

## JOSEY WORK-OUT AGREEMENT

GH 10-1-2013

CAO 195573

**THIS AGREEMENT** (the “**Agreement**”) is made and dated as of \_\_\_\_\_, **2013**, is for good and valuable consideration, receipt and sufficiency of which are acknowledged, and is by and among the **CITY OF MILWAUKEE** (“**City**”), the **REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE** (“**RACM**”), **JOSEY HEIGHTS DEVELOPMENT, LLC** (“**Josey**”), a Wisconsin domestic limited liability company, the **JOSEY HEIGHTS HOMEOWNERS ASSOCIATION, INC.** (the “**HOA**”), a Wisconsin non-stock corporation, and the following individual homeowners in the Josey Heights Subdivision: **LEVERY** and **KAREN HENDERSON** (“**Hendersons**”); **JOSIAH PHILLIPS** (“**Phillips**”); and **KEVIN** and **TANISHA PUMPHREY** (“**Pumphreys**”). The Hendersons, Phillips and Pumphreys are herein also individually and collectively called “**Private Owners.**”

### RECITALS

A. RACM, City, and Josey entered into a “Josey Heights Development Agreement” that was recorded in the Milwaukee County Register of Deeds Office (“**ROD**”) on February 28, 2006 as Document No. 09191033 (the “**DA**”). The DA was amended by a “1<sup>st</sup> Amendment to Development Agreement” recorded with the ROD on March 21, 2006, as Document No. 09204347. The term “DA” as used herein means the Development Agreement, as amended.

B. Per the DA, RACM sold and conveyed to Josey certain real property by Limited Warranty Deed recorded with the ROD on March 24, 2006 as Document No. 09204346. That Deed stated that the conveyance was subject to the DA, including RACM’s reversionary interest in and to the conveyed property in the event of breach by Josey, and that the Deed was subject to Josey’s duty to construct the **Project** (as defined in the DA).

C. Under the DA, Josey was to create a residential subdivision and undertake and complete the Project thereon. Josey is in breach of the DA. No Certificate of Completion has been, or will be, issued (DA § 10). The City did construct the Public Improvements (defined in DA § 6 (b)). The Logistics Plan was performed (DA § 3 (c)).

D. Josey recorded with the ROD a Subdivision Plat on March 13, 2006 as Document No. 09199539. Josey and the HOA entered into a February, 2007 “Declaration of Restrictions, Covenants and Easements and Establishment of Homeowners Association for Josey Heights Subdivision” that Josey recorded with the ROD on March 9, 2007, as Document No. 09397876 (the “**Existing Declaration**”).

E. Josey mortgaged the property it bought from RACM and that property remains subject to a first mortgage to **Waterstone Bank (“WSB”)** (f/k/a Wauwatosa Savings Bank), recorded with the ROD on May 9, 2006 as Document No. 9231548 (the “**WSB 1<sup>st</sup> Mortgage**”), securing a note by Josey to WSB (dated April 6, 2006) (the “**WSB Note 1**”) for \$840,800. WSB Note 1 is guaranteed by Julie Solochek (“**Julie**”), Sheldon Solochek (“**Sheldon**”), Jeff Rodman (“**Jeff**”), and Gaurie Rodman (“**Gaurie**”). Josey also gave WSB a second mortgage in and to the property Josey bought from RACM, but that second mortgage, which was recorded with the ROD on October 30, 2006 as Document No. 09330568 (the “**WSB 2nd Mortgage**”) was satisfied by Satisfaction recorded with the ROD as Document No. 09667319.

As of September 4, 2013, the balance owed under WSB Note 1 was \$727,845.10.

As used herein, the term “**WSB Mortgage**” means the WSB 1<sup>st</sup> Mortgage, and the term “**WSB Note**” means the WSB Note 1.

F. Under the Josey Subdivision Plat, in the Josey Heights Subdivision, there are 37 single-family lots, one multi-family lot (Lot 11, Block 2; 2049 N. 12<sup>th</sup> Street; TIN 351-4045-000), and two outlots (Outlot 1, Block 3, 1334 W. Brown Street, TIN 351-4057-000, herein called the “**Eric Outlot**,” and Outlot1, Block 4, 2014 N. 13<sup>th</sup> Street, TIN 351-4060-000, herein called the “**Blvd. Outlot**”). In the Homeowners Declaration, the Blvd. Outlot is also called the **Common Area**.

Josey owns 34 of the 37 single-family lots (Lots 1-4 and 6-14, Block 1; and Lots 1-4, 6, and 8-10, Block 2; and Lots 1-13 Block 3) in the Subdivision and the one multi-family lot (Lot 11, Block 2) and both Outlots.

The 34 Josey-owned single-family lots and the one multi-family lot are herein called the “**Josey Lots**.”

Regarding the Josey-owned, single-family lot, Lot 7, Block 1 (1329 W. Lloyd Street, TIN 351-4027-000), a model home was built on that lot that is vacant and unoccupied.

The following lots in the Subdivision are owned by the Private Owners.

1. Lot 5 in Block 2 (2024 N. 13<sup>th</sup> Street, TIN 351-4039-000) was sold, a home was built on it, and it is now owned by the Hendersons.

2. Lot 7 in Block 2 (2016 N. 13<sup>th</sup> Street, TIN 351-4041-000) was sold, it remains vacant (unimproved), and it is now owned by Phillips.

3. Lot 5 in Block 1 (1335 W. Lloyd Street, TIN 351-4025-000) was sold, a home was built on it (a Josey model home), and it is now owned by the Pumphreys.

G. Per DA § 33 (b), Josey was to have conveyed the Eric Outlot to Eric Deon Grace (“**Eric**”), but Josey failed to do so. At Closing, Josey shall convey that parcel to him<sup>1</sup> so that it may become part of 1338-1340 W. Brown Street, TIN 351-3215-110. Josey shall notify Eric about this, shall obtain information from him concerning the Transfer Return associated with the conveyance, and shall pay the Transfer Fee associated with the conveyance. By separate agreement between RACM and Eric Grace (dated November 29, 2004), and in accordance with RACM’s duties under DA § 33 (a), RACM did convey to Eric 1338R W. Brown. Eric was to combine 1338 W. Brown St, 1338R W. Brown St. and the Eric Outlot into one address and key number.

H. Josey filed a Stormwater Management (“**SWM**”) Plan with the City under Milwaukee Code of Ordinances (“**MCO**”) § 120-9 that the City Engineer approved on September 26, 2005. Subsequent thereto, Josey and the HOA entered into the Existing Declaration. Per the **Existing Declaration**, among other things: various restrictive covenants were imposed upon the lots and the Blvd. Outlot in the Josey Heights Subdivision; easements for the SWM Plan were created; duties concerning the SWM Plan were established; purpose and creation of the HOA were established; membership in the HOA was established; and lot-owner and HOA duties were established. The HOA is in breach of the SWM Plan. Among other things, maintenance was not performed, and there was no 2010 re-certification of the SWM Plan as required by MCO § 120-15.

I. The HOA is in breach of the SWM Plan and Existing Declaration.

J. The Josey Heights Subdivision is subject to the “Redevelopment Plan for the Park West Area ‘F’ Urban Renewal Project,” recorded with the ROD on July 31, 1984 as Document No. 5738173, as amended by Amendment No. 1 recorded with the ROD on August 17, 2004 as Document No. 8844392 (as amended, the “**RACM Plan**”). See DA § 7 and recitals.

K. The Josey Heights Subdivision is subject to TID 44. See DA § 6.

L. Josey provided to RACM Chicago Title Insurance Company (“**CTIC**”) Commitment No. 001262109 (the “**Title Commitment**”), with an amended effective date of September 23, 2013,

covering the Josey Lots and the Blvd. Outlot in the Josey Heights Subdivision. Josey shall have CTIC list the insured amount on Schedule A of the Title Commitment at \$225,000.

M. There used to be 3 members of Josey – (i) Coach House Development LLC (“**Coach House**,” membership owned by Jeff and Gaurie), (ii) JAS Development LLC (“**JAS**,” membership owned by Julie and Sheldon), and (iii) KOBA LLC (“**KOBA**,” membership owned by George Calaway, “**George**”). Josey warrants and represents (a) that 100% of the membership in and ownership of Josey is now owned by JAS, (b) that JAS is the sole manager of Josey, and Julie is the sole manager of JAS, (c) that Julie and Sheldon each own and control 50% of the membership in JAS, and (d) that Julie is the sole manager of JAS.

N. The parties hereto wish to enter this Agreement to settle and resolve various issues, on the terms and conditions contained herein.

**AGREED**

1. **Recitals.** The recitals above are hereby acknowledged and agreed to.

2. **Josey-to-RACM Conveyance (Josey Lots); Josey-to-HOA Conveyance (Blvd. Outlot); Josey-to-Eric Conveyance; Closing.**

A. Josey agrees to convey the Josey Lots to RACM, on or before **NOVEMBER 15, 2013** (the “**Closing**”), by Warranty Deed in form and substance of that attached hereto as **Exhibit A.**

B. Josey agrees to convey the Blvd. Outlot to the HOA, on or before Closing, by Warranty Deed in form and substance of that attached hereto as **Exhibit B.**

C. Josey agrees to convey the Eric Outlot to Eric, on or before Closing, by Warranty Deed in form and substance of that attached hereto as **Exhibit C.**

D. At Closing, Josey agrees to sign the deeds, a closing statement concerning the transaction and customary title company affidavits associated with the transaction.

3. **Settlement; RACM Retains Performance Deposit.** *Except as expressly provided under the terms and conditions of this Agreement, no party hereto shall seek any monies or other consideration from, or make claim against, any other party hereto concerning or surrounding, directly or indirectly, the Josey Heights Subdivision, the DA, the Existing Declaration, Josey, the HOA, the SWM Plan, or the conveyances by Josey hereunder concerning circumstances, events*

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<sup>1</sup>1334 W. Brown Street, TIN 351-4057-000.

*or facts existing prior to or as of the date of Closing.* The intent is that this is a “work-out” agreement to amicably settle and resolve currently outstanding or potential claims and issues associated with and surrounding those matters. The parties hereto agree to cooperate with one another and to use good faith to effectuate the terms and conditions contained herein. On a going forward basis, after Closing, the Private Owners shall abide by the Amended Declaration, HOA requirements, and SWM Plan requirements.

Josey agrees that the Performance Deposit paid by Josey under the DA is entirely owned by RACM and is not encumbered or restricted by the DA. RACM has no duty to return the deposit to Josey or anyone else.

4. **WSB Mortgage Satisfaction.** On or before Closing, Josey shall secure and provide to RACM, in recordable form, a Satisfaction of the Mortgage affecting the Property in form and substance of the Satisfaction attached hereto as **Exhibit D**, duly signed by WSB and ready for recording with the ROD on the date of Closing (with the cost of recording being paid by Josey). The intent is that, as a condition to Closing, Josey shall cause WSB to release all right, title and interest in and to the Josey Heights Subdivision (including the Josey Lots, the Eric Outlot, the Blvd. Outlot, and the lots owned by the Private Owners), and that neither City nor RACM shall have any duty, directly or indirectly, regarding the WSB Mortgage or WSB Note.

5. **Title Insurance.** On or before Closing: **(i)** Josey shall pay to CTIC the cost of the Title Commitment and the amount necessary for CTIC to issue title insurance to RACM for the Property; **(ii)** Josey shall execute customary CTIC affidavits to induce CTIC to remove various exceptions to title insurance typically removable by those affidavits (including affidavits showing no tenants, no construction lien rights outstanding in others, and no brokers); and **(iii)** Josey shall provide documents necessary to satisfy CTIC Schedule B-I requirements.

6. **Satisfaction of DA and Conditions in Limited Warranty Deed; RACM Release of Reversionary Interest; Reserved Rights.** At Closing, RACM shall execute and record a Satisfaction of DA, in form and substance of that attached hereto as **Exhibit E**, to terminate the DA and the conditions in the Limited Warranty Deed related to the DA and the Project, and to release RACM’s reversionary interest in and to property in the Josey Heights Subdivision. RACM and City shall continue to reserve for themselves, and any public utility company, **(i)** the right to enter Subdivision real estate to construct, reconstruct, maintain, replace, service, and repair any public utilities, and also any utility that may be of record against the real estate (see DA § 4 and Limited Warranty Deed), and **(ii)** rights under Wis. Stat. § 66.1005.

7. **Josey Representations.** As of the date hereof and of Closing and at all times in-between, Josey represents and warrants to City and RACM that:

- Aside from the DA, Existing Declaration, SWM Plan, and documents relating to the WSB Mortgage and WSB Note, Josey is not party to any outstanding or unfulfilled agreement or contract, or any agreement or contract concerning which any party owes any other party service, performance or money or other thing of value.
- No condominium was ever created or recorded against or concerning the Josey Heights Subdivision or any part thereof.
- Josey and its members and managers are able to and authorized to perform as required hereunder.
- No bankruptcy or other Court order or receivership affects or limits Josey's ability to act hereunder or poses threat of Court reachback, whether under "fraudulent conveyance" principles, principles to protect creditors, or otherwise.
- No creditor of Josey or any person or entity who performed services or provided materials to Josey or for the benefit of the Josey Heights Subdivision has any right, title, or interest in or to the Josey Heights Subdivision real property (aside from WSB under the WSB note and mortgage) or has right to any lien in or to the Josey Heights Subdivision real property.
- Aside from WSB (regarding the WSB note and mortgage), and aside from City and RACM (regarding the DA, SWM Plan, Existing Declaration and Limited Warranty Deed), Josey is not aware of any possible, existing, or threatened claim (asserted or unasserted) against Josey or the Josey Heights Subdivision.
- No Josey Lot or Outlot is occupied, and no Josey Lot or Outlot is subject to any lease, license agreement, offer to purchase or mortgage (other than the WSB Mortgage) or any other contract (other than this Agreement, the DA and Existing Declaration).
- No real estate broker contract, or rental-agent contract, accepted offer to purchase, or lease, affects any Josey Lot or Outlot. *Josey to provide RACM, on or before the date of this Agreement, a written acknowledgment signed by North Shore Homes that no commission is due regarding Josey's conveyance to RACM, and that no listing, broker, or rental agreement affects any of the Josey Lots or Outlots.*
- Other than matters predating the Logistics Plan, Josey is not aware of any environmental adversity affecting any Josey Lot or Outlot.
- Josey is not aware of any adverse condition or defect (including, but not limited to, insect infestation, mold, asbestos, problems with plumbing, heating, electrical or other mechanicals, roof problems, construction problems, structure problems) affecting **1329 W. Lloyd Street** (i.e. Lot 7, Block 1). Construction of the improvements (including punch-list items) on 1329 W. Lloyd is complete and the contractors and subcontractors who provided labor or materials have been paid.

- Josey shall disclose to City and RACM any fact that a reasonably prudent successor or investor would reasonably deem material regarding the successor's or investor's decision to take title to the Josey Lots.

8. **Assignment of HOA or Replacement HOA; RACM Contingency Right.**

A. ***On or before the date of this Agreement:***

(1) HOA shall provide to RACM true and correct copies of all books, accounts and records of the HOA (herein called "**HOA Records**"), including but not limited to:

- HOA articles (dated 2-23-07, there are no amendments), bylaws (dated effective, one date AFTER the date of this Agreement, signed by all requisite parties), and minutes
- names, addresses, phone numbers and emails of HOA members, officers, directors
- names, addresses, phone numbers and emails of HOA employees or agents (if any)
- U.S. Bank checking book associated with the closed HOA checking account, and original U.S. Bank checks from the close-out of what were the only bank accounts HOA had, one for \$895.01 and one for \$333 (HOA has no other bank or other accounts, and Julie Solochek will before Closing assist to ensure that the checks either remain cashable or will be re-issued on or before Closing)
- HOA balance sheets, income statements, and financial records
- HOA records concerning HOA general operating budgets, and general and special assessments under § 5 of the Existing Declaration – including the one-time general assessments under § 5.04 (c) of the Existing Declaration. In addition, HOA shall provide a listing of any general or special assessment that was ever charged, including to whom, when it was charged, amount charged, whether and when it was paid, and whether it was a general or special assessment
- HOA income tax returns or filings (federal and state)
- IRS and Wisconsin DOR determinations and notices
- list of HOA assets
- list of known and contingent HOA liability

- list of claims (asserted or unasserted) that the HOA has against others or that the HOA is aware of that others could assert against the HOA
- insurance maintained by the HOA
- existing agreements or contracts in place (if any). From the date hereof to Closing, the HOA shall not enter or entertain any agreements with any third party.

(2) *On or before the date of this Agreement*, HOA shall provide to RACM a notarized statement from the President of the HOA to RACM (the “**President Warranty**”) warranting, representing and disclosing:

- that all HOA Records provided are true and correct, that they actually and truthfully depict the status of the HOA as an entity and the financial status of the HOA (including assets and liabilities)
- that in accordance with § 5.01 and § 5.02 of the Existing Declaration, Josey and the Private Owners are the sole members of, and sole owners of, the HOA
- that the HOA is the sole owner of HOA assets
- any special assessment or general assessment actually charged or collected by the HOA against any parcel in the Josey Heights Subdivision (see Existing Declaration §§ 5.03 – 5.05)
- that no condominium was ever created or recorded against or concerning the Josey Heights Subdivision or any part thereof
- further disclosing any fact that a reasonably prudent successor or investor would reasonably deem material regarding the successor’s or investor’s decision to succeed in interest to or to become owner of the HOA.

At Closing, the person who signed the HOA President Warranty shall provide to RACM an **Updated President Warranty** covering the period from the original President Warranty to Closing and disclosing any change of status.

B. RACM shall have until Closing to review the HOA Records, the President Warranty and the Updated President Warranty. If RACM determines in its sole discretion that RACM is not satisfied with the status of the HOA or with any matter reported or depicted, RACM may, at its sole option, (i) declare this Agreement terminated, or (ii) elect to form a new legal entity to replace, and take the place of, the HOA, in which case Josey, the HOA, the Private Owners, and RACM shall cooperate regarding the formation of that new entity and the transfer of duties and assets from the HOA to the new entity.

**C. HOA Membership.**

(1) The Existing Declaration § 5.01 provides that all Lot Owners in the subdivision are required to be members of the HOA, and § 5.02 provides that “There shall be one membership in the [HOA] for each Lot and the membership in the [HOA] appurtenant to a Lot shall be owned jointly and severally by all Co-Owners of the Lot...” and that “[HOA] membership shall be appurtenant to each Lot...”

(2) If RACM has not terminated this Agreement under paragraph B above, or formed a new entity under paragraph B above, then Josey acknowledges that, at Closing, the transfer and conveyance to RACM also transfers all of Josey’s right, title and interest in and to the HOA such that RACM and the Private Owners together will own 100% of the HOA and constitute 100% of the HOA members, and the HOA shall physically transfer all HOA assets and records to RACM’s Maria Prioletta, and sign documents (if any) needed to accomplish the foregoing (including documents regarding the HOA’s accounts at U.S. Bank). And, also on the date of this Agreement, the Private Owners and the current officers and directors of the HOA shall deliver to RACM a **Unanimous Consent Resolution** of the Board of Directors of the HOA, signed by the current HOA Board, and also approved and signed by Josey and the Private Owners reflecting that, as allowed by the HOA Bylaws, a Special Meeting was called and as a result, the new officers and directors and registered agent of and contact information for the HOA, as of the date of Closing, shall be as follows:

<b>Officers</b>	<b>Directors</b>	<b>Registered Agent</b>	<b>HOA Contact Information</b>
President: Maria Prioletta  (see contact information in this table)	Maria Prioletta  David Misky  Sandy Rotar  (see contact information in this table)	Maria Prioletta City – DCD 809 N. Broadway, 2 <sup>nd</sup> Floor Milwaukee, WI 53202 Ph: 414-286-5903 Email: mpriol@milwaukee.gov	Maria Prioletta City – DCD 809 N. Broadway, 2 <sup>nd</sup> Floor Milwaukee, WI 53202 Ph: 414-286-5903 Email: mpriol@milwaukee.gov
Vice-President: David Misky RACM		<b>Registered Office</b>  See address for Maria	

809 N. Broadway, 2 <sup>nd</sup> Floor Milwaukee, WI 53202 Ph: 414-286-8682 Email: dmisky@milwaukee.gov		Prioletta in this table.	
Secretary: Sandy Rotar RACM 809 N. Broadway, 3rd Floor Milwaukee, WI 53202 Ph: 414-286-5697 Email: srotar@milwaukee.gov			
Treasurer: Sandy Rotar  (see contact information in this table)			

D. HOA shall, at Closing, file with the Wisconsin DFI a change in HOA’s Registered Agent and Registered Office consistent with the above.

9. **Amendment to Existing Declaration (i.e. the Amended Declaration).**

A. On or before Closing, RACM, the City Engineer, Josey, the Private Owners and the HOA (by its new officers [see the immediately preceding paragraph]) (or, if applicable the new entity succeeding to the interest of the HOA as per the immediately preceding paragraph), shall sign the **Amended Homeowners Declaration** in form and substance of **Exhibit F** attached (the “**Amended Declaration**”), and the Amended Declarations shall, after Closing, be recorded against title to the real property in the Josey Heights Subdivision including the lots owned by the Private Owners, the Josey Lots, the Blvd. Outlot, and the Eric Outlot.

Per § 6.04 of the Existing Declaration, mortgagees of the Private Owners are not being required to sign the Amended Declaration. The parties hereto acknowledge that Josey (as Developer under the Existing Declaration) still owns at least 70% of the Lots in the Subdivision.

B. This is a contingency and condition to RACM having to close. If the Amended Declaration is not signed by Closing, RACM may declare this Agreement terminated.

C. Per § 4.03 of the Existing Declaration, the Amended Declaration shall also be signed by the City Engineer.

10. **RACM Plan.** See RACM Plan Amendment No. 1, § D, “Designs that do not conform to the standards may be authorized by specific action of [RACM].” RACM reserves all rights regarding the RACM Plan, including all rights under Plan Amendment 1.

11. **RACM Payment.** At Closing, RACM shall pay WSB \$225,000 less the Closing expenses associated with this transaction, less \$600 (the 3 one-time general assessments under Existing Declaration § 5.04 (c)) that RACM shall pay to the new HOA (the “**Net Payoff**”), which Net Payoff funds shall be used toward payment of the WSB Note. Neither RACM nor City shall pay or owe any monies to any other party hereto.

12. **Closing Prorations.** At Closing, Josey and RACM shall sign a Closing Statement acknowledging RACM’s payment of the Net Payoff as well as prorations and expenses associated with Closing (Closing expenses) – including, but not limited to:

- A. Josey paying the costs to record with the ROD the documents attached hereto or required hereby;
- B. Josey paying any outstanding sewer or water charge or fee, and special charges and special assessments levied against any Josey Lot or the Blvd. Outlot or the Eric Outlot prior to Closing;
- C. Josey paying outstanding property taxes as well as prorated property taxes prorated through the day of Closing;
- D. Josey paying for the CTIC title commitment and owner’s policy of title insurance for RACM;
- E. Josey paying any Transfer Fee required by any of the conveyances required hereby.

13. **Releases.** On or before Closing, Josey shall obtain and provide to RACM a “Release” in form and substance of **Exhibit G** attached (the “**Release**”) signed by each of the required signatories listed thereon.

14. **Contact Persons.** Contact persons for the parties for purposes of this Agreement are as set forth below.

<p><b>CITY and/or RACM:</b>          Maria Prioletta          City of Milwaukee - DCD          809 N. Broadway, 2<sup>nd</sup> Floor          Milwaukee, WI 53202</p> <p>Ph: 414-286-5903          Email: mpriol@milwaukee.gov</p>	<p><b>JOSEY and/or HOA:</b>          Julie Solochek          1228 E. Juneau Ave. #1          Milwaukee, WI 53202</p> <p>Ph: 414-961-7245          Email: jasolochek@gmail.com</p>
<p><b>HENDERSONS:</b>          Levery and Karen Henderson          2024 N. 13<sup>th</sup> Street          Milwaukee, WI 53205</p> <p>Ph: _____          Email: _____</p>	<p><b>PHILLIPS:</b>          Josiah Phillips          1006 Butterfield Cir. West          Shorewood, IL 60604</p> <p>Ph: _____          Email: _____</p>
<p><b>PUMPHREYS:</b>          Kevin and Tanisha Pumphrey          1335 W. Lloyd Street          Milwaukee, WI 53205</p> <p>Ph: 414-562-1235          Email: kevinpumphrey@yahoo.com</p>	

15. **Amendment.** This Agreement may only be amended by written agreement signed by the parties hereto.

16. **Counterparts.** This Agreement may be signed in one or more counterparts which, when taken together, shall constitute one and the same document. Facsimile and pdf/e-mail signatures shall be accepted as originals.

17. **Assignment.** No party hereto may assign any interest, right or duty hereunder without written consent of RACM and City.

18. **1329 W. Lloyd Inspecton; RACM Termination Right.**

A. Josey shall allow RACM and City, and their respective agents and contractors, to enter and visually inspect the Josey Lots, and to enter and visually inspect and test mechanicals in the interior of improvements at 1329 W. Lloyd Street. At Closing, Josey shall provide all keys, garage door openers, blueprints and plans, and appliance and mechanical brochures and warranties to RACM concerning 1329 W. Lloyd Street.

B. In addition to any other remedy RACM may have at law or in equity, if any non-RACM or non-City party is in breach of this Agreement at Closing, or if RACM's inspection(s) referred to in A. above disclose defects or matters unacceptable to RACM (in RACM's reasonable determination), RACM may terminate this Agreement in which case RACM shall have no duty to Close – it being understood that a RACM contingency to Closing is the other parties hereto performing their respective obligations hereunder and RACM reasonable approval of inspection matters.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed and entered into as of the date first written above by their respective authorized signatories below.

<p><b>CITY: CITY OF MILWAUKEE</b></p> <p>By: _____ Tom Barrett, Mayor</p> <p><b>CITY CLERK</b></p> <p>By: _____ Jim Owczarski, City Clerk</p> <p><b>Countersigned:</b></p> <p>By: _____ Martin Matson, Comptroller</p>	<p><b>RACM: REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE</b></p> <p>By: _____ William J. Schwartz, Board Chair</p> <p>And By: _____ David P. Misky, Assistant Executive Director – Secretary</p> <p><b>RACM Resolution No.</b> _____</p>
<p><b>City Common Council Resolution File No.</b> _____.</p> <p><b>CITY ATTORNEY APPROVAL</b></p> <p>Gregg C. Hagopian, Assistant City Attorney, hereby approves the signatures of the City representatives above per M.C.O. § 304-21.</p>	<p><b>JOSEY: JOSEY HEIGHTS DEVELOPMENT, LLC</b></p> <p>By: JAS DEVELOPMENT, LLC, the sole member and sole manager of Josey</p> <p>By: _____ Julie Solochek, sole manager of JAS and 50% owner/member of JAS</p> <p>And By: _____ Sheldon Solochek, 50% owner/member of JAS</p>

By: \_\_\_\_\_  
Gregg C. Hagopian, Assistant City Attorney  
State Bar No. 1007373

Date: \_\_\_\_\_

**PRIVATE OWNERS**

\_\_\_\_\_  
Leverly Henderson

\_\_\_\_\_  
Karen Henderson

\_\_\_\_\_  
Josiah Phillips

\_\_\_\_\_  
Kevin Pumphrey

\_\_\_\_\_  
Tanisha Pumphrey

**HOA: JOSEY HEIGHTS HOMEOWNERS  
ASSOCIATION, INC.**

By: \_\_\_\_\_  
Julie Solochek, President

## **EXHIBITS**

- A. W.D. Josey to RACM – Josey Lots
- B. W.D. Josey to HOA – Blvd. Lot
- C. W.D. Josey to Eric – Eric Outlot
- D. Satisfaction of WSB Mortgages
- E. RACM Release
- F. Amended Declaration (HOA)
- G. Release

**EXHIBIT A**  
**WARRANTY DEED, JOSEY-TO-RACM, JOSEY LOTS**

Document Number	Document Title	
	<b>WARRANTY DEED</b>	
<p><b><u>Drafted By:</u></b> Gregg Hagopian, Asst. City Attorney</p> <p><b>THIS WARRANTY DEED</b> is made by JOSEY HEIGHTS DEVELOPMENT, LLC, a Wisconsin limited liability company, herein called “<b>Josey</b>,” as Grantor, to the REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, herein called “<b>RACM</b>,” as Grantee.</p> <p style="text-align: center;"><b>WITNESSETH:</b></p>		<p>Recording Area</p> <hr/> <p>Name and Return Address:</p> <p>Gregg Hagopian  Asst. City Attorney  City of Milwaukee  841 N. Broadway – 7<sup>th</sup> Floor  Milwaukee, WI 53202</p> <hr/> <p style="text-align: right;">PIN:    <b>SEE EXHIBIT A</b></p>

1. **Conveyance of Parcels.** Josey hereby conveys to RACM, the real estate, in the City and County of Milwaukee, State of Wisconsin, described on **EXHIBIT B** (herein called the “**Josey Lots**”), together with all of Josey’s right, title and interest in and to the Josey Lots, and all rights and privileges appurtenant to the Josey Lots, including all buildings and fixtures and appurtenances now located thereon.

2. **Warranty.** This is not homestead property. Josey conveys the Josey Lots together with all and singular the hereditaments and appurtenances thereunto belonging; and, Josey warrants that the title is good, indefeasible in fee simple and free and clear of encumbrances except for municipal and zoning ordinances and agreements of record entered under them, recorded easements for the distribution of utilities and municipal services, recorded building and use restrictions and covenants reviewed and approved by grantee prior to closing, and general taxes levied in the year of closing subject to proration as agreed to between grantor and grantee prior to closing, and Josey will warrant and defend the same.

Approved by the City of Milwaukee Common Council by Resolution File No. \_\_\_\_\_ and by the RACM Board by RACM Resolution File No. \_\_\_\_\_.

**IN WITNESS WHEREOF**, Josey, as Grantor, has caused this Deed to be executed by its duly authorized signatories and delivered to RACM as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013.



**EXHIBIT A TO WARRANTY DEED**

<b>TAX KEY # (PIN)</b>	<b>BRIEF LEGAL</b>	<b>ADDRESS</b>
351-4021-000	BLK 1 LOT 1	2046 N 14TH ST
351-4022-000	BLK 1 LOT 2	2036 N 14TH ST
351-4023-000	BLK 1 LOT3	2032 N 14TH ST
351-4024-000	BLK 1 LOT 4	2028 N 14TH ST
351-4026-000	BLK 1 LOT 6	1334 W HARMON ST
351-4027-000	BLK 1 LOT 7	1329 W LLOYD ST
351-4028-000	BLK 1 LOT 8	1328 W HARMON ST
351-4029-000	BLK 1 LOT 9	1323 W LLOYD ST
351-4030-000	BLK 1 LOT 10	1322 W HARMON ST
351-4031-000	BLK 1 LOT 11	1303 W LLOYD ST
351-4032-000	BLK 1 LOT 12	2037 N 13TH ST
351-4033-000	BLK 1 LOT 13	2033 N 13TH ST
351-4034-000	BLK 1 LOT 14	2029 N 13TH ST
351-4035-000	BLK 2 LOT 1	2042 N 13TH ST
351-4036-000	BLK 2 LOT 2	2038 N 13TH ST
351-4037-000	BLK 2 LOT 3	2034 N 13HT ST
351-4038-000	BLK 2 LOT 4	2030 N 13 TH ST
351-4040-000	BLK 2 LOT 6	2020 N 13TH ST
351-4042-000	BLK 2 LOT 8	2012 N 13TH ST
351-4043-000	BLK 2 LOT 9	2008 N 13 TH ST
351-4044-000	BLK 2 LOT 10	2004 N 13TH ST
351-4045-000	BLK 2 LOT 11	2049 N 12TH ST
351-4046-000	BLK 3 LOT 1	2018 N 14TH ST
351-4047-000	BLK 3 LOT 2	1337 W HARMON ST
351-4048-000	BLK 3 LOT 3	1331 W HARMON ST
351-4049-000	BLK 3 LOT 4	1325 W HARMON ST
351-4050-000	BLK 3 LOT 5	1305 W HARMON ST
351-4051-000	BLK 3 LOT 6	2013 N 13TH ST
351-4052-000	BLK 3 LOT 7	2009 N 13TH ST
351-4053-000	BLK 3 LOT 8	2005 N 13TH ST
351-4054-000	BLK 3 LOT 9	1320 W BROWN ST
351-4055-000	BLK 3 LOT 10	1324 W BROWN ST
351-4056-000	BLK 3 LOT 11	1330 W BROWN ST

351-4058-000	BLK 3 LOT 12	1350 W BROWN ST
351-4059-000	BLK 3 LOT 13	1360 W BROWN ST

EXHIBIT B  
WARRANTY DEED, JOSEY-TO-HOA, BLVD. OUTLOT

Document Number	Document Title	
	<b>WARRANTY DEED</b>	
<p><b><u>Drafted By:</u></b> Gregg Hagopian, Asst. City Attorney</p> <p><b>THIS WARRANTY DEED</b> is made by JOSEY HEIGHTS DEVELOPMENT, LLC, a Wisconsin limited liability company, herein called “<b>Josey</b>,” as Grantor, to the JOSEY HEIGHTS HOMEOWNERS ASSOCIATION, INC., a Wisconsin non-stock corporation, herein called “<b>HOA</b>,” as Grantee.</p> <p style="text-align: center;"><b>WITNESSETH:</b></p>		<p>Recording Area</p> <hr/> <p>Name and Return Address:</p> <p>Gregg Hagopian            Asst. City Attorney            City of Milwaukee            841 N. Broadway – 7<sup>th</sup> Floor            Milwaukee, WI 53202</p> <hr/> <p>PIN:            351-4060-000</p>

1. **Conveyance of Parcel.** Josey hereby conveys to HOA, the real estate, in the City and County of Milwaukee, State of Wisconsin, described as follows (herein called the “**Bld. Outlot**”), together with all of Josey’s right, title and interest in and to the Blvd. Outlot, and all rights and privileges appurtenant to the Blvd. Outlot, including all buildings and fixtures and appurtenances, if any, now located thereon.

The Blvd. Outlot:

Address: 2014 N. 13<sup>th</sup> Street, Milwaukee, Wisconsin

TIN: 351-4060-000

Legal Description:

**Outlot 1 in Block 4, in JOSEY HEIGHTS SUBDIVISION**, which Josey Heights Subdivision is a subdivision of, Lots 1 through 18 inclusive, in Block 31 of Subdivision of Lot J; Lots 1 through 13 inclusive, Lots 17 through 32 inclusive, and part of Lots 14, 15 and 16, in Block 31 of Subdivision of Lot K; Lots 13 through 26 inclusive, in Block 28 of Reeve and Roe’s Subdivision; Lots 1 through 12 inclusive, in Block 28 of Subdivision of Lots A, B and G and vacated Streets adjacent to said Lots in the Northeast 1/4 and the Southeast 1/4 of the Northeast 1/4 of Section 19 and the



EXHIBIT C  
**WARRANTY DEED, JOSEY-TO-ERIC, ERIC OUTLOT**

Document Number	Document Title
	<b>WARRANTY DEED</b>
<b><u>Drafted By:</u></b> Gregg Hagopian, Asst. City Attorney	
<b>THIS WARRANTY DEED</b> is made by JOSEY HEIGHTS DEVELOPMENT, LLC, a Wisconsin limited liability company, herein called “ <b>Josey</b> ,” as Grantor, to ERIC DEON GRACE, herein called “ <b>Eric</b> ,” as Grantee.	
<b>WITNESSETH:</b>	
Recording Area	
Name and Return Address:	
Gregg Hagopian Asst. City Attorney City of Milwaukee 841 N. Broadway – 7 <sup>th</sup> Floor Milwaukee, WI 53202	
PIN: 351-4057-000	

1. **Conveyance of Parcel.** Josey hereby conveys to Eric, the real estate, in the City and County of Milwaukee, State of Wisconsin, described as follows (herein called the “**Eric Outlot**”), together with all of Josey’s right, title and interest in and to the Eric Outlot, and all rights and privileges appurtenant to the Eric Outlot, including all buildings and fixtures and appurtenances, if any, now located thereon.

The Eric Outlot:

Address: 1334 W. Brown Street, Milwaukee, Wisconsin

TIN: 351-4057-000

Legal Description:

**Outlot 1 in Block 3, in JOSEY HEIGHTS SUBDIVISION**, which Josey Heights Subdivision is a subdivision of, Lots 1 through 18 inclusive, in Block 31 of Subdivision of Lot J; Lots 1 through 13 inclusive, Lots 17 through 32 inclusive, and part of Lots 14, 15 and 16, in Block 31 of Subdivision of Lot K; Lots 13 through 26 inclusive, in Block 28 of Reeve and Roe's Subdivision; Lots 1 through 12 inclusive, in Block 28 of Subdivision of Lots A, B and G and vacated Streets adjacent to said Lots in the Northeast 1/4 and the Southeast 1/4 of the Northeast 1/4 of Section 19 and the

Northwest 1/4 and the Southwest 1/4 of the Northwest 1/4 of Section 20, Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

2. **Warranty.** This is not homestead property. Josey conveys the Eric Outlot together with all and singular the hereditaments and appurtenances thereunto belonging; and, Josey warrants that the title is good, indefeasible in fee simple and free and clear of encumbrances except for municipal and zoning ordinances and agreements of record entered under them, recorded easements for the distribution of utilities and municipal services, recorded building and use restrictions and covenants, and general taxes levied in the year of closing, and Josey will warrant and defend the same.

3. **Joinder Restriction.** The Eric Outlot (1334 W. Brown Street, Milwaukee, TIN 351-4057-000) is conveyed subject to the restrictive covenant that it shall be joined with Eric's adjoining property with an address of 1338-1340 W. Brown Street, Milwaukee, TIN 351-3215-110, so as to create a single parcel of real estate, that must be respected as a single and entire unit, that shall not be divided or separated without the approval of the Common Council of the City of Milwaukee ("City"), and a City Common Council Resolution authorizing division or separation being recorded in the Milwaukee County Register of Deeds Office ("ROD") against the whole of the joined parcels. Absent such Resolution having been recorded in the ROD, only the whole of the combined parcels may be conveyed or transferred.

The description of the 1338-1340 W. Brown Street parcel is: the west 45' of Lots 14, 15 & 16 in Block 31, in Subdivision of Lot "K" in part of the E 1/2 of the NE 1/4 of Section 19, in the west 1/2 of the NW 1/4 of Section 20, in T7N, R22E, in the City and County of Milwaukee, Wisconsin,

See City of Milwaukee Common Council Resolution File No. \_\_\_\_\_ and  
Redevelopment Authority of the City of Milwaukee Resolution File No.  
\_\_\_\_\_.

**IN WITNESS WHEREOF**, Josey, as Grantor, has caused this Deed to be executed by its duly authorized signatories and delivered to Eric as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**JOSEY: JOSEY HEIGHTS DEVELOPMENT, LLC**

By: JAS DEVELOPMENT, LLC, the sole member and sole manager of Josey

By: \_\_\_\_\_  
Julie Solocheck, sole manager of JAS and 50% owner/member of JAS

And By: \_\_\_\_\_  
Sheldon Solocheck, 50% owner/member of JAS

**ACKNOWLEDGMENT**

STATE OF WISCONSIN     )  
  ) SS.  
COUNTY OF MILWAUKEE)

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013, the above-named Julie Solochek as the sole manager and a member of, and Sheldon Solochek, as a member of, JAS DEVELOPMENT, LLC, which LLC is the sole manager and sole member of JOSEY HEIGHTS DEVELOPMENT, LLC, to me known to be the persons who executed the foregoing instrument in such capacity, with the each of those LLC's respective authority, and acknowledged the same.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, Wisconsin  
My Commission: \_\_\_\_\_

**EXHIBIT D**  
**SATISFACTION OF WSB MORTGAGE**

SATISFACTION OF MORTGAGE

DOCUMENT NUMBER

RETURN TO MORTGAGOR AT:

c/o Maria Prioletta  
City DCD  
809 N. Broadway, 2<sup>nd</sup> Floor  
Milwaukee, WI 53202

PARCEL ID NUMBER

**SEE EXHIBIT A**

The undersigned certifies that WATERSTONE BANK SSB F/K/A WAUWATOSA SAVINGS BANK

is the present owner of a mortgage executed by JOSEY HEIGHTS DEVELOPMENT, LLC

to WATERSTONE BANK SSB F/K/A WAUWATOSA SAVINGS BANK

to secure payment of \$ 840,800, dated

APRIL 6, 2006, recorded in the

office of the Register of Deeds of MILWAUKEE County,

Wisconsin, on MAY 9, 2006,

as Document Number, 9231548, in Reel/Volume \_\_\_ of Mortgages, Image/Page \_\_\_, has a right to satisfy the same, and hereby satisfies the above described mortgage. The real estate affected by the above-described mortgage is described as follows:

LEGAL DESCRIPTION ATTACHED AS **EXHIBIT B**.

Dated: \_\_\_\_\_.

WATERSTONE BANK SSB

\_\_\_\_\_  
KENDRA WALTERS, ASSISTANT VICE PRESIDENT

STATE OF WISCONSIN

MILWAUKEE County

Personally came before me on \_\_\_\_\_, the above named KENDRA WALTERS, ASSISTANT VICE PRESIDENT to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

This instrument was drafted by:

\_\_\_\_\_  
Gail L. Tolliver

W. F. Bruss for  
Wisconsin  
WaterStone Bank SSB

(Seal) Notary Public, \_\_\_\_\_ State of

My Commission Expires 10-23-2016

**EXHIBIT A TO WSB MORTGAGE SATISFACTION**

<b>TAX KEY # (PIN)</b>	<b>BRIEF LEGAL</b>	<b>ADDRESS</b>
351-4021-000	BLK 1 LOT 1	2046 N 14TH ST
351-4022-000	BLK 1 LOT 2	2036 N 14TH ST
351-4023-000	BLK 1 LOT3	2032 N 14TH ST
351-4024-000	BLK 1 LOT 4	2028 N 14TH ST
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351-4026-000	BLK 1 LOT 6	1334 W HARMON ST
351-4027-000	BLK 1 LOT 7	1329 W LLOYD ST
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351-4033-000	BLK 1 LOT 13	2033 N 13TH ST
351-4034-000	BLK 1 LOT 14	2029 N 13TH ST
351-4035-000	BLK 2 LOT 1	2042 N 13TH ST
351-4036-000	BLK 2 LOT 2	2038 N 13TH ST
351-4037-000	BLK 2 LOT 3	2034 N 13HT ST
351-4038-000	BLK 2 LOT 4	2030 N 13 TH ST
351-4039-000	BLK 2 LOT 5	2024 N 13TH ST
351-4040-000	BLK 2 LOT 6	2020 N 13TH ST
351-4041-000	BLK 2 LOT 7	2016 N 13TH ST
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351-4043-000	BLK 2 LOT 9	2008 N 13 TH ST
351-4044-000	BLK 2 LOT 10	2004 N 13TH ST
351-4045-000	BLK 2 LOT 11	2049 N 12TH ST
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351-4050-000	BLK 3 LOT 5	1305 W HARMON ST
351-4051-000	BLK 3 LOT 6	2013 N 13TH ST
351-4052-000	BLK 3 LOT 7	2009 N 13TH ST
351-4053-000	BLK 3 LOT 8	2005 N 13TH ST
351-4054-000	BLK 3 LOT 9	1320 W BROWN ST
351-4055-000	BLK 3 LOT 10	1324 W BROWN ST
351-4056-000	BLK 3 LOT 11	1330 W BROWN ST

351-4057-000	BLK 3 OUTLOT 1	1334 W BROWN ST
351-4058-000	BLK 3 LOT 12	1350 W BROWN ST
351-4059-000	BLK 3 LOT 13	1360 W BROWN ST
351-4060-000	BLK 4 OUTLOT 1	2014 N 13TH ST

**EXHIBIT E**  
**RACM RELEASE, SATISFACTION OF DA**

Document Number	Document Title	<b>SATISFACTION</b>
<p><b><u>Drafted By:</u></b> Gregg Hagopian, Asst. City Attorney</p> <p><b>THIS SATISFACTION</b> is made by the REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, herein called "<b>RACM.</b>"</p> <p style="text-align: center;"><b>WITNESSETH:</b></p>		
		<p>Recording Area</p> <hr/> <p>Name and Return Address:</p> <p>Gregg Hagopian            Asst. City Attorney            City of Milwaukee            841 N. Broadway – 7<sup>th</sup> Floor            Milwaukee, WI 53202</p> <hr/> <p>PIN:            See <b>EXHIBIT A</b></p>

A. RACM, the City of Milwaukee ("City"), and Josey Heights Development, LLC ("Josey") are parties to the "Josey Heights Development Agreement" that was recorded in the Milwaukee County Register of Deeds Office ("**ROD**") on February 28, 2006 as Document No. 09191033 (the "**DA**"). The DA was amended by a "1<sup>st</sup> Amendment to Development Agreement" recorded with the ROD on March 21, 2006, as Document No. 09204347. The term "DA" as used herein means the Development Agreement, as amended.

B. Per the DA, RACM sold and conveyed to Josey certain real property by Limited Warranty Deed recorded with the ROD on March 24, 2006 as Document No. 09204346 (the "**2006 Deed**"), as more particularly described in **EXHIBIT B** attached (the "**Subdivision Parcels**"). The 2006 Deed stated that the conveyance was subject to the DA, including RACM's reversionary interest in and to the Subdivision Parcels in the event of breach by Josey, and that the 2006 Deed was subject to Josey's duty to construct the **Project** (as defined in the DA).

C. Josey breached its obligations under each of the DA and the 2006 Deed, thereby entitling RACM to exercise remedies and rights, including RACM's revesionary interest in the Subdivision Parcels.

D. Subsequent to Josey breach, the City, RACM, Josey and others entered into a “Josey Work-Out Agreement” dated as of \_\_\_\_\_, 2013, approved by City Common Council Resolution File No. \_\_\_\_\_ and RACM Resolution File No. \_\_\_\_\_, authorizing settlement of matters associated with the Josey’s noncompliance and breach.

E. RACM signs and records this Satisfaction, as required and contemplated by the Work-Out Agreement. RACM hereby releases and satisfies of record:

- The DA and all conditions, requirements and restrictions therein (including RACM’s rights thereunder, including its reversionary interest in and to the Subdivision Parcels), intending that the DA (except as otherwise provided for in Section F below) shall be and is terminated, and further intending that the Subdivision Parcels shall no longer be affected or encumbered by the DA
- The conditions and restrictions contained in the 2006 Deed (including restrictions relating to the DA and RACM’s reversionary interest), intending (except as otherwise provided for in Section F below) that such conditions and restrictions shall be and are terminated, and further intending that the Subdivision Parcels shall no longer be affected or encumbered by such conditions and restrictions.

F. Notwithstanding the foregoing, however, RACM continues to reserve for itself and for the benefit of the City and any public utility company (i) the right to enter the Subdivision Parcels to construct, reconstruct, maintain, replace, service, and repair any public utilities, and also any utility that may be of record against the real estate, and (ii) rights under Wis. Stat. § 66.1005.

**IN WITNESS WHEREOF**, RACM has caused this Satisfaction to be executed by its duly authorized signatories as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**RACM: REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE**

By: \_\_\_\_\_  
William J. Schwartz, Board Chair

And By: \_\_\_\_\_  
David P. Misky,  
Assistant Executive Director – Secretary

**RACM Resolution No.** \_\_\_\_\_  
**City Common Council Resolution File No.** \_\_\_\_\_

**AUTHENTICATION**

Gregg Hagopian, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of the RACM representatives/signatories above per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: \_\_\_\_\_  
Gregg Hagopian, Asst. City Attorney  
State Bar No. 1007373

Date: \_\_\_\_\_

**EXHIBIT A TO RACM RELEASE (PIN)**

<b>TAX KEY # (PIN)</b>	<b>BRIEF LEGAL</b>	<b>ADDRESS</b>
351-4021-000	BLK 1 LOT 1	2046 N 14TH ST
351-4022-000	BLK 1 LOT 2	2036 N 14TH ST
351-4023-000	BLK 1 LOT3	2032 N 14TH ST
351-4024-000	BLK 1 LOT 4	2028 N 14TH ST
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351-4057-000	BLK 3 OUTLOT 1	1334 W BROWN ST
351-4058-000	BLK 3 LOT 12	1350 W BROWN ST
351-4059-000	BLK 3 LOT 13	1360 W BROWN ST
351-4060-000	BLK 4 OUTLOT 1	2014 N 13TH ST

**EXHIBIT F**  
**AMENDED HOMEOWNERS ASSOCIATION DECLARATION**

Document Number	AMENDMENT Document Title
<b><u>Drafted By:</u></b> Gregg Hagopian, Asst. City Attorney	
	Recording Area Name and Return Address:  Gregg Hagopian Asst. City Attorney City of Milwaukee 841 N. Broadway – 7 <sup>th</sup> Floor Milwaukee, WI 53202
	PIN: SEE EXHIBIT A

**THIS AMENDMENT** (the “**Amendment**”) is made and dated as of \_\_\_\_\_, 2013, is for good and valuable consideration, receipt and sufficiency of which are acknowledged, and is by and among the **REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE** (“**RACM**”), **JOSEY HEIGHTS DEVELOPMENT, LLC** (“**Josey**”), a Wisconsin domestic limited liability company, the **JOSEY HEIGHTS HOMEOWNERS ASSOCIATION, INC.** (the “**HOA**”), a Wisconsin non-stock corporation, and the following individual homeowners in the Josey Heights Subdivision: **LEVERY** and **KAREN HENDERSON** (“**Hendersons**”); **JOSIAH PHILLIPS** (“**Phillips**”); and **KEVIN** and **TANISHA PUMPHREY** (“**Pumphreys**”). The Hendersons, Phillips and Pumphreys are herein also individually and collectively called “**Private Owners.**”

### **RECITALS**

A. RACM, City, and Josey entered into a “Josey Heights Development Agreement” that was recorded in the Milwaukee County Register of Deeds Office (“**ROD**”) on February 28, 2006 as Document No. 09191033 (the “**DA**”). The DA was amended by a “1<sup>st</sup> Amendment to Development Agreement” recorded with the ROD on March 21, 2006, as Document No. 09204347. The term “DA” as used herein means the Development Agreement, as amended.

B. Per the DA, RACM sold and conveyed to Josey certain real property by Limited Warranty Deed recorded with the ROD on March 24, 2006 as Document No. 09204346. That Deed stated that the conveyance was subject to the DA, including RACM’s reversionary interest in and to the conveyed property in the event of breach by Josey, and that the Deed was subject to Josey’s duty to construct the **Project** (as defined in the DA).

C. Under the DA, Josey was to create a residential subdivision and undertake and complete the Project thereon. Josey breached the DA. No Certificate of Completion has been, or will be, issued (DA § 10). The City did construct the Public Improvements (defined in DA § 6 (b)). The Logistics Plan was performed (DA § 3 (c)).

D. Josey recorded with the ROD a Subdivision Plat on March 13, 2006 as Document No. 09199539. Josey and the HOA entered into a February, 2007 “Declaration of Restrictions, Covenants and Easements and Establishment of Homeowners Association for Josey Heights Subdivision” that Josey recorded with the ROD on March 9, 2007, as Document No. 09397876 (the “**Existing Declaration**”) against the parcels with Tax Key Numbers described on **Exhibit A** and with legal descriptions contained on **Exhibit B**.

E. Under the Josey Subdivision Plat, in the Josey Heights Subdivision, there are 37 single-family lots, one multi-family lot (Lot 11, Block 2, 2049 N. 12<sup>th</sup> Street, TIN 351-4045-000), and

two outlots (Outlot 1, Block 3, 1334 W. Brown Street, TIN 351-4057-000 herein called the “**Eric Outlot**,” and Outlot1, Block 4, 2014 N. 13<sup>th</sup> Street, TIN 351-4060-000, herein called the “**Blvd. Outlot**”). In the Existing Declaration, the Blvd. Outlot is also called the **Common Area**.

F. Josey filed a Stormwater Management (“**SWM**”) Plan with the City under Milwaukee Code of Ordinances (“**MCO**”) § 120-9 that the City Engineer approved on September 26, 2005. Subsequent thereto, Josey and the HOA entered into the Existing Declaration. Per the Existing Declaration, among other things: various restrictive covenants were imposed upon the lots and the Blvd. Outlot in the Josey Heights Subdivision; easements for the SWM Plan were created; duties concerning the SWM Plan were established; purpose and creation of the HOA were established; membership in the HOA was established; and lot-owner and HOA duties were established. The HOA breached the Existing Declaration and SWM Plan. Among other things, maintenance was not performed, and there was no 2010 re-certification of the SWM Plan as required by MCO § 120-15.

G. On \_\_\_\_\_, 2013, the City of Milwaukee (“**City**”), RACM, Josey, the HOA, and the Private Owners entered into a “Josey Work-Out Agreement” (the “**Work-Out Agreement**”). In accordance with the Work-Out Agreement:

1. The parties thereto agreed that the Work-Out Agreement was a settlement, including resolution of matters regarding the DA, the Existing Declaration, and the SWM Plan (see Work-Out Agreement ¶3).
2. RACM signed and recorded with the ROD, on \_\_\_\_\_, 2013 as ROD Document No. \_\_\_\_\_ a Satisfaction to release and terminate the DA, and to release the conditions and restrictions in the 2006 Limited Warranty Deed referred to in Recital B. Per that Satisfaction, the DA was terminated.
3. Josey conveyed the Eric Outlot to Eric Deon Grace (see deed recorded with the ROD, on \_\_\_\_\_, 2013 as ROD Document No. \_\_\_\_\_).
4. Josey conveyed to RACM Lots 1-4 and 6-14 in Block 1, Lots 1-4, 6 and 8-11 in Block 2, and Lots 1-13 in Block 3, to RACM (the “**Josey Lots**”) (see deed recorded with the ROD, on \_\_\_\_\_, 2013 as ROD Document No. \_\_\_\_\_).
5. Josey conveyed to the HOA the Blvd. Outlot (Outlot 1 in Block 4) (see deed recorded with the ROD, on \_\_\_\_\_, 2013 as ROD Document No. \_\_\_\_\_).

H. The Private Owners own as follows:

1. Lot 5 in Block 2 (2024 N. 13<sup>th</sup> Street, TIN 351-4039-000) is owned by the Hendersons.
2. Lot 7 in Block 2 (2016 N. 13<sup>th</sup> Street, TIN 351-4041-000) is owned by the Phillips.
3. Lot 5 in Block 1 (1335 W. Lloyd Street, TIN 351-4025-000) is owned by the Pumphreys.

I. In light of Josey's conveyance to RACM of the Josey Lots, RACM and the Private Owners - together - now own 100% of the HOA and constitute 100% of the HOA members. Work-Out Agreement ¶8.C. Existing Declaration 5.01 and 5.02.

J. This Amendment is being put in place in furtherance of Work-Out Agreement ¶9 that required the Existing Declaration to be amended.

**AGREED**

1. **Recitals.** The recitals above are hereby acknowledged and agreed to.

2. **Amendments to & Clarifications Concerning Existing Declaration.** The Existing Declaration is hereby amended and clarified as follows:

A. While the Existing Declaration (3.01 (e)) correctly defined "Developer" as Josey (Josey Heights Development, LLC), it is understood that RACM acquired the Josey Lots from Josey by deed, and RACM is now successor owner to Josey of the Josey Lots, and that Josey no longer owns any right, title or interest in and to the Josey Lots or in and to any part of the Subdivision.

B. The definition of "Developer" in Existing Declaration 3.01 (e) and the definition of "Successor Developer" in Existing Declaration 3.01 (q) are hereby amended and changed to mean:

"The Redevelopment Authority of the City of Milwaukee ("RACM") and any public governmental entity that acquires at least 30 of the Josey Lots from RACM."

C. Because the DA was terminated, the Existing Declaration (as amended) is no longer subject or subordinate to the DA.

D. The HOA adopts the HOA Bylaws dated as of November \_\_\_\_\_, 2013.

E. Notwithstanding anything to the contrary contained in the Existing Declaration, the HOA and its members accept (i) the HOA Unanimous Consent Resolution delivered to RACM under Work-Out Agreement ¶8; and (ii) the designation of HOA officers, directors, registered agent, registered office and contact person in Work-Out Agreement ¶8.

F. Existing Declaration 3.04 (e)'s reference to Section 7.4 is hereby amended and changed to instead refer to Section 6.4.

G. Regarding Existing Declaration 3.05 (c), the parties hereto acknowledge that the Common Areas in the Subdivision (i.e. Outlot 1, Block 4) (i.e. the Blvd. Outlot) were already conveyed to the HOA.

H. For purposes of Existing Declaration 5.04 (c), no per-Lot \$200 payment is required or due regarding Josey's conveyance of the Josey Lots to RACM, or regarding RACM's conveyance of the Josey Lots to a public governmental entity that acquires from RACM. But, that per-Lot payment shall be required at the closing of any sale or transfer of a Lot by RACM (or by a public governmental entity that acquires from RACM) to a third party, private owner.

I. Existing Declaration 5.07 (service of process) is amended so that service upon the HOA may be made in any manner authorized by and in accordance with Wisconsin law, including Wis. Stat. § 181.0504.

H. The language at Existing Declaration 5.08 (a) is deleted and replaced with the following:

“The Association (through the Board) shall have the right to enforce, by proceedings at law or in equity, all the terms, conditions, and provisions of this Declaration and any Rules or Regulations adopted by the Association, except that any Lot Owner may proceed, at such Owner's expense, to enforce any such terms, conditions and provisions (other than for collection of assessments against Owners of other Lots) if the Association fails to take such action within 120 days following a written request by such Lot Owner for the Association to do so.”

I. For purposes of Existing Declaration 6.04 (see also Work-Out Agreement ¶9), RACM, as successor in ownership to Josey of the Josey Lots, owns at least 70% of the Lots in the Subdivision.

J. Except as otherwise expressly clarified and amended hereby, the Existing Declaration remains in full force and effect.

3. **Counterparts.** This Amendment may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. Original signatures shall be provided for recording purposes.

**IN WITNESS WHEREOF,** the parties hereto have caused this Amendment to be signed and entered into as of the date first written above by their respective authorized signatories below.

<p><b>CITY: CITY OF MILWAUKEE</b></p> <p><b>City Engineer</b></p> <p>By: _____          Jeff Polenske, City Engineer, signing and approving per Existing Declaration 4.03.</p> <p><b>City Common Council Resolution File No.</b>          _____.</p>	<p><b>RACM: REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE</b></p> <p>By: _____          William J. Schwartz, Board Chair</p> <p>And By: _____          David P. Misky,          Assistant Executive Director – Secretary</p>
<p><b>CITY ATTORNEY APPROVAL/AUTHENTICATION</b></p> <p>Gregg Hagopian, as a member in good standing of the State Bar of Wisconsin, hereby approves the signatures of the City representative above per M.C.O. § 304-21, and also authenticates the signatures of that City representative/signatory per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).</p> <p>By: _____          Gregg Hagopian, Asst. City Attorney          State Bar No. 1007373</p> <p>Date: _____</p>	<p><b>RACM Resolution No.</b> _____</p> <p><b>RACM AUTHENTICATION</b></p> <p>Gregg Hagopian, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of the RACM representatives/signatories above per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).</p> <p>By: _____          Gregg Hagopian, Asst. City Attorney          State Bar No. 1007373</p> <p>Date: _____</p>
	<p><b>JOSEY: JOSEY HEIGHTS DEVELOPMENT, LLC</b></p> <p>By: JAS DEVELOPMENT, LLC, the sole member and sole manager of Josey</p>

By: \_\_\_\_\_  
Julie Solochek, sole manager of JAS and 50% owner/member of JAS

And By: \_\_\_\_\_  
Sheldon Solochek, 50% owner/member of JAS

**JOSEY AUTHENTICATION**

\_\_\_\_\_, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of the Josey representatives/signatories above per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

State Bar No.: \_\_\_\_\_

Date: \_\_\_\_\_

**PRIVATE OWNERS**

\_\_\_\_\_  
Leverly Henderson

\_\_\_\_\_  
Karen Henderson

**HOA: JOSEY HEIGHTS HOMEOWNERS ASSOCIATION, INC.**

By: \_\_\_\_\_  
Maria Prioletta, President

**HOA AUTHENTICATION**

Gregg Hagopian, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of the HOA representative/signatory above per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: \_\_\_\_\_  
Gregg Hagopian, Asst. City Attorney  
State Bar No.: 1007373

Date: \_\_\_\_\_

\_\_\_\_\_  
Josiah Phillips

\_\_\_\_\_  
Kevin Pumphrey

\_\_\_\_\_  
Tanisha Pumphrey

**PRIVATE OWNER AUTHENTICATION**

\_\_\_\_\_, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of the Private Owner representatives/signatories above per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

State Bar No.: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A TO AMENDED DECLARATION**

<b>TAX KEY # (PIN)</b>	<b>BRIEF LEGAL</b>	<b>ADDRESS</b>
351-4021-000	BLK 1 LOT 1	2046 N 14TH ST
351-4022-000	BLK 1 LOT 2	2036 N 14TH ST
351-4023-000	BLK 1 LOT3	2032 N 14TH ST
351-4024-000	BLK 1 LOT 4	2028 N 14TH ST
351-4025-000	BLK 1 LOT 5	1335 W LLOYD ST
351-4026-000	BLK 1 LOT 6	1334 W HARMON ST
351-4027-000	BLK 1 LOT 7	1329 W LLOYD ST
351-4028-000	BLK 1 LOT 8	1328 W HARMON ST
351-4029-000	BLK 1 LOT 9	1323 W LLOYD ST
351-4030-000	BLK 1 LOT 10	1322 W HARMON ST
351-4031-000	BLK 1 LOT 11	1303 W LLOYD ST
351-4032-000	BLK 1 LOT 12	2037 N 13TH ST
351-4033-000	BLK 1 LOT 13	2033 N 13TH ST
351-4034-000	BLK 1 LOT 14	2029 N 13TH ST
351-4035-000	BLK 2 LOT 1	2042 N 13TH ST
351-4036-000	BLK 2 LOT 2	2038 N 13TH ST
351-4037-000	BLK 2 LOT 3	2034 N 13HT ST
351-4038-000	BLK 2 LOT 4	2030 N 13 TH ST
351-4039-000	BLK 2 LOT 5	2024 N 13TH ST
351-4040-000	BLK 2 LOT 6	2020 N 13TH ST
351-4041-000	BLK 2 LOT 7	2016 N 13TH ST
351-4042-000	BLK 2 LOT 8	2012 N 13TH ST
351-4043-000	BLK 2 LOT 9	2008 N 13 TH ST
351-4044-000	BLK 2 LOT 10	2004 N 13TH ST
351-4045-000	BLK 2 LOT 11	2049 N 12TH ST
351-4046-000	BLK 3 LOT 1	2018 N 14TH ST
351-4047-000	BLK 3 LOT 2	1337 W HARMON ST
351-4048-000	BLK 3 LOT 3	1331 W HARMON ST
351-4049-000	BLK 3 LOT 4	1325 W HARMON ST
351-4050-000	BLK 3 LOT 5	1305 W HARMON ST
351-4051-000	BLK 3 LOT 6	2013 N 13TH ST
351-4052-000	BLK 3 LOT 7	2009 N 13TH ST
351-4053-000	BLK 3 LOT 8	2005 N 13TH ST
351-4054-000	BLK 3 LOT 9	1320 W BROWN ST
351-4055-000	BLK 3 LOT 10	1324 W BROWN ST
351-4056-000	BLK 3 LOT 11	1330 W BROWN ST

351-4057-000	BLK 3 OUTLOT 1	1334 W BROWN ST
351-4058-000	BLK 3 LOT 12	1350 W BROWN ST
351-4059-000	BLK 3 LOT 13	1360 W BROWN ST
351-4060-000	BLK 4 OUTLOT 1	2014 N 13TH ST

**EXHIBIT G**  
**RELEASE**

Waterstone Bank (“WSB”), Julie Solochek, Sheldon Solochek, Gaurie Rodman, Jeffrey Rodman, Coach House Development, LLC, and KOBA, LLC (the foregoing are individually and collectively herein called “Releasor”) each hereby agrees as follows.

1. Each signor hereto acknowledges having received and read that certain “Josey Work-Out Agreement” (the “Agreement”), dated as of \_\_\_\_\_, 2013, by and among City, RACM, Josey, HOA, and the Private Owners (as those terms are defined in the Agreement), including §§ 3, 6-8, 11 and 13.
2. Each signor agrees to provide this Release that may and shall be relied upon by all parties to the Agreement and all signors hereto.
3. Each signor agrees to be included within the term “party” or “parties” for purposes of Agreement § 3 so that they too release and settle under the same terms as are in said § 3.
4. Each signor agrees that the Performance Deposit paid by Josey under the DA is entirely owned by RACM and is not encumbered or restricted by the DA. RACM has no duty to return the deposit to Josey or anyone else.
5. This document may be signed in one or more counterparts and facsimile or PDF signatures shall be accepted as originals.

Dated as of \_\_\_\_\_, 2013.

<b>COACH HOUSE DEVELOPMENT, LLC</b>	<b>WATERSTONE BANK</b>
By: _____ Gaurie Rodman, 50% owner/member  And By: _____ Jeff Rodman, 50% owner/member	By: _____  Name Printed: _____  Title: _____

<p>_____ Julie Solochek, individually</p> <p>_____ Sheldon Solochek, individually</p>	<p>_____ Gaurie Rodman, individually</p> <p>_____ Jeffrey Rodman, individually</p>
<p><b>KOBA, LLC</b></p> <p>By: _____ George Calaway, sole manager</p>	