

Exhibit "A" - Section 34 Assessment Reallocation

Lennar 1st Addition (includes 2nd Addition Area)		
Current Parcels:	Sewer Assessment	Water Assessment
34.029.21.41.0004	\$425,700.00	\$95,000.00
34.029.21.42.0002	\$85,505.00	\$52,850.00
Adjustment from Dale	\$93,595.00	\$5,050.00
Total Assessments	\$604,800.00	\$152,900.00

Proposed Reallocation - Lennar 1st Addition		
Legal Description	Sewer Assessment	Water Assessment
Outlot A	\$212,094.72	\$58,240.64
Outlot F	\$255,468.00	\$56,974.00
Block 1 Lot 1	\$3,119.04	\$856.48
Lot 2	\$3,119.04	\$856.48
Lot 3	\$3,119.04	\$856.48
Block 2 Lot 1	\$3,119.04	\$856.48
Lot 2	\$3,119.04	\$856.48
Lot 3	\$3,119.04	\$856.48
Lot 4	\$3,119.04	\$856.48
Lot 5	\$3,119.04	\$856.48
Lot 6	\$3,119.04	\$856.48
Lot 7	\$3,119.04	\$856.48
Lot 8	\$3,119.04	\$856.48
Lot 9	\$3,119.04	\$856.48
Block 3 Lot 1	\$3,119.04	\$856.48
Lot 2	\$3,119.04	\$856.48
Lot 3	\$3,119.04	\$856.48
Lot 4	\$3,119.04	\$856.48
Lot 5	\$3,119.04	\$856.48
Lot 6	\$3,119.04	\$856.48
Lot 7	\$3,119.04	\$856.48
Block 4 Lot 1	\$3,119.04	\$856.48
Lot 2	\$3,119.04	\$856.48
Lot 3	\$3,119.04	\$856.48
Lot 4	\$3,119.04	\$856.48
Lot 5	\$3,119.04	\$856.48
Block 5 Lot 1	\$3,119.04	\$856.48
Lot 2	\$3,119.04	\$856.48
Lot 3	\$3,119.04	\$856.48
Lot 4	\$3,119.04	\$856.48
Lot 5	\$3,119.04	\$856.48

	Lot 6	\$3,119.04	\$856.48
	Lot 7	\$3,119.04	\$856.48
	Lot 8	\$3,119.04	\$856.48
	Lot 9	\$3,119.04	\$856.48
	Lot 10	\$3,119.04	\$856.48
	Lot 11	\$3,119.04	\$856.48
Block 6	Lot 1	\$3,119.04	\$856.48
	Lot 2	\$3,119.04	\$856.48
	Lot 3	\$3,119.04	\$856.48
	Lot 4	\$3,119.04	\$856.48
	Lot 5	\$3,119.04	\$856.48
	Lot 6	\$3,119.04	\$856.48
	Lot 7	\$3,119.04	\$856.48
	Lot 8	\$3,119.04	\$856.48
	Lot 9	\$3,119.04	\$856.48
Total Assessments		\$604,800.48	\$152,899.76

**Dale Properties and Future Lennar
(To be replatted in the future)**

Sewer Assessment		
Parcels:	Curent	Proposed
34.029.21.31.0004	\$11,000.00	\$11,000.00
34.029.21.31.0005	\$21,428.75	\$23,798.75
34.029.21.34.0005	\$56,071.25	\$53,701.25
34.029.21.43.0003	\$158,795.00	\$65,200.00
Total	\$247,295.00	\$153,700.00

Water Assessment		
Parcels:	Curent	Proposed
34.029.21.31.0004	\$15,700.00	\$15,700.00
34.029.21.31.0005	\$30,608.55	\$33,993.55
34.029.21.34.0005	\$80,091.45	\$76,706.45
34.029.21.43.0003	\$98,150.00	\$93,100.00
Total	\$224,550.00	\$219,500.00

Total Assessments:

Current	\$1,130,900.00
Proposed	\$1,130,900.24



September 4, 2014

City of Lake Elmo
Dean Zuleger
City Administrator
3800 Laverne Avenue North
Lake Elmo, MN 55042

RE: Lennar Assessment - Savona

Dear Mr. Zuleger:

As we have discussed Lennar would like to have the assessment from the Section 34 Utility Extension Project spread over the single family lots and multi – family units as shown on the approved preliminary plat for Savona. However at this time the sewer and water assessments Lennar is responsible for is assigned to four tax parcels (see attached spreadsheet for detail):

1. 34-029-21-41-0004 (Formerly Frandsen)
2. 34-029-21-42-0002 (Lennar has closed on from Dale)
3. 34-029-21-31-0005 (Lennar will be closing on from Dale)
4. 34-029-21-31-0004 (Lennar will be closing on from Dale)

As these tax parcels are final platted the assessments can be re-allocated to the individual lots included in the final plat and the outlots receiving the balance which will be re-allocated as the outlot(s) are final platted in the future. To help explain allocation of assessments, I have attached a spreadsheet itemizing the sewer and water assessments for each tax parcel owned or to be owned by Lennar.

In order to help simplify the process of allocating assessments Savona will basically be platted as the "East Half" and "West Half". This is evident as Savona 1st and 2nd Additions, which comprise the East Half, are expected to be recorded soon and the assessments can then be spread over the lots and outlots for the entire east half. The west half consists of two tax parcels and will keep the assessments as already assigned by the city until again a final plat is submitted for the West Half.

So taking the concept explained above and applying it to the final plats of Savona 1st and 2nd Addition the assessments, as shown on the spreadsheet, would be spread as follows:

Savona 1st and 2nd Addition

Single Family Lots would each be assessed **\$3,119** for sewer and **\$856** for water – total per lot = **\$3,976.**

Multi Family Units would each be assessed **\$2,094** for sewer and **\$467** for water – total per unit = **\$2,561**

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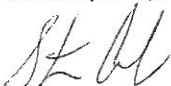
Savona 2nd Addition Outlot F would hold the unallocated balance of the multi family assessment - **\$209,352** for sewer and **\$46,726** for water. This remaining amount would cover the 100 units to be platted in the future.

Savona 2nd Addition Outlot C would also hold unallocated balance of the single family assessment - **\$65,551** for sewer and **\$18,004** for water. The remaining amount will cover the 21 lots to be platted in Outlot C.

Payment of the assessments would occur along with the property real estate taxes as occurring today on each of the tax parcels. The only difference is now they would be paid on individual lots or outlots owned by Lennar. When Lennar closes a single family or multi family home the assessments assigned to that lot will then be paid in full at the closing. Otherwise the assessments will remain on the individual lots and be paid with real estate taxes for the term (15 years) of the assessment.

If you have any questions please give me a call so we can find a mutual solution.

Thanks for your help,

A handwritten signature in black ink, appearing to read 'SL Ach', written in a cursive style.

Steve Ach

Land Acquisition Manager
Lennar