

JENSEN & SONDRALL, P.A.
Attorneys At Law

8525 EDINBROOK CROSSING, STE. 201
BROOKLYN PARK, MINNESOTA 55443-1968
TELEPHONE (763) 424-8811 • TELEFAX (763) 493-5193
e-mail law@jensen-sondrall.com

Writer's Direct Dial No.: (763) 201-0222
e-mail cmk@jensen-sondrall.com

GORDON L. JENSEN¹
CLAIRISSA M. KLUG
GLEN A. NORTON
AMY E. PAPPENHAUSEN
STEVEN A. SONDRALL
ARIC T. STENESEN
STACY A. WOODS

OF COUNSEL
LORENS Q. BRYNESTAD

May 4, 2005

Marc J. Manderscheid, Esq.
Briggs and Morgan, P.A.
2200 First National Bank Building
332 Minnesota Street
St. Paul, MN 55101

Settlement Offer
Inadmissible pursuant to
Minn. R. Ev. 408

VIA FACSIMILE & US MAIL

Re: *Economic Development Authority v. Hmong-American Shopping Center, LLC, et al.*
Hennepin County Court File No. CD-2743

Dear Mr. Manderscheid:

This letter is in response to the Brooklyn Center EDA's settlement offer of April 27, 2005, forwarded by your office on that same date. Without impeding or closing negotiations as to either condemnation settlement or redevelopment of the subject property by Hmong-American Shopping Center LLC, we offer the following comments on behalf of our client:

1. Short term lease allowing extended occupancy. Asia Supermarket, Asia Fabric & Fashion and Laundry King have each determined that certain terms in the proposed short term lease (including but not limited to the liquidated damages clause) pose too great a risk when compared to the benefit of an additional 30 days of occupancy beyond the June 30 date offered to all shopping center tenants. Please be advised that the supermarket, fashion store and laundry elect to remain for only the period offered to Cash-N-Pawn and the other shopping center tenants by the EDA during the March hearing on the condemnation petition.
2. Full and final settlement of claims as to property acquisition and relocation. Hmong-American Shopping Center is in agreement that the time has come to see if this matter can be resolved without further litigation. It is our office's understanding that the above-referenced three businesses are also in agreement on this point.

Based on information discussed in several recent meetings between Dan Vang and Brad Hoffman, the opinion of Hmong-American Shopping Center remains that the value of the subject property when combined with relocation benefits due exceeds the \$4,100,000 figure offered by the EDA on April 27.