



CITY OF BURLINGTON

ADMINISTRATION DEPARTMENT
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1161 – (262) 763-3474 fax
www.burlington-wi.gov

AGENDA
COMMUNITY DEVELOPMENT AUTHORITY (CDA)
Tuesday, July 5, 2016
224 East Jefferson Street, Burlington, WI
Council Chambers
5:30 p.m.

Bil Scherrer, Chairman
Jeannie Hefty, Mayor
Bob Grandi, Aldermanic Representative
Jack Eckola
Chuck Rule
Jim Spiegelhoff
Thomas Wiemer

1. Call to Order
2. Roll Call
3. Persons desiring to be heard
4. Review and Consideration of Resolution Number 118, “A resolution approving the acceptance of an Offer To Sell Real Property to Burlington Core Upgrades II, LLC”.
5. Review and Consideration of Motion 16-848 to reduce the interest rate on a Tax Incremental District Revolving Loan Fund (TID-RLF) loan with Burlington Hotel Group dba Hampton Inn.
6. Adjournment

Note: Notice is hereby given that a majority of the members of the Common Council may be present at this meeting. Although this may constitute a quorum of the Council, the Council will not take any action at this meeting.

Note: If you are disabled and have accessibility needs or need information interpreted for you, please call the City Clerk’s Office at 262-342-1161 at least 24 hours prior to the meeting.

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF BURLINGTON
RACINE COUNTY, STATE OF WISCONSIN**

July 5, 2016

Resolution No. 118

**A RESOLUTION APPROVING THE ACCEPTANCE OF AN OFFER
TO SELL REAL PROPERTY TO BURLINGTON CORE UPGRADES II, LLC**

WHEREAS, the Community Development Authority of the City of Burlington, a Municipal Corporation located in Racine County Wisconsin, is the owner of vacated land along E. Chestnut Street and Dodge Street (Lots 1, 2, 3 and 4 of Block 27 of the Original Plat of Burlington); and,

WHEREAS, the City of Burlington has submitted an Offer to Sell real estate for said property to Burlington Core Upgrades II, LLC, attached hereto as Exhibit "A"; and,

WHEREAS, an offering price of \$70,000 has been extended to the City with the agreement that Burlington Core Upgrades II, LLC maintains the property in an orderly condition in compliance with all applicable City Ordinances.

NOW, THEREFORE, BE IT RESOLVED by the Community Development Authority of the City of Burlington, Racine County, State of Wisconsin, to accept the terms and conditions as stated within Attachment "A" *Offer to Sell Real Property* attached hereto, signed by Burlington Core Upgrades II, LLC.

BE IT FURTHER RESOLVED that the Community Development Authority Executive Director is hereby authorized and directed to execute this agreement on behalf of the City.

Dated this 5th day of July, 2016.

William Scherrer, Chairman

Carina G. Walters, Executive Director

OFFER TO SELL
REAL PROPERTY

The undersigned Seller, Community Development Authority of the City of Burlington, hereby offers to sell the real property described in attached Addendum A, to Buyer, Burlington Core Upgrades II, LLC, under the terms and provisions contained in attached Exhibit "X", such terms and provisions hereby incorporated herein by reference.

If Buyer wishes to accept this Offer to Sell, Buyer must properly execute this document (including, as applicable, the attachments) and then return the same so that the fully executed Offer to Sell is actually received by Seller, or by Seller's attorneys in the law firm of BJELAJAC & KALLENBACH located at 601 Lake Avenue, Racine, Wisconsin, on or before the date of July 8, 2016. If this Offer to Sell is not so executed by Buyer and so received by Seller or Seller's attorneys on or before such date, then this Offer to Sell shall automatically become null and void.

Seller may withdraw this Offer at any time (prior to Buyer delivering an accepted copy of this Offer by personal delivery as described above) by giving written or oral notice to Buyer of such withdrawal of the Offer.

Dated this ____ day of July, 2016.

SELLER: Community Development Authority
of the City of Burlington

By: _____
Bil Scherrer, Chairman

ACCEPTANCE

THIS OFFER TO SELL IS HEREBY ACCEPTED. THE UNDERSIGNED BUYER HEREBY AGREES TO PURCHASE THE ABOVE-DESCRIBED REAL PROPERTY UNDER THE TERMS AND CONDITIONS DESCRIBED ABOVE.

Dated this ____ day of July, 2016.

BUYER: Burlington Core Upgrades II, LLC

By: _____
William Stone, Member

WB-13 VACANT LAND OFFER TO SELL

ATTORNEY

~~LICENSEE~~ DRAFTING THIS OFFER ON June 20, 2016 [DATE] IS ~~(AGENT OF BUYER)~~

~~(AGENT OF SELLER/LISTING BROKER)~~ ~~(AGENT OF BUYER AND SELLER)~~ STRIKE THOSE NOT APPLICABLE

GENERAL PROVISIONS The Buyer, Burlington Core Upgrades II, LLC, being a Wisconsin limited liability company, shall
~~offer to~~ purchase the Property

~~known as [Street Address]~~ described in attached Addendum A

in the City Burlington of Racine County of Racine, Wisconsin ~~(insert~~

~~additional description if any of lines 458-464 or 526-534 or attach as an addendum to line 525)~~, on the following terms:

■ PURCHASE PRICE: Seventy Thousand Dollars, and other consideration stated herein
Dollars (\$ 70,000.00).

■ EARNEST MONEY of \$ _____ accompanies this Offer and earnest money of \$ _____
will be mailed, or commercially or personally delivered within _____ days of acceptance to listing broker or

■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.

■ INCLUDED IN PURCHASE PRICE: Seller is including in the purchase price the Property, all Fixtures on the Property on the
date of this Offer not excluded at lines 18-19, and the following additional items:

■ NOT INCLUDED IN PURCHASE PRICE: _____

CAUTION: Identify Fixtures that are on the Property (see lines 290-294) to be excluded by Seller or which are rented
and will continue to be owned by the lessor.

NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are
included/excluded. Annual crops are not part of the purchase price unless otherwise agreed.

ZONING: Seller represents that the Property is zoned: as described in Addendum A

ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical
copies of the Offer.

CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines
running from acceptance provide adequate time for both binding acceptance and performance.

~~BINDING ACCEPTANCE~~ This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on
or before _____ Seller may keep the Property on the

~~market and accept secondary offers after binding acceptance of this Offer~~

CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.

OPTIONAL PROVISIONS TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX () ARE PART OF 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.

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES Unless otherwise stated in this Offer, delivery of documents and
written notices to a Party shall be effective only when accomplished by one of the methods specified at lines 38-56.

(1) Personal Delivery: giving the document or written notice personally to the Party, or the Party's recipient for delivery if
named at line 40 or 41.

Seller's recipient for delivery (optional): Carina Walters, Burlington City Hall, 300 North Pine Street, Burlington, Wisconsin 53105

Buyer's recipient for delivery (optional): William Stone, 1072 288th Avenue, Burlington, Wisconsin

(2) Fax: fax transmission of the document or written notice to the following telephone number:

Seller: (_____) Buyer: (_____)

(3) Commercial Delivery: depositing the document or written notice fees prepaid or charged to an account with a
commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery if named at line 40 or 41, for
delivery to the Party's delivery address at line 49 or 50.

(4) U.S. Mail: depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party,
or to the Party's recipient for delivery if named at line 40 or 41, for delivery to the Party's delivery address at line 49 or 50.

Delivery address for Seller: Carina Walters, Burlington City Hall, 300 North Pine Street, Burlington, Wisconsin 53105

Delivery address for Buyer: William Stone, 1072 288th Avenue, Burlington, Wisconsin 53105

(5) E-Mail: electronically transmitting the document or written notice to the Party's e-mail address, if given below at line
55 or 56. If this is a consumer transaction where the property being purchased or the sale proceeds are used primarily for
personal, family or household purposes, each consumer providing an e-mail address below has first consented electronically
to the use of electronic documents, e-mail delivery and electronic signatures in the transaction, as required by federal law.

E-Mail address for Seller (optional): Carina Walters: cwalters@burlington-wi.gov

E-Mail address for Buyer (optional): William Stone: whstone41@yahoo.com

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

59 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing ~~unless otherwise provided in this~~
60 ~~Offer at lines 526-534 or 526-534 or an addendum attached per line 525. All items of Buyer's occupancy Property shall be~~
61 ~~free of all debts and personal property except for personal property belonging to current tenants or that sold to Buyer or left~~
62 ~~with Buyer's consent. Occupancy shall be given subject to tenants' rights. All items~~

63 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no
64 ~~known knowledge of conditions affecting the Property. (see lines 183-187 and 246-278) Other than those~~
65 ~~identified in the Seller's disclosure report dated _____ which was received by Buyer prior to~~
66 ~~Buyer signing this Offer and which made a part of this Offer by reference **COMPLETE DATE OF STRIKE AS APPLICABLE**~~
67 ~~and This is an "AS-IS" sale. See Addendum B.~~

68 _____
69 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT**

70 **CLOSING** This transaction is to be closed ~~no later than~~ as described in Addendum B
71 _____ at the place selected by Seller, unless otherwise agreed by the Parties in writing.

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

75 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**
76 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.
77 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:
78 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
79 taxes are defined as general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE
80 APPLIES IF NO BOX IS CHECKED)
81 Current assessment times current mill rate (current means as of the date of closing)
82 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
83 year, or current year if known, multiplied by current mill rate (current means as of the date of closing)
84

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

89 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
90 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
91 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
92 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
93 and is the responsibility of the Parties to complete, not the responsibility of the real estate brokers in this transaction.

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

97 _____ Insert additional terms, if any, at lines 458-464 or 526-534 or attach as an addendum per line 525.
98 **GOVERNMENT PROGRAMS:** Seller shall deliver to Buyer, within _____ days of acceptance of this Offer, a list of all
99 federal, state, county, and local conservation, farmland, environmental, or other land use programs, agreements, restrictions,
100 or conservation easements, which apply to any part of the Property (e.g., farmland preservation agreements, farmland
101 preservation or exclusive agricultural zoning, use value assessments, Forest Crop, Managed Forest, Conservation Reserve
102 Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with disclosure of any
103 penalties, fees, withdrawal charges, or payback obligations pending, or currently deferred, if any. This contingency will be
104 deemed satisfied unless Buyer delivers to Seller, within seven (7) days of Buyer's Actual Receipt of said list and disclosure, or
105 the deadline for delivery, whichever is earlier, a notice terminating this Offer based upon the use restrictions, program
106 requirements, and/or amount of any penalty, fee, charge, or payback obligation.

107 **CAUTION: If Buyer does not terminate this Offer, Buyer is hereby agreeing that Buyer will continue in such programs,**
108 **as may apply, and Buyer agrees to reimburse Seller should Buyer fail to continue any such program such that Seller**
109 **incurs any costs, penalties, damages, or fees that are imposed because the program is not continued after sale. The**
110 **Parties agree this provision survives closing.**

111 **MANAGED FOREST LAND:** All, or part, of the Property is managed forest land under the Managed Forest Law (MFL).
112 This designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive program that
113 encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Orders designating lands as
114 managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the MFL program changes, the
115 new owner must sign and file a report of the change of ownership on a form provided by the Department of Natural Resources
116 and pay a fee. By filing this form, the new owner agrees to the associated MFL management plan and the MFL program rules.
117 The DNR Division of Forestry monitors forest management plan compliance. Changes you make to property that is subject to
118 an order designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause
119 the property to be withdrawn from the program and may result in the assessment of penalties. For more information call the
120 local DNR forester or visit <http://www.dnr.state.wi.us>

121 **FENCES:** Wis. Stat. § 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares
 122 where one or both of the properties is used and occupied for farming or grazing purposes.

123 **CAUTION: Consider an agreement addressing responsibility for fences if Property or adjoining land is used and**
 124 **occupied for farming or grazing purposes.**

125 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that would be
 126 generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a
 127 non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. To obtain more
 128 information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's Equalization
 129 Section or visit <http://www.revenue.wi.gov/>.

130 **FARMLAND PRESERVATION:** Rezoning a property zoned farmland preservation to another use or the early termination of a
 131 farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to
 132 3 times the class 1 "use value" of the land. Contact the Wisconsin Department of Agriculture, Trade and Consumer Protection
 133 Division of Agricultural Resource Management or visit <http://www.datcp.state.wi.us/> for more information.

134 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S. Department
 135 of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land and instead to plant a protective
 136 cover of grass or trees. CRP contracts run for 10 to 15 years, and owners receive an annual rent plus one-half of the cost of
 137 establishing permanent ground cover. Removing lands from the CRP in breach of a contract can be quite costly. For more
 138 information call the state Farm Service Agency office or visit <http://www.fsa.usda.gov/>.

139 **SHORELAND ZONING ORDINANCES:** All counties must adopt shoreland zoning ordinances that meet or are more
 140 restrictive than Wis. Admin. Code Chapter NR 115. County shoreland zoning ordinances apply to all unincorporated land
 141 within 1,000 feet of a navigable lake, pond or flowage or within 300 feet of a navigable river or stream and establish minimum
 142 standards for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface
 143 standards (that may be exceeded only if a mitigation plan is adopted) and repairs to nonconforming structures. Buyers must
 144 conform to any existing mitigation plans. For more information call the county zoning office or visit <http://www.dnr.state.wi.us/>.
 145 Buyer is advised to check with the applicable city, town or village for additional shoreland zoning restrictions, if any.

146 **BUYER'S PRE-CLOSING WALK-THROUGH:** Within 3 days prior to closing at a reasonable time pre-approved by Seller or
 147 Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no significant change
 148 in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and that any defects
 149 Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

150 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING:** Seller shall maintain the Property until the earlier of
 151 closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary
 152 wear and tear. If, prior to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price,
 153 Seller shall be obligated to repair the Property and restore it to the same condition that it was on the day of this Offer. No later
 154 than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and restoration. If the damage shall exceed
 155 such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer.
 156 Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any,
 157 relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on
 158 such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall
 159 be held in trust for the sole purpose of restoring the Property.

160 **DEFINITIONS**

161 **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or
 162 written notice physically in the Party's possession, regardless of the method of delivery.

163 **CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION:** "Conditions Affecting the Property or Transaction" are
 164 defined to include:

- 165 a. Proposed, planned or commenced public improvements or public construction projects which may result in special
 166 assessments or otherwise materially affect the Property or the present use of the Property.
- 167 b. Government agency or court order requiring repair, alteration or correction of any existing condition.
- 168 c. Land division or subdivision for which required state or local approvals were not obtained.
- 169 d. A portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.
- 170 e. A portion of the Property being subject to, or in violation of, a farmland preservation agreement or in a certified farmland
 171 preservation zoning district (see lines 130-133), or enrolled in, or in violation of, a Forest Crop, Managed Forest (see lines
 172 111-120), Conservation Reserve (see lines 134-138), or comparable program.
- 173 f. Boundary or lot disputes, encroachments or encumbrances, a joint driveway or violation of fence laws (Wis. Stat. ch. 90)
 174 (where one or both of the properties is used and occupied for farming or grazing).
- 175 g. Material violations of environmental rules or other rules or agreements regulating the use of the Property.
- 176 h. Conditions constituting a significant health risk or safety hazard for occupants of the Property.
- 177 i. Underground storage tanks presently or previously on the Property for storage of flammable or combustible liquids,
 178 including, but not limited to, gasoline and heating oil.
- 179 j. A defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, pesticides, herbicides,
 180 fertilizer, radon, radium in water supplies, lead or arsenic in soil, or other potentially hazardous or toxic substances on the
 181 premises.
- 182 k. Production of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 183 l. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
 184 Property.
- 185 m. Defects in any well, including unsafe well water due to contaminants such as coliform, nitrates and atrazine, and out-of-
 186 service wells and cisterns required to be abandoned (Wis. Admin. Code § NR 812.26) but that are not closed/abandoned
 187 according to applicable regulations.

188 (Definitions Continued on page 5)

~~IF LINE 190 IS NOT MARKED OR IS MARKED N/A, LINES 230-236 APPLY.~~

~~**FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an amount of not less than \$ _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination fee in an amount not to exceed _____ % of the loan. If the purchase price under this Offer is modified, the 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 201 or 202.**~~

~~**FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____ %.
 ADJUSTABLE RATE FINANCING: The initial annual 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 _____ % per year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal and interest may be adjusted to reflect interest changes.~~

~~If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 458-464 or 526-534 or in an addendum attached per line 525.~~

~~**BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. 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 the written loan commitment no later than the deadline at line 192. Buyer and Seller agree that delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy the Buyer's financing contingency if, after review of the loan commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall accompany the loan commitment. Delivery shall not satisfy this contingency if accompanied by a notice of unacceptability.~~

~~**CAUTION:** The delivered commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide the loan. BUYER, BUYER'S LENDER AND AGENTS OR BUYER OR SELLER SHALL NOT DELIVER A LOAN COMMITMENT TO SELLER OR SELLER'S AGENT WITHOUT BUYER'S PRIOR WRITTEN APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.~~

~~**SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan commitment.~~

~~**FINANCING UNAVAILABILITY:** If financing 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. Unless a specific loan source is named in this Offer, Seller shall then have 10 days to deliver to Buyer written notice of Seller's decision to finance this transaction on 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, this Offer shall be null and void. Buyer 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:** Within 7 days of acceptance, a financial institution or third party in control of Buyer's funds shall provide Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close. If such written verification is not provided, Seller has the right to terminate this Offer by delivering written notice to Buyer. Buyer may or may not obtain mortgage financing but does not need the protection of a financing 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 contingency.~~

~~**APPRAISAL CONTINGENCY:** This Offer is contingent upon the 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 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 of acceptance, delivers to Seller a copy of the appraisal report which indicates that the appraised value is not equal to or greater than the agreed upon purchase price, accompanied by a written notice of termination.~~

~~**CAUTION:** An appraisal ordered by Buyer's lender may not be received until shortly before closing. Consider whether deadlines provide adequate time for performance.~~

DEFINITIONS CONTINUED FROM PAGE 3

- 245
246 i. Defects in any septic system or other sanitary disposal system on the Property or out-of-service septic systems not
247 closed/abandoned according to applicable regulations.
- 248 d. Subsoil conditions which would significantly increase the cost of development including, but not limited to, subsurface
249 foundations or waste material; organic or non-organic fill; dumpsites where pesticides, herbicides, fertilizer or other toxic
250 or hazardous materials or containers for these materials were disposed of in violation of manufacturer's or government
251 guidelines or other laws regulating said disposal; high groundwater; adverse soil conditions (e.g. low load bearing
252 capacity, earth or soil movement, slides) or excessive rocks or rock formations.
- 253 d. Brownfields (abandoned, idled or under-used land which may be subject to environmental contamination) or other
254 contaminated land, or soils contamination remediated under PECFA, the Department of Natural Resources (DNR)
255 Remediation and Redevelopment Program, the Agricultural Chemical Cleanup Program or other similar program.
- 256 g. Lack of legal vehicular access to the Property from public roads.
- 257 f. Homeowners' associations, common areas shared or co-owned with others, zoning violations or nonconforming uses,
258 conservation easements, restrictive covenants, rights-of-way, easements, easement maintenance agreements, or use of
259 a part of Property by non-owners, other than recorded utility easements.
- 260 s. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to
261 impose assessments against the real property located within the district.
- 262 i. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.
- 263 j. Property tax increases, other than normal annual increases; completed or pending property tax reassessment of the
264 Property, or proposed or pending special assessments.
- 265 v. Burial sites, archeological artifacts, mineral rights, orchards or endangered species.
- 266 w. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 267 k. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 268 y. Significant odor, noise, water intrusion or other irritants emanating from neighboring property.
- 269 z. Substantial crop damage from disease, insects, soil contamination, wildlife or other causes; diseased trees; or substantial
270 injuries or disease in livestock on the Property, or neighboring properties.
- 271 aa. Existing or abandoned manure storage facilities on the Property.
- 272 ob. Impact fees, or other conditions or occurrences that would significantly increase development costs or reduce the value of
273 the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- 274 cc. The Property is subject to a mitigation plan required by DNR rules related to county shoreland zoning ordinances that
275 obligates the owner to establish or maintain certain measures related to shoreland conditions, enforceable by the county
276 (see lines 139-145).
- 277 dd. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion
278 charge or the payment of a use-value conversion charge has been deferred.
- 279 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding
280 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day.
281 Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under
282 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
283 registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the
284 occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours
285 per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as
286 closing, expire at midnight of that day.
- 287 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
288 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
289 significantly shorten or adversely affect the expected normal life of the premises.
- 290 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land so as to be
291 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage
292 to the premises, items specifically adapted to the premises, and items customarily treated as fixtures, including, but not limited
293 to, all: perennial crops; garden bulbs; plants; shrubs and trees and fences; storage buildings on permanent foundations and
294 docks/piers on permanent foundations.
- 295 **CAUTION: Exclude any Fixtures to be retained by Seller or which are rented on lines 18-19.**
- 296 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-7.
- 297 **PROPERTY DEVELOPMENT WARNING** If Buyer contemplates developing Property for a use other than the current use,
298 there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and
299 zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or
300 uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals,
301 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental audits,
302 subsoil tests, or other development related fees may need to be obtained or verified in order to determine the feasibility of
303 development of, or a particular use for, a property. Optional contingencies which allow Buyer to investigate certain of these
304 issues can be found at lines 306-350 and Buyer may add contingencies as needed in addenda (see line 525). Buyer should
305 review any plans for development or use changes to determine what issues should be addressed in these contingencies.

306 **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: _____

307 _____
308 _____

309 [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional
310 provisions checked on lines 314-345 shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers
311 written notice to Seller specifying those items which cannot be satisfied and written evidence substantiating why each specific
312 item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller
313 agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines 314-350.

314 **ZONING CLASSIFICATION CONFIRMATION:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's)
315 ("Buyer's" if neither is stricken) expense, verification that the Property is zoned _____
316 _____ and that the Property's zoning allows the Buyer's proposed use described at lines 306-308.

317 **SUBSOILS:** This offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ("Buyer's" if neither
318 is stricken) expense, written evidence from a qualified soils expert that the Property is free of any subsoil condition which
319 would make the proposed use described at lines 306-308 impossible or significantly increase the costs of such
320 development.

321 **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** This Offer is contingent
322 upon Buyer obtaining, at (Buyer's) (Seller's) ("Buyer's" if neither is stricken) expense, written evidence from
323 a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must
324 be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of the
325 Property as stated on lines 306-308. The POWTS (septic system) allowed by the written evidence must be one of
326 the following POWTS that is approved by the State for use with the type of property identified at lines 306-308
327 **ALL THAT APPLY:** conventional in-ground; mound; at grade; in-ground pressure distribution; holding tank;
328 other: _____

329 **EASEMENTS AND RESTRICTIONS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's)
330 ("Buyer's" if neither is stricken) expense, copies of all public and private easements, covenants and restrictions
331 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
332 significantly delay or increase the costs of the proposed use or development identified at lines 306-308.

333 **APPROVALS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ("Buyer's" if
334 neither is stricken) expense, permits, approvals and licenses, as appropriate, or the final discretionary action by the
335 granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's
336 proposed use: _____
337 _____

338 **UTILITIES:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ("Buyer's" if neither
339 is stricken) expense, written verification of the following utility connections at the listed locations (e.g., on the Property, at
340 the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:** electricity _____;
341 gas _____; sewer _____; water _____;
342 telephone _____; cable _____; other _____.

343 **ACCESS TO PROPERTY:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's)
344 ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public
345 roads.

346 **LAND USE APPROVAL:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ("Buyer's" if
347 neither is stricken) expense, a rezoning; conditional use permit; license; variance; building permit;
348 occupancy permit; other _____ **CHECK ALL THAT APPLY**, and delivering
349 written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property for its proposed
350 use described at lines 306-308.

351 **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) ("Seller
352 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by a
353 registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) ("Seller's" if neither is stricken)
354 expense. The map shall show minimum of _____ acres, maximum of _____ acres, the legal description of the
355 Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,
356 if any, and: _____

357 **CHECK AND COMPLETE AS APPLICABLE** Additional map features which may be added include, but are not limited to:
358 staking of all corners of the Property; identifying dedicated and apparent streets; lot dimensions; total acreage or square
359 footage; easements or rights-of-way. **CAUTION: Consider the cost and the need for map features before selecting them.**

360 **Also consider the time required to obtain the map when setting the deadline.** This contingency shall be deemed satisfied
361 unless Buyer, within five days of the earlier of: (1) Buyer's receipt of the map; or (2) the deadline for delivery of said map,
362 delivers to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information
363 materially inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency.
364 Upon delivery of Buyer's notice, this Offer shall be null and void.

365 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land dimensions, total square footage, acreage
366 figures, or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of
367 rounding, formulas used or other reasons, unless verified by survey or other means.

368 **CAUTION: Buyer should verify land dimensions, total square footage/acreage figures and allocation of acreage**
369 **information if material to Buyer's decision to purchase.**

370 **EARNEST MONEY**

371 ■ **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker
372 (Buyer's agent if Property is not listed or Seller's account if no broker is involved), until applied to the purchase price or
373 otherwise disbursed as provided in the Offer.

374 **CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the**
375 **Parties or an attorney. If someone other than Buyer makes payment of earnest money, consider a special**
376 **disbursement agreement.**

377 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after
378 clearance from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money.
379 At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest
380 money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer. If said
381 disbursement agreement has not been delivered to broker within 60 days after the date set for closing, broker may disburse
382 the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
383 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; or (4)
384 any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an
385 interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to
386 exceed \$250, prior to disbursement.

387 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in
388 relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to
389 disbursement per (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or
390 Seller disagree with broker's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement.
391 Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4
392 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their
393 legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith
394 disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing
395 regulations concerning earnest money. See Wis. Admin. Code Ch. RL 18.

396 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the
397 Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as
398 defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple
399 listing service and databases; and (iii) provide active listing, pending sale, closed sale and financing concession information
400 and data, and related information regarding seller contributions, incentives or assistance, and third party gifts, to appraisers
401 researching comparable sales, market conditions and listings, upon inquiry.

402 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
403 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
404 <http://www.widocoffenders.org> or by telephone at (608) 240-5830.

405 ~~SECONDARY OFFER~~ This Offer is secondary to a non-accepted Offer. This Offer shall become primary upon delivery
 406 of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer notice of any
 407 Offer deadline nor is any particular secondary buyer given the right to be made primary. Any secondary buyer
 408 Buyer may make this Offer null and void by delivering written notice of withdrawal to Seller prior to delivery of Seller's deed
 409 that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days after acceptance of this Offer. All
 410 other Offer deadlines which are run from acceptance shall run from the time this Offer becomes primary.

411 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3)
 412 occupancy; (4) date of closing; (5) contingency Deadlines ~~STRIKE AS APPLICABLE~~ and all other dates and Deadlines in this
 413 Offer except: _____

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

417 **TITLE EVIDENCE**

418 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
 419 (or trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
 420 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
 421 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
 422 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's disclosure report and
 423 in this Offer, general taxes levied in the year of closing and none other.
 424 _____
 425 _____
 426 _____

427 which constitutes merchantable title for purposes of this transaction. Seller shall complete and execute the documents
 428 necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee.

429 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the
 430 purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all
 431 costs of providing title evidence to Buyer. Buyer shall pay all costs of providing title evidence required by Buyer's lender.

432 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) (Buyer's) ~~STRIKE~~
 433 ~~ONE~~ ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the
 434 effective date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy
 435 exclusions and exceptions, provided the title company will issue the endorsement. If a gap endorsement or equivalent gap
 436 coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 442-449).

437 ■ **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title
 438 insurance commitment is delivered to Buyer's attorney or Buyer not more than _____ days after acceptance ("15" if left blank),
 439 showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per
 440 lines 418-427, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements
 441 and exceptions, as appropriate.

442 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
 443 objections to title within _____ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In
 444 such event, Seller shall have a reasonable time, but not exceeding _____ days ("5" if left blank) from Buyer's delivery of the
 445 notice stating title objections, to deliver notice to Buyer stating Seller's election to remove the objections by the time set for
 446 closing. In the event that Seller is unable to remove said objections, Buyer may deliver to Seller written notice waiving the
 447 objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver
 448 written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not
 449 extinguish Seller's obligations to give merchantable title to Buyer.

450 ■ **SPECIAL ASSESSMENTS:** Special assessments, if any, levied or for work actually commenced prior to the date of this
 451 Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer.

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

458 **ADDITIONAL PROVISIONS/CONTINGENCIES**

459 _____
 460 See attached Addenda A and B
 461 _____
 462 _____
 463 _____
 464 _____

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

468 If ~~Buyer defaults~~, Seller may:

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

472 If ~~Seller defaults~~, Buyer may:

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

475 In addition, the Parties may seek any other remedies available in law or equity.

476 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the
477 discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution
478 instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of
479 law those disputes covered by the arbitration agreement.

480 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD**
481 **READ THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS**
482 **OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL**
483 **RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE**
484 **CONSULTED IF LEGAL ADVICE IS NEEDED.**

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

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

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

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

503 ~~INSPECTION CONTINGENCY: This contingency only authorizes inspections, not testing (see lines 486-502). This Offer~~
504 ~~is contingent upon a qualified independent inspector(s) conducting an inspection(s), of the Property which discloses no~~
505 ~~Defects. This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing~~
506 ~~an inspection of _____~~

507 ~~(list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which discloses no Defects. Buyer shall order the~~
508 ~~inspection(s) and be responsible for all costs of inspection(s). Buyer may have follow-up inspections recommended in a~~
509 ~~written report resulting from an authorized inspection performed provided they occur prior to the deadline specified at line 513.~~
510 ~~Inspection(s) shall be performed by a qualified independent inspector or independent qualified third party.~~

511 ~~CAUTION: Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as~~
512 ~~well as any follow-up inspection(s).~~

513 ~~This contingency shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers to Seller a copy of the written~~
514 ~~inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).~~

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

516 ~~For the purposes of this contingency, Defects (see lines 287-289) do not include conditions the nature and extent of which the~~
517 ~~Buyer had actual knowledge or written notice before signing this Offer.~~

518 ~~■ RIGHT TO CURE: Seller (shall)(shall not) STRIKE ONE ("shall" if neither is stricken) have a right to cure the Defects. If~~
519 ~~Seller has the right to cure. Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of~~
520 ~~Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects; (2) curing the Defects in a good and~~
521 ~~workmanlike manner; and (3) delivering to Buyer a written report detailing the work done within 3 days prior to closing. This~~
522 ~~Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and: (1)~~
523 ~~Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will not cure~~
524 ~~or (b) Seller does not timely deliver the written notice of election to cure.~~

525 **ADDENDA:** The attached Addenda A and B _____ is/are made part of this Offer.

526 **ADDITIONAL PROVISIONS/CONTINGENCIES**

527 _____
528 _____
529 _____
530 _____
531 _____
532 _____
533 _____
534 _____

535 This Offer was drafted by [Licensee and Firm] Burlington City Attorney John M. Bjelajac

536 _____ on June 20, 2016

537 ~~(x) Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____~~

539 ~~(x) Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____~~

541 **EARNEST MONEY RECEIPT** Broker acknowledges receipt of earnest money as per line 10 of the above Offer.

542 _____ Broker (by) _____

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

546 ~~(x) Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____~~

548 ~~(x) Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____~~

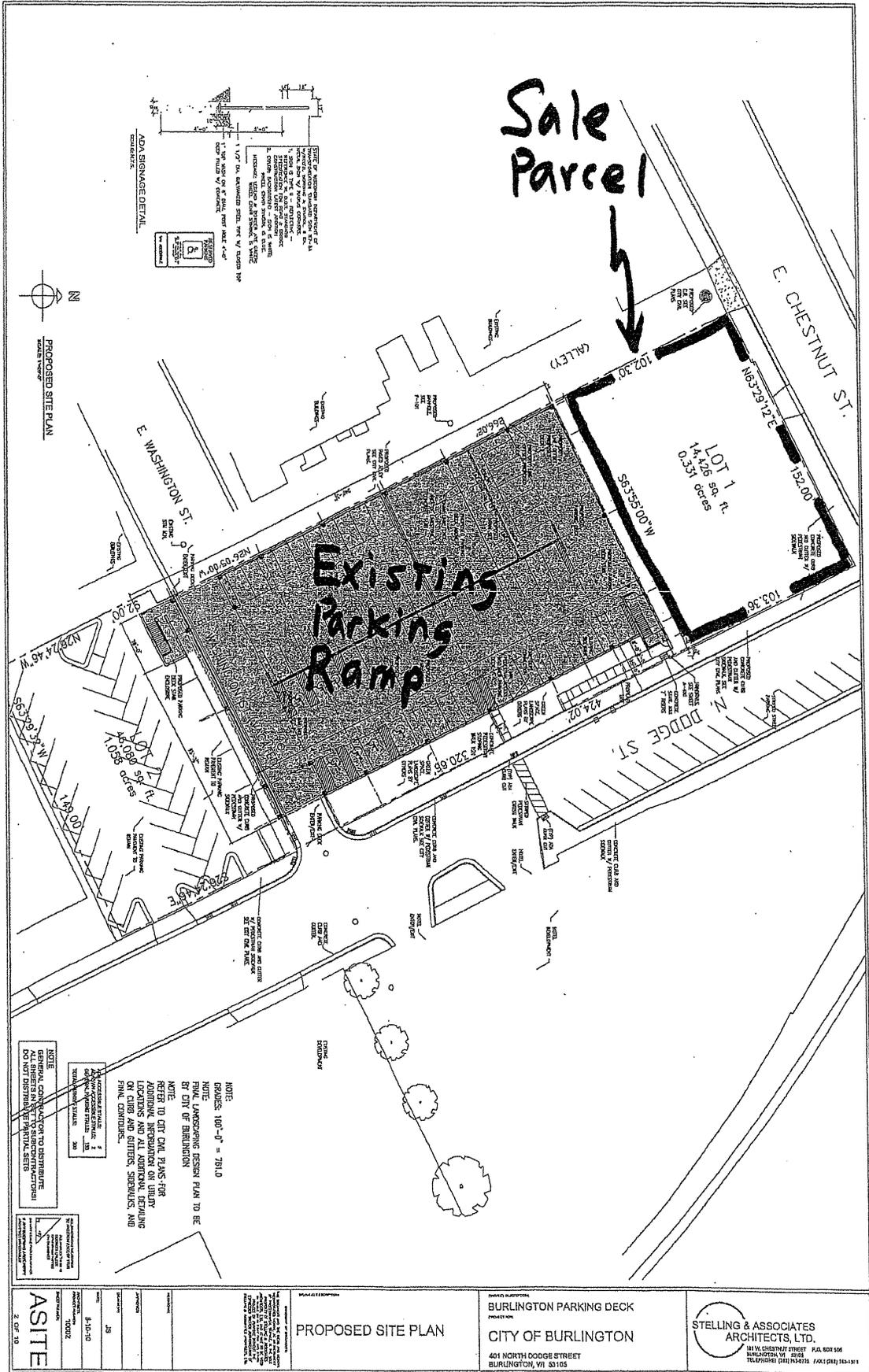
550 This Offer was presented to Seller by [Licensee and Firm] _____

551 _____ on _____ at _____ a.m./p.m.

552 This Offer is rejected _____ This Offer is countered [See attached counter] _____

553 _____ Seller Initials ▲ Date ▲ _____ Seller Initials ▲ Date ▲ _____

Addendum A



ADDENDUM B

The following provisions are hereby made a part of, and included in, the Offer to Sell that is being submitted by the Community Development Authority of the City of Burlington (“Seller”) to Burlington Core Upgrades II, LLC (“Buyer”), for the sale of the real property described in the foregoing Addendum A:

1. AS-IS Sale. The parties agree that the Property being conveyed herein is being sold to Buyer in “AS-IS” condition, and neither Seller nor its agents are making any warranties or representations to Buyer regarding such Property or its condition. (Any information sheet, property condition report, and/or statements given or made by the Seller and/or its agents (whether previously or in the future) regarding the said Property are not being relied upon by Buyer, and Buyer is solely relying on its own inspections and investigations of the Property in entering into and closing this transaction.) Any warranties and/or representations contained in this Offer to Sell and/or other transaction documents regarding the nature or condition of the Property are hereby deleted. In consideration for Buyer purchasing the Property in AS-IS condition, Seller has agreed to terms and provisions in this transaction that are more favorable to Buyer than terms and conditions under which Seller would otherwise sell the Property, including the below-described credit to Buyer and the right to cancel this transaction right up to the time of closing. Buyer hereby expressly waives its right to receive from Seller any property condition report that may otherwise be required under the law.

2. Due Diligence Rights. This transaction is contingent upon the Buyer being satisfied, in its sole and absolute discretion, with the results of the reviews, studies, investigations, and/or inspections that Buyer, and/or experts of its choosing, may wish to conduct, at Buyer’s own cost and expense, regarding the Property and Buyer’s proposed future use of the same. Buyer shall have the right to cancel this transaction under the provisions of this present paragraph right up to the time of the closing of this transaction.

3. Closing Date. This transaction shall be closed at a time, date, and location mutually agreed upon by the parties, but not later than the date of August 31, 2016.

4. Closing Contingencies. This transaction is contingent upon each of the following contingencies being fulfilled on or before the closing of this transaction:

A. Development Agreement. The Buyer, Seller, and the City of Burlington entering into a Development Agreement that contains mutually agreeable terms and provisions for the future development of the Property by Buyer. Seller and the City of Burlington understand and agree that, if so desired by Buyer, part of the development of the Property may include residential living units, provided the same are in compliance with the City of Burlington zoning code.

B. Interim Improvement Agreement. The Buyer, Seller, and the City of Burlington entering into a written agreement for the interim improvement and maintenance of the Property (the “Interim Improvement Agreement”), that is, the improvement and maintenance of the

Property by Buyer prior to Buyer's future and final improvement of the Property under the terms and provisions of the Development Agreement described in above Subparagraph A. One of the terms and provisions of the Interim Improvement Agreement shall be an estimated dollar amount of the cost (the "Interim Improvement Cost") reasonably required for Buyer to make the initial improvements (not including maintenance costs) described in the Initial Improvement Agreement.

5. Credit to Buyer. At and upon the closing of this transaction, Buyer shall be given a credit against the \$70,000.00 sale/purchase price (plus and/or minus any other credits due the parties) in the amount of:

A. The said Initial Improvement Cost contained in the Initial Improvement Agreement, described in above Paragraph 4(B). Buyer shall then perform the improvements and maintenance described in the said Interim Improvement Agreement, at Buyer's own cost and expense, no matter what the final cost and expense of the improvements and maintenance may prove to be; and also

B. An amount to be mutually agreed to in writing by the Buyer, Seller, and the City of Burlington, equal to the estimated cost for the environmental remediation of the Property, as required by the State of Wisconsin Department of Natural Resources (the "DNR") and/or any other governmental body having jurisdiction in the matter. Buyer shall then perform all of the required environmental remediation, at Buyer's own cost and expense, no matter what the final cost and expense of the said environmental remediation may prove to be; and

C. The total cumulative credit to be given to the Buyer under this Paragraph No. 5 shall not exceed the \$70,000.00 sale/purchase price described above, after adjustment for the other credits and prorations due the parties. Any amount of potential credit to Buyer in excess of the said adjusted \$70,000.00 sale/purchase price shall be a cost and expense paid for by Buyer.



TO: City of Burlington Community Development Authority

FROM: Janell Topczewski, Compliance/Closing Specialist

RE: TID – RLF Interest Rate Reduction
Burlington Hotel Group dba Hampton Inn

DATE: July 5, 2016

The purpose of this memorandum is to request final approval for an interest rate reduction of the Hampton Inn's loan from the Tax Incremental District Revolving Loan Fund (TID RLF). The request reduces the interest rate down from 7.5% to 2%.

This project was funded in 2011 to assist with the establishment of the Hampton Inn in what was previously described as a blighted area in downtown Burlington. The hotel was cited as a need for Burlington to aid in the development of its downtown. City incentives, SBA and bank financing were used to assist in funding this project.

At the time the TID RLF loan was closed, the interest rate was determined based upon the City's estimation of the cost to bond and repay the funds. A recent evaluation of the funds determined that the interest rate could be reduced to a level consistent with other RLF loan offerings. The rate reduction is being offered with the expectation that the TID RLF will be paid in full, through refinancing with a financial institution, when the balloon payment comes due on October 1, 2021. Monthly loan repayments, including the balloon payment, are returned to the fund for relending to other growing businesses in the eligible TID area.

RCEDC staff and Loan Committee have reviewed this request including the company's financial statements and public records. Following this review, the RCEDC staff and Loan Committee are making a recommendation for approval of an interest rate reduction for this loan. The Community Development Authority is being requested to approve this loan request for Burlington Hotel Group.