

**MEMORANDUM OF UNDERSTANDING**

City of Baxter Project 4068

On this 6 day of February, 2026, Apple Blossom Properties, LLC, a Minnesota limited liability company ("Owner"), Owner of property located in the City of Baxter, County of Crow Wing, and State of Minnesota identified as Parcel Identification Number: 40020713, did execute and deliver a conveyance of real estate rights, specifically a Permanent Drainage and Utility Easement to the City of Baxter ("City").

This agreement is now made and entered as a memorandum of all the terms, and the only terms, agreed upon in connection with the above transaction. It is hereby acknowledged and agreed upon between the parties that:

1. The City is engaged in a project to install sanitary sewer and water utilities along Clearwater Road as part of the 2026 Clearwater Road ("Project"), adjacent to the Owner's property. The City intends to install a sanitary sewer service pipe and sanitary cleanout, and a water service pipe and curb stop within the easement area. These improvements are being completed by the City to facilitate a future extension of utilities to the property in this area. In addition, private utility lines may be relocated or placed in the easement, as part of the project or in the future. The Owner understands that the acquired property rights are for use in connection with the construction of the Project.
2. That in full compensation for the conveyance of said property rights, the City shall pay the Owner the sum of \$800.00 for the easement and any resulting damages. Owner understands that payment by the City must await City Council approval.
3. In the event of a clerical error, Owner agrees to cooperate in correcting the error including but not limited to resigning all documents.

It is understood and agreed that the entire agreement of the parties is contained in this Memorandum of Understanding, the Permanent Drainage and Utility Easement dated February 6, 2026 and that these documents and agreements include all oral agreements, representations, and negotiations between the parties.

**[Signatures on the following pages]**





## **PERMANENT DRAINAGE AND UTILITY EASEMENT**

THIS EASEMENT AGREEMENT (“Easement”) is made, granted and conveyed this 6 day of February, 2026, by Apple Blossom Properties, LLC, a Minnesota limited liability company (“Landowner”) to the City of Baxter, a Minnesota municipal corporation (“City”). The Landowner for and in consideration of One Dollar and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, this Easement.

### **PROPERTY DESCRIPTION**

The Landowner owns real property situated within Crow Wing County, Minnesota, legally described as follows:

LOT ONE (1), BLOCK ONE (1), MALLOY ACRES, CROW WING COUNTY,  
MINNESOTA

PID: 40020713  
Abstract Property

(the “Property”).

### **PERMANENT EASEMENT DESCRIPTION**

The Landowner does hereby grant and convey unto the City, its successors and assigns, forever the following:

A permanent easement for utility and drainage purposes and all such purposes ancillary, incident or related thereto (“Permanent Easement”) under, over, across, through and upon that real property legally described on Exhibit A and depicted on Exhibit B (the “Permanent Easement Area”), attached hereto and incorporated herein by reference.

The Permanent Easement rights granted herein are forever and perpetual, and shall include, but not be limited to, the construction, maintenance, repair and replacement of any sanitary sewer, water

mains, storm water drainage, above ground and below ground drainage facilities, any utilities, underground pipes, conduits, culverts, other utilities and mains, and all facilities and improvements ancillary, incident or related thereto under, over, across, through and upon the Permanent Easement Area.

The Permanent Easement rights further include, but are not limited to, the right of ingress and egress over the Permanent Easement Area to access the Permanent Easement for the purposes of construction, maintenance, repair and replacement of any sanitary sewer, water mains, storm water drainage, above ground and below ground drainage facilities, any utilities, underground pipes, conduits, culverts, other utilities, mains and all facilities and improvements ancillary, incident or related thereto.

#### **EXEMPT FROM STATE DEED TAX**

The rights of the City also include the right of the City, its contractors, agents and servants:

- (a) To enter upon the Permanent Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, replacement, grading, sloping, and restoration relating to the purposes of the Permanent Easement; and
- (b) To maintain the Permanent Easement Area, any City improvements and any underground pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such pipes, conduits or mains; and
- (c) To remove from the Permanent Easement Area trees, brush, herbage, aggregate, undergrowth, fencing and other obstructions interfering with the location, construction and maintenance of the utility pipes, conduits, mains and above ground and below ground drainage facilities and to deposit earthen material in and upon the Permanent Easement Area; and
- (d) To remove or otherwise dispose of all earth or other material excavated from the Permanent Easement Area as the City may deem appropriate; and
- (e) To enter onto the Permanent Easement Area as needed in order to restore the Permanent Easement Area to its before condition, if needed.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Permanent Easement Area or the Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner or its successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statutes, Chapter 466.



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PERMANENT EASEMENT AREA**

A permanent easement for public drainage and utility purposes, over, under and across the following described property:

The North 10.00 feet of the South 17.00 feet of Lot 1, Block 1, MALLOY ACRES, according to the recorded plat thereof, Crow Wing County, Minnesota.

Said parcel of land contains 1,190 square feet, more or less.

**EXHIBIT B**  
**DEPICTION OF PERMANENT EASEMENT AREA**

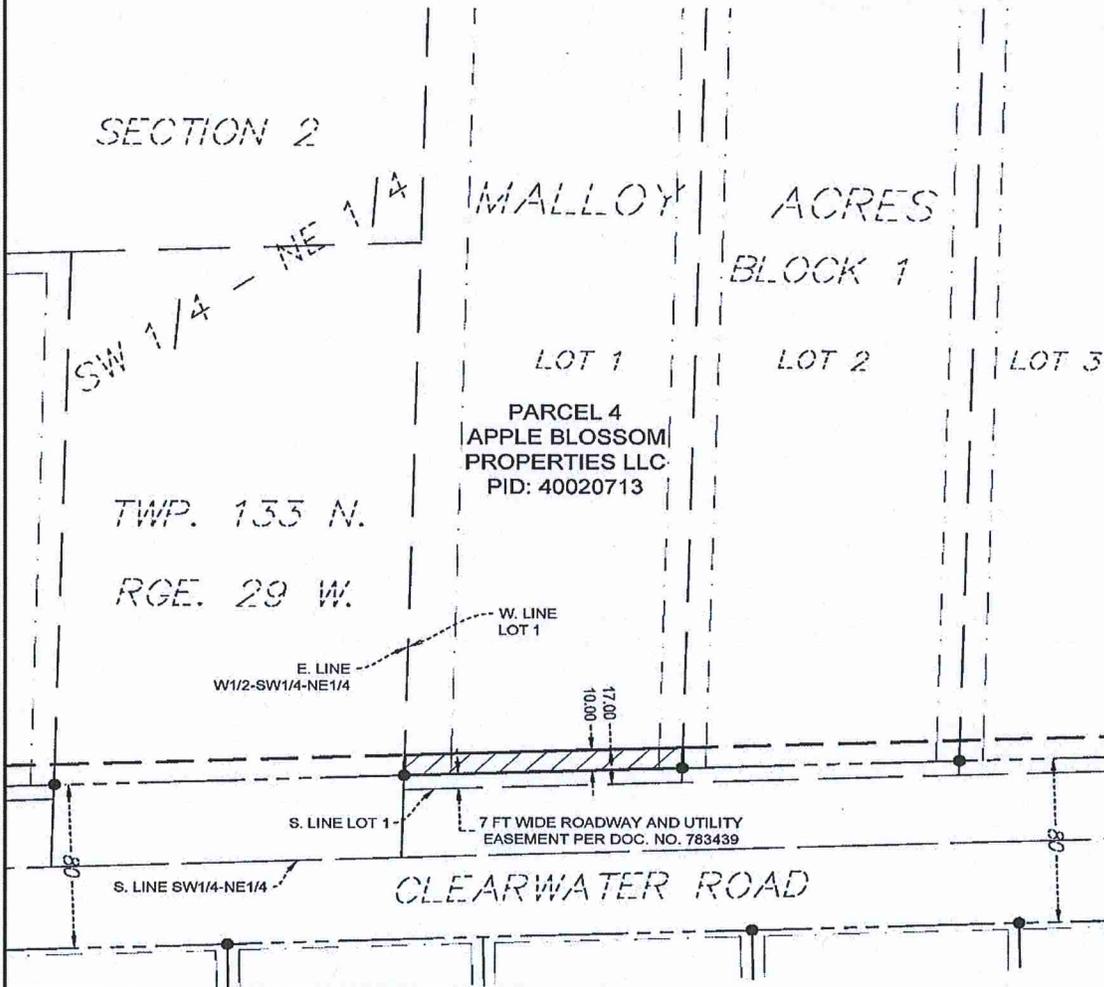
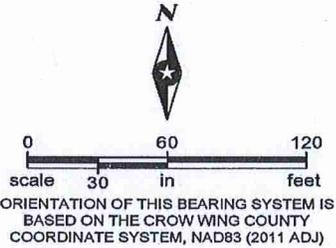
**DESCRIPTION OF PARCEL:**

The North 10.00 feet of the South 17.00 feet of Lot 1, Block 1, MALLOY ACRES, according to the recorded plat thereof, Crow Wing County, Minnesota.

Said parcel of land contains 1,190 square feet, more or less.



DENOTES PROPOSED PARCEL



12/18/2025 12:29 AM BAXTER, MN 56501 SEH\BAXTER\2025\1218\BAXTER EX 4 - Apple Blossom.dwg

**EXHIBIT FOR: 2026 BAXTER ROAD IMPROVEMENTS**

**CITY OF BAXTER  
 CROW WING COUNTY,  
 MINNESOTA**

SEH Project BAXTE184519  
 Drawn By brw  
 Surveyed By brw  
 Checked By djb

I HEREBY CERTIFY THAT THIS SURVEY, PLAN, OR REPORT WAS PREPARED BY  
 ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED  
 LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

*Daniel J. Bemboom*  
 Daniel J. Bemboom, LS  
 DATE 12/18/2025 LICENSE NO. 46562

