

ESCROW AGREEMENT

This Escrow Agreement (“Agreement”), made and entered into this ____ day of _____, 2026, by and between the City of Baxter, a Minnesota municipal corporation, hereinafter referred to as the “City,” and Agree Limited Partnership, a Delaware limited partnership, hereinafter referred to as “Developer.”

RECITALS

WHEREAS, the Developer has requested approval of permits from the City to redevelop property located at 7352 Glory Road, Baxter, Minnesota - Property Identification Number 40070580, and legally described as:

Lot 1, Block 1 Central Lakes Crossing Second Addition

hereinafter referred to as “Property”; and

WHEREAS, the installation and construction of water and sanitary sewer service and storm sewer improvements, hereinafter referred to as the “Public Improvements,” are required by the City’s ordinances or to serve the redevelopment of the Property; and

WHEREAS, as a condition of its approval of the Public Improvements, the City requires the Developer deposit funds to pay for the inspections of the Public Improvements and fees and costs to administer this Agreement, as set forth in **Exhibit A**, attached hereto and incorporated herein (“Escrow Funds”), and provide to the City as-built drawings of the same; and

WHEREAS, the parties desire to evidence their agreement with respect to the deposit, holding, and disbursement of the Escrow Funds as described herein.

NOW, THEREFORE, the parties agree as follows:

- 1) Within five (5) days of full execution of this Agreement, the Developer shall deposit **\$12,012.00** to be held as Escrow Funds in cash with the City. Upon receipt, the City shall hold the Escrow Funds and disburse the same in accordance with this Agreement. The City shall draw upon the Escrow Funds to pay the costs incurred for the inspections for the Public Improvements and the fees and costs to administer this Agreement.
- 2) No building permit shall be issued by the City until the Developer deposits the Escrow Funds- with the City.
- 3) The Developer shall install the Public Improvements in accordance with the site plan approved by Resolution 2026-0xx, and pursuant to the City Code of the City of Baxter and includes, but is not limited to, the following work:
 - A. Construction of the water and sanitary sewer service.
 - B. Construction of the storm sewer improvements.

- 4) The Developer shall install the Public Improvements before the issuance of a Temporary Certificate of Occupancy.
- 5) Within 90 days of the issuance of a Temporary Certificate of Occupancy, the Developer shall submit to the City as-builts, at its sole cost, for the water service, sanitary sewer service, and storm sewer improvements in accordance with the following:
 - a. Submit in electronic format in “.dwg file form.”
 - b. Depict what was actually built and include all valves, hydrants, curb stops, sewer manholes, sewer clean-outs, and sewer service ends with a corresponding table showing County Coordinates on each item; all storm sewer manhole, inverts, overflows, outflows, catch basins, and storm water ponds with elevations and a corresponding table showing County Coordinates; and stormwater treatment basins, including topographic survey comparison of as-built and design volume to verify capacity is meeting design requirements.
- 6) This Developer grants the City a license to enter the Property for purposes of inspection of the Public Improvements.
- 7) Upon full completion of its obligations under this Agreement, the Developer may submit a written request to the City for the release and return of the remaining amount in the Escrow Funds.
- 8) Within 30 days of the Developer’s written request, the City shall release or disburse the balance of the Escrow Funds if Developer has fulfilled its obligations under this Agreement. No interest shall accrue on said Escrow Funds and only the remaining balance will be returned to the Developer. If in the discretion of the City, there is deemed to be an inadequate balance in the Escrow Funds to pay for all the fees and costs incurred by the City, the City will notify the Developer of the need for additional deposits. The Developer agrees to make such additional deposit within ten (10) days of receipt of such notice.
- 9) If the Developer does not make a written request for the release of the remaining escrow amounts held by the City and for a period of two (2) years thereafter, the amounts held in the Escrow Funds will be forfeit and released to the City.
- 10) The term of this Agreement begins on the Effective Date and terminates when the parties to the Agreement have fulfilled their obligations.
- 11) The recitals set forth above are incorporated and a part of this Agreement.

- 12) All notices permitted or required by this Agreement must be in writing and must be given by electronic mail, registered or certified mail, postage prepaid, or hand delivery to the addresses below:

If to the City: City of Baxter
Attn: _____
13190 Memorywood Drive
Baxter, MN 56425

Email: _____

If to the Developer: Agree Limited Partnership
Attn: _____
Address: _____

Email: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be approved on the Effective Date.

CITY OF BAXTER

DEVELOPER: Agree Limited Partnership

By _____
Darrel Olson
Its Mayor

By: _____
Its: _____

ATTEST:

By _____
Kelly Steele
Its Assistant City Administrator

EXHIBIT A

Estimated Escrow Costs

ENGINEERING INSPECTION ESTIMATED TIME/COST

Description	Hrs	Rate	Total
Water Service	12		
Sanitary Sewer Service	12		
Testing	4		
Stormwater	8		
Final Walk Through	4		
<u>Final Punch List</u>	<u>2</u>		
Total Inspection Fee	42	\$73.00	\$ 3,066.00

GIS/IT COORDINATOR ESTIMATED TIME/COST

Description	Hrs	Rate	Total
GIS Incorporation	6	\$101.00	\$ 606.00

Detail of Legal, Administrative and Other Fees Due City

Description	Hrs	Rate	Total
Administrative & Finance	10	\$112.00	\$ 1,120.00
Public Works/Engineer	20	\$112.00	\$ 2,240.00
City Attorney	11	\$180.00	<u>\$1,980.00</u>
			\$ 5,340.00

AS-BUILT DRAWINGS – Expected to be refunded after as-built drawings are accepted - \$3,000.00.

Total Escrow Amount = \$3,066.00 + \$606.00 + \$5,340.00 + \$3,000.00 = **\$12,012.00**