



July 7, 2011

Mr. Scott Johnson
Arcon Development, Inc.
744 Southcross Drive West, Suite 103
Burnsville, MN 55306

Dear Mr. Johnson:

Enclosed please find two copies of the Offer to Purchase. Staff from the City has signed the agreements. Could you please have your representatives sign the agreements? Once that is complete, please keep one copy and return the other copy to:

Mr. Scot Simpson, City Administrator
City of River Falls
222 Lewis Street
River Falls, WI 54022

If you have any questions, please feel free to contact us. Thank you.

Sincerely,

Kristi McKahan
Executive Secretary/Deputy Clerk
City of River Falls
715-426-3403
kmckahan@rfcity.org

Enclosures

WB-13 VACANT LAND OFFER TO PURCHASE

THE LAWYER DRAFTING THIS OFFER ON JULY 5, 2011, IS THE AGENT OF BUYER

GENERAL PROVISIONS

The Buyer, City of River Falls, hereby offers to purchase the Property in the City of River Falls, County of St. Croix, Wisconsin, more particularly described as:

Located in the SE 1/4 of the SW 1/4, part of the SW 1/4 of the SW 1/4, the NE 1/4 of the SW 1/4, the NW 1/4 of the SW 1/4, part of the SE 1/4 of the NW 1/4, and part of the SW 1/4 of the NW 1/4 in Section 24; also in part of the SE 1/4 of the NE 1/4, part of the NE 1/4 of the SE 1/4, and in part of the SE 1/4 of the SE 1/4 in Section 23, all in T28N, R19W, City of River Falls, St. Croix County, Wisconsin.

See attached aerial photo map.

Seller represents that the land is vacant as of the time of this offer.

on the following terms:

PURCHASE PRICE: One Million Two Hundred Twenty Thousand Dollars (\$1,220,00.00).

EARNEST MONEY of Twenty Five Thousand Dollars (\$25,000.00) will be paid into the Trust Account of St. Croix Valley Title Co., River Falls, Wisconsin, within seven (7) days of acceptance.

THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.

THE BUYER'S OBLIGATION TO CONCLUDE THIS TRANSACTION IS CONDITIONED UPON THE CONSUMMATION OF THE FOLLOWING: See Attached Exhibit "A".

ZONING: Seller represents that the Property is zoned TND under Ch. 17.112 of the River Falls Municipal Code.

ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed an identical copy of the Offer, including signatures on separate but identical copies of the Offer.

BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before July 8, 2011.

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES Unless otherwise stated in this Offer, delivery of documents and written notices to a Party shall be effective only when accomplished by one of the methods specified below, to wit:

(1) By depositing the document or written notice postage or fees prepaid in the U.S. Mail or fees prepaid or charged to an account with a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery designated below (if any), for delivery to the Party's delivery address.

Seller's recipient for delivery: Scott Johnson, Arcon Development, Inc.

Seller's delivery address: 744 Southcross Drive West, Suite 103, Burnsville, MN 55306

Buyer's recipient for delivery: Scot Simpson

Buyer's delivery address: City Hall, 222 Lewis Street, River Falls, Wisconsin 54022.

(2) By giving the document or written notice personally to the Party or the Party's recipient for delivery if an individual is designated as recipient above.

OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer or in an addendum. Occupancy shall be given subject to tenant's rights, if any, unless otherwise specifically set forth within this Offer.

LEASED PROPERTY REPRESENTATION Property is currently leased. Seller represents that term of lease ends on or before December 31, 2011. Should buyer require soil testing or seek to perform other reasonable due diligence activities which require access to the leasehold property, seller is responsible for both advising its Lessee of such access, testing, and inspection right on the part of the buyer and for satisfying any crop damage provisions in its lease or which may otherwise be processed by its Lessee.

TIME AND PLACE OF CLOSING This transaction is to be closed at St. Croix Valley Title Services, Inc., 109 North Main Street, River Falls, Wisconsin, no later than December 1, 2011, or within thirty (30) days after satisfaction of all conditions in Exhibits "A" and "B" unless another date or place is agreed to in writing.

CLOSING PRORATIONS The following items shall be divided equally between the parties at closing: real estate taxes, surveying costs, Certified Survey Map creation, zoning approval costs, and the cost of title insurance subject to the limitation that the Buyer's share shall not exceed \$10,000. Each party shall bear its own legal expenses. Any income, taxes or expenses shall accrue to Seller, and be prorated, through the day prior to closing. Net general real estate taxes shall be prorated based on the net general real estate taxes for the current year, if known, otherwise on the net general real estate taxes for the preceding year.

PROPERTY CONDITION PROVISIONS

PROPERTY CONDITION REPRESENTATIONS: Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of conditions affecting the Property or transaction (see below). A "condition affecting the Property or transaction" is defined as follows:

- (a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property or the present use of the Property;
- (b) completed or pending reassessment of the Property for property tax purposes;
- (c) government agency or court order requiring repair, alteration or correction of any existing condition;
- (d) any land division involving the subject Property, for which required state or local approvals had not been obtained;
- ~~(e) any portion of the Property being in a 100 year flood plain, a wetland or a shoreland zoning area under local, state or federal laws;~~
- (f) conditions constituting a significant health or safety hazard for occupants of Property;
- (g) underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to gasoline and heating oil which are currently or which were previously located on the Property;
- (h) material violations of environmental laws or other laws or agreements regulating the use of the Property;
- (i) any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;
- (j) boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;
- (k) wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abandoned;
- (l) cisterns or septic tanks on the Property which are currently not servicing the Property;
- (m) subsoil conditions which would significantly increase the cost of the development proposed herein, if any, including, but not limited to, subsurface foundations, organic or non-organic fill, dump sites or containers on Property which contained or currently contain toxic or hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the property;
- (n) a lack of legal vehicular access to the Property from public roads;

- (o) prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. § 94.73).
- (p) other conditions or occurrences which would significantly increase the cost of the development proposed herein, if any, or would reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

PROPERTY DIMENSIONS AND SURVEYS: Buyer acknowledges that any land dimensions, total square footage/acreage figures or allocation or acreage information, provided to Buyer by Seller, may be approximate because of rounding or other reasons, unless verified by survey or other means. The parties agree to jointly retain a surveyor to split off the parcel(s) being purchased into one or more Certified Survey Maps.

INSPECTIONS: Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection reports to Seller. Furthermore, Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized.

TESTING: Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property. A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for in this Offer. The Buyer reserves the right to engage in testing as identified in Exhibit "A."

PRE-CLOSING INSPECTION: At a reasonable time, pre-approved by Seller, or at least within 3 days before closing, Buyer shall have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for changes approved by the Buyer.

DELIVERY/RECEIPT Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party. Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

TIME IS OF THE ESSENCE "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of closing; (5) contingency deadlines and all other dates and deadlines in this Offer except: NONE. If "Time is of the Essence" applies to a date or deadline, failure to perform by the exact date or deadline is a breach of contract. If "Time is of the Essence" does not apply to a date or deadline, then performance within a reasonable time of the date or deadline is allowed before a breach occurs.

DATES AND DEADLINES Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

161 **THE FINANCING CONTINGENCY PROVISIONS BELOW ARE A PART OF THIS OFFER IF IT IS**
162 **MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF THE CONTINGENCY**
163 **IS MARKED N/A OR IS NOT MARKED.**

164
165 **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may
166 terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy
167 of Buyer's written loan commitment.

168
169 **ADDITIONAL PROVISIONS/CONTINGENCIES**

170
171 ■ **ADDENDA:** The attached Addenda is made part of this Offer.

172
173 Exhibit "A" and Exhibit "B"

174
175 **TITLE EVIDENCE**

176
177 **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty
178 deed (or other conveyance as provided herein) free and clear of all liens and encumbrances, except: municipal and
179 zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and
180 municipal services, recorded building and use restrictions and covenants, general taxes levied in the year of closing
181 and none other (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable
182 title for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record
183 the conveyance.

184
185 **FORM OF TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title
186 insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title
187 insurance in Wisconsin. Pursuant to Exhibit "A" the Buyer and Seller shall equally split the cost of the owner's title
188 policy.

189
190 **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the
191 commitment for the required title insurance or the updated abstract is delivered to Buyer's attorney or Buyer not less
192 than 3 business days before closing, showing title to the Property as of a date no more than 15 days before delivery
193 of such title evidence to be merchantable, subject only to liens which will be paid out of the proceeds of closing and
194 standard title insurance requirements and exceptions, as appropriate.

195
196 **TITLE ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing
197 of objections to title by the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding
198 15 days, to remove the objections and the time for closing shall be extended as necessary for this purpose. In the
199 event that Seller is unable to remove said objections, Buyer shall have 5 days from receipt of notice thereof, to deliver
200 written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive
201 the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish
202 Seller's obligations to give merchantable title to Buyer.

203
204 **SPECIAL ASSESSMENTS:** Special assessments, if any, for work actually commenced or levied prior to date of
205 this Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. "Other
206 expenses" are one-time charges or ongoing use fees for public improvements (other than those resulting in special
207 assessments) relating to curb, gutter, street, sidewalk, sanitary and storm water and storm sewer (including all sewer
208 mains and hook-up and interceptor charges), parks, street lighting and street trees, and impact fees for other public
209 facilities, as defined in Wis. Stat. §66.55(1)(c) & (f).

210
211 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and
212 Seller regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This
213 agreement binds and inures to the benefit of the Parties to this Offer and their successors in interest.

214
215 **DEFAULT**

Seller and Buyer each have legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal remedies.

If Buyer defaults, Seller may:

1. sue for specific performance and request the earnest money as partial payment of the purchase price; or
2. terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) return the earnest money and have the option to sue for actual damages.

If Seller defaults, Buyer may:

1. sue for specific performance; or
2. terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

In addition, the Parties may seek any other remedies available in law or equity.

The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.

NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS DOCUMENT CAREFULLY. THE ATTORNEY DRAFTING THIS OFFER REPRESENTS THE BUYER AND SAID ATTORNEY CANNOT GIVE LEGAL ADVICE TO THE OTHER PARTIES. OTHER PARTIES SHOULD CONSULT THEIR OWN ATTORNEY FOR LEGAL ADVICE.

EARNEST MONEY

HELD BY: Unless otherwise agreed, earnest money shall be paid to and held by St. Croix Valley Title Co.

DISBURSEMENT: If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from payer's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer (Note: Wis. Adm. Code § RL 18.09(1)(b) provides that an offer to purchase is not a written disbursement agreement pursuant to which a party may disburse). If said disbursement agreement has not been delivered to Seller within 60 days after the date set for closing, Seller may disburse the earnest money:

- (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
- (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer;
- (3) as directed by court order; or
- (4) any other disbursement required or allowed by law.

LEGAL RIGHTS/ACTION: Disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute.

OPTIONAL PROVISIONS: THE PARAGRAPHS BELOW WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

■ **PROPOSED USE CONTINGENCY:** Buyer is purchasing the property for the purpose of: corporate/light industrial park. This Offer is contingent upon Buyer obtaining the following:

■ Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses for the following items related to the proposed development identified in this Offer: Zoning classification appropriate to Buyer's proposed use and revision of PUD and plan.

This proposed use contingency shall be deemed satisfied unless Buyer within one hundred eighty (180) days of acceptance delivers written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each specific item included in the Buyer's notice cannot be satisfied.

■ **INSPECTION CONTINGENCY:** This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at Buyer's expense, of the Property which discloses no defects as defined below. This contingency shall be deemed satisfied unless Buyer, on or before July 15, 2011, delivers to Seller, a copy of the inspector's written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and void upon timely delivery of the above notice and report. Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to inspection. Note: This contingency only authorizes inspections, not testing. For the purposes of this contingency a defect is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

This Offer was drafted on July 5, 2011, by Attorney William G. Thiel of Weld, Riley, Prens & Ricci, S.C.

Date: July 7, 2011

CITY OF RIVER FALLS

Thomas Caffera
Its: De Ann Hecht, City Clerk

FEIN: 39-6005590

Date: July 11 2011

ARCON DEVELOPMENT, INC.

Scott Johnson
Its: Scott Johnson
President

FEIN: 41-1622957

EARNEST MONEY RECEIPT Seller acknowledges receipt of earnest money in the sum of \$ _____.

SELLER ACCEPTS THIS OFFER, THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY, SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

Date: July 11 2011

ARCON DEVELOPMENT, INC.

Scott Johnson
Its: Scott Johnson
PRESIDENT

FEIN: 41-1622957

Date: _____

Its: _____

FEIN: _____

This Offer was presented to Seller by _____ on July _____, 2011,, at _____ a.m/p.m.

THIS OFFER IS REJECTED _____ Date: _____

THIS OFFER IS COUNTERED (See attached counter) _____ Date: _____

EXHIBIT "A"

The City of River Falls, Buyer, and Arcon Development, Inc., Seller, agree that the following constitute conditions whose satisfaction shall govern the closing of the attached offer to purchase.

1. The Buyer reserves the right to purchase the subject real estate in two (2) separately described parcels. In the event that it exercises this right, it shall so inform the Seller and provide the Seller with the two (2) legal descriptions, each of which shall be subject to a prorated payment of that portion of the total purchase price set forth in the agreement, based upon the approximate number of acres of each parcel in comparison with the size of the entire tract of land described in the General Provisions of the agreement.

2. The Buyer acknowledges that the agreement and the contemplated purchase from the Seller is subject to the terms of a certain Annexation Agreement dated April 23, 2002, obligating the Seller to certain capital cost contributions. The said capital cost contribution has been apportioned over 676 anticipated residential dwelling units ("D.U.'s") at the request of the Seller. Contributions have been collected by the Buyer in its capacity as the municipal authority exercising governmental powers over the property in question equivalent to 166 D.U.s. Collection by the Buyer as to the remaining D.U.s shall be as follows:

a. The Buyer's purchase of land shall be equated to between 153 and 199 D.U.s. The Buyer shall assume responsibility for 160 D.U.s of the capital cost contribution whose 2010 valuation basis is \$331,912.00.

b. Capital costs equating to 37.36 D.U.s have been assigned to building lots purchased from the Seller by Hope Lutheran Church ("Church"). This 37.36 D.U.s have a 2010 valuation of \$75,501.00 which shall be paid at the time a building permit is issued to the Church or its successors or assigns or as is otherwise provided for in a 2009 supplement to the Annexation Agreement mentioned above.

c. The Annexation Agreement contains provisions requiring the payment of any unpaid capital costs for a project at the time the project is commenced. Among the referred-to capital cost projects is the construction of the Radio Road interchange, planned for 2013. The Seller agrees that it shall pay for capital cost obligations equating to 122.64 D.U.s with a 2010 basis of \$254,411.00 at the time of closing of this real estate sale agreement and the Buyer agrees that it shall not call any additional lump sum capital costs due for a period extending for seven (7) years after the date of closing of the real estate transaction that is subject to this purchase agreement.

d. The remaining capital cost obligation for 190 D.U.s with a 2010 basis of \$394,145.00 shall be collected in accord with the original Annexation Agreement upon subsequent platting or other division of land into new, developable lots until the Seller's entire capital cost obligation has been satisfied.

3. The Buyer, in its proprietary capacity, and Seller agree to participate as adjoining landowners in seeking revisions to the existing neighborhood plan, which may include, but shall not be limited to, the holding of neighborhood meetings.
4. The Seller agrees to cooperate in seeking the amendment of the existing plan for the Buyer's real estate prior to the closing of the real estate purchase in question, so as to make a corporate/light industrial park a permitted use.
5. The Buyer through its employees or agents may engage in testing on the property, including that of soil borings and an environmental audit. The Buyer shall either accept or reject evidence of soil borings and environmental audits as representing the suitability of the real estate subject to this agreement for its proposed development on or before July 15, 2011, or said conditions shall be deemed waived.
6. Conditions not specifically identified as required to be accepted or rejected by July 15, 2011 by the Buyer shall be accepted or rejected by it by October 1, 2011 or waived.








EXHIBIT "B"

The Buyer, City of River Falls, and the Seller, Arcon Development, Inc., hereby agree to the following conditions to the closing of the real estate sales agreement to which this exhibit is attached:

1. The Buyer has not retained a realtor or real estate agent to assist it in any manner pertaining to the subject matter of this agreement. To the extent that the Seller has retained the services of a realtor or real estate agent, the Seller shall be solely responsible to pay the fees and costs of its realtor or real estate agent, separate from the terms and conditions of this agreement.
2. The Buyer agrees pursuant to the attached schedule to assume a prorated share of existing special assessments levied against the subject real estate.
3. Real estate taxes assessed against the subject real estate shall be prorated as and between the Seller and Buyer as of the actual closing date.
4. The Seller agrees to remit its prorated share of any existing special assessments and capital cost contributions to the Buyer in conjunction with the terms and conditions of the original development agreement with respect to development on Seller's remaining real estate adjoining the subject real estate under this agreement.
5. The Buyer's obligation to close this transaction shall be contingent upon the Plan Commission and Common Council of the City of River Falls approving of a rezoning of the subject property from its current classification to one under the City of River Falls Zoning Code that allows use of the property as a corporate/light industrial park.

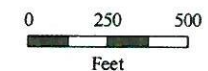


Sterling Ponds Business Park Approx. 74 Acres

-  City Owned
-  Offer to Purchase
-  Sterling Ponds Subdivision
-  Building Footprints
-  Developed Parcel
-  Corporate Limits
-  Dividing Line
-  Stream
-  Vacant Parcel

2010 Aerial Photo

* Within 1/2 mile of
Whitetail Ridge Corporate Park



6/17/11

RESOLUTION NO. 5535

WHEREAS, Arcon Development is the owner of real estate within the Sterling Ponds subdivision, consisting of approximately 74 acres of vacant land; and

WHEREAS, the City has an interest in acquiring this property for creating an additional reserve of land available to the City for use in conjunction with economic development efforts; and

WHEREAS, City staff has engaged in negotiations with Arcon Development regarding the purchase of two parcels of approximately 74 acres, contingent on the rezoning of the property from TND to industrial, and the seller paying capital costs that would be due on the property if it were developed as originally planned; and

WHEREAS, a tentative agreement has been negotiated, subject to approval of the Common Council; and

WHEREAS, financing arrangements for this purchase have been made with the State of Wisconsin Trust Fund Loan program.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of River Falls as follows:

1. That it approves of the purchase of approximately 74 acres of land currently situated in the Sterling Ponds subdivision, City of River Falls, St Croix County, Wisconsin, from Arcon Development for the total sum of \$1,220,000.00.
2. That said purchase be consummated in conjunction with and subject to the terms as outlined in the July 5, 2011, Offer to Purchase Agreement, and the signed Letter of Intent to Purchase dated May 16, 2011.
3. That the City shall pay cash for title to the two parcels, with appropriate allocation of costs for each parcel based on the value determined to the City.
4. The Common Council hereby authorizes the land purchase to be financed with the State of Wisconsin Trust Fund Loan program at an interest rate of 3.75 percent.
5. That the Common Council hereby ratifies the terms of the offer to purchase attached as Exhibit "A" to this Resolution and authorizes City Administrator Simpson to negotiate final purchase terms.
6. That the City Administrator, City Attorney, and City Finance Director are hereby authorized to finalize all necessary documentation for the purpose of obtaining title to the property in question and to close the real estate transaction on behalf of the City.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute such instruments in the name of the City as may be required in order to conclude this transaction.

Dated this 8th day of November, 2011.

CITY OF RIVER FALLS

By: Don Richards
Don Richards, Mayor

By: Lu Ann Hecht
Lu Ann Hecht, City Clerk



8 0 4 5 1 9 8

Tx:4032895

947761

BETH PABST
REGISTER OF DEEDS
ST. CROIX CO., WI
12/22/2011 2:23 PM
EXEMPT#: NA
REC FEE: 30.00
TRANS FEE: 3660.00
PAGES: 2

State Bar of Wisconsin Form 2-2003
WARRANTY DEED

Document Number

Document Name

THIS DEED, made between Arcon Development, Inc., a Minnesota Corporation

("Grantor," whether one or more), and City of River Falls

("Grantee," whether one or more).
Grantor for a valuable consideration, conveys and warrants to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in St. Croix County, State of Wisconsin ("Property") (if more space is needed, please attach addendum):

See attachment for legal description.

PIN: 276-1105-10-100, 276-1105-20-000, 276-1105-30-000,
276-1105-40-000, 276-1105-50-060, 276-1105-90-050,
and 276-1106-10-055

Recording Area

Name and Return Address

CITY OF RIVER FALLS
222 LEWIS STREET
RIVER FALLS, WI 54022

11-0493

Parcel Identification Number (PIN)

This **is not** homestead property.
(is) (is not)

Exceptions to warranties:

easements, restrictions, and rights of way of record, if any.

Dated DECEMBER 20, 2011

Arcon Corporation, Inc.

(SEAL)

Dean Scott Johnson (SEAL)
* By: Dean Scott Johnson, President

* _____
(SEAL)

* _____

AUTHENTICATION

Signature(s) _____

authenticated on _____

* _____
TITLE: MEMBER STATE BAR OF WISCONSIN
(If not, _____
authorized by Wis. Stat. § 706.06)

THIS INSTRUMENT DRAFTED BY:
Maxfield E. Neuhaus - Attorney at Law
River Falls, WI 54022-0138

ACKNOWLEDGMENT
STATE OF WI)
Pierce) ss.
COUNTY)

Personally came before me on DECEMBER 20, 2011
the above-named Dean Scott Johnson, President

to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

* Charles A. Johnson
Notary Public, State of WI
My commission (is permanent) (expires: 12-28-14)

(Signatures may be authenticated or acknowledged. Both are not necessary.)

NOTE: THIS IS A STANDARD FORM. ANY MODIFICATION TO THIS FORM SHOULD BE CLEARLY IDENTIFIED.

WARRANTY DEED

*Type name below signatures.

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FORM NO. 2-2003

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LOTS ONE (1) AND TWO (2) OF CERTIFIED SURVEY MAP IN VOLUME TWENTY FIVE (25) OF CERTIFIED SURVEY MAPS, PAGE 5813, AS DOCUMENT NUMBER 947264, FILED IN ST. CROIX COUNTY REGISTER OF DEEDS OFFICE ON DECEMBER 14, 2011, BEING LOCATED IN THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (SE $\frac{1}{4}$ OF NE $\frac{1}{4}$) AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE $\frac{1}{4}$ OF SE $\frac{1}{4}$) AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE $\frac{1}{4}$ OF SE $\frac{1}{4}$) OF SECTION TWENTY THREE (23) AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER (SW $\frac{1}{4}$ OF NW $\frac{1}{4}$) AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER (NW $\frac{1}{4}$ OF SW $\frac{1}{4}$) AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (SW $\frac{1}{4}$ OF SW $\frac{1}{4}$) OF SECTION TWENTY FOUR (24), ALL IN TOWNSHIP TWENTY EIGHT (28) NORTH, RANGE NINETEEN (19) WEST, CITY OF RIVER FALLS.

Subject to Chapman Drive right of way.

St. Croix County, Wisconsin.