

Minnesota Department of Natural Resources

500 Lafayette Road • St. Paul, MN • 55155-4045



May 11, 2011

Wells Fargo Bank, N.A.
Attn: Emily Graham
794 Davis Street
San Leandro, CA 94577

Re: Lease #144-012-0676
That part of Lot 37 of Auditor's Subdivision Number 203, according to the plat on file and of record in the West Hennepin County Recorder's Office
Hennepin County

Dear Lessee:

Enclosed is a completed copy of the above lease. Please keep this lease as a record of your agreement with the State.

This lease will expire on December 31, 2019. The rental has been paid through December 31, 2019.

If you have any questions, please contact me at the above address or call me at (651) 259-5954.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark W. Westin".

Mark W. Westin, Realty Specialist
DNR - Division of Lands and Minerals

Enclosure

c: Jennifer Christie, Acquisition and Development Coordinator, Parks and Trails
Trina Zieman, Central Region Supervisor, Lands and Minerals
Jean Zoch, Central Region Real Estate Technician, Lands and Minerals
Wendy Traeger, Operations Manager, The Title Group
Hennepin County Auditor



Lease Number 144-012-0676
Field Unit Region 3 - 351, Luce Line State trail

MISCELLANEOUS LEASE

This lease, executed in duplicate by and between the State of Minnesota, under the authority and subject to the provisions of M.S., sec. 92.50, acting by and through its Commissioner of Natural Resources, hereinafter called LESSOR and; the LESSEE as named below.

LESSEE Wells Fargo Bank, N.A. (Successor by Merger with Wachovia Mortgage, FSB)		
LESSEE Address (No. & Street, RFD, Box No., City, State, Zip Code) Attn: Emily Graham, 794 Davis Street, San Leandro, CA 94577		
Lease Fee \$ 500.00	Fee Payment Schedule \$500.00 due upon execution of the lease.	
Term Ten (10) Years	Effective Date January 1, 2010	Termination Date December 31, 2019
Purpose of Lease Garage Trespass on the Luce Line Trail		County Hennepin County

IT IS AGREED AS FOLLOWS:

1. **PREMISES:** The LESSOR in consideration of the terms, conditions and agreements contained herein, and the payment of the Lease Fee to be paid by the LESSEE, hereby leases to the LESSEE, subject at all times to sale, lease and use for mineral or other purposes the following described premises to wit:

That part of Lot 37 of Auditor's Subdivision Number 203, according to the plat on file and of record in the West Hennepin County Recorder's Office, described as follows:

Commencing at a point 1009.14 feet south of the northwest corner of Government Lot 3, of Section 5, Township 117 North, Range 23 West; thence South 341.22 feet; thence South 69 degrees 30 minutes 00 seconds East 326.20 feet; thence North a distance of 375.21 feet to the point of beginning; thence North 65 degrees 53 minutes 43 seconds West 29.31 feet; thence North 10 degrees 43 minutes 42 seconds East 2.06 feet; thence South 65 degrees 53 minutes 43 seconds East 29.16 feet; thence South 06 degrees 42 minutes 07 seconds West 2.10 feet to the point of beginning; containing 60.81 square feet and as approximately shown on the attached map (Exhibit A) and drawing (Exhibit B) which are made part of this lease

and herein referred to as the "Premises".

2. **TERMS:** The terms LESSOR, LESSEE, LESSEE ADDRESS, LEASE FEE, FEE PAYMENT SCHEDULE, TERM, EFFECTIVE DATE, TERMINATION DATE, PURPOSE OF LEASE AND STATUTORY AUTHORITY, used herein shall be described above and are incorporated herein.
3. **LEASE PERIOD:** This lease shall be in effect for the TERM, beginning on the EFFECTIVE DATE and ending on the TERMINATION DATE, unless terminated earlier under provisions of this lease.
4. **USE OF PREMISES:** LESSEE shall use the Premises only for PURPOSE OF LEASE.
5. **LEGAL OBLIGATIONS:** This lease is not to be construed to relieve the LESSEE of any obligations imposed by law.
6. **ENCUMBRANCE:** This lease is subject to all existing easements, right-of-ways, licenses, leases and other encumbrance upon the Premises and LESSOR shall not be liable to LESSEE for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder.

7. **MAINTENANCE:** The LESSEE shall maintain the Premises in good repair, keeping them safe and clean, removing all refuses and debris that may accumulate. LESSEE shall comply with all laws affecting the Premises, including local ordinances and state regulations. No timber shall be cut, used, removed or destroyed by the LESSEE without first obtaining written permission from the LESSOR.
8. **TERMINATION:** This lease may be terminated at any time by mutual agreement. A lease entered pursuant to Minn. Stat. section 92.50 may be canceled for just cause at anytime by LESSOR upon six months written notice.

LESSEE shall, on the TERMINATION DATE, or earlier as provided for in this lease, peacefully and quietly surrender the Premises to the LESSOR in as good condition and repair as on the EFFECTIVE DATE. If the LESSEE fails to surrender the Premises on the termination of this lease, the LESSOR may eject or remove the LESSEE from the Premises and LESSEE shall indemnify the LESSOR for all expenses incurred by the LESSOR. In addition, LESSEE shall remove all LESSEE'S property from the Premises upon termination and any property remaining shall be considered abandoned and shall be disposed of by the LESSOR according to law. If this lease is terminated prior to the TERMINATION DATE, the LESSEE shall not be relieved of any obligation incurred prior to termination.
9. **HOLDOVER:** LESSEE shall pay to the LESSOR a sum equal to the monthly rent plus fifty (50) percent of the monthly rent for each month that LESSEE holds the Premises after termination of this lease without authorization by LESSOR. This sum shall be liquidated damages for the wrongful holding over. LESSEE acquires no additional rights by holding the Premises after termination and shall be subject to legal action for removal.
10. **LEASE PAYMENTS:** The LESSEE shall pay to the Minnesota State Treasurer through the LESSOR the LEASE FEE, which is due and payable according to the FEE PAYMENT SCHEDULE. The LESSOR may assess penalties and interest as provided for by law or in this lease on any payments over thirty (30) days past due.
11. **UTILITIES:** LESSEE shall pay for all utilities furnished on the Premises for the term of this lease, including electric, gas, oil, water, sewer and telephone.
12. **ALTERATIONS:** The LESSEE shall make no changes, alterations nor improvements to the Premises or to any structure thereon without the prior written consent of the LESSOR. Any changes, alterations or improvements in or to the Premises shall be at LESSEE sole expense.
13. **NO WAIVER:** No delay on the part of the LESSOR in enforcing any conditions in this lease, including termination for violation of the terms of this lease, shall operate as a waiver of any of the rights of the LESSOR.
14. **TAXES:** The LESSEE shall pay, when due, all taxes assessed against or levied upon the Premises or upon the fixtures, improvements, furnishings, equipment and other personal property of the LESSEE located on the Premises during the TERM of this lease.
15. **LIABILITY:** This lease shall not be construed as imposing any liability on the LESSOR for injury or damage to the person or property of the LESSEE or to any other persons or property, arising out of any use of the Premises, or under any other easement, right-of-way, license, lease or other incumbrance now in effect. The LESSEE shall indemnify and hold harmless the LESSOR from all claims arising out of the use of the Premises whether such claims are asserted by civil action or otherwise.
16. **NOTICES:** Any notice given under this lease shall be in writing and served upon the other party either personally or by depositing such notice in the United States mail with the proper first class postage and address. Service shall be effective upon the depositing of the notice in the United States mails. The proper mailing address for the purposes of serving notice on the LESSOR shall be the Commissioner, Department of Natural Resources, 500 Lafayette Road, St. Paul, Minnesota 55155-4045, and on the LESSEE it shall be as stated in the LESSEE'S ADDRESS.
17. **TRANSFERS:** This lease shall extend to, and bind the successors, heirs, legal representative and assigns of the LESSOR and LESSEE. In addition, the LESSEE shall not without the LESSOR'S prior written consent: a) assign, convey, mortgage, pledge, encumber or otherwise transfer this lease or any interest under it; b) allow any transfer or any lien upon the LESSEE'S interest by operation of law; c) sublet the Premises or any part thereof; d) permit the use or occupancy of the Premises or any part thereof by anyone other than the LESSEE.
18. **PUBLIC RECREATION USE:** The LESSEE agrees and understands that the public land leased herein shall be open to public recreational uses, as defined by M.S. 604A.21, not inconsistent with the purposes of this lease. The LESSEE shall not unreasonably refuse permission to any person to enter upon the lands leased herein for

reasonable public recreational use without first obtaining the written permission of the LESSOR. If the LESSOR authorizes the prohibition of any public recreational uses, the prohibition shall apply to all persons including the LESSEE.

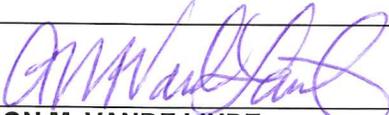
19. **CONSTRUCTION OF LEASE:** If any clause or provision of this lease is or becomes illegal, invalid or unenforceable because of present or future laws or any rule or regulation of any governmental body, the intentions of the LESSOR and LESSEE here is that the remaining parts of this lease shall not be affected thereby.

20. **ADDITIONAL TERMS:**

- A. Any personal property located within the Premises caused to be rebuilt or repaired must be relocated outside the Premises and the Luce Line State Trail right of way (ROW).
- B. The lease shall be of 10 year duration, renewable, and revert to the state upon abandonment.
- C. The lease shall include the property identified on the map as a portion of the bituminous driveway (approximatel 2 ft in width by 30 feet in length) containing the northeast corner of the garage for the purpose of ingress/egress.
- D. LESSEE agrees to indemnify and hold harmless the LESSOR from all claims arising of the use of said lease.
- E. LESSOR shall at all times have the right to enter the Premises for any purpose necessary for the performance of maintenance or lawful powers and duties.
- F. LESSEE shall not use the Premises for any purpose of personal storage or disposal area, with the exception of normal storage inside the garage structure.
- G. Lease shall be transferred to the new owners of the property as soon as the change in ownership occurs.

TESTIMONY WHEREOF, the parties have set their hands in duplicate.

**STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES**

By 	Date 5/10/2011
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**AARON M. VANDE LINDE
TRANSACTIONS MANAGER
DIVISION OF LANDS AND MINERALS**

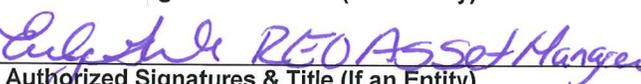
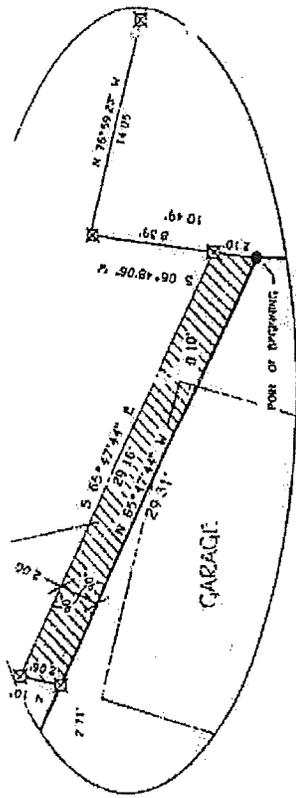
LESSEE (Individual's Name or Name of Entity) Wells Fargo Bank, N.A. (Successor by Merger with Wachovia Mortgage, FSB)	
Authorized Signatures & Title (If an Entity) 	Date 1/20/11
Authorized Signatures & Title (If an Entity)	Date



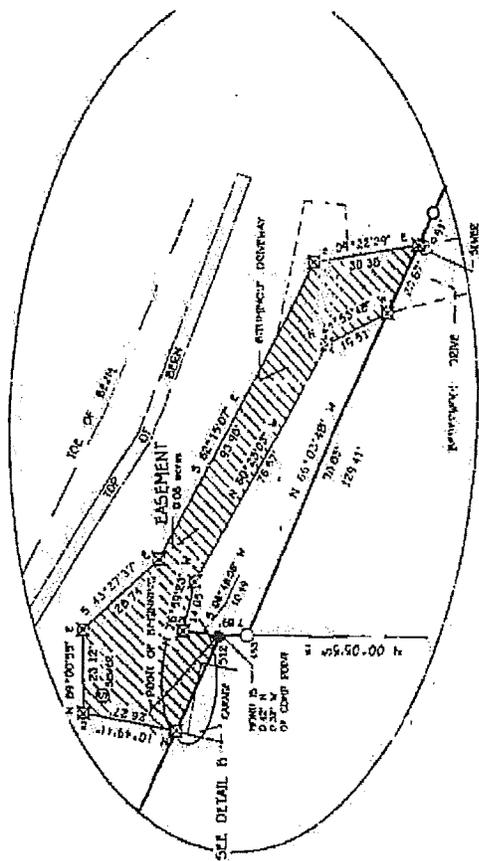
EXHIBIT A

Lease #144-012-0676



DETAIL B

NOT TO SCALE



DETAIL A

NOT TO SCALE

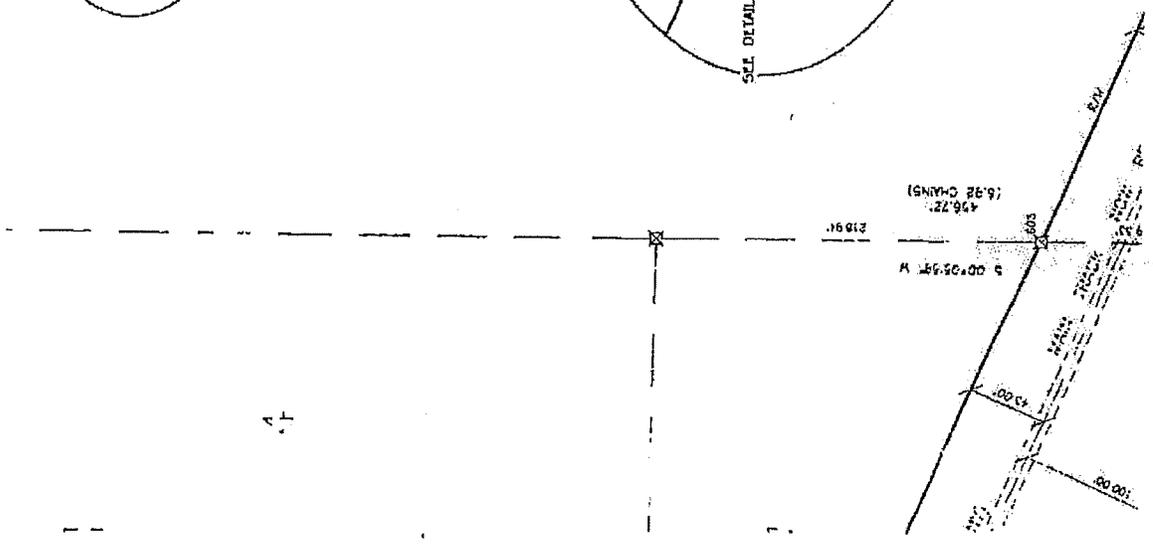


EXHIBIT B

Lease #144-012-0676