

**FAÇADE LOAN AGREEMENT  
BETWEEN BOWER'S HOUSE LLC AND THE COMMUNITY  
DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN**

THIS FAÇADE LOAN AGREEMENT (hereinafter the "Loan Agreement") is entered into by and between THE COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN (hereinafter referred to as the "CDA") and BOWER'S HOUSE LLC, a Wisconsin limited liability company ("Owner").

WHEREAS, Owner has acquired the following described real estate located at 183 West Main Street in the City of Whitewater, Walworth County, Wisconsin (hereinafter referred to as the "Property"), to-wit:

The West 33 ft. of what is now Lot 3 of Block 8 of Whitewater Village, now City, as Resurveyed, being sometimes known as the Original Town of Whitewater, Walworth County, Wisconsin.

Also, another piece of land adjoining the last mention piece on the S. and described as follows:

So much of the N. 1/3rd part of Lot 2 in said Block 8 as was not sold by Levi Powers to S. Clark by deed dated July 15, 1855, and recorded October 2, 1855, in Volume 21 of Deeds, Page 581, Walworth County Records.

Also, a third piece of land described as follows:

A part of said Lot 3 in said Block 8 bounded as follows:

Beginning on the N. line of said Lot 3, 30 ft. west of the N.E. comer and running W'ly along the N. line of lot 20 ft. thence S'ly at right angles to the N. line of the lot to the S. line thereof; thence E'ly on the S. line 20 ft thence N'ly to the place of beginning; being the property known as the "Bower House" and extending from main Street back to the N. wall of property formerly known as the "Hucker Saloon" Including use of the N. Wall as a part wall.

WHEREAS, Owner, by its member, Gregory Aprhamian, has caused to be prepared plans and specifications for the renovation and improvement of the Property (said renovations and improvements in accordance with the plans so approved by the City of Whitewater Plan and Architectural Review Commission being hereinafter referred to as the "Improvements"); and

WHEREAS, the Improvements to be made to the Property include exterior alterations and improvements which qualify as façade improvements under the CDA's Façade Loan Program; and

WHEREAS, Owner will be obtaining loans from First Citizens State Bank (the "Senior Mortgage Lender") in the principal sum of approximately \$1,200,000 to provide funds for certain Improvements to the Property, which loan is to be secured by a mortgage on the Property to be executed by Owner in favor of Senior Mortgage Lender, and which loan from the Senior Mortgage Lender is to be further secured by a related assignment of leases and rents in favor of the Senior Mortgage Lender (which loans to Owner by Senior

Mortgage Lender and all extensions or renewals of, and refinancings of, but not increases in the principal amount of, or re-advances of principal with respect to, said loan being hereinafter referred to as the "Senior Mortgage Indebtedness"); and

WHEREAS, the Owner has requested that the CDA loan Owner the sum of \$75,000.00 under the CDA's Façade Loan Program, and the CDA has approved the extension of a \$75,000.00 façade loan to Owner, subject to conditions, and on terms and conditions, set forth below; and

WHEREAS, the parties deem it to be mutually advantageous to enter into this Loan Agreement to set forth the terms and conditions mutually acceptable to them with respect to such façade loan by the CDA to Owner.

NOW, THEREFORE, it is agreed by and between the CDA and Owner as follows:

1. The foregoing recitals are incorporated herein by reference as material terms and provisions of this Agreement.

2. The CDA hereby agrees to loan to Owner, and Owner agrees to borrow from the CDA, the sum of Seventy Five Thousand and no/100 Dollars (\$75,000.00) representing a façade loan by the CDA to Owner to cover certain costs to be incurred by Owner related to the renovation and improvements to the exterior facades of the building located on the Property, with Fifty Thousand and no/100 Dollars (\$50,000.00) being loaned at closing and the remaining amount being loaned on August 1, 2022. The loan shall bear interest prior to maturity at the rate of one percent (1%) per annum on the un-repaid principal balance from time to time outstanding, and principal and interest shall be due and payable in thirty-six (36) equal monthly installments based on said 1% interest rate and an amortization period of five years, including principal and interest, of the amounts listed in the Promissory Notes, with the first such installment being due on the second anniversary from the date of closing of this façade loan transaction, and with subsequent monthly installments being due on the same day of each succeeding month thereafter, with a final installment equal to the full remaining unpaid principal balance plus accrued interest being due and payable five (5) years from the date of the closing of this façade loan transaction. The loan shall be evidenced by two Promissory Notes from Owner to the CDA in the form and on the terms and conditions set forth in Exhibit A attached hereto and incorporated herein by reference which shall be executed and delivered by Owner to the CDA at the time of the closing of this facade loan transaction, or as agreed by the parties. The obligations of Owner to the CDA under the Promissory Notes attached as Exhibit A to be executed and delivered by Owner to the CDA at the time of the loan closing, as well as the obligations of Owner to the CDA under this Loan Agreement, shall be secured by a mortgage, assignment of leases and rents and security agreement establishing a lien on the Property and fixtures in favor of the CDA on the terms and conditions set forth in the Assignment of Leases and Rents and Security Agreement/Fixtures Filing (the "Mortgage") attached hereto as Exhibit B and incorporated herein by reference. The lien of the Mortgage from Owner to the CDA given as security for the façade loan Promissory Notes and the performance of the obligations of Owner under this Loan Agreement shall be subordinate to the lien of the mortgage and assignment of leases and

rents acting as security for, but only to the extent acting as security for, the Senior Mortgage Indebtedness.

3. The obligations of Owner to the CDA, as evidenced by the Promissory Notes attached hereto as Exhibit A and the Mortgage attached hereto as Exhibit B, both of which shall be executed by Owner in favor of the CDA at closing, and the obligations of Owner to the CDA under this Loan Agreement, shall be personally guaranteed by Gregory Aprahamian. The obligation of the CDA to consummate this loan is contingent upon Gregory Aprahamian executing and delivering to the CDA at the time of the loan closing, the Personal Guaranty attached hereto as Exhibit C and incorporated herein by reference.

4. The obligation of the CDA to consummate this facade loan to Owner is further contingent upon Owner causing to be delivered to the CDA, at the time of loan closing, a loan policy of title insurance insuring to the satisfaction of the CDA and its legal counsel, that the lien of the Mortgage from Owner to the CDA is a valid lien against the Property superior to all other liens and encumbrances subordinate only to the lien of the mortgage to the Senior Mortgage Lender securing, but only to the extent securing, the Senior Mortgage Indebtedness. Along with attorney's fees for the CDA, the recording fees for recording of the Mortgage from Owner to the CDA and the title insurance premium for the required loan policy of title insurance in favor of the CDA shall be the responsibility of Owner and shall be paid and disbursed at closing out of the \$75,000.00 facade loan proceeds.

5. The obligation of the CDA to consummate this facade loan to Owner under this Loan Agreement is further contingent upon Owner causing to be delivered to the CDA, at the time of the loan closing, written agreements, approvals, certifications or authorizing actions as legal counsel for the CDA may deem necessary or appropriate to establish and confirm that all actions and approvals on behalf of, and/or by the Members of, the entities comprising Owner have been obtained and/or taken to authorize and approve the borrowing by Owner from the CDA of the facade loan pursuant to the terms of this Agreement and authorizing the execution and delivery of documents on behalf of the entities comprising Owner as anticipated by this Agreement.

6. In the event the Property or any portion of the Property or any interest therein is sold or transferred, directly or indirectly, by Owner prior to payment in full of the facade loan, the facade loan shall, at the option of the CDA, become immediately due and payable.

7. Owner agrees to maintain and provide to the City by not later than March 1, 2023, copies of invoices establishing that Owner has expended for improvements to the façades (defined as the visible exterior of the building and physical structure that supports it) of the building on the Property, including exterior façade redevelopment project architectural expenses, in a sum of not less than the amount received under this loan, and such lien waivers as the CDA or its legal counsel may deem appropriate.

8. Owner agrees that it will not discriminate against any contractor, employee or applicant for employment, nor any tenant or purchaser of all or any portion of the Property, because of age, race, color, national origin, religion, sex, sexual orientation, developmental disability as

defined in Section 51.05(5) of the Wisconsin Statutes, physical condition or handicap with respect to the ownership, redevelopment, improvement or leasing of the Property with respect to which this facade loan is being made by the CDA to Owner.

9. Closing of this facade loan transaction shall occur at the place designated by the CDA on or before April 30, 2022, or on such other date or at such other place as may be mutually agreed upon between the CDA and Owner.

10. No amendment, modification, termination or waiver of any provision of this Agreement, nor consent to any departure from this Agreement, shall in any way be effective unless the same shall be in writing and signed by the duly-authorized officer or officers or representatives of each of the parties to this Agreement.

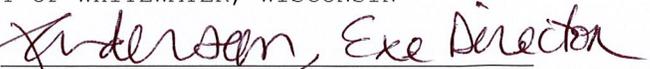
11. The validity, construction and enforcement of this Agreement and the documents and agreements anticipated hereby shall be governed by the laws of the State of Wisconsin. The terms and provisions of this Agreement and the documents attached hereto as Exhibits shall not be more strictly construed against one party than against the other merely by virtue of the fact that this Agreement or such document has been prepared by legal counsel for one of the parties, it being recognized that both the CDA and Owner and their respective legal counsel have contributed, and/or have had the opportunity to contribute substantially and materially to the preparation and content of this Agreement and the documents attached hereto as Exhibits.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly-authorized officers and/or representatives on the date set forth below.

Executed on the dates set forth below, effective as of April 11, 2022.

April 11, 2022

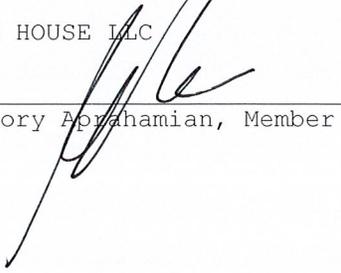
COMMUNITY DEVELOPMENT AUTHORITY OF  
THE CITY OF WHITEWATER, WISCONSIN

By:   
Cathy Anderson, Executive Director

And By:   
Patrick Singer, Chair

April 11, 2022

BOWER'S HOUSE LLC

By:   
Gregory Aprahamian, Member

**EXHIBIT LISTING**

EXHIBIT A            Façade Loan Promissory Notes  
EXHIBIT B            Real Estate Mortgage  
EXHIBIT C            Personal Guaranty

EXHIBIT A

PROMISSORY NOTE  
Commercial Façade Loan  
(BOWER'S HOUSE LLC - 183 West Main St.)

April 11, 2022

\$50,000.00 (U.S.)

BOWER'S HOUSE LLC, as Maker, promises to pay to the order of THE COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN (hereinafter referred to as the "CDA") at such place as the CDA may from time to time direct, the principal sum Fifty Thousand and no/100 Dollars (\$50,000.00) U.S., together with interest at the rate or rates hereinafter specified as follows:

- A. This Promissory Note bears interest on the disbursed and unpaid principal balance prior to maturity at the rate of two percent (1%) per annum.
- B. The \$50,000.00 principal amount of this Note, together with interest on the un-repaid principal balance from time to time outstanding, shall be payable in forty-seven (47) equal monthly installments, including principal and interest, of One Thousand Eighty Three and 64/100 Dollars (\$1,083.64) each, with the first such monthly installment being due and payable on the anniversary of the first month from the date of execution of this Note by Maker, and with like monthly installments being due and payable on the same day of each succeeding month thereafter, plus a final installment equal to the full remaining principal balance plus accrued interest being due and payable March 11, 2028.
- C. Interest, prior to maturity, shall be computed for the number of days principal is unpaid on the basis of a 365-day year on a daily rate basis of  $1/365^{\text{th}}$  of the annual rate, without compounding; notwithstanding the foregoing, any monthly installment received by the CDA within ten (10) days of its due date shall be considered to have been paid and received on its due date for interest calculation purposes.
- D. All unpaid principal and any accrued interest shall bear interest after maturity of this Note, whether occurring through lapse of time or acceleration, at the rate of eight percent (8%) per annum until paid in full, with interest being calculated on a daily rate basis at  $1/365^{\text{ths}}$  of the annual rate.
- E. Full or partial prepayment of this Promissory Note is permitted at any time without penalty.

The terms and provisions of the Façade Loan Agreement between Maker and the CDA bearing even date herewith are incorporated herein by reference into this Promissory Note as if fully set forth herein.

This Promissory Note is secured by a lien on real estate owned by Maker located at 183 West Main Street in the City of Whitewater, Walworth County, Wisconsin (Tax Parcel No. /OT 00070); the loan evidenced by this Note is made by the CDA to Maker to fund a portion of the cost of exterior façade improvements to said real estate. Said lien on the aforementioned real estate is established by a Mortgage bearing even date herewith from Maker to the CDA, the lien of which Mortgage is subordinate only to the lien of a mortgage from Maker to First Citizens State Bank dated December 29, 2021 to

the extent, but only to the extent, said lien secures the obligations of Maker to First Citizens State Bank under a note from Maker to First Citizens State Bank dated December 29, 2021, and all extensions or renewals of, and refinancings of said loan ("Senior Mortgage Indebtedness").

In the event of any direct or indirect sale or transfer, whether voluntary or involuntary, of all or any portion of the property securing this loan prior to maturity of this Promissory Note, the CDA shall have the right to declare the entire remaining unpaid balance of principal plus then-accrued interest to be immediately due and payable in full. For purposes of the foregoing provision, any transfer of any existing percentage interest in Maker of fifty (50%) percent or any issuance of any additional percentage interests in Bower's House LLC to any third party which results in any ownership interest or voting or control rights being vested in any person, firm or entity other than Gregory Aprahamian, shall be deemed to be a sale or transfer of an interest in the property securing this loan.

In the event Maker fails to make any payment of principal or interest due under this Promissory Note or fails to comply with any other term or provisions contained in this Promissory Note, the Mortgage securing this Note, the related Assignment of Leases and Rents, or the Façade Loan Agreement between Maker and the CDA, the CDA will notify Maker in writing of the potential for a default, the action required to avoid a default, and a date which is not less than ninety (90) days subsequent to the date on which the payment was originally due or on which the failure originally occurred, and not less than sixty (60) days from the date of the notice, by which such action as may be required must be performed. In the event Maker does not carry out such action as is required by the CDA within the time specified in said notice, Maker will then be in default under the provisions of this Promissory Note. In the event of a default, all sums due and owing to the CDA under this Promissory Note, including the full unpaid principal balance and all accrued interest shall, at the option of the CDA, become immediately due and payable without further notice.

Presentment, protest, demand and notice of dishonor are waived. Without affecting the liability of Maker, or any guarantor of the performance of Maker's obligations to the CDA under this Promissory Note, the Mortgage and related Assignments of Leases and Rents securing this Note, or the Façade Loan Agreement between Maker and the CDA, the CDA may, without notice, grant renewals or extensions, accept partial payments, and/or agree not to sue any party liable to the CDA whether directly under this Promissory Note or the Mortgage securing this Note or as guarantor of the performance of Makers to the CDA. Maker agrees to pay all costs of collection and enforcement, including, to the extent not prohibited by law, reasonable attorneys' fees. Maker hereby acknowledges receipt of a complete copy of this Promissory Note. The terms and provisions of this Promissory Note are binding upon Maker, and successors and assigns, and shall inure to the benefit of the CDA, its successors and assigns.

BOWER'S HOUSE LLC

By \_\_\_\_\_  
Gregory Aprahamian, Member

EXHIBIT B

Document Number	REAL ESTATE MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT/FIXTURES FILING
	<p>Bower's House LLC ("Mortgagor") mortgages, grants, conveys and warrants to The Community Development Authority of the City of Whitewater, Wisconsin, a body politic created by the City of Whitewater, Wisconsin, a Wisconsin municipal corporation located in Walworth and Jefferson Counties, Wisconsin (The Community Development Authority of the City of Whitewater, Wisconsin being hereinafter referred to as "Mortgagee"), in consideration of the sum being loaned by Mortgagee to Mortgagor in accordance with the terms and provisions of a certain Façade Loan Agreement with respect to the property located at 183 West Main Street in the City of Whitewater, Walworth County, Wisconsin between Mortgagor and Mortgagee bearing even date herewith (said Façade Loan Agreement with respect to the premises located at 183 West Main Street, City of Whitewater, Walworth County, Wisconsin being hereinafter referred to as the "Loan Agreement"), which loan, pursuant to the Loan Agreement, is evidenced by Promissory Notes from Mortgagor to Mortgagee (the "Notes"), to secure payment of and performance of the obligations of Mortgagor to Mortgagee under the Loan Agreement, this Mortgage, the Notes, and any extensions, renewals and modifications of any of the foregoing and any refinancing thereof (the obligations of Mortgagor to Mortgagee under the Loan Agreement, this Mortgage, the Notes and any extensions, renewals and modifications thereof, and any refinancings thereof, being hereinafter referred to as the "Obligation"), the following property, together with all rights and interests appurtenant thereto in law or in equity, all present and future leases, rents, issue and profits arising therefrom, including insurance proceeds and condemnation awards, and all structures, improvements and fixtures located thereon, in the City of Whitewater, County of Walworth, State of Wisconsin ("Property"), to-wit:</p> <p>The West 33 ft. of what is now Lot 3 of Block 8 of <u>Whitewater Village, now City, as Resurveyed</u>, being sometimes known as the Original Town of Whitewater, Walworth County, Wisconsin.</p> <p>Also, another piece of land adjoining the last mention piece on the S. and described as follows:</p> <p>So much of the N. 1/3rd part of Lot 2 in said Block 8 as was not sold by Levi Powers to S. Clark by deed dated July 15, 1855, and recorded October 2, 1855, in <u>Volume 21 of Deeds, Page 581</u>, Walworth County Records.</p> <p>Also, a third piece of land described as follows:</p> <p>A part of said Lot 3 in said Block 8 bounded as follows:</p> <p>Beginning on the N. line of said Lot 3, 30 ft. west of the N.E. corner and running W'ly along the N. line of lot 20 ft. thence S'y at right angles to the N. line of the lot to the S. line thereof; thence E'ly on the S. line 20 ft thence N'ly to the place of beginning; being the property known as the "Bower House" and extending from main Street back to the N. wall of property formerly known as the "Hucker Saloon" Including use of the N. Wall as a part wall.</p>

RETURN TO:  
 James J. Wawrzyn  
 SmithAmundsen LLC  
 330 E. Kilbourn Ave Tower 1, 11<sup>th</sup> Floor  
 Milwaukee, WI 53202

/OT 00070  
 (Parcel Identification Number)

This is not homestead property.

This is not a purchase money mortgage.

1. MORTGAGOR'S COVENANTS.

a. COVENANT OF TITLE. Mortgagor warrants title to the Property, except restrictions and easements of record, if any, and further excepting the following (hereinafter each being referred to as the "Senior Mortgage"), to-wit:

Mortgage from Bower's House LLC, a Wisconsin limited liability company to First Citizens Bank, in the original amount of \$920,000.00 dated December 29, 2021, recorded January 11, 2022, as Document No. 1054511.

Assignment of Rents from Bower's House LLC to First Citizens State Bank, dated December 29, 2021, recorded January 11, 2022, as Document No. 1054512.

b. FIXTURES. Any property which has been affixed to the Property and is used in connection with it is intended to become a fixture. Mortgagor waives any right to remove such fixture from the Property which is subject to this Mortgage.

c. TAXES. Mortgagor promises to pay when due all taxes and assessments levied on the Property or upon Mortgagee's interest in it and to deliver to Mortgagee on demand receipts showing such payment.

d. INSURANCE. Mortgagor shall keep the improvements on the Property insured against loss or damage occasioned by fire, extended coverage perils and such other hazards as Mortgagee may require, without co-insurance, through insurers approved by Mortgagee, in the amount of the full replacement value of the improvements on the Property. Mortgagor shall pay the insurance premiums when due. The policies shall contain the standard mortgage clause in favor of Mortgagee, and evidence of all policies covering the Property shall be provided to Mortgagee. Mortgagor shall promptly give notice of loss to insurance companies and Mortgagee. Unless Mortgagor and Mortgagee otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Mortgagee deems the restoration or repair to be economically feasible.

e. OTHER MORTGAGEES OR LIENS. Mortgagor shall timely perform all of Mortgagor's obligations which may be or become secured at any time by a mortgage or other lien on the

Property in favor of any third party. Failure of Mortgagor to timely perform any obligation under the preceding sentence shall be deemed to be a default under the terms of this Mortgage and the Obligation it secures, and, upon any such default or deemed default under the foregoing provisions of this sentence, the entire balance under the Obligation secured by this Mortgage shall become due and payable in full at the option of Mortgagee, without notice, which notice is hereby waived.

f. **OTHER COVENANTS.** Mortgagor covenants not to commit waste nor suffer waste to be committed on the Property, to keep the Property in good condition and repair, to keep the Property free from liens superior to the lien of this Mortgage other than the lien of the Senior Mortgage in favor of First Citizens State Bank securing Senior Mortgage Indebtedness as defined in subparagraph a. above and to comply with all laws, ordinances and regulations affecting the Property.

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

3. **NOTICE.** Unless otherwise provided in the Obligation secured by this Mortgage, prior to any acceleration (other than under subparagraph l.e. above or under paragraph 9. below) Mortgagee shall notify Mortgagor in writing of the potential for a default, the action required to avoid a default, and a date which is not less than ninety (90) days subsequent to the date on which the payment was originally due or on which the failure originally occurred, and not less than sixty (60) days from the date of the notice, by which such action as may be required must be performed; in the event Mortgagor does not carry out such action as is required within the time specified in said notice, the entire indebtedness under the Obligation secured by this Mortgage shall become due and payable in full at the option of Mortgagee without further notice, which notice is hereby waived.

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

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

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

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

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

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

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

11. **ENVIRONMENTAL PROVISION.** Mortgagor represents, warrants and covenants to Mortgagee that (a) during the period of Mortgagor's ownership or use of the Property no substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (b) Mortgagor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner or person using the Property; (c) without limiting the generality of the foregoing, Mortgagor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components ("PCBs") or underground storage tanks; (d) there are no conditions existing currently or likely to exist during the term of this Mortgage which would subject Mortgagor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claims relating to any Hazardous Substance; (e) Mortgagor is not subject to any court or administrative proceeding, judgment, decree, order or citation

relating to any Hazardous Substance; and (f) Mortgagor in the past has been, at the present is and in the future will remain in compliance with all Environmental Laws. Mortgagor shall indemnify and hold harmless Mortgagee from all loss, cost (including reasonable attorney fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of or based upon (i) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (ii) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, or (iii) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Mortgagor shall immediately notify Mortgagee in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance on, in, under or about the Property.

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

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

- A. All fixtures and personal property owned by Mortgagor located on or related to the operations of the Property whether now owned or hereafter acquired, which security interest is inferior only to the security interest of the Senior Mortgage Indebtedness and filing by First Citizens State Bank.
- B. All property listed on the attached schedule.

This Mortgage shall constitute a security agreement within the meaning of the Uniform Commercial Code with respect to those parts of the Property indicated above. Mortgagor authorizes Mortgagee to file such Uniform Commercial Code Financing Statements, continuations thereof and amendments thereto as Mortgagee may from time to time reasonably deem advisable to establish, perfect and continue perfected Mortgagee's security interest in and lien upon the above identified fixtures and personal property and proceeds thereof. This Mortgage constitutes a fixture filing and financing statement as those terms are used in the Uniform Commercial Code. This Mortgage is to be filed and recorded in the real estate records of the county in which the Property is located, and the following information is included: (1) each Mortgagor shall be deemed a "debtor"; (2) Mortgagee shall be deemed to be the "secured party" and shall have all of the rights of a secured party under the Uniform Commercial Code; (3) the address of the secured party is 312 West Whitewater Street, P.O. Box 688, Whitewater, WI 53190 (4) this Mortgage covers goods which are or are to become fixtures; (5) the name of the record owner of the land is the debtor; (6) the legal name and address of each debtor and the state of organization and the organizational identification number of each debtor are: Shabani Investments LLC (Wisconsin Entity ID No. S134142, 11337 E. County Road N, Whitewater, WI 53190.

13. **AUTHORIZATION FOR DISCLOSURE.** Each Mortgagor hereby authorizes and directs the holder of any mortgage or other lien against the Property to disclose to the CDA, from time to time as requested by the CDA, all information with regard to performance of Mortgagor's obligations under or secured by any such mortgage or agreement establishing such lien on the Property and the remaining balances of such obligations and to furnish the CDA with copies of any notice given to Mortgagor in relation to any such mortgage or other lien on the Property and the obligations secured thereby simultaneously with the giving of such notice to Mortgagor.

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

15. **JOINT AND SEVERAL LIABILITY.** The covenants of this Mortgage set forth herein shall be deemed joint and several among Mortgagors, if more than one.

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

Dated: April 11, 2022

Bower's House LLC

By \_\_\_\_\_  
Gregory Aprahamian, Member

**ACKNOWLEDGMENT**

STATE OF WISCONSIN)  
) SS  
COUNTY OF Walworth)

Personally came before me this \_\_\_\_\_ day of April, 2022, the above named Gregory Aprahamian, to me known to be the person who executed the foregoing instrument and acknowledged the same as the duly-authorized act and deed of Bower's House LLC, a Wisconsin member-managed limited liability company.

\_\_\_\_\_, Notary Public  
\_\_\_\_\_, County, State of Wisconsin  
My commission expires: \_\_\_\_\_.

**THIS INSTRUMENT DRAFTED BY:**  
James J. Wawrzyn  
State Bar No. 1059563  
330 East Kilbourn Avenue, Tower 1, 11<sup>th</sup> Floor  
Milwaukee, WI 53202

## EXHIBIT C

### PERSONAL GUARANTY (BOWER'S HOUSE LLC)

The undersigned, Gregory Aprahamian ("Guarantor"), for value received, and to induce the Community Development Authority of the City of Whitewater, Wisconsin ("Lender") to extend credit to Bower's House LLC ("Obligor"), hereby jointly and severally guarantee full and timely:

- 1) payment of all sums (including, without limitation, principal, interest, fees, penalties, costs and expenses for the preservation of any collateral and for enforcement and collection) due or to become due under the Obligation described below; and
- 2) performance of all acts to be accomplished by the Obligor under the Obligation described below.

Guarantor agrees that Guarantor may be joined in any action or proceeding commenced by Lender against Obligor in connection with or based upon the Obligation and that recovery may be had against Guarantor in any such action or proceeding, or in any independent action or proceeding against Guarantor, without any requirement that Lender and its successors or assigns first assert, prosecute or exhaust any remedy or claim against Obligor and its successors and/or assigns, or against any collateral securing the Obligation. Guarantor agrees that Lender and Obligor may amend, renew, modify or extend the Obligation without Guarantor's consent or notice to Guarantor, and that this Guaranty shall remain in full force and effect as to any renewal, extension, modification or amendment of the Obligation and may be enforced by any assignee of or successor to Lender. Guarantor agrees that the validity of this Guaranty and the obligations of Guarantor shall not in any way be terminated, affected or impaired by reason of any action which Lender might take or be forced to take against Obligor, any collateral securing the Obligation or any other guarantor of the Obligation, or by reason of any waiver of, or failure to enforce, any of the rights or remedies of Lender, or by reason of any extension of time or other forbearance granted to Obligor by Lender. Guarantor agrees that this Guaranty is a continuing guaranty and shall not be revoked by the death of the undersigned. Guarantor hereby waives the right to notice of any and all notices or demands which may be given by Lender to Obligor, whether or not required to be given under the Obligation and hereby waives any notice of acceptance of this guaranty by Lender.

Guarantor further waives all diligence of collection, presentment, protest and all rights of contribution or subrogation against Guarantor until Lender is made whole. Guarantor further hereby waives all suretyship defenses generally, and the right to petition for the marshalling of assets.

The Obligation subject to this Guaranty is the indebtedness evidenced by any note or agreement payable to Lender and the obligations of Obligor under and/or provided for in the Loan Agreement dated April 11, 2022, between Obligor and Lender, plus interest, charges, fees and costs provided for in the note, agreement or any agreement securing either, and any extensions, renewals, deferrals, modifications or consolidations of any of the foregoing.

Guarantor agrees that: the validity, construction and enforcement of this Guaranty are governed by the internal laws of Wisconsin, except to the extent such laws are pre-empted by Federal Law; invalidity of any provision of this Guaranty shall not affect the validity of any other provisions of this Guaranty; this Guaranty benefits Lender, its successors and assigns, and binds Guarantor, and Guarantor's respective heirs, personal representatives, successors and assigns; and this Guaranty shall continue in full force and effect, notwithstanding any change in structure or status of Obligor whether by merger, consolidation, reorganization, dissolution or otherwise.

Guarantor acknowledges and agrees that Lender (a) has not made any representations or warranties with respect to, (b) does not assume any responsibility to Guarantor for, and (c) has no duty to provide information to Guarantor regarding, the enforceability of any of the Obligations or the financial condition of Obligor or any guarantor, Guarantor has independently determined the creditworthiness of Obligor and the enforceability of the Obligation and until the Obligation is paid in full and fully performed independently and without reliance on Lender continue to make such determinations.

The undersigned, Gregory Aprahamian, hereby warrants and represents to the Community Development Authority of the City of Whitewater, Wisconsin that he resides at S107W30511 Sandy Beach Road, Mukwonago, WI 53149.

Dated April 11, 2022

GUARANTOR:

\_\_\_\_\_  
Gregory Aprahamian

ACKNOWLEDGMENT

STATE OF WISCONSIN        )  
                                  )SS  
COUNTY OF WALWORTH     )

Personally came before me this \_\_\_ day of \_\_\_\_\_, 2022, the above named Gregory Aprahamian, to me known or satisfactorily proven to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
\_\_\_\_\_, Notary Public  
\_\_\_\_\_ County, State of  
Wisconsin  
My commission expires: \_\_\_\_\_