

EASEMENT DEED

Form No. 28-M - QUIT CLAIM DEED

Minnesota Uniform Conveyancing Blanks (1978)

OSWALD PUBLISHING CO., NEW ULM, MINN.

730093400AAA009PT, 73009430300009PT #0600023, 0600024

Individual (s) to Corporation or Partnership

No delinquent taxes and transfer entered; Certificate of Real Estate Value () filed (✓) not required Certificate of Real Estate Value No.

January 4, 2006, 19

[Signature] County Auditor

by [Signature] Deputy

Office of County Recorder } County of Crow Wing, MN }

I hereby certify that the within instrument was filed in this office for record on the 4 day of Jan A.D. 2006 at 11 o'clock a.m. and was duly recorded as Doc. No.

0702224

[Signature] County Recorder

By [Signature] Deputy RETURN TO Complete - PLS

(reserved for recording data)

STATE DEED TAX DUE HEREON: \$ 0

Date: December 30 2005

FOR VALUABLE CONSIDERATION, Robert P. Schack and Elva R. Schack, husband and wife, Grantor (s),

hereby convey (s) and quitclaim (s) to Ruttger's Bay Lake Lodge, Inc. (marital status)

a corporation under the laws of Minnesota, Grantee, real property in Crow Wing County, Minnesota, described as follows:

Grantors do hereby convey, transfer, and assign to Grantee, an easement for ingress and egress over and across the 33-foot roadway easement described in EXHIBIT "A" attached hereto and made a part hereof.

The conveyance of the above described easement to grantee is subject to conditions and restrictions as fully described in EXHIBIT "B" attached hereto and made a part hereof.

CURRENT TAX CERTIFICATION () REQUIRED (✓) NOT REQUIRED

(if more space is needed, continue on back)

together with all hereditaments and appurtenances belonging thereto

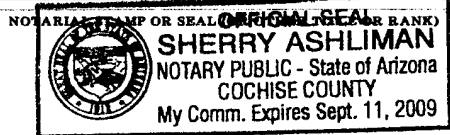
Affix Deed Tax Stamp Here

[Signature] Robert P. Schack

[Signature] Elva R. Schack

STATE OF MINNESOTA Arizona } COUNTY OF Cochise } ss.

The foregoing instrument was acknowledged before me this 29 day of December, 2005, by Robert P. Schack and Elva R. Schack, husband and wife, Grantor (s).



[Signature] Sherry Ashliman SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

Tax Statements for the real property described in this instrument should be sent to (Include name and address of Grantee):

Ruttger's Bay Lake Lodge, Inc. State Highway #6 Deerwood Minnesota 56444

THIS INSTRUMENT WAS DRAFTED BY (NAME AND ADDRESS):

Glen A. Gustafson 510 Maple Street Brainerd Minnesota 56401-3528

33889-G

EXHIBIT "B"

This EXHIBIT "B" is hereby attached to a deed conveying easement rights from Robert P. Schack and Elva R. Schack, husband and wife hereinafter referred to as Schack; to Ruttger's Bay Lake Lodge, Inc., hereinafter referred to as Ruttger's. The easement for ingress and egress being conveyed by the quit claim deed attached hereto is subject to the following conditions, covenants, restrictions, and agreements:

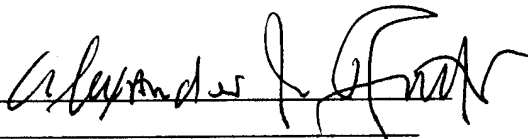
1. Ruttger's does hereby have the right to clear said easement area and remove timber and foliage to clear the roadway within the easement, and shall not be a width greater than the existing trail. Ruttger's shall also be allowed to maintain this easement in a reasonable fashion and shall be allowed to remove fallen trees and to trim any branches that could interfere with normal ingress and egress.
2. That as a part of the consideration for this easement, Ruttger's does hereby agree to install a gate at the entrance of the property owned by Ruttger's to the immediate north at the north end of the easement being conveyed, and this gate shall be secured by a lock which will prevent vehicular traffic from entering Ruttger's property owned to the north without passing through said gate. Ruttger's hereby agrees to furnish a key to this gate to Schack to allow Schack to have access to the gate and to use this easement road. Any costs associated with the purchase and installation of said gate shall be at the sole responsibility of Ruttger's.
3. Ruttger's does hereby grant to Schack, full access to Ruttger's property which is benefitting from this easement lying adjacent and directly to the north, for the purpose of hiking and/or cross country skiing. The property owned by Ruttger's for purposes of this access for hiking and cross country skiing, is described in EXHIBIT "C" attached hereto. This access and easement right of Schack shall exist only so long as Schack owns the property described in EXHIBIT "E". At anytime Schack should sell or convey the property described in EXHIBIT "E", this right of access and easement for hiking and cross country skiing shall terminate.
4. Ruttger's does hereby agree and covenant that as long as Schack owns their property as described in EXHIBIT "E", that Ruttger's will not subdivide its property nor will it construct any improvements or structures and will not apply to either Lake Edwards Township or Crow Wing County for a change in zoning of its property without the written consent of Schack. This restriction and covenant shall run with the land and shall be binding on any subsequent transfer or conveyance by Ruttger's and shall be binding until such time as Schacks have no ownership rights in the property described in EXHIBIT "E". At such time as Schack shall no longer have any ownership interest in the property as described in

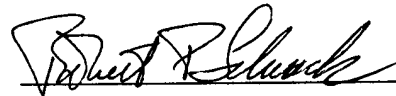
EXHIBIT "E", Ruttger's and any subsequent purchaser of Ruttger's property or any heir or assign shall have the full right to construct improvements, seek zoning changes, and subdivide its property in accordance with existing planning and zoning ordinances that are in full force and effect at that time. The property owned by Ruttgers for purposes of these restrictions, covenants, and easements is described in EXHIBIT "C" attached hereto, and this land only.

5. Schack, as a part of the consideration of this easement deed and conveyance, do hereby grant, convey, and transfer to Ruttger's, a right of first refusal on the existing Schack property as described in EXHIBIT "D" attached hereto. This right of first refusal shall be fully assignable and transferable by Ruttger's in the event of a sale by Ruttger's to a purchaser. This right of first refusal, meaning that in the event that Schack should desire to sell their property, that Schack shall give written notice to Ruttger's and/or its assigns and shall give Ruttger's and/or assigns the first opportunity to purchase their property. This right of first refusal further meaning that Schack shall not sell, assign, convey, or transfer to any other buyer without first offering their property for sale to Ruttger's and/or assigns at the same terms, conditions, and obligations as has been presented to them by a "good faith" purchaser. Any notices required under this right of first refusal shall be in writing and sent to Ruttger's and/or assigns by registered mail and shall give Ruttger's at least fifteen (15) days notice to exercise it rights under this right of first refusal. If the right to purchase by Ruttger's under this right of first refusal is exercised, a purchase agreement shall be entered providing for a closing date within sixty (60) days. Schack does hereby acknowledge that they will be conveying the E1/2 SW1/4, except the West 1,060 feet, Section 9, Township 135, Range 28, thereof, to Fletcher and Carol Lewis; and said conveyance will be subject to the easement being conveyed herein, described in EXHIBIT "A".
6. The above restrictions, rights, and covenants as provided in this easement shall be fully binding on all heirs, assigns, and transferees of Ruttger's and Schack.

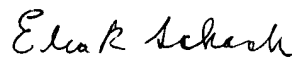
The undersigned do hereby agree to and acknowledge the above described easements, restrictions, and covenants.

Ruttger's Bay Lake Lodge, Inc.

By: 
Its: President



Robert P. Schack


Elva R. Schack

STATE OF Arizona)
)ss
COUNTY OF Cochise)

On this 29 day of December, 2005, before me, a Notary Public,
personally appeared **Robert P. Schack** and **Elva R. Schack**, to me known to be the persons described in and who executed the foregoing instrument of their own free act and deed.

Sherry Ashliman
[NOTARY PUBLIC]



EXHIBIT "A"

LEGAL DESCRIPTION: INGRESS, EGRESS & UTILITY EASEMENT

A 33.00 foot easement for ingress, egress and utility purposes over, under and across that part of the Southeast Quarter of the Southwest Quarter and Government Lot 3, all in Section 9, Township 135 North, Range 28 West, Crow Wing County, Minnesota, the centerline of which is described as follows: Commencing at the southeast corner of said Southeast Quarter of the Southwest Quarter; thence South 88 degrees 12 minutes 51 seconds West 19.10 feet, assumed bearing along the south line of said Southeast Quarter of the Southwest Quarter to the point of beginning of the centerline to be described; thence North 01 degree 47 minutes 09 seconds West 136.33 feet; thence northwesterly along a tangential curve concave to the southwest having a radius of 175.00 feet, a central angle of 46 degrees 02 minutes 02 seconds for an arc length of 140.60 feet; thence North 47 degrees 49 minutes 11 seconds West 77.31 feet; thence North 27 degrees 01 minutes 29 seconds East 501.30 feet; thence North 14 degrees 01 minute 10 seconds East 500.48 feet; thence North 29 degrees 21 minutes 51 seconds East 127.40 feet to the north line of said Government Lot 3 and said centerline there terminating.

The sidelines of said easement are to be prolonged or shortened to terminate at the south line of said Southeast Quarter of the Southwest Quarter and at the north line of said Government Lot 3.

EXHIBIT "C"

GOVERNMENT LOTS ONE (1) AND TWO (2), SECTION NINE (9), TOWNSHIP
ONE HUNDRED THIRTY-FIVE (135), RANGE TWENTY-EIGHT (28).

a

EXHIBIT "D"

GOVERNMENT LOT THREE (3), SECTION NINE (9), TOWNSHIP ONE HUNDRED
THIRTY-FIVE (135), RANGE TWENTY-EIGHT (28).

a

EXHIBIT "E"

a
GOVERNMENT LOT THREE (3), SECTION NINE (9), TOWNSHIP ONE HUNDRED
THIRTY-FIVE (135), RANGE TWENTY-EIGHT (28);

AND

a
THE EAST HALF OF THE SOUTHWEST QUARTER (E1/2 SW1/4), SECTION NINE
(9), TOWNSHIP ONE HUNDRED THIRTY-FIVE (135), RANGE TWENTY-EIGHT
(28), EXCEPTING THEREFROM THE WEST 1,060 FEET.