEREAS, upon the terms and conditions set forth in this Amendment, the City and the Authority have agreed to consent to the designation of South Redeveloper as a Secondary Redeveloper of the South Project Area, and the parties hereto have agreed to release the South Project Area from the Master Agreement and otherwise amend the Master Agreement as set forth

herein.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Recitals; Definitions. The foregoing recitals are true and accurate and are incorporated herein as part of the agreement of the parties. Any word or term with an initial capital letter shall have the meaning given to it in this Amendment or if not so defined herein shall have the meaning given to it in the Master Agreement.

2. Approval of Secondary Developer and Transfer. Pursuant to Sections 12.2 and 12.3 of the Master Agreement, the City and the Authority hereby consent to (a) the designation of South Redeveloper to undertake the redevelopment of the South Project Area in accordance with Pentagon South City Approvals and Pentagon South Redevelopment Agreement and the Transfer of the South Project Area to South Redeveloper. The City, the Authority and Master Redeveloper acknowledge and agree that such Transfer is not a Controlling Interest Transfer.

3. Release of South Project Area. The South Project Area and all Master Redeveloper's obligations related thereto are hereby released from the Master Agreement and the same shall hereafter be governed by the Pentagon South Redevelopment Agreement. If there is a conflict between the provisions of the Master Agreement and the provisions of Pentagon South Redevelopment Agreement with respect to the South Project Area, the provisions of the Pentagon South Redevelopment Agreement shall control.

4. Master Redeveloper's Event of Default. Master Redeveloper's Event of Default under the Master Agreement for failure to commence "Development Activity" for a period of 24 months (under Section 6.3 of the Master Agreement), as described in the December 5, 2017 notice of default served by the Authority, is hereby deemed to have been timely cured in accordance with the Master Agreement, and no Default or Event of Default currently exists under the Master Agreement.

5. Ratification. Except as specifically modified by this Amendment, the terms and provisions of the Master Agreement shall remain in full force and effect.

6. Binding Effect. This Amendment amends and supplements the Master Agreement. If there is a conflict between the provisions of the Master Agreement and this Amendment, the provisions of this Amendment shall control. This Amendment shall be binding upon and inure to the benefit of the City, the Authority, Master Redeveloper, and their respective successors and assigns.

7. Counterparts. This Amendment may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or email copies shall be deemed originals.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the City, the Authority and Master Redeveloper have caused this Amendment to be duly executed in their names and on their behalf, all on or as of the date first above written.

CITY OF EDINA, MINNESOTA

By: \_\_\_\_\_  
James B. Hovland, Mayor

By: \_\_\_\_\_  
Scott H. Neal, City Manager

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2018, by James B. Hovland and Scott H. Neal, the Mayor and City Manager, respectively, of the City of Edina, Minnesota, on behalf of the City of Edina.

\_\_\_\_\_  
Notary Public



PENTAGON REVIVAL, LLC  
a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, the \_\_\_\_\_ of PENTAGON REVIVAL, LLC, a Delaware limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

THIS DOCUMENT WAS DRAFTED BY:  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402-1498

**EXHIBIT A**

Legal Description of South Project Area

Lots 1 through 5, Block 1, Pentagon Village, Hennepin County, Minnesota