

PURCHASE AND DEVELOPMENT AGREEMENT

Crow Wing County PIDs 40060704 and 40060705

1. **Parties.** This Purchase and Development Agreement (this “Agreement”) is made as of this ____ day of _____, 2026 (the “**Effective Date**”) between the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BAXTER, MINNESOTA, a public body corporate and politic under the laws of Minnesota having its office located at: 13190 Memorywood Drive, Baxter, MN 56425 (“**Seller**”) and Kuepers Land Development, LLC, a Minnesota limited liability company, having its office located at: 17018 Commercial Park Road, Brainerd, MN 56401-6066 (“**Buyer**”).
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell vacant real property located on Clearwater Road in the City of Baxter and assigned Crow Wing County PID 40060704 and Crow Wing County PID 40060705, which are legally described on the attached Exhibit A (the “**Property**”).
3. **Price and Terms.** The price for the Property is **Four Hundred Thousand Dollars (\$400,000)** which Buyer shall pay by certified check or wire transfer on the Date of Closing (the “**Purchase Price**”). The “**Date of Closing**” shall be 30 days after the Due Diligence Period as hereafter defined or such other earlier or later date as the parties mutually agree. The Purchase Price shall be payable as follows:
 - a. Upon execution of this Agreement by both parties, Buyer shall deposit with Buyer’s selected title company via cash or wire transfer, \$5,000 (the “**Earnest Money**”). At the closing, the Earnest Money and any interest accrued thereon shall be paid to Seller and credited against the Purchase Price. If Buyer fails to close for any reason, other than i) properly terminating this Agreement pursuant to the terms of Sections 4 and 12; or ii) the default of Seller, the Earnest Money and any interest accrued thereon shall be retained by Seller.

b. The balance of the Purchase Price, plus or minus the prorations and credits provided in this Agreement, shall be paid to Seller in immediately available funds via certified check or wire transfer at the closing.

4. **Contingencies.** Notwithstanding any other provision in this Agreement to the contrary, the parties agree that the purchase of the Property is subject to the following contingencies (collectively, the “**Buyer Contingencies**”) which must be accepted or waived on or before the expiration of the Due Diligence Period hereafter defined, unless a shorter period is expressly provided herein:

a. Title to the Property shall be acceptable to Buyer, in its sole discretion (the “**Title Contingency**”) within the time frames and terms and conditions contained in Section 11.

b. The Property’s environmental condition shall be acceptable to Buyer, in its sole discretion. Copies of any environmental assessments obtained by Buyer shall be provided at no cost to Seller for its use (“**Environmental Contingency**”). Notwithstanding the foregoing, Buyer must conduct such review and other matters during the Due Diligence Period and this Environmental Contingency shall expire on the expiration of the Due Diligence Period.

c. Buyer shall have the right during the Due Diligence Period to conduct such soil tests/geotechnical analyses, inspections, reviews, examinations, and assessments (collectively, the “**Physical Reports**”) if any, as Buyer deems necessary and such Physical Reports and the testing/review required therefore shall be subject to the terms and conditions contained in Section 5. The results of the same shall be satisfactory to Buyer in its sole discretion (the “**Inspection Contingency**”). Copies of any Physical Reports obtained or commissioned by Buyer with respect to the Property shall be provided at no cost to Seller, but without any representation as to their accuracy or how the same may be used. To facilitate Buyer’s due diligence efforts, Seller agrees to deliver copies of all records it has of the Property in its possession, if any, to Buyer within five days after the Effective Date hereof.

d. Buyer shall have obtained all government approvals necessary for Buyer’s intended use of the Property (the “**Government Approval Contingency**”).

e. Buyer shall have obtained financing, on terms and conditions acceptable to Buyer in its sole discretion, for Buyer’s acquisition of the Property.

f. Buyer shall be satisfied in its sole discretion with the results of the survey.

g. There shall have been no material adverse changes on the Closing Date since the expiration of the Due Diligence Period regarding the physical, title, zoning, taxes, assessments, or other conditions of the Property.

Buyer shall satisfy or waive the Environmental Contingency, the Inspection Contingency, and the Government Approval Contingency on or before the expiration of the Due Diligence Period and the Title Contingency in the time prescribed in Section 5 or said Contingencies shall be waived.

On or before that date which is 90 days after the Effective Date hereof (the “**Due Diligence Period**”), Buyer shall, by giving written notice to Seller, either:

- (i) Terminate this Agreement if any one or more of the Buyer Contingencies above have not been satisfied; or
- (ii) Waive the Contingencies listed above and proceed to closing.

Buyer may extend the Due Diligence Period for an additional 30 by providing written notice to Seller at least 10 days prior to the expiration of the Due Diligence Period.

If Buyer elects to terminate this Agreement under clause (i) above, then upon Seller's receipt of Buyer's written notice of termination, this Agreement shall be null and void, all Earnest Money shall be returned by Title Company to Buyer, and neither party shall have any further obligation to the other.

If Buyer elects to waive the Buyer Contingencies and the Title Contingency and proceed under clause (ii) above, then the Earnest Money shall become non-refundable to Buyer except in the event of: (a) Seller's default of this Agreement; (b) termination pursuant to this Section; or (c) termination pursuant to Sections 11 and 12 below; and the parties shall proceed to Closing as provided in Section 3.

- 5. **Access.** On the Effective Date, Seller hereby grants to Buyer and its agents the right of ingress and egress over, under, and through the Property for the purpose of inspecting, and non-invasive testing of the same and making other observations as Buyer deems necessary, all however, at Buyer's expense. This includes the right of Buyer and its agents to perform soil borings on the Property. Buyer shall reasonably repair any damage caused to the Property as a result of Buyer's activities such that the Property is returned to substantially the same condition as it existed prior to Buyer's activities. Buyer agrees to indemnify and hold Seller harmless from all injury, death, or property damage or claim, loss, expense, or lien of any kind whatsoever arising out of or in any way incidental to Buyer's or its employees, contractors, agents, and representatives' presence on the Property. Seller shall reasonably cooperate with Buyer and its due diligence efforts, provided such cooperation is at no expense to Seller.
- 6. **Deed.** Upon performance by Buyer of its obligations under this Agreement, Seller shall deliver a quit claim deed conveying title to the Property to Buyer, in substantially the form attached as Exhibit B (the "Deed").
- 7. **Taxes and Special Assessments.** The parties agree and understand that the Property is not exempt from real estate taxes for taxes payable in the current year. Taxes payable in the current year shall be prorated as of the Date of Closing.

Seller shall pay on Date of Closing all special assessments levied against the Property as of the Date of Closing, including those certified for payment with taxes due and payable in the year of closing. Seller represents that there are no special assessments pending as of the date of this Agreement. If a special assessment becomes pending after the date of this Agreement and before the Date of Closing, Buyer may, at Buyer's option:

- a. Assume payment of the pending special assessment without adjustment to the purchase price of the Property; or
- b. Require Seller to pay the pending special assessment and Buyer shall pay a commensurate increase in the purchase price of the Property, which increase shall be the same as the estimated amount of the assessment; or
- c. Declare this Agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

Buyer shall not apply for or obtain designation of the Property as low income rental property classified as "4d" under Minnesota Statutes, Section 273.13, subdivision 25, for a period of 20 years from the Date of Closing.

8. Closing Costs and Related Items.

Seller shall be responsible for the following costs: (a) recording fees and conservation fees for all instruments required to establish marketable title in Seller; (b) Seller's share of prorations; (c) one-half of all escrow fees and closing fee;

Buyer shall be responsible for the payment of the following costs: (a) the cost of all title evidence, including all search and commitment fees; (b) recording fees required to be paid in connection with this Agreement and the Deed to be given by Seller; (c) deed transfer taxes and conservation fees required to be paid in connection with the Deed to be given by Seller; (d) the premium for an owner's policy of title insurance and any endorsements; (e) Buyer's share of prorations, and (f) one-half of all escrow fees and closing fee, and (g) the cost of surveying and platting of the Property, including any application fees.

Each party shall be responsible for its own consultants' and attorneys' fees and costs.

9. Sewer and Water. Seller warrants that city sewer and water are available at the Property line.

10. Condition of Property. Seller shall cooperate with Buyer in connection with Buyer's Due Diligence (described above). Such cooperation shall include providing such information and documents as Buyer shall reasonably request including (without limitation) any leases and contracts affecting the Property, any Phase I or Phase II report or other documents that relate to the environmental condition of the Property, other documents affecting title to or use of the Property, any documents related to hazardous substances on the Property or any off-site hazardous substances that may now or in the future affect the Property, any proceedings or notices of violations of applicable law, any insurance policies affecting the Property, any documents or requested information concerning compliance with applicable law, including building codes or zoning laws, any contracts concerning utilities or other matters related to the Property, information concerning real estate taxes (or similar governmental charges), surveys, any threatened or actual condemnation or eminent domain

proceedings, any threatened or actual claims, administrative actions, or lawsuits affecting the Property.

Buyer acknowledges that it has inspected or will have the opportunity to inspect the Property and agrees to accept the Property "AS IS." Seller makes no warranty or representations whatsoever, express or implied, regarding the condition, merchantability, habitability, tenantability, environmental condition, or the fitness for any particular purpose or use, of the Property purchased and sold hereunder. Buyer acknowledges that it is purchasing the Property "AS IS, WHERE IS, AND WITH ALL FAULTS" and Buyer for itself and for its successors and assigns hereby waives, releases, and discharges Seller from any and all claims, demands, liabilities, damages, obligations, fines, penalties, costs, and expenses, including (without limitation) reasonable attorneys' fees and disbursements (collectively, the "**Liabilities**"), and covenants not to sue Seller for any Liabilities caused by, arising out of, or related to the condition of the Property or any matters related to the Property. Notwithstanding anything contained herein to the contrary, the provisions of this Section shall survive Closing indefinitely.

Seller represents and warrants:

- a. There have not been and are not now any septic systems or wells located on the Property. The Property does not contain, and has not contained, any above ground or underground storage tanks.
 - b. To Seller's knowledge, methamphetamine production has not occurred on the Property.
 - c. The Property has full and complete legal access from an adjoining public road.
 - d. Seller is not a "foreign person", "foreign partnership", "foreign trust" or "foreign estate" as those terms are defined in Section 144 of the Internal Revenue Code, as amended and the regulations promulgated thereto.
 - e. To Seller's knowledge, Seller is not in default concerning any of its obligations or liabilities regarding the Property.
 - f. No materials have been delivered nor any work or labor performed on the Property under contracts with Seller or on Seller's behalf which have not been fully paid for, and no person or entity presently has any lien, or right of a lien, against the Property for labor or materials.
- 11. Marketability of Title.** Upon execution of this Agreement by both parties, Buyer will obtain a commitment for an owner's title insurance policy from a title company selected by Buyer and will deliver a copy to Seller upon receipt. Buyer shall have 15 business days after receipt of the Title Commitment to examine the same and to deliver written objections to title, if any, to Seller. Seller shall have the greater of (i) the number of days remaining until the Date of Closing; or (ii) 30 days to have such objections removed or satisfied.
- 12. Title Clearance and Remedies.** If Seller shall fail to have title objections timely removed, Buyer may, at its sole election: (a) terminate this Agreement without any liability on its part; in which event the Earnest Money shall be promptly refunded in exchange for a quit claim deed to the Property from Buyer; or (b) take title to the Property subject to such objections.

13. **Well Disclosure.** Seller represents that there are no wells on the Property.
14. **Individual Sewage Treatment System Disclosure.** Seller certifies that there is no individual sewage treatment system on or serving the Property.
15. **Building Construction.** Buyer agrees that it will construct a new residential apartment building on the Property consisting of 60 units, intended for market rate residential use (this covenant shall survive the delivery of the deed).

- A. The apartment building described in this Section is referred to as the “Minimum Improvements.”
- B. The Minimum Improvements shall consist of an apartment building with approximately 60 residential units and shall be constructed substantially in accordance with the plans on file and approved by the City of Baxter. Construction of the Minimum Improvements must be substantially completed within 365 days from the date of closing. Construction will be considered substantially complete when the final certificate of occupancy has been issued by the City of Baxter building official.
- C. Promptly after substantial completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of Buyer to construct such Minimum Improvements (including the date for completion thereof), Seller will furnish Buyer with a Certificate of Completion for such improvements in a form similar to the form attached as Exhibit C. Such certification by Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the Deed with respect to the obligations of Buyer and its successors and assigns, to construct the Minimum Improvements and the dates for completion thereof.

The certificate provided for in this Section of this Agreement shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, Seller shall, within 30 days after written request by Buyer, provide Buyer with a written statement, indicating in adequate detail in what respects Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of Seller for Buyer to take or perform in order to obtain such certification.

- D. The Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements:

(1) Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of Seller's Board. The term "Transfer" does not include encumbrances made or granted by way of security for, and only for, the purpose of obtaining construction, interim or permanent financing necessary to enable Buyer or any successor in interest to the Property, or any part thereof, to construct the Minimum Improvements or component thereof.

(2) If Buyer seeks to effect a Transfer to any person or entity other than an Owner Occupant prior to issuance of the Certificate of Completion, the Seller shall be entitled to require as conditions to such Transfer that:

(i) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to Seller and in form recordable in the public land records of Crow Wing County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of Seller, have expressly assumed all of the obligations of Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and restrictions to which Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by Seller) deprive Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit Seller of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property that Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by Seller to the contrary, no such transfer or approval by Seller thereof shall be deemed to relieve Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this paragraph (D) shall be in a form reasonably satisfactory to Seller.

(3) If the conditions described in paragraph (2) above are satisfied, then the Transfer will be approved and Buyer shall be released from its obligation under this Agreement, as to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transfers.

(4) Upon issuance of the Certificate of Completion, Buyer may Transfer the Property or Buyer's rights and obligations under this Agreement with respect to such Property without the prior written consent of Seller.

E. The Buyer, and its successors and assigns, agree that it (a) will not seek exemption from real estate taxes on the Property under State law; and (b) will not transfer or permit transfer of the Property to any entity whose ownership or operation of the Property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Baxter or Seller in accordance with this Agreement). The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements, and shall remain in effect for 15 years after the Date of Closing.

16. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer. In the event that subsequent to conveyance of the Property or any part thereof to Buyer and prior to receipt by Buyer of the Certificate of Completion for of the Minimum Improvements, Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within 30 days after written demand from Seller to Buyer to do so, then Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in Seller) the estate conveyed by the Deed to Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to Buyer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of Buyer and failure on the part of Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, Seller at its option may declare a termination in favor of Seller of the title, and of all the rights and interests in and to the Property conveyed to Buyer, and that such title and all rights and interests of Buyer, and any assigns or successors in interest to and in the Property, shall revert to Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of Buyer as a result thereof which are the direct result of strikes,

government shutdowns, other labor troubles, prolonged adverse weather or acts of God, fire, or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state, or local governmental unit (other than Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in Buyer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this Section of this Agreement.

17. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in Seller of title to or possession of the Property or any part thereof as provided in Section 16, Seller shall apply the Purchase Price paid by Buyer under Section 3 of this Agreement as follows:

- (a) First, to reimburse Seller for all costs and expenses incurred by Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by Seller from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing Seller by Buyer and its successor or transferee; and
- (b) Second, to reimburse Buyer for the balance of the Purchase Price remaining after the reimbursements specified in paragraph (a) above. Such reimbursement shall be paid to Buyer upon delivery of an executed, recordable warranty deed to the Property by Buyer to Seller.

18. Seller's Covenants. During the period from the Effective Date through the Closing Date, Seller shall: (a) operate, maintain, and preserve the Property in the ordinary course of business and in accordance with prudent and reasonable business standards, keeping the Property in substantially the same condition as it exists on the Effective Date, ordinary wear and tear expected; (b) not grant, create, enter into, modify, or consent to any lien, encumbrance, agreement, contract, lease, easement, license, or other obligation or right affecting the property that will survive Closing without Buyer's prior written consent; (c) promptly forward to Buyer any information or notice Seller receives relating to the Property, including any third party reports, test, studies, or communications from governmental authorities; (d) not enter into, amend, extend, or terminate any contract or

agreement affecting the Property that would be binding upon Buyer or the Property after Closing without Buyer's prior written consent; (e) reasonably cooperate and act in good faith with Buyer, and execute and deliver any applications, forms, or other documentation reasonably required to assist Buyer in obtaining government approvals, without cost to Seller; (f) not file, cause to be filed, or consent to any application for zoning, platting, variance, or other land-use action affecting the Property without Buyer's prior written consent; (g) promptly provide written notice to Buyer upon Seller obtaining knowledge that any of Seller's representation or warranties in this Agreement have become untrue or inaccurate, or that any fact or condition exists which could reasonable cause any such representation or warranty to become untrue or inaccurate; and (h) not take any action or fail to take any action that would cause or permit any of Seller's representations or warranties under this Agreement to become untrue or inaccurate as of the Closing Date. Seller shall pay in full, prior to the Closing Date, all bills and invoices for labor, materials, or services relating to the Property that are incurred by or on behalf of Seller. Seller shall not permit the filing of, and shall promptly discharge of record at or prior to Closing, any mechanics' or materialmen's liens arising from any such, labor, materials, or services.

19. **Notices.** All notices required herein shall be in writing and delivered personally or mailed to the address shown at Section 1 above and, if mailed, are effective as of the date of mailing.
20. **Minnesota Law.** This Agreement shall be governed by the laws of the State of Minnesota.
21. **Specific Performance.** This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.
22. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
23. **No Merger of Representations, Warranties.** All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.
23. **Recording.** This Agreement shall be filed of record with the Crow Wing County Recorder. Buyer shall pay all recording costs.
24. **Commissions.** Seller represents it has entered into a contract with Joe Enge with Edina Realty Inc. ("Seller's Broker") whereby Seller's Broker is entitled to a commission resulting from the transaction contemplated in this Agreement. Buyer represents it has entered into a contract with Nate Grotzke of Close-Converse, Inc. ("Buyer's Broker") whereby Buyer's Broker is entitled to a commission resulting from the transaction

contemplated in this Agreement. Upon Closing, Seller shall be responsible for payment to Seller's Broker for 6% of the Purchase Price, of which 2.5% shall be paid to Buyer's Broker.

Seller and Buyer each represent and warrant to each other that, other than as set forth in this section, they have not dealt with any other brokers, agents, finders or the like in connection with this transaction and the sale and purchase of the Property. Each party shall defend, indemnify and hold the other party harmless from and against any and all losses, liabilities, costs, claims, damages and expenses (including reasonable attorneys' fees) arising out of any claims by any broker, agent, finder, or other person for a commission fee, or other compensation.

25. The Property currently consists of two lots that will be platted by Seller into one lot. Seller shall be responsible for making an application to the City of Baxter (the "City") to plat the Property and any costs associated with the platting of the Property. Buyer's obligation to purchase the Property pursuant to this Agreement shall be contingent upon the approval of the City of the plat.
26. After this Agreement is approved and executed by both parties and Buyer has waived any title objections that it may have pursuant to Section 11 of this Agreement, Buyer may apply to the City for a building permit to commence construction on the Minimum Improvements on the Property prior to closing. In that event, Buyer and Seller shall enter into a separate agreement that addresses liability, insurance, amount to be escrowed, etc. with respect to the Property.

In witness of the foregoing, the parties have executed this agreement on the year and date written above.

**SELLER:
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BAXTER, MINNESOTA**

By: _____

Mark Cross

Its: President

By: _____

Brad Chapulis

Its: Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF CROW WING

This instrument was acknowledged before me on this _____ day of _____, 2026, by Mark Cross and Brad Chapulis, the President and Executive Director, respectively, of the Economic Development Authority of the City of Baxter, Minnesota, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

(Stamp)

Notary Public

BUYER:
[insert name]

By: _____

Its: _____

STATE OF MINNESOTA)
 } ss.
COUNTY OF _____)

The foregoing was acknowledged before me this _____ day of _____ 2026, by
_____, the _____ of _____, a
_____ on behalf of the company.

(Stamp)

Notary Public

This document drafted by:

Kennedy & Graven, Chartered (GLB)
Fifth Street Towers, Suite 700
150 South Fifth Street
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT A
to
PURCHASE AND DEVELOPMENT AGREEMENT

Legal Description of the Property

Parcel 1:

Lot 1, Block 3, JMS Baxter Estates, Crow Wing County, Minnesota.

Parcel 2:

Lot 2, Block 3, JMS Baxter Estates, Crow Wing County, Minnesota.

EXHIBIT B
To
PURCHASE AND DEVELOPMENT AGREEMENT

FORM OF QUIT CLAIM DEED

Deed Tax Due: \$ _____

ECRV _____

QUIT CLAIM DEED

THIS INDENTURE, between the Economic Development Authority of the City of Baxter, Minnesota, a Minnesota public body corporate and politic (the "Grantor"), and _____, a _____ (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of **\$400,000** and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim, and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

Parcel 1:

Lot 1, Block 3, JMS Baxter Estates, Crow Wing County, Minnesota.

Parcel 2:

Lot 2, Block 3, JMS Baxter Estates, Crow Wing County, Minnesota.

Check here if all or part of property is registered (Torrens)

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions, and provisions of the Purchase and Development Agreement recorded herewith, between the Grantor and Grantee, dated as of _____, 2026 (the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for the purchase of the Property hereby conveyed or for erecting the Minimum Improvements thereon (as defined in the Agreement) in conformity with the Agreement, any applicable development program and applicable provisions of the zoning ordinance of the City of Baxter, Minnesota, or for the refinancing of the same.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the development of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder of Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within 30 days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 14 and 15 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to, the condition subsequent that the Grantee substantially complete construction of the Minimum Improvements within 365 days of the date of this Deed and that the Grantee shall transfer or convey the Property and Minimum Improvements thereon only in accordance with Section 14 (D).

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 14 (E) of the Agreement for a period of 15 years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revert in the Grantor the estate conveyed by this Deed on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its President and Executive Director this _____ day of _____, 2026.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).

GRANTOR

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BAXTER, MINNESOTA

By _____
Mark Cross
Its: President

By _____
Brad Chapulis
Its: Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

This instrument was acknowledged before me on this _____ day of _____ 2026, by Mark Cross and Brad Chapulis, the President and Executive Director, respectively, of the Economic Development Authority of the City of Baxter, Minnesota, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

(Stamp)

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered (GLB)
Fifth Street Towers, Suite 700
150 South Fifth Street
Minneapolis, MN 55402
(612) 337-9300

Tax Statements should be sent to:

[insert]

EXHIBIT C
TO PURCHASE AND DEVELOPMENT AGREEMENT

FORM OF CERTIFICATE OF COMPLETION

WHEREAS, the Economic Development Authority of the City of Baxter, Minnesota, a public body, corporate and politic (the "Grantor"), conveyed land in Crow Wing County, Minnesota to _____, a _____ (the "Grantee"), by a Deed recorded in the office of the County Recorder in and for the County of Crow Wing and State of Minnesota, as Document Number _____;

and

WHEREAS, said Deed contained certain covenants and restrictions set forth in Sections 1 and 2 of said Deed; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 15 and 16 of the Agreement (as described in said Deed) have been performed by the Grantee therein, and the County Recorder in and for the County of Crow Wing and State of Minnesota is hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 15 and 16 of the Agreement and the covenants and restrictions set forth in Sections 1 and 2 of said Deed; provided that the covenants set forth in Section 15 (E) of the Agreement, and in Section 3 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20__.

ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF BAXTER, MINNESOTA

By _____
Its: President

By _____
Its: Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ and _____, the President and Executive Director, respectively, of the Economic Development Authority of the City of Baxter, Minnesota, a public body corporate and politic under the laws of the State of Minnesota, on behalf of the public body corporate and politic.

Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED (GLB)
Fifth Street Towers, Suite 700
150 South Fifth Street
Minneapolis, MN 55402
(612) 337-9300