

TERM SHEET

Commercial Real Estate Lease

May 7, 2026

Lessor Community Development Authority of the City of Watertown, an agency of the City of Watertown, a Wisconsin, Municipal Corporation

Lessee Holz Motors, Inc. – Watertown d/b/a Holz Chevrolet Buick GMC

1. **Lease Type:** Commercial Real Estate Lease.
2. **Lease Term:** 20 years.
3. **Rent Commencement Date:** June 1, 2026.
4. **Renewal Options:** Upon expiration, if the Lessor does not have any need for the leased property, Lessor grants Lessee a 10-year renewal option. Lessee must provide written notice to Lessor at least six months prior to expiration of initial term.
5. **Rent:** \$6,000.00 annually.
6. **Surface Maintenance.** Lessee shall be responsible for maintaining the surface of leased area at its expense so as not to develop potholes or other irregularities.
7. **Snow Removal.** Lessee shall be responsible for and pay for snow removal from leased area, at its option.
8. **Structures, Objects, and Trees Above Sea Level.** If Lessee erects a structure or object or permits growth of any tree above the mean sea level elevation of 868 feet, Lessor reserves the right to enter land leased and remove offending structure at expense of Lessee.
9. **Aircraft Interference.** If Lessee makes use of the leased premises in any manner which might interfere with the operation of aircraft from the Watertown Municipal Airport, or otherwise constitute a hazard, Lessor reserves the right to enter leased premises and cause the abatement of such interference at the expense of Lessee.
10. **Aviation Easement.** Lessee and its successors and assigns grant Lessor, for use and benefit of the public, a perpetual easement and right of way for the free and unobstructed passage of aircraft and the right to cause such sound, noise, vibration and dusts that comes with the operation of such aircraft at such altitude or height above ground and through/across air space over Lessee's land, provided that air space in said easement and right of way shall be that which lies above 868 feet above the mean sea level elevation. Lessee acknowledges and agrees that the City shall not be liable for, and Lessee hereby waives any claims arising from, aircraft operations within the easement area, including noise, vibration, fumes, dust, light, or any other impacts associated with such aircraft operations.