

<b>WB-15 COMMERCIAL OFFER TO PURCHASE</b>
---

1 **LICENSEE DRAFTING THIS OFFER ON** \_\_\_\_\_ **[DATE] IS (AGENT OF BUYER)**  
 2 **(AGENT OF SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) ~~STRIKE THOSE NOT APPLICABLE~~**

3 **GENERAL PROVISIONS** The Buyer, Highland Community School, Inc.,  
 4 offers to purchase the Property known as [Street Address] 1706 West Highland Boulevard  
 5 \_\_\_\_\_ in the City \_\_\_\_\_  
 6 of Milwaukee, County of Milwaukee, Wisconsin.

7 (Insert additional description, if any, at lines 109-115 or 277-286 or attach as an addendum per line 479), on the following terms:

8 ■ **PURCHASE PRICE:** One Million Three Hundred Thousand  
 9 \_\_\_\_\_ Dollars (\$ 1,300,000.00).

10 ■ **EARNEST MONEY** of \$ 0 accompanies this Offer and earnest money of \$ 0 will be  
 11 mailed or commercially or personally delivered within N/A days of acceptance to listing broker or  
 12 \_\_\_\_\_.

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

14 ■ **INCLUDED IN PURCHASE PRICE:** Seller is including in the purchase price the Property, all Fixtures on the Property on the date of this  
 15 Offer not excluded at lines 20-22, and the following additional items: all personal property owned by Seller or the Milwaukee Board of School  
 16 Directors located on the Property as of the date of closing.

17 \_\_\_\_\_  
 18 ~~All personal property included in purchase price will be transferred by bill of sale or~~ \_\_\_\_\_

19 \_\_\_\_\_  
 20 ■ **NOT INCLUDED IN THE PURCHASE PRICE:** None

21 \_\_\_\_\_  
 22 \_\_\_\_\_  
 23 **CAUTION: Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines 303-310) to be**  
 24 **excluded by Seller or which are rented and will continue to be owned by the lessor.**

25 **NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included/excluded.**

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

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

29 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before  
 30 2:00 p.m. on June 26, 2015. ~~Seller may keep the Property on the market and accept~~  
 31 ~~secondary offers after binding acceptance of this Offer.~~

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

33 **OPTIONAL PROVISIONS** TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX (□) ARE PART OF THIS OFFER ONLY IF  
 34 THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A" OR ARE LEFT BLANK.

35 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and written notices to a  
 36 Party shall be effective only when accomplished by one of the methods specified at lines 37-54.

37 (1) **Personal Delivery:** Giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line 38 or 39.

38 Seller's recipient for delivery (optional): Jeremy McKenzie, with a copy to [see lines 111-13]

39 Buyer's recipient for delivery (optional): Kathleen Ronco, with a copy to Joshua Roling

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

41 Seller: (\_\_\_\_\_) \_\_\_\_\_ Buyer: (\_\_\_\_\_) \_\_\_\_\_

42  (3) **Commercial Delivery:** depositing the document or written notice fees prepaid or charged to an account with a commercial delivery  
 43 service, addressed either to the Party, or to the Party's recipient for delivery if named at line 38 or 39, for delivery to the Party's delivery address  
 44 at line 47 or 48.

45  (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  
 46 recipient for delivery if named at line 38 or 39, for delivery to the Party's delivery address at line 47 or 48.

47 Delivery address for Seller: City Attorney, 841 N. Broadway, 7<sup>th</sup> Floor, Milwaukee, WI 53202, with a copy to [see lines 111-13]

48 Delivery address for Buyer: 1706 W. Highland Boulevard, Milwaukee, WI 53233 Attn: Executive Director, with a copy to [see line 109-10]

49  (5) **E-Mail:** electronically transmitting the document or written notice to the Party's e-mail address, if given below at line 53 or 54. If this is  
 50 a consumer transaction where the property being purchased or the sale proceeds are used primarily for personal, family or household  
 51 purposes, each consumer providing an e-mail address below has first consented electronically to the use of electronic documents, e-mail  
 52 delivery and electronic signatures in the transaction, as required by federal law.

53 E-Mail address for Seller (optional): jmcken@milwaukee.gov

54 E-Mail address for Buyer (optional): kronco@highlandcommunityschool.org, with a copy to jroling@foley.com

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

**PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of Conditions Affecting the Property or Transaction (lines 181-215) other than those identified in Seller's disclosure report dated \_\_\_\_\_ and Real Estate Condition Report, if applicable, dated \_\_\_\_\_, which was/were received by Buyer prior to Buyer signing this Offer and which is/are made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE** and

**INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE OR CONDITION REPORT(S)**

**CAUTION: If the Property includes 1-4 dwelling units, a Real Estate Condition Report containing the disclosures provided in Wis. Stat. §709.03 may be required. Excluded from this requirement are sales of property that has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for example, personal representatives who have never occupied the Property). Buyer may have rescission rights per Wis. Stat. §709.05.**

**CLOSING** This transaction is to be closed no later than June 30, 2015 at the place selected by Buyer Seller, unless otherwise agreed by the Parties in writing.

**CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners association assessments, fuel and none others. Seller represents to Buyer that the Property is currently exempt from real estate taxes.

**CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

**N/A** The net general real estate taxes for the preceding year, or the current year if available (Net general real estate taxes are defined as general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE APPLIES IF NO BOX IS CHECKED)

**N/A** Current assessment times current mill rate (current means as of the date of closing)

**N/A** Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior year, or current year if known, multiplied by current mill rate (current means as of the date of closing)

**N/A**

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

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

**OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer at lines 109 - 115 or 227-286 or in an addendum attached per line 479. At time of Buyer's occupancy, Property shall be in broom swept condition and free of all debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent. ~~Occupancy shall be given subject to tenant's rights, if any.~~

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

\_\_\_\_\_. Insert additional terms, if any, at lines 109-115 or 227-286 or attach as an addendum per line 479.

**ESTOPPEL LETTERS:** Seller shall deliver to Buyer no later than \_\_\_\_\_ days before closing, estoppel letters dated within \_\_\_\_\_ days before closing, from each non-residential tenant, confirming the lease term, rent installment amounts, amount of security deposits, and disclosing any defaults, claims or litigation with regard to the lease or tenancy.

**RENTAL WEATHERIZATION** This transaction (is) ~~(is not)~~ **STRIKE ONE** exempt from Wisconsin Rental Weatherization Standards (Wis. Admin. Code Ch. SPS 367). If not exempt, (Buyer) (Seller) **STRIKE ONE** ("Buyer" if neither is stricken) shall be responsible for compliance, including all costs, with Wisconsin Rental Weatherization Standards. If Seller is responsible for compliance, Seller shall provide a Certificate of Compliance at closing.

**TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in this Offer except: None

\_\_\_\_\_. 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 contract. If "Time is of the Essence" does not apply to a date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

**ADDITIONAL PROVISIONS/CONTINGENCIES** [Continued from line 48] Joshua Roling, Foley & Lardner LLP, 777 E. Wisconsin Ave., Milwaukee, WI 53202

[Continued from lines 38 and 47] Director of Facilities, Milwaukee Public Schools, 1124 North 11<sup>th</sup> Street, Milwaukee, WI 53233

[Continued from lines 38 and 47] Chief Financial Officer, Milwaukee Public Schools, 1124 North 11<sup>th</sup> Street, Milwaukee, WI 53233

[Continued from lines 38 and 47] Commissioner of City Development, City of Milwaukee, 809 North Broadway, Milwaukee, WI 53202

116  **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: a MPS-chartered Montessori elementary  
117 school and state-licensed childcare center

118 \_\_\_\_\_ [insert proposed use and type and size of building, if applicable; e.g. restaurant/tavern with capacity of 350 and 3 second floor dwelling  
119 units]. The optional provisions checked on lines 123-139 shall be deemed satisfied unless Buyer delivers to Seller by the deadline(s) set forth  
120 on lines 123-139 written notice specifying those items which cannot be satisfied and written evidence substantiating why each specific item  
121 included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller agrees to cooperate with  
122 Buyer as necessary to satisfy the contingencies checked at lines 123-139.

123  **EASEMENTS AND RESTRICTIONS:** This Offer is contingent upon Buyer obtaining, within \_\_\_\_\_ days of  
124 acceptance, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, copies of all public and private easements,  
125 covenants and restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit  
126 or significantly delay or increase the costs of the proposed use or development identified at lines 116 to 118.

127  **APPROVALS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken)  
128 expense, all applicable governmental permits, approvals and licenses, as necessary and appropriate, or the final discretionary action by the  
129 granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's proposed use:

130 \_\_\_\_\_  
131 or delivering written notice to Seller if the item(s) cannot be obtained or can only be obtained subject to conditions which significantly  
132 increased the cost of Buyer's proposed use, all within \_\_\_\_\_ days of acceptance of this Offer.

133  **ACCESS TO PROPERTY:** This Offer is contingent upon Buyer obtaining, within \_\_\_\_\_ days of acceptance, at (Buyer's) (Seller's)  
134 STRIKE ONE ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public roads.

135  **LAND USE APPROVAL:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is  
136 stricken) expense, a  rezoning;  conditional use permit;  license;  variance;  building permit;  occupancy permit;  other  
137 \_\_\_\_\_ CHECK ALL THAT APPLY, for the Property for its proposed use

138 described at lines 116-118 or delivering written notice to Seller if the item(s) cannot be obtained or can only be obtained subject to conditions  
139 which significantly increase the cost of Buyer's proposed use, all within \_\_\_\_\_ days of acceptance.

140  **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (~~Seller providing~~) STRIKE ONE ("Seller providing" if neither  
141 is stricken) a ALTA/ACSM Land Title \_\_\_\_\_ survey (ALTA/ACSM Land Title Survey if survey type is not specified) dated  
142 subsequent to the date of acceptance of this Offer and prepared by a registered land surveyor, within thirty (30) days of  
143 acceptance, at (Buyer's) (~~Seller's~~) STRIKE ONE ("Seller's" if neither is stricken) expense. The map shall show minimum of \_\_\_\_\_  
144 acres, maximum of \_\_\_\_\_ acres, the legal description of the Property, the Property's boundaries and dimensions, visible  
145 encroachments upon the Property, the location of improvements, if any, and: None others

146 \_\_\_\_\_ STRIKE AND COMPLETE AS APPLICABLE

147 Additional map features which may be added include, but are not limited to: staking of all corners of the Property; identifying dedicated and apparent  
148 streets; lot dimensions; total acreage or square footage; utility installations; easements or rights-of-way. Such survey shall be in satisfactory form and  
149 accompanied by any required surveyor's certificate sufficient to enable Buyer to obtain removal of the standard survey exception on the title policy.

150 **CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time required to obtain the map**  
151 **when setting the deadline.**

152 This contingency shall be deemed satisfied unless Buyer, within five (5) days of the earlier of: (1) Buyer's receipt of the map; or (2) the  
153 deadline for delivery of said map, delivers to Seller a copy of the map and a written notice which identifies: (1) a significant encroachment; (2)  
154 information materially inconsistent with prior representations; (3) failure to meet requirements stated within this contingency; or (4) the existence  
155 of conditions that would prohibit or materially increase the cost of the Buyer's intended use of the Property described at lines 116-118. Upon  
156 delivery of Buyer's notice, this Offer shall be null and void.

157  **DOCUMENT REVIEW CONTINGENCY:** See Addendum. This Offer is contingent upon Seller delivering the following documents to Buyer  
158 within \_\_\_\_\_ days of acceptance: CHECK THOSE THAT APPLY; STRIKE AS APPROPRIATE

- 159  Documents evidencing that the sale of the Property has been properly authorized, if Seller is a business entity.
- 160  A complete inventory of all furniture, fixtures and equipment and other personal property included in this transaction which is consistent  
161 with representations made prior to and in this Offer.
- 162  Uniform Commercial Code lien search as to the personal property included in the purchase price, showing the Property to be free and  
163 clear of all liens, other than liens to be released prior to or at closing.
- 164  Rent roll.
- 165  Other \_\_\_\_\_

166 \_\_\_\_\_  
167 Additional items which may be added include, but are not limited to: building, construction or component warranties, previous environmental  
168 site assessments, surveys, title commitments and policies, maintenance agreements, other contracts relating to the Property, existing  
169 permits and licenses, recent financial operating statements, current and future rental agreements, notice of termination and non-renewal, and  
170 assessment notices.

171 All documents Seller delivers to Buyer shall be true, accurate, current and complete. Buyer shall keep all such documents confidential and  
172 disclose them to third parties only to the extent necessary to implement other provisions of this Offer. Buyer shall return all documents  
173 (originals and any reproductions) to Seller if this Offer is terminated.

174  **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of the earlier  
175 of receipt of the final document to be delivered or the deadline for delivery of the documents, delivers to Seller a written notice indicating that

176 this contingency has not been satisfied. Such notice shall identify which document(s) have not been timely delivered or do not meet the  
177 standard set forth for the document(s). Upon delivery of such notice, this Offer shall be null and void.

#### 178 **DEFINITIONS**

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

181 ■**CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION**: "Conditions Affecting the Property or Transaction" are defined to include:  
182 a. Defects in structural components, e.g. roof, foundation, basement or other walls.

183 b. Defects in mechanical systems, e.g. HVAC, electrical, plumbing, septic, well, fire safety, security or lighting.

184 c. Underground or aboveground storage tanks presently or previously on the Property for storage of flammable or combustible liquids,  
185 including but not limited to gasoline and heating oil.

186 d. Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, lead paint, asbestos, radon, radium in water  
187 supplies, mold, pesticides or other potentially hazardous or toxic substances on the premises.

188 e. Production of or spillage of methamphetamine (meth) or other hazardous or toxic substances on the Property.

189 f. Zoning or building code violations, any land division involving the Property for which required state or local permits had not been obtained,  
190 nonconforming structures or uses, conservation easements, rights-of-way.

191 g. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to impose  
192 assessments against the real property located within the district.

193 h. Proposed, planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property  
194 or the present use of the Property.

195 i. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.

196 j. Flooding, standing water, drainage problems or other water problems on or affecting the Property.

197 k. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.

198 l. Near airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating from neighboring property.

199 m. Portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.

200 n. Property is subject to a mitigation plan required under administrative rules of the Department of Natural Resources related to county  
201 shoreland zoning ordinances, which obligates the owner of the Property to establish or maintain certain measures related to shoreland  
202 conditions and which is enforceable by the county.

203 o. Encroachments; easements, other than recorded utility easements; access restrictions; covenants, conditions and restrictions; shared  
204 fences, walls, wells, driveways, signage or other shared usages; or leased parking.

205 p. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property.

206 q. Structure on the Property designated as a historic building, any part of the Property located in a historic district, or burial sites or  
207 archeological artifacts on the Property.

208 r. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion charge or the payment  
209 of a use-value conversion charge has been deferred.

210 s. All or part of the Property is subject to, enrolled in or in violation of a certified farmland preservation zoning district or a farmland  
211 preservation agreement, or a Forest Crop, Managed Forest (see disclosure requirements in Wis. Stat § 710.12), Conservation Reserve or  
212 comparable program.

213 t. A pier is attached to the Property that is not in compliance with state or local pier regulations.

214 u. Government investigation or private assessment/audit (of environmental matters) conducted.

215 v. Other Defects affecting the Property.

216 ■**DEADLINES**: "Deadlines" expressed as a number of "days" for an event, such as acceptance, are calculated by excluding the day the event  
217 occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific  
218 number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by  
219 the President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a  
220 specific number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by  
221 counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as  
222 closing, expire at midnight of that day.

223 ■**DEFECT**: "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair  
224 the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would significantly shorten or adversely  
225 affect the expected normal life of the premises.

226 **(Definitions Continued on page 6)**

IF LINE 228 IS NOT MARKED OR IS MARKED N/A LINES 265-270 APPLY.

[X] 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 thirty (30) days of acceptance of this Offer. The financing selected shall be in an amount of not less than \$ 1,235,000.00 for a term of not less than fifteen (15) years, amortized over not less than fifteen (15) 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 upon 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 238 OR 239.

- FIXED RATE FINANCING: The annual rate of interest shall not exceed %
ADJUSTABLE RATE FINANCING: The initial annual interest rate shall not exceed 5.4 %. The initial interest rate shall be fixed for sixty (60) 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 109-115 or 277-286 or in an addendum attached per line 479.

NOTE: If purchase is conditioned on buyer obtaining financing for operations or development consider adding a contingency for that purpose.

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 229. Buyer and Seller agree that delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy 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 OF 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 letters(s) or other evidence of unavailability, and this Offer shall be terminated as of the date of such notice. 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.

ADDITIONAL PROVISIONS/CONTINGENCIES

**DEFINITIONS CONTINUED FROM PAGE 4**

285 ■ **ENVIRONMENTAL SITE ASSESSMENT:** An "Environmental Site Assessment" (also known as a "Phase I Site Assessment") (see lines  
 286 379-395) may include, but is not limited to: (1) an inspection of the Property; (2) a review of the ownership and use history of the Property,  
 287 including a search of title records showing private ownership of the Property for a period of 80 years prior to the visual inspection; (3) a review  
 288 of historic and recent aerial photographs of the Property, if available; (4) a review of environmental licenses, permits or orders issued with  
 289 respect to the Property; (5) an evaluation of results of any environmental sampling and analysis that has been conducted on the Property; and  
 290 (6) a review to determine if the Property is listed in any of the written compilations of sites or facilities considered to pose a threat to human  
 291 health or the environment including the National Priorities List, the Department of Natural Resources (DNR) Registry of Waste Disposal Sites,  
 292 the DNR's Contaminated Lands Environmental Action Network, and the DNR's Remediation and Redevelopment (RR) Sites Map including the  
 293 Geographical Information System (GIS) Registry and related resources. Any Environmental Site Assessment performed under this Offer shall  
 294 comply with generally recognized industry standards (e.g. current American Society of Testing and Materials "Standard Practice for  
 295 Environmental Site Assessments"), and state and federal guidelines, as applicable.

297 **CAUTION: Unless otherwise agreed an Environmental Site Assessment does not include subsurface testing of the soil or  
 298 groundwater or other testing of the Property for environmental pollution. If further investigation is required, insert provisions for a  
 299 Phase II Site Assessment (collection and analysis of samples), Phase III Environmental Site Assessment (evaluation of remediation  
 300 alternatives) or other site evaluation at lines 109-115 or 277-286 or attach as an addendum per line 479.**

301 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land or improvements so as to be  
 302 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the premises,  
 303 items specifically adapted to the premises and items customarily treated as fixtures, including, but not limited to, all: garden bulbs; plants;  
 304 shrubs and trees; screen and storm doors and windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and  
 305 shutters; central heating and cooling units and attached equipment; water heaters and treatment systems; sump pumps; attached or fitted floor  
 306 coverings; awnings; attached antennas; garage door openers and remote controls; installed security systems; central vacuum systems and  
 307 accessories; in-ground sprinkler systems and component parts; built-in appliances; ceiling fans; fences; storage buildings on permanent  
 308 foundations and docks/piers on permanent foundations. A Fixture does not include trade fixtures owned by tenants of the Property.

309 **CAUTION: Exclude Fixtures not owned by Seller such as rented fixtures. See lines 20-22.**

310 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-7.

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

**EARNEST MONEY**

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

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

322 ■ ~~DISBURSEMENT:~~ If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from  
 323 payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall  
 324 be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written  
 325 disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been delivered to broker within 60 days  
 326 after the date set for closing, broker may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and  
 327 does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed  
 328 by court order; or (4) any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to  
 329 file an interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed  
 330 \$250, prior to disbursement.

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

**TITLE EVIDENCE**

339

340

341

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357

358

359

360

361

362

363

364

365

366

367

368

369

370

371

372

373

374

375

376

377

378

379

380

381

382

383

384

385

386

387

388

389

390

391

392

393

394

395

■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by Special Warranty Deed (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as provided herein) free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, ~~present uses of the Property in violation of the foregoing disclosed in Seller's disclosure report, and Real Estate Condition Report, if applicable, and in this Offer, general and special taxes for which Buyer is responsible under its existing lease for the Property levied in the year of closing, the Deed Restrictions (as defined in the Addendum) and the Permitted Exceptions (as defined in the Addendum);~~ provided none of the foregoing prohibit or materially increase the cost of the Buyer's intended use of the Property,

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

**WARNING: Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should be reviewed, particularly if Buyer contemplates making improvements to Property or a use other than the current use.**

■ **TITLE EVIDENCE:** Buyer Seller shall obtain 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 the Title Company ~~an insurer licensed to write title insurance in Wisconsin.~~ Buyer Seller shall pay all costs of ~~obtaining~~ providing title evidence ~~required by~~ to Buyer. Buyer shall pay all costs of providing title evidence required by Buyer's lender.

■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) ~~(Buyer's)~~ STRIKE ONE ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the effective date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy exclusions and exceptions, provided the title company will issue the endorsement. If a gap endorsement or equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 365-371).

■ **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title insurance commitment is delivered to Buyer's attorney or Buyer not more than fifteen (15) days after acceptance ("15" if left blank), showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines 341-348, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title within thirty (30) days ("15" if left blank) after ~~acceptance~~ delivery of the title commitment to Buyer or Buyer's attorney. In such event, Seller shall have a reasonable time, but not exceeding five (5) days ("5" if left blank), from Buyer's delivery of the notice stating title objections, to deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. In the event that Seller is unable to remove said objections, Buyer may deliver to Seller written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

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

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

**ENVIRONMENTAL EVALUATION CONTINGENCY:** This Offer is contingent upon a qualified independent environmental consultant of Buyer's choice conducting an Environmental Site Assessment of the Property (see lines 288-302), at (Buyer's) ~~(Seller's)~~ expense STRIKE ONE ("Buyer's" if neither is stricken), which discloses no Defects. For the purpose of this contingency, a Defect (see lines 223-225) is defined to also include a material violation of environmental laws, a material contingent liability affecting the Property arising under any environmental laws, the presence of an underground storage tank(s) or material levels of hazardous substances either on the Property or presenting a significant risk of contaminating the Property due to future migration from other properties. Defects do not include conditions the nature and extent of which Buyer had actual knowledge or written notice before signing the Offer.

■ **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within thirty (30) days of acceptance, delivers to Seller a copy of the Environmental Site Assessment report and a written notice listing the Defect(s) identified in the Environmental Site Assessment report to which Buyer objects (Notice of Defects).

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

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

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

399 If Buyer defaults, Seller may:

400 ~~(1) sue for specific performance and request the earnest money as partial payment of the purchase price; or~~

401 ~~(2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages as its sole remedy; or (b) sue for~~  
 402 ~~actual damages.~~

403 If Seller defaults, Buyer may:

404 (1) sue for specific performance; or

405 (2) terminate the Offer ~~and request the return of the earnest money~~, sue for actual damages, or both.

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

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

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

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

417 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land, building or room dimensions, or total acreage or building  
 418 square footage figures, provided to Buyer by Seller or by a broker, may be approximate because of rounding, formulas used or other reasons,  
 419 unless verified by survey or other means.

420 **CAUTION: Buyer should verify total square footage or acreage figures and land, building or room dimensions, if material to Buyer's**  
 421 **decision to purchase.**

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

426 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** Seller shall maintain the Property until the earlier of closing or occupancy  
 427 of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior to closing, the  
 428 Property is damaged in an amount of not more than five percent (5%) of the selling price or any portion thereof is condemned or to be  
 429 condemned, Seller shall be obligated to repair the Property and restore it to the same condition that it was on the day of this Offer, unless  
 430 otherwise requested by Buyer. No later than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and restoration. If the  
 431 damage shall exceed such sum or condemnation has occurred or is contemplated, Seller shall promptly notify Buyer in writing of the damage  
 432 or condemnation and the extent thereof and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this Offer despite  
 433 such damage or condemnation, Buyer shall be entitled to the insurance proceeds, or the equivalent value if Seller is self-insured, or  
 434 condemnation awards, if any, relating to the damage to the Property or condemnation, plus a credit towards the purchase price equal to the  
 435 amount of Seller's deductible on such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance  
 436 proceeds shall be held in trust for the sole purpose of restoring the Property.

437 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons registered with the  
 438 registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.widocoffenders.org> or by telephone at  
 439 (608) 240-5830.

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

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

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



453  **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 437-449). This Offer is contingent  
454 upon a qualified independent inspector(s) conducting an inspection(s) of the Property which discloses no Defects. This Offer is further  
455 contingent upon a qualified independent inspector or qualified independent third party performing an inspection of \_\_\_\_\_  
456 \_\_\_\_\_ (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.)  
457 which discloses no Defects. Buyer shall order the inspection(s) and be responsible for all costs of inspection(s). Buyer may have follow-up  
458 inspections recommended in a written report resulting from an authorized inspection performed provided they occur prior to the deadline  
459 specified at line 461. Each inspection shall be performed by a qualified independent inspector or qualified independent third party.

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

462 For the purpose of this contingency, Defects (see lines 223-225) do not include conditions the nature and extent of which Buyer had actual  
463 knowledge or written notice before signing the Offer.

464 **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of acceptance, delivers to  
465 Seller a copy of the inspection report(s) and a written notice listing the Defect(s) identified in the inspection report(s) to which Buyer objects  
466 (Notice of Defects).

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

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

474  **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of Buyer's property located  
475 at \_\_\_\_\_, no later than \_\_\_\_\_. If Seller accepts a bona fide secondary  
476 offer, Seller may give written notice to Buyer of acceptance. If Buyer does not deliver to Seller a written waiver of the Closing of Buyer's  
477 Property Contingency and \_\_\_\_\_  
478 \_\_\_\_\_

479 **[INSERT OTHER REQUIREMENTS, IF ANY (e.g., PAYMENT OF ADDITIONAL EARNEST MONEY, WAIVER OF ALL CONTINGENCIES,**  
480 **OR PROVIDING EVIDENCE OF SALE OR BRIDGE LOAN, etc.)]** within \_\_\_\_\_ hours of Buyer's Actual Receipt of said notice, this Offer  
481 shall be null and void.

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

483 This Offer was drafted by [Licensee and Firm] \_\_\_\_\_

484 \_\_\_\_\_ on \_\_\_\_\_

485 Buyer Entity Name (if any): Highland Community School, Inc.

486 (X) \_\_\_\_\_

487 Buyer's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

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

489 \_\_\_\_\_ Broker (By) \_\_\_\_\_

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

493 Seller Entity Name (if any): City of Milwaukee

494 (X) \_\_\_\_\_

495 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

496 (X) \_\_\_\_\_

497 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

498 Seller Entity Name (if any): Milwaukee Board of School Directors

499 (X) \_\_\_\_\_

500 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

501 (X) \_\_\_\_\_

502 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

503 This Offer was presented to Seller by [Licensee and Firm] \_\_\_\_\_

504 \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m.

505 This Offer is rejected \_\_\_\_\_ This Offer is countered [See attached counter] \_\_\_\_\_

506 Seller Initials ▲ \_\_\_\_\_ Date ▲ \_\_\_\_\_ Seller Initials ▲ \_\_\_\_\_ Date \_\_\_\_\_

## ADDENDUM

This Addendum (this "Addendum") is appended to and is a part of that certain Commercial Offer to Purchase dated May \_\_, 2015 (the "Preprinted Offer" and together with this Addendum, the "Offer"), made by **Highland Community School, Inc.** ("Buyer"), and accepted by the **City of Milwaukee** (the "City") and the **Milwaukee Board of School Directors** (the "Board," and, together with the City, "Seller") on May \_\_, 2015 (the "Effective Date"), for the property referred to as 1706 West Highland Boulevard, Milwaukee, Wisconsin (the "Property").

1. Title Company. As used in this Offer, the "Title Company" shall mean Chicago Title Insurance Company, or another title insurance company selected by Buyer and licensed to write title insurance in Wisconsin.

2. Charter School Contract. Buyer and the Board are in the process of negotiating a renewal of Buyer's current Charter School Contract (the "Charter Renewal"). If the final terms of the Charter Renewal approved by the Board are materially different from the terms of the contract to be submitted to the Board for review on May 21, 2015, and, as a result, Buyer determines that it will not have sufficient funds to purchase the Property, Buyer shall have the right, within five (5) days after the Charter Renewal is approved, to terminate this Offer and obtain a return of the Earnest Money and any all interest thereon; whereupon the parties shall have no further rights or obligations pursuant hereto.

3. INTENTIONALLY DELETED.

4. Material Documents. Seller shall furnish and deliver to Buyer, within ten (10) days after the Effective Date, to the extent they exist, copies of all existing title commitments and policies, surveys, environmental and geotechnical assessments and studies, soil tests, engineering reports, variances, asbestos management plans, hazardous materials management plans, and any other material documents relating to the Property in Seller's possession or control (collectively, the "Material Documents").

5. Buyer's Right to Access and Inspect the Property. Seller hereby grants to Buyer the right to inspect and conduct tests on the Property as may be deemed necessary or desirable by Buyer to satisfy Buyer as to the condition of the Property during the term of this Offer. Such inspections and tests shall include, but are not limited to, surveys, physical inspections, environmental studies, soil studies and invasive testing; provided that Buyer must obtain the prior written consent of the Director of Facilities of Milwaukee Public Schools prior to conducting any invasive testing, which consent shall not be unreasonably withheld, conditioned or delayed.

6. Permitted Exceptions. Buyer and Seller acknowledge that, pursuant to the terms of the Option to Purchase dated March 30, 2012 (the "Option"), between the Board, Seller and Buyer, Buyer was required to obtain and deliver a title insurance commitment for the Property (the "Prior Title Commitment") to Seller within thirty (30) days following the date of the Lease Agreement between the Board and Buyer dated March 30, 2012 (the "Lease"). Buyer and Seller agree that Buyer's failure to obtain and deliver the Prior Title Commitment shall not be a default under the Lease or the Option. As used in this Offer, the term "Permitted Exceptions" means any documents and exceptions that would have been referenced in the Prior Commitment if the Prior Commitment had been obtained by Buyer pursuant to the terms of the Option.

7. Deed Restrictions. Buyer and Seller hereby agree that the Special Warranty Deed delivered by Seller at Closing shall include the following provisions (collectively, the "Deed Restrictions"):

a. Competing Use Restriction.

Grantee hereby agrees that, until the Release Date (as hereinafter defined), neither Grantee nor any party acting by, through or under Grantee shall use the Property for the following use (the "Use Restriction"): a use by any school that is not part of the Milwaukee Public Schools District ("MPS") or chartered by MPS that would have the incident or effect of diminishing the annual average number of pupils enrolled in MPS, as determined for such school year under Wis. State. § 121.05, and as compared to the immediately preceding school year (a "Competing Use").

The Release Date shall mean the earlier to occur of either (i) March 30, 2017, or (ii) the date that Grantee's Charter School Contract with the Milwaukee Board of School Directors (the "Board") is terminated because the Board fails or is unable to appropriate funds necessary for funding of said Charter School Contract. On the Release Date, the Use Restriction shall terminate and shall be of no further force and effect. At Grantee's request, the Board will execute and deliver a recordable document to evidence the termination and release of the Use Restriction.

The Use Restriction shall be deemed a covenant "running with the land" and shall be binding upon Grantee, its successors and assigns. The Use Restriction shall inure to the benefit of, and is enforceable by, Grantor and may only be amended and/or terminated with the written consent of Grantor. As used in this paragraph, the term Grantor expressly includes Grantor's successors and assigns.

b. Restriction Against Tax Exemption.

Beginning at the later of Closing or the year the Property or any portion thereof becomes exempt, and so long as the Property or any portion thereof continues to be exempt, in whole or in part, under § 70.11, Wis. Stats., Grantee or its successors and assigns shall pay MPS an annual Payment in Lieu of Taxes ("PILOT") for the Property or the portion thereof which is exempt for each calendar year. For so long as the Property is used as a charter school chartered through the Milwaukee Public Schools District the PILOT due to MPS hereunder shall be \$1 per year. In the event the Property is no longer used for operation of a MPS charter school, the method to be used in determining the PILOT shall be the Value of the Property for that tax year determined by the City Assessor's office multiplied by the MPS Property Tax Rate for the tax year. For purposes of this provision, "Value" means the City Assessor's determination of the fair market value of the Property on January 1 of each tax year, and "MPS Property Tax Rate" means the tax rate for MPS taxes calculated to include only MPS taxes as reflected on City of Milwaukee property tax bills from time to time; provided, Grantee shall have the right to contest the determination of Value by the City Assessor.

c. Right of First Refusal.

Grantee hereby grants to the Board a right of first refusal with respect to the sale of all or any part of the Property. If at any time during Grantee's ownership of the Property, Grantee receives a bona fide offer to purchase the Property that is

acceptable to Grantee (the "Offer"), Grantee shall forward a copy of said Offer to the Board. Within twenty (20) days following receipt of the Offer, the Board may notify Grantee that it elects to purchase the Property on the terms contained in the Offer. Said election, if exercised, shall be accompanied by a written offer to purchase on the terms specified in the Offer, which shall then constitute the contract between Grantee and the Board. If the Board does not notify Grantee within the 20-day period, (i) Grantee may proceed to sell the Property to the person or entity who submitted the Offer on substantially the terms specified therein; (ii) the right of first refusal shall automatically terminate and be of no further force and effect; and (iii) at Grantee's request, the Board will execute and deliver a recordable document to evidence the Board's release of its right of first refusal with respect to the Property.

8. Closing Costs. Buyer and Seller agree to each pay one-half (1/2) of the Title Company's closing fees. Buyer shall pay the recording charges for the deed and the premium due in connection with the title policy to be obtained by Buyer. Seller shall pay the transfer taxes. Seller and Buyer shall also be responsible for the fees of their respective attorneys. This Paragraph shall survive any termination of this Offer.

9. Seller's Title Certificates. Seller agrees to provide to the Title Company, at Closing, any and all affidavits, certificates and other evidence of authority as the Title Company may reasonably require in order to provide the required title insurance.

10. Representations and Warranties. Seller hereby represents and warrants to Buyer as follows:

- a. Seller is the owner of fee simple title to the Property.
- b. Seller has received no written notice of the desire of any public authority or other entity to take or use the Property or any part or parts thereof.
- c. There are no pending suits, claims or proceedings or to Seller's actual knowledge, threatened against or affecting Seller or any part of the Property or relating to or arising out of the ownership thereof.
- d. Seller has full power, right, and authority to enter into and perform its obligations under this Offer, this Offer is valid and enforceable against Seller in accordance with its terms and, to Seller's knowledge, each instrument to be executed by Seller pursuant hereto or in connection herewith will, when executed, be valid and enforceable against Seller in accordance with its terms.

All representations and warranties contained in this Offer shall survive Closing.

11. Buyer Conditions. Buyer's obligation to close the transaction contemplated by this Offer shall also be conditioned upon each of the following (each a "Closing Condition", and collectively, the "Closing Conditions"):

- a. Representations and Warranties. Seller's representations and warranties contained in this Offer shall be true and correct, in all material respects, as of the Closing.

b. Seller's Compliance. Seller shall comply, in all material respects, with all of its agreements, covenants and obligations under this Offer, except to the extent waived in writing by Buyer.

c. Owner's Policy or Marked Up Commitment. Title Company shall be ready, willing and able to issue at Closing and upon payment of its premiums and other charges the title policy described in this Offer showing title to the Property in Buyer.

d. No New Encumbrances. There shall be no new encumbrances against title reflected in the above referenced title policy or any updated title commitment to the Property.

e. No Material Change. There shall not have occurred any change and no circumstance shall have occurred, including, without limitation, with respect to the condition, including, without limitation, the environmental condition, or the zoning or permitting or leasing of the Property, or the commencement or continuation of any litigation, condemnation or moratorium affecting the Property which would have an adverse impact, in any material respect, on the Property or Buyer's intended use thereof, individually or in the aggregate, as reasonably determined by Buyer unless and to the extent that such change or circumstance was consented to by Buyer in writing.

The obligations of Buyer to close this transaction contemplated herein are subject to the Closing Conditions set forth in this Offer, each of which is for the full benefit of Buyer and may be waived at any time by written notice thereof from Buyer to Seller. The waiver of any particular Closing Condition shall not constitute the waiver of any other. In the event of the failure of a Closing Condition on or before Closing, Buyer may elect, in its sole discretion, to (i) terminate this Offer prior to Closing and obtain a return of the Earnest Money and any all interest thereon; whereupon the parties shall have no further rights or obligations pursuant hereto; or (ii) proceed to Closing, and then Buyer shall have the right to cure such failure.

12. Exclusive Dealings. So long as this Offer is in effect and has not been terminated, Seller shall neither market the Property nor negotiate with any party other than Buyer with respect to the sale or transfer thereof and shall deal exclusively with Buyer in good faith with respect to the sale, conveyance or transfer of the Property and all parts thereof.

13. Commissions. Each party hereby represents that it has not dealt with any broker or agent in connection with the sale or purchase of the Property and agrees to indemnify and hold the other party harmless from and against any and all claims made by any other broker or agent arising through the actions of said indemnifying party.

14. Business Days. If any of the time periods or dates set forth herein fall on other than a business day, then any such time period and dates shall be extended until the first business day thereafter.

15. Conflicting Terms. In the event of any conflict between the provisions of this Addendum and the provisions of the Preprinted Offer, the provisions of this Addendum shall control.

*[Signature Page Follows]*

IN WITNESS WHEREOF, Buyer and Seller have executed this Addendum as of the date set forth above.

**SELLER**

**BUYER**

**City of Milwaukee**

**Highland Community School, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Milwaukee Board of School Directors**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_