

**TID NO. 3
DEVELOPMENT AGREEMENT
Pizza Ranch**

This TID No. 3 Development Agreement (“*Agreement*”) is entered into by and between the City of Dodgeville, a Wisconsin municipal corporation, (the “*City*”) and PR Dodgeville, LLC, a Wisconsin limited liability company (“*Developer*”).

RECITALS

- A. The city owns real estate located within Tax Increment District No. 3 in the City of Dodgeville, Iowa County, Wisconsin (“*District*”).
- B. Developer wishes to purchase from the City an approximately 1.92-acre portion of that real estate, which is described and depicted on *Exhibit A* (“*Property*”) for the purpose of undertaking a restaurant development consistent with the District’s Project Plan and the City of Dodgeville Comprehensive Plan.
- C. The City finds it is appropriate to finance and construct certain public improvements, incur certain costs, and provide tax increment development assistance as described in, and subject to the reservations contained in, this Agreement.
- D. The City finds and determines that, but for the City undertaking the obligations contained in this Agreement, Developer will not develop the Property in a manner that accomplishes the objectives of the District.
- E. The City finds that the proposed development and the fulfillment of the terms and conditions of this Agreement are in the vital and best interest of the City and its residents by generating tax increment, expanding the tax base, redeveloping an idle property, providing jobs, and encouraging economic development, thereby serving public purposes in accordance with state and local law.

RETURN TO:
Atty. Eric B. Hagen
Boardman & Clark LLP
PO Box 87
Fennimore, WI 53809

P.I.N.
Pt. 216-1400.A

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, which are incorporated by reference, the terms and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Developer and the City agree as follows:

1. **Definitions.** When used in this Agreement, the terms set forth below shall have the following meanings:

- a. “**Annual Tax Increment**” means, for any given year, the annual gross Tax Increment revenues actually received and retained by the City from the Property in the previous year, as reasonably calculated by the City. The base year for such Tax Increment revenues calculation shall be the property taxes owed for calendar year 2026 based on the equalized value of the Property on January 1, 2026. The parties stipulate that the equalized value of the Property on January 1, 2026 was \$0.00.
- b. “**Effective Date**” means the date of the last signature of Developer or the City on this Agreement.
- c. “**Hard Costs**” means the aggregate costs of all construction materials, direct labor charges, general contractor fees relating to all site work, grading, utilities, landscaping, and construction of the Project.
- d. “**Off-Site Infrastructure**” means the following public improvements, located outside of the boundaries of the Property, to be constructed by the City for the benefit of the District and the Project:
 - i. The public right-of-way improvements, water main, water service line up to and including the curb stop, sanitary sewer line, and storm sewer facilities as approximately shown on *Exhibit B*.
- e. “**Site Improvements**” means removal of the existing concrete foundations and light poles on the Property, grading the Property to the rough grades provided by Developer, removal of the existing grease trap, and installation of a new sanitary sewer line on the Property as approximately shown on *Exhibit B*.
- f. “**Project**” means the construction of an approximately 7,500 square foot commercial building for a new Pizza Ranch restaurant with a Fun Zone including all associated grading, driveway, parking, lighting, landscaping, water lateral, sanitary sewer lateral, stormwater management, utility, and other improvements, as approximately depicted on the site plan attached as *Exhibit C* and in strict compliance with the final plans and specifications approved by the City.
- g. “**Property**” means Lot 1 as approximately depicted on the map attached as *Exhibit A*. If the final legal description of the Property is unknown at the time this Agreement is executed, the legal description of the Property shall be added to *Exhibit A* at the closing described in Section 4 and before this Agreement is recorded.
- h. “**Substantial Completion**” means the Project has been fully completed according to the approved plans and specifications other than minor punchlist items that do not substantially interfere with the use of the improvements, and all easements and improvements (if any) required to be dedicated to the City have been so dedicated.
- i. “**Tax Increment**” shall have the meaning given under Wis. Stat. § 66.1105(2)(i), but for purposes of this Agreement and the Municipal Revenue Obligation, shall

be limited as set forth above and is intended to be limited to the tax increment of the Property only, and shall not include other property within or outside of the District.

2. **City Obligations.** The City shall, subject to the terms of this Agreement:
 - a. Sell the Property to Developer as provided in Section 4.
 - b. Construct the Off-Site Infrastructure and complete the Site Improvements at the City's expense.
 - c. Provide to Developer the TIF incentives described in Section 6.
 - d. Reasonably cooperate with Developer throughout the implementation of the Project and promptly review and process all submissions and applications in accordance with applicable City ordinances.
3. **Developer Obligations.** Developer shall, subject to the terms of this Agreement:
 - a. Purchase the Property from the City as provided in Section 4.
 - b. Construct and operate the Project as provided in Section 5 at Developer's expense.
 - c. Provide all security required by Section 7.
 - d. Comply with all other terms and provisions of this Agreement applicable to Developer.
4. **Sale of the Property.**
 - a. The City shall sell to Developer and Developer shall purchase from the City the Property for \$1.00. Closing shall occur within ten business days after the satisfaction of the last of the conditions precedent in Section 12.
 - b. At or prior to closing on the sale of the Property, the City shall record a Declaration of Utility Easement in favor of the City which shall extend 15 feet on either side of the sanitary sewer facilities on the Property, in substantially the form attached as *Exhibit E*.
 - c. The Property shall be conveyed by quit claim deed, AS-IS, without warranty. The City's sole obligation at closing shall be to deliver the deed in recordable form to Developer conveying merchantable title to Developer. All costs of the sale, including but not limited to recording and closing costs, shall be paid by Developer. Should Developer or its lender desire to obtain title insurance in connection with the conveyance, such insurance shall be at Developer's sole expense.

- d. Developer acknowledges and agrees that Developer has had sufficient opportunity to inspect the Property prior to closing and that City is conveying and Developer is accepting the Property on an AS-IS, WHERE IS, WITH ALL FAULTS basis and that Developer is not relying on any representations or warranties of any kind whatsoever, express or implied, from the City or its agents as to any matters concerning the Property. The City hereby disclaims any duty to make any representation or warranty to Developer, whether at common law, under Wis. Stat. Ch. 709, under Wis. Stat. § 100.18, or otherwise. Developer hereby waives its right to receive a vacant land disclosure report under Wis. Stat. Ch. 709. As a part of its agreement to accept the Property in such condition, Developer, for itself and its successors, assigns, agents, employees, contractors, and invitees, hereby waives, discharges, and releases the City from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with or related to the physical, geological, or environmental condition of the Property, including without limitation, any past or present condition of or action on or about the Property.

5. **Construction of Project.**

- a. **Construction Deadlines.** Developer shall commence construction of the Project within 60 days after closing on the purchase of the Property, diligently continue construction until completion, and achieve Substantial Completion of the Project by May 31, 2027.
- b. **Approved Plans.** Developer shall submit plans for the Project, including building plans (with details as to materials used) and landscape plans, for the City’s review and approval, and shall construct and maintain the Project at Developer’s sole cost and expense in accordance with the final approved plans and specifications. The plans submitted by Developer shall be consistent with *Exhibit C* and *Exhibit D* in all material respects.
- c. **Water, Sewer, Stormwater.** Developer shall construct and install all water, sewer, and stormwater improvements required for the Project (except for those that are part of the Off-Site Infrastructure or Site Improvements to be constructed by the City) in accordance with all applicable federal, state, or local laws, ordinances, rules, or regulations (“*Laws*”) and the final approved plans and specifications and at Developer’s sole cost and expense. These facilities shall be sized, constructed, and installed in accordance with the City’s specifications in order to connect with the Off-Site Infrastructure constructed by the City and shall be subject to inspection by the City. Connection shall be made at a time agreeable to the City and Developer shall ensure that the City Engineer or his or her authorized representative is present at the time of connection. With respect to the stormwater improvements, Developer shall model total suspended solids removal as it relates to Wisconsin Department of Natural Resources redevelopment standards, accounting for the adjacent public right-of-way that is within the same watershed as the Property. The City shall

coordinate with Developer's engineer on the City's total suspended solids stormwater modeling within the right-of-way. Developer shall grant to the City, at no cost, a perpetual easement for stormwater drainage, management, and conveyance on, over, and across the Property from the public right-of-way and all permanent access and temporary construction easements deemed necessary by the City in connection with the Project, including any easements required to connect the utility facilities on the Property with City-owned facilities and to complete such maintenance and/or repairs as the City deems necessary and appropriate. The City's easement and right of access for such purposes survives the termination of this Agreement and runs with the Property. At the City's request, Developer or its successors or assigns shall sign an easement and access agreement that affirms the rights and burdens set forth in this paragraph.

- d. **Private Facilities.** Developer shall retain ownership of the water, sewer, and stormwater facilities, driveways, parking lots, lighting, landscaping, and all other improvements constructed by Developer as part of the Project and shall have the obligation to repair and maintain such facilities in accordance with the final approved plans and specifications for the Project. Additional requirements with respect to maintenance of the stormwater facilities will be set out in a recorded maintenance agreement as required by Chapter 21 of the City code of ordinances.
- e. **Sewer and Water Fees.** Developer shall pay all the usual fees for connecting the sewer and water facilities constructed as part of the Project to the existing City sewer and water mains, and Developer shall pay for all municipal utility services provided to the Property except where utility service is separately metered and billed to another responsible party.
- f. **Permits.** Developer shall obtain all necessary permits or other approvals for construction of the Project and comply with the terms of the same and all applicable Laws in the construction and operation of the Project and pay all required permit, connection, and other fees.
- g. **Standard of Construction.** All work to be performed by Developer in and on the Property shall be performed in a good and workmanlike manner and consistent with the prevailing industry standards for high quality construction in the City of Dodgeville. Such work shall be performed in compliance with the final approved plans, the terms of all applicable permits or other approvals, and all Laws.
- h. **Insurance.** Developer shall, at its expense, obtain and maintain comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability) with combined single limits of at least \$1,000,000 for one person and at least \$5,000,000 per occurrence, and at least \$1,000,000 property damage. The City of Dodgeville and its agents, employees, and officials shall be listed as an additional insured on such policy and all insurers shall agree not to cancel or change the same without at least 30 days' written notice to the City. The policy shall provide that no act or default of any person other than the City or its agents shall render the policy void as to the

City or affect the City's right to recover thereon. A copy of an insurance binder or certificate of insurance demonstrating compliance with this Section 5.h shall be submitted to the City within 30 days after the Effective Date. Thereafter, Developer shall provide written evidence of compliance with this Section to the City on an annual basis. Developer shall require that its contractors and their subcontractors maintain substantially the same insurance coverage as required of Developer, with limits that reasonable and prudent in light of the work to be performed and in line with industry custom and practice.

- i. **Prerequisites for Land Disturbance.** Developer shall not commence any land disturbance activities on the Property in connection with the Project unless and until:
 - i. The closing described in Section 4 is complete and the mortgage described in Section 7.a has been recorded;
 - ii. All plans and specifications for the Project have been reviewed and acknowledged approved by the City Engineer;
 - iii. All necessary permits or other approvals for the Project have been granted by the City or other necessary state or local agency;
 - iv. Developer has provided a final fully executed commitment letter from Developer's lender establishing that Developer has access to sufficient funds through equity and debt financing sources for completion of the Project contemplated by this Agreement; and
 - v. All other requirements precedent to land disturbance under the ordinances of the city and otherwise as required by Law are fully satisfied by Developer.
- j. **Coordination.** City and Developer shall work with each other in good faith to coordinate construction efforts in a manner that provides each with reasonable access to their respective work sites for construction purposes, and minimizes interference, disruption, and cost for both parties.

6. **Tax Increment Financing.**

- a. The tax increment financing to support the Project under this Agreement shall be composed of three parts: the City Development Costs described in Section 6.b, the Project Grant described in Section 6.c, and the pay-go MRO incentive described in Section 6.d.
- b. **City Development Costs.** The City anticipates borrowing and using grant funds to pay for the City's development costs associated with the Project, including construction of the Off-Site Infrastructure, completion of the Site Improvements,

payment of the Project Grant (defined below), and soft costs (legal, consulting, TID administration, capitalized interest, etc.) (“*City Development Costs*”).

- c. **Project Grant.** The City shall provide a direct TIF incentive payment from TID No. 3 funds in the amount of \$100,000 to Developer (“*Project Grant*”) to assist in the development of the Project, subject to the terms and conditions contained in this Agreement. The City shall pay the Project Grant to Developer in one lump sum within 60 days after Developer furnishes evidence to the City that Developer has commenced construction and has expended \$100,000 in Hard Costs on the Project.
- d. **Pay-Go Incentive.** As an incentive for Developer to undertake, timely complete, and operate the Project, subject to the terms and conditions of this Agreement, the City shall provide tax increment financing for the Project by issuing a Municipal Revenue Obligation to Developer in the principal amount of \$100,000, which shall bear interest at an annual rate of 0.0% in substantially the form attached as *Exhibit F* (“*MRO*”) in accordance with the terms of this Section 6.d:
 - i. **Issuance of MRO.** The City shall issue the MRO to Developer within 45 days after all of the following conditions have been satisfied: (1) Developer has achieved Substantial Completion of the Project and (2) Developer has made a written request to the City for issuance of the MRO, provided that such request may not be made until after Substantial Completion of the Project.
 - ii. **Payments under MRO.** Beginning on the later of (1) November 1, 2028 or (2) the first November 1st after the MRO is issued, and on each November 1st thereafter, \$10,000 of the Annual Tax Increment received by the City in that calendar year and appropriated by the Common Council for payment of the MRO shall be paid to Developer, subject to reduction or elimination as set out in Section 7.c below, until the sooner of (1) when the City has paid Developer the principal amount of \$100,000 or (2) when the City has paid to Developer the payment due on November 1, 2037. In no case shall the term of the MRO and the City’s obligation to make payments thereunder extend beyond the last date the City is permitted to make a payment with Annual Tax Increment under Wisconsin’s tax increment law.
 - iii. **Conditions Precedent.** The obligation of the City under this Agreement to make each payment under the MRO is conditioned upon (1) Developer providing written evidence to the City on or before September 15th that all real estate taxes, special assessments, and special charges levied against the Property for the previous year have been timely paid and (2) Developer not being in default under this Agreement as of the date the payment is due. In the event Developer fails to satisfy such conditions precedent for a payment under the MRO for a given year, the payment for that year shall be forfeited. In the event that, on the date a payment under the MRO is due, the City has provided written notice to Developer of a breach of the Agreement which, with the passage of time, would constitute a default under this Agreement,

the City may delay making the payment under the MRO until such breach has been cured. If such breach is not cured within the cure period provided in Section 14, then the payment for that year shall be forfeited. The City's obligation to make a payment under the MRO is contingent upon the City's receipt of the Guaranteed Tax Increment Revenues (defined below) from the Property and the amount of each payment is subject to reduction or elimination as set out in Section 7.c below. Any payment (or portion thereof) so reduced or eliminated shall be forfeited.

iv. **Prepayment.** The City shall have the right to prepay all or a portion of the outstanding balance of the MRO at any time, at par and without penalty, and from any source of funding.

v. **Transfer.** Developer shall not transfer or assign the MRO except a collateral assignment to a lender that takes a security interest in the Property in order to secure indebtedness in connection with construction of the Project or, with prior written approval of the City, an assignment to a purchaser of the Property who is a permitted transferee pursuant to Section 26 of this Agreement.

e. **No Obligation of the City.** The City's obligation to make payments to Developer under this Agreement shall be a special and limited obligation and shall not be considered a general obligation of the City, and neither the full faith and credit nor the taxing powers of the City are pledged to the payment of such amounts, and amounts due hereunder shall not count against the City's constitutional debt limitation or constitute a charge against the City's general credit or taxing power. The MRO will be payable solely from and only to the extent that the City has received Annual Tax Increment, and such Annual Tax Increment has been appropriated by the Common Council to payment of the MRO. Developer understands that the number of payments made under the MRO depends on a number of factors, including when Substantial Completion of the Project is achieved and whether the City has received the Guaranteed Tax Increment Revenue. The City makes no representation or covenant, express or implied, that any amount of Annual Tax Increment will be generated and/or appropriated in any given year or that, in the aggregate, the total of payments made under the MRO will be sufficient to total the principal amount of the MRO. Any Annual Tax Increment which is not appropriated and allocated toward the MRO may be used by the City for any legally permitted purpose, in its sole discretion.

7. **Security.** In consideration of the City's obligations under this Agreement, the benefits of the tax increment financing described in Section 6 and to assure that City taxpayers will not incur responsibility for City Development Costs or other costs associated with the Project, Developer shall provide the security set forth in this Section 7.

a. **First Position Real Estate Mortgage.**

- i. Immediately upon the closing of its purchase of the Property under Section 4, Developer shall execute and deliver a first priority mortgage on the Property, in substantially the form of *Exhibit G* or other form acceptable to the City (“*City Mortgage*”) in order to secure the obligations of Developer under this Agreement. The City Mortgage shall be in the amount of \$540,000, which solely for the purposes of this Section 7.a.i, the parties stipulate is equal to the City’s gross upfront development costs associated with the Project. A default under this Agreement shall be deemed a default under the City Mortgage and a notice of default given in accordance with Sections 14 and 29 of this Agreement shall also constitute proper notice of default under the City Mortgage. The City Mortgage shall be recorded with the Iowa County Register of Deeds, at Developer’s expense, immediately after the recording of the quit claim deed and this Agreement.
- ii. Provided Developer is not then in default under this Agreement, the City shall subordinate the City Mortgage to a first mortgage provided to the Developer by its first mortgage lender to secure financing for construction of the Project once (i) construction of the Project has commenced and (ii) funds have been disbursed by the first mortgage lender.
- iii. Upon Substantial Completion of the Project, and provided Developer is not then in default under this Agreement, the City shall execute a satisfaction of the City Mortgage and shall record it with the Iowa County Register of Deeds at Developer’s expense.

b. **Insurance.**

- i. Developer shall maintain property insurance on the Project in an amount not less than the full replacement value of the improvements for fire, casualty, and external damage coverage and shall name the City and its agents, employees, and officials as additional insureds for the term of this Agreement. The City shall be in a subordinate position to any bank and/or other lender providing construction or long-term financing for the Project. A copy of an insurance binder or certificate of insurance demonstrating compliance with this Section 7.b.i shall be submitted to the City within 30 days after commencement of construction of the Project. Thereafter, Developer shall provide written evidence of compliance with this Section to the City on an annual basis. Developer shall notify the City within 5 business days if the insurance obtained pursuant to this Section 7.b.i is modified, cancelled, or replaced.
- ii. In the event the improvements on the Property are damaged or destroyed during the term of this Agreement, the proceeds from the insurance shall be payable to Developer and, subject to any requirements of Developer’s lender, shall be applied toward either (a) the prompt repair or reconstruction

of the improvements so destroyed or damaged or (b) the then-outstanding unpaid principal balance of any loans incurred by the City to pay for the City Development Costs that have not been recouped by Annual Tax Increment retained by the City after payment of the MRO. No payments to the City under this Section 7.b.ii shall relieve Developer from its obligations under Section 7.c or any other section of this Agreement.

c. Tax Increment Revenue Guarantee.

- i. During the term of this Agreement, Developer guarantees that the Project will generate at least \$27,000 of Annual Tax Increment per year (“*Guaranteed Tax Increment Revenues*”), beginning with the payment due in 2028 based on the equalized assessed value of the Property as of January 1, 2027. In the event the actual Annual Tax Increment in any given year is less than the Guaranteed Tax Increment Revenues for that year, the City shall reduce or eliminate the payment due to Developer under the MRO for that year. The amount of the reduction in the MRO payment shall be equal to the difference between the actual Annual Tax Increment and the Guaranteed Tax Increment Revenues for that year.
- ii. In the event the reduction to the annual MRO payment is not sufficient to make up the shortfall in the Guaranteed Tax Increment Revenues for any given year, Developer shall pay to the City a sum equal to the Guaranteed Tax Increment Revenues for the year, minus the actual Annual Tax Increment received by the City for that year, minus the reduction in the annual MRO payment described in Section 7.c.i, (“*Shortfall Payment*”) upon written demand from the City. For example, if the Guaranteed Tax Increment Revenue for 2028 is \$27,000 and the actual Annual Tax Increment for 2028 is \$12,000, Developer would not receive any MRO payment in 2028 and would owe the City a \$5,000 Shortfall Payment. Developer’s obligation to make Shortfall Payments whenever there is a deficit left after elimination of the annual MRO payment shall continue annually until the expiration date of this Agreement. Past due amounts shall accrue interest at the lesser of eight percent per annum or the maximum rate permissible by law.
- iii. The obligation of Developer to make Shortfall Payments shall be a lien on the Property and run with the land and bind all owners in title to the Property and their successors and/or assigns. If Developer fails to make any Shortfall Payment when due, in addition to any remedies available at law or in equity, the City shall have the right, without notice or hearing, to impose special assessments or special charges on the Property for any amounts owed by Developer to the City under this Agreement. This provision constitutes Developer’s acknowledgement, on behalf of itself and its successors and assigns, of the special benefit and Developer’s consent to, and waiver of notice and hearing on, all proceedings imposing such special assessments or special charges on behalf of Developer and its successors and assigns.

- iv. Developer understands and agrees that the Guaranteed Tax Increment Revenues requirement above shall not in any way bind the City assessor (or other applicable agency) in his or her assessment and appraisal of the Property and that the City assessor will arrive at an equalized value of the Property based solely on his or her application of all applicable Laws. Nothing in this Agreement shall impair any statutory rights of the City and other taxing authorities with respect to the assessment, levy, priority, collection, and/or enforcement of real estate taxes. In no event shall this Section 7.c be interpreted to permit Developer to pay less than the annual property tax levied against the Property, which may be in excess of the Guaranteed Tax Increment Revenues for that year, nor shall Developer be relieved of its responsibility to pay such taxes levied after termination of this Agreement.

8. Option to Repurchase.

- a. If Developer fails to commence construction of the Project by the deadline for commencement of construction set out in Section 5.a, the City shall have an option to repurchase the Property and any improvements thereon from Developer on the following terms:
 - i. The purchase price shall be \$1.00.
 - ii. The Property shall be conveyed by general warranty deed. All costs of reconveyance shall be the responsibility of Developer.
 - iii. The Property shall be free and clear of any liens and encumbrances other than liens and encumbrances that existed on the date of the conveyance of the Property from the City to Developer.
 - iv. Developer shall provide the City with a policy of title insurance at Developer's cost in an amount equal to the fair market value of the Property.
 - v. Developer shall pay to the City at closing all special assessments, special charges, and a pro-rata share of property taxes attributable to the year of closing accruing after title was conveyed to Developer. If the property taxes attributable to the year of closing are unknown on the date of closing, the proration shall be based on the current assessment multiplied by the current mill rate as of the date of closing.
 - vi. Closing shall occur within 30 days of the City providing written notice to Developer that it is exercising its option to repurchase the Property under this Section 8.
- b. The City's option to repurchase the Property under this Section 8 shall expire 90 days after deadline for commencement of construction set out in Section 5.a.

- c. Whether to exercise the option to repurchase under this Section 8 shall be at the City's sole discretion.
9. **Preservation of Taxable Status.** Throughout the term of this Agreement, Developer shall pay all real estate taxes, special assessments, and special charges against the Property prior to delinquency and shall not:
 - a. Use the Property for any purposes that would render the Property exempt from property taxation or lease, sell, transfer, or convey all or any portion of the Property to any party that would render the Property exempt from property taxation (unless such party has first entered into a written agreement with the City in a form satisfactory to the City providing for acceptable payments to the City in lieu of taxes).
 - b. Cause a reduction in the real property taxes paid with respect to the Property through willful destruction of any improvements or portions thereof.
 - c. Seek, through the exercise of legal or administrative remedies, a reduction in the assessed value of the Property or the improvements constructed thereon.
 - d. Apply for any deferral of property taxes on the Property.
10. **Maintenance and Repair.** Developer shall at all times keep and maintain, or cause to be kept and maintained, the Project in compliance with the Law, in good condition and repair, in a safe, clean, and attractive condition, and free of all trash, litter, refuse, and waste, subject only to demolition and construction activities contemplated by this Agreement.
11. **Access.** Developer shall permit representatives of the City to have reasonable access to the Property and the improvements thereon for the purposes of reviewing compliance with this Agreement, including, but not limited to, inspecting all work being performed in connection with this Agreement.
12. **Conditions Precedent.**
 - a. If any of the following conditions have not occurred before 150 days after the Effective Date, Developer may terminate this Agreement by providing written notice to the City under Section 29 and all further rights and obligations of the parties under this Agreement will terminate (except those obligations that survive termination):
 - i. Both Developer and the City have approved and executed this Agreement.
 - ii. A Certified Survey Map creating the Property as a separate legal parcel has been approved and recorded.

iii. The City has been awarded a \$250,000 WEDC Idle Sites Grant with respect to the Property and adjacent lands or the City has delivered to Developer a written notice that the City has elected, in its sole discretion, to undertake the Site Improvements and construct the Off-Site Infrastructure in spite of not having been awarded such a grant.

iv. The City has completed the Site Improvements.

b. The parties acknowledge and agree that the City will spend material sums of money in applying for the Idle Sites Grant and attempting to satisfy the contingencies set forth in this Section 12. The parties further acknowledge that the City would not have entered into this Agreement without the availability of the contingencies set forth herein. In consideration of the foregoing, the parties agree that adequate consideration exists to support the obligations of each party under this Agreement, and the parties each hereby waive any and all rights to challenge the enforceability of this Agreement on the basis that any conditions or contingencies set forth in the Agreement are at a party's sole discretion, or that all or any portion of the Agreement is illusory.

13. **Indemnity.** Developer, and its successors and assigns, shall indemnify, hold harmless, and defend the City and its officers, employees, and agents from any and all suits, actions, claims, demands, losses, costs, damages, judgments, penalties, fines, and expenses or liabilities of every kind and description, including attorney's fees, for claims of any character including liability and expenses in connection with the loss of life, personal injury, or damage to property, or any of them, brought because of any injuries or damages received or sustained by any persons or property occasioned wholly or in part by any act or omission on Developer's part or on the part of its agents, contractors, subcontractors, invitees, or employees, in connection with their activities conducted pursuant to this Agreement or in connection with the ownership, use, occupancy, or development of the Project or the Property. The City shall be entitled to appear in any proceedings to defend itself against such claims, and all costs, expenses, and reasonable attorney's fees incurred by the City in connection with such defense shall be paid by Developer to the City. The foregoing indemnity provisions shall survive the cancellation or termination of this Agreement as to all matters arising or accruing prior to such cancellation or termination and the foregoing indemnity shall survive in the event the City elects to exercise any of the remedies as provided under this Agreement following default hereunder.

14. **Default.**

a. A default is defined herein as Developer's breach of, or failure to comply with, the terms of this Agreement, and such failure continues for more than 15 days following written notice of such breach by the City; provided, however, that if such breach cannot reasonably be cured within said 15-day period and Developer commences the cure within such 15-day period and diligently pursues to the cure to completion, then said breach shall not constitute a default under this Agreement.

- b. The City reserves to itself all remedies available at law, in equity, under this Agreement, under City ordinances, or under any security provided by Developer, to cure any default. The City also reserves to itself the right to issue a cease and desist order, stopping all activities with respect to the Project, until the default is cured to the City's satisfaction. The City shall have the right, without notice or hearing, to impose special assessments or special charges on the Property for any amount to which the City is entitled by virtue of this Agreement. This provision constitutes Developer's acknowledgment, on behalf of itself and its successors and assigns, of special benefit and Developer's consent to, and waiver of notice and hearing on, all proceedings imposing such special assessments or special charges on behalf of Developer and its successors and assigns. Remedies shall be cumulative, and the exercise of one shall not preclude the exercise of others.
- c. Notwithstanding the foregoing, if a condition exists on the Property that constitutes a threat to the health or safety of the public or a danger to the City's property (including any utility infrastructure), the City shall not be required to provide written notice or a cure period, and the City shall instead have the right to immediately enter upon the Property and take all steps necessary to remedy the condition and recover the reasonable cost thereof from Developer.

15. Developer's Representations and Warranties. Developer and its signatory to this Agreement covenant, warrant, represent, and agree as follows:

- a. Developer is a Wisconsin limited liability company, duly organized, validly existing, and in good standing under the laws of the state of Wisconsin.
- b. The execution, delivery, and performance by Developer of this Agreement:
 - i. Are within the legal power and authority of Developer;
 - ii. Do not and will not require the consent, approval, or authorization of, or notice to, any federal or state governmental authority or regulatory body; and
 - iii. Do not and will not conflict with, result in any violation of, or constitute a default under, any provision of law, or of the articles of organization or operating agreement of Developer, or of any agreement to which Developer is a party or by which it is bound.
- c. There are no liens or mortgages outstanding against the Property, recorded or unrecorded, except any that are subordinated to the City's rights under this Agreement.
- d. There is no litigation, arbitration, or governmental proceeding pending or threatened against Developer which would, if adversely determined, adversely and materially affect the financial condition or continued operations of Developer.

- e. Developer, and all beneficial owners or agents of Developer, are currently and will for the duration of this Agreement remain (i) in compliance the regulations of the Office of Foreign Assets Control (“**OFAC**”) of the U.S. Department of Treasury and any statute, executive order, or regulation relating thereto (collectively, the “**OFAC Rules**”), (ii) not listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC or on any other similar list maintained by OFAC or other governmental authority pursuant to any authorizing statute, executive order, or regulation, (iii) not a person or entity with whom a U.S. person is prohibited from conducting business under the OFAC Rules, (iv) not listed in the Annex to, or otherwise subject to the provisions of c issued on September 24, 2001 (“**EO13224**”), (v) not a person or entity who commits, threatens to commit, or supports “terrorism” as that term is defined in EO13224, and (vi) not subject to sanctions of the United States government or in violation of any federal, state, municipal, or local laws, statutes, codes, ordinances, orders, decrees, rules, or regulations related to terrorism or money laundering, including, without limitation, EO13224 and the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.
 - f. Developer has access to sufficient funds through equity and debt financing sources for completion of the Project contemplated by this Agreement.
16. **Time is of the Essence.** Time is of the essence with respect to all deadlines set out in this Agreement. In the event a deadline falls on a Saturday, Sunday, or federal holiday, the deadline shall be deemed to fall on the next business day.
17. **City Costs.** Developer shall pay all fees and costs as required by City ordinances in connection with the Project.
18. **No Joint Venture.** This Agreement does not create any partnership or joint venture between the City and Developer. Under no circumstances shall the City be liable for any of the obligations of Developer under this Agreement or otherwise.
19. **No Third-Party Beneficiaries.** Nothing in this Agreement shall be interpreted or construed to create any private right or any private cause of action by or on behalf of any person not a party hereto.
20. **No Vested Rights.** Except as provided by law, Developer shall have no vested right to develop the Project by virtue of this Agreement, nor does the City warrant that Developer is entitled to any other approvals required for development of the Property or construction of the Project as a result of this Agreement.
21. **Approvals.** Nothing in this Agreement shall be construed to waive any obligation or requirement of Developer to obtain all necessary permits or other approvals from the City in accordance with its ordinances and usual practices and procedures, nor limit or affect in any way the right or authority of the City to approve or reasonably disapprove any plans or specifications or to impose reasonable limitations, restrictions, and requirements on the Property or the Project as a condition of any such permit or other approval. The City will

act diligently and in good faith to review all necessary permits or other approvals requested by Developer. Nothing in this Agreement shall be construed to require the City to take any actions that would be in violation of any federal, state, or local law, regulation, or ordinance.

22. No Waiver or Release.

- a. Nothing contained in this Agreement is intended to be a waiver or estoppel of the City or its insurer to rely upon the limitations, defenses, and immunities contained within Wisconsin law, including but not limited to those contained within Wis. Stat. §§ 893.80, 895.52, and 345.06.
- b. Nothing contained in this Agreement is intended to be a waiver or release of any obligations imposed on Developer by any federal, state, or local statute, ordinance, rule, or regulation.
- c. No waiver of any provision of this Agreement shall be deemed or constitute a waiver of any other provision, nor shall it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by the City and Developer, nor shall the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults. The City's failure to exercise any right under this Agreement shall not constitute the approval of any wrongful act by Developer.

23. No Personal Liability. Developer acknowledges and agrees that in carrying out any of the provisions of this Agreement or in exercising any power or authority granted to them thereby, there shall be no personal liability of the City's officers, agents, independent contractors, employees, or representatives, it being understood and agreed that in such matters they act as agents and representatives of the City.

24. Recording. This Agreement shall be recorded with the Iowa County Register of Deeds, at Developer's expense, immediately after the recording of the deed conveying the Property to Developer and before the recording of any other document affecting title to the Property.

25. Survival and Nonmerger. Any provision of this Agreement which has not been fully performed prior to transfer of possession of the Property shall not be deemed to have been terminated by virtue of the deed conveying the Property to Developer, but shall survive such deed unless expressly waived in writing, and shall be in full force and effect until performed.

26. Assignment; Binding Effect. This Agreement shall run with the land and be binding on Developer, the City, and their successors and assigns. Throughout the term of this Agreement, Developer shall have no right to convey all or any portion of the Property or assign or otherwise transfer any of its rights or obligations under this Agreement without prior written approval of the City, which consent shall not be unreasonably withheld or delayed. In the case of a request for approval, any proposed transferee shall have all of the qualifications and financial responsibility, as determined by the City, necessary and

adequate to fulfill the obligations of Developer. Any proposed transferee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the City, assume all of the obligations of Developer under this Agreement and agree to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to a portion of the Property, such obligations, conditions, and restrictions to the extent that they relate to such portion). Notwithstanding the foregoing, no consent from the City shall be required in connection with Developer's collateral assignment of this Agreement or its right to payments under the MRO to a lender that provides financing to Developer in connection with construction of the Project, but Developer shall provide written notice of any such collateral assignment to the City within 15 days after it has been perfected or completed. No transfer shall release Developer from its obligations under this Agreement unless the City expressly consents to such release in writing, in its sole discretion. There is no prohibition on the right of the City to assign its rights or obligations under this Agreement.

27. **Priority over Subsequent Liens.** This Agreement shall have precedence and shall take priority over any mortgage, lien, or other encumbrance that may be recorded against the Property or any portion thereof after the recording of this Agreement.
28. **Amendment.** This Agreement may not be changed orally. It may be amended only by a written amendment approved and executed by the City and Developer.
29. **Notice.** Delivery of documents and written notices to a party shall be effective only when accomplished by (a) personal delivery (in which case notice will be effective upon receipt); (b) by sending the document or written notice, postage or fees prepaid, by U.S. Mail registered or certified mail, return receipt requested (in which case notice will be effective two days after mailing); or (c) by sending the document or written notice by overnight delivery with nationally recognized commercial courier service (in which case notice will be effective one day after deposit with such courier) to the addresses set forth below:

To the City: City of Dodgeville
 Attn: City Clerk
 410 E. Leffler St.
 Dodgeville, WI 53533

With a copy to: Boardman & Clark LLP
 Attn: Julia K. Potter
 PO Box 927
 Madison, WI 53701-0927

To Developer: PR Dodgeville, LLC
 255 S. Jefferson St.
 P.O. Box 282
 Waterloo, WI 53594

Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice will not be deemed a failure to give notice. Either party may change its

address for notice by providing written notice of the new address using the notice procedure set out in this Section 29.

30. **Neutral Construction.** This Agreement is the result of negotiation by the parties and each party had the opportunity to consult legal counsel with respect this Agreement prior to execution. Nothing in this Agreement shall be construed more strictly for or against either party because that party's attorney drafted this Agreement or any portion thereof.
31. **Entire Agreement.** This Agreement and the permits or other approvals issued by the City with respect to the Project constitute the entire agreement between the parties with respect to the Project and all prior letters of intent, term sheets, offers, or similar items, if any, are hereby terminated.
32. **Severability.** If any part, term, or provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or unenforceability shall not affect the validity of any other part, term, or provision, and the rights of the parties will be construed as if the invalid part, term, or provision was never part of the Agreement.
33. **Governing Law.** The laws of the State of Wisconsin shall govern this Agreement.
34. **Venue.** Personal jurisdiction and venue for any civil action commenced by any part arising out of this Agreement shall be deemed to be proper only if such action is commenced in Circuit Court for Iowa County, Wisconsin unless it is determined that such court lacks jurisdiction. Developer and the City hereby consent to personal jurisdiction in Iowa County. Developer and the City also expressly waive the right to bring such action in, or to remove such action to, any other court whether state or federal, unless it is determined that the Circuit Court for Iowa County lacks jurisdiction.
35. **Headings.** Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.
36. **Exhibits.** All exhibits and other documents attached to this Agreement or referenced herein are incorporated into and shall become a part of this Agreement.
37. **Counterparts.** This Agreement may be executed in one or more counterparts and upon execution and delivery by each of the parties hereto shall constitute one and the same enforceable agreement.
38. **Effective Date; Term.** This Agreement shall be effective as of the Effective Date. This Agreement shall automatically terminate when City of Dodgeville Tax Increment District No. 3 closes, unless terminated earlier in writing by mutual agreement of the City and Developer.

[Signature Pages Follow]

DEVELOPER:
PR Dodgeville, LLC

Devon Lee, Managing Member

STATE OF WISCONSIN)
) ss.
COUNTY OF _____)

Personally came before me this _____ day of _____, 202__, the above named Devon Lee, Managing Member of PR Dodgeville, LLC, to me known to be the person who executed the foregoing TID No. 3 Development Agreement and acknowledged the same.

Print or Type Name: _____
Notary Public, State of Wisconsin
My Commission: _____

DEVELOPER:
PR Dodgeville, LLC

Max Dvorak, Managing Member

STATE OF WISCONSIN)
) ss.
COUNTY OF _____)

Personally came before me this _____ day of _____, 202__, the above named Max Dvorak, Managing Member of PR Dodgeville, LLC, to me known to be the person who executed the foregoing TID No. 3 Development Agreement and acknowledged the same.

Print or Type Name: _____
Notary Public, State of Wisconsin
My Commission: _____

**DEVELOPER:
PR Dodgeville, LLC**

Bjorn Kasshagen, Managing Member

STATE OF WISCONSIN)
) ss.
COUNTY OF _____)

Personally came before me this _____ day of _____, 202__, the above named Bjorn Kasshagen, Managing Member of PR Dodgeville, LLC, to me known to be the person who executed the foregoing TID No. 3 Development Agreement and acknowledged the same.

Print or Type Name: _____
Notary Public, State of Wisconsin
My Commission: _____

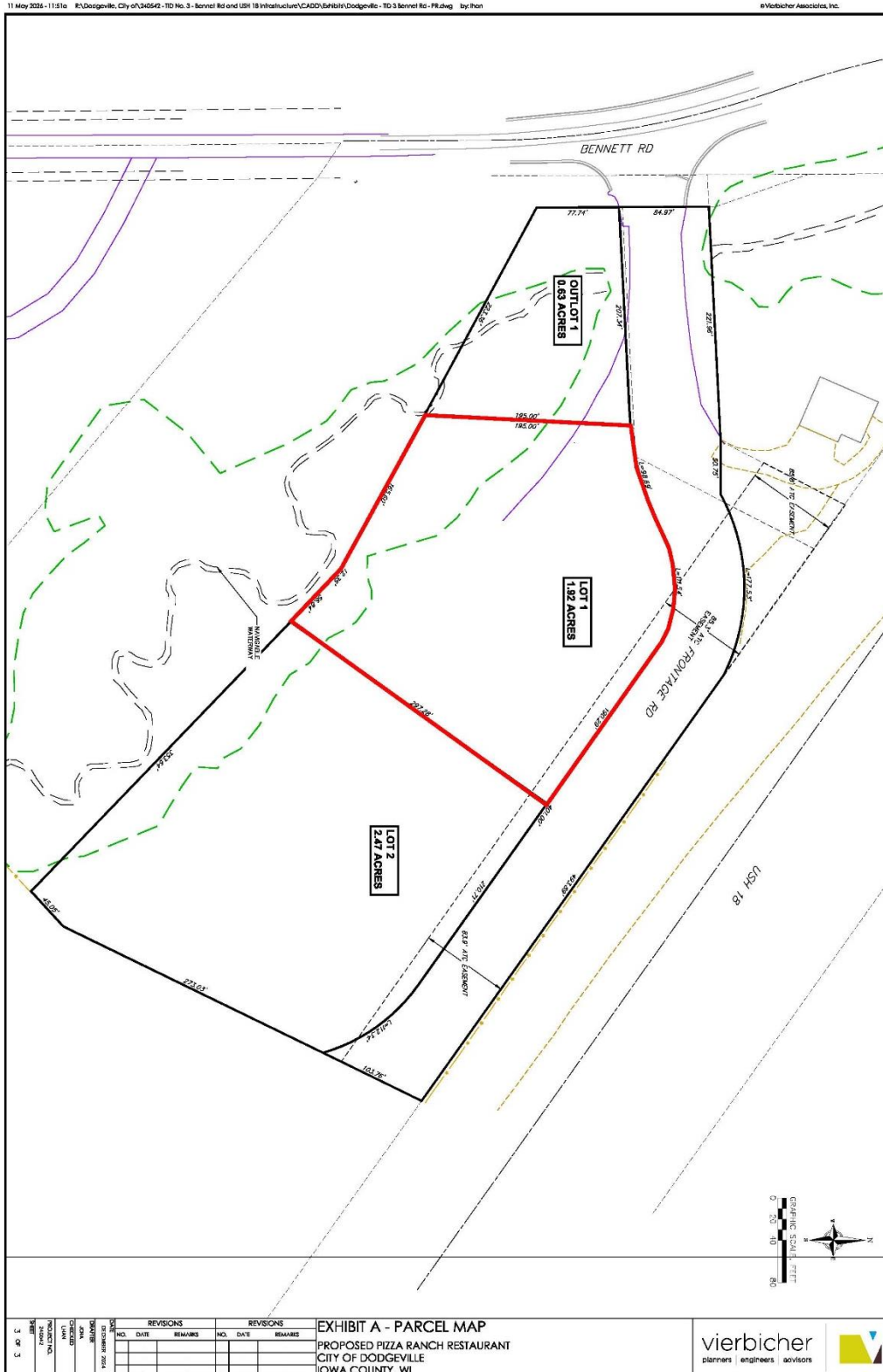
Exhibits:

- Exhibit A – Depiction and Legal Description of the Property
- Exhibit B – City Work
- Exhibit C – Site Plan
- Exhibit D – Intentionally Omitted
- Exhibit E – Form of Declaration of Utility Easement
- Exhibit F – Form of Municipal Revenue Obligation
- Exhibit G – Form of City Mortgage

This instrument drafted by:
Atty. Julia K. Potter
Boardman & Clark LLP
P.O. Box 927
Madison, WI 53701-0927

EXHIBIT A Depiction of the Property

The Property is approximately depicted as Lot 1 on the following parcel map:



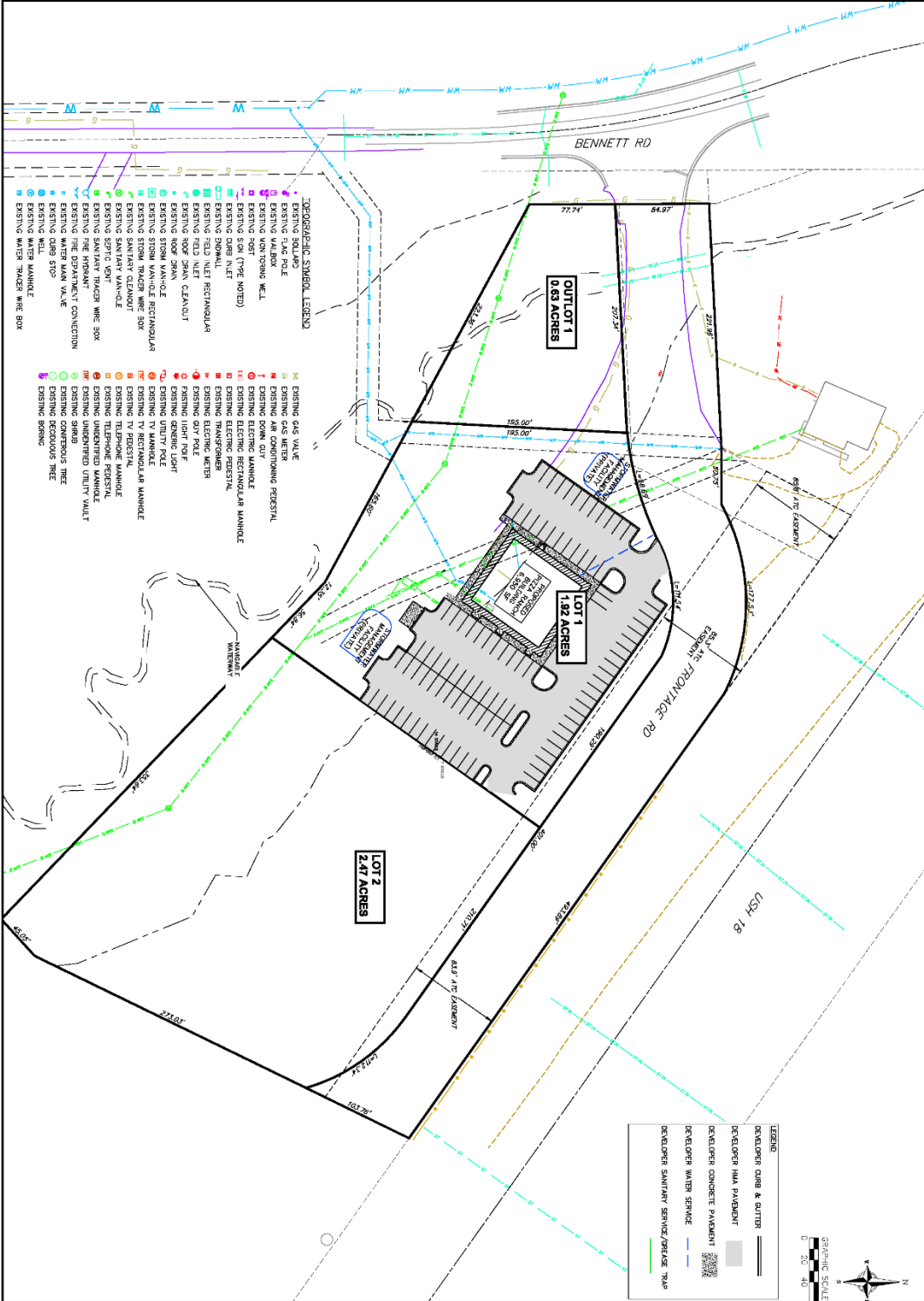
Legal Description of the Property

Lot ____ of Iowa County Certified Survey Map No. _____, recorded in the office of the Register of Deeds for Iowa County, Wisconsin in Volume ____ of Certified Survey Maps, Pages _____ as Document Number _____, located in the _____ of Section Twenty-Six (26), Township Six (6) North, Range Three (3) East, City of Dodgeville, Iowa County, Wisconsin.

EXHIBIT C Site Plan

11 May 2024 - 11486 R:\Dodgeville, City of\240542 - TD No. 3 - Bennett Rd and USH 18 Infrastructure\CADD\Exhibit\Dodgeville - TD 3 Bennett Rd - PL.dwg by Ron

©Verbicher Associates, Inc.



REVISIONS			REVISIONS		
NO.	DATE	REMARKS	NO.	DATE	REMARKS

3 OF 3



EXHIBIT D
Renderings

Intentionally omitted

EXHIBIT E
Form of Declaration of Utility Easement

This Declaration of Utility Easement (“*Easement*”) is made by the City of Dodgeville, a Wisconsin municipal corporation, (the “*Declarant*”) and shall be effective on the date of the last signature below.

RECITALS.

A. The Declarant is the owner of certain real property in the City of Dodgeville, Iowa County, State of Wisconsin, as more particularly described on the attached *Exhibit A* (“*Property*”).

B. In anticipation of the sale of a portion of the Property to a third party, the Declarant wishes to declare a permanent utility easement over certain portions of the Property as described and depicted on the attached *Exhibit B* (“*Easement Area*”) for the benefit of the City of Dodgeville (“*City*”).

AGREEMENT

Now, therefore, Declarant hereby declares that the Property shall be held, transferred, sold, conveyed, and occupied subject to a perpetual utility easement over and across the Easement Area on the following terms:

1. **Grant of Easement.** The City shall have a perpetual easement in gross to survey, construct, excavate, construct, lay, operate, use, maintain, inspect, repair, replace, relocate, enlarge, or remove utility facilities and related fixtures, equipment, and appurtenances (“*Facilities*”) within the Easement Area, along with (i) the right to cross the Property to access the Easement Area for the purposes of exercising the rights granted herein; (ii) a right to permanently remove obstructions within or adjacent to the Easement Area (including, without limitation, trees, bushes, roots, signs, and fences) to prevent interference with the Facilities and allow for the full exercise of the rights granted herein; and (iii) such other rights as may be necessary or convenient to the exercise of the rights granted herein.
2. **Use of Easement Area.** The Property owner shall not (i) place any building, permanent structure, trees, or other obstructions over or within the Easement Area, it being intended that the Easement Area be maintained as open space available for yard, driveway, parking lot, and similar purposes; (ii) allow the installation of any other utility facilities within the Easement Area; (iii) change the grade of the Easement Area by more than three inches; or (iv) otherwise obstruct or disturb the Easement Area or the City’s full use thereof without first securing written approval from the City Director of Public Works.
3. **Restoration of Surface.** If the City enters the Easement Area to construct, maintain, repair, or replace its facilities located therein, the City shall restore the surface of the Easement Area to substantially the condition that existed prior to its entry, at the City’s sole expense,

RETURN TO:
Atty. Eric B. Hagen
Boardman & Clark LLP
PO Box 87
Fennimore, WI 53809

P.I.N.
Pt. 216-1400.A _____

except that such restoration shall not include buildings, permanent structures, trees or vegetation, or other obstructions placed over or within the Easement Area, whether or not such improvements were installed with the approval of the City Director of Public Works pursuant to Section 2 of this Agreement.

4. **Non-Use.** Non-use or limited use of the rights granted in this Easement shall not prevent the City from later use of those rights to the fullest extent authorized in this Easement.

5. **Invalidity.** If any term or condition of this Easement, or the application of this Easement to any person or circumstance, shall be deemed invalid or unenforceable, the remainder of this Easement, or the application of the term or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term and condition shall be valid and enforceable to the fullest extent permitted by law.

6. **Waiver.** No delay or omission by any party in exercising any right or power arising out of any default under the terms or conditions of this Easement shall be construed to be a waiver of the right or power. A waiver by a party of any of the obligations of the other party shall not be construed to be a waiver of any breach of any other terms or conditions of this Easement.

7. **No Merger.** It is the intention of Declarant that the separate estates and rights created by this Easement shall not merge if all or any portion of the Property (including the Easement Area) are owned by the same individual or entity.

8. **Amendment.** This Easement may be amended only by a writing signed by the City and all owners of the Property.

9. **Covenants Run with the Land.** The easement granted herein is not personal and shall run with the land described on *Exhibit A* and is binding upon the heirs, successors, and assigns of Grantor and shall benefit the City and its licensees, successors, and assigns.

10. **Governing Law.** This Easement shall be construed and enforced in accordance with the internal laws of the state of Wisconsin.

[signature pages follow]

**EXHIBIT A
TO DECLARATION OF UTILITY EASEMENT**

Legal Description of Property

[City to insert legal description of Property prior to recording]

EXHIBIT B
TO DECLARATION OF UTILITY EASEMENT
Legal Description and Depiction of Easement Area

[City to insert legal description and depiction of Easement Area prior to recording]

EXHIBIT F
Form of Municipal Revenue Obligation

CITY OF DODGEVILLE
MUNICIPAL REVENUE OBLIGATION
\$100,000.00

This Municipal Revenue Obligation (the “*Obligation*”) is issued pursuant to Wis. Stat. § 66.0621 and shall be effective as of the date of execution by the City of Dodgeville (the “*City*”) and thereafter payable to PR Dodgeville, LLC, a Wisconsin limited liability company, (“*Developer*”) in accordance with its terms.

RECITALS

- A. The City and Developer have entered into a certain TID No. 3 Development Agreement (“*Development Agreement*”) approved by the City of Dodgeville Common Council on _____, 2026.
- B. This Obligation is issued by the City pursuant to the Development Agreement.
- C. Terms that are capitalized in this Obligation that are not defined in this Obligation and that are defined in the Development Agreement shall have the meanings assigned to such terms by the Development Agreement.

TERMS OF OBLIGATION

- 1. **Promise to Pay; Developer’s Condition.** The City shall pay to Developer the principal amount of \$100,000.00, together with interest thereon at an annual rate of 0.00%, solely from Annual Tax Increment in accordance with the terms and conditions of this Obligation and the Development Agreement. Beginning on the later of (a) November 1, 2028 or (b) the first November 1st after this Obligation is issued, and on each November 1st thereafter, \$10,000.00 of the Annual Tax Increment received by the City in that calendar year and appropriated by the Common Council for payment of this Obligation shall be paid to Developer, subject to reduction or elimination as set out in Section 7.c of the Development Agreement, until the sooner of (a) when the City has paid Developer the principal amount of \$100,000.00 or (b) when the City has paid to Developer the payment due on November 1, 2037. The obligation of the City to make any payment under this Obligation is conditioned upon (a) Developer providing written evidence to the City on or before September 15th that all real estate taxes, special assessments, and special charges levied against the Property for the previous year have been timely paid and (b) Developer not being in default under the Development Agreement as of the date the payment is due. In the event Developer fails to satisfy such conditions precedent for payment for a given year, the payment for that year shall be forfeited and the City’s failure to make the payment shall not constitute a default under this Obligation. In the event that, on the date a payment is due under this Obligation, the City has provided written notice to Developer of a breach of the Development Agreement which, with the

passage of time, would constitute a default under the Development Agreement, the City may delay making a payment under this Obligation until such breach has been cured. If such breach is not cured within the cure period provided in Section 14 of the Development Agreement, then the payment for that year shall be forfeited and the City's failure to make the payment shall not constitute a default under this Obligation. The City's obligation to make a payment under this Obligation is contingent upon the City's receipt of the Guaranteed Tax Increment Revenue from the Property and the amount of each payment is subject to reduction or elimination as set out in Section 7.c of the Development Agreement. Any payment (or portion thereof) so reduced or eliminated shall be forfeited and the City's failure to make the payment shall not constitute a default under this Obligation. Any payments on this Obligation shall be payable solely from and only to the extent that the City has received Annual Tax Increment. In no case shall the term of this Obligation and the City's obligation to make payments hereunder extend beyond the termination date of the District. Nor shall the City be obligated to pay any amount not appropriated for such purpose by the Common Council. This Obligation shall terminate and the City's obligation to make payments under this Obligation shall be discharged, and the City shall have no obligation and incur no liability to make any payments hereunder, after the earlier of (a) when the City has paid to Developer the principal amount of \$100,000.00 or (b) when the City has paid Developer the final payment due November 1, 2037.

2. **Limited Obligation of City.** This Obligation shall be payable solely from Annual Tax Increment, shall not be a general obligation of the City, shall not constitute a charge against the City's general credit or taxing power, and shall not count against the City's constitutional debt limitation. The City shall not be subject to any liability hereunder, or be deemed to have obligated itself to pay Developer any amounts from any funds, except the Annual Tax Increment, and then only to the extent and in the manner herein specified.
3. **Subject to Annual Appropriations.** Each payment under this Obligation shall be subject to annual appropriation by the City of its Annual Tax Increment in accordance with the requirements for revenue obligations.
4. **Prepayment Option and Early District Termination.** To satisfy in full the City's obligations under this Obligation, the City shall have the right to prepay all or a portion of the outstanding balance of this Obligation at any time, at par and without penalty, and from any source of funding. The prepayment option is available to provide the City the option of early termination of the District.
5. **Non-Transferrable.** This Obligation is non-transferrable except for a collateral assignment to a lender that takes a security interest in the Property in order to secure indebtedness in connection with construction of the Project or, with prior written approval of the City, an assignment to a purchaser of the Property who is a permitted transferee pursuant to Section 26 of the Development Agreement.
6. **Miscellaneous.** This Obligation is subject to Wisconsin tax increment law and to the Development Agreement.

[Signature Page Follows]

otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Mortgagee deems the restoration or repair to be economically feasible.

e. **OTHER COVENANTS.** Mortgagor covenants not to commit waste nor suffer waste to be committed on the Property, to keep the Property in good condition and repair, to keep the Property free from future liens superior to the lien of this Mortgage and to comply with all laws, ordinances and regulations affecting the Property. Mortgagor shall pay when due all indebtedness which may be or become secured at any time by a mortgage or other lien on the Property superior to this Mortgage and any failure to do so shall constitute a default under this Mortgage.

2. **DEFAULT AND REMEDIES.** Mortgagor agrees that time is of the essence with respect to payment of principal and interest when due, and in the performance of the terms, conditions and covenants contained herein or in the Obligation secured hereby. In the event of default, Mortgagee may, at its option, declare the whole amount of the unpaid principal and accrued interest due and payable, and collect it in a suit at law or by foreclosure of this Mortgage or by the exercise of any other remedy available at law or equity. If this Mortgage is subordinate to a superior mortgage lien, a default under the superior mortgage lien constitutes a default under this Mortgage.

3. **NOTICE.** Unless otherwise provided in the Obligation secured by this Mortgage, prior to any acceleration (other than under paragraph 9, below) Mortgagee shall mail notice to Mortgagor specifying: (a) the default; (b) the action required to cure the default; (c) a date, not less than 15 days from the date the notice is mailed to Mortgagor by which date the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration.

4. **EXPENSES AND ATTORNEY FEES.** In case of default, whether abated or not, all costs and expenses, including, but not limited to, reasonable attorney fees, to the extent not prohibited by law shall be added to the principal, become due as incurred, and in the event of foreclosure be included in the judgment.

5. **FORECLOSURE WITHOUT DEFICIENCY.** Mortgagor agrees to the provisions of Sections 846.101 and 846.103, Wis. Stats., as may apply to the Property and as may be amended, permitting Mortgagee in the event of foreclosure to waive the right to judgment for deficiency and hold the foreclosure sale within the time provided in such applicable Section.

6. **RECEIVER.** Upon default or during the pendency of any action to foreclose this Mortgage, Mortgagor consents to the appointment of a receiver of the Property, including homestead interest, to collect the rents, issues and profits of the Property during the pendency of such an action, and such rents, issues and profits when so collected shall be held and applied as the court shall direct.

7. **WAIVER.** Mortgagee may waive any default without waiving any other subsequent or prior default by Mortgagor.

8. **MORTGAGEE MAY CURE DEFAULTS.** In the event of any default by Mortgagor of any kind under this Mortgage or any Obligation secured by this Mortgage, Mortgagee may cure the default and all sums paid by Mortgagee for such purpose shall immediately be repaid by Mortgagor with interest at the rate then in effect under the Obligation secured by this Mortgage and shall constitute a lien upon the Property.

9. **CONSENT REQUIRED FOR TRANSFER.** Mortgagor shall not transfer, sell or convey any legal or equitable interest in the Property (by deed, land contract, option, long-term lease or in any other way) without the prior written consent of Mortgagee, unless either the indebtedness secured by this Mortgage is first paid in full or the interest conveyed is a mortgage or other security interest in the Property, subordinate to the lien of this Mortgage. The entire indebtedness under the Obligation secured by this Mortgage shall become due and payable in full at the option of Mortgagee without notice, which notice is hereby waived, upon any transfer, sale or conveyance made in violation of this paragraph. A violation of the provisions of this paragraph will be considered a default under the terms of this Mortgage and the Obligation it secures.

10. **ASSIGNMENT OF RENTS.** Mortgagor hereby transfers and assigns absolutely to Mortgagee, as additional security, all rents, issues and profits which become or remain due (under any form of agreement for use or occupancy of the Property or any portion thereof), or which were previously collected and remain subject to Mortgagor's control following any default under this Mortgage or the Obligation secured hereby and delivery of notice of exercise of this assignment by Mortgagee to the tenant or other user(s) of the Property in accordance with the provisions of Section 708.11, Wis. Stats., as may be amended. This assignment shall be enforceable with or without appointment of a receiver and regardless of Mortgagee's lack of possession of the Property.

11. **ENVIRONMENTAL PROVISION.** Mortgagor represents, warrants and covenants to Mortgagee that (a) during the period of Mortgagor's ownership or use of the Property no substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (b) Mortgagor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner or person using the Property; (c) without limiting the generality of the foregoing, Mortgagor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components ("PCBs") or underground storage tanks; (d) there are no conditions existing currently or likely to exist during the term of this Mortgage which would subject Mortgagor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claims relating to any Hazardous Substance; (e) Mortgagor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance; and (f) Mortgagor in the past has been, at the present is and in the future will remain in compliance with all Environmental Laws. Mortgagor shall indemnify and hold harmless Mortgagee from all loss, cost (including reasonable attorney fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of or based upon (i) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (ii) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, or (iii) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Mortgagor shall immediately notify Mortgagee in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance on, in, under or about the Property.

12. **SECURITY INTEREST ON FIXTURES.** To further secure the payment and performance of the Obligation, Mortgagor hereby grants to Mortgagee a security interest in:

CHOOSE ONE OF THE FOLLOWING OPTIONS; IF NEITHER IS CHOSEN, OPTION A SHALL APPLY:

- A. All fixtures and personal property located on or related to the operations of the Property whether now owned or hereafter acquired.
- B. All property listed on the attached schedule.

This Mortgage shall constitute a security agreement within the meaning of the Uniform Commercial Code with respect to those parts of the Property indicated above. This Mortgage constitutes a fixture filing and financing statement as those terms are used in the Uniform Commercial Code. This Mortgage is to be filed and recorded in the real estate records of the county in which the Property is located, and the following information is included: (1) Mortgagor shall be deemed the "debtor"; (2) Mortgagee shall be deemed to be the "secured party" and shall have all of the rights of a secured party under the Uniform Commercial Code; (3) this Mortgage covers goods which are or are to become fixtures; (4) the name of the record owner of the land is the debtor; (5) the legal name and address of the debtor are PR Dodgeville, LLC, 255 S. Jefferson Street, P.O. Box 282, Waterloo, WI 53594; (6) the state of organization and the organizational identification number of the debtor (if applicable) are state of Wisconsin, [ORGANIZATIONAL IDENTIFICATION NUMBER]; and (7) the address of the secured party is 410 E. Leffler Street, Dodgeville, WI 53533.

13. **SINGULAR; PLURAL.** As used herein, the singular shall include the plural and any gender shall include all genders.

14. **JOINT AND SEVERAL/LIMITATION ON PERSONAL LIABILITY.** The covenants of this Mortgage set forth herein shall be deemed joint and several among Mortgagors, if more than one. Unless a Mortgagor is obligated on the Obligation secured by this Mortgage, Mortgagor shall not be liable for any breach of covenants contained in this Mortgage.

15. **INVALIDITY.** In the event any provision or portion of this instrument is held to be invalid or unenforceable, this shall not impair or preclude the enforcement of the remainder of the instrument.

16. **MARITAL PROPERTY STATEMENT.** Any individual Mortgagor who is married represents that the obligation evidenced by this instrument was incurred in the interest of Mortgagor's marriage or family.

Dated _____, 202_____.

PR Dodgeville, LLC

_____(SEAL)_____(SEAL)
*Devon Lee, Managing Member * Max Dvorak, Managing Member

_____(SEAL)_____(SEAL)
*Bjorn Kasshagen, Managing Member *

AUTHENTICATION

ACKNOWLEDGMENT

Signature(s) _____

authenticated on _____.

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

* _____
TITLE: MEMBER STATE BAR OF WISCONSIN
(If not, _____
authorized by Wis. Stat. § 706.06)

Personally came before me on _____,
the above-named Devon Lee, Max Dvorak, and Bjorn
Kasshagen
to me known to be the person(s) who executed the foregoing
instrument and acknowledged the same.

THIS INSTRUMENT DRAFTED BY:
Atty. Julia K. Potter, Boardman & Clark LLP
Madison, WI

* _____
Notary Public, State of Wisconsin
My Commission (is permanent) (expires: _____)

(Signatures may be authenticated or acknowledged. Both are not necessary.)

NOTE: THIS IS A STANDARD FORM. ANY MODIFICATIONS TO THIS FORM SHOULD BE CLEARLY IDENTIFIED.

MORTGAGE

STATE BAR OF WISCONSIN

FORM NO. 21-2003

* Type name below signatures.