

Property Value Guarantee Summary

Steps for the Homeowner

The terms and conditions of the Property Value Guarantee (PVG) are set forth in the final Mining Agreement between Preferred Sands of Minnesota (Preferred) and the Town of Auburn as approved by the Town Board on December 10, 2014. This document is intended as a practical guide and is not a substitute for the actual Agreement.

- 1. Contacting Preferred.** If a property owner is considering selling his or her home, the property owner should contact Preferred. Their contact information is as follows:

Preferred Sands of Minnesota LLC
One Radnor Corporate Center
100 Matsonford Road, Suite 101
Radnor, PA 19087
Attn: Legal Department

- 2. Obtaining an Appraiser.** The first step in the sale process is to hire an appraiser. The PVG provides that the property owner and Preferred shall attempt to agree on an appraiser who is licensed as a real estate appraiser in Wisconsin. If the parties cannot agree on an appraiser, the homeowner shall select a bank or credit union in Chippewa County, with whom the homeowner does not do business, to provide the name of an appraiser it regularly employs to do appraisals. In that case, the homeowner shall then provide the appraiser's name and contact information to Preferred.

- 3. Paying for the Appraisal.** Preferred is required to pay for the appraisal and should make arrangements with the appraiser to provide payment for the appraisal. Note: The PVG is to be provided only once as to any protected property. Preferred is not required to pay for multiple appraisals for the same property.

- 4. Copy of the Appraisal.** The homeowner and Preferred should both receive a copy of the appraisal.

- 5. Notice to Preferred of Interest to Sell.** Following receipt of the appraisal, if the homeowner decides to sell his or her property, then he or she must notify Preferred in writing of this fact.

- 6. Listing with a broker.** The homeowner must then list the home with a real estate broker licensed in the State of Wisconsin.

- 7. The listing contract.** The listing contract shall run for a minimum of 270 days. The listing price shall be not less than the applicable Guaranteed Value under the PVG. Any listing contract shall exclude Preferred as a potential buyer so that if Preferred purchases the property, no commission shall be due.

- 8. Receipt of an offer.** If the homeowner receives an offer *above* the Guaranteed Value then the homeowner can accept the offer and proceed to closing. If the homeowner receives a bona fide offer that is *below* the Guaranteed Value, then the homeowner shall provide a copy of such offer to Preferred. For ten (10)

business days after receipt of such offer by Preferred. Preferred shall have the right to purchase the property in accordance with the bona fide offer. If Preferred elects to purchase, it shall provide notice in writing to the homeowner. If Preferred elects not to purchase the property, then the homeowner can sell the property as set forth in the bona fide offer. Preferred shall make the payment in the PVG within thirty (30) days following notification to Preferred from the homeowner confirming closing of the sale of the property in accordance with the bona fide offer, including the signed settlement statement from the closing.

9. Failure to Sell Within 270 days. If no offer to purchase is obtained within 270 days of the date of the listing contract, the homeowner shall notify Preferred, and Preferred shall purchase the property for the Guaranteed Value as set forth in the PVG.