



- 59 A "condition affecting the Property or transaction" is defined as follows:
- 60 (a) ~~planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property~~
  - 61 ~~or the present use of the Property;~~
  - 62 (b) ~~completed or pending reassessment of the Property for property tax purposes;~~
  - 63 (c) ~~government agency or court order requiring repair, alteration or correction of any existing condition;~~
  - 64 (d) ~~any land division involving the subject Property, for which required state or local approvals had not been obtained;~~
  - 65 (e) ~~any portion of the Property being in a 100 year floodplain, a wetland or shoreland zoning area under local, state or federal laws;~~
  - 66 (f) ~~conditions constituting a significant health or safety hazard for occupants of Property;~~
  - 67 (g) ~~underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to~~
  - 68 ~~gasoline and heating oil which are currently or which were previously located on the Property; **NOTE: Wis. Adm. Code, Chapter**~~
  - 69 ~~**Comm 10 contains registration and operation rules for such underground and aboveground storage tanks.**~~
  - 70 (h) ~~material violations of environmental laws or other laws or agreements regulating the use of the Property;~~
  - 71 (i) ~~high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;~~
  - 72 (j) ~~any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation~~
  - 73 ~~Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;~~
  - 74 (k) ~~boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal~~
  - 75 ~~fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;~~
  - 76 (l) ~~wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abandoned;~~
  - 77 (m) ~~cisterns or septic tanks on the Property which are currently not servicing the Property;~~
  - 78 (n) ~~subsoil conditions which would significantly increase the cost of the development proposed at lines 271-272, if any, including, but not limited~~
  - 79 ~~to, subsurface foundations, organic or non-organic fill, dumpsites or containers on Property which contained or currently contain toxic or~~
  - 80 ~~hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the Property;~~
  - 81 (o) ~~a lack of legal vehicular access to the Property from public roads;~~
  - 82 (p) ~~prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. §94.73.)~~
  - 83 (q) ~~other conditions or occurrences which would significantly increase the cost of the development proposed at lines 271 to 272 or~~
  - 84 ~~reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.~~

85 ■ **PROPERTY DIMENSIONS AND SURVEYS:** Buyer acknowledges that any land dimensions, total square footage/acreage figures,  
 86 or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of rounding or other  
 87 reasons, unless verified by survey or other means. **CAUTION: Buyer should verify land dimensions, total square footage/acreage**  
 88 **figures or allocation of acreage information if material to Buyer's decision to purchase.**

89 ■ **ISSUES RELATED TO PROPERTY DEVELOPMENT:** WARNING: If Buyer contemplates developing Property for a use other than the  
 90 current use, there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and zoning  
 91 ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should  
 92 be reviewed. Building permits, zoning variances, Architectural Control Committee approvals, estimates for utility hook-up expenses, special  
 93 assessments, charges for installation of roads or utilities, environmental audits, subsoil tests, or other development related fees may need  
 94 to be obtained or verified in order to determine the feasibility of development of, or a particular use for, a property. Optional contingencies  
 95 which allow Buyer to investigate certain of these issues can be found at lines 271 - 314 and Buyer may add contingencies as needed in  
 96 addenda (see line 188). Buyer should review any plans for development or use changes to determine what issues should be addressed  
 97 in these contingencies.

98 ■ **INSPECTIONS:** Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections  
 99 are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection  
 100 reports to Seller, and to listing broker if Property is listed. Furthermore, Buyer agrees to promptly restore the Property to its original  
 101 condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation  
 102 of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source,  
 103 which are hereby authorized.

104 ■ **TESTING:** Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.  
 105 A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory  
 106 or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 179 - 187 or  
 107 in an addendum per line 188. Note: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose  
 108 of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of  
 109 the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests  
 110 may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

111 ■ **PRE-CLOSING INSPECTION:** At a reasonable time, pre-approved by Seller or Seller's agent, within 3 days before closing, Buyer shall  
 112 have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for  
 113 changes approved by Buyer.

114 ■ **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING:** Seller shall maintain the Property until the earlier of closing or  
 115 occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior  
 116 to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair  
 117 the Property and restore it to the same condition that it was on the day of this Offer. If the damage shall exceed such sum, Seller shall  
 118 promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this  
 119 Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus a credit towards  
 120 the purchase price equal to the amount of Seller's deductible on such policy. However, if this sale is financed by a land contract or a  
 121 mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

122 ■ **FENCES:** Wisconsin Statutes section 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal  
 123 shares where one or both of the properties is used and occupied for farming or grazing purposes. **CAUTION: Consider an agreement**  
 124 **addressing responsibility for fences if Property or adjoining land is used and occupied for farming or grazing purposes.**

125 ■ **DELIVERY/RECEIPT:** Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated  
 126 in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered  
 127 an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt  
 128 by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving  
 129 the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party.  
 130 **The delivery provisions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 36)).**  
 131 Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies  
 132 and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

133 **PROPERTY ADDRESS:** Lots 30, 31 & 32, Stoughton Business Park North, City of Stoughton [page 3 of 5, WB-13]  
134 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4)  
135 date of closing; (5) contingency deadlines STRIKE AS APPLICABLE and all other dates and deadlines in this Offer except: none  
136 \_\_\_\_\_ . If "Time is of the Essence"

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

139 **DATES AND DEADLINES** Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding  
140 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines  
141 expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal  
142 law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries  
143 on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are  
144 calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the  
145 calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

146 **THE FINANCING CONTINGENCY PROVISIONS AT LINES 148 - 162 ARE A PART OF THIS OFFER IF LINE 148 IS MARKED,**  
147 **SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF LINE 148 IS MARKED N/A OR IS NOT MARKED.**

148 n/a **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a \_\_\_\_\_  
149 **INSERT LOAN PROGRAM OR SOURCE** first mortgage loan commitment as described below, within \_\_\_\_\_ days of acceptance of this  
150 Offer. The financing selected shall be in an amount of not less than \$ \_\_\_\_\_ for a term of not less than \_\_\_\_\_ years,  
151 amortized over not less than \_\_\_\_\_ years. Initial monthly payments of principal and interest shall not exceed \$ \_\_\_\_\_ .  
152 Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private  
153 mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee not to exceed  
154 \_\_\_\_\_ % of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer's other closing  
155 costs.) If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted  
156 to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain  
157 the term and amortization stated above. **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 158 OR 159.**

158  **FIXED RATE FINANCING:** The annual rate of interest shall not exceed \_\_\_\_\_ %.

159  **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed \_\_\_\_\_ % . The initial interest rate shall  
160 be fixed for \_\_\_\_\_ months, at which time the interest rate may be increased not more than \_\_\_\_\_ % per year. The maximum  
161 interest rate during the mortgage term shall not exceed \_\_\_\_\_ % . Monthly payments of principal and interest may be adjusted  
162 to reflect interest changes.

163 **LOAN COMMITMENT:** Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing promptly, and  
164 to provide evidence of application promptly upon request by Seller. If Buyer qualifies for the financing described in this Offer or other  
165 financing acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline for loan  
166 commitment at line 149. **Buyer's delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall**  
167 **satisfy the Buyer's financing contingency unless accompanied by a notice of unacceptability. CAUTION: BUYER, BUYER'S LENDER**  
168 **AND AGENTS OF BUYER OR SELLER SHOULD NOT DELIVER A LOAN COMMITMENT TO SELLER WITHOUT BUYER'S PRIOR**  
169 **APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.**

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

172 **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an  
173 acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies  
174 of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then  
175 have 10 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer and this  
176 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  
177 be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness  
178 for Seller financing.

179 **ADDITIONAL PROVISIONS/CONTINGENCIES** See attached Addendum  
180 \_\_\_\_\_  
181 \_\_\_\_\_  
182 \_\_\_\_\_  
183 \_\_\_\_\_  
184 \_\_\_\_\_  
185 \_\_\_\_\_  
186 \_\_\_\_\_  
187 \_\_\_\_\_

188  **ADDENDA:** The attached \_\_\_\_\_ **Addendum** \_\_\_\_\_ is/are made part of this Offer.

189 **TITLE EVIDENCE**

190  **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or other  
191 conveyance as provided herein) free and clear of all liens and encumbrances, except: municipal and zoning ordinances and  
192 agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use  
193 restrictions and covenants, general taxes levied in the year of closing and \_\_\_\_\_  
194 \_\_\_\_\_

195 \_\_\_\_\_ (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable title  
196 for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record the conveyance.

197 ■ **FORM OF TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the  
 198 purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. **CAUTION: IF TITLE**  
 199 **EVIDENCE WILL BE GIVEN BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.**  
 200 ■ **PROVISION OF MERCHANTABLE TITLE:** Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence  
 201 shall be acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business  
 202 days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be  
 203 merchantable, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and  
 204 exceptions, as appropriate. **CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE**  
 205 **COMMITMENT PRIOR TO CLOSING OR A "GAP ENDORSEMENT" WHICH WOULD INSURE OVER LIENS FILED BETWEEN THE**  
 206 **EFFECTIVE DATE OF THE COMMITMENT AND THE DATE THE DEED IS RECORDED.**

207 ■ **TITLE ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by  
 208 the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and  
 209 the time for closing shall be extended as necessary for this purpose. In the event that Seller is unable to remove said objections, Buyer  
 210 shall have 5 days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended  
 211 accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does  
 212 not extinguish Seller's obligations to give merchantable title to Buyer.

213 ■ **SPECIAL ASSESSMENTS:** Special assessments, if any, for work actually commenced or levied prior to date of this Offer shall be  
 214 paid by Seller no later than closing. All other special assessments shall be paid by Buyer. **CAUTION: Consider a special agreement**  
 215 **if area assessments, property owner's association assessments or other expenses are contemplated.** "Other expenses" are one-  
 216 time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter,  
 217 street, sidewalk, sanitary and stormwater and storm sewer (including all sewer mains and hook-up and interceptor charges), parks, street  
 218 lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.55(1)(c) & (f).

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

## 222 **DEFAULT**

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

226 If Buyer defaults, Seller may:

227 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or  
 228 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) direct Broker to return  
 229 the earnest money and have the option to sue for actual damages.

230 If Seller defaults, Buyer may:

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

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

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

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

## 242 **EARNEST MONEY**

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

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

247 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance  
 248 from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest  
 249 money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according  
 250 to a written disbursement agreement signed by all Parties to this Offer (Note: Wis. Adm. Code § RL 18.09(1)(b) provides that an offer  
 251 to purchase is not a written disbursement agreement pursuant to which the broker may disburse). If said disbursement agreement has  
 252 not been delivered to broker within 60 days after the date set for closing, broker may disburse the earnest money: (1) as directed by  
 253 an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the  
 254 earnest money and all Parties to this Offer; (3) as directed by court order; or (4) any other disbursement required or allowed by law.  
 255 Broker may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the  
 256 earnest money any costs and reasonable attorneys fees, not to exceed \$250, prior to disbursement.

257 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this  
 258 Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1)  
 259 or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's  
 260 proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over  
 261 all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes.  
 262 Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties  
 263 agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or  
 264 applicable Department of Regulation and Licensing regulations concerning earnest money. See Wis. Adm. Code Ch. RL 18. **NOTE:**  
 265 **WISCONSIN LICENSE LAW PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL RIGHTS**  
 266 **OR OBLIGATIONS OF PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR CONVEYANCE.**  
 267 **AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED.**

268 **PROPERTY ADDRESS:** Lots 30, 31 & 32, Stoughton Business Park North, City of Stoughton [page 5 of 5, WB-13]

269 **OPTIONAL PROVISIONS: THE PARAGRAPHS AT LINES 271 - 314 WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF**  
270 **MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.**

271  **PROPOSED USE CONTINGENCY:** Buyer is purchasing the property for the purpose of: \_\_\_\_\_  
272 \_\_\_\_\_ . This Offer is contingent upon Buyer obtaining the following:

273  Written evidence at (Buyer's) (Seller's)  **STRIKE ONE** expense from a qualified soils expert that the Property is free of any subsoil  
274 condition which would make the proposed development impossible or significantly increase the costs of such development.

275  Written evidence at (Buyer's) (Seller's)  **STRIKE ONE** expense from a certified soils tester or other qualified expert that indicates that  
276 the Property's soils at locations selected by Buyer and all other conditions which must be approved to obtain a permit for an acceptable private  
277 septic system for: \_\_\_\_\_ [insert proposed use of Property; e.g., three

278 bedroom single family home] meet applicable codes in effect as of the date of this offer. An acceptable system includes all systems approved  
279 for use by the State for the type of property identified at line 277. An acceptable system does not include a holding tank, privy, composting  
280 toilet or chemical toilet or other systems (e.g. mound system) excluded in additional provisions or an addendum per lines 179 - 188.

281  Copies at (Buyer's) (Seller's)  **STRIKE ONE** expense of all public and private easements, covenants and restrictions affecting the  
282 Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase  
283 the costs of the proposed use or development identified at lines 271 to 272.

284  Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance  
285 of such permits, approvals and licenses at (Buyer's) (Seller's)  **STRIKE ONE** expense for the following items related to the proposed  
286 development \_\_\_\_\_

287  Written evidence at (Buyer's) (Seller's)  **STRIKE ONE** expense that the following utility connections are located as follows (e.g.,  
288 on the Property, at the lot line across the street, etc.): electricity \_\_\_\_\_ ; gas \_\_\_\_\_ ; sewer  
289 \_\_\_\_\_ ; water \_\_\_\_\_ ; telephone \_\_\_\_\_ ; other \_\_\_\_\_ .

290 This proposed use contingency shall be deemed satisfied unless Buyer within \_\_\_\_\_ days of acceptance delivers  
291 written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each  
292 specific item included in Buyer's notice cannot be satisfied.

293  **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing)  **STRIKE ONE** a map of the Property prepared  
294 by a registered land surveyor, within \_\_\_\_\_ days of acceptance, at (Buyer's) (Seller's)  **STRIKE ONE** expense. The map shall identify the legal  
295 description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,  
296 if any, and: \_\_\_\_\_

297 \_\_\_\_\_ .  **STRIKE AND COMPLETE AS APPLICABLE** Additional map features  
298 which may be added include, but are not limited to: specifying how current the map must be; staking of all corners of the Property; identifying  
299 dedicated and apparent street, lot dimensions, total acreage or square footage, easements or rights-of-way. **CAUTION: Consider the cost**  
300 **and the need for map features before selecting them.** The map shall show no significant encroachment(s) or any information materially  
301 inconsistent with any prior representations to Buyer. This contingency shall be deemed satisfied unless Buyer, within five days of the earlier  
302 of: 1) Buyer's receipt of the map, or 2) the deadline for delivery of said map, delivers to Seller, and to listing broker if Property is listed, a copy  
303 of the map and a written notice which identifies the significant encroachment or the information materially inconsistent with prior representations.

304  **INSPECTION CONTINGENCY:** This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at  
305 Buyer's expense, of the Property and \_\_\_\_\_

306 \_\_\_\_\_ which discloses no defects as defined below. This contingency shall be deemed satisfied  
307 unless Buyer within \_\_\_\_\_ days of acceptance delivers to Seller, and to listing broker if Property is listed, a copy of the inspector's  
308 written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and  
309 void upon timely delivery of the above notice and report. **CAUTION: A proposed amendment will not satisfy this notice requirement.**

310 Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to  
311 inspection. Note: This contingency only authorizes inspections, not testing, see lines 98 to 110. For the purposes of this contingency a defect  
312 is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the  
313 Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include  
314 conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

315 This Offer was drafted on 07/07/2009 [date] by [Licensee and Firm] Matthew P. Dregne Stafford Rosenbaum LLP

316 (X) \_\_\_\_\_ 27-0220087  
317 Buyer's Signature ▲ Print Name Here: ► Edward G. Bierer, Reg. Agent Social Security No. or FEIN ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_  
Stellar Commercial Properties, LLC

318 (X) \_\_\_\_\_ Social Security No. or FEIN ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_  
319 Buyer's Signature ▲ Print Name Here: ► \_\_\_\_\_

320 **EARNEST MONEY RECEIPT** Broker acknowledges receipt of earnest money as per line 8 of the above Offer. (See lines 242 - 267)

321 \_\_\_\_\_ Broker (By)  
322 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND**  
323 **THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH**  
324 **HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.**

325 (X) \_\_\_\_\_ 39-6005622  
326 Seller's Signature ▲ Print Name Here: ► Jim Griffin, City of Stoughton, Mayor Social Security No. or FEIN ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_

327 (X) \_\_\_\_\_ 39-6005622  
328 Seller's Signature ▲ Print Name Here: ► Laurie Sullivan, City of Stoughton, / Social Security No. or FEIN ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_

329 This Offer was presented to Seller by \_\_\_\_\_ on \_\_\_\_\_ Finance Director \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m.

330 THIS OFFER IS REJECTED \_\_\_\_\_ THIS OFFER IS COUNTERED [See attached counter] \_\_\_\_\_  
331 Seller Initials ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_ Seller Initials ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_

## ADDENDUM TO WB-13

### VACANT LAND OFFER TO PURCHASE

SELLER: CITY OF STOUGHTON

BUYER: STELLAR COMMERCIAL PROPERTIES, LLC

PROPERTY: LOTS 30, 31 AND 32, BUSINESS PARK NORTH

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1. *Addendum.* This Addendum to WB-13 Vacant Land Offer to Purchase (the "Addendum") forms a part of the WB-13 Vacant Land Offer to Purchase (the "Offer") to which it is attached. In the event of a conflict between the terms and conditions of this Addendum and the terms and conditions of the Offer, the terms and conditions of this Addendum shall govern and prevail.

2. *Property Description.* The Property is described as follows:

Lots 30, 31 and 32, Stoughton Business Park North, City of Stoughton, Dane County, Wisconsin.

3. *Property Size.* Lot 30 consists of 1.175 acres, Lot 31 consists of 1.234 acres, and Lot 32 consists of 1.291 acres for a total of 3.7 acres.

4. *Declaration of Protective Covenants.* Buyer expressly acknowledges that the Property is subject to the Declaration of Protective Covenants and Restrictions, Plat of Stoughton Business Park North, Dane County, Wisconsin, TIF District III, recorded with the Dane County Register of Deeds Office on March 31, 1994 as Document No. 2588027, pages V27005P 60 through V27005P 74 (the "Declaration of Protective Covenants"), and that Buyer has received a copy of the Declaration of Protective Covenants.

5. *AS-IS Condition.* Seller is selling the Property in "AS-IS" condition and is not making any warranties or representations concerning the condition of the Property. Buyer is responsible for determining the condition of the Property and has included all necessary inspection and testing contingencies in the Offer and this Addendum.

6. *Underground Utilities.* If it is necessary to do so, Buyer shall be responsible for the cost to relocate any existing underground utilities to accommodate its development. Buyer understands there is a primary electric cable and related equipment located in an

easement generally between Lot Nos. 30 and 31, and that the estimated cost of abandoning and relocating the utility facilities is \$22,857.00.

7. *Wastewater and Water.* Buyer understands that three existing wastewater laterals are located close to the Property and are plugged. Any laterals not used shall not be disturbed. Buyer understands that unused water laterals serving each lot must be abandoned at Buyer's expense, estimated to be between \$1,000.00 and \$1,500.00 per lateral.

8. *Site Plan.* Buyer and Seller agree that Buyer's obligation to close is contingent upon the following being satisfied on or before the closing (July 22, 2009): Approval by the City of Stoughton and the Business Park North Committee of Buyer's site plan for the Property.

9. *Seller's Repurchase Rights.* The Option to Repurchase Property Agreement, attached hereto as Attachment A, shall govern the terms and conditions of the repurchasing of the Property by Seller. The parties shall execute the Option to Repurchase Property Agreement at or before the closing on the Property.

10. *Tax Agreement.* The Tax Agreement, attached hereto as Attachment B, shall govern the terms and conditions of the preservation of the taxable status of the Property. The parties shall execute the Tax Agreement at or before the closing on the Property.

11. *Certified Survey Map.* Buyer acknowledges that following closing on the Property Buyer shall prepare a certified survey map combining Lots 30, 31, and 32 into one lot and shall submit said certified survey map to Seller for its approval, pursuant to applicable City ordinances.

12. *Tax Increment Guarantee.*

a. *Definitions.* For purposes of this Offer and Addendum, the following terms, when having an initial capital letter, shall mean:

(1) Actual Tax Increment. Shall mean the Tax Increment actually received by the City from taxes levied on the Property.

(2) Tax Increment. Shall mean that amount obtained by multiplying the total "interim rate" from the Wisconsin Department of Revenue form PC-202 for the applicable year by the Value Increment for that year of the Property. A copy of form PC-202 is attached hereto as Attachment C. The total interim rate is obtained by dividing the combined levies from each taxing jurisdiction (the sum of the

apportioned levies in column A on form PC-202) by the total equalized value of all taxable property in the City, excluding the value increment of all tax increment districts in the City (the amount used in column B on form PC-202). If the Wisconsin Department of Revenue modifies form PC-202 or modifies its methodology for calculating tax increment, the parties shall cooperate to calculate Tax Increment in a manner that will determine the amount of tax revenue generated by the Property in accordance with the methodology set forth in Wis. Stat. § 66.1105(2)(i).

- (3) Tax Incremental Base. Shall mean the value of the Property, as equalized by the Wisconsin Department of Revenue, on the date as of which the District was created (January 1, 1993).
- (4) Value Increment. Shall mean the equalized value of the Property in any year minus the Tax Incremental Base.

- b. Buyer shall make improvements to the Property so that the total assessed value of the Property (land and improvements) is not less than \$647,500 on or before January 1, 2011 and remains not less than \$647,500 until City of Stoughton Tax Increment District No. 3 is closed. If in any year beginning January 1, 2011, the total assessed value of the Property (land and improvements) is less than \$647,500, the Buyer shall, for the tax year applicable to such assessed value, pay to Seller the difference in tax revenue between the Actual Tax Increment generated by the Property and the Tax Increment that would have been generated by the Property if the total assessed value of the Property (land and improvements) was \$647,500.

13. *Buyer Option*. Within three months from the date on which Buyer purchases the Property from Seller, Buyer may sell the Property to Seller if something arises that prevents Buyer's project from proceeding. The Property shall be in the same condition as it existed on July 21, 2009, and shall be free and clear of all liens and encumbrances, except the liens and encumbrances applicable to the Property on July 21, 2009.

14. *Third-Party Sales*. Buyer and Seller agree that the Property is located in the City's Tax Increment District No. 3. Buyer acknowledges that it purchased the Property at a discount. Buyer shall not sell, assign or convey the Property to a third party prior to completion of all improvements on the Property in accordance with the site plan approved by the City Planning Commission.

15. *Offer and Addendum Run with the Land*. The Offer, the Addendum, and the Agreements attached hereto shall survive the closing on the sale of the Property, shall run

with the lands described herein, and shall be binding on Buyer and Seller and on any and all of their heirs, successors and assigns, and on any and all of the respective successor legal or beneficial owners of all or any portion of the Property. However, the obligations assumed by Buyer in paragraph 12 (Tax Increment Guarantee) shall terminate on January 1, 2021.

16. *Recording.* Upon closing, Seller shall have recorded in the Dane County Register of Deeds Office the following executed documents, in this order: the Warranty Deed to the Property, the Offer and Addendum, the Option to Repurchase Property Agreement, and the Tax Agreement.

SELLER:  
CITY OF STOUGHTON

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Jim Griffin, Mayor  
City of Stoughton

---

Laurie Sullivan, Finance Director  
City of Stoughton

BUYER:  
STELLAR COMMERCIAL PROPERTIES, LLC

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Edward G. Bierer, Registered Agent

Attachment A – Option to Repurchase Property Agreement  
Attachment B – Tax Agreement  
Attachment C – Wisconsin Department of Revenue Form PC-202

ATTACHMENT A

OPTION TO REPURCHASE PROPERTY AGREEMENT

THIS OPTION TO REPURCHASE PROPERTY AGREEMENT ("Agreement") is executed on the \_\_\_\_\_ day of \_\_\_\_\_, 2009, by and between STELLAR COMMERCIAL PROPERTIES, LLC ("Stellar") and the CITY OF STOUGHTON (the "City").

RECITALS

A. The City and Stellar executed an Offer to Purchase and Addendum (the "Offer to Purchase") governing the terms and conditions of the sale of the following described property from the City to Stellar:

Lots 30, 31, and 32, Stoughton Business Park North, City of Stoughton, Dane County, Wisconsin (the "Property").

B. The City and Stellar desire to set forth terms upon which the City shall have the option to repurchase the Property from Stellar.

C. The City's sale of the Property to Owner is conditioned on the parties executing and recording this Agreement.

NOW, THEREFORE, in consideration of the Recitals, and the mutual promises, obligations and benefits provided under this Agreement and the Offer to Purchase, receipt and adequacy of which are hereby acknowledged, the City and Stellar agree as follows:

1. Recitals Incorporated. The recitals stated above are incorporated in this Agreement by reference.

2. City's Repurchase Rights. The City shall have the right to purchase the Property for \$78,255:

- a. If Stellar fails to acquire a building permit from the City within six months from the date on which Stellar purchases the Property from the City; or
b. If Stellar fails to commence construction of a principal structure on the Property within seven months from the date on which Stellar

RETURN TO:

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purchases the Property from the City. For purposes of this Agreement, "commence construction" means that Stellar has completed the foundation for a building in accordance with the site plan approved by the City Planning Commission.

The City shall notify Stellar in writing if it intends to exercise its option to purchase the Property.

3. Term of the Agreement. This Agreement shall expire when Stellar acquires a building permit from the City and commences construction of a principal structure on the Property in accordance with paragraph 2 above.

4. Repurchase Transaction. If the City provides written notice of its intent to exercise its option to purchase the Property, Stellar shall, not more than thirty (30) days after receiving the City's written notice (or at such other time and place as the Parties may mutually agree), convey the Property to the City by warranty deed in fee simple, free and clear of all liens and encumbrances, except the liens and encumbrances applicable to the Property on July 21, 2009. Further, Stellar shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all costs of providing title evidence.

5. Remedies. The City shall have all remedies provided by this Agreement, and all remedies provided at law or in equity, necessary to cure any default or remedy any damages under this Agreement. Stellar expressly acknowledges that the City shall have the remedy of specific performance if Stellar breaches this Agreement.

6. Agreement Runs with the Land. This Agreement shall run with the land and shall be binding on Stellar and on any and all of Stellar's heirs, successors and assigns, and on any and all of the respective successor legal or beneficial owners of all or any portion of the Property.

7. Recording. The City may record this Agreement with the Dane County Register of Deeds Office. Stellar shall pay the cost of recording this Agreement.

8. Entire Agreement; Amendments. This Agreement, the Offer to Purchase, and the Tax Agreement, which is Attachment B to the Offer to Purchase, encompass the entire agreement of the parties. Any amendment to this Agreement shall be made in writing, signed by both parties.

9. Severability. If any part of this Agreement is determined to be invalid or unenforceable, the rest of the Agreement shall remain in effect.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**CITY:**  
City of Stoughton

By \_\_\_\_\_  
Jim Griffin, Mayor

By \_\_\_\_\_  
Luann Alme, Clerk

**ACKNOWLEDGMENT**

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, the above-named Jim Griffin and Luann Alme, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Matthew P. Dregne  
City Attorney

**OWNER:**  
Stellar Commercial Properties, LLC

By \_\_\_\_\_  
Edward G. Bierer, Registered Agent

**ACKNOWLEDGMENT**

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, the above-named Edward G. Bierer, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

This instrument drafted by:  
Matthew P. Dregne  
Stafford Rosenbaum LLP  
P.O. Box 1784  
Madison, WI 53701  
608/256-0226

**ATTACHMENT B**

**TAX AGREEMENT**

THIS AGREEMENT is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2009 (the "Agreement"), by and between the City of Stoughton, a Wisconsin municipal corporation (the "City"), and Stellar Commercial Properties, LLC (the "Owner"), a Wisconsin limited liability company.

**RECITALS**

A. The Owner is the sole owner of the following described property (the "Property") in the City of Stoughton, more particularly described as:

Lots 30, 31, and 32, Stoughton Business Park North, City of Stoughton, Dane County, Wisconsin.

- B. The Owner and the City executed an Offer to Purchase and Addendum (the "Offer to Purchase") governing the terms and conditions of the sale of the Property from the City to the Owner.
- C. The Owner and the City wish to enter into this Agreement concerning preservation of the taxable status of the Property while City of Stoughton Tax Increment District No. 3 exists.
- D. The City's sale of the Property to the Owner is conditioned on the parties executing and recording this Agreement.
- E. The City has provided and shall continue to provide public health, safety, fire and police protection, streets and street maintenance, snow removal, and other governmental services ("Municipal Services") with respect to the Property that are funded by property taxes.

NOW, THEREFORE, in consideration of the Recitals, and the mutual promises, obligations and benefits provided under this Agreement and the Offer to Purchase, the receipt and adequacy of which are hereby acknowledged, the Owner and the City agree as follows:

1. Recitals Incorporated. The recitals stated above are incorporated in this Agreement by reference.

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0709091152

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2. Definitions. As used in this Agreement, the following terms, when having an initial capital letter, shall mean:

- a. Equalized Value. Shall have the meaning set forth in section 6 of this Agreement.
- b. Tax Incremental Base. Shall mean the value of the Property, as equalized by the Wisconsin Department of Revenue, on the date as of which Tax Increment District No. 3 was created by the City.
- c. Value Increment. Shall mean the Equalized Value of the Property in any year minus the Tax Incremental Base.

3. Representations and Warranties by the Owner. The Owner represents and warrants that the Owner: (1) is a limited liability company organized and existing under the laws of the State of Wisconsin; (2) is in good standing with the Wisconsin Department of Financial Institutions; (3) has taken all action necessary to enter into this Agreement; (4) has duly authorized the individual signers of this Agreement to do so; and (5) is the sole owner of the Property, in fee simple.

4. Tax Status of the Property. While City of Stoughton Tax Increment District No. 3 exists:

- a. The Owner shall take all reasonable actions to assure that the Property shall not be exempt from property taxation, in full or in part, except as required by law.
- b. The Owner shall not submit any request or application for property tax exemption of the Property, in full or in part, challenge the status of the Property as fully subject to property taxation, or seek any ruling by a court or any statutory change that would entitle the Property to exemption, in full or part.

After City of Stoughton Tax Increment District No. 3 closes, the Property shall be subject to property taxation unless the Property or parts thereof become exempt from taxation pursuant to applicable Wisconsin Statutes.

5. Payment for Municipal Services If Property Becomes Tax Exempt While City of Stoughton Tax Increment District No. 3 Exists. During the period that City of Stoughton Tax Increment District No. 3 exists, if in any year (the "Valuation Year") the Property is exempt from property taxation, in full or in part, the Owner shall pay the City, as a payment for Municipal Services provided by the City with respect to the Property ("Payment for Municipal Services"), the difference between (1) the amount of property taxes, if any, on the Property, actually received by the City from Owner for the

Valuation Year, and (2) the amount of property taxes on the Property that the City would have received for the Valuation Year if the Property were fully subject to property taxation. The City shall send the Owner an invoice for the Payment for Municipal Services due. One-half of the Payment for Municipal Services shall be due on January 31 of the year after the Valuation Year. The balance of the Payment for Municipal Services shall be due on July 31 of the year after the Valuation Year. Each payment shall be deemed made when actually received by the City. Any payment made by check shall not be deemed made until the check has cleared all banks. Any amount due that is not paid on time shall bear interest in the same manner and at the same rate as provided by law for unpaid property taxes. The Payment for Municipal Services shall constitute payment for Municipal Services provided with respect to the Property during the Valuation Year. The City and the Owner acknowledge and agree that this Payment for Municipal Services would constitute a reasonable and appropriate means of carrying out the intent of the parties and would fairly and reasonably compensate the City for the Municipal Services provided during the Valuation Year.

6. Calculation of Property Taxes As If Property Were Not Exempt. While City of Stoughton Tax Increment District No. 3 exists, if it becomes necessary to calculate the amount of property taxes on the Property that the City would have received if the Property were fully subject to property taxation, this amount shall be calculated as follows: (1) The fair market value of the Property as of January 1 of the Valuation Year shall be determined, in the same manner as provided by law for property that is fully taxable, by the City Assessor or, if the City Assessor is unable or unwilling to do so, by a competent and impartial appraiser selected by the City in its sole discretion. (2) The fair market value, as so determined, shall be divided by the average assessment ratio for the year for property in the City, as determined by the Wisconsin Department of Revenue (for purposes of this Agreement the result shall be the "Equalized Value"). (3) The Equalized Value shall be multiplied by the total "interim rate" from the Wisconsin Department of Revenue form PC-202 for the applicable year. A copy of form PC-202 is attached hereto as Exhibit A. The interim rate is obtained by dividing the combined levies from each taxing jurisdiction (the sum of the apportioned levies in column A on form PC-202) by the total equalized value of all taxable property in the City, excluding the value increment of all tax incremental districts in the City (the amount used in column B on form PC-202).

7. Binding Effect of Calculation; Dispute Resolution. The amount of any Payment for Municipal Services, determined as provided in this Agreement, shall be binding on the parties unless determined to be excessive in an arbitration proceeding conducted in accordance with chapter 788, Wisconsin Statutes, or any successor statute, by a single arbitrator, chosen by mutual agreement of the Parties or, if they do not agree, by the Circuit Court for Dane County, Wisconsin, on application of either party. The arbitrator shall be an assessor or appraiser licensed by the State of Wisconsin with at

least ten years experience in the valuation of commercial property. Any demand for arbitration shall be made within thirty days after an invoice for Payment of Municipal Services is sent by the City to the Owner. If a demand for arbitration is not made within that time, the parties shall be deemed to have waived arbitration. The party demanding arbitration shall bear all the costs of arbitration. Chapter 788, Wisconsin Statutes, or any successor statute, shall govern the arbitration proceeding, except that the Owner and the City each waive any right to trial by jury. Any other dispute between the parties arising out of, related to, or connected with this Agreement shall be arbitrated in the same manner.

8. Special Assessment If Any Required Payment for Municipal Services Is Not Timely Made. Any Payment for Municipal Services that is not made when due shall entitle the City to levy a special assessment against the Property for the amount due, plus interest. The Owner hereby consents to the levy of any such special assessment, and pursuant to Wis. Stat. § 66.0703(7)(b), waives any right to notice of or any hearing on any such special assessment.

9. Insurance. The Owner shall maintain insurance coverage on the Property, including all improvements, insuring against loss or damage in amounts sufficient to rebuild or replace the improvements constructed on the Property. If any part of the improvements constructed on the Property are damaged or destroyed while Tax Increment District No. 3 exists, the proceeds of insurance coverage on the Property shall be used to repair or replace any damaged or destroyed part of the improvements.

10. Indemnification. The Owner shall indemnify the City for all amounts of attorneys' fees and expenses and expert fees and expenses incurred in enforcing this Agreement.

11. Remedies. The City shall have all remedies provided by this Agreement, and provided at law or in equity, necessary to cure any default or remedy any damages under this agreement. Remedies shall include, but are not limited to, special assessments under section 9 of this Agreement, indemnification under section 11 of this Agreement, and all remedies available at law or in equity.

12. Term of Agreement. The term of this Agreement shall begin on the date the Agreement is signed by both parties and shall continue until City of Stoughton Tax Increment District No. 3 is closed.

13. Successors and Assigns. This Agreement is binding on the successors and assigns of the parties, including, but not limited to, any subsequent owner of the Property, any part of the Property, or any real property interest in the Property or any part of the Property. If at any time the Property has more than one owner, any Payment for Municipal Services due under this Agreement for any Valuation Year shall be



20. Governing Law. This Agreement has been negotiated and signed in the State of Wisconsin and shall be governed, interpreted, and enforced in accordance with the laws of the United States and the State of Wisconsin.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**CITY:**  
City of Stoughton

By \_\_\_\_\_  
Jim Griffin, Mayor

By \_\_\_\_\_  
Luann Alme, Clerk

**ACKNOWLEDGMENT**

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, the above-named Jim Griffin and Luann Alme, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Matthew P. Dregne  
City Attorney

**OWNER:**  
Stellar Commercial Properties, LLC

By \_\_\_\_\_  
Edward G. Bierer, Registered Agent

**ACKNOWLEDGMENT**

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, the above-named Edward G. Bierer, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

Exhibit A – Department of Revenue Form PC-202

This instrument drafted by:  
Matthew P. Dregne  
Stafford Rosenbaum LLP  
P.O. Box 1784  
Madison, WI 53701  
608/256-0226

# TAX INCREMENT CALCULATIONS

Documents  
0709091529

County/Municipal Code \_\_\_\_\_ Name of Municipality \_\_\_\_\_

TID No.(s) \_\_\_\_\_

For \_\_\_\_\_ Taxes Payable \_\_\_\_\_

Equalized TID Value Increment(s) \_\_\_\_\_  
(Must be TOTAL if more than one TIF District)

See Instructions on Reverse Side

	A		B		C		D		E	F
Taxing Jurisdiction	Apportioned Levy	+	Equalized Value (less TID Value increment)	=	Interim Rate	X	Equalized Value (With TID Value increment)	=	Amount to be Levied	E - A = Tax Increment
1. County		+		=		X		=		
2. Special District (metro, sanitary, lake)		+		=		X		=		
3. Tax District (city, village)		+		=		X		=		
4. School District(s)		+		=		X		=		
5. Technical College District		+		=		X		=		
6. Total for Tax Increment		+		*	=	*	X	*	=	
7. State										For Office Use Only Amt. Shown on SOT
8. Special, School, Tech. College District Not in a TIF District	<p><b>NOTE</b> Use Column E to Calculate Mill Rates for Tax Roll</p>									Variance + or -
9. Total for Amount to be Levied										

\*See Special Instructions on Back

Date

Remarks:

Name

Title

Telephone Number

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTE: PLEASE SUPPLY ANY CORRECTIONS TO THE ABOVE CLERK NAME AND ADDRESS

EXHIBIT A

## INSTRUCTIONS FOR COMPLETING TAX INCREMENT CALCULATIONS

We have preprinted as much information as possible to help you calculate the tax increment.

- Header:** Gives you the general "formula" for generating a tax increment. Be sure to use **equalized values** not assessed values. Do not use state tax to calculate tax increment. Combine value increments for all TIDs.
- Line 1:** The tax increment generated by county taxes. Column A, the Apportioned Levy is provided to you by the county clerk (use line 27 on County Apportionment Sheet). The county has the "TID OUT" values which are used to apportion the county levy. Column B, is the Equalized Value of the village/city less the positive TID Value Increment (TID OUT) of all Tax Incremental Finance Districts. Column C, the Interim Rate, is Column A divided by Column B. Column D is the Equalized Value of the village/city (TID IN) as certified August 15, by the Department of Revenue. Column E, is Column C multiplied by Column D. Column F, is Column E minus Column A.
- Line 2:** The tax increment generated by the special district taxes. See Special Instructions below.
- Line 3:** The tax increment generated by the village/city taxes. Column A, Apportioned Levy, is the village/city taxes that are to be levied not including any tax increment. Columns B through F are similar to Line 1. If your village/city lies in more than one county see Special Instructions below.
- Line 4:** The tax increment generated by school district taxes. Column A, Apportioned Levy, is provided by the school district. Columns B through F are similar to Line 1. If your village/city is in more than one school district the equalized values will be different than for other taxing jurisdictions. See Special Instructions below.
- Line 5:** The tax increment generated by technical college taxes. Column A, Apportioned Levy, is provided by the technical college. Column B through F are similar to Line 1. If your village/city is in more than one technical college see Special Instructions below.
- Line 6:** The total tax increment generated. Column A is the total of Lines 1 through 5. Column B is the same value as used in Lines 1 through 5. Column C is Column A divided by Column B and should agree with the sum of Lines 1 through 5. Column D is the same value as used in Lines 1 through 5. Column E is the total of Lines 1 through 5. Column F is the total of Lines 1 through 5. Report this amount at line D-2 of the Statement of Taxes. Use the total interim rate to apportion the tax increment if you have more than one TIF District. See Special Instructions below.
- Line 7:** The State Tax. NO TAX INCREMENT is generated by the state tax. Columns A through D are not to be filled out. Column E is the Apportioned Levy provided by the County Clerk. Column F is for Department of Revenue use only.
- Line 8:** See Special Instructions below.
- Line 9:** Total for Amount to be Levied. Columns A through D are not to be filled out. Column E is the sum of Lines 6, 7 and 8. See Special Instructions below if you have more than one special purpose, school or technical collage.

### SPECIAL INSTRUCTIONS

- Line 2:** If the Metro Sewer, Sanitary or Lake District is not coterminous with the village/city boundaries Column B is only for the value of the special purpose district. Be sure the TIF District is actually in the boundaries of the special purpose district. If not in the boundaries then enter Apportioned Levy on Line 8, Column E.
- Line 3:** If your village/city lies in more than one county, apportion the local tax among the counties based on TID OUT equalized values. The Tax Increment generated can only be in the tax roll of the portion of the village/city in the county containing the TIF District.
- Lines 4 and 5:** When village/city contains more than one school/technical college district, Column B is only for the school district containing the TIF District. If more than one school/technical college district contains a TIF District, repeat the information for each school/technical college district. If school/technical college district does not contain a TIF District enter the Apportioned Levy on Line 8, Column E.
- Line 6:** If more than one school district is shown on Line 2 and your village/city has more than one TIF District, you must use the proper "combined interim rate" to apportion the tax increment generated to the correct TIF District. Line 6 will not calculate "across" in this special situation.
- Line 8:** Column E is the Apportioned Levies of those taxing jurisdictions (not including state) that do not contain a TIF District. This entry may be the sum of more than one Apportioned Levy.
- Line 9:** You must still calculate a different combined mill rate of each mill rate area.

Call the Local Government Services Section at (608) 261-5341 or (608) 266-8618 if you have questions.

Mail the original to:

Bureau of Property Tax  
Local Government Services Section 6-97  
PO Box 8971  
Madison, WI 53708-8971

or FAX at (608) 264-6887

You may include it with your Statement of Taxes. Make a copy for your records.

