

TAX INCREMENTAL DISTRICT DEVELOPMENT AGREEMENT

THIS TAX INCREMENTAL DISTRICT DEVELOPMENT AGREEMENT (the “**Agreement**”) is entered into as of February 20, 2024 (the “**Effective Date**”) by and among the CITY OF SHEBOYGAN (the “**City**”), a Wisconsin municipal corporation, and MALIBU APARTMENTS, LLC, a Wisconsin limited liability company (“**Developer**”).

RECITALS

A. The City intends to create Tax Incremental District No. 21 (“**District**”) as a rehabilitation tax increment district under the City’s proposed project plan (the “**Project Plan**”) in order to finance various project costs within the District subject to approvals by the City’s Common Council and the Joint Review Board for the District pursuant to Wis. Stat. § 66.1105 (the “**TI Act**”).

B. Developer owns (or has the ability to purchase under a binding contract that Developer represents will be assigned to Developer prior to closing on the acquisition of) the real property located in the District described in greater detail in Exhibit A attached hereto and incorporated herein by reference (collectively, the “**Property**”).

C. Developer, pursuant to the terms and conditions of this Agreement, is obligated to, among other things, construct a development on the Property consisting of one or more buildings that house at least two hundred ten (210) residential units and may contain approximately three thousand four hundred square feet of commercial space (the “**Project**”).

D. Developer acknowledges that but for the MRO (as defined below) provided by the City in this Agreement, Developer would not move forward with the Project.

E. The City believes it is appropriate to use tax increments from the District to provide for, among other things, the MRO for the benefit of the District to facilitate development and redevelopment within the District.

F. The City further believes that the Project, as described in this Agreement, is in the best interests of the City and its residents and is reasonably consistent with the public purposes and the development expectations of the City, including, but not limited to, expanding housing, tax base and employment opportunities within the City.

NOW, THEREFORE, the City and Developer, in consideration of the terms and conditions contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, each agrees as follows:

AGREEMENT

ARTICLE I – REQUIRED INFORMATION; DISTRICT CREATION; TERMINATION

1.1 Required Information. The City shall have no obligations under this Agreement, and shall have the right to terminate this Agreement in accordance with the provisions of

Section 1.3 below, if the Required Information (as defined below) has not been timely provided by the Developer to the City in form and substance reasonably acceptable to the City. On or before October 1, 2024, Developer shall provide to the City the following required information related to the Project (collectively, the “**Required Information**”) and such other documentation as the City may request, both in form and in substance acceptable to the City:

(a) A commitment for an owner’s policy of title insurance issued by a title insurance company licensed to do business in Wisconsin identifying Developer as the proposed insured/owner of the Property (the “**Property Commitment**”) and containing copies of all easements, restrictions, encumbrances, leases or other documents of record affecting the Property (collectively, “**Property Exceptions**”). None of the Property Exceptions shall interfere with the proposed development of the Project.

(b) A fully-executed offer to purchase the Property between Developer and the owner of record for the Property in form and substance of the offer attached hereto as Exhibit B which is incorporated herein by reference (the “**Offer**”) and all contingencies set forth in the Offer (other than having to do with the effectiveness of this Agreement at the closing for such purchase of the Property) have been waived, satisfied or are no longer applicable by passage of time or otherwise.

(c) A schedule for the construction of Developer Improvements (as defined below) and identifying the following for the Project:

(i) Intended commencement and completion date,

(ii) Reasonably estimated costs associated with the construction, and

(iii) Reasonably estimated value, upon completion, of the intended improvements to be constructed on the Property.

(d) An estimated cost breakdown and construction budget summary listing the intended cost of each improvement and construction expense for the Project, including, without limitation, all hard costs and soft costs, and the cost breakdown and budget shall be certified in writing by Developer and Developer’s general contractor.

(e) Documentation confirming that Developer has complied with all necessary federal, state, county, and municipal laws, ordinances, rules, regulations, directives, orders, and requirements necessary to obtain the governmental approvals relating to the Project. Developer shall also provide copies of all approvals by all applicable government bodies and agencies (including, without limitation, municipal or state issued building permits for the Project).

(f) A copy of the final construction plans and complete specifications for the intended construction related to the Project that are consistent with the provisions of this Agreement (the “**Final Plans**”). The Final Plans must be certified as final and complete and be signed by Developer, the consulting engineer, architect and the general contractor (as applicable) and approved by the City in writing.

(g) All documents authorizing the construction and financing of the Project and directing the appropriate officer of Developer to execute and deliver this Agreement, the Offer and all other agreements, documents and contracts required to be executed by it in connection with the transactions which are the subject of this Agreement (including, without limitation, authorizing resolutions of Developer).

1.2 Creation of the District. Subsequent to the Effective Date, the City shall make good faith efforts to create the District by initiating and reasonably pursuing the statutory process for the creation of a tax incremental district pursuant to the TI Act.

1.3 Termination Rights. If the City does not receive the approval of the District and the Project Plan by the City Council and the Joint Review Board, as required by Sections 66.1105(4) and 66.1105(4m) of the TI Act, the City shall have the right to terminate this Agreement and shall have no obligation to perform any act under this Agreement (including, without limitation, issuing the MRO). If Developer fails to fully and timely provide the Required Information, as determined in the sole discretion of the City, the Developer shall be in Default under this Agreement. If Developer does not provide such Required Information within thirty (30) calendar days after the City provides Developer written notice of such Default(s), the City shall have the right to terminate this Agreement and shall have no obligation to perform any act under this Agreement (including, without limitation, issuing the MRO).

ARTICLE II – COMMENCEMENT NOTICE AND DEVELOPER IMPROVEMENTS

2.1 Commencement Notice. Developer shall provide a written notice to the City of Developer's intention to commence the Project on or before October 1, 2024 (the "**Commencement Notice**"). To be effective, the Commencement Notice shall be accompanied by, or Developer shall have previously delivered to the City, all of the Required Information. If Developer does not timely provide the Commencement Notice and all of the Required Information to the City, Developer will be deemed to not be ready to develop the Project and be in Default under this Agreement. If Developer does not cure all outstanding Default(s) within thirty (30) calendar days after the City provides Developer written notice of such Default(s), the City shall have no obligation to perform any obligation of the City under this Agreement (including, without limitation, issuing the MRO) and the City may terminate this Agreement.

2.2 Developer Improvements. Developer shall undertake, at Developer's own expense, the following improvements, obligations and work on the Property consistent with the Final Plans and all applicable laws, regulations and ordinances (collectively, the "**Developer Improvements**"):

(a) Developer shall construct and timely complete the Project. Developer shall commence construction of: (i) the first phase of the Project (installing footings for the southern building on the Property comprised of a combined 72 unit and 80 unit build as depicted in the site plan attached as Exhibit C, the "**First Phase**") on or before May 1, 2025; and (ii) the second phase of the Project (installing footings for the northern building on the Property comprised of an at least fifty-eight (58) unit build as depicted in the site plan attached as Exhibit C, the "**Second Phase**") on or before December 31, 2026. Upon such commencement, Developer shall proceed to the fully-satisfy and complete all of the

improvements, obligations and work set forth in this Section 2.2 with due diligence and without unreasonable delay or interruption (with the exception of force majeure events, if any, as defined in Section 16.10 below). On or before May 1, 2026 (the “**First Phase Completion Date**”), the First Phase of the Project shall be completed, and on or before December 31, 2027 (the “**Second Phase Completion Date**”) the Second Phase of the Project shall be completed and on the Second Phase Completion Date at least two hundred ten (210) residential units shall be available for occupancy.

(b) Developer shall promptly pay for all applicable City impact fees and charges related to the Project. As additional consideration to Developer for this Agreement, and so long as no Default occurs under this Agreement, the City agrees to defer the due date for the payment of impact fees to on or before thirty (30) calendar days after the earlier of Developer receiving: (i) a certificate of occupancy for all residential units in the Project, or (ii) a certificate of substantial completion from Developer’s architect for the Project.

(c) Developer shall be responsible for all landscaping on the Property, including, without limitation, trees, shrubs, seeding or sod related to the Project.

(d) Developer shall install, or have installed, all electric, gas, fiber-optic, telephone and cable services and all improvements for the use and operation of the Project.

(e) Developer shall install, or have installed, all sanitary sewer and water laterals on the Property, as well as connections of such laterals to new or existing sewer and water mains.

(f) Developer shall install, or have installed, all storm water drainage systems and facilities on the Property, including drain tiles, pipes, detention ponds and retention ponds, consistent with all applicable laws, regulations and specifications for such systems and facilities.

(g) Developer shall be responsible for all erosion control measures related to Project and the construction of all improvements on the Property.

(h) Developer shall be responsible for all costs related to the work to be performed by Developer under this Agreement, including, but not limited to, all applicable engineering, inspections, materials, labor, permit, impact, license and any and all other fees.

The obligations on Developer under this Agreement shall be deemed covenants running with the land and shall be applicable to Developer’s successors and assigns and all other persons or entities acquiring any interest in the Property during the term of the District.

2.3 Progress and Quality of Work. Upon commencement of the Developer Improvements, Developer shall proceed to the full completion of the Developer Improvements with due diligence and without delay or interruption with the exception of force majeure events, if any, as defined in Section 16.10 below. Subject to the foregoing, completion of the First Phase of

the Project (as evidenced by the issuance of an occupancy permit on the Property for the First Phase) shall occur on or before the First Phase Completion Date, and completion of the Second Phase of the Project (as evidenced by the issuance of an occupancy permit on the Property for the Second Phase) shall occur on or before the Second Phase Completion Date. All work to be performed by or on behalf of Developer related to the Project shall be performed in a good and workmanlike manner, consistent with the prevailing industry standards for such work in the area of the City.

2.4 Compliance Obligations. All of the Developer Improvements shall be completed in accordance with all applicable laws, regulations, ordinances and building and zoning codes and Developer shall, at Developer's cost, obtain and maintain all necessary permits and licenses for the Developer Improvements.

2.5 Indemnification and Insurance Required of Private Contractors. Developer hereby expressly agrees to indemnify and hold the City harmless from and against all claims, costs and liability related to any damage to the Property or injury or death to persons caused by Developer's performance of the Developer Improvements or any other work required of Developer under this Agreement, unless the cause is due to the willful misconduct by the City.

2.6 Compliance with Law. Developer shall comply with all applicable laws, ordinances, and regulations in effect at the time of final approval when fulfilling its obligations under this Agreement. When necessary to protect the public health, safety or welfare, Developer shall be subject to any applicable laws, ordinances and regulations that become effective after approval.

2.7 Payment of Taxes. Developer shall timely pay and discharge all taxes, assessments and other governmental charges upon the Property when due.

2.8 Time is of the Essence. Time is of the essence with reference to Developer's obligation to commence and complete the Developer Improvements. Developer acknowledges that the timely performance of its respective work under this Agreement is critical to the collection of the tax increment upon which the parties are relying for the performance of their respective obligations under this Agreement.

2.9 Reconstruction. Until the District is closed, in the event of any casualty, loss or damage to the improvements on the Property, Developer shall proceed with the repair and replacement of such improvements on the Property affected by such a loss or damage and restore such improvements to at least the condition and quality that such improvements were in, and with an equalized value at least equal to the equalized value, immediately prior to the casualty, loss or damage (each an "**Uncured Casualty Loss**"). Subject to force majeure delays, in no event shall Developer take longer than one hundred eighty (180) calendar days after the date of a loss or damage to restore the affected improvements. If Developer fails to timely comply with all of the requirements in this Section 2.9, Developer shall be in Default under this Agreement and the City shall be entitled to the remedies set forth in this Agreement and available in equity or applicable law.

ARTICLE III– DEVELOPER GUARANTY AND OBLIGATIONS

3.1 Guarantied Value. The parties anticipate that, upon completion, the currently contemplated land and improvements related to the Project will have an equalized value for purposes of real property assessment (“**Equalized Value**”) of not less than Forty Million Dollars (\$40,000,000.00; the “**Guarantied Value**”) by December 31, 2027. As a condition to entering into this Agreement, the City requires that Developer guaranty a minimum Equalized Value for the land and improvements related to the Project. By executing this Agreement, Developer and Jacob Buswell (the “**Guarantor**”) each hereby jointly and severally guaranties that, on and after December 31, 2027 (the “**Guarantied Value Date**”), the Equalized Value of the land and improvements on the Property shall at all times during the life of the District be at least the Guarantied Value. If the Equalized Value of the Property is less than the Guarantied Value any time on or after the Guarantied Value Date, the Developer shall be in Default under this Agreement.

3.2 Failure to Construct. If Developer provides a Commencement Notice as required by Section 2.1 but does not timely complete construction of the Project as herein provided, then Developer and Guarantor shall pay to the City all sums incurred by the City with regard to the preparation and drafting of this Agreement and all other sums not recoverable from Tax Increments (as defined below). All repayments shall be completed within thirty (30) calendar days after Developer’s non-performance or Default under this Agreement.

3.3 Guaranty Obligations. If on or any time after the Guarantied Value Date, whether as a result of an Uncured Casualty Loss or otherwise, the Equalized Value of the Property is less than the Guarantied Value (each a “**Shortfall Event**”), then Developer and the Guarantor shall jointly and severally owe the City an amount equal to the difference between (a) the Tax Increment the City otherwise would have received on the Property if the Property’s Equalized Value equaled the Guarantied Value, and (b) the Tax Increment received by the City in the year a Shortfall Event occurs (such difference between (a) and (b) being referred to herein as the “**Tax Increment Shortfall**”). If a Tax Increment Shortfall is owed to the City, then unless and until the Equalized Value of the Property increases to at least the Guarantied Value, for each January 1 following a Shortfall Event, that the Equalized Value of the Property is less than the Guarantied Value, Developer and the Guarantor, shall pay to the City an amount equal to the Tax Increment Shortfall for such calendar year. If and when the Equalized Value of the Property as of any January 1 is equal to or greater than the Guarantied Value: (i) the Default related to non-compliance with the Guarantied Value requirement shall be deemed cured, (ii) no further January 1 assessment valuations shall occur or be required, and (iii) no Tax Increment Shortfall payment obligation shall be incurred for such year or any year thereafter, unless a new Shortfall Event occurs. If a Tax Increment Shortfall continues through the closing of the District, no further Equalized Value assessment calculations shall occur and no further Tax Increment Shortfall payment obligations of Developer or the Guarantor shall arise after the District is closed. Developer agrees that it shall not, and hereby waives any right to, during the life of the District, challenge the assessed value of the Property.

3.4 Payment of Tax Increment Shortfall. Any Tax Increment Shortfall payment due to the City shall be deducted from any MRO payment (otherwise due Developer but for the Default) from the City during the year in which the Tax Increment Shortfall payment

obligation arises. If the Tax Increment Shortfall payment exceeds the amount of such MRO payment, Developer and Guarantor shall pay to the City an amount equal to the difference between such MRO payment and the Tax Increment Shortfall. If there is no MRO payment due Developer for such year, Developer shall pay to the City the full amount of the Tax Increment Shortfall for such year. Any Tax Increment Shortfall payment due to the City from Developer pursuant to this ARTICLE III shall be made within ten (10) days of written request for payment by the City.

ARTICLE IV – ACCESS, INSPECTIONS AND CONTRACTORS

4.1 Access and Inspections. Developer hereby grants to the City, its agents, employees, officials, representatives, contractors and consultants the right to enter upon the Property at all reasonable times (upon reasonable advance notice to Developer) for the City to inspect the Property and the Project.

4.2 Inspections for City's Benefit Only. Each inspection conducted by the City or the City's agents shall be deemed to have been for the City's own benefit and shall in no way be construed to be for the benefit of or on behalf of Developer. Developer shall not (and hereby each waives any right to) rely in any way upon such inspections, appraisals or determinations of the City.

4.3 Contractors and Consulting Engineers. At any time, the City shall have the right to retain consulting engineers and architects to perform services for the City (which shall be at the City's expense, unless the City must perform inspections as a result of Developer's failure to meet the Final Plans then such expenses will be at Developer's expense) including, without limitation:

- (a) to make periodic inspections with reasonable advance notice to Developer for the purpose of assuring that construction is in accordance with the Final Plans and the requirements of this Agreement;
- (b) to advise the City of the anticipated cost of, and a time for, the completion of construction work; and
- (c) to review and advise the City of any proposed changes in the construction of the Project.

The City's selection of, and reliance upon, the consulting engineers and architects shall not give rise to any liability on the part of the City for the acts or omissions of the consulting engineers or architects or their employees or agents.

Contractors selected for the Project shall be qualified in the City to perform the work, shall be licensed to do business in the State of Wisconsin, shall have experience in providing the type of work and materials required of Developer Improvements, and shall have a good reputation for diligent performance of their obligations under their respective contracts.

ARTICLE V – MUNICIPAL REVENUE OBLIGATION

5.1 Municipal Revenue Obligation. Pursuant to the terms of this Agreement, the City agrees to issue to Developer, within ninety (90) calendar days after the City's receipt of the

Commencement Notice, a non-interest bearing municipal revenue obligation (the “MRO”). The amount paid under the MRO shall equal the lesser of:

- (a) Eight Million Dollars (\$8,000,000.00); and
- (b) The sum of all payments made by the City on the MRO during the life of the District but in no event after the Final Payment Date (as defined below).

Except as otherwise provided herein, payments on the MRO will equal the Available Tax Increment in each year appropriated by the City’s Common Council until and including the earlier of the date this Agreement is terminated, the date the District is terminated, the Final Payment Date and the date the MRO is paid in full. “**Available Tax Increment**” means an amount equal to:

- (a) ninety-five percent (95%) during the life of the District for calendar years 2027, 2028, 2029, 2030 and 2031, and
- (b) seventy-five percent (75%) during the life of the District for each calendar year after 2031 but on or prior to the Final Payment Date,

of the difference between the Tax Increment actually received by the City and appropriated by the City’s Common Council in each year less the following (collectively, the “**Priority Project Costs**”): (i) all debt service payments incurred or to be incurred by the City in a given year for work performed or to be performed with regard to the Project or the Property; (ii) the amount of the City’s administrative expenses, including, but not limited to, reasonable charges for the time spent by City employees in connection with the negotiation and implementation of this Agreement, (iii) professional service costs, including, but not limited to, those costs incurred by the City for outside architectural, planning, engineering, inspections, financial consulting and legal advice (including, without limitation, attorneys’ costs and fees) and services related to the negotiation and implementation of this Agreement, and (iv) other eligible project costs previously incurred by the City in preparation for this Project or to be incurred by the City under the Project Plan, including, without limitation, site preparation and costs and expenses related to the Property or the Project provided such eligible project costs are not financed by the debt service referenced in (i) above. Any Priority Project Cost not paid due to insufficient Tax Increment shall be carried forward and paid from Tax Increment in the next year, or if necessary, following years until fully paid. “**Tax Increment**” shall have the meaning given under Wis. Stat. § 66.1105(2)(i) but shall be limited to the Tax Increment attributable to the Project, the land and improvements on the Property.

Provided that Developer is not in Default under this Agreement, the City shall, subject to annual appropriation of such payment by the City’s Common Council, pay the Available Tax Increment, if any, to the holder of the MRO in one annual payment, on or before October 31st of each year commencing on October 31, 2027, and continuing to (and including) the earlier of the date the MRO is paid in full or October 31, 2051 (each, a “**Payment Date**”). Notwithstanding the previous sentence, in the event that Developer is in Default on a Payment Date, payment by the City may be suspended until all outstanding Defaults are cured.

To the extent that on any Payment Date the City is unable to make all or part of a payment of principal due on the MRO from such Available Tax Increment due to an absence of adequate Available Tax Increment, non-appropriation by the City's Common Council or otherwise, such failure shall not constitute a default by the City under the MRO. The amount of any such deficiency shall be deferred without interest. The deferred principal shall be due on the next Payment Date on which the City has the ability to payout Available Tax Increment. The term of the MRO and the City's obligation to make payments hereunder shall not extend beyond the earlier of October 31, 2051 (the "**Final Payment Date**") or the date the MRO is paid in full. If the MRO has not been paid in full by the Final Payment Date, then the City shall have no obligation to make further payments on the MRO. Upon the earlier of the date the MRO is paid in full and the Final Payment Date, the MRO shall terminate and the City's obligation to make any payments under the MRO shall be fully discharged, and the City shall have no obligation and incur no liability to make any payments hereunder or under the MRO, after such date.

The MRO shall not be payable from or constitute a charge upon any funds of the City, and the City shall not be subject to any liability thereon or be deemed to have obligated itself to pay thereon from any funds except the Available Tax Increment which has been appropriated for that purpose, and then only to the extent and in the manner herein specified. The MRO is a special, limited revenue obligation of the City and shall not constitute a general obligation of the City. The City will use good faith efforts to annually appropriate the Available Tax Increment for the MRO, until the earlier of the Final Payment Date, the termination of this Agreement or the MRO, or the payment in full of the MRO as provided herein. If Available Tax Increment is received by the City earlier than the first Payment Date, the applicable portion of such increment shall be retained by the City and applied to the first payment subject to appropriation by the City Common Council. Developer shall not have the right to assign the MRO except as set forth therein. Interests in the MRO may not be split, divided or apportioned.

5.2 MRO Form. The MRO shall be substantially in the form attached to this Agreement as Exhibit D (which is incorporated herein by reference) and shall be payable in accordance with the terms and conditions set forth in this Agreement and such MRO. In the event of a conflict between the terms of this Agreement and the terms of the MRO, the terms in this Agreement shall prevail. The principal payments shall be payable solely from the Available Tax Increment appropriated by the City. On or about each Payment Date under the MRO, the City shall provide to Developer an accounting identifying the Available Tax Increment, the amount of the payment being made on such Payment Date, and, if applicable, the remaining principal balance due on the MRO after the application of such payment.

5.3 Issuance of MRO and Payment Limitation. Provided that Developer is not in Default under this Agreement beyond the applicable cure period (if any), the City will deliver the MRO to Developer within ninety (90) calendar days after the City's receipt of the Commencement Notice. Notwithstanding the previous sentence, in the event that Developer is in Default prior to the City's issuance of the MRO, the City shall not be required to deliver the MRO to Developer until a reasonable time after, but in no event less than thirty (30) calendar days after, all such Defaults are cured, provided each Default is cured within the applicable cure period for such Default. If the City does not timely provide the MRO to Developer, the Developer shall make a written request to the City to deliver the executed MRO within thirty (30) calendar days after the

date of such written request by the Developer. The total amount of principal to be paid under the MRO shall in no event exceed the lesser of:

- (a) Eight Million Dollars (\$8,000,000.00); and
- (b) The sum of all payments made by the City on the MRO during the life of the District but in no event after the Final Payment Date.

The City's obligation to make payments on the MRO is conditioned on the requirement that Developer is not in Default under this Agreement. For the avoidance of any doubt, upon the occurrence of a Default, the City may suspend all payments until the Default is cured and, upon the expiration of all applicable cure periods for such Default, the City may exercise any and all available remedies.

5.4 Payment of Priority Project Costs and Repayment Schedule. From the Tax Increment received by the City each year, the City shall first pay the outstanding Priority Project Costs. The estimated repayment schedule of the MRO shall be set forth in Schedule 1 to the MRO. The City reserves the right to modify the MRO repayment schedule based upon market conditions, applicable Priority Project Costs and the actual and projected Available Tax Increment generated from the Project. The Available Tax Increment held by the City each year shall be applied to the payment of principal due on the MRO in accordance with the payment schedules set forth in such MRO until a maximum payout has been made (which equals the Available Tax Increment for a given year), subject to appropriation by the City Common Council.

ARTICLE VI – ZONING, LAND USE AND RESTRICTIVE COVENANT

6.1 Zoning Compliance. The Project shall be in compliance with the applicable zoning ordinance and land use guidelines applicable to the Property and shall be subject to the payment of any applicable impact fees in the amounts applicable at the time each required permit is issued, unless otherwise provided herein. Nothing in this Agreement shall obligate the City to grant variances, re-zoning, exceptions or conditional use permits related to the Project.

6.2 Tax Status/Restrictive Covenant. Without the prior written consent of the City (which may be withheld for any reason), Developer shall not use or permit the use of the Property in any manner which would render the Property exempt from property taxation during the life of the District. Further, Developer will not challenge or contest any assessment on the Property by the City, including, but not limited to, filing any objection under Wis. Stat. Section 70.47, Wis. Stat. Section 74.37, or any Department of Revenue related assessment proceeding. Prior to the conveyance of all or any portion of the Property, Developer agrees to record on the Property with the Sheboygan County Register of Deeds a deed restriction or restrictive covenant evidencing the restrictions on the Property set forth in this Section 6.2. The foregoing deed restrictions or restrictive covenants shall permit, but shall not obligate, the City to enforce such deed restrictions or restrictive covenants and shall be in form and in substance acceptable to the City. The deed restrictions or restrictive covenants shall continue to be applicable until the termination of the District. However, Developer shall not have a continuing obligation for compliance with this provision as to any portion of the Property in which Developer no longer maintains any interest

(whether as owner, tenant, occupant or otherwise) provided that Developer has timely recorded the deed restriction or restrictive covenant as approved by the City.

6.3 Land Dedications, Transfers and Easements for the Project. Developer agrees to make such land dedications and to grant such temporary or permanent easements as are required by the City for the construction and maintenance of the Project. All documentation for such dedications or easements shall be in form and substance acceptable to the City and Developer. Developer agrees to cooperate with the City if the City desires to prepare certified survey maps or other documentation as deemed appropriate by the City to facilitate the implementation and documentation of such dedications and easements and to adjust the lot lines of the Property in a manner reasonably acceptable to the City and Developer.

ARTICLE VII – ASSIGNMENTS AND CHANGES OF CONTROL

7.1 Assignments and Change of Control. This Agreement and the MRO shall not be assignable by Developer without the prior written consent of the City (which may be withheld by the City for any reason). The ownership or control of Developer shall not be transferred to any person or entity without the prior written consent of the City (which may be withheld by the City for any reason). The prohibition on the transfer of ownership or control shall not be applicable in the event of the death of a member and the interest being transferred is the deceased member's interest. The term "ownership or control" shall mean twenty percent (20%) or more of the Ownership Interests in Developer. For the purposes of this Agreement, "**Ownership Interests**" shall mean the members' rights to share in distributions and other economic benefits of Developer, the members' rights to participate in decision making, or both. The current members of Developer are identified on Exhibit E attached hereto and incorporated herein by reference.

In the event this Agreement is assigned by Developer, such assignee shall execute all documents required by the City to confirm that such assignee is bound by the terms of this Agreement and agrees to perform all of Developer's obligations set forth in this Agreement. Further, in the event this Agreement is assigned by Developer, Developer agrees to remain jointly and severally liable for all obligations of the Developer (whether to be completed by itself or its assign) under this Agreement.

Notwithstanding any provision herein to the contrary, this Agreement and the MRO may be collaterally assigned to a mortgage lender financing the development and completion of the Project.

ARTICLE VIII – DEVELOPER REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Developer Representations, Warranties and Covenants. Developer represents, warrants and covenants that:

- (a) Developer is a limited liability company duly formed and validly existing in the State of Wisconsin, has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business, and is in good standing in the State of Wisconsin and all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition;

(b) Developer has full authority to execute and perform this Agreement and the Offer and has obtained all necessary authorizations (whether by official board resolution or action, unanimous written consent in lieu of a meeting or otherwise) to enter into, execute, perform and deliver this Agreement and the Offer;

(c) the execution, delivery, and performance of Developer's respective obligations pursuant to this Agreement and/or the Offer will not violate or conflict with (i) Developer's articles of organization, operating agreement or any indenture, instrument or agreement by which it is bound, (ii) any other agreement to which Developer is a party, or (iii) any law applicable to Developer, the Offer or the Project;

(d) this Agreement constitutes (and any instrument or agreement that Developer is required to give under this Agreement (including, without limitation, the Offer) when delivered will constitute) legal, valid, and binding obligations of Developer enforceable against Developer in accordance with their respective terms;

(e) Developer will expeditiously complete the development and construction of Developer Improvements and the Project in a good and workmanlike manner and in accordance with all acceptable statutes, ordinances and regulations, any restrictions of record and the Final Plans provided to the City regarding the Project;

(f) Developer will not make or consent to any material modifications to the Final Plans without the prior written consent of the City;

(g) Developer will discharge all claims for labor performed and materials, equipment, and services furnished in connection with the construction of Developer Improvements and the Project; nothing contained in this Agreement shall require Developer to pay any claims for labor, services or materials which it, in good faith, disputes and is currently and diligently contesting, provided, however, that Developer shall, within ten (10) calendar days after the filing (or the assertion) of any claim of lien that is disputed or contested by Developer, obtain and record (if required by the City) a surety bond sufficient to release said claim or lien or provide the City with other such assurances that the City may require;

(h) Developer will take all steps to forestall claims of lien against the Property (any part thereof or right or interest appurtenant thereto) or any personal property and fixtures located or used in connection with the Property;

(i) Developer will maintain, at all times during construction, a policy of builder's risk completed value and contractor's multiple perils and public liability, extended coverage, vandalism and malicious mischief hazard insurance covering the Property in at least the amount of the full replacement, completed value of the improvements on the Property;

(j) Developer will timely pay and discharge all taxes, assessments and other governmental charges upon the Property when due, as well as claims for labor and materials which, if unpaid, might become a lien or charge upon the Property;

(k) Developer will promptly furnish to the City, during the term of this Agreement, written notice of any litigation affecting Developer and any claims or disputes which involve a material risk of litigation against Developer;

(l) Developer shall deliver to the City revised statements of estimated costs of the construction for Developer Improvements showing changes in or variations from the original cost statement provided to the City as soon as such changes are known to Developer;

(m) Developer shall provide to the City, promptly upon the City's request, any information or evidence deemed necessary by the City related to performance of Developer under this Agreement to enable the City to timely and accurately complete any accounting or reporting requirements applicable to the City related to the transactions under this Agreement;

(n) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Developer is pending or threatened, and no other event has occurred which may materially adversely affect Developer's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by the City in writing;

(o) there are no delinquent outstanding personal property taxes, real estate taxes, or special assessments affecting the Property; and

(p) subject to the terms of this Agreement, it shall not at any time challenge or contest any assessment on the Property by the City including, but not limited to, filing any objection under Wis. Stat. Section 70.47, Wis. Stat. Section 74.37, or any Department of Revenue related assessment proceeding.

8.2 Execution Representations and Warranties. The person(s) signing this Agreement on behalf of Developer represent(s) and warrant(s) that he/she/they have full power and authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions of this Agreement.

8.3 Cooperation. Developer warrants that it shall exercise all reasonable diligence and expend all commercially reasonable efforts to undertake its obligations under this Agreement and the Offer.

ARTICLE IX – CITY REPRESENTATIONS

9.1 City Representations. The City represents that:

(a) The City is a body politic of the State of Wisconsin with full power and authority to enter into this Agreement and that all statutory procedures and requirements have been followed, fulfilled and satisfied in connection with the approval of this Agreement and the authorization of all City obligations required by this Agreement;

(b) The individuals signing this Agreement on behalf of the City have full authority to do so and upon such execution by such individuals, this Agreement will constitute (and any instrument or agreement that the City is required to give under this Agreement when executed and delivered will constitute) legal, valid and binding obligations of the City enforceable against it in accordance with their respective terms; and

(c) The City will perform the Street Parking Work (as defined below) in the area adjacent to the Property along South 7th Street and Clara Avenue as generally shown in the attached Exhibit F attached hereto and incorporated herein by reference. “**Street Parking Work**” means to remove and replace existing curb and gutter along the applicable roads and line the parking spaces consistent with the Final Plans.

ARTICLE X – DEFAULTS

10.1 Default. Any one or more of the following shall constitute a “**Default**” under this Agreement.

(a) Developer fails to timely or fully perform, or comply with, any one or more of its obligations or any of the terms or conditions of this Agreement or any document related hereto or referenced herein that is applicable to Developer (including, without limitation, the untimely delivery of the Required Information, completion of the Developer Improvements or any default under the Offer or any other agreement related to the Project).

(b) Any representation or warranty made by Developer in this Agreement, any document related hereto or referenced herein or any financial statement delivered by Developer pursuant to this Agreement shall prove to have been false or misleading in any material respect as of the time when made or given.

(c) Developer (or any permitted successor or assign of Developer) shall:

(i) become insolvent or generally not pay, or be unable to pay, or admit in writing its inability to pay, its debts as they mature,

(ii) make a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its assets,

(iii) become the subject of an “order for relief” within the meaning of the United States Bankruptcy Code, or file a petition in bankruptcy, for reorganization or to effect a plan, or other arrangement with creditors,

(iv) have a petition or application filed against it in bankruptcy or any similar proceeding, or have such a proceeding commenced against it, and such petition, application or proceeding shall remain undismissed for a period of ninety (90) calendar days or more, or such party, shall file an answer to such a petition or application, admitting the material allegations thereof,

(v) apply to a court for the appointment of a receiver or custodian for any of its assets or properties, or have a receiver or custodian appointed for any of its assets or properties, with or without consent, and such receiver shall not be discharged within sixty (60) calendar days after his appointment, or

(vi) adopt a plan of complete liquidation of its assets.

(d) The City fails to timely or fully perform, or comply with, any one or more of its obligations or any of the terms or conditions of this Agreement or any document related hereto or referenced herein that is applicable to the City.

ARTICLE XI – REMEDIES

11.1 Remedies. In the event of a Default, the non-defaulting party shall provide written notice to the defaulting party of the Default (the “**Default Notice**”); however, Developer shall not be entitled to a Default Notice or a right to cure in the event the Default occurs under Subsection 10.1(c) above.

(a) The Default Notice shall provide the defaulting party at least thirty (30) calendar days to cure a Default; however, the 30-day period shall be extended to the period of time reasonably necessary to cure the Default (in the event that such 30-day period is not sufficient time to reasonably cure such Default), if the defaulting party promptly commences activities to cure the Default in good faith and diligently pursues such activities to fully cure the Default, but, in no event, shall the period of time to cure the Default exceed ninety (90) calendar days from the date of the Default Notice, unless otherwise agreed to by the parties in writing.

(b) In the event the Default is not fully and timely cured by Developer, the City shall have all of the rights and remedies available in law or in equity, including, but not limited to, all or any of the following rights and remedies, and the exercise or implementation of any one or more of these rights and remedies shall not bar the exercise or implementation of any other rights or remedies of the City provided for under this Agreement:

(i) The City may refuse to issue any permits to Developer for the construction of Developer Improvements or any other improvements on the Property;

(ii) The City may recover from Developer all damages, costs and expenses, including, but not limited to, attorneys’ fees incurred by the City related to or arising out of each Default and the drafting and negotiation of this Agreement;

(iii) The City may terminate or postpone its obligation to perform any one or more of its obligations under this Agreement, including, but not limited to, any payment obligations under the MRO; or

(iv) The City may terminate this Agreement.

(c) In the event the Default is not fully and timely cured by the City, subject to Section 16.11 below, Developer shall have all of the rights and remedies available in law or in equity, however, the City shall not be liable for any punitive or consequential damages, the MRO shall only be paid out of Available Tax Increment and Developer may not perform any acts required to be performed by the City under applicable law.

ARTICLE XII – SUCCESSORS AND ASSIGNS

12.1 Successors and Assigns; Assignment. This Agreement shall be binding upon the successors and assigns of the parties hereto; however, this provision shall not constitute an authorization of Developer to assign or transfer its rights and obligations under this Agreement. Except as expressly provided for in Section 7.1 above, this Agreement shall not be assigned by Developer without the prior written consent of the City, which consent may be withheld for any reason.

ARTICLE XIII – TERMINATION

13.1 Termination. This Agreement shall not terminate until the earlier of:

- (a) termination by the City of the District pursuant to §66.1105(7) of the TI Act,
- (b) the date the MRO is paid in full, or
- (c) termination by the City pursuant to the terms of this Agreement;

however, Developer agrees that the termination of this Agreement shall not cause a termination of the rights and remedies of the City under this Agreement.

ARTICLE XIV – NOTICES

14.1 Notices. Any notice given under this Agreement shall be deemed effective when: (a) personally delivered in writing; (b) a commercially recognized overnight delivery service provides confirmation of delivery; (c) the third calendar day after notice is deposited with the United States Postal Service (postage prepaid, certified with return receipt requested); or (d) in the case of an e-mail notice (which shall be effective for all purposes hereunder), when sent to the e-mail address(es) provided below; provided that any party may request that an e-mail notice be followed by another form of notice under this Section 14.1 within three (3) calendar days after such request, and addressed as follows:

If to the City:

City of Sheboygan
Attention: City Administrator
828 Center Avenue, Suite 300
Sheboygan, WI 53081
casey.bradley@sheboyganwi.gov

City of Sheboygan
Attention: City Attorney
828 Center Avenue, Suite 210
Sheboygan, WI 53081
charles.adams@sheboyganwi.gov

with a copy to:

Brion T. Winters, Esq.
von Briesen & Roper, s.c.
411 E. Wisconsin Ave., Suite 1000
Milwaukee, WI 53202
brion.winters@vonbriesen.com

If to Developer:

Malibu Apartments, LLC
Attn: Jake Buswell
1525 Torrey View Drive
Sparta, WI 54656
jake.buswell@allamericandoitcenter.com

with a copy to:

Malibu Apartments, LLC
Attn: Todd Page
1525 Torrey View Drive
Sparta, WI 54656
todd.page@allamericandoitcenter.com

ARTICLE XV – APPLICABLE LAW

15.1 Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Wisconsin. Any litigation related to this Agreement shall be brought in the state courts of the State of Wisconsin and the parties hereto agree to submit to the jurisdiction and venue of the Circuit Court for Sheboygan County, Wisconsin.

ARTICLE XVI – MISCELLENEOUS

16.1 Entire Agreement. This Agreement and all of the documents referenced herein or related hereto (and as any of the aforementioned documents have been or may be amended, extended or modified) embody the entire agreement between the parties relating to the transactions contemplated under this Agreement and all agreements, representations or understanding, whether oral or written, that are prior or contemporaneous to this Agreement are superseded by this Agreement.

16.2 Amendment. No amendment, modification or waiver of any provision of this Agreement, nor consent to any departure by a party from any provision of this Agreement shall in any event be effective unless it is in writing and signed by each of the parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purposes for which it is given by the respective party.

16.3 No Vested Rights Granted. Except as provided by law, or as expressly provided in this Agreement, no vested rights in connection with the Project shall inure to Developer nor does the City warrant by this Agreement that Developer is entitled to any required approvals, permits or the like with regard to the Project.

16.4 Invalid Provisions. The invalidity or unenforceability of a particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

16.5 Headings. The article and section headings of this Agreement are inserted for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

16.6 No Waiver; Remedies. No failure on the part of the City to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law.

16.7 No Third-Party Beneficiaries. This Agreement is solely for the benefit of the named parties hereto and their permitted assignees, and nothing contained in this Agreement shall confer upon anyone other than such parties any right to insist upon or enforce the performance or observance of any of the obligations contained in this Agreement.

16.8 No Joint Venture. The City is not a partner, agent or joint venture of or with Developer.

16.9 Recording of a Memorandum of this Agreement Permitted. A memorandum of this Agreement may be recorded by the City on the Property and any or all of the Property in the office of the Register of Deeds for Sheboygan County, Wisconsin, and, upon request of the City, Developer shall execute and deliver to the City a memorandum of this Agreement for recording purposes.

16.10 Force Majeure. If any party is delayed or prevented from timely performing any act required under this Agreement by reason of extraordinary and uncommon matters beyond the reasonable control of the party obligated to perform, including (but not limited to) fire, earthquake, war, terrorist act, pandemic, epidemic, flood, riot, strike, lockout, supply shortages, freight embargo, power outages, extreme weather or other similar causes or acts of God, such act shall be excused for the period of such delay, and the time for the performance of any such act shall be extended for a period equivalent to such delay; provided, however, that the time for performance shall not be extended by more than ninety (90) calendar days unless agreed to in writing by the parties hereto. Notwithstanding any provision herein to the contrary, the City, in its sole and absolute discretion, may allow up to a six (6) month extension on the deadlines set forth in Section 1.1 and 2.2 above should reasonable delays occur as a result of environmental remediation issues, supply chain issues or material cost increases. Any such approved delay by the City will be evidenced in writing and provided to Developer, and without any written evidence approving such

delay, the other provisions of this Agreement shall control and the immediately preceding sentence shall not apply.

16.11 Immunity. Nothing contained in this Agreement constitutes a waiver of any immunity available to the City under applicable law.

16.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement, it being understood that all parties need not sign the same counterpart. This Agreement may also be executed by remote electronic means, via DocuSign, Eversign, or similar platform. The exchange of copies of this Agreement and of signature pages by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in “portable document format” (“pdf”), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of an original Agreement for all purposes. Signatures of the parties transmitted by facsimile or other electronic means shall be deemed to be their original signatures for all purposes. Upon request by a party, the parties hereto shall provide a wet-ink, original signed version of this Agreement to such party for its records.

16.13 Recitals. The RECITALS set forth above are true, accurate and incorporated herein by reference.

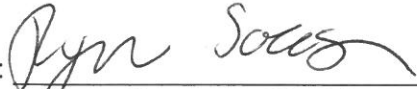
[The remainder of this page is intentionally left blank with signature pages to follow.]



EXECUTION VERSION

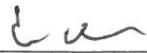
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY: CITY OF SHEBOYGAN

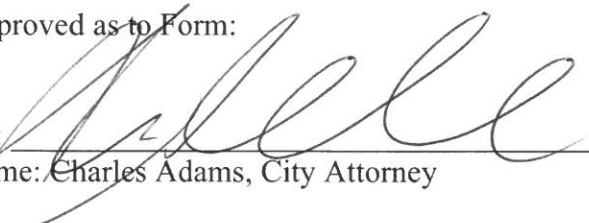
By: 
Name: Ryan Sorenson, City Mayor

Attest: 
Name: Meredith DeBruin, City Clerk

Approved:

By: 
Name: Evan Grossen, Deputy Finance Director/Comptroller

Approved as to Form:

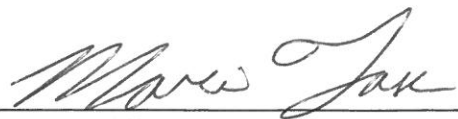
By: 
Name: Charles Adams, City Attorney

This document is authorized by and in accordance with Resolution No. 146 - 23 - 24.

STATE OF WISCONSIN)
) I
SHEBOYGAN COUNTY)

Personally came before me this 22 day of February, 2024, the above named Ryan Sorenson, Meredith DeBruin, Evan Grossen and Charles Adams, the City Mayor, the City Clerk, the Deputy Finance Director/Comptroller and the City Attorney of the City of Sheboygan, respectively, to me known to be the persons who executed the foregoing instrument and acknowledged the same.




Notary Public, Wisconsin
My commission 1-8-2026

EXECUTION VERSION

DEVELOPER: MALIBU APARTMENTS, LLC

By: *Jacob Buswell*
Name: Jacob Buswell, Partner

STATE OF WISCONSIN)
)
Monroe COUNTY)

Personally came before me this 29th day of February, 2024, the above named Jacob Buswell, a Partner of Malibu Apartments, LLC to me known to be the person who executed the foregoing instrument and acknowledged the same.



Lora Herold
Notary Public, Wisconsin
My commission expires 02/05/2026

ACKNOWLEDGED AND AGREED TO BY THE UNDERSIGNED GUARANTOR FOR PURPOSES OF THE GUARANTY PROVIDED IN ARTICLE III OF THIS AGREEMENT AND I AGREE THAT SUCH GUARANTY IS DONE IN THE INTEREST OF MY MARRIAGE AND FAMILY.

GUARANTORS:

Jacob Buswell
Jacob Buswell

MARITAL PURPOSE STATEMENT AND SPOUSAL CONSENT:

My spouse, Jacob Buswell, has agreed to personally guarantee obligations under this Agreement to the City. I consent to this act by my spouse and acknowledge that such act was done in the interests of our marriage and family, but by signing below I am not becoming personally liable as a guarantor.

Mary Elizabeth Buswell
Mary Elizabeth Buswell, Spouse of Jacob Buswell

EXHIBIT A

Property

PARCEL A:

Parcel A of Certified Survey Map recorded in the office of the Register of Deeds for Sheboygan County, Wisconsin, on July 14, 2006 in Volume 22 of Certified Survey Maps, at Page 165, as Document No. 1803252, being part of a parcel of land being part of Lots 1 thru 6 inclusive in Block 1 of the Southside Land Company Addition to the City of Sheboygan, Also being all of Block 1 and a part of Lots 1 thru 6 in Block 292 of the Original Plat of the City of Sheboygan, including the vacated alley adjoining, located in Section 26, Township 15 North, Range 23 East, in the City of Sheboygan, County of Sheboygan, State of Wisconsin.

PARCEL B:

The North 50 feet of Lots 5 and 6, Block 292 of the Original Plat of the City of Sheboygan, according to the recording plat thereof, in the City of Sheboygan, County of Sheboygan, State of Wisconsin.

For informational purposes only:

Property Address: Situated on South 7th Street, Sheboygan, WI 53081

Tax Key Number: 59281318390 (Parcel A) and 59281303390 (Parcel B)

EXHIBIT B

Offer

[SEE ATTACHED]

Property Address 1403-1435 S 7 St, Sheboygan, WI 53081

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56 ■ **DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM:** If negotiations do not result in an accepted offer and the
 57 earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository
 58 institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall
 59 be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according
 60 to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been
 61 delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse the
 62 earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
 63 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; (4)
 64 upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm may retain
 65 legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct from the
 66 earnest money any costs and reasonable attorneys' fees, not to exceed \$250, prior to disbursement.

67 ■ **LEGAL RIGHTS/ACTION:** The Firm's disbursement of earnest money does not determine the legal rights of the Parties
 68 in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the earnest
 69 money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either Party
 70 disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by certified
 71 mail. If Buyer or Seller disagrees with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court order
 72 regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of
 73 residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding their
 74 legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for good
 75 faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and Professional
 76 Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

77 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3)
 78 occupancy; (4) date of closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in
 79 this Offer except none other

80 _____, If "Time is of the Essence" applies to a date or Deadline,
 81 failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a date
 82 or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

83 **VACANT LAND DISCLOSURE REPORT** Wisconsin law requires owners of real property that does not include any
 84 buildings to provide Buyers with a Vacant Land Disclosure Report. Excluded from this requirement are sales exempt from
 85 the real estate transfer fee and sales by certain court-appointed fiduciaries, for example, personal representatives, who
 86 have never occupied the Property. The form of the Report is found in Wis. Stat. § 709.033. The law provides: "§ 709.02
 87 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of a contract of sale . . . to
 88 the prospective buyer of the property a completed copy of the report . . . A prospective buyer who does not receive a report
 89 within the 10 days may, within 2 business days after the end of that 10 day period, rescind the contract of sale . . . by
 90 delivering a written notice of rescission to the owner or the owner's agent." Buyer may also have certain rescission rights if
 91 a Vacant Land Disclosure Report disclosing defects is furnished before expiration of the 10 days, but after the Offer is
 92 submitted to Seller. Buyer should review the report form or consult with an attorney for additional information regarding
 93 rescission rights.

94 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has
 95 no notice or knowledge of Conditions Affecting the Property or Transaction (lines 104-181) other than those identified in
 96 Seller's Vacant Land Disclosure Report dated _____, which was received by Buyer prior to Buyer
 97 signing this Offer and that is made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE**
 98 and _____

99 _____

100 **(INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT)**

101 "Conditions Affecting the Property or Transaction" are defined to include:

102 a. Flooding, standing water, drainage problems, or other water problems on or affecting the Property.

103 b. Impact fees or other condition or occurrence that would significantly increase development costs or reduce the value
 104 of the property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

105 c. Brownfields (abandoned, idled, or underused land that may be subject to environmental contamination) or other
 106 contaminated land on the property, or that contaminated soils on the property have been cleaned up under the Petroleum
 107 Environmental Cleanup Fund Act (PEGFA), a Wisconsin Department of Natural Resources (DNR) remedial or cleanup
 108 program, the DATGP Agricultural Chemical Cleanup Program, or other similar program.

109 d. Subsoil conditions that would significantly increase the cost of development, including, but not limited to, subsurface
 110 foundations or waste material; any type of fill; dumpsites where pesticides, herbicides, fertilizer, or other toxic or hazardous
 111 materials or containers for these materials were disposed of in violation of manufacturer or government guidelines or other
 112 laws regulating such disposal; high groundwater; adverse soil conditions, such as low load-bearing capacity, earth or soil
 113 movement, settling, upheavals, or slides; excessive rocks or rock formations; or other soil problems.

114 e. Material violation of an environmental rule or other rule or agreement regulating the use of the Property.

115 f. Defects caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, lead in

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Red Earth or

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116 soil, or other potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other
 117 hazardous or toxic substances on the Property; or high voltage electric (400 KV or greater) or steel natural gas transmission
 118 lines located on but not directly serving the Property.

119 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
 120 substances on neighboring properties.

121 h. The Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the
 122 Property or in a well that serves the Property, including unsafe well water due to contaminants such as coliform, nitrates, or
 123 atrazine, or any out-of-service wells or cisterns that are required to be abandoned (see § NR 812.26, Wis. Adm. Code) but
 124 that are not closed or abandoned according to applicable regulations.

125 i. Defects in any septic system or other private sanitary disposal system on the Property; or any out-of-service septic
 126 system serving the Property not closed or abandoned according to applicable regulations.

127 j. Underground or aboveground fuel storage tanks presently or previously on the Property for storage of flammable or
 128 combustible liquids including, but not limited to, gasoline or heating oil; or Defects in the underground or aboveground fuel
 129 storage tanks on or previously located on the Property. Defects in underground or aboveground fuel storage tanks may
 130 include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking;
 131 corrosion; or failure to meet operating standards. (The owner, by law, may have to register the tanks with the Department
 132 of Agriculture, Trade and Consumer Protection at P.O. Box 8944, Madison, Wisconsin, 53708, whether the tanks are in use
 133 or not. Department regulations may require closure or removal of unused tanks.)

134 k. Existing or abandoned manure storage facilities located on the property.

135 l. Notice of property tax increases, other than normal annual increases, or pending Property tax reassessment;
 136 remodeling that may increase the Property's assessed value; pending special assessments; or Property is within a special
 137 purpose district, such as a drainage district, that has authority to impose assessments on the Property.

138 m. Proposed, planned, or commenced public improvements or public construction projects that may result in special
 139 assessments or that may otherwise materially affect the Property or the present use of the Property; or any land division
 140 involving the Property without required state or local permits.

141 n. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
 142 and there are common areas associated with the Property that are co-owned with others.

143 o. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain;
 144 wetland or shoreland zoning area under local, state or federal regulations; or the Property is subject to a mitigation plan
 145 required by Wisconsin Department of Natural Resources (DNR) rules related to county shoreland zoning ordinances, that
 146 obligates the Property owner to establish or maintain certain measures related to shoreland conditions, enforceable by the
 147 county.

148 p. Nonconforming uses of the Property (a nonconforming use is a use of land that existed lawfully before the current zoning
 149 ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance); conservation
 150 easements (a conservation easement is a legal agreement in which a property owner conveys some of the rights associated
 151 with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization
 152 to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or
 153 education, or for similar purposes); restrictive covenants or deed restrictions on the Property; or, other than public rights-of-
 154 way, nonowners having rights to use part of the Property, including, but not limited to, private rights-of-way and easements
 155 other than recorded utility easements.

156 q. All or part of the Property has been assessed as agricultural land; has been assessed a use value assessment
 157 conversion charge; or payment of a use value assessment conversion charge has been deferred.

158 r. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
 159 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.

160 s. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
 161 be transferred with the Property because the dam is owned collectively by a homeowners' association, lake district, or
 162 similar group of which the Property owner is a member.

163 t. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
 164 driveway) affecting the Property. Encroachments often involve some type of physical object belonging to one person but
 165 partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages,
 166 driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of
 167 the Property or to the use of the Property such as a joint driveway, liens, and licenses.

168 u. Government agency, court order, or federal, state, or local regulations requiring repair, alteration or correction of an
 169 existing condition.

170 v. A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting
 171 riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.

172 w. Material damage from fire, wind, flood, earthquake, expansive soil, erosion, or landslide.

173 x. Significant odor, noise, water diversion, water intrusion, or other irritants emanating from neighboring property.

174 y. Significant crop damage from disease, insects, soil contamination, wildlife, or other causes; diseased or dying trees or
 175 shrubs; or substantial injuries or disease in livestock on the Property or neighboring property.

176 z. Animal, reptile, or other insect infestations; drainage easement or grading problems; excessive sliding; or any other
 177 defect or material condition.

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178 aa. Archeological artifacts, mineral rights, orchards, or endangered species, or one or more burial sites on the Property.
 179 bb. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26-IRC § 1445(f).
 180 cc. Other Defects affecting the Property such as any agreements that bind subsequent owners of the property, such as a
 181 lease agreement or an extension of credit from an electric cooperative.
 182 **N/A** **GOVERNMENT PROGRAMS:** Seller shall deliver to Buyer, within _____ days ("15" if left blank) after acceptance
 183 of this Offer, a list of all federal, state, county, and local conservation, farmland, environmental, or other land use programs,
 184 agreements, restrictions, or conservation easements, which apply to any part of the Property (e.g., farmland preservation
 185 agreements, farmland preservation or exclusive agricultural zoning, use value assessments, Forest Crop, Managed Forest,
 186 Conservation Reserve Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with
 187 disclosure of any penalties, fees, withdrawal charges, or payback obligations pending, or currently deferred, if any. This
 188 contingency will be deemed satisfied unless Buyer delivers to Seller, within 7 days after the deadline for delivery, a notice
 189 terminating this Offer based upon the use restrictions, program requirements, and/or amount of any penalty, fee, charge, or
 190 payback obligation.
 191 **CAUTION:** If Buyer does not terminate this Offer, Buyer is hereby agreeing that Buyer will continue in such
 192 programs, as may apply, and Buyer agrees to reimburse Seller should Buyer fail to continue any such program
 193 such that Seller incurs any costs, penalties, damages, or fees that are imposed because the program is not
 194 continued after sale. The Parties agree this provision survives closing.
 195 **MANAGED FOREST LAND:** If all, or part, of the Property is managed forest land under the Managed Forest Law (MFL)
 196 program, this designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive
 197 program that encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Orders
 198 designating lands as managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the
 199 MFL program changes, the new owner must sign and file a report of the change of ownership on a form provided by the
 200 Department of Natural Resources and pay a fee. By filing this form, the new owner agrees to the associated MFL
 201 management plan and the MFL program rules. The DNR Division of Forestry monitors forest management plan
 202 compliance. Changes a landowner makes to property that is subject to an order designating it as managed forest land,
 203 or to its use, may jeopardize benefits under the program or may cause the property to be withdrawn from the program
 204 and may result in the assessment of penalties. For more information call the local DNR forester or visit
 205 <https://dnr.wisconsin.gov/topic/forestry>.
 206 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that
 207 would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural
 208 land to a non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge.
 209 To obtain more information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's
 210 Equalization Bureau or visit <http://www.revenue.wi.gov/>.
 211 **FARMLAND PRESERVATION:** The early termination of a farmland preservation agreement or removal of land from such
 212 an agreement can trigger payment of a conversion fee equal to 3 times the per acre value of the land. Contact the
 213 Wisconsin Department of Agriculture, Trade and Consumer Protection Division of Agricultural Resource Management or
 214 visit <http://www.datcp.state.wi.us/> for more information.
 215 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S.
 216 Department of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land and instead to plant
 217 a protective cover of grass or trees. CRP contracts run for 10 to 15 years, and owners receive an annual rent as well as
 218 certain incentive payments and cost share assistance for establishing long-term, resource-conserving ground cover.
 219 Removing lands from the CRP in breach of a contract can be quite costly. For more information call the state Farm Service
 220 Agency office or visit <http://www.fsa.usda.gov/>.
 221 **SHORELAND ZONING ORDINANCES:** All counties must adopt uniform shoreland zoning ordinances in compliance with
 222 Wis. Admin. Code Chapter NR 115. County shoreland zoning ordinances apply to all unincorporated land within 1,000
 223 feet of a navigable lake, pond or flowage or within 300 feet of a navigable river or stream and establish minimum standards
 224 for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface standards (that
 225 may be exceeded if a mitigation plan is adopted and recorded) and repairs to nonconforming structures. Buyers must
 226 conform to any existing mitigation plans. For more information call the county zoning office or visit <https://dnr.wi.gov/>.
 227 Buyer is advised to check with the applicable city, town or village for additional shoreland zoning or shoreland-wetland
 228 zoning restrictions, if any.
 229 **FENCES:** Wis. Stat. § 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares
 230 where one or both of the properties is used and occupied for farming or grazing purposes.
 231 **CAUTION:** Consider an agreement addressing responsibility for fences if Property or adjoining land is used and
 232 occupied for farming or grazing purposes.
 233 **PROPERTY DEVELOPMENT WARNING:** If Buyer contemplates developing Property for a use other than the current use,
 234 there are a variety of issues that should be addressed to ensure the development or new use is feasible. Buyer is solely
 235 responsible to verify the current zoning allows for the proposed use of the Property at lines 251-255. Municipal and zoning
 236 ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses
 237 and therefore should be reviewed. Building permits, zoning or zoning variances, Architectural Control Committee approvals,
 238 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental
 239 audits, subsoil tests, or other development related fees may need to be obtained or verified in order to determine the
 240 feasibility of development of, or a particular use for, a property. Optional contingencies that allow Buyer to investigate certain
 241 of these issues can be found at lines 244-304 and Buyer may add contingencies as needed in addenda (see line 686).

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242 Buyer should review any plans for development or use changes to determine what issues should be addressed in these
 243 contingencies.

244 **PROPOSED USE CONTINGENCIES:** This Offer is contingent upon Buyer obtaining, at Buyer's expense, the reports or
 245 documentation required by any optional provisions checked on lines 256-281 below. The optional provisions checked on
 246 lines 256-281 shall be deemed satisfied unless Buyer, within 60 days ("30" if left blank) after acceptance, delivers: (1)
 247 written notice to Seller specifying those optional provisions checked below that cannot be satisfied and (2) written evidence
 248 substantiating why each specific provision referred to in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice,
 249 this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingency provisions
 250 checked at lines 256-281.

251 **Proposed Use:** Buyer is purchasing the Property for the purpose of Multi Family Development subject to
 252 Wisconsin Department of Natural Resources (WDNR) and City of Sheboygan receptive to
 253 initial conceptual site plan [insert proposed use

254 and type or style of building(s), size and proposed building location(s), if a requirement of Buyer's condition to
 255 purchase, e.g. 1400-1600 sq. ft. three-bedroom single family ranch home in northwest corner of lot].

256 ☐ **ZONING:** Verification of zoning and that the Property's zoning allows Buyer's proposed use described at lines
 257 251-255.

258 ☐ **SUBSOILS:** Written evidence from a qualified soils expert that the Property is free of any subsoil condition that
 259 would make the proposed use described at lines 251-255 impossible or significantly increase the costs of such
 260 development.

261 ☐ **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** Written evidence from a
 262 certified soils tester that: (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must
 263 be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of
 264 the Property as stated on lines 251-255. The POWTS (septic system) allowed by the written evidence must be one of
 265 the following POWTS that is approved by the State for use with the type of property identified at lines 251-255 CHECK

266 ALL THAT APPLY ☐ conventional in-ground; ☐ mound; ☐ at grade; ☐ in-ground pressure distribution; ☐ holding
 267 tank; ☐ other: _____

268 ☐ **EASEMENTS AND RESTRICTIONS:** Copies of all public and private easements, covenants and restrictions
 269 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
 270 significantly delay or increase the costs of the proposed use or development identified at lines 251-255.

271 ☐ **APPROVALS/PERMITS:** Permits, approvals and licenses, as appropriate, or the final discretionary action by the
 272 granting authority prior to the issuance of such permits or building permit, approvals and licenses, for the following items
 273 related to Buyer's proposed use: _____

274 ☐ **UTILITIES:** Written verification of the location of the following utility service connections (e.g., on the Property, at
 275 the lot line, across the street, etc.) CHECK AND COMPLETE AS APPLICABLE:

276 ☐ electricity _____; ☐ gas _____; ☐ sewer _____;
 277 ☐ water _____; ☐ telephone _____; ☐ cable _____;
 278 ☐ other _____

279 ☐ **ACCESS TO PROPERTY:** Written verification that there is legal vehicular access to the Property from public
 280 roads.

281 ☐ **LAND USE APPROVAL/PERMITS:** This Offer is contingent upon (Buyer)(Seller) STRIKE ONE ("Buyer" if neither
 282 stricken) obtaining the following, including all costs: a CHECK ALL THAT APPLY ☐ rezoning; ☐ conditional use permit;
 283 ☐ variance; ☐ other _____ for the Property for its proposed use described at lines 251-255.

284 Seller agrees to cooperate with Buyer as necessary to satisfy this contingency. Buyer shall deliver, within _____ days of
 285 acceptance, written notice to Seller if any item cannot be obtained, in which case this Offer shall be null and void.

286 ☒ **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) STRIKE ONE ("Seller
 287 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by
 288 a registered land surveyor, within _____ days ("30" if left blank) after acceptance, at (Buyer's) (Seller's) STRIKE ONE
 289 ("Seller's" if neither is stricken) expense. The map shall show minimum of _____ acres, maximum of _____

290 acres, the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the
 291 Property, the location of improvements, if any, and: Seller is providing a current ALTA Survey and

292 Certified Survey Map as part of Seller Documents in Seller possession. Any updated surveys
 293 are at Buyer expense STRIKE AND COMPLETE AS APPLICABLE Additional map features that may

294 be added include but are not limited to: staking of all corners of the Property; identifying dedicated and apparent streets; lot
 295 dimensions; total acreage or square footage; easements or rights-of-way.

296 **CAUTION:** Consider the cost and the need for map features before selecting them. Also consider the time required
 297 to obtain the map when setting the deadline.

298 This contingency shall be deemed satisfied unless Buyer, within 5 days after the deadline for delivery of said map, delivers
 299 to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information materially
 300 inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency. Upon delivery of
 301 Buyer's notice, this Offer shall be null and void. Once the deadline for delivery has passed, if Seller was responsible to
 302

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303 provide the map and failed to timely deliver the map to Buyer, Buyer may terminate this Offer if Buyer delivers a written
 304 notice of termination to Seller prior to Buyer's Actual Receipt of said map from Seller.

305 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a
 306 part of this Offer. An "inspection" is defined as an observation of the Property, which does not include an appraisal or testing
 307 of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel
 308 source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or
 309 building materials from the Property for laboratory or other analysis of these materials. Seller agrees to allow Buyer's
 310 inspectors, testers and appraisers reasonable access to the Property upon advance notice, if necessary, to satisfy the
 311 contingencies in this Offer. Buyer or licensees or both may be present at all inspections and testing. Except as otherwise
 312 provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

313 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of**
 314 **the test (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any**
 315 **other material terms of the contingency.**

316 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed
 317 unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to
 318 Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution that may be required to be
 319 reported to the Wisconsin Department of Natural Resources.

320 ☒ **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 305-319).

321 (1) This Offer is contingent upon a qualified independent inspector conducting an inspection of the Property after the date
 322 on line 1 of this Offer that discloses no Defects.

323 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing an
 324 inspection of _____

325 _____ (list any Property component(s)
 326 to be separately inspected, e.g., dumpsite, timber quality, invasive species, etc.) that discloses no Defects.

327 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection, provided
 328 they occur prior to the Deadline specified at line 333. Inspection(s) shall be performed by a qualified independent
 329 inspector or independent qualified third party.

330 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

331 **CAUTION: Buyer should provide sufficient time for the Property inspection and/or any specialized inspection(s),**
 332 **as well as any follow-up inspection(s).**

333 This contingency shall be deemed satisfied unless Buyer, within 180 days ("15" if left blank) after acceptance, delivers
 334 to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice listing the
 335 Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

336 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

337 For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and extent
 338 of which Buyer had actual knowledge or written notice before signing this Offer.

339 **NOTE: "Defect" as defined on lines 553-555 means a condition that would have a significant adverse effect on the**
 340 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
 341 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
 342 **of the premises.**

343 **RIGHT TO CURE:** Seller (shall)(shall not) ~~STRIKE ONE~~ ("shall" if neither is stricken) have the right to cure the Defects.
 344 If Seller has the right to cure, Seller may satisfy this contingency by:

345 (1) delivering written notice to Buyer within _____ ("10" if left blank) days after Buyer's delivery of the Notice of Defects
 346 stating Seller's election to cure Defects;

347 (2) curing the Defects in a good and workmanlike manner; and

348 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

349 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and:

350 (1) Seller does not have the right to cure; or

351 (2) Seller has the right to cure but:

352 (a) Seller delivers written notice that Seller will not cure; or

353 (b) Seller does not timely deliver the written notice of election to cure.

354 **IF LINE 355 IS NOT MARKED OR IS MARKED N/A LINES 403-414 APPLY.**

355 **N/A FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
 356 _____ (loan type or specific lender, if any) first mortgage loan commitment as described
 357 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than \$
 358 _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial
 359 monthly payments of principal and interest shall not exceed \$ _____. Buyer acknowledges that lender's
 360 required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance
 361 premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium. Buyer agrees
 362 to pay discount points in an amount not to exceed _____ % ("0" if left blank) of the loan. If Buyer is using multiple loan

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sources or obtaining a construction loan or land contract financing, describe at lines 650-664 or in an addendum attached per line 686. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination fees, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller agrees to allow lender's appraiser access to the Property.

■ **LOAN AMOUNT ADJUSTMENT:** If the purchase price under this Offer is modified, any financed amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 371 or 372.

☐ **FIXED RATE FINANCING:** The annual rate of interest shall not exceed ____%.

☐ **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed ____%. The initial interest rate shall be fixed for ____ months, at which time the interest rate may be increased not more than ____% ("2" if left blank) at the first adjustment and by not more than ____% ("1" if left blank) at each subsequent adjustment. The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus ____% ("6" if left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

■ **SATISFACTION OF FINANCING COMMITMENT CONTINGENCY:** If Buyer qualifies for the loan described in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment. This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment (even if subject to conditions) that is:

(1) signed by Buyer; or

(2) accompanied by Buyer's written direction for delivery.

Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy this contingency.

CAUTION: The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.

■ **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line 357, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of written loan commitment from Buyer.

■ **FINANCING COMMITMENT UNAVAILABILITY:** If a financing commitment is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of unavailability.

N/A **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

(1) Buyer delivery of written notice of evidence of unavailability as noted in lines 391-394; or

(2) the Deadline for delivery of the loan commitment on line 357,

to deliver to Buyer written notice of Seller's decision to (finance this transaction with a note and mortgage under the same terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT Within ____ days ("7" if left blank) after acceptance, Buyer shall deliver to Seller either:

(1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to close; or

(2) _____ [Specify documentation Buyer agrees to deliver to Seller].

If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering written notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not obtain mortgage financing but does not need the protection of a financing commitment contingency. Seller agrees to allow Buyer's appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of access for an appraisal constitute a financing commitment contingency.

N/A **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property appraised at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or greater than the agreed upon purchase price.

This contingency shall be deemed satisfied unless Buyer, within ____ days after acceptance, delivers to Seller a copy of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice objecting to the appraised value.

■ **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the purchase price to the value shown on the appraisal report within ____ days ("5" if left blank) after Buyer's delivery of the appraisal

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425 report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an amendment initiated
 426 by either party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

427 This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written
 428 appraisal report and:

429 (1) Seller does not have the right to cure; or

430 (2) Seller has the right to cure but:

431 (a) Seller delivers written notice that Seller will not adjust the purchase price; or

432 (b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal
 433 report.

434 **NOTE: An executed FHA, VA or USDA Amendatory clause may supersede this contingency.**

435 **N/A CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of
 436 Buyer's property located at _____

437 no later than _____ (the Deadline). If closing does not occur by the Deadline, this Offer shall
 438 become null and void unless Buyer delivers to Seller, on or before the Deadline, reasonable written verification from a
 439 financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to close
 440 or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification or proof of
 441 bridge loan shall not extend the closing date for this Offer.

442 **N/A BUMP CLAUSE:** If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer that another
 443 offer has been accepted. If Buyer does not deliver to Seller the documentation listed below within _____ hours ("72" if
 444 left blank) after Buyer's Actual Receipt of said notice, this Offer shall be null and void. Buyer must deliver the following:

445 (1) Written waiver of the Closing of Buyer's Property Contingency if line 435 is marked;

446 (2) Written waiver of _____

447 _____ (name other contingencies, if any); and

448 (3) Any of the following checked below:

449 ☐ Proof of bridge loan financing.

450 ☐ Proof of ability to close from a financial institution or third party in control of Buyer's funds which shall provide
 451 Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close.

452 Other: _____

453 _____
 454 [insert other requirements, if any (e.g., payment of additional earnest money, etc.)]

455 **N/A SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
 456 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer
 457 notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other
 458 secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to
 459 delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7"
 460 if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time this
 461 Offer becomes primary.

462 **HOMEOWNERS ASSOCIATION** If this Property is subject to a homeowners association, Buyer is aware the Property may
 463 be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any one-time
 464 fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if neither is
 465 stricken).

466 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
 467 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or homeowners
 468 association assessments, fuel and _____

469 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

470 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

471 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA**:

472 ☒ The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
 473 taxes are defined as general property taxes after state tax credits and lottery credits are deducted.) NOTE: THIS CHOICE
 474 APPLIES IF NO BOX IS CHECKED.

475 ☐ Current assessment times current mill rate (current means as of the date of closing).

476 ☐ Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
 477 year, or current year if known, multiplied by current mill rate (current means as of the date of closing).

478 _____
 479 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be**
 480 **substantially different than the amount used for proration especially in transactions involving new construction,**
 481 **extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local**
 482 **assessor regarding possible tax changes.**

483 ☐ Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
 484 the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5

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485 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
 486 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
 487 and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in this transaction.

488 **TITLE EVIDENCE**

489 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
 490 (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
 491 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
 492 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
 493 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's Vacant Land
 494 Disclosure Report and in this Offer, general taxes levied in the year of closing and any other matters that Buyer
 495 objects to and Seller does not agree to cure

496 (insert other allowable exceptions from title, if any) that constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute
 497 the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

499 **WARNING:** Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements
 500 may prohibit certain improvements or uses and therefore should be reviewed, particularly if Buyer contemplates
 501 making improvements to Property or a use other than the current use.

502 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
 503 the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall
 504 pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by Buyer's
 505 lender and recording the deed or other conveyance.

506 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's)
 507 **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded
 508 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance
 509 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or
 510 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 516-
 511 523).

512 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's attorney
 513 or Buyer not more than 14biz days after acceptance ("15" if left blank), showing title to the Property as of a date no more
 514 than 15 days before delivery of such title evidence to be merchantable per lines 489-498, subject only to liens which will be
 515 paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

516 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
 517 objections to title within 20 days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In
 518 such event, Seller shall have 3biz days ("15" if left blank) from Buyer's delivery of the notice stating title objections, to
 519 deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. If Seller is unable to
 520 remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the
 521 objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver
 522 written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not
 523 extinguish Seller's obligations to give merchantable title to Buyer.

524 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
 525 prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments
 526 shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
 527 describing the planned improvements and the assessment of benefits.

528 **CAUTION:** Consider a special agreement if area assessments, property owners association assessments, special
 529 charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are
 530 one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments)
 531 relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all
 532 sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact
 533 fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

534 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
 535 under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the
 536 (written) (oral) **STRIKE ONE** lease(s), if any, are _____

537 _____
 538 _____, Insert additional terms, if any, at lines 650-664 or attach as an addendum per line 686.

539 **DEFINITIONS**

540 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document
 541 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written notice
 542 is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

543 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under
 544 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive

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545 registered mail or make regular deliveries on that day.

546 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by
 547 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the
 548 last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
 549 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
 550 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by
 551 counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific
 552 event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Time.

553 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
 554 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
 555 significantly shorten or adversely affect the expected normal life of the premises.

556 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

557 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both the buyer and the Seller.

558 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-8.

559 **[INCLUSION OF OPTIONAL PROVISIONS]** Terms of this Offer that are preceded by an OPEN BOX (☐) are part of
 560 this offer ONLY if the box is marked such as with an "X". They are not part of this offer if marked "N/A" or are left blank.

561 **[PROPERTY DIMENSIONS AND SURVEYS]** Buyer acknowledges that any land dimensions, or total acreage or square
 562 footage figures, provided to Buyer by Seller or by a Firm or its agents, may be approximate because of rounding, formulas
 563 used or other reasons, unless verified by survey or other means.

564 **CAUTION:** Buyer should verify total square footage formula, total square footage/acreage figures, and land
 565 dimensions, if material.

566 **[DISTRIBUTION OF INFORMATION]** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of
 567 the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the
 568 transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession
 569 data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing concession
 570 information and data, and related information regarding seller contributions, incentives or assistance, and third party gifts,
 571 to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute copies of this
 572 Offer to the seller or seller's agent of another property that Seller intends on purchasing.

573 **[MAINTENANCE]** Seller shall maintain the Property and all personal property included in the purchase price until the earlier
 574 of closing or Buyer's occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for
 575 ordinary wear and tear.

576 **[PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING]** If, prior to closing, the Property is damaged in an
 577 amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer
 578 in writing, and will be obligated to restore the Property to materially the same condition it was in as of the date on line 1 of
 579 this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later than
 580 closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in writing of
 581 the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer despite such
 582 damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property, plus a credit
 583 towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed
 584 by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring
 585 the Property.

586 **[BUYER'S PRE-CLOSING WALK-THROUGH]** Within three days prior to closing, at a reasonable time pre-approved by
 587 Seller or Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no
 588 significant change in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and
 589 that any Defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

590 **[OCCUPANCY]** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
 591 this Offer at lines 534-538 or in an addendum attached per line 686, or lines 650-664 if the Property is leased. At time of
 592 Buyer's occupancy, Property shall be free of all debris, refuse, and personal property except for personal property belonging
 593 to current tenants, or sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

594 **[DEFAULT]** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and
 595 conditions of this Offer. A material failure to perform any obligation under this Offer is a default that may subject the defaulting
 596 party to liability for damages or other legal remedies.

597 If Buyer defaults, Seller may:

- 598 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
- 599 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual
- 600 damages.

601 If Seller defaults, Buyer may:

- 602 (1) sue for specific performance; or
- 603 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

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604 In addition, the Parties may seek any other remedies available in law or equity. The Parties understand that the availability
 605 of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party
 606 defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.
 607 By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the
 608 arbitration agreement.

609 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES**
 610 **SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL**
 611 **EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR**
 612 **OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT**
 613 **CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

614 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller
 615 regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds
 616 and inures to the benefit of the Parties to this Offer and their successors in interest.

617 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
 618 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.doc.wi.gov>
 619 or by telephone at (608) 240-5830.

620 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)
 621 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the
 622 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA withholding
 623 applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign
 624 estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property transferred, and the
 625 amount of any liability assumed by Buyer.

626 **CAUTION:** Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer
 627 may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed
 628 upon the Property.

629 Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a
 630 condition report incorporated in this Offer per lines 94-97, or (2) no later than 10 days after acceptance, Seller delivers
 631 notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 637-639 apply.

632 **IF SELLER IS A NON-FOREIGN PERSON.** Seller shall, no later than closing, execute and deliver to Buyer, or a qualified
 633 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's
 634 non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status,
 635 Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of this
 636 Offer and proceed under lines 601-608.

637 **IF SELLER IS A FOREIGN PERSON.** If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the
 638 amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Offer regarding
 639 amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.

640 **COMPLIANCE WITH FIRPTA.** Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument,
 641 affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required under IRC
 642 §1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction, Seller shall
 643 deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement. Seller also
 644 shall pay to Buyer an amount not to exceed \$1,000 for actual costs associated with the filing and administration of forms,
 645 affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.

646 **Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.**
 647 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption
 648 applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding
 649 FIRPTA.

650 **ADDITIONAL PROVISIONS/CONTINGENCIES** Buyer is aware that Seller is a licensed real estate
 651 broker in the State of WI.

652 _____
 653 Buyer acknowledges that no property condition report is provided as property is being sold
 654 as is where is.

655 _____
 656 Seller is providing a list of documents in seller possession including a shared link as
 657 part of the Offer to Purchase.

658 _____
 659 Buyer agrees that no other real estate brokerage firm is involved in this transaction other
 660 than EC Commercial Real Estate.

661 _____
 662 See attached rider to Offer to Purchase for further Buyer contingencies.

663 _____
 664 _____

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665 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and
 666 written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines
 667 668-683.

668 (1) **Personal**: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at
 669 line 670 or 671.

670 Name of Seller's recipient for delivery, if any: _____

671 Name of Buyer's recipient for delivery, if any: _____

672 ☐ (2) **Fax**: fax transmission of the document or written notice to the following number: _____

673 Seller: (_____) Buyer: (_____) _____

674 ☐ (3) **Commercial**: depositing the document or written notice, fees prepaid or charged to an account, with a commercial
 675 delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's address at
 676 line 679 or 680.

677 ☐ (4) **U.S. Mail**: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the
 678 Party, or to the Party's recipient for delivery, for delivery to the Party's address.

679 Address for Seller: _____

680 Address for Buyer: _____

681 ☒ (5) **Email**: electronically transmitting the document or written notice to the email address.

682 Email Address for Seller: ahurst@ener-con.com; paulanne@eccommercial.net

683 Email Address for Buyer: jake.buswell@allamericandoitcenter.com; paulanne@eccommercial.net

684 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller
 685 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

686 ☒ **ADDENDA**: The attached Rider and Seller Document List/Link is/are made part of this Offer.

687 This Offer was drafted by [Licensee and Firm] Paulanne Phillips, EC Commercial Real Estate

688

689 (x) Jacob R. Buswell Jacob Buswell 11/7/2023
 690 Buyer's Signature ▲ Print Name Here ▶ Red Earth, LLC And/Or Assigns Date ▲

691 (x)

692 Buyer's Signature ▲ Print Name Here ▶ Date ▲

693 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS**
 694 **OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE**
 695 **PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A**
 696 **COPY OF THIS OFFER.**

697 (x) [Signature] 11.7.23
 698 Seller's Signature ▲ Print Name Here ▶ Sheboygan Lakeview Property, LLC Date ▲

699 (x) Michael Dilworth, Member

700 Seller's Signature ▲ Print Name Here ▶ Date ▲

701 This Offer was presented to Seller by [Licensee and Firm] Paulanne Phillips
 702 EC Commercial Real Estate on November 7, 2023 at 2:00 a.m./p.m.

703 This Offer is rejected This Offer is countered [See attached counter]
 704 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

RIDER TO OFFER TO PURCHASE
dated October 26, 2023

The following terms and conditions shall be deemed to be a part of the foregoing attached WB-13 Vacant Land Offer to Purchase between Red Earth, LLC, a Wisconsin limited liability company ("Buyer") and Sheboygan Lakeview Property, LLC, a Wisconsin limited liability company ("Seller") dated October 26, 2023 ("Offer") for the real estate described in the Offer ("Property"). The terms of this Rider shall supersede any conflicting provisions in the Offer. Buyer is aware that the Property is being sold in as is condition. The Offer and this Rider are collectively referred to herein as the "Agreement".

- I. Contingencies: Buyer's and Seller's obligation to conclude this transaction shall be contingent upon the following:

- A. **Buyer's Inspection/Review Period**: Buyer shall have one hundred eighty days (180) days after Seller's acceptance of this Offer (such period being the "Inspection/Review Period") to review Seller Documents in Seller Possession provided as part of the Offer, to conduct physical inspections of the Property as permitted in this Rider and to obtain approvals deemed necessary by Buyer to allow the Buyer to use the Property for Buyer's intended use, which includes but is not limited to agreeing to the terms of a development agreement. Buyer shall have ninety (90) days after Seller's acceptance of this Agreement to present the initial conceptual site plan for multi-family development to the Wisconsin Department of Natural Resources (WDNR) and the City of Sheboygan to obtain written confirmation (which may be via letter and/or e-mail communications with the WDNR and City of Sheboygan) if both parties are initially receptive to the initial conceptual plan (such period being the "Initial Reception Period"). If Buyer is unable to obtain approvals during the Initial Reception Period or is dissatisfied with the Property for any reason whatsoever during the Inspection/Review Period, Buyer may terminate this Agreement by giving written notice of termination to Seller at any time prior to expiration of the Initial Reception Period or Inspection/Review Period, as applicable. If Buyer so timely terminates this Agreement, as applicable, Knight Barry Title Company ("Title Company") shall return all refundable earnest money to Buyer in accordance with the terms of Section II(B) of this Rider.

Buyer shall have two (2) options to extend the Inspection/Review Period, each for a ninety (90) day period upon written notice to Seller within five (5) days of expiration of the Inspection/Review Period, as may have been timely extended, for municipal approval of Buyer's planned development of the Property and additional investigation of issues that arise from the permitted physical and environmental inspections. At the time Buyer exercises its first extension option, Ten Thousand and 00/100 Dollars (\$10,000.00) of the initial Earnest Money deposit will become nonrefundable and shall be payable to Seller upon Buyer's default of this Agreement. At the time Buyer exercises its second extension option, all of Buyer's inspection contingencies shall be waived and Buyer's extension shall only relate to Buyer securing municipal approval of Buyer's planned development of the Property. Further, Buyer shall deposit with Title Company an additional Twenty Thousand and 00/100 Dollars (\$20,000.00) (the "Additional Earnest Money") at the time of Buyer's exercise of its second extension option. The Additional Earnest Money shall be nonrefundable and shall be payable to Seller upon Buyer's default of this Agreement. A total of \$30,000.00 of Earnest Money will be nonrefundable but shall be applied to the Purchase Price at closing.

- B. **ALTA Survey/Certified Survey Map**: Seller has provided the existing ALTA Survey and

Certified Survey Map that Seller has in its possession. Buyer, at Buyer's sole expense, may obtain an updated ALTA Survey and Certified Survey Map (either individually or together being the "Survey") of the Property prepared by a certified Wisconsin surveyor within thirty (30) days of full and mutual execution of the Agreement (the "Survey Period").

- C. **Title and Survey Objections:** Buyer's right to object to matters of title and Survey, respectively, shall expire within twenty (20) days after the later to occur of (i) receipt from Seller of the title commitment, or (ii) Buyer's receipt of the Survey (provided Buyer's right to object to matters of title and Survey shall in no event extend passed twenty (20) days after expiration of the Survey Period), as applicable. If Seller is unable or unwilling to remove any objections Buyer has with respect to the title commitment or Survey, Seller shall notify Buyer in writing ("Seller's Notice") within three (3) business days after Seller's receipt of Buyer's notice of objections, which objections Seller is unwilling or unable to remove. If Seller fails to deliver Seller's Notice within such three (3) business day period, Seller shall be deemed to have not agreed to cure any of Buyer's objections. Buyer shall elect, in writing within three (3) business days thereafter, either to: (i) terminate and cancel the Agreement, in which case all Earnest Money (less \$100) shall be returned to Buyer and, except as set forth in this Agreement, neither party shall have further obligations hereunder; or (ii) waive the title objections and proceed to closing. If Buyer fails to make an election as set forth above, the parties shall proceed to closing.

Contingencies Waived or Satisfied:

If Buyer does not provide Seller written notice of any objection or termination of the Agreement within the respective contingency timeline, such contingency shall automatically be deemed waived and satisfied.

II. Additional Provisions:

A. Access to Property:

Buyer shall provide Seller with at least twelve (12) hour written notice with full description for Seller approval of the inspections that Buyer or Buyer's agents, employees or independent contractors desire to conduct on the Property. Upon Seller authorizing such inspections in writing, Buyer shall have access to the Property for the purpose of completing approved inspections at Buyer's sole cost. Notwithstanding anything to the contrary, in no event shall Buyer perform any invasive testing or Phase II Site Assessment on the Property without Seller's prior written consent. Buyer shall keep confidential any information disclosed in its investigations and testing, (i) except to the extent required by law, (ii) unless Seller requests the same from Buyer in writing (which Buyer shall thereafter promptly provide), and (iii) except to allow Buyer to share any findings with its professional contractors and City of Sheboygan staff to create a site mitigation/material management/capping plan, and this obligation shall survive termination of this Agreement. Buyer shall not permit any liens to attach to the Property by reason of such activities. Buyer or Buyer's contractors shall maintain liability insurance for all such activities on the Property, which shall name Seller as an additional insured party. Any material damage to the Property caused by Buyer or its agents shall be repaired as directed by Seller, and the Property shall be restored to substantially the condition existing prior to Buyer's due diligence activities at the sole cost and expense of Buyer. Buyer agrees to indemnify and hold Seller harmless from and against any and all claims or liability arising from Buyer's due diligence activities, which indemnity shall survive closing or termination of this Agreement, except that such indemnification shall not apply to claims and liabilities related to Property conditions discovered during performance of said due diligence activities that Buyer does not exacerbate.

B. Earnest Money Escrow Payment:

Buyer shall deliver to Title Company any and all earnest money deposits made required in the Agreement via wire transfer. Title Company shall provide instructions for Buyer's wiring earnest money upon binding acceptance.

Title Company shall hold and disburse these funds in accordance with the terms of the Agreement, and shall rely upon a good faith decision based upon advice of an attorney not representing any party to the Agreement. In addition, in the event of a dispute and Title Company's inability to comply with any of the foregoing provisions for payment, Title Company may deposit the funds into the Circuit Court for Sheboygan County where the Property is located, and thereafter be relieved from responsibility. On any disbursement to which the Buyer and Seller do not agree, Title Company shall send written notice to all parties of the intent to disburse. The notice shall state to whom, the amount and when the disbursement will be made, and the disbursement shall not occur until at least ten (10) days after mailing the notice.

Title Company shall not be liable for any acts or omissions performed in good faith pursuant to this Agreement. Also, the undersigned parties shall hold Title Company harmless from all reasonable actions taken in accordance with this Agreement and agree to share all out-of-pocket expenses incurred by Title Company, which may arise out of this Agreement.

C. Reserved.

D. Section 1031: Either party may elect to assign this Agreement to a qualified Intermediary or third party to complete a like kind exchange of property in accordance with Section 1031 of the Internal Revenue Code of 1987, as amended. The parties agree to cooperate with each other and/or a third party in a manner reasonably necessary to complete the exchange; provided, however, any such election shall be at no cost or liability to the other party. Should this Agreement become part of a Section 1031 transaction, the non-electing party may enforce any and all representations, warranties, covenants and other obligations of the electing party under this Agreement directly against the electing party.

D. As-Is, Where-is Sale: NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES IN ANY WAY RESPECTING THE PROPERTY, OTHER THAN THE LIMITED WARRANTY OF TITLE IN THE SPECIAL WARRANTY DEED BY WHICH CONVEYANCE OF THE PROPERTY SHALL BE MADE. NO PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESSED OR IMPLIED, ORAL OR WRITTEN, HAVE BEEN MADE BY SELLER IN ANY WAY CONCERNING OR WITH RESPECT TO: (I) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WATER, SOIL OR GEOLOGY; (II) THE COMPLIANCE OF THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY; (III) THE PHYSICAL CONDITION OF THE BUILDING AND OTHER IMPROVEMENTS LOCATED ON THE PROPERTY OR ANY COMPONENT THEREOF; (IV) PRESENCE OR ABSENCE OF ANY FLOODPLAIN, WETLANDS OR ENVIRONMENTAL CORRIDOR; OR (V) COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL LAW. BUYER EXPRESSLY ACKNOWLEDGES AND AGREES THAT BUYER IS BEING GIVEN FULL AND AMPLE OPPORTUNITY TO INSPECT THE PROPERTY, AND TO HAVE

THE PROPERTY INSPECTED BY PROFESSIONAL CONSULTANTS OF BUYER'S CHOICE AND AT BUYER'S EXPENSE AND, TO THE EXTENT BUYER WAIVES THE CONTINGENCIES CONTAINED IN THE AGREEMENT, AND ELECTS TO PURCHASE THE PROPERTY, BUYER WILL BE DOING SO ENTIRELY IN RELIANCE UPON ITS OWN INVESTIGATIONS AND THOSE OF ITS PROFESSIONAL CONSULTANTS, AND NOT UPON ANY INFORMATION OR DOCUMENTS PROVIDED BY SELLER OR ANY PERSON, AGENT OR EMPLOYEE ACTING ON BEHALF OF SELLER, INCLUDING, WITHOUT LIMITATION, ANY PREVIOUSLY FURNISHED REAL ESTATE CONDITION REPORT, OR ANY OTHER DOCUMENTS PROVIDED BY SELLER TO BUYER CONCERNING THE PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT, TO THE MAXIMUM EXTENT PERMITTED UNDER LAW, THE SALE OF THE PROPERTY IS MADE ON AN "AS IS, WHERE IS, WITH ALL FAULTS" BASIS, AND THAT THE PURCHASE PRICE HAS BEEN NEGOTIATED TO REFLECT A SALE ON SUCH BASIS. THE AS-IS PROVISIONS OF THIS RIDER SHALL SURVIVE CLOSING AND BE INCLUDED IN THE DEED BY WHICH CONVEYANCE OF THE PROPERTY IS MADE. BUYER WAIVES ANY RIGHT TO ANY REAL ESTATE CONDITION REPORT, VACANT LAND DISCLOSURE REPORT OR SIMILAR DISCLOSURE FROM SELLER THAT MAY OTHERWISE BE REQUIRED BY WISCONSIN OR FEDERAL LAW.

F. Closing:

If Buyer does not terminate this Offer during an available contingency period, closing of the Purchase and sale of the Property, shall occur fourteen (14) days after Buyer waives or satisfies all of its contingencies set forth in this Offer. Buyer may, at its sole option, elect to close the purchase of the Property at any time prior to said date, upon fourteen (14) days prior written notice to Seller.

At Closing, Seller shall deliver to Buyer, in addition to other items referred to elsewhere in this Agreement to be delivered by Seller to Buyer, the following documents:

- (a) Deed. The special warranty deed, duly executed and acknowledged in condition required by the Agreement;
- (b) Owner's Affidavit. An Owner's Affidavit as to construction liens and possession, in a form acceptable to the Title Company, duly executed and acknowledged by Seller;
- (c) Broker's Affidavit. A Broker's Affidavit as to real estate broker's fees and commission, in a form acceptable to the Title Company, duly exercised and acknowledged by Seller;
- (d) Closing Statement. A closing statement setting forth a summary of the purchase price;
- (e) Reserved.
- (f) Evidence of Payment. Evidence of payment of all real estate taxes due and payable, if any, special assessments, water bills, sewer bills, and any other municipal and governmental levies that Seller is responsible for under this Agreement, and evidence that all utility charges and other expenses with regard to the Property are paid current or prorated through the date of closing;
- (g) Transfer Declarations. All state, county, and local real property transfer declarations and returns;
- (h) Payoff letters. Payoff letter or executed and recordable satisfactions for all mortgages, liens and judgments being satisfied as of the closing date that Seller is responsible for and agrees to cure under this Agreement (if applicable);
- (i) Seller shall deliver to Buyer an assignment of all Seller's right, title and interest relating to the Property, including, but not limited to, any and all assignable leases, contracts, plans, certificates, licenses, developer rights, permits, authorizations and approvals, relating to the Property (collectively the "Assignment Rights"). Seller shall deliver to Buyer copies or originals, as applicable and in its possession, of all documentation relating to the Assignment Rights.

(j) Other Documents. Any other document reasonably required by the Title Company in order to issue the title policy to Buyer in accordance with Seller's obligations under this Agreement.

At Closing, Buyer shall deliver to Seller the following: (a) the Purchase Price in good and readily available funds via cash or wire; (b) a countersigned copy of the instrument conveying the Assignment Rights; (c) the closing statement; (d) evidence of payment of any invoices relating to Buyer's due diligence activities on the Property; and (e) any other document or affidavit reasonably required by Title Company to issue the title policy to Buyer and to close the transaction contemplated by the Agreement.

G. Assignment of Offer to Purchase:

Buyer shall have the right to assign this Agreement to an entity owned and controlled by Buyer, provided that notwithstanding any such assignment, Buyer shall remain responsible for all obligations of the Buyer hereunder, including but not limited to the payment of the Purchase Price. Buyer shall not otherwise have the right to assign this Agreement without written consent of Seller, which consent shall be granted or withheld in Seller's sole discretion.

H. Authorization to Sign Documents:

Buyer and Seller represent and warrant to each other that the individuals signing this Agreement on behalf of Buyer and Seller are duly authorized and have full written authority to so sign and to bind the respective parties to the provisions hereof.

I. **Counterparts.** This Agreement may be executed in multiple counterparts, each of such counterpart shall be deemed to constitute one and the same instrument and each of said counterparts shall be deemed an original hereof. Facsimile signatures of this agreement shall be treated as original signatures.

J. Legal Counsel:

EC Commercial Real Estate makes no representation as to the accuracy or completeness of the disclosures made in this Agreement. The Buyer and Seller are advised to be represented by their attorneys in the preparation, review and signing of this Agreement and all other legal documents associated with the purchase/sale of this Property. The language used in this Agreement shall be deemed to be the language chosen by all of the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

K. **Notice.** The following shall be added to Line 682 of the Offer: jtuljak@michaelbest.com; jslohn@michaelbest.com; and jmmertz@michaelbest.com.

M. **Severability.** In the event that any provision of this Agreement is later determined to be illegal, invalid, or unenforceable for any reason, such provision shall be deemed severed herefrom and such severance shall not affect the legality, validity, or enforceability of the other provisions herein.

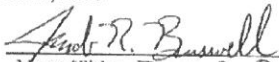
Entire Agreement: This Agreement constitutes the entire agreement between the parties and no modification shall be binding unless in writing and signed by all parties.

[Signature Page Follows]

EXECUTION VERSION

In witness whereof, Seller and Buyer have caused this Rider to be executed on the date written below, their respective signatures, to be effective as of the full executed date of this Rider.

Buyer:
Red Earth, LLC

By: 
Name/Title: Jacob R. Buswell

Date: 11/7/2023

Seller:
Sheboygan Lakeview Property, LLC

By: 
Name/Title: Michael Dilworth, Member

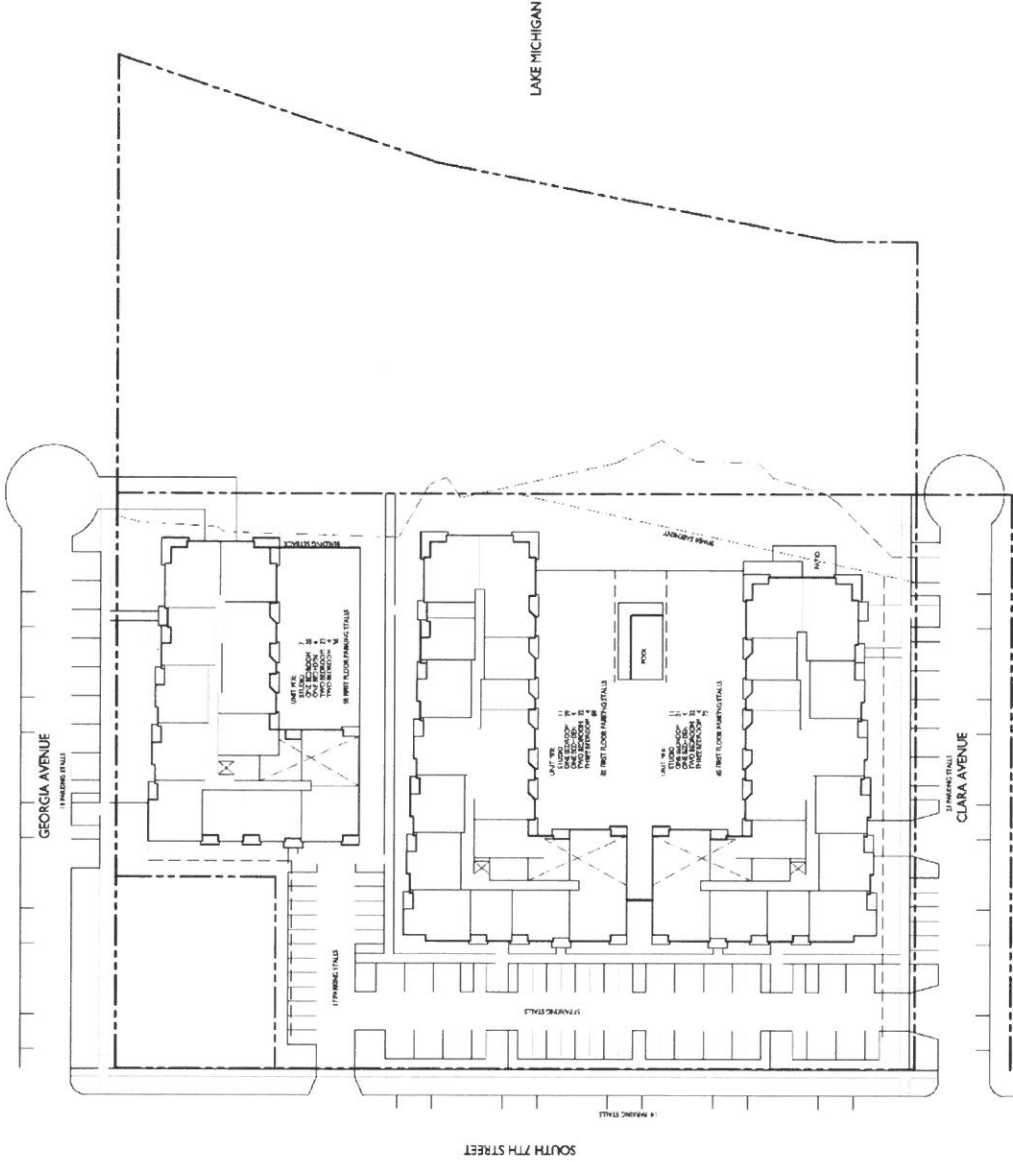
Date: 11.7.23

Exhibit C

Site Plan

[SEE ATTACHED]

EXHIBIT C



100.000
Scale: 1" = 100'-0"

PROJECT TITLE
Site Concept
Red Earth
Development

1401-1435 S 7th Street
Sheboygan, Wisconsin
PROJECT NO.
2378
SHEET TITLE
Site Plan

SHEET NUMBER



C-1.1
PROJECT NO. 2378
SHEET TITLE
Site Plan



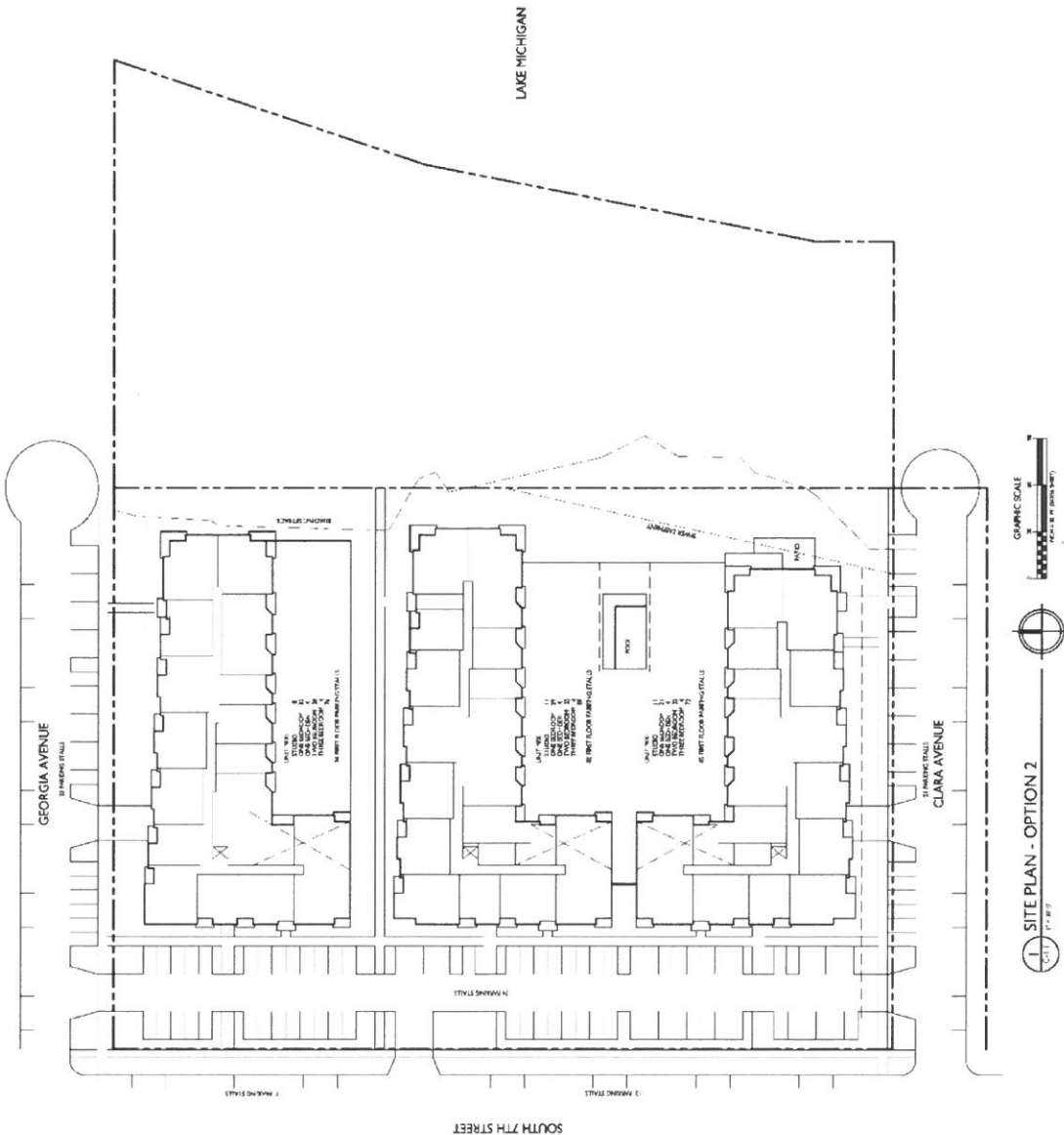
100-000
1403-1435 S 7th Street, Milwaukee, WI 53204

PROJECT TITLE
Site Concept
Red Earth
Development

1403-1435 S 7th Street
Milwaukee, Wisconsin
SHEET TITLE
Site Plan

SHEET NUMBER

C-1.1
PROJECT NO. 2378
© Robert A. Jones Associates, L.L.C.





DATE: 10/1/2010
PROJECT NO.: 10000000000000000000

PROJECT TITLE:
Site Concept
Red Earth
Development

1403 1435 S 7th Street
Sheboygan, Wisconsin
PROJECT TITLE:
First Floor Plan

SHEET NUMBER:

C-1.2
PROJECT NO.: 3378
10/1/2010



Exhibit D

MRO

UNITED STATES OF AMERICA
 STATE OF WISCONSIN
 COUNTY OF SHEBOYGAN
 CITY OF SHEBOYGAN

TAXABLE TAX INCREMENT PROJECT MUNICIPAL REVENUE OBLIGATION (“**MRO**”)

<u>Number</u>	<u>Date of Original Issuance</u>	<u>Amount</u>
_____	_____	Up to \$8,000,000.00

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the “**City**”), promises to pay to Malibu Apartments, LLC (the “**Developer**”), or registered assigns, but only in the manner, at the times, from the source of revenue and to the extent hereinafter provided, the Revenues described below, without interest.

This MRO shall be payable in installments of principal due on October 31 (the “**Payment Dates**”) in each of the years and in the amounts set forth on the debt service schedule attached hereto as Schedule 1.

This MRO has been issued to finance projects within the City’s Tax Incremental District No. 21, pursuant to Article XI, Section 3 of the Wisconsin Constitution and Section 66.0621, Wisconsin Statutes and acts supplementary thereto, and is payable only from the income and revenues herein described, which income and revenues have been set aside as a special fund for that purpose and identified as the “Special Redemption Fund” provided for under the resolution adopted on [_____, 20___], by the Common Council of the City (the “**Resolution**”). This MRO is issued pursuant to the Resolution and pursuant to the terms and conditions of the Tax Incremental District Development Agreement dated as of February 20, 2024 by and between the City and Developer (the “**Development Agreement**”). All capitalized but undefined terms herein shall take on the meaning given to such terms in the Development Agreement.

This MRO does not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation or provision. This MRO shall be payable solely from Available Tax Increment generated by the Property and appropriated by the City’s Common Council to the payment of this MRO (the “**Revenues**”). Reference is hereby made to the Resolution and the Development Agreement for a more complete statement of the revenues from which and conditions and limitations under which this MRO is payable and the general covenants and provisions pursuant to which this MRO has been issued. The Resolution and Development Agreement are incorporated herein by this reference.

If on any Payment Date there shall be insufficient Revenues appropriated to pay the principal due on this MRO, the amount due but not paid shall be deferred. The deferred principal

shall be payable on the next Payment Date until the earlier of: (a) the date this MRO is paid in full, and (b) the Final Payment Date (as defined below). The City shall have no obligation to pay any amount of this MRO which remains unpaid after the Final Payment Date. The owners of this MRO shall have no right to receive payment of any deferred amounts, unless there are available Revenues which are appropriated by the City's Common Council to payment of this MRO. The "**Final Payment Date**" is October 31, 2051.

At the option of the City, this MRO is subject to prepayment in whole or in part at any time.

The City makes no representation or covenant (express or implied) that the Available Tax Increment or other Revenues will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City's payment obligations hereunder are subject to appropriation, by the City's Common Council, of Tax Increments or other amounts to make payments due on this MRO. In addition, as provided in Section 5.3 of the Development Agreement, the total amount of principal to be paid shall in no event exceed the lesser of:

- (a) Eight Million Dollars (\$8,000,000.00), and
- (b) The sum of all payments made by the City on this MRO during the life of the District but in no event after the Final Payment Date.

For the avoidance of any doubt, the Available Tax Increment for MRO payments made during the life of the District in 2027, 2028, 2029, 2030 and 2031, if made, shall equal ninety-five percent (95%) of the difference between the Tax Increment actually received by the City in such year and allocated for payment on the MRO less the Priority Project Costs, and the Available Tax Increment for MRO payments made during the life of the District for every year after 2031 but prior to or on the Final Payment Date, if made, shall equal seventy-five percent (75%) of the difference between the Tax Increment actually received by the City in such year and allocated for payment on the MRO less the Priority Project Costs.

When such amount of Revenues has been appropriated and applied to payment of this MRO, the MRO shall be deemed to be paid in full and discharged, and the City shall have no further obligation with respect hereto. Further, as provided in Sections 5.1, 5.3 and 11.1 of the Development Agreement or otherwise, the City's obligations to make payments on this MRO may be suspended or terminated in the event Developer is in Default under any of the terms and conditions of the Development Agreement, provided payments may be resumed when any such Default is timely cured and any payments missed due to an uncured Default also shall be paid from Available Tax Increment upon timely cure of such Default.

THIS MRO IS A SPECIAL, LIMITED REVENUE OBLIGATION AND NOT A GENERAL OBLIGATION OF THE CITY AND IS PAYABLE BY THE CITY ONLY FROM THE SOURCES AND SUBJECT TO THE QUALIFICATIONS STATED OR REFERENCED HEREIN. THIS MRO IS NOT 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 THE PRINCIPAL OR INTEREST OF THIS MRO. FURTHER, NO PROPERTY OR OTHER ASSET OF THE CITY, EXCEPT THE ABOVE-REFERENCED REVENUES, IS OR SHALL BE A SOURCE OF PAYMENT OF THE CITY'S OBLIGATIONS HEREUNDER.

This MRO is issued by the City pursuant to, and in full conformity with, the Constitution and laws of the State of Wisconsin.

Except as otherwise expressly provided for in the Development Agreement, this MRO may be transferred or assigned, in whole or in part, only upon prior written consent of the City which may be withheld, conditioned or delayed for any reason. Interests in this MRO may not be split, divided or apportioned, except as set forth herein. In order to transfer or assign the MRO, if permitted by the City, the transferee or assignee shall surrender the same to the City either in exchange for a new, fully-registered municipal revenue obligation or for transfer of this MRO on the registration records for the MRO maintained by the City. Each permitted transferee or assignee shall take this MRO subject to the foregoing conditions and subject to all provisions stated or referenced herein.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this MRO have been done, have existed and have been performed in due form and time.

IN WITNESS WHEREOF, the Common Council of the City of Sheboygan has caused this MRO to be signed on behalf of the City by its duly qualified and acting City Administrator and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF SHEBOYGAN

By: EXHIBIT
Name: _____, City Administrator

(SEAL)

Attest: EXHIBIT
Name: _____, City Clerk

Schedule 1**Payment Schedule**

Subject to the City's actual receipt of Available Tax Increment and the terms and conditions of the Development Agreement (including, without limitation, the City's right to modify this payment schedule based upon market conditions and the actual and projected Available Tax Increment generated from the Project), the City shall make the following payments on the MRO to Developer:

<u>Payment Date</u>	<u>Payment Amount</u>
October 31, 2027	\$ _____
October 31, 2028	\$ _____
October 31, 2029	\$ _____
October 31, 2030	\$ _____
October 31, 2031	\$ _____
October 31, 2032	\$ _____
October 31, 2033	\$ _____
October 31, 2034	\$ _____
October 31, 2035	\$ _____
October 31, 2036	\$ _____
October 31, 2037	\$ _____
October 31, 2038	\$ _____
October 31, 2039	\$ _____
October 31, 2040	\$ _____
October 31, 20__	\$ _____
	=====
Total	Up to \$8,000,000.00

REGISTRATION PROVISIONS

This MRO shall be registered in registration records kept by the Clerk of the City of Sheboygan, Sheboygan County, Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this MRO may thereafter be transferred only upon presentation of this MRO together with a written instrument of transfer in form and substance acceptable to the City and duly executed by the registered owner or his/her/its attorney, such transfer to be made on such records and endorsed hereon.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of [City Clerk]</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT E

Members of Developer

MEMBERS OF DEVELOPER (WITH OWNERSHIP PERCENTAGE):

- (1) Jacob Buswell (20%)
- (2) Matthew Buswell (20%)
- (3) Brian Buswell (20%)
- (4) Todd Page (20%)
- (5) Rick Beyer (20%)

