

**MORTGAGE AND
SUBORDINATION AGREEMENT**

Date: July 9, 2025

Down Payment

Assistance Loan Amount: Twenty-Five Thousand and
no/100 Dollars (\$25,000.00)

Mortgagor: Bruce P. Shuler

Mortgagee: Community Development Authority of the City of
Whitewater, and its successors and assigns

Mortgagor mortgages to Mortgagee, for consideration in the amount
shown above, the following parcel of land, together with all
improvements and fixtures thereon ("Property").

Legal Description attached as Exhibit A

RETURN TO:

Whitewater Community
Development Authority
P.O. Box 178
Whitewater, WI 53190

This Mortgage is granted by Mortgagor to secure payment of
\$25,000.00 ("Downpayment Assistance Loan") evidenced by the
Promissory Note dated July 9, 2025 executed by Mortgagor to
Mortgagee ("Promissory Note"), and any extensions, renewals and
modifications of such Promissory Note, and the payment of all other
sums, with interest, advanced to protect the Property and the security
of this Mortgage, and all other amounts paid by Mortgagee
hereunder, together with all rights and interests appurtenant thereto
in law or equity, all rents, issue and profits arising therefrom,
including insurance proceeds and condemnation awards, all
structures, improvements and fixtures located on the Property.

In the event of foreclosure, Mortgagee shall be entitled to elect to
proceed under the accelerated redemption periods of
Section 846.101 or 103, Wisconsin Statutes.

Mortgagor's purchase of the Property was partially funded with the
Downpayment Assistance Loan which constitute proceeds from the
City of Whitewater Affordable Housing Fund pursuant to the
Affordable Housing Fund Policy 602.01 adopted by the Common
Council of the City of Whitewater on July 19, 2023.

/TRA 00048 and /TRA 00048C
(Parcel Identification Number)

This is homestead property.

Mortgagor's receipt of the Downpayment Assistance Loan is conditioned on Mortgagor's agreement to restrictions on Mortgagor's ability to sell, reclassify or refinance the Property for the purpose of ensuring that the funds are used for the purchase of housing. In addition to the Downpayment Assistance Loan, Mortgagor obtained a mortgage loan from First Citizens State Bank of Whitewater, Wisconsin ("Lender"), which loan is secured by a first mortgage lien on the Property ("First Mortgage"). This Mortgage is a Second Mortgage. Mortgage warrants title to the Property except restrictions and easements of record and the First Mortgage.

Mortgagor agrees as follows:

1. Except as expressly set forth in Section 2, Mortgagor shall not transfer, sell or convey any legal or equitable interest in the Property (by deed, land contract, 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 due under the Promissory Note 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 Section 1. A violation of the provisions of this Section 1 will be considered a default under the terms of this Mortgage and the Promissory Note it secures.
2. If Mortgagor refinances the First Mortgage on the Property, provided the Property remains subject to the encumbrance created by this Agreement, then Mortgagor shall not be required to repay any portion of the Downpayment Assistance Loan at closing of the refinance transaction provided Mortgagor continues to own and occupy the Property.
3. To further secure the payment and performance of the Promissory Note, Mortgagor hereby grants to Mortgagee a security interest in all fixtures and personal property located on or related to the operations of the Property whether now owned or hereafter acquired. This Mortgage shall constitute a security agreement within the meaning of the Uniform Commercial Code with respect to those parts of the Property indicated above. This Mortgage constitutes a fixture filing and financing statement as those terms are used in the Uniform Commercial Code. This Mortgage is to be filed and recorded in the real estate records of the county in which the Property is located, and the following information is included: (1) Mortgagor shall be deemed the "debtor"; (2) Mortgagee shall be deemed to be the "secured party" and shall have all of the right of a secured party under the Uniform Commercial Code; (3) this Mortgage covers goods which are or are to become fixtures; (4) the name of the record owner of the land is the debtor; (5) the legal name and address of the debtor is 406 East Milwaukee Street, Whitewater, WI 53190. The address of the secured party is: 312 West Whitewater Street, Whitewater, WI 53190.
4. The term Mortgagor shall include all Mortgagors whether one or more, and the provisions hereof for reimbursement shall not apply as long as any named Mortgagor continues to both own and occupy the Property. Any individual Mortgagor who is married represents that the obligation evidenced by this instrument was incurred in the interest of Mortgagor's marriage or family. The covenants of this Mortgage set forth herein shall be deemed joint and several among the Mortgagors.
5. In the event of default under the terms of this Mortgage, Mortgagee may, at its option, declare the whole amount of the unpaid principal 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 at law or equity. A default under the First Mortgage constitutes a default under this Mortgage. In case of default, 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 included in the judgment.

6. Mortgagee may waive any default without waiving any other subsequent or prior default by Mortgagor.

SUBORDINATION AGREEMENT

Lender is Mortgagor's primary lender for Mortgagor's purchase of the Property and is the holder of the First Mortgage against the Property recorded on or about the closing date. To induce Lender to advance funds under its mortgage, Mortgagee does hereby unconditionally subordinate the lien created by this Agreement to the lien of the First Mortgage.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the above date.

_____(SEAL)
Bruce P. Shuler Mortgagor

_____(SEAL)

STATE OF WISCONSIN)
) SS
WALWORTH COUNTY)

Personally came before me this ____ day of July, 2025, the above named Bruce P. Shuler to me known to be the person who executed the foregoing instrument and acknowledged the same.

_____, Notary Public
Walworth County, Wisconsin
My commission expires: _____

Mortgagee executes this Mortgage solely for purposes of agreeing to the terms of the foregoing Subordination Agreement.

COMMUNITY DEVELOPMENT AUTHORITY OF
THE CITY OF WHITEWATER, Mortgagee

By: _____(SEAL)
Emily McFarland, Executive Director

STATE OF WISCONSIN)
) SS
WALWORTH COUNTY)

Personally came before me this ____ day of July, 2025, the above named Emily McFarland, Executive Director of the Community Development Authority of the City of Whitewater, to me known to be the person who executed the foregoing instrument and acknowledged the same.

_____, Notary Public
Walworth County, Wisconsin
My commission expires: _____

Drafted by:
Olivia M. Dunn
Stafford Rosenbaum LLP
222 W Washington Ave. Suite 900
Madison, WI 53703

EXHIBIT A
Legal Description

Lot 2 in Block 5 of Tripp's Second Addition to the City of Whitewater, Walworth County, Wisconsin, excepting the last 195 feet thereof.

Also commencing 130 feet West of the Southeast corner of Lot 2 in Block 5 of Tripp's Second Addition to the City of Whitewater, Walworth County, Wisconsin; thence North parallel with the East side of said Lot 2 to North line of said lot; thence West 65 feet along the North line of said lot; thence South parallel to the East side of said lot to Milwaukee Street; thence East along South side of said lot to place of beginning.

Address: 406 East Milwaukee Street

Tax Identification No.: /TRA 00048 and /TRA 00048C