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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 19 day of April
A.D. 2007 at 11:15 o'clock A.M.
and was duly recorded as Doc. No. **0728216**

CURRENT TAX CERTIFICATION
() REQUIRED (X) NOT REQUIRED
CERTIFICATE OF REAL ESTATE VALUE
() FILED (X) NOT REQUIRED
NO DELINQUENT TAXES-TRANSFER ENTERED
DATE April 19 20 07
Dolores Erickson BY JW
CROW WING COUNTY AUDITOR
TRANSFER # 0703356, 0703357, 0703358
RE CODE: 500104401000009
500113205000009
500113304000009

[Signature] County Recorder
By [Signature] Deputy

G&F 13629

CONSERVATION EASEMENT

THIS IS A CONSERVATION EASEMENT by and between FIRST LUTHERAN CHURCH, ST. PAUL, RAMSEY COUNTY, MINNESOTA, previously known as First Swedish Evangelical Lutheran Church, St. Paul, Ramsey County, Minnesota and as First Swedish Evangelical Lutheran Church, and as First Swedish Evangelical Lutheran Church of St. Paul, a nonprofit corporation under the laws of the State of Minnesota, (Grantor), and STATE OF MINNESOTA, a sovereign body (Grantee).

1. BACKGROUND

1.1. Grantor is the owner of real property, ("Protected Property"), in Crow Wing County, Minnesota, which is described as:

- a All of Government Lots 4 and 5 of Section Eleven (11), Township Forty-five (45) North, Range
- a Twenty-eight (28) West; and Government Lot 1 of Section Ten (10), Township 45 North, Range 28 West.

The Protected Property is 59 acres more or less in size and consists of the entire island known as Church Island in Bay Lake.

The Protected Property is generally depicted on the map attached hereto as Exhibit A.

1.2. The Protected Property is primarily woodland, wetland, and riparian areas; but also supports a seasonal group camp used by the Grantor consisting of a number of structural improvements. In addition, the Protected Property has important ecological and aesthetic values enjoyed by the public from Bay Lake.

1.3. The natural, scenic, and ecological qualities, and the forested and open space character ("Conservation Values") of the Protected Property are set forth in the Property Report dated March 30, 2007, which the parties acknowledge accurately represents the present condition of the Protected Property. Each of the parties has a copy of the Property Report. The Grantee intends to use the Property Report as the basis for monitoring subsequent uses of the Protected Property and enforcing the terms of this Conservation Easement.

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Notwithstanding this, the parties may use all other relevant evidence to establish the present condition of the Protected Property in the event of a disagreement as to whether a subsequent activity or use is consistent with the terms of this Conservation Easement.

1.4. The Grantee is qualified to acquire and hold conservation easements under Section 170(h)(3) of the Internal Revenue Code of 1986, any amendments and any regulations promulgated there under, and under Minnesota Statutes chapter 84C and section 84.64.

1.5. The Legislature of the State of Minnesota (hereinafter "Legislature") authorizes the State of Minnesota and counties thereof, as well as nonprofit organizations, to preserve, acquire or hold lands for open space uses, which specifically include farmland, wetlands, native or restored prairie, or lands deemed critical to protecting soil, water quality, and enhancing fish and wildlife habitat; and that actions pursuant to these purposes are for the public health, safety, and general welfare of the citizens of the State of Minnesota, and for the promotion of sound land development by preserving suitable open spaces.

1.6. The Legislature has declared that public open space benefits result from the protection and conservation of natural areas including the protection of scenic areas for public visual enjoyment from public rights-of-way; that the conservation and protection of restored natural areas as valued natural and ecological resources provide needed open spaces for clean air as well as for aesthetic purposes; and that public benefit will result from the conservation, protection, development and improvement of restored natural areas.

1.7. Grantee, through its Department of Natural Resources, shall protect in perpetuity, natural areas and ecologically significant land for aesthetic, scientific, and educational purposes and pursuant to the terms of this Conservation Easement.

1.8. Grantee has declared that the preservation of open space is vital to the public interest of the State of Minnesota through its economic, environmental, cultural and scenic benefits.

1.9. Grantee, by acquiring this grant of easement, agrees to honor and defend the intentions of Grantor stated herein and to preserve and protect in perpetuity the open space values of the Protected Property for the benefit of this generation and the generations to come.

1.10. Grantor desires and intends that the open space character of the Protected Property be preserved, protected and maintained in perpetuity.

1.11. Grantor desires and intends to place restrictions upon the use of the Protected Property and, by executing this Conservation Easement, Grantor creates a conservation easement on, over and across the Protected Property and grants affirmative rights to ensure the preservation of the natural elements and values of the Protected Property and to protect and maintain its native plant communities and native animal populations.

1.12. Grantor intends to convey to Grantee the right to protect the ecological values of the Protected Property in perpetuity and to prevent or to remedy activities or uses that are inconsistent with the terms of the Conservation Easement.

2.
CONVEYANCE

NOW, THEREFORE, the Grantor, for good and valuable consideration, to it in hand paid by Grantee, the receipt whereof is hereby acknowledged, and pursuant to Minnesota Statutes Chapter 84C and Section 84.64, and other applicable Minnesota laws, does hereby grant and convey to the Grantee, its successors and assigns, forever, a Conservation Easement ("Conservation Easement") in perpetuity over the Protected Property subject to the following rights and restrictions:

3.
AFFIRMATIVE RIGHTS

The Grantor conveys to the Grantee and its successors and assigns the following rights:

3.1. **Enforcement.** The right to enforce by proceedings, at law or in equity, the covenants contained in this Conservation Easement. This right shall include, but shall not be limited to, the right to bring an action in any court of competent jurisdiction to enforce the terms of this Conservation Easement; to require the restoration of the Protected Property to its prior or more natural condition; to enjoin such non-compliance by temporary or permanent injunction; and to recover any damages arising from such non-compliance. Such damages, when recovered, may be applied by the Grantee, in its discretion, to corrective action on the Protected Property, if necessary. If such court determines that the Grantor has failed to comply with this Conservation Easement or the Natural Resource Management Plan, Grantor shall reimburse Grantee for any reasonable costs of enforcement, including costs of restoration, court costs, and reasonable attorney's fees, in addition to any other payments ordered by such court.

3.2. **Notice of Non-compliance.** If the Grantee becomes aware of an event or circumstance of non-compliance with the terms and conditions set forth in this Conservation Easement, the Grantee shall give written notice to the Grantor, its successors or assigns, at the address set forth below, of such event or circumstance of non-compliance and require the Grantor to restore the Protected Property to its previous condition as described in the Property Report. Failure by the Grantor, its successors or assigns, to cause discontinuance, abatement or such other corrective action as may be requested by the Grantee within thirty (30) days after receipt of notice, shall entitle Grantee to bring an action as authorized in this Conservation Easement.

3.3. **Waiver; Laches.** The Grantee does not waive or forfeit the right to take action as may be necessary to insure compliance with the covenants and purposes of this Conservation Easement on the Protected Property by any failure to act. Grantor waives any defense of laches with respect to any delay by the Grantee in acting to enforce any of the provisions or exercise any rights under this Conservation Easement.

3.4. **Changes Beyond Grantor's Control.** Nothing in this Conservation Easement shall be construed to entitle the Grantee to institute any enforcement proceeding against the Grantor for any changes to the Protected Property due to causes beyond the Grantor's control, such as changes caused by fire, flood, storm, civil authorities undertaking emergency action or third parties not under the control or supervision of, or not acting with the consent of, the Grantor.

3.5. **Monitoring.** The right of designated representatives of the Grantee to enter the Protected Property in a reasonable manner to conduct monitoring, management evaluations and activities and determine

easement compliance is recognized. The Grantee shall give reasonable prior notice to Grantor of all such entries and shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Protected Property.

3.6. **Reporting Environmental Violations.** The Grantee, in addition to other remedies, shall have the right to report any environmental concerns or conditions or any actual or potential violations of any environmental or other laws to appropriate regulatory or law enforcement agencies. The Grantee shall notify the Grantor at the same time it notifies any appropriate authority notified pursuant to this section.

4.

RESERVED RIGHTS

4.1. **Generally.** Grantor reserves for the Grantor and its successors and assigns, all rights as owner of the Protected Property, except the right to undertake any activities which are expressly and specifically prohibited by this Conservation Easement or which are inconsistent with or detrimental to the protective purposes of this Conservation Easement.

4.2. **Notice of Impending Action.** Grantor agrees to notify the Grantee, in writing, before exercising any reserved right which may have an adverse impact on the natural characteristics or ecological and aesthetic features of the Protected Property protected by this Conservation Easement. This includes giving notice to the Grantee before beginning any construction permitted under 5.7.

5.

COVENANTS

IN FURTHERANCE of the foregoing affirmative rights, Grantor intends that rights under this Conservation Easement conveyed to the Grantee on behalf of the public shall continue to exist in perpetuity. Grantor makes the following covenants on behalf of the Grantor, its successors and assigns, which covenants shall run with and bind the Protected Property in perpetuity:

5.1. **Management Plan.** All natural resource management practices on the Protected Property, including implementation of those practices, shall be in accordance with a Natural Resource Management Plan ("Management Plan") agreed to by the Grantor and Grantee. The Management Plan may be revised or modified by written agreement of the Grantor and Grantee. Grantor and Grantee will each retain a copy of the Management Plan.

5.2. **Transferable Development Rights.** No development rights in or to the Protected Property, or any part thereof which have been encumbered or extinguished by this Conservation Easement shall be transferred to any location outside the Protected Property, whether pursuant to a cluster development plan or any other agreement or plan for transferable development rights.

5.3. **Use of the Protected Property.** The Protected Property may be used and developed only as set forth below.

5.3.1 **Commercial and Industrial Uses.** There shall be no commercial or industrial activity undertaken or allowed except as specifically permitted in this Conservation Easement. No right of passage across or upon the Protected Property shall be allowed or granted, if that right of passage is used

in conjunction with commercial or industrial activity. This paragraph does not preclude the use of the Protected Property for professional home offices, day care, production and sale of crafts, and other home businesses conducted in the home of a person residing on the Protected Property. No additional buildings, roads or parking areas not otherwise permitted under this Easement may be constructed to accommodate these activities.

5.3.2 Camp Use. The Protected Property may be used and developed for residential camp purposes subject to the provisions and restrictions set forth in this Conservation Easement. No temporary or permanent buildings, structures, utilities, or other improvements of any kind may be placed or constructed on the Protected Property for camp use except as permitted in this Conservation Easement.

5.3.3 Residential Use. If the Protected Property is no longer used for camp purposes as allowed above, the Protected Property may then be used and developed for one single family residence subject to the provisions and restrictions set forth in this Conservation Easement. No right of passage across or upon the Protected Property shall be allowed or granted, if that right of passage is used in conjunction with residential use or development of property other than that use specifically allowed by this Conservation Easement. No temporary or permanent buildings, structures, utilities, or other improvements of any kind may be placed or constructed on the Protected Property for residential use except as permitted in this Conservation Easement.

5.3.4 Recreational and Educational Use. The Protected Property may be used for fishing, hiking, cross country skiing, nature observation and other similar, low-impact, non-motorized educational and recreational programs or activities. Hunting shall be allowed on the Protected Property, subject to the any reasonable rules, regulations and policies established under 5.10 below.

Camping on the Protected Property by the general public is prohibited. Camping on the Protected Property by the Grantor is permitted only in the building envelopes defined in 5.6 below.

Recreational and educational use of the Protected Property may be further restricted pursuant to any reasonable rules, regulations and policies established under 5.10 below.

5.3.5 Agricultural Uses. There shall be no tilling or plowing or use of the Protected Property for commercial cultivation of crops. Grantor may establish and maintain vegetable and flower gardens for non-commercial use within the building envelopes defined in 5.6 below and as allowed by the Management Plan.

5.4. Land Use Controls. No portion of the protected property shall be used to satisfy land area requirements for other property not subject to this Conservation Easement for purposes of calculating building density, lot coverage, or open space under otherwise applicable laws, regulations, or ordinances controlling land use.

5.5. Subdivision. The Protected Property may not be divided, subdivided, or partitioned. The Protected Property may be conveyed only in its entirety as a single parcel, regardless of whether it consists of or was acquired as separate parcels or is treated as separate parcels for property tax or other purposes.

5.6. **Building Envelopes.** For purposes of identifying the location of permitted structures and improvements, two building envelopes have been created on the Protected Property.

Both of these building envelopes are generally depicted on Exhibit A attached hereto and incorporated herein.

The interior boundary lines of the building envelope are generally described as follows:

Camp Operations Building Envelope:

All that part of said Government Lots 4 and 5 lying southerly and easterly of the following described lines: Commencing at the northwest corner of said Government Lot 4; thence on an assumed bearing of North 90 degrees 00 minutes East, a distance of 1217 feet along the north line of said Government Lot 4 to the POINT OF BEGINNING; thence North 11 degrees 39 minutes East, a distance of 70 feet; thence North 59 degrees 50 minutes East, a distance of 393 feet, more or less to the waters edge of Bay lake and there terminating; and again from the POINT OF BEGINNING; thence South 11 degrees 39 minutes West, a distance of 338 feet; thence South 70 degrees 20 minutes West, a distance of 415 feet; thence South 01 degree 30 minutes West, a distance of 175 feet, more or less to the waters edge of Bay Lake and there terminating.

Rustic Camp Building Envelope:

All that part of said Government Lot 1 lying northerly and westerly of the following described lines: Commencing at the northwest corner of said Government Lot 4, Section 11, Township 45 North, Range 28 West; thence on an assumed bearing of North 90 degrees 00 minutes West, a distance of 78 feet to the POINT OF BEGINNING; thence North 14 degrees 53 minutes East, a distance of 25 feet, more or less to the waters edge of Bay lake and there terminating; and again from the POINT OF BEGINNING; thence South 14 degrees 53 minutes West, a distance of 60 feet; thence South 42 degrees 49 minutes West, a distance of 140 feet; thence South 43 degree 56 minutes West, a distance of 154 feet; thence South 47 degrees 45 minutes West, a distance of 165 feet; thence North 62 degrees 15 minutes West, a distance of 89 feet, more or less to the waters edge of Bay Lake and there terminating.

In order to more precisely identify and describe these boundary lines, the Grantor may have these boundary lines surveyed and staked. The Grantor will give a copy of any such survey and the related legal description of the boundary lines to the Grantee.

5.7. **Construction and Improvements.** No temporary or permanent buildings, structures, utilities, or other improvements of any kind may be placed or constructed on the Protected Property except as set forth in this Conservation Easement. All improvements, including but not limited to structures and utilities, are subject to applicable planning and zoning regulations.

5.7.1. **Notice.** The Grantor will give the Grantee notice as set out in 4.2 and 6.4 of this Conservation Easement before beginning any construction permitted under this Conservation Easement.

5.7.2. **General Prohibition.** There shall be no construction or placing of any house, garage, barn, mobile home, or other building on the Protected Property except within the Camp Operations

Building Envelope and Rustic Camp Building Envelope described herein. Other structures or improvements may be located only as specifically permitted in 5.7.9 in the outdoor chapel area.

5.7.3. Vegetation Impact. In constructing, placing or maintaining any structures or improvements permitted herein, vegetation shall be managed to maintain filtered views of the Protected Property to provide a scenic view of the Protected Property from Bay Lake and to protect the natural and scenic quality of the shoreline.

“Filtered view” means a view through trees and lesser vegetation of sufficient and reasonable density as to maintain a continuous or near-continuous concealment, assuming a leaf-on condition. In the Camp Operations Building Envelope where a near-continuous canopy does not exist or in the event of a natural event such as a blow-down that destroys the existing near-contiguous canopy, it is the intent of this provision to permit natural succession to revegetate the site where a point of reasonable filtered view can be maintained. To that end, it is the purpose of this provision to prevent Grantor from undertaking excessive thinning or pruning or creating a lawn, clearing, or other unnatural openings or alterations, other than at the beach or deck arrival area as defined in 5.7.14 below.

There shall be no other vegetation management except as may be specifically allowed in the Management Plan.

5.7.4. Roads. Maintenance of existing roads is allowed as set forth in the Management Plan. There shall be no construction or installation of new roads. There shall be no construction of parking areas of asphalt, bituminous, gravel, concrete or other materials on the Protected Property.

5.7.5. Existing Structures - Camp Operations. The existing camp structures located in the Camp Operations Building Envelope as more fully described in the Property Report include: one indoor chapel, one mess hall, one pole building, one bath house, ten cabin structures, one athletic storage building, one boathouse, one swing set, two outhouses, one playground complex, one fire ring and a wood deck. These existing camp buildings and structures may be maintained, repaired, remodeled, improved, expanded and replaced within the Camp Operations Building Envelope. Structure height may not exceed the plane of the hypotenuse of a triangle with angle measure 2.6 degrees originating at any point perpendicular to and 1,000 feet off shore as measured from the official ordinary high water level (OHW), or local ordinances, whichever is less, as more fully demonstrated in the Property Report. This height limitation does not include the cross on the roof of the chapel.

All external construction materials, including type and color, must blend with the natural landscape.

The maintenance of outhouses shall be in accordance with local ordinances and the Management Plan.

5.7.6. New Structures – Camp Operations. Grantor may construct or place additional camp-related structures on the Protected Property only within the Camp Operations Building Envelope and consistent with local ordinances. Such structures may include cabins, a bathhouse, a boathouse, and a shelter among others. Structure height may not exceed the plane of the hypotenuse of a triangle with angle measure 2.6 degrees originating at any point perpendicular to and 1,000 feet off shore as measured

from the official ordinary high water level (OHW), or local ordinances, whichever is less, as more fully demonstrated in the Property Report. This height limitation does not include any cross on the roof of the chapel.

All external construction materials, including type and color, must blend with the natural landscape.

5.7.7. Existing Structures - Rustic Camp. The existing camp structures located in the Rustic Camp Building Envelope include: one cabin, two outhouses, one accessory structure, one flagpole, and one picnic shelter.

The cabin may be maintained, repaired, remodeled, improved, and replaced in substantially its same location within the Rustic Camp Building Envelope, provided it complies with any applicable zoning or other regulatory setbacks. If not, it shall be moved further away from the shoreline to comply with setback regulations. The cabin may be expanded to include a screened porch, deck and loft. Structure height may not exceed the plane of the hypotenuse of a triangle with angle measure 2.6 degrees originating at any point perpendicular to and 1,000 feet off shore as measured from the official ordinary high water level (OHW), or local ordinances, whichever is less, as more fully demonstrated in the Property Report.

All external construction materials, including type and color, must blend with the natural landscape.

The maintenance of the pit toilet shall be in accordance with local ordinances and the Management Plan.

5.7.8. New Structures - Rustic Camp. Tent platforms are permitted in the Rustic Camp Building Envelope. There shall be no more than 5 platforms, each not to exceed a total square footage of 280 square feet. Structure height may not exceed the plane of the hypotenuse of a triangle with angle measure 2.6 degrees originating at any point perpendicular to and 1,000 feet off shore as measured from the official ordinary high water level (OHW), or local ordinances, whichever is less, as more fully demonstrated in the Property Report.

All external construction materials, including type and color, must blend with the natural landscape.

Once the Protected Property is converted from camp use to single-family residential use, no additional new structures may be placed or constructed in the Rustic Camp Building Envelope.

5.7.9. Other Existing Improvements - Outdoor Chapel Area. There is an area of approximately one-half acre on the Protected Property that is currently used and maintained as an outdoor chapel. This area is generally depicted on Exhibit A. This area may be maintained in its current size and condition but may not be expanded beyond one-half acre.

The structures associated with the outdoor chapel include: rustic benches, an altar, a cross, and docks. These structures may be maintained and replaced in substantially their same location for

substantially the same use. Additional benches may be added provided that there is no clear cutting to accommodate these structures.

There are buried electric and water lines that serve the chapel area. These utility systems may be maintained and replaced as needed to serve existing uses, but may not be expanded. Water may be pumped from the lake in accordance with the Management Plan.

A small equipment storage structure of no more than 30 square feet is permitted with the prior written approval of the Grantee as to location and consistent with local ordinances.

Docks are addressed below in 5.7.16 below.

5.7.10. Fire Rings. Two fire rings are located on the Protected Property as generally depicted on Exhibit A and in the property report. Sunset Fire Ring includes log bench seats and a combination outhouse and firewood shed, all of which are permitted. Maintenance and replacement of the bench seats and outhouse/firewood shed is permitted and shall comply with local ordinances. The Point Fire Ring has log bench seats and no other accessory structures. These rings are for the exclusive use of the Grantor.

No new fire rings are permitted except in the two building envelopes described above.

5.7.11. New Structures for Single-Family Residential Use. If the Protected Property is no longer used as a camp facility, the Protected Property may then be used and developed for one single-family residence with related accessory buildings or structures.

The Grantor and the Grantee recognize that those buildings and structures located on the Protected Property at the time it is converted to residential use may not be suitable for such residential use. Such buildings may need to be removed or renovated and new buildings may need to be constructed in order to accommodate residential use.

It is the intent of the parties to allow one primary single-family residential dwelling on the Protected Property and to allow appropriate related accessory buildings. It is also the intent of the parties to make sure that all construction is consistent with protecting the conservation values of the Protected Property. Therefore, the construction of any new buildings or structures other than a primary residential dwelling requires the advance written approval of the Grantor. Such approval will not be unreasonably withheld. A request for approval shall be given in the same form as required for notice in 5.7.1. above.

The maximum total square footage of impervious surface for all buildings, structures and improvements allowed for residential use shall be the total square footage of all of those buildings and structures within the Camp Operations Building Envelope existing at the time of conversion or 37,000 square feet, whichever is less. Impervious surface shall include, but is not limited to, buildings, roofs, patios, decks, and areas covered by class 5 gravel.

A new residential dwelling and related buildings are permitted either alone or in combination with then existing buildings, structures, and improvements but the total maximum square foot impervious surface cover shall not exceed 37,000 square feet.

Structure height may not exceed the plane of the hypotenuse of a triangle with angle measure 2.6 degrees originating at any point perpendicular to and 1,000 feet off shore as measured from the official ordinary high water level (OHW), or local ordinances, whichever is less, as more fully demonstrated in the Property Report.

All external construction materials, including type and color, must blend with the natural landscape.

5.7.12. Utilities/Septic Systems. Utility systems and facilities may be installed, maintained, repaired, extended and replaced only within the Camp Operations Building Envelope and those existing utilities that serve the Outdoor Chapel as allowed above, and only to serve uses and activities specifically permitted by this Conservation Easement. This includes, without limitation, all systems and facilities necessary to provide on-site power, fuel, water, waste disposal and communication but does not permit communication towers, wind turbines, or similar structures, without the prior written approval of the Grantee.

Utility systems and facilities shall follow, to the extent possible, existing alignments, roads, or trails and be installed or constructed with minimal grading and disturbance to vegetation. Following installation or construction, the surface shall be restored to a condition consistent with the conservation purposes of this Easement.

Septic systems will be maintained as provided in the Management Plan.

5.7.13. Outdoor Lighting. In order to minimize sky glow or light pollution originating from the Camp Operations Building Envelope, all outdoor light fixtures shall comply with local ordinances or must minimize light emitted above the plane of the horizon of such fixtures through the use of earthward directed or full cut-off fixtures or lamps with single or minimal-color light sources, or other equally effective fixtures designed to minimize light pollution, whichever is more restrictive. No electric lights are permitted in the outdoor chapel area.

5.7.14. Beaches/Deck Arrival Area. No development of new beaches is permitted. The existing beach and deck arrival area in the Camp Operations Building Envelope may be maintained and improved, but may not be expanded.

5.7.15. Fences. No fences are permitted except as may be specifically allowed in the Management Plan.

5.7.16. Docks. Docks are allowed only in the Camp Operations Building Envelope, Rustic Building Envelope and Outdoor Chapel Area. The number and type of docks will be in accordance with the Management Plan. If the Protected Property is converted to residential use, only one dock will be allowed. That dock will be located in the Camp Operations Building Envelope. The type and size of the dock will be addressed by the Management Plan.

5.7.17. **Trails.** There shall be no trails established or maintained on the Protected Property except for those specifically allowed in the Management Plan.

5.7.18. **Removal of Deteriorating Buildings.** The Grantor and the Grantee recognize that buildings or structures on the Protected Property may deteriorate over time or become uninhabitable or no longer useful.

Grantor may remove any buildings and structures or permit them to continue to deteriorate, provided that in the event the deteriorating buildings and structures create a hazard or a nuisance, the Grantor shall remove them or the hazard or nuisance as necessary. If the Grantor removes any buildings and structures, the Grantor will restore the affected area to a condition consistent with the conservation values of the Protected Property.

5.8. **Motor Vehicles.** There shall be no operation of snowmobiles, dune buggies, motorcycles, all-terrain vehicles, or any other types of motorized vehicles on the Protected Property except for administrative, emergency, and management purposes or for construction activities otherwise permitted under the Conservation Easement.

5.9. **Public Access.** Grantor shall permit members of the public, without charge, to have boat or swimming access to reach the Protected Property and pedestrian access over the Protected Property during daylight hours for the limited purpose of engaging in the activities allowed by the first sentence of 5.3.4, except that the Grantor retains the right to exclude the public from the Building Envelopes.

The right of access by the general public may be further limited by the Rules and Regulations set forth in paragraph 5.14 below.

5.10. **Rules and Regulations.** Grantor reserves the right to promulgate and enforce reasonable rules, regulations and policies for any or all activities incident to entry upon and use of the Protected Property. Grantor agrees, however, to provide a copy of such rules, regulations and policies to Grantee for Grantee's review at least sixty (60) days prior to their effective date. In the event that Grantee concludes in good faith that one or more rules, regulations or policies, either singly or in combination, will unduly restrict public access to the Protected Property for the activities allowed by 5.3.4, Grantee may provide written notice of its objection to Grantor within thirty (30) days of its receipt of Grantor's notice. Grantor shall then withdraw and no longer enforce any rules, regulations or policies to which Grantee has reasonably objected. These rules will, among other things, address hours and seasons for public use, registration and maximum numbers of visitors and will be set out in the Management Plan.

Grantee agrees that the following rules, regulations, and policies are not subject to Grantee's approval rights, and Grantee shall not object to such rules, regulations, and policies; rules, regulations and policies which prohibit or restrict the following activities on the Protected Property: alcohol use, illegal drug use. Grantor reserves the right to revoke the access privileges of any individual or entity who violates these access restrictions or Grantor's rules, regulations or policies.

5.11. **Mining.** The commercial extraction of minerals by surface mining and the extraction and removal of topsoil from the Protected Property is prohibited. The extraction of subsurface or deep-mined

minerals from the Protected Property, including natural gas and oil, and the non-commercial extraction of minerals, including limestone, shale, gravel, sand and other minerals is prohibited.

5.12. Surface Alteration. There shall be no change of the topography of the Protected Property in any manner except as reasonably required in the course of activities or uses in accordance with the Management Plan.

Notwithstanding the above, the Grantor reserves the right to extract sand from the Camp Operations Building Envelope for use in the camp in accordance with the Management Plan.

5.13. Water. No alteration or manipulation of natural watercourses, lakes, shorelines, wetlands or other surface or subsurface bodies of water is allowed except to restore or enhance wildlife habitat or native biological communities or to improve or enhance the function and quality of existing wetlands as provided for in the Management Plan. No activities on or uses of the Protected Property that cause significant erosion or significant deterioration to water quality or purity are allowed.

5.14. Waste Removal. Use of the Protected Property for dumping, storage, processing or landfill of solid or hazardous wastes generated is prohibited, including, without limitation, municipal sewage sludge and/or bio-solids application. This does not prohibit burning or composting of excess brush or other plant material resulting from activities permitted by this Easement and as allowed in the Management Plan provided such burning or composting is consistent with local and state government rules, ordinances, and regulations.

5.15. Signs. Commercial signs, billboards, and outdoor advertising structures may not be displayed on the Protected Property. However, unlighted information signage is permitted provided that the combined area of the signs at any particular location does not exceed fifty (50) square feet, and the signage is limited to the following purposes:

- a. Displaying the name of the Protected Property;
- b. Announcing the existence of this Conservation Easement;
- c. Providing interpretive and directional information;
- d. Providing the name and address of the Grantor and Grantee;
- e. Delineating the boundaries of the Protected Property in order to prohibit trespass or non-permitted activities; and
- f. Providing information with regard to on-site uses and activities permitted by this easement.

For all signs permitted by this paragraph, the location, number, size and design must not significantly diminish the natural and scenic qualities of the Protected Property.

5.16. Trees, Shrubs and Vegetation. There shall be no removal, destroying, burning, cutting, mowing or altering of trees, shrubs, and other vegetation except to prevent or control insects, noxious weeds, invasive species, diseases, personal injury, or property damage, except as may be incidental to activities permitted by this Conservation Easement. Activities that enhance wildlife habitat or restore native biological communities must be in accordance with the Management Plan.

5.17. **Pesticides and Herbicides.** There shall be no application of pesticides or herbicides on the Protected Property except those that are necessary as part of approved agricultural use and management practices specified within the Management Plan.

5.18. **Animals.** There shall be no livestock, feedlots, domestic or non-native animals permitted on the Protected Property except as specifically allowed in accordance with the Management Plan.

5.19. **Exotic Species Introduction.** There shall be no plant or animal species introduced on the Protected Property except those native species that are consistent with the protective purposes of this Conservation Easement and are allowed under the Management Plan.

6.

GENERAL PROVISIONS

6.1. **Parties Bound.** This Conservation Easement shall run with and burden the Protected Property in perpetuity and shall bind and inure to the benefit of the Grantor, its successors and assigns, and any and all other successors to it in interest and the Grantee, its successors and assigns.

6.2. **Taxes.** Grantor shall pay all taxes and assessments levied against the Protected Property including any taxes or assessments levied against the interest of the Grantee established by this Conservation Easement. The Grantee may, but is not obligated, to make any payment of taxes or assessments levied against the Protected Property or the interest established by this Conservation Easement and shall have a right of reimbursement against Grantor for such amounts.

6.3. **Subsequent Conveyances by Grantor.** The Grantor agrees that the terms, conditions, restrictions, and purposes of this Conservation Easement will be referenced by the Grantor in any subsequent deed or other legal instrument by which the Grantor transfers or divests the Grantor of all or any part of the Grantor's interest in the Protected Property, and that the Grantor will give the Grantee written notice of any such transfer within fifteen (15) days after closing.

6.4. **Notice and Approval.** Any notice required in this Conservation Easement shall be sent by certified mail, return receipt requested, to the following addresses or such address as may be subsequently specified by notice in writing, and the Party of Record at the address of record in the Crow Wing County Recorder's Office.

GRANTEE:

State of Minnesota
Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155-4012

GRANTOR:

First Lutheran Church
463 Maria Avenue
St. Paul, MN 55106

6.4.1. **Timing.** Unless otherwise specified in this Easement, any required notice or request for approval must be delivered at least 30 days prior to the date proposed for initiating the activity in question.

6.4.2. **Content.** The notice or request for approval must include sufficient information to allow the Grantee to make an informed decision on whether any proposed activity is consistent with the terms and purposes of this Conservation Easement. At a minimum this would include (i) the location, nature and scope of the proposed activity, (ii) the proposed use, design and location of any building, structure or improvement and (iii) the potential impact on the Conservation Values of the Protected Property.

6.4.3. **Approval.** The Grantee may withhold its approval if it determines that the proposal is inconsistent with the terms or purposes of this Conservation Easement or lacks sufficient information to allow the Grantee to reach an informed decision. The Grantee may condition its approval on the Grantor's acceptance of modifications, which would, in the Grantee's judgment, make the proposed activity consistent with the Conservation Easement or otherwise meet any concerns.

6.5. **Severability.** If any provision of this Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Conservation Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid shall be affected thereby.

6.6. **Governing Law.** This Conservation Easement shall be governed by the laws of the State of Minnesota.

6.7. **Terminology.** The terms "Grantor" and "Grantee" as used in this Conservation Easement shall be deemed to include with respect to Grantor, its successors and assigns; and with respect to the Grantee, its successors and assigns.

6.8. **Assignment by Grantee.** The Grantee may assign or transfer this Conservation Easement and the rights conveyed herein, provided that (1) the Grantee requires, as a condition of such transfer, that the original conservation purposes of this Conservation Easement continue to be carried out in perpetuity; and (2) any assignment is made only to an organization qualified to acquire or hold a conservation easement at the time of the transfer under the provisions of Section 170(h)(3) of the Internal Revenue Code of 1986, as it may be amended from time to time, and any regulations promulgated there under. This Conservation Easement is fully valid and enforceable by any assignee or successor of the Grantee, whether assigned in whole or in part.

6.9. **Rights and Obligations after Transfer.** The Grantor's and Grantee's rights and obligations under this Conservation Easement terminate upon transfer or termination of their respective interest in the easement or the Protected Property provided that any liability for acts or omissions occurring prior to the transfer or termination will survive that transfer or termination. Nothing in this paragraph is deemed to alter or amend the remaining terms of the conservation easement in the event of a transfer of interest.

6.10. **Amendment.** This Conservation Easement may be amended only in the event of unanticipated circumstances not specifically addressed by this Conservation easement and only in the sole and exclusive judgment of the Grantee that such an amendment: (i) furthers the purpose of this Conservation Easement, (ii) is not inconsistent with and will not adversely impact the conservation values protected by this Conservation Easement, (iii) does not affect the perpetual duration of the Conservation Easement, or (iv) does not affect the validity of the Conservation Easement under Minnesota law.

6.11. **Liability.** Each party agrees that it will be responsible for its own acts and the results therefore and will not be responsible for the acts of the other party and the result thereof. Each party therefore agrees that it will assume all risk and liability for itself, its agents or employees for an injury to persons or property resulting in any manner from the conduct of its own operations and operations of its agents or employees under this agreement, and for any loss, costs, damage, or expense resulting at any time from failure to exercise proper precautions, of or by itself or its agents or its own employees. The State's liability will be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statute 3.736 and other applicable law.

6.12. **Ownership Responsibilities.** The Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation and maintenance of the Protected Property.

6.13. **Proportionate Values.** The Grantor agrees that the conveyance of the perpetual Conservation Easement gives rise to a property right, immediately vested in the Grantee, with the fair market value that is at least equal to the proportionate value that the Conservation Easement, at the time of the conveyance, bears to the value of Protected Property as a whole at that time. The proportionate value of the Grantee's property rights will remain constant.

6.14. **Termination or Extinguishment.** This Conservation Easement may be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. If a subsequent unexpected change in the conditions of or surrounding the Protected Property makes it impossible or impractical for the continued use of the Protected Property for conservation purposes described herein, and if the restrictions of this Conservation Easement are extinguished, in whole or in part, by judicial proceedings, upon the sale, exchange or involuntary conversion of the Protected Property, the Grantee will be entitled to a portion of the proceeds at least equal to the proportionate value of the Conservation Easement cited in the preceding provision. The proportionate value of the Grantee's property rights will remain constant.

6.15. **Recording for Perpetuity.** On its own behalf and as attorney-in-fact for the Grantee, the Grantor may execute, acknowledge, and record or file any instruments necessary to assure the perpetual enforceability of this Conservation Easement.

6.16. **Entire Agreement.** This document sets forth the entire agreement of the parties with respect to this Conservation Easement and supersedes all prior discussions or understandings.

6th IN WITNESS WHEREOF, the Grantor has voluntarily executed this Conservation Easement on the day of April, 2007.

FIRST LUTHERAN CHURCH, ST. PAUL,
RAMSEY COUNTY, MINNESOTA, a nonprofit
corporation under the laws of the State of
Minnesota

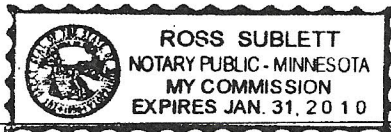
By: John Petraborj
Its: PRESIDENT

STATE OF MINNESOTA)
COUNTY OF Ramsey) ss.

The foregoing instrument was acknowledged before me this 6th day of April, 2007, by John Petraborg, the President of the First Lutheran Church, St. Paul, Ramsey County, Minnesota, a nonprofit corporation under the laws of the State of Minnesota, on behalf of the nonprofit corporation, Grantor.

Ross Sublett
Notary Public

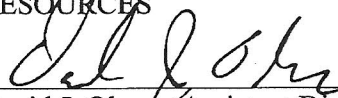
NOTARIAL STAMP OR SEAL:



ACCEPTANCE

The foregoing Conservation Easement is hereby duly accepted by the State of Minnesota, Department of Natural Resources on this 17th day of APRIL 2007, 2007.

STATE OF MINNESOTA
DEPARTMENT OF NATURAL
RESOURCES



David J. Olson, Assistant Director
Division of Lands and Minerals

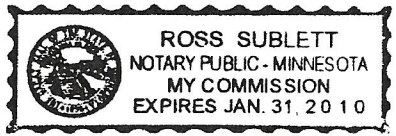
STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

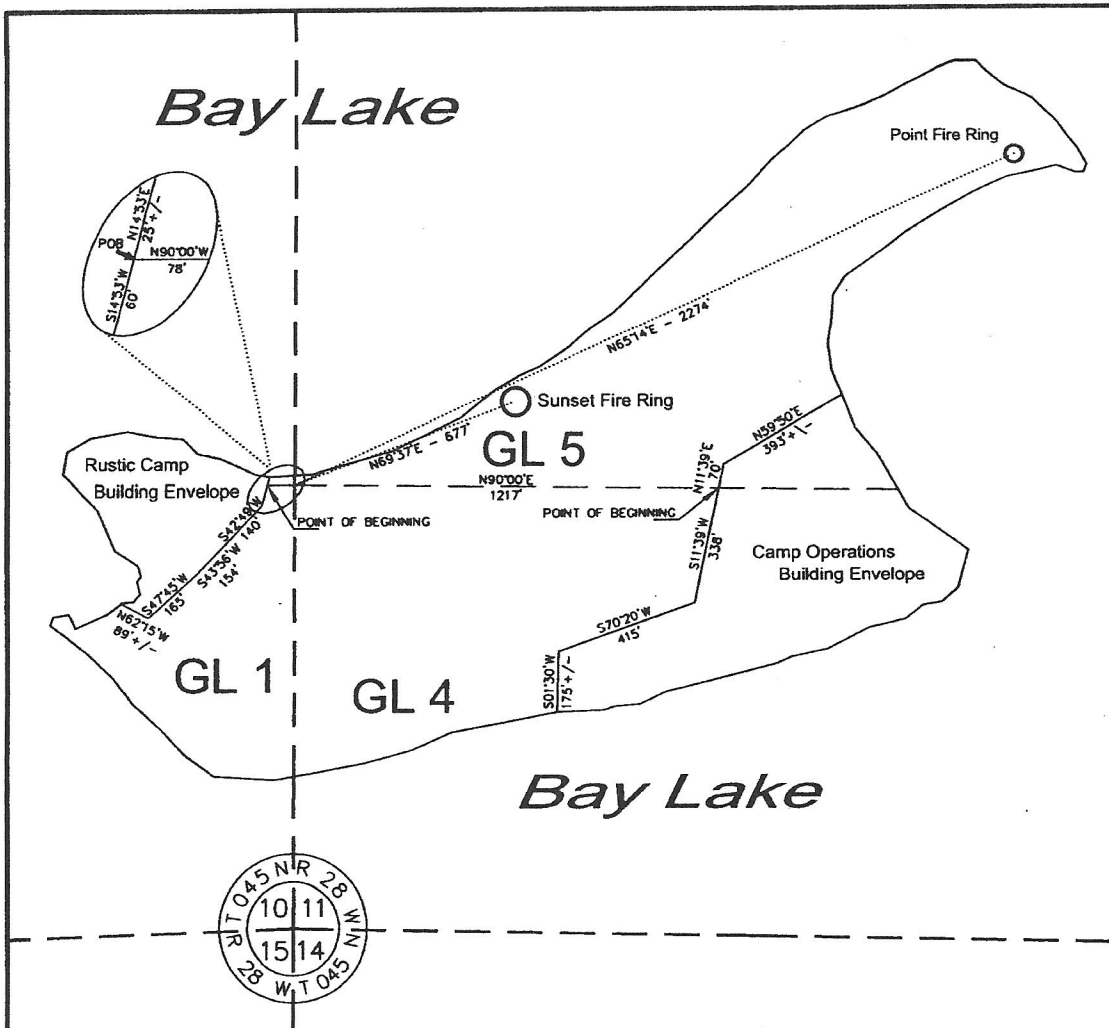
The foregoing instrument was acknowledged before me this 17th day of April, 2007, by David J. Olson, Assistant Director of the Division of Lands and Minerals, Department of Natural Resources, on behalf of the State of Minnesota.


Notary Public

This instrument was reviewed for content by:

Jill Schlick
Assistant Attorney General
445 Minnesota St., #900
St. Paul, MN 55101-2127 **RETURN TO**





LAND DESCRIPTIONS
 Bay Lake Aquatic Management Area (AMA00219)
 Parcel No. 3
 Acquisition No. 136290
 First Lutheran Church of Saint Paul to the State of Minnesota
 Crow Wing County

Description of Island:
 Government Lots 4 and 5, Section 11, and Government Lot 1, Section 10, all in Township 45 North, Range 28 West, Crow Wing County, Minnesota.

Camp Operations Building Envelope:
 All those parts of Government Lots 4 and 5 Section 11, Township 45 North, Range 28 West, Crow Wing County, Minnesota, lying southerly and easterly of the following described lines: Commencing at the northwest corner of said Government Lot 4; thence on an assumed bearing of North 90 degrees 00 minutes East, a distance of 1217 feet along the north line of said Government Lot 4 to the POINT OF BEGINNING; thence North 11 degrees 39 minutes East, a distance of 70 feet; thence North 59 degrees 50 minutes East, a distance of 393 feet, more or less to the waters edge of Bay Lake and there terminating; and again from the POINT OF BEGINNING; thence South 11 degrees 39 minutes West, a distance of 338 feet; thence South 70 degrees 20 minutes West, a distance of 415 feet; thence South 01 degree 30 minutes West, a distance of 175 feet, more or less to the waters edge of Bay Lake and there terminating.

Sunset Fire Ring:
 All that part of Government Lot 5, Section 11, Township 45 North, Range 28 West, Crow Wing County, Minnesota, which lies within the circumference of a circle having a radius of 40.00 feet. The center of said circle lays North 69 degrees 37 minutes East, a distance of 677 feet from the northwest corner of Government Lot 4 of said Section 11.

Point Fire Ring:
 All that part of said Government Lot 5, Section 11, Township 45 North, Range 28 West, Crow Wing County, Minnesota, which lies within the circumference of a circle having a radius of 25.00 feet. The center of said circle lays North 65 degrees 14 minutes East, a distance of 2274 feet from the northwest corner of Government Lot 4 of said Section 11.

Rustic Camp Building Envelope:
 All that part of Government Lot 1 Section 10, Township 45 North, Range 28 West, Crow Wing County, Minnesota, lying northerly and westerly of the following described lines: Commencing at the northwest corner of said Government Lot 4; thence on an assumed bearing of North 90 degrees 00 minutes West, a distance of 78 feet to the POINT OF BEGINNING; thence North 14 degrees 53 minutes East, a distance of 25 feet, more or less to the waters edge of Bay Lake and there terminating; and again from the POINT OF BEGINNING; thence South 14 degrees 53 minutes West, a distance of 60 feet; thence South 42 degrees 49 minutes West, a distance of 140 feet; thence South 43 degree 56 minutes West, a distance of 154 feet; thence South 47 degree 45 minutes West, a distance of 165 feet; thence North 62 degrees 15 minutes West, a distance of 89 feet, more or less to the waters edge of Bay Lake and there terminating.

Written: SVFEESL, 01/30/07. These are the stand-alone descriptions for the various elements of this acquisition.

 NORTH	MINNESOTA DEPARTMENT OF NATURAL RESOURCES			
	Survey:		DIVISION OF FISH AND WILDLIFE	
<p>The outline of the island was digitized from the 1990-1991 NAPP orthophotos. This is 1 meter resolution imagery. Supplied to the DNR by LMIC. The images were originally rectified to UTM Zone 14 and re-projected to UTM Zone 15.</p> <p>The above parcel of land has not been surveyed. The ownership lines shown on this map are intended to show general location as they come from a variety of sources.</p>	Drawn: 01/26/07 SVFEESL		EXHIBIT A	
	Checked: 01/26/07 JDWALKER		BAY LAKE	
	Horz Datum:		AQUATIC MANAGEMENT AREA	
	Sec. 10&11		Crow Wing County - near Bay Lake	
T. 45 N. R. 28 W.	Acq. 136290	File	AMA00219.00.00.01	File Sheet 1