

Return Address: Holden & Hahn, S.C.
903 North 6th Street
Sheboygan, WI 53081

Parcel Numbers: Part of 59281109920.

LEASEHOLD MORTGAGE

Space Above This Line For Recording Data

DATE AND PARTIES. This Leasehold Mortgage (Security Instrument) is effective as of the last date signed below. The parties and their addresses are:

MORTGAGOR, whether one or more:

RAUTMANN RIVER, LLC
A Wisconsin Limited Liability Company
9277 W. 98th Place
Westminster, CO 80021

Rautmann River, LLC, Ground Lessee, and THE REDEVELOPMENT AUTHORITY OF SHEBOYGAN, a Wisconsin Public Corporation, Ground Lessor.

LENDER:

THE LEANING SHANTY, LLC
A Wisconsin Limited Liability Company
936 N. 26th Street
Sheboygan, WI 53081

LANDLORD:

THE REDEVELOPMENT AUTHORITY OF SHEBOYGAN
A Wisconsin Public Corporation
828 Center Avenue, Suite 201
Sheboygan, WI 53081

1. DEFINITIONS. For the purposes of this document, the following term has the following meaning.

A. Loan. "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys, mortgages and sells to Lender a security interest in and to all of Mortgagor's rights, title and interest in the Lease and Mortgagor's leasehold estate in and to the following described real property as security for the Secured Debts (all referred to as Property):

SEE LEGAL DESCRIPTION PER THE ATTACHED EXHIBIT A.

For informational purposes only: Property is in the CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, with a physical address of 809 RIVERFRONT DRIVE, SHEBOYGAN, WI 53081.

Landlord has leased the Property to Mortgagor pursuant to a lease dated September 18, 1991 (the "Lease"). The Lease includes all extensions, renewals, modifications and replacements. Landlord's acknowledgment and consent to this agreement is required. This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

3. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time and from time to time will not exceed \$450,000.00. Any limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. SECURED DEBTS. The term "Secured Debts" includes and this Security Instrument will secure each of the following:

- A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements: a promissory note and other agreements, from Mortgagor to Lender, with a loan amount of \$450,000.00.
- B. All Debts.** All present and future debts from Mortgagor to Lender arising under the promissory note and other agreements described in subsection A, whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each agrees that it will secure such debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Security Instrument will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.
- C. Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

5. LIMITATIONS ON CROSS-COLLATERALIZATION. The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing. The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

6. PAYMENTS. Mortgagor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

7. WARRANTY OF TITLE. Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

- 8. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
- A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

9. CLAIMS AGAINST TITLE. Mortgagor, when contractually or legally obligated, will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment, Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

10. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

11. TRANSFER OF AN INTEREST IN THE MORTGAGOR. If Mortgagor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

- A. A beneficial interest in Mortgagor is sold or transferred, resulting in a change of control, without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed.
- B. There is a change in either the identity or number of members of a partnership or similar entity that results in a change of control, without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed.
- C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

12. WARRANTIES AND REPRESENTATIONS. Mortgagor and Landlord have the right and authority to enter into this Security Instrument. The execution and delivery of this Security Instrument will not violate any agreement governing Mortgagor or Landlord or to which either is a party. Landlord warrants that Landlord owns the Property in fee simple. Mortgagor warrants that it is not in default under the Leases and that it will comply with all provisions of the Leases and this Security Instrument until the Secured Debts are paid in full. Mortgagor makes to Lender the following warranties and representations which will continue as long as this Security Instrument is in effect:

- A. Power.** Mortgagor is duly organized, and validly existing and in good standing in all jurisdictions in which Mortgagor operates. Mortgagor has the power and authority to enter into this transaction and to carry on Mortgagor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Mortgagor operates.
- B. Authority.** The execution, delivery and performance of this Security Instrument and the obligation evidenced by this Security Instrument are within Mortgagor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Mortgagor is a party or to which Mortgagor is or any of Mortgagor's property is subject.
- C. Name and Place of Business.** Other than previously disclosed in writing to Lender, Mortgagor has not changed Mortgagor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve Mortgagor's existing name, trade names and franchises.

13. LANDLORD CONSENT. Landlord consents to and acknowledges the assignment of all of Mortgagor's rights, title and interest in the Property. In the event of default, Landlord will not unreasonably withhold any consent necessary for Lender to exercise any remedy regarding the Property not inconsistent with the provisions of the Leases. All such remedies remain subject to the Lease and Landlord's rights thereunder.

14. PROPERTY CONDITION, ALTERATIONS, INSPECTION, VALUATION AND APPRAISAL.

Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed. Mortgagor will notify Lender of all material demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed, except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor will not partition or subdivide the Property without Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time and frequency, upon reasonable prior notice to Mortgagor except in an emergency, for the purpose of inspecting, valuating, or appraising the Property. Lender will give Mortgagor notice at the time of or before an on-site inspection, valuation, or appraisal for on-going due diligence or otherwise specifying a reasonable purpose. Lender's notice will specify a reasonable purpose for the on-site inspection, valuation, or appraisal. Any inspection, valuation or appraisal of the Property will be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection, valuation or appraisal for its own purpose, except as otherwise provided by law.

15. AUTHORITY TO PERFORM. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, after written notice to Mortgagor and a reasonable opportunity to perform, perform or cause them to be performed; provided that no prior notice is required in a genuine emergency presenting an imminent risk of material harm to the Property or Lender's security. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount reasonably necessary for performance. Lender's right to perform for Mortgagor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may, subject to the foregoing notice requirement, take all steps reasonably necessary to protect Lender's security interest in the Property, including completion of the construction.

16. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Mortgagor agrees to comply with the provisions of the Leases. If the Property includes a unit in a condominium, time-share estate or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium, time-share estate or planned unit development.

17. DEFAULT. Mortgagor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. Mortgagor fails to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender; or the commencement of any such involuntary proceeding against any such person that is not dismissed or stayed within sixty (60) days.

- C. Business Termination.** Mortgagor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.
- D. Failure to Perform.** Mortgagor fails to perform any condition or to keep any promise or covenant of this Security Instrument.
- E. Other Documents.** A default occurs and continues beyond any applicable notice and cure period under the terms of any other document relating to the Secured Debts.
- F. Other Agreements.** Mortgagor is in default beyond any applicable notice and cure period on any other debt or agreement Mortgagor has with Lender.
- G. Modification.** Mortgagor and Landlord materially modify, terminate or replace the Lease without prior written consent of Lender, which consent will not be unreasonably withheld, conditioned or delayed.
- H. Misrepresentation.** Mortgagor makes any verbal or written statement or provides any financial information that is materially untrue, inaccurate, or conceals a material fact at the time it is made or provided.
- I. Judgment.** Mortgagor fails to satisfy or appeal any judgment against Mortgagor.
- J. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.
- K. Name Change.** Mortgagor changes Mortgagor's name or assumes an additional name without notifying Lender before making such a change.
- L. Property Transfer.** Outside the ordinary course of business, Mortgagor transfers all or a substantial part of Mortgagor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.
- M. Property Value.** Lender reasonably determines in good faith, based on objective evidence, that the value of the Property has materially declined or is materially impaired and that such decline or impairment materially jeopardizes Lender's security.
- N. Material Change.** Without first notifying Lender, there is a material change in Mortgagor's business, including ownership, management, and financial conditions.
- O. Insecurity.** Lender reasonably determines in good faith, based on objective evidence, that a material adverse change has occurred in Mortgagor's financial condition from the conditions set forth in Mortgagor's most recent financial statement before the date of this Security Instrument and that the prospect for payment or performance of the Secured Debts is materially impaired as a result.

18. DEFAULT UNDER LEASE. If Mortgagor defaults under any term of the Leases, Landlord agrees to notify Lender in writing of the default before exercising any rights or remedies available to Landlord as a result of the default. In addition, Landlord agrees that Lender will have the right to cure any default within 30 days of receipt of such notice unless the nature of the default is such that it cannot be cured within 30 days, in which case Lender shall have 90 days to cure the default. During the applicable cure period, Landlord agrees that Landlord will take no action to exercise any rights or remedies available under the Leases or by law as a result of such default without Lender's prior written consent. In the event Lender cures any default by Mortgagor under the Leases, Mortgagor agrees to indemnify and hold Lender harmless from reasonable expenses incurred by Lender to cure or contest the default under the Leases. Mortgagor agrees that Lender shall be subrogated to all the rights and remedies of the Landlord under the Leases to the extent provided by the Leases and applicable law. Lender is not responsible for any prior default of Mortgagor under the Leases and in no way assumes or guarantees Mortgagor's performance under the Leases. At Lender's option, Lender may:

- A.** Contest any allegations by Landlord of default under the Leases.
- B.** Cure the default and retain Mortgagor in possession of the Property.
- C.** Cure the default and, subject to the Leases and Landlord's rights thereunder, foreclose by subrogation to Landlord's rights against Mortgagor's interest in the Property and assume all responsibilities of Mortgagor under the Leases while Lender is in possession of the Property.

19. REMEDIES. Except for an Event of Default under subsection 17.B that is not reasonably capable of cure, no Event of Default will be deemed to have occurred unless Lender gives Mortgagor written notice specifying the default and Mortgagor fails to cure the default within ten (10) business days after receipt of notice. On or after the occurrence of an Event of Default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts. Any reasonable and documented amounts advanced on Mortgagor's behalf in accordance with this Security Instrument will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to the notice and cure rights in this Security Instrument, any required time schedules, and any other notice rights, Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of an Event of Default or anytime thereafter. All such remedies are subject to the Lease and Landlord's rights thereunder.

All remedies are distinct, cumulative and not exclusive, and Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

Upon the exercise of these or any other remedies Lender may do such remodeling, renovation and repairs to the Property as Lender may reasonably deem necessary, subject to the terms and conditions of the Leases and Landlord's rights thereunder. If Lender exercises any remedy, Lender shall be obligated to Landlord under the terms of the Lease only for the time Lender is in possession of the Property. Subject to the Lease and Landlord's rights thereunder, Lender shall have no further obligation to Landlord and shall be deemed to be released by Landlord from the terms of the Lease when Lender relinquishes possession of the Property. Lender shall have no obligation to undertake any further remedies whatsoever and has no obligation to Mortgagor to cure any defaults under the Leases, except as specifically and expressly undertaken by Lender.

20. REDEMPTION. The period of redemption is anytime before the foreclosure sale.

21. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Mortgagor agrees to pay reasonable and documented expenses for Lender to inspect, value, appraise and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, reasonable attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Mortgagor.

22. FORECLOSURE WITHOUT DEFICIENCY. If this Property is a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. Ann. § 846.101, as amended, permitting Lender to waive its right to a judgment for a deficiency on real estate of 20 acres or less, and to hold a sale of the Property six months after the foreclosure judgment is entered. If this Property is not a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. Ann. § 846.103, as amended, permitting Lender to waive its right to a judgment for a deficiency, and to hold a sale of the Property three months after a foreclosure judgment is entered. Regardless of terms to the contrary, if Mortgagor abandons the Property, then the sale of the Property shall be after two months from the date a foreclosure judgment is entered.

23. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state of Wisconsin and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law. Mortgagor and Landlord represent, warrant and agree that:

- A. Except as previously disclosed and acknowledged in writing to Lender, to the best of their knowledge, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, neither Landlord nor Mortgagor has or will cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Landlord and Mortgagor agree to immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor or Landlord will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and Landlord have no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Landlord, Mortgagor or any tenant of any Environmental Law. Landlord and Mortgagor agree to immediately notify Lender in writing as soon as either party has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, to the best of their knowledge, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor and Landlord will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time, upon reasonable prior notice except in an emergency, to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Landlord, Mortgagor, or any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor agrees to indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation reasonable costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Security Instrument.
- L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

24. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above-described actions or claims.

Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

25. INSURANCE. Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld, conditioned or delayed.

All insurance policies and renewals will include a standard "mortgage clause" and, where applicable, "loss payee clause." If required by Lender, Mortgagor agrees to maintain comprehensive general liability insurance and rental loss or business interruption insurance in amounts and under policies reasonably acceptable to Lender. The comprehensive general liability insurance must name Lender as an additional insured. The rental loss or business interruption insurance must be in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing).

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured, Lender may, after written notice and five (5) business days to cure, obtain insurance to protect Lender's interest in the Property; provided that Lender may act immediately if reasonably necessary to prevent or address a lapse in coverage. Mortgagor will pay the reasonable and documented premiums for the insurance on Lender's demand. Lender may demand that Mortgagor pay for the insurance all at once, or Lender may add the insurance premiums to the balance of the Secured Debts and charge interest on it at the rate that applies to the Secured Debts. This insurance may include lesser or greater coverages than originally required of Mortgagor, may be written by a company other than one Mortgagor would choose, and may be written at a higher rate than Mortgagor could obtain if Mortgagor purchased the insurance. Mortgagor acknowledges and agrees that Lender or one of Lender's affiliates may receive commissions on the purchase of this insurance.

26. ESCROW FOR TAXES AND INSURANCE. Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

27. APPLICABLE LAW. This Security Instrument is governed by the laws of Wisconsin, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

28. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS. Each party's obligations under this Security Instrument are independent of the obligations of any other party. Lender may sue each Mortgagor individually or together with any other Mortgagor or Landlord. Lender may release any part of the Property and Mortgagor will still be obligated under this Security Instrument for the remaining Property. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Mortgagor and Lender.

29. AMENDMENT, INTEGRATION AND SEVERABILITY. This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing and executed by Mortgagor, Landlord and Lender. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

30. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

31. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES. Unless otherwise required by law, any notice will be in writing and will be given by personal delivery or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice will be effective upon receipt if personally delivered and three (3) business days after deposit in the United States mail if mailed. Notice to one Mortgagor will be deemed to be notice to all Mortgagors. Mortgagor will inform Lender in writing of any change in Mortgagor's name, address or other application information. Mortgagor will provide Lender any other correct and complete information Lender requests to effectively mortgage or convey the Property. Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Mortgagor and Landlord agree to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

32. WAIVERS. Except to the extent prohibited by law, Mortgagor waives all appraisal and homestead exemption rights relating to the Property.

33. WAIVER OF JURY TRIAL. All of the parties to this Security Instrument knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Security Instrument or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

[Remainder of Page Intentionally Left Blank. Signatures to Follow.]

SIGNATURES. By signing under seal, Mortgagor and Landlord agree to the terms and covenants contained in this Security Instrument. Mortgagor and Landlord also acknowledge receipt of a copy of this Security Instrument.

MORTGAGOR: Rautmann River, LLC, a Wisconsin limited liability company

By: _____ (Seal) By: _____ (Seal)
James Rautmann, Member Ashton Rautmann, Member

Date: _____ Date: _____

LANDLORD: The Redevelopment Authority of Sheboygan,
a Wisconsin Public Corporation

By: _____ (Seal) By: _____ (Seal)
Roberta Filicky-Peneski, Chairperson Taylor Zeinert, Executive Director

Date: _____ Date: _____

ACKNOWLEDGMENT.

STATE OF WISCONSIN)
) ss
SHEBOYGAN COUNTY)

Personally came before me on this _____ day of _____, 2026, the above-named James Rautmann and Ashton Rautmann as authorized signatories of Rautmann River, LLC, and to me known to be the persons who executed the foregoing instrument on behalf of Rautmann River, LLC and acknowledged the same in such capacities.

By: _____
*
Notary Public, State of Wisconsin
My Commission Expires: _____

STATE OF WISCONSIN)
) ss
SHEBOYGAN COUNTY)

Personally came before me on this _____ day of _____, 2026, the above-named Roberta Filicky-Peneski and Taylor Zeinert, as Chairperson and Executive Director, respectively, of the Redevelopment Authority of the City of Sheboygan, Wisconsin, and to me known to be the persons who executed the foregoing instrument and acknowledged the same in such capacity.

By: _____
*
Notary Public, State of Wisconsin
My Commission Expires: _____

This instrument drafted by: Attorney Richard Hahn, Holden & Hahn, S.C., 903 North 6th Street, Sheboygan, WI 53081.