

## **Repayment Agreement Shakopee Downtown Façade Improvement Program**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between \_\_\_\_\_ (hereinafter referred to as "Owner"), and the Economic Development Authority for the City of Shakopee, having its principal office at 129 Holmes St. South, Shakopee, Minnesota 55379 (hereinafter referred to as "Lender").

WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_, 2008, hereinafter referred to as the "effective date." The Lender agreed to grant to Owner(s) a Deferred Payment Loan, hereinafter referred as "Deferred Loan," relating to the real estate hereinafter described, in the amount of \$\_\_\_\_.00.

NOW THEREFORE, in consideration of the said Deferred Loan the parties do hereby agree as follows:

1. That Owner promises to use the proceeds of the Deferred Loan for the purposes of purchasing and installing \_\_\_\_\_ and \_\_\_\_\_ for the building located at \_\_\_\_\_ in the City of Shakopee, Minnesota.
2. That if Owner sells, transfers or otherwise conveys the real estate hereinafter described, within a period of five (5) years from the effective date of the Deferred Loan (to wit, \_\_\_\_\_, 2013), Owner will pay to Lender a pro rated share of the Deferred Loan equal to twenty percent (20%) of the amount of the Deferred Loan for each year prior to \_\_\_\_\_, 2013 that the sale occurs. For example, if Owner sells the real estate hereinafter described in \_\_\_\_\_, 200\_, Owner must pay Lender \_\_\_\_\_ percent (\_\_\_\_%) of the amount of the Deferred Loan.

That any such repayment shall be made to the Lender no later than the 30<sup>th</sup> day following such sale, transfer or other conveyance, or on such later date or dates as the Lender, in its sole discretion, may designate.

3. That as security for Owner's obligation of repayment, and subject to the terms and conditions of this Agreement, Owner hereby grants and Lender shall and hereby does have, a lien on the real estate hereinafter described as the full amount necessary to satisfy said repayment obligation and the cost including reasonable attorney's fees, of collecting the same. The real estate subject to said lien is situated in Scott County, Minnesota, is located at \_\_\_\_\_, Shakopee, MN and is legally described as:

All that part of the \_\_\_\_\_, City of Shakopee, Scott County, Minnesota, according to the plat of Shakopee City on file and of record in the Office of the Register of Deeds in and for said county and state, described as follows:

4. Promptly after the date of any sale, transfer or other conveyance of the above-described real estate (or, in the event of a sale by contract for deed at least ten (10) days prior to such date of sale), Owner or his/hers heirs, executors, or representatives, shall give the Lender notice thereof.
5. In the event Owner or his/her heirs, executors or representatives shall fail or refuse to make a required repayment within said limited period, the Lender may, with or without notice of Owner, foreclose said lien in the same manner as an action for the foreclosure of mortgages upon said real estate, as by statute provided.
6. Said lien shall terminate and shall be of no further force or effect in the event the Lender has not, on or before \_\_\_\_\_, 2013 commenced an action in the aforesaid manner to foreclose the same.
7. This Agreement shall run with the aforesaid real estate and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, representatives, successors and assigns.
8. If this agreement is executed by a contract for deed vendor or a mortgagee of the property, as one of the Owners, such execution shall be deemed for the purpose of establishing and continuing the existence of the indebtedness described herein and the lien granted herein. However, in the event of default of the terms hereof, neither the Lender nor its assignees shall take any action against such contract for deed vendor except such as may be necessary in order to subject to the satisfaction of said indebtedness the property described herein.

IN TESTIMONY WHEREOF, the parties have executed this Agreement as of the day and year first written above.

\_\_\_\_\_  
Borrower: \_\_\_\_\_

\_\_\_\_\_  
EDA President

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
EDA Secretary

State of Minnesota     )  
  )  
County of Scott         )

On the \_\_\_\_\_ day of \_\_\_\_\_, 2008, before me, a Notary Public with and for the said County, personally appeared \_\_\_\_\_, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledging that he/she executed the same as his/her free act and deed.

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

This instrument is exempt from registration tax under Section 287.06 of Minnesota Statutes.

Drafted by:

City of Shakopee  
129 South Holmes Street  
Shakopee, MN 55379