

PARCEL B QUITCLAIM DEED

THIS INDENTURE, between the CITY OF MINNEAPOLIS, a Minnesota municipal corporation (Seller), and the GUTHRIE THEATER FOUNDATION, a Minnesota nonprofit corporation, of the County of Hennepin, State of Minnesota (Purchaser).

WITNESSETH, that Seller, in consideration of the sum of \$272,927.00, the receipt of which is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Purchaser, its successors and assigns, forever, all the tract or parcel of land lying and being in the County of Hennepin and State of Minnesota described as follows, to wit:

Tract A, Registered Land Survey No. 1740, Hennepin County, Minnesota;

Together with that part of the Southwesterly half of the Second Street South, formerly known as Second Street, as dedicated in the plat of Town of Minneapolis, vacated, lying above an elevation of 855.50 feet (N.G.V.D. - 1929) described as follows:

Commencing at the most easterly corner of Block 97, said Town of Minneapolis; thence on an assumed bearing of North 59 Degrees 10 Minutes 29 Seconds West, along the southwesterly line of said Second Street, a distance of 63.50 feet, to the point of beginning of the parcel to be described; thence North 30 degrees 49 Minutes 31 Seconds East, a distance of 80.00 feet, to the Northeasterly line of said Second Street; thence North 59 Degrees 10 Minutes 29 Seconds West, along the northeasterly line of said Second Street, a distance of 114.00 feet; thence South 30 degrees 49 Minutes 31 Seconds West, a distance of 80.00 feet, to the southwesterly line of said Second Street; thence South 59 Degrees 10 Minutes 29 Seconds East, along said southwesterly line of said Second Street, a distance of 114.00 feet to the point of beginning.

"THE SELLER CERTIFIES THAT THE SELLER DOES NOT KNOW OF ANY WELLS ON THE DESCRIBED REAL PROPERTY."

To have and hold the same, together with all the hereditaments and appurtenances thereunto belonging in anywise appertaining, to the said Purchaser, its successors and assigns, forever, provided:

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement entered into among the Seller, Purchaser and Minneapolis Community Development Agency ("Agency") on the 25th day of July, 2003, identified as "Amended and Restated Redevelopment Contract" (hereafter referred to as the "Agreement") and that the Purchaser shall not convey this property, or any part thereof, without the consent of the Seller until a Certificate of Completion releasing the Purchaser from the obligations of said Agreement as to this property or such part thereof then to be conveyed, has been placed of record. This provision, however, shall in no way prevent the Purchaser from mortgaging this property in order to obtain funds for the purchase of property hereby conveyed and for erecting improvements thereon in conformity with the Agreement, nor shall it prohibit the Purchaser from entering into any leases of all or part of the property or any easements affecting the property which are made in the ordinary course of business.

It is specifically agreed that subject to Unavoidable Delays, as defined in the Agreement, the Purchaser shall promptly begin and diligently prosecute to completion the redevelopment of the property through the construction of the Minimum Improvements as defined in the Agreement, and that such construction shall in any event be completed by October 3, 2006.

Promptly after completion of the improvements in accordance with the provisions of the Agreement, the Seller shall cause the Agency to furnish the Purchaser with an appropriate instrument so certifying (hereafter referred to as the "Certificate of Completion"). The Certificate of Completion shall be a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Purchaser to construct the improvements and the dates for the beginning and completion thereof; provided, that such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Purchaser (other than the obligation to perform Purchaser's obligations under the Agreement) to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the property hereby conveyed or the improvements, or any part thereof.

The Certificate of Completion shall be in such form as will enable it to be recorded with the County Recorder or Registrar of Titles, as the case may be, for Hennepin County, Minnesota. If the Agency shall refuse or fail to provide the Certificate of Completion in accordance with the provisions of the Agreement and this Deed, the Seller shall cause the Agency to provide to Purchaser within 20 days after written request by the Purchaser with a written statement indicating in adequate detail in what respects the Purchaser has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement

or is otherwise in default and what measures or acts will be necessary in the reasonable opinion of the Agency for the Purchaser to take or perform in order to obtain the Certificate of Completion.

SECTION 2.

In the event the Purchaser herein shall, prior to the recording of the Certificate of Completion:

- (a) default in or violate its obligations with respect to the construction of the improvements (including the nature and date for the completion thereof) provided for in this Deed and the Agreement, or shall abandon or substantially suspend construction work and any default or violation, abandonment or suspension shall not be cured, ended or remedied within 30 days after written demand by the Seller so to do or such longer period as is reasonably required to cure the same; or
- (b) fail to pay real estate taxes or assessment on the property or any part thereof when due (except as may be permitted in contesting any such tax or assessment), or shall place thereon any encumbrance or lien unauthorized by the Agreement with the Seller, or shall suffer any levy or attachment to be made, or any material person's or mechanic's liens, or any other unauthorized encumbrances or lien to attach (unless such lien is being contested as permitted by law), and such taxes or assessments shall not have been paid or the encumbrance or lien removed or discharged, within 30 days or such longer period as shall be required in the exercise of due diligence by Purchaser after written demand by the Seller so to do; or
- (c) there is, in violation of the Agreement or of this Deed, any transfer of the property or any part thereof, and such violation shall not be cured within 30 days after written demand by the Seller to the Purchaser or such longer period as is reasonably required to cure the same;

then the Seller shall have the right to re-enter and take possession of the property and to terminate and revert in the Seller the estate conveyed by this Deed to the Purchaser, its assigns or successors in interest. Such reversion of title shall, however, be subject to the lien of any outstanding mortgage authorized by the Agreement.

All of the terms, covenants, conditions, restrictions, agreements and reversions contained in Sections 1 and 2 of this Deed shall be null and void and of no further force or effect upon recordation of the Certificate of Completion.

SECTION 3.

The Purchaser agrees that it shall not discriminate upon the basis of race, color, creed, religion, ancestry, national origin or sex, affectional preference, disability, age,

marital status or status with regard to public assistance, in the sale, lease, use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Seller, its successors and assigns. It is further intended and agreed that the agreement and covenant provided in Section 3 shall be binding on the Purchaser itself, each successor in interest to the property, and each party in possession or occupancy, respectively, only for period as such successor or party shall have title to, or an interest in, or possession or occupancy of, the property or part thereof.

SECTION 4.

This Deed is also given subject to the Industry Square Redevelopment Plan, adopted by the Seller on July 25, 1973, and incorporated by reference into the Common Development and Redevelopment Plan adopted by the Seller on December 15, 1989, as the same may have been amended or extended as of the date hereof.

All of the terms, covenants, conditions, restrictions and agreements contained in Sections 3 and 4 of this Deed shall be null and void and of no further force or effect on the thirtieth anniversary of the date of this Deed.

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