

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE : June 28, 2012

TO : Marina Dimitrijevic, County Board Chairperson

FROM : Craig C. Dillmann, Manager of Real Estate Services
Department of Administrative Services

SUBJECT : From Ronald McDonald House Charities of Eastern Wisconsin, Inc. submitting an offer to purchase 3.5-acres of County-owned land abutting the 4.0-acres of land under lease at 8948 West Watertown Plank Road in the City of Wauwatosa.

BACKGROUND:

In March, 1983 Our House in Milwaukee, Inc., aka Ronald McDonald House (“RMH”) entered into a \$1.00 per year ground lease (“Lease”) with Milwaukee County (“County”) on approximately 4.0-acres of County-owned land located at 8940 West Watertown Plank Road. The current Lease continues in force with an initial term of thirty (30) years with extensions expiring on February 28, 2083.

RMH has expressed to the Economic and Community Development (“ECD”) Committee on several occasions their desire to add land to the 4.0 acres they currently lease so they can expand their mission of providing temporary housing for seriously ill children and their families while confined to or visiting area hospitals. RMH’s most recent presentation to the ECD Committee on June 18, 2012, expressed their interest in acquiring a 3.5-acre area of land adjacent to the leased 4.0 acres.

RMH has submitted the attached offer to purchase (“Offer”), with the accompanying Development Agreement, for an additional 3.5-acres of County-owned land. The terms and conditions are summarized and paraphrased as follows:

Subject Land to be Purchased:

- A 3.5-acre land area abutting the 4.0 acres RMH currently leases at 8940 W. Watertown Plank Road in the City of Wauwatosa. Said 3.5-acres is more specifically depicted on Exhibits A-1 and A-2 attached to the Offer (“Expansion Land”).

Purchase Price:

- Cash offer in the amount of the appraised value of \$675,500.

Closing:

- On or before September 30, 2012.

Title Evidence:

- County shall provide, at RMH expense, a title commitment with GAP coverage satisfactory to RMH.

Conveyance Conditions:

- County to retain property interests for right of entry to County utilities located on the Expansion Land.
- RMH signage shall be consistent with signage for the Milwaukee Regional Medical Center (“MRMC”).
- RMH shall proportionately share pay on an annual basis for fire protection service.
- RMH shall proportionately pay on an annual basis for supportive services, for long as provided, similar to the other MRMC geographic members, pursuant to Chapter 98, Milwaukee County General Ordinances, commonly known as the Cost Sharing Ordinance (“CSO”). Said supportive CSO services shall comprise, but not be limited to, water, sanitary and storm sewer, tie-in privileges to utilities, costs and expenses for utility metering and controlling devices, etc.
- RMH shall accept the Expansion Land “as-is”, “where-is” with all faults and conditions (i.e. environmental, subsoil, subsurface structures), with indemnification to the County.
- RMH shall maintain, replace and assume all costs for snowplowing/de-icing of all internal RMH roadways, parking lots and walkways on the Expansion Land as well as the access roadway from Watertown Plank Road.
- At a future date determined by the County, in conjunction with the City of Wauwatosa and RMH, RMH shall financially participate proportionately in the reconstruction and ongoing maintenance of that portion of North 92nd Street extending from Watertown Plank Road to the current north line of the RMH property, if the increased RMH building density demands ingress/egress other than via Watertown Plank Road.
- RMH shall be receptive to incorporating in its development plans walking trails which provide public access linking RMH’s property with the County land to the north and the existing natural resources within the Northeast Quadrant and greater surrounding area.
- RMH shall be prohibited from selling any or all of the leased or Expansion Land

without County Board approval.

- Construction and development of RMH’s improvements shall be in compliance with Disadvantaged Business Enterprise (“DBE”) participation for professional services (17%) and construction (25%), use the standards, policies and procedures of the County’s Community Business Development Partners (“CBDP”) and seek assistance of CBDP to achieve said DBE goals.
- RMH commitment to Labor Standards, including prevailing wage overtime rates, minimum hourly wage rates and minimum fringe benefits as then filed and nondiscrimination and affirmative action commitments.
- Pursuant to County Board Resolution File No. 02-456, RMH shall assume those real estate cost/fees typically associated with a seller of real estate, including but not limited to land division expenses (Certified Survey Map), title insurance, legal descriptions and filing and recording fees.
- RMH shall deliver a bond/letter of credit/fund deposit of \$50,000 as security for the full and complete performance of all obligations, agreements and covenants.
- RMH to guarantee the full performance of all obligations with the County retaining a repurchase provision for default in commencing construction.

Ground Lease Land Conveyance:

- Upon termination of the current Lease ending February 28, 2083, or earlier at the County’s sole option, title to the 4.0-acre ground lease area shall be conveyed to RMH by Warranty Deed, for \$1.00, “as-is” and “where-is” with respect to environmental and subsoil conditions.

Future Expansion Purchase:

- County to consider any request from RMH for an additional 3.5-acres, beyond the initial 3.5-acre Expansion Land. The additional 3.5-acres, desired for the further expansion of the RMH mission, is depicted on Exhibits B-1 and B-2 attached to the Offer. Approval to purchase this additional land shall be made by the County Board of Supervisors and if approval is granted, County and RMH shall enter into an amendment to the Development Agreement.

RECOMMENDATION:

Staff respectfully requests the Economic and Community Development Committee recommend to the Milwaukee County Board of Supervisors the following:

- Acceptance of the Offer to Purchase from RMH, in the amount of \$675,500, for the 3.5-acre Expansion Land abutting the 4.0-acre parcel currently leased by RMH at 8948 West Watertown Plank Road in the City of Wauwatosa.

- Approval of the Development Agreement, with non-substantive revisions approved by Corporation Counsel, memorializing the terms and conditions of purchasing and developing the land for the RMH mission.
- Execution of a Certified Survey Map defining the 3.5-acre Expansion Land.

FISCAL NOTE:

The \$675,500 purchase price, less sales expenses, if any, shall be deposited pursuant to the adopted 2012 County budget.

Craig C. Dillmann, Manager
Real Estate Services

ECD Committee meeting date: July 16, 2012
Attachments

cc: Chris Abele, County Executive
Supervisor James J. Schmitt, District 19
Patrick Farley, Director DAS
Brian Taffora, Director Economic Development (DAS)
Vince Masterson, Fiscal Mgt Analyst-DAS

WB-13 VACANT LAND OFFER TO PURCHASE

1 LICENSEE DRAFTING THIS OFFER ON June 13, 2012 [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, Ronald McDonald House Charities of Eastern Wisconsin, Inc.

4 _____, offers to purchase the Property
5 known as [Street Address] vacant land more particularly described on Exhibit A, attached hereto
6 in the City of Wauwatosa, County of Milwaukee, Wisconsin (Insert
7 additional description, if any, at lines 458-464 or 526-534 or attach as an addendum per line 525), on the following terms:

8 ■ PURCHASE PRICE: Six Hundred Seventy-Five Thousand Five Hundred Dollars
9 _____ Dollars (\$ 675,500.00).

10 ■ EARNEST MONEY of \$ _____ accompanies this Offer and earnest money of \$ _____
11 will be mailed, or commercially or personally delivered within _____ 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
15 date of this Offer not excluded at lines 18-19, and the following additional items: _____
16 _____
17 _____

18 ■ NOT INCLUDED IN PURCHASE PRICE: _____
19 _____

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

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

24 ■ ZONING: Seller represents that the Property is zoned: _____

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

27 CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines
28 running from 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
30 or before August 24, 2012. Seller may keep the Property on the

31 market and accept 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
34 OFFER ONLY IF THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A"
35 OR ARE LEFT BLANK.

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

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

40 Seller's recipient for delivery (optional): _____

41 Buyer's recipient for delivery (optional): Michael Best & Friedrich LLP, ATTN: Atty. Alan Marcovitz

42 (2) **Fax**: fax transmission of the document or written notice to the following telephone number:
43 Seller: (_____) _____ Buyer: (414) 277-0656

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

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

49 Delivery address for Seller: 100 E. Wisconsin Ave., Suite 3300, Milwaukee, WI 53202

50 Delivery address for Buyer: _____

51 (5) **E-Mail**: electronically transmitting the document or written notice to the Party's e-mail address, if given below at line
52 55 or 56. If this is a consumer transaction where the property being purchased or the sale proceeds are used primarily for
53 personal, family or household purposes, each consumer providing an e-mail address below has first consented electronically
54 to the use of electronic documents, e-mail delivery and electronic signatures in the transaction, as required by federal law.

55 E-Mail address for Seller (optional): _____

56 E-Mail address for Buyer (optional): _____

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

59 OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this
60 Offer at lines 458-464 or 526-534 or in an addendum attached per line 525. At time of Buyer's occupancy, Property shall be
61 free of all debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left
62 with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

63 PROPERTY CONDITION REPRESENTATIONS Seller represents to Buyer that as of the date of acceptance Seller has no
64 notice or knowledge of Conditions Affecting the Property or Transaction (see lines 163-187 and 246-278) other than those
65 mentioned in the Seller's disclosure report dated XX which was retained by Buyer prior to
66 Buyer signing this Offer and which is made a part of the Offer by reference to COMPLETE DATE OR STRIKE AS APPLICABLE
67 and Lines 165(a), 165(c), 165(l), 246(o) and 246(y).

68
69 INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT

70 CLOSING This transaction is to be closed at location See addendum.
71 at the place selected by Seller, unless otherwise agreed by the Parties in writing.

72 CLOSING PRORATIONS The following items, if applicable, shall be prorated at closing, based upon date of closing values:
73 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners association
74 assessments, fuel and none

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

84 CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be
85 substantially different than the amount used for proration especially in transactions involving new construction,
86 extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local assessor
87 regarding possible tax changes.
88 XXXXX Buyer and Seller agree to prorate the real estate taxes in the manner set forth in this Offer based upon the taxes on
89 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
90 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
91 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
92 and is the responsibility of the Parties to complete, not the responsibility of the real estate brokers in this transaction.
93 LEASED PROPERTY If the property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
94 under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the
95 written (or oral) STRIKE ONE lease(s) if any are

96
97 Insert additional terms, if any, at lines 458-464 or 526-534 or attach as an addendum per line 525.
98 GOVERNMENT PROGRAMS: Seller shall deliver to Buyer, within XXXXX days of acceptance of this Offer, a list of all
99 federal, state, county, and local conservation, farmland, environmental, or other land-use programs, agreements, restrictions,
100 easements or easements, which apply to any part of the Property (e.g., wetland preservation easements, farmland
101 preservation or exclusive agricultural zoning use value assessments, Forest Crop Management Forest Conservation Reserve
102 Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with disclosure of any
103 penalties, fees, withdrawal charges, or payback obligations pending or currently deferred, if any. This contingency will be
104 deemed satisfied unless Buyer provides to Seller, within seven (7) days of Buyer's actual receipt of said list and disclosures,
105 the deadline for delivery, whichever is earlier, a written notice terminating this Offer based upon the use restrictions, program
106 requirements, and/or amount of any penalty, fee, charge, or payback obligation.

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

111 MANAGED FOREST LAND: If the property is managed forest land under the Managed Forest Law, MFL,
112 this designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive program that
113 encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Owners designating land as
114 managed forestlands remain in effect for 25 or 50 years. When a landowner has an MFL program, the MFL program
115 new owner must sign and file a report of the change of ownership on a form provided by the Department of Natural Resources
116 and pay a fee by filing this form. The new owner agrees to the associated MFL management rules and the MFL program rules.
117 The DNR Division of Forestry monitors forest management plan compliance. Changes you make to property may be subject to
118 the MFL program rules. The MFL program and may result in the assessment of penalties for non-compliance with the
119 MFL program rules. For more information, visit the MFL website at <http://www.dnr.state.wi.us>.

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

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

125 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that would be
126 generated from the use of the land for farming or grazing purposes. This land market value is based on the use of the land for
127 farming or grazing purposes. The use value assessment system is administered by the Department of Agriculture, Trade and Consumer
128 Protection. For more information, visit <http://www.wisconsin.gov>.

129 **FARMLAND PRESERVATION:** Enrolling a property in a farmland preservation or another use of the land in a farmland
130 farmland preservation agreement or removal of a farmland preservation agreement can involve payment of a conversion fee equal to
131 the difference between the use value of the land and the market value of the land. The Wisconsin Department of Agriculture, Trade and Consumer
132 Protection provides more information on this program at www.wisconsin.gov.

133 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S. Department
134 of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land. CRP contracts are typically for
135 seven to ten years. CRP contracts run for 10 to 15 years and owners receive an annual rental plus one-half of the cost of
136 establishing permanent ground cover. Removing lands from the CRP in breach of a contract can be quite costly. For more
137 information, call the State Farm Service Agency office at www.fsa.usda.gov.

138 **SHORELAND ZONING ORDINANCES:** All counties must adopt shoreland zoning ordinances that meet or are more
139 restrictive than the minimum state shoreland zoning ordinance. County shoreland zoning ordinances vary, but all shoreland zoning
140 ordinances seek to protect the natural resources of the shoreland. Shoreland zoning ordinances are designed to protect and enhance
141 the shoreland. Shoreland zoning ordinances regulate the use of land along the shoreland. Shoreland zoning ordinances regulate
142 standards for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface
143 standards that may be exceeded only if a mitigation plan is adopted, and repairs to nonconforming structures. Buyers must
144 confirm to any existing shoreland zoning ordinance that the shoreland zoning ordinance is in compliance with the shoreland
145 zoning ordinance that applies to the shoreland.

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

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

160 **DEFINITIONS:**

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

188 (Definitions Continued on page 5)

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

189 **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written _____
190 _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage
191 loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an
192 amount of not less than \$ _____ for a term of not less than _____ years, amortized over not less than _____ years.
193 Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly payments may
194 also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance
195 premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination
196 fee in an amount not to exceed _____ % of the loan. If the purchase price under this Offer is modified, the financed amount,
197 unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the
198 monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

199 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 201 or 202.**

200 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____ %.

201 **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____ %. The initial interest
202 rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____ % per
203 year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal
204 and interest may be adjusted to reflect interest changes.

205 If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 458-464 or
206 526-534 or in an addendum attached per line 525.

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

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

219 **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this
220 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
221 commitment.

222 **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already
223 delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of
224 same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is
225 named in this Offer, Seller shall then have 10 days to deliver to Buyer written notice of Seller's decision to finance this
226 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
227 extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain
228 any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

229 **IF THIS OFFER IS NOT CONTINGENT ON FINANCING:** Within 7 days of acceptance, a financial institution or third party
230 in control of Buyer's funds shall provide Seller with reasonable written verification that Buyer has, at the time of verification,
231 sufficient funds to close. If such written verification is not provided, Seller has the right to terminate this Offer by delivering
232 written notice to Buyer. Buyer may or may not obtain mortgage financing but does not need the protection of a financing
233 contingency. Seller agrees to allow Buyer's appraiser access to the Property for purposes of an appraisal. Buyer understands
234 and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this Offer is subject to an
235 appraisal contingency, nor does the right of access for an appraisal constitute a financing contingency.

236 **APPRAISAL CONTINGENCY:** This Offer is contingent upon the Buyer or Buyer's lender having the Property appraised
237 at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated
238 subsequent to the date of this Offer indicating an appraised value for the Property equal to or greater than the agreed upon
239 purchase price. This contingency shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers to
240 Seller a copy of the appraisal report which indicates that the appraised value is not equal to or greater than the agreed upon
241 purchase price, accompanied by a written notice of termination.

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

245 **DEFINITIONS CONTINUED FROM PAGE 3**

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

306 **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: Expanding
 307 Ronald McDonald House.

308
 309 [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional
 310 provisions checked on lines 314-345 shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers
 311 written notice to Seller specifying those items which cannot be satisfied and written evidence substantiating why each specific
 312 item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller
 313 agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines 314-350.

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

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

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

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

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

337
 338 **UTILITIES:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ~~STRIKE ONE~~ ("Buyer's" if neither
 339 is stricken) expense, written verification of the following utility connections at the listed locations (e.g., on the Property, at
 340 the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:** electricity _____;
 341 gas _____; sewer _____; water _____;
 342 telephone _____; cable _____; other _____

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

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

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

357 ~~STRIKE AND COMPLETE AS APPLICABLE~~ Additional map features which may be added include, but are not limited to:
 358 staking of all corners of the Property; identifying dedicated and apparent streets; lot dimensions; total acreage or square
 359 footage; easements or rights-of-way. **CAUTION: Consider the cost and the need for map features before selecting them.**
 360 **Also consider the time required to obtain the map when setting the deadline.** This contingency shall be deemed satisfied
 361 unless Buyer, within five days of the earlier of: (1) Buyer's receipt of the map; or (2) the deadline for delivery of said map,
 362 delivers to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information
 363 materially inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency.
 364 Upon delivery of Buyer's notice, this Offer shall be null and void.

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

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

370 **EARNEST MONEY**

371 ~~THE BUYER'S~~ Unless otherwise agreed, earnest money shall be paid and held in trust as soon as possible by the
372 Buyer's agent if the property is not listed on Seller's account if the broker is involved, until applied to the purchase price or
373 otherwise disbursed as provided in the Offer.

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

377 **DISBURSEMENT:** If negotiation does not result in an accepted offer, the earnest money shall be promptly disbursed (after
378 expenses for a payor's depositary institution) as soon as may be paid by check to the persons who paid the earnest money.
379 A check or money order shall be disbursed according to the closing statement if this Offer does not close, the earnest
380 money shall be disbursed according to the written disbursement agreement signed by all parties to the Offer. If the
381 disbursement agreement has not been prepared or broker within 30 days after the date of closing, broker may disburse
382 the earnest money if it is directed by a notary public who has reviewed the transaction and does not represent Buyer or Seller
383 (1) into a court hearing or lawsuit involving the earnest money and all Parties to this Offer (3) as directed by court order or (4)
384 any other disbursement required or allowed by law. Broker may retain legal fees to be disbursed and pay for the
385 interpretation of (2) and broker may be deduct from the earnest money any costs and reasonable attorney fees, not to
386 exceed \$250, in order to disburse it.

387 **LEGAL RIGHTS ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in
388 relation to this Offer. Buyer or Seller's legal rights to earnest money can be determined by broker within 30 days prior to
389 disbursement (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail to Buyer or
390 Seller or agree with broker proposed disbursement, or lawsuit may be filed to obtain a court order regarding disbursement
391 of the earnest money. Court may find disbursement of earnest money improper and set aside disbursement of earnest money
392 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their
393 legal rights and the Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith
394 disbursement of earnest money in accordance with this Offer and applicable Department of Regulation and this existing
395 regulations concerning earnest money. See Wis. Admin. Code Ch. TR 18.

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

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

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

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

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

417 **TITLE EVIDENCE**

418 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
419 (or trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
420 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
421 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
422 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's disclosure report and
423 in this Offer, general taxes levied in the year of closing and _____

424 _____
425 _____
426 _____

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

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

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

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

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

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

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

458 **ADDITIONAL PROVISIONS/CONTINGENCIES**

459 _____
460 _____
461 _____
462 _____
463 _____
464 _____

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

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

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

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

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

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

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

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

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

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

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

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

503 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 488-502). This Offer
504 is contingent upon a qualified independent inspector(s) conducting an inspection(s), of the Property which discloses no
505 Defects. This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
506 an inspection of _____

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

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

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

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

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

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

525 **ADDENDA:** The attached Addendum _____ is/are made part of this Offer.

526 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
527 _____
528 _____
529 _____
530 _____
531 _____
532 _____
533 _____
534 _____

535 This Offer was drafted by [Licensee and Firm] Attorney Alan Marcuvitz, Michael Best & Friedrich LLP

536 _____ on June 13, 2012

537 (x) Ronald McDonald Ronald Monday 6-21-12
538 Buyer's Signature ▲ Print Name Here ► Ronald McDonald House Charities of Eastern Wisconsin, Inc. Date ▲

539 (x) _____
540 Buyer's Signature ▲ Print Name Here ► Milwaukee County Date ▲

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

542 _____ Broker (by) _____

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

546 (x) _____
547 Seller's Signature ▲ Print Name Here ► Ronald McDonald House Charities of Eastern Wisconsin, Inc Date ▲

548 (x) _____
549 Seller's Signature ▲ Print Name Here ► Milwaukee County Date ▲

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

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

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

553 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

ADDENDUM A

**To Vacant Land Offer to Purchase
between
Ronald McDonald House Charities of Eastern Wisconsin, Inc.
and
Milwaukee County**

I. Agreement to Buy and Sell.

A. Buyer agrees to purchase the Property (as defined below) from Seller and Seller agrees to sell the Property to Buyer on the terms and conditions set forth in the attached WB-13 Vacant Land Offer to Purchase and this Addendum A (collectively, the "Purchase Agreement"). If there are any inconsistencies between the provisions of the attached WB-13 Vacant Land Offer to Purchase and this Addendum, the provisions of this Addendum shall control.

B. For purposes of this Purchase Agreement, the term "Property" means 3.5 acres of vacant land in the City of Wauwatosa, Milwaukee County, Wisconsin, including all rights, privileges, easements and appurtenances to said vacant land. The Property is more specifically identified on the legal description attached as Exhibit A-1 and A-2 to the Offer to Purchase.

C. The current Ground Lease for an area of 4.0655 acres, dated March 11, 1983, shall continue in force and effect for a term ending February 28, 2083. Upon termination of the Ground Lease, or earlier at County's sole option, title to the aforesaid Ground Leased area shall be conveyed to Buyer by Warranty Deed, for \$1.00, "as-is and where-is", with respect to environmental and sub-soil conditions.

II. FIRPTA. Seller certifies that Seller is not a foreign person within the meaning of § 1445 of the Internal Revenue Code of 1986, as amended, and will deliver to Buyer at closing a certificate to that effect, together with Seller's taxpayer identification number.

III. Evidence of Title Regarding Para. 1, A, B and C, above.

A. Seller will deliver to Buyer, at Buyer's expense, an ALTA owner's policy of title insurance ("Title Policy") issued by a nationally recognized title insurer acceptable to Buyer ("Title Company") in the amount of the Purchase Price, without exception or qualification other than the Permitted Encumbrances (as defined below). In addition, the Title Policy shall include a comprehensive endorsement and endorsements for survey, zoning and GAP.

B. Within fifteen (15) days after Acceptance, Seller shall furnish and deliver to Buyer, at Buyer's expense, an ALTA title insurance commitment ("Title Commitment") on the Property issued by the Title Company pursuant to which the Title Company agrees to issue an owner's standard form ALTA policy of title insurance on the Property in the amount of the Purchase Price. The Title Commitment shall show all covenants, conditions, restrictions, liens, encumbrances, and other matters of record affecting the Property, and shall include copies of all documents that appear as exceptions to title in the Title Commitment.

C. If the Title Commitment discloses any title exceptions objectionable to Buyer other than encumbrances to be satisfied out of the closing proceeds, then Buyer shall have ten (10) days following the date of Buyer's receipt of the Title Commitment to notify Seller in writing of these objections. If Buyer fails to deliver such notice within that ten (10) day period, Buyer shall be deemed to have approved the condition of title as shown by the Title Commitment. Exceptions to title approved by Buyer under this Paragraph III(C) are "Permitted Encumbrances" for purposes of this Purchase Agreement.

D. Seller shall use reasonable commercial efforts to cure Buyer's objections to title within ten (10) days after Seller receives Buyer's notice of title objections under Paragraph III(C) ("Title Cure Period"). If, following the exercise of reasonable commercial efforts, Seller is unable to cure all of Buyer's objections to title within the Title Cure Period, Buyer shall have the option of either:

1. Terminating this Purchase Agreement at any time within ten (10) days after expiration of the Title Cure Period by giving written notice of termination to Seller. Upon such termination, this contract shall terminate and be of no further force or effect; or

2. Accepting the title exceptions that Seller is unable to cure within the Title Cure Period, which title exceptions shall be deemed Permitted Encumbrances for purposes of this Purchase Agreement.

IV. Representations by Seller and Acknowledgement by Buyer. In addition to the representations and warranties contained in the attached WB-Vacant Land Offer to Purchase, Seller represents and warrants the following:

A. That, Seller has no notice or knowledge of any: (i) violations of any pollution, health, safety, environmental, fire, building, or zoning code, law, ordinance, or regulation, (ii) widening, changes of grade or limitation of the use of streets abutting the Property, or (iii) the probable imposition of any special taxes or assessments.

B. That Seller has no notice or knowledge of any land fills, hazardous substances, mold, underground storage tanks, PCBs, subterranean tunnels, cavities, wells, mines,

sink holes, springs or concealed fill-ins on or under the Property, and neither the Property nor any part thereof has been used, and prior to Closing will not be used, for the manufacture, storage or disposal of any hazardous substance, solid waste or hazardous waste as the same be identified as hazardous by any federal, state, county or municipal law, statute, ordinance, order or regulation related to protection of the environment and applicable to the Property (including without limitation, any regulations promulgated by the Federal Environmental Protection Agency and the Wisconsin Department of Natural Resources).

C. Conveyance of any land hereunder shall be subject to Seller's retaining property interests for, and right of entry to, County utilities located on the purchased land. Buyer's signage shall be consistent with signage for the Milwaukee Regional Medical Center ("MRMC"). Buyer shall proportionately pay on an annual basis for fire protection service. Buyer shall proportionately pay on an annual basis for, and accept supportive services for as long as provided, similar to the other MRMC geographic members, pursuant to Chapter 98, Milwaukee County General Ordinances, commonly known as the Cost Sharing Ordinance ("CSO"). Said CSO services shall comprise, but not be limited to, water, sanitary and storm sewer, tie-in privileges to utilities, costs and expenses for utility metering and controlling devices, etc. Buyer shall accept all of the land "as is", "where is" with all faults and conditions (*i.e.* environmental, subsoil, subsurface structures, etc.) Buyer shall maintain, replace and assume all costs for snowplowing/de-icing of all internal Buyer's roadways, parking lots and walkways located on any of the purchased land as well as the access roadway from Watertown Plank Road, which currently abuts the eastern boundary of the Ground Leased area.

D. At a point in time determined by Seller, in conjunction with the City of Wauwatosa, and Buyer, Buyer shall financially participate proportionately in the reconstruction and ongoing maintenance of that portion of North 92nd Street extending from Watertown Plank Road to the current north line of Buyer's Property, if the increased Buyer's building density demands ingress/egress to Seller's land other than via the Watertown Plank Road access roadway.

V. Development Agreement.

Buyer will enter into a recordable Development Agreement ("DA") containing the scope and timing of the proposed project, with a commitment that all of the land will be used exclusively for the approved and defined Buyer's mission. Buyer will be receptive to incorporating in its development plans walking trails which provide public access linking Buyer's site with Seller's land to the north and the existing natural resources within the Northeast Quadrant and greater surrounding area. The DA will include, among other things, a prohibition against selling any or all of the land covered by the Ground Lease, Exhibit A-1 and A-2 and Exhibit B-1 and B-2 without County Board approval. Construction and development of Buyer's improvements shall be in compliance with Disadvantaged Business

Enterprise participation for professional services (17%) and construction costs (25%) for the project. This percentage participation is pursuant to the County's Division of Community Business Development Partners goal for public works projects.

VI. Closing.

A. If this Purchase Agreement has not been previously terminated or extended as permitted under this Purchase Agreement, the closing of the purchase and sale of the Property ("Closing") will occur at the offices of the Title Company of Buyer's choice on a date mutually agreed to by Buyer and Seller, but no later than September 30, 2012. The date on which Closing occurs is the "Closing Date."

B. Seller's Obligations. At Closing, Seller shall execute and deliver (in a form acceptable to Buyer and the Title Company):

1. A Warranty Deed conveying the Property to Buyer free and clear of all liens and encumbrances except Permitted Encumbrances;
2. A Non-foreign person affidavit;
3. The Title Company's standard Owner's Affidavit as to liens and possession;
4. A "GAP" undertaking of Seller;
5. Duplicate originals of the Closing Statement;
6. Such proof of Seller's authority and authorization to enter into this Purchase Agreement and perform Seller's obligations under this Purchase Agreement as may be reasonably required by the Title Company; and
7. Such other documents as Buyer may reasonably request to enable Buyer to consummate the transaction contemplated in this Purchase Agreement; provided none of said additional documents imposes any cost or obligation upon Seller not otherwise specifically imposed upon Seller pursuant to the terms of this Purchase Agreement.

C. Buyer's Obligations. At the Closing, Buyer shall deliver, in immediately available funds, an amount equal to the Purchase Price net of closing proration, adjustments and credits. In addition, at Closing, Buyer shall execute and deliver (in a form acceptable to Seller and the Title Company):

1. Such proof of Buyer's authority and authorization to enter into this Purchase Agreement and perform Buyer's obligations under this Purchase Agreement as may be reasonably required by the Title Company;

2. Such other documents as Seller may reasonably request to enable Seller to consummate the transaction contemplated in this Purchase Agreement; provided none of said additional documents imposes any cost or obligation upon Buyer not otherwise specifically imposed upon Seller pursuant to the terms of this Purchase Agreement.
3. For any conveyance covered by this offer, Buyer shall absorb those real estate costs/fees typically associated with the purchase of property interests from Seller when Seller is not soliciting offers. Such costs/fees include, but are not limited to, land division expenses, preparation of legal descriptions, surveys, obtaining title insurance and filing and recording fees.

VII. Future Expansion.

Seller agrees to consider any request from Buyer in the future, for further expansion of Ronald McDonald House, beyond the Ground Leased area and the land described in Exhibit A-1 and A-2, annexed to the Offer to Purchase and to promptly submit such request to the Milwaukee County Board and Milwaukee County Executive. Such consideration, if requested, shall apply only to the land described in Exhibit B-1 and B-2, attached to this Addendum.

VIII. Miscellaneous.

- A. Parties Bound. This Purchase Agreement shall be binding upon and inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.
- B. Governing Law. The laws of the State of Wisconsin shall govern the validity, construction, enforcement and interpretation of this Purchase Agreement.
- C. Entirety and Amendments. This Purchase Agreement embodies the entire agreement between the parties relating to the Property and may be amended or supplemented only by a written instrument executed by the party against whom enforcement is sought.
- D. Survival. The representations, warranties, covenants, agreements, and indemnities set forth in this Purchase Agreement shall survive the Closing.
- E. Attorney's Fees. If either party commences an action to enforce the terms of, or to resolve a dispute concerning, this Purchase Agreement, the prevailing party in any such action shall be entitled to recover all costs and expenses incurred by such party in connection with such action, including, but not limited to, reasonable attorney's fees and court costs.

F. Broker Disclosure. Buyer and Seller represent and warrant to the other that there is/are no real estate broker(s) which may be entitled to a commission or fee as the result of this transaction herein contemplated. Seller and Buyer shall indemnify each other against any brokerage claims.

G. Acceptance Date. Notwithstanding language to the contrary contained anywhere else, the term "Acceptance Date" shall mean the date on which the party making the last offer or counter-offer receives an executed copy of the other party's acceptance of such offer or counter-offer.

BUYER:

**Ronald McDonald House
Charities of Eastern Wisconsin, Inc.**

By: *Ronald McDonald*

6/21/12
Date

By: _____

Date

SELLER:

Milwaukee County

By: _____

Date

By: _____

Date

EXHIBIT A-1

Legal Description

South 3.5 acres

All that part of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section 21 and the Northwest Quarter (NW ¼) of the Northwest Quarter (NW ¼) of Section 28, Town 7 North, Range 21 East, City of Wauwatosa, Milwaukee County, Wisconsin bounded and described as follows: Commencing at the southwest corner of said Southwest Quarter (SW ¼); thence North 86°24'32" East along the south line of said Southwest Quarter (SW ¼) 300.94 feet; thence South 00°41'00" East 170.22 feet to the north right-of-way line of Watertown Plank Road; thence North 84°32'21" East along said north right-of-way line 200.08 feet; thence easterly 38.91 feet along said north right-of-way line and the arc of a curve 38.91 feet, center lies to the north, chord bears North 83°40'38" East 38.90 feet to the place of beginning of the land hereinafter to be described; thence North 00°52'42" East 254.69 feet; thence North 14°35'27" West 67.38 feet; thence South 89°19'00" West 30.75 feet; thence North 30°49'59" West 144.28 feet; thence South 89°19'00" West 27.00 feet; thence North 00°41'00" West 155.20 feet; thence North 87°48'17" East 683.01 feet; thence South 00°41'00" East 484.70 feet to the north right-of-way line of Watertown Plank Road; thence South 73°57'08" West along said north right-of-way line 40.00 feet; thence North 13°53'50" West 92.59 feet; thence North 23°00'52" West 125.00 feet; thence North 41°00'52" West 135.00 feet; thence North 69°30'52" West 190.00 feet; thence South 75°44'08" West 135.00 feet; thence South 04°14'08" West 470.00 feet to the place of beginning. Containing 152,460 square feet (3.5 acres) of land.

EXHIBIT A-2

Legal Description

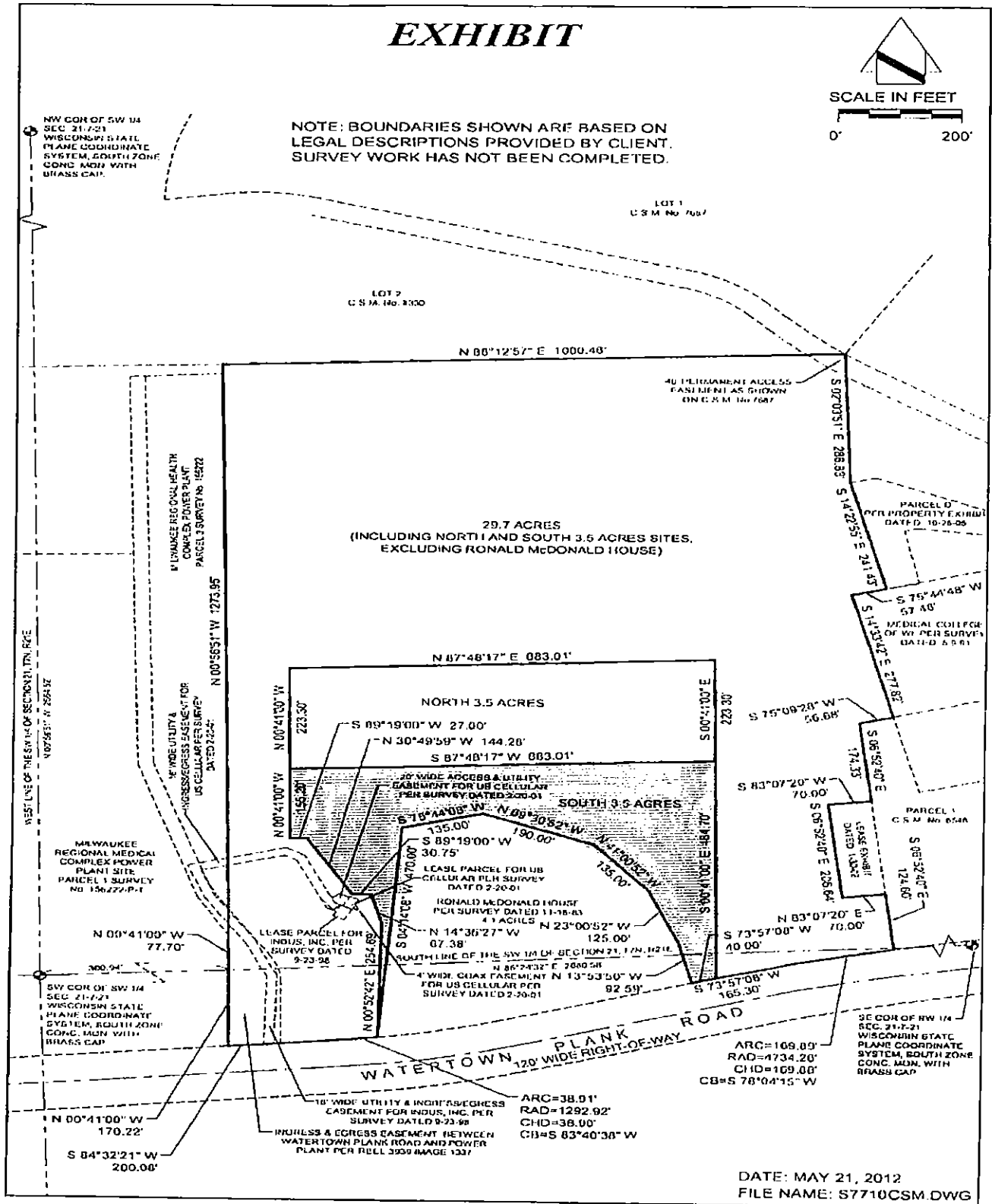


EXHIBIT B-1

Legal Description

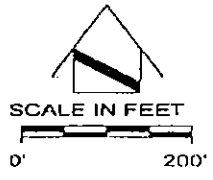
North 3.5 acres

All that part of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section 21, Town 7 North, Range 21 East, City of Wauwatosa, Milwaukee County, Wisconsin bounded and described as follows: Commencing at the southwest corner of said Southwest Quarter (SW ¼); thence North 86°24'32" East along the south line of said Southwest Quarter (SW ¼) 300.94 feet; thence South 00°41'00" East 170.22 feet to the north right-of-way line of Watertown Plank Road; thence North 84°32'21" East along said north right-of-way line 200.08 feet; thence easterly 38.91 feet along said north right-of-way line and the arc of a curve 38.91 feet, center lies to the north, chord bears North 83°40'38" East 38.90 feet; thence North 00°52'42" East 254.69 feet; thence North 14°35'27" West 67.38 feet; thence South 89°19'00" West 30.75 feet; thence North 30°49'59" West 144.28 feet; thence South 89°19'00" West 27.00 feet; thence North 00°41'00" West 155.20 feet to the place of beginning of the land hereinafter to be described; thence continuing North 00°41'00" West 223.30 feet; thence North 87°48'17" East 683.01 feet; thence South 00°41'00" East 223.30 feet; thence South 87°48'17" West 683.01 feet to the place of beginning. Containing 152,460 square feet (3.5 acres) of land.

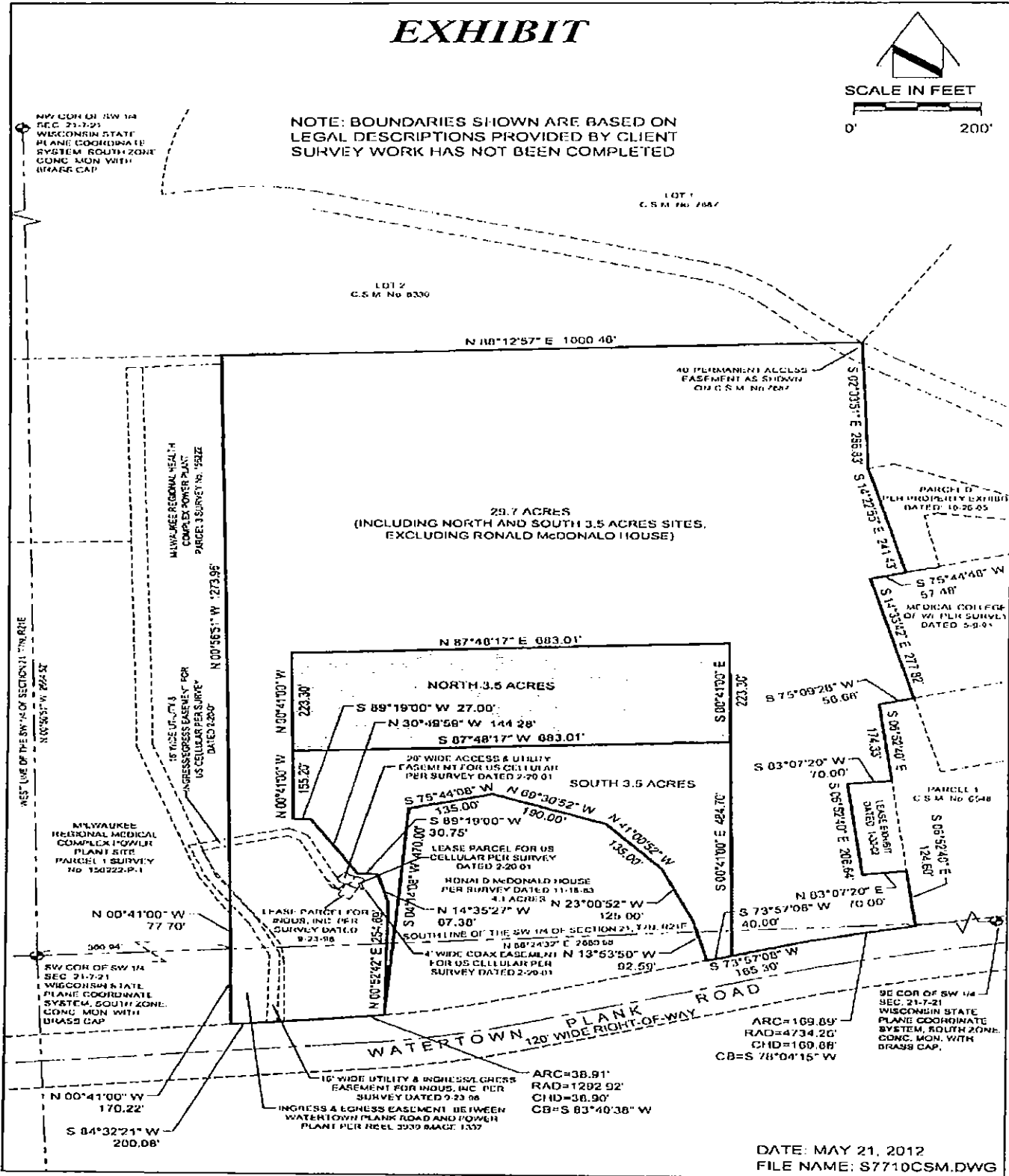
EXHIBIT B-2

Legal Description

EXHIBIT



NOTE: BOUNDARIES SHOWN ARE BASED ON LEGAL DESCRIPTIONS PROVIDED BY CLIENT SURVEY WORK HAS NOT BEEN COMPLETED



DATE: MAY 21, 2012
FILE NAME: S7710CSM.DWG

DEVELOPMENT AGREEMENT

RONALD McDONALD HOUSE CHARITIES OF EASTERN WISCONSIN, INC.

This DEVELOPMENT AGREEMENT (hereinafter "Agreement") is made as of the 27th day of June, 2012, by and between Milwaukee County (the "County") and Ronald McDonald House Charities of Eastern Wisconsin, Inc. (hereinafter "Developer") and the guarantor of its obligations hereunder.

RECITALS

The Developer desires to acquire 3.5-acres of vacant land in the City of Wauwatosa, Milwaukee County, Wisconsin as more fully described on **Exhibit A-1 and A-2** attached hereto (the "Property") from the County pursuant to a certain WB-13 Vacant Land Offer to Purchase and Addendum, dated June 13, 2012 and attached hereto as **Exhibit B** (the "Purchase Agreement"). The parties now desire to enter into this Agreement to set forth the terms and conditions by which the Property will be developed and to establish certain additional covenants and restrictions for the benefit of the Property acquired by the Developer.

AGREEMENT

In consideration of the mutual covenants and agreements contained herein and in the Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms used herein shall have the following meanings:

(a) "Building" means the improvements to be initially constructed by the Developer on the Property in conformity with plans and specifications approved by the County and the City of Wauwatosa, as described on **Exhibits C-1 and C-2**.

(b) "Environmental Damages" means all claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability), fees and expenses of defense of any claim and of any settlement or judgment, including without limitation attorneys' fees and consultants' fees, any of which are incurred at any time as a result of the existence of Hazardous Material upon, about, or beneath the Property or migrating or threatening to migrate to or from the Property, or the existence of a violation of Environmental Requirements pertaining to the Property, including without limitation: (i) damages for personal injury, or injury to property or natural resources occurring upon

or off the Property, foreseeable or unforeseeable, including without limitation, lost profits, consequential damages, interest and penalties, including, but not limited to, claims brought on behalf of employees of the Developer or the County; (ii) diminution in the value of the Property, and damages for the loss of or restriction on the use of or adverse impact on the marketing of rentable or usable space or of any amenity of the Property; (iii) fees incurred for the services of attorneys, consultants, contractor, experts, laboratories and all other fees incurred in connection with the investigation or remediation of such Hazardous Materials or violation of Environmental Requirements, including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remedial, removal, containment, restoration or monitoring work required by any federal, state or local governmental agency or political subdivision, or reasonably necessary to make full economic use of the Property or otherwise expended in connection with such conditions; (iv) liability to any third person or governmental agency to indemnify such person or agency for fees expended in connection with the items referenced in this subparagraph.

(c) "Environmental Requirements" means all applicable past, present and future laws, statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, the State of Wisconsin and political subdivisions thereof and all applicable judicial and administrative and regulatory decrees, judgments and orders relating to the protection of human health or the environment, including, without limitation: (i) all requirements, including, but not limited to, those pertaining to, best management practices, reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases or threatened releases of Hazardous Material (as defined herein) and (ii) all requirements pertaining to the protection of the health and safety of employees or the public.

(d) "Hazardous Material" means any substance: (i) the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action or policy; or (ii) which is or becomes defined as a "hazardous waste" or "hazardous substance" under any federal, state, or local statute, regulation or ordinance or amendments thereto, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.); and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.); or (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Wisconsin, or any political subdivision thereof; or (iv) the presence of which is on the Property; or (v) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or (vi) which contains polychlorinated biphenols (PCBs), asbestos or urea formaldehyde foam insulation.

(e) "Project" means the Building, roads, driveways, parking areas, signs, walkways, loading areas, fences and walls, sewer, electrical, gas, water and other utility distribution systems, landscaping, drainage and other improvements to be initially constructed on the Property by or for the Developer in conformity with the approved plans and specifications, as described on **Exhibit D**.

(f) "Material Alteration of the Project" shall mean (i) a 10% (ten percent) variance in the square footage of the project or any material alteration to: (ii) the exterior materials, (iii) the general appearance, (iv), the scope and use of the project, or (v) the stated intentions of the Project -- each of the above as reflected in **Exhibits C and D** (vi) any change to the DBE Participation Goals presented to the Milwaukee County Community Business Development Partners ("CBDP"). Regarding Material Alterations (vi), Developer may not proceed without first obtaining the advance written consent of the Milwaukee County Board [unless otherwise permitted by the Economic Development Committee in section 2.2].

2. Development of the Project.

2.1 Use of Property. The Property shall be used for temporary housing for seriously ill children and their families (the "Ronald McDonald House") while confined to or visiting area hospitals. Failure to comply with this requirement shall be deemed a material breach of this Agreement. Developer shall comply with all applicable statutes, laws, ordinances and license requirements to operate the housing constructed on the Property pursuant to regulations mandated by the Federal Government, the State of Wisconsin or any municipal governing body who has jurisdiction over the operation of said housing. This includes the local Board of Fire Underwriters and any other similar body having lawful responsibility to impose upon the Developer the duty to subscribe or conform to existing rules and regulations affecting the operation of the housing.

2.2 Construction by the Developer. The Developer shall, at its own cost and expense, cause any construction on the Property to be conducted in a good and workmanlike manner and in compliance with all then applicable building codes and ordinances. The Developer represents that the total projected cost of acquiring the Property and constructing the Project thereon shall be as specified on **Exhibit E**. Construction of the Project on the Property shall be completed substantially in conformity with the plans, specifications, landscape plan, signage plan, drainage plan and parking plan as submitted by the Developer and approved by County Board Resolution _____, which is attached hereto as **Exhibit F**, and as approved by the City of Wauwatosa (the "Approved Plans").

The Approved Plans may be modified from time to time during the course of construction and shall not require the consent of the County except the advance written

consent of the County shall be required in the following instances: (a) to the extent that such modifications are a "Material Alteration of the Project" as defined herein or (b) to the extent the Developer is required to obtain approval for such modification by the City of Wauwatosa. In the event that the County approval is required, the Developer shall not institute such modification until receiving written approval from the County's Director of Economic and Community Development, which approval shall not be unreasonably withheld or delayed. If approval of the County is required, the County shall respond in writing within ten (10) business days of its having been notified of the need for approval. If the County does not notify the Developer on or before said 10th business day of its approval or disapproval, approval shall be deemed to be granted. In any event, approval shall not be unreasonably withheld. To the extent necessary to approve or disapprove a Material Alteration of the Project, the County shall be allowed – upon notice to the Developer – a reasonable amount of time beyond 10 business days (which additional time may include the time needed to seek approval by the Milwaukee County Board) to provide its approval or disapproval. The foregoing notwithstanding, those Material Alterations relating to DBE participation goals, referenced in Section 1f (vi), shall automatically come back to the Economic Development Committee for review and determination whether this item shall require County Board approval and it is expressly understood that such approvals cannot be accomplished in 10 business days. Thus, such additional time shall be permitted to seek Economic Development Committee review and Milwaukee County Board approval or disapproval.

The Developer agrees to commence construction, which shall mean commencement of excavation of the Project (the "Project Commencement Date") and diligently prosecute Project construction to completion (the "Project Completion Date") pursuant to the schedule as set forth on **Exhibit G** (the "Construction Schedule"). The Project Commencement Date and Project Completion Date (as defined on **Exhibit G**) shall be confirmed by the Developer's Project architect delivering certificates to the County. In the event that the Developer ceases construction of the Project on the Property for 60 consecutive days, such event shall be deemed a "Construction Stoppage."

Developer shall prior to the Project Commencement Date deliver to the County a Performance Bond, Letter of Credit or other acceptable fund deposit (the "Bond"), in the amount of \$50,000. The Bond shall serve as a security on deposit for the full and complete performance of all of the obligations, agreements and covenants outlined in Article 2 of this Agreement, the Developer's Project approved by the Milwaukee County Board of Supervisors and County Executive and as a guaranty for the completion of the development approved by the City of Wauwatosa, which obligations shall be performed in compliance with the other terms and conditions of this Agreement. The Bond shall be in a form approved in advance in writing by the County.

2.3 Condition of Property; Construction of Infrastructure. At the closing the County shall deliver possession of the Property to the Developer in substantially the

condition as existed on the date of the Purchase Agreement but otherwise "AS-IS" (as to physical condition) except as otherwise represented herein or in the Purchase Agreement. The County shall not be responsible for performing any grading or compaction work with respect to the Property. The Property may have previously comprised buildings which have been demolished. Therefore, the Property may contain foundations, building materials, and/or various debris from a previous demolition. The Developer is solely responsible for and must make adequate allowance for all excavation and disposal costs necessary for the Project. The Developer shall be solely responsible for all property development costs, including, but not limited to, extension of water and sewer laterals to the Property and the replacement of sidewalks and curb cuts. Except for WisDOT's Zoo Interchange Project or as otherwise stated herein, and subject to Paragraphs IV A and B, of Addendum A to Exhibit B, developer hereby releases and disclaims any claim, damage, loss, injury or obligation whatsoever of the County in any way relating to, arising out of, the physical condition of the Property, any matters described in this Section 2.3, and/or any material, substance, or contaminant located in, under, upon, migrating to or from the Property, regardless of the source, such disclaimer and release shall include any action at law or inequity, whether arising out of contract or tort law.

Developer is obligated to and shall restore, at Developer's expense, all roadways or other pathways to the same or near similar condition as existed prior to the commencement of construction activities. Developer agrees to make any such repairs, if needed, which shall be completed no later than thirty (30) days after receiving notice from County that such repair is necessary.

2.4 Utilities. The County is the owner and operator of the following utility services which it provides for customers of the county grounds: sanitary sewer, storm sewer and potable water.

- (a) With respect to same, County will provide Developer with connections and use of water and sanitary and storm sewers. Depending on the needs of the Developer, Developer is extended the privilege to tie into, connect or disconnect from County's water, sanitary and storm sewer distribution system on the county grounds at such points and locations, in such manner and with such materials and equipment as shall be determined and approved by County's Director of the Department of Administrative Services ("DAS"). All costs and expense incidental thereto, including all costs of metering and controlling devices or installation thereof, if required by County or code, shall be borne by and the sole responsibility of the Developer. Developer agrees to financially contribute to the Storm Water Fund on a prorated basis in conjunction with the other geographic members of the Milwaukee Regional Medical Center.

- (b) While County will exert its best efforts to assure the uninterrupted continuation of utility services to Developer, County is not, by electing to make such services available to Developer, liable to Developer for damages related to either if one or more said services should be interrupted, terminated or reduced because of necessary maintenance, repairs or improvements or any other cause whatsoever.
- (c) Developer agrees to pay County for potable water, sanitary sewer and storm sewer services at the same rate which County charges other customers that utilize its utility services. The frequency and method of payment shall be established by County's Director of DAS. In the case of nonpayment of utility charges, upon not less than ten (10) days notice to Developer, County may discontinue furnishing such utility services as are not paid for and such discontinuance shall not render County liable to Developer for damage or relieve Developer from performance of its obligation under this Agreement.
- (d) County shall have access to any utility meters with 24 hours notice, except in the case of emergency, to enter upon the Property and facilities, for the purpose of reading, inspecting, monitoring, repairing, replacing or modifying any utility meters, sensors or other controls installed thereon or therein.
- (e) Where approval of the Director of DAS is required herein, Developer shall make specific requests in writing for each such required approval of concurrence therewith and shall submit all necessary and required drawings, specifications or other supporting documentation requested and that the Director of DAS, or their designee, shall respond timely in writing.

2.5 Right to Access Property/Retain property interests. County shall retain property interests on the Property conveyed to the Developer and have the right, upon reasonable notice and at reasonable times, to enter into and upon the Property for the purpose of examining and inspecting County's utility lines; provided that entry shall be done in a manner that does not disrupt or interfere with Developer's operations of the Property. With respect to County's utility lines, County shall have the right in the case of emergency, without prior notice and at any time, to enter upon the Property for the purpose of examining, maintaining, repairing, replacing or removal of all or any portions thereof. It is further understood that County must maintain unlimited rights of access in order to perform all acts which the County deems necessary in order to ensure the continued and uninterrupted flow of utility services to the Property and to the other Milwaukee Regional Medical Center buildings. In the case of such entry, acts performed

thereon shall be done at County's expense and risk and in such a manner as will minimize any interruption or interference with the conduct of Developer's operations and activities.

2.6 Cost Sharing Ordinance. For those amenities provided to Developer which are in common and shared with the other private geographic members of the Milwaukee Regional Medical Center on the county grounds, the Cost Sharing Ordinance (Chapter 98, Milwaukee County General Ordinances) shall be applicable to Developer and Developer shall pay proportionately for the properly chargeable costs pursuant to Chapter 98.

2.7 North 92nd Street Reconstruction/Replacement. At a point in time determined by the County, in conjunction with the City of Wauwatosa, Developer shall financially participate proportionately in the reconstruction and ongoing maintenance of North 92nd Street extending from Watertown Plank Road to the current north line of the then Developer's Property, if the increased Developer's building density demands ingress/egress to the Property other than via the Watertown Plank Road access roadway.

2.8 Fire Protection. The County has entered into an agreement with the City of Wauwatosa ("City") on or about December 19, 1990, whereby the City agreed to and has located a fire station on the county grounds in close proximity to the Property and will provide and furnish first line fire protection to the county grounds, which include the Property. By virtue of the foregoing and in benefiting the Developer thereby, it is agreed the Developer shall proportionately pay County on an annual basis for said fire protection services. This sum will be adjusted by the percentage of increases which County shall be required to pay the City for the fire protection services. Said payments are to be made by Developer on or before January 1st of each calendar year. Payment by Developer shall be predicated upon the condition that the City provides the services called for under the agreement. All payments shall be made payable to Milwaukee County and shall be mailed to the attention of the DAS Facilities Management Accounting Coordinator, located at 10301 West Watertown Plank Road, Milwaukee, Wisconsin 53226.

2.9 Signage. Developer shall be permitted to place and affix signs, on the Property indicating the Developer's operation. Size and design requirements shall be substantially the same as the uniform signage requirements of all of the geographic members of the Milwaukee Regional Medical Center and the City of Wauwatosa. During any future construction on the Property, appropriate temporary signage may also be erected.

2.10 Walking Trails. Developer shall be receptive to incorporating in its development plans walking trails which provide public access linking the Developer's Property with the County land to the north and the existing natural resources within the Northeast Quadrant and greater surrounding area.

2.11 General Requirements. The Developer agrees that during construction it shall use reasonable efforts to (a) cause its contractors working on the Project to remove all waste products and rubbish from the Property and the infrastructure areas related to their work in a manner and time consistent with industry standards, and if any such waste products and rubbish are left on site, it shall be responsible for removing the same, and (b) use reasonable efforts to keep the Property and areas of access thereto in a neat and presentable state.

2.12 Labor Standards. The construction of the Project on the Property shall be subject to the following labor standards: (a) overtime at prevailing overtime rates for work on Saturday, Sunday and legal holidays and for more than 40 hours per week or 8 hours in any calendar day, (b) minimum hourly base wage rates and minimum hourly fringe benefits as then filed in the Office of Milwaukee County Clerk and Director of Public Works by Milwaukee Building and Construction Trades Council ("AFL-CIO") covering wages, hours and conditions of employment in applicable labor contracts in the construction industry. These labor standards shall be included in each contract and subcontract in connection with development of the Project. The Developer shall maintain records of compliance and require each contractor and subcontractor to maintain records of compliance for verification as reasonably requested by the County.

2.13 Nondiscrimination and Affirmative Action. In construction of the Project and performance of its duties and obligations hereunder, the Developer shall not discriminate against any employee or applicant for employment (and the Developer shall use reasonable efforts to eliminate any such discrimination by its contractors) based on ancestry, arrest record, conviction record, creed, genetic testing, honesty testing, marital status, membership in the national guard, state defense force or any reserve component of the military forces in the United States or the State of Wisconsin, pregnancy or child birth, sexual orientation, race, color, national origin, age, sex or disability which shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Developer will post in conspicuous places, available for employment, notices setting forth the provisions of the foregoing nondiscriminatory clause. The Developer will strive to implement the principles of equal employment opportunities through an effective affirmative action program, which program shall have as its objective to increase the utilization of women, minorities and handicap persons, and other protected groups in the Developer's employment at the Project for so long as it is located there, and in construction of the Project. The Developer shall cause its contractors and subcontractors and any assignee to comply with this Section 2.13 and Section 2.14 with respect to construction of the Project.

2.14 DBE Participation Goals. The Developer and its contractors shall commit to Disadvantaged Business Enterprise (DBE) participation goals for its

construction and development of the Project, with said goal for professional services of 17% and said goal for construction of 25%. Developer shall use the standards, policies and procedures of the CBDP Division of Milwaukee County and the Developer shall seek assistance of CBDP to achieve said DBE goals.

3. Defaults and Remedies.

3.1 Events of Default by the Developer. Any one or more of the following events are hereby defined as, declared to be, and constitute an "Event of Default" by the Developer for purposes of this Agreement: (a) a Construction Stoppage (as defined in Section 2.2 hereof) by the Developer, subject to extension for Force Majeure Delays; (b) the Developer fails to commence construction of the Project by the Project Commencement Date, subject to extension for Force Majeure Delays; (c) the Developer falls materially behind in the Construction Schedule subject to Force Majeure Delays; (d) the Developer fails to complete construction of the Project by the Project Completion Date, subject to extension for Force Majeure Delays, or (e) the failure of the Developer to perform any other term, condition or covenant to be performed or observed by the Developer, subject to extension for Force Majeure Delays. In the event an Event of Default by the Developer shall occur, the County shall send written notice to the Developer (the "Default Notice") specifying the nature of the default in detail, and the Developer shall have 30 days after receipt of the Default Notice to cure such Event of Default. In the event that the Developer does not cure such Event of Default within such 30-day period (or such other reasonable time as necessary if such default cannot be cured within 30 days and the Developer, upon receipt of such notice, promptly commences the process of curing such default and diligently and continuously pursues such cure to completion), the County may pursue any available remedy against the Developer, either at law or in equity, including, without limitation, the right to pursue specific performance, collect actual damages for the Developer's failure to perform (including, without limitation, the damages, if any, related to, or arising out of, the infrastructure related to the Property and the cost of financing used to construct such infrastructure, and any guaranty thereof, any costs associated with overtime or additional labor forces in order to timely construct the Project, and other outside fees, including reasonable attorneys' fees).

The Developer agrees that damages will not be an adequate remedy at law and that the County shall have the right to an injunction or other judgment of specific performance to enforce any provision in this Development Agreement, the DBE participation goals, the City of Wauwatosa zoning code, the County ordinances or any other State or Federal law. Venue for such action shall be Wisconsin State Court with venue in Milwaukee County. The County shall be entitled to its reasonable attorneys' fees in any action – in which it prevails - to enforce such provisions, including the actual costs of Milwaukee County Corporation Counsel's office if it is the attorney for the County or reasonable attorney fees for other attorneys that may be hired by the County.

In the case of an Event of Default under Section 3.1(b) hereof, which is not cured by the Developer within 30 days after receipt of a Default Notice, the County may exercise an option to repurchase the Property at a purchase price equal to 100% of the purchase price paid by the Developer for such Property less any County costs, by giving the Developer notice thereof. In the event that the County exercises its option to repurchase, then the Developer shall re-convey the Property to the County within 30 days of receipt of such notice by general warranty deed, free and clear of all liens and encumbrances except those liens and encumbrances described in the warranty deed delivered by the County to the Developer in the Developer's acquisition of the Property plus no monetary encumbrances which do not materially affect the value or use of the Property, utility easements granted by the Developer, and real estate taxes for the year of repurchase, if any, with a customary proration credit to the County for real estate taxes for such year. The Developer shall also execute the applicable Wisconsin Real Estate Transfer Return, pay all transfer taxes in connection with the transfer and execute a certificate of non-foreign status and other reasonably requested documentation as is customary for similar transfers.

3.2 Events of Default by the County. If the County shall fail to perform any other term, condition or covenant to be performed or observed by the County for more than 30 days after receipt by the County of written notice from the Developer specifying in detail the nature of such failure (or such other reasonable time as is necessary if such default cannot be cured within 30 days and the County, upon receipt of such notice, promptly commences the process of curing such default and diligently and continuously pursues such cure to completion), then the Developer may pursue any available remedy against the County at law or in equity including, without limitation, the right to pursue specific performance or injunctive relief and collect actual damages for the County's breach of failure to perform (including reasonable attorneys' fees).

3.3 Rights and Remedies Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times of any other rights or remedies for the same default or any other default by the other party.

3.4 Costs and Attorneys' Fees. In the event any legal or equitable action or proceeding shall be instituted to enforce any provision or agreement contained herein, the party prevailing in such action shall be entitled to recover from the losing party all of its costs including court costs and reasonable attorneys' fees. The prevailing party shall be such party that substantially obtains the relief sought with or without the commencement of litigation.

4. General Provisions.

4.1 Conveyance of the Property. The Developer shall not, except as permitted by this Agreement, convey any interest in the Property without the prior written approval of the County. Further, notwithstanding the foregoing, the Developer may assign its interest in this Agreement to an affiliate of the Developer or an entity of which the Developer or some or all of the members or shareholders of the Developer are members or shareholders. As used in this Section 4.1, "affiliate" means any corporation, limited liability company, limited liability partnership or other entity, which directly or indirectly controls or is controlled or is under common control of the Developer.

Notwithstanding anything to the contrary contained in this Agreement, the Developer reserves the right, at its sole discretion at any time during the term of this Agreement, to join and associate with other individuals or entities in joint ventures, partnerships or otherwise for the purpose of developing the Project subject, however, to the following conditions:

(a) The Developer shall promptly notify the County of the identity of any such additional parties;

(b) The Developer shall remain fully responsible to the County as provided in this Agreement and shall not be released from its obligations hereunder;

(c) Such additional parties shall be deemed approved unless rejected in writing by the County within thirty days from receipt of said notice by the County. In connection with the County's determination hereunder, the County shall only take into consideration the reputation of any such additional parties, and the County shall not withhold approval unreasonably. Any notice from the County disapproving such additional parties shall specify the reasons therefore.

Notwithstanding any other provision contained herein, nothing herein shall limit, restrict or prohibit the Developer from entering into any mortgage, deed of trust, sale and lease-back or any other form of conveyance or any form of equity or income participation, including but not limited to a partnership or joint venture, required by a lending institution for the purpose of securing a loan to be used for financing the acquisition of the Property, the construction of the Project thereon and any other expenditures necessary and appropriate to develop the Property. The words "mortgage" and "deed of trust" as used herein includes all other appropriate modes of financing real estate acquisition, construction and land development.

4.2 Liens. Until the Project is substantially completed in compliance with the requirements contained herein, the Developer shall take all commercially

reasonable steps to prohibit any construction liens to be filed against the Property or the Project thereon.

4.3 Force Majeure. Notwithstanding anything to the contrary contained in this Agreement, neither the Developer nor the County shall be considered in breach or default of its obligations with respect to the construction of the Project (including the Project Commencement Date, Construction Stoppage or the Project Completion Date) or the construction of any items of the infrastructure, as the case may be, in the event that a delay in the performance of such obligations is due to causes which were beyond its reasonable control, such as adverse weather conditions, strikes, acts of God, acts of a public enemy, acts of any governmental authorities (including the County in the case of the Developer), fire, flood, epidemics, strikes, embargoes or shortages of material from all reasonable sources, which shall not in any event include any economic hardship or delay due to the condition of the economy or real estate market ("Force Majeure Delay"). In the event of a Force Majeure Delay, the time for performance of the affected obligation shall be extended for the period of the Force Majeure Delay; provided, however, the delayed party shall, within 15 business days after the occurrence of the event causing the Force Majeure Delay, deliver written notice to the other party of the cause thereof. Failure to deliver written notice of such delay (with appropriate back-up documentation) shall constitute a waiver of the delayed party's right to claim an extension of its time period because of the Force Majeure Delay.

4.4 Notices. All notices and demands by either party to the other shall be given in writing and personally delivered or sent by United States certified mail, postage prepaid, and addressed:

To the County:

Craig Dillmann, Real Estate Manager
Dept. of Administrative Services
2711 West Wells Street, Room 339
Milwaukee, WI 53208

with a copy to:

Milwaukee County Corporation Counsel
901 North 9th Street, Room 303
Milwaukee, WI 53233

To the Developer:

Ronald McDonald House Charities of Eastern
Wisconsin, Inc.
Attention: Chairman of the Board of Directors
8948 Watertown Plank Road
Wauwatosa, WI 53226-4802

with a copy to:

Michael Best & Friedrich, LLP
Attention: Alan Marcuvitz, Esq.
100 East Wisconsin Avenue, Suite 3300
Milwaukee, WI 53202-4108

Either party may, upon prior notice to the other, specify a different address for the giving of notice. Notices shall be deemed given upon receipt or refusal to accept delivery.

4.5 Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) The captions and headings herein are solely for convenience of reference only and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

(c) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and words of the neuter gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

(d) The laws of the State of Wisconsin shall govern this Agreement.

(e) Since both parties to this Agreement have had adequate opportunity to review and negotiate its terms, in no event shall this Agreement be construed against the drafter.

4.6 Waivers. Waiver by the County or the Developer of any breach of any term, covenant or condition herein shall not be deemed to be a waiver of any future breach of the same or any other term, covenant or condition of this Agreement.

4.7 Severability. Any provision of this Agreement which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

4.8 Entire Agreement and Amendments. This Agreement, including exhibits, and all documents referenced herein, contains all the covenants and agreements between the County and the Developer relating in any manner to development of the Project and other matters set forth in this Agreement. No prior oral agreements or understandings pertaining thereto shall be valid or of any force or effect, and the covenants and agreements of this Agreement shall not be altered, modified or amended except in writing signed by the County and the Developer and recorded in the office of the Register of Deeds for Milwaukee County. The County and the Developer reserve the right to modify and amend this Agreement without the joinder or approval of any other party.

4.9 Duration of Covenants. The County and the Developer agree that, upon the Developer's request, within 30 days after satisfaction of the applicable Developer's obligations under Article 2 herein, the County shall either concur with such request as evidenced by a recordable Certificate (in which case such unapplied portion of the Bond shall be returned to Developer), indicating that all such applicable obligations have been satisfied hereunder and that those provisions of this Agreement have been satisfied, or reject such request and state which applicable obligations have not yet been completed.

4.10 Authority. The Developer hereby acknowledges and agrees that the undersigned signatories have the requisite power and authority, statutory and otherwise, to enter into and perform this Agreement pursuant to its terms and conditions without any further notice or consent from any person or entity. Each shall deliver copies of its corporate resolution or other authorizing documentation demonstrating that it has the power and authority to enter into this Agreement.

4.11 Successors. Except as otherwise expressly provided herein, all of the covenants, agreements, terms and conditions of this Agreement shall run with the Property and inure to the benefit of and be binding upon the County and the Developer and their respective successors and assigns and any party obtaining any interest in the Property after the date hereof, including, without limitation, any condominium unit owner, occupants and/or tenants of the Property. Notwithstanding anything to the contrary contained herein, the right of enforcement of the terms, conditions or covenants of this Agreement to be performed or observed by the Developer is solely vested in the County or any successor entity to the County.

4.12 Independent Contractor. Nothing contained in this Agreement shall constitute or be construed to create a partnership or joint venture between the County or its successors and assigns and the Developer or its successors and assigns. In entering into this Agreement, and in acting in compliance herewith, the Developer is at all times acting and performing as an independent contractor duly authorized to perform acts required of it hereunder. This Agreement does not create the relationship of principal, an agent or of partnership or joint venture or any other association between the County and the Developer, the sole relationship between the County and the Developer being that of a seller and purchaser of land, with certain obligations, covenants and responsibilities described herein.

4.13 Records and Audits. Once a year, upon commercially reasonable notice by the County, the Developer shall allow the County, the Milwaukee County Department of Audit, or any other party the County may name, when and as they demand, to audit, examine and make copies of, excerpts or transcripts from any records or other information directly relating to matters under this Development Agreement. The Developer shall maintain and make available to the County the above-described audit information for no less than three years after conclusion of the obligations and responsibilities of the Developer described herein and required by this Development Agreement.

4.14 Environmental Indemnification.

(a) Except for WisDOT's Zoo Interchange Project or as otherwise stated herein, and subject to Paragraphs IV A and B, of Addendum A to Exhibit B, conveyance of the Property to the Developer is "AS-IS" and without warranty or representation as to soil, subsoil, Hazardous Material and other environmental conditions. Developer hereby agrees to indemnify, hold harmless, and defend County from and against any and all liabilities, claims, penalties, forfeitures, and suits, and all reasonable costs and expenses, including the cost of defense, settlement, and reasonable attorney's fees and/or any other Environmental Damages related to, or arising out of, soil, subsoil and environmental conditions arising out of, or in any way connected with the presence of any Hazardous Material on, in, under or migrating to or from the Property, including but not limited to, liability arising out of or in any way connected with the investigation, monitoring or cleanup under any federal, state or local law or regulation or ordinance Environmental Requirements or any Hazardous Material on, in or under or migrating to or from the Property.

(b) Developer shall be responsible for any required repair, cleanup, remediation or detoxification arising out of any Hazardous Materials brought onto or introduced into the Property or surrounding areas by the

Developer, its employees, contractors, agents or guests, and/or Hazardous Materials whose presence pre-exists the inception of Developer's possession, located in and on the Property, regardless of whether they are discovered or disturbed as a result of Developer's construction activities on, at or near the Property. Developer shall indemnify, defend and hold County harmless from any liability, cost, damage, claim or injury (including reasonable attorney fees) related to, or arising out of, such Developer's obligations, or failure to perform such obligations described above, and any claim, action or damages asserted against the County by any party or governmental agency related to, or arising out of an Environmental Regulation or Hazardous Material at, in, under, or migrating to or from the Property. The Developer acknowledges that the environmental conditions and risks were considered as part of their purchase of the Property and that the Developer's environmental indemnities benefiting County shall be as broadly and liberally construed as possible so as to provide the maximum protection possible to the County from liability, and the Developer hereby further waives any right to argue that for any reason this indemnification section is ambiguous or confusing or that it should in any way be construed against County.

(c) Notwithstanding anything else to the contrary herein, Developer shall be released from its obligations under section 4.14 if (i) County exercises its option to repurchase pursuant to section 3.1 but only regarding such contamination that existed prior to the Closing or (ii) there is migration of Hazardous Materials from any County owned property to the Property, and such migration of Hazardous Materials is actively caused by the County, but only regarding such contamination actively caused by the County.

4.15 Guaranty. Developer guarantees the performance of all obligations hereunder and by the date of execution of the Agreement.

4.16 Ground Lease. The current Ground Lease between County and Developer for a 4.0655-acre parcel, dated March 11, 1983, shall continue in full force and effect for a term ending February 28, 2083. Upon termination of the Ground Lease, or earlier at the County's sole option, title to the aforesaid Ground Lease area shall be conveyed to the Developer by Warranty Deed, for \$1.00, "as-is" and "where-is", with respect to environmental and subsoil conditions.

4.17 Future Expansion. County agrees to consider any request from Developer in the future, for further expansion of the Ronald McDonald House, beyond the 3.5-acre Property described herein in **Exhibit A-1 and A-2** and to promptly submit such request to the Milwaukee County Board of Supervisors and County Executive.

Such consideration by the County of future expansion, if requested by the Developer, shall apply only to the 3.5-acre land area described in **Exhibit H-1 and H-2**, attached to this Agreement. Should the Milwaukee County Board of Supervisors approve the Developer's request to purchase the 3.5-acre expansion land all applicable terms, conditions, obligations, covenants and agreements between the County and Developer defined in this Agreement shall apply to the 3.5-acre expansion land described in **Exhibit H-1 and H-2**. Said purchase of the additional 3.5-acre expansion land shall require the County and the Developer to enter into an amendment to this Agreement,

4.18 Memorandum of Development Agreement. Developer shall for itself, and cause County to, execute and record an original of the Memorandum of Development Agreement, at the Milwaukee County Register of Deeds Office, against the Property, immediately after executing this Agreement in the form attached hereto as **Exhibit I**, (and prior to any other encumbrance or document), and provide a recorded original to the County promptly thereafter.

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date first written above.

[EXECUTION PAGES FOLLOW]

DEVELOPMENT AGREEMENT
MILWAUKEE COUNTY
EXECUTION PAGE

MILWAUKEE COUNTY

Approved for Execution by
Corporation Counsel

By: _____
Name: Chris Abele
Its: County Executive

By: _____
Date: _____

Reviewed by: _____
Its: Milwaukee County Risk Manager
Date: _____

By: _____
Name: Joseph Czarnezki
Its: County Clerk

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on _____, 201__ by
Chris Abele, as County Executive of Milwaukee County.

(_____)
Notary Public, State of Wisconsin
My Commission expires: _____

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on _____, 201__ by
Joseph Czarnezki, as County Clerk of Milwaukee County.

(_____)
Notary Public, State of Wisconsin
My Commission expires: _____

DEVELOPMENT AGREEMENT
 DEVELOPER
 EXECUTION PAGE

By: _____

Name: _____

Its: _____

STATE OF _____)
) SS
 COUNTY OF _____)

This instrument was acknowledged before me on _____, 2012 by
 _____ as _____ of _____.

 (_____)
 Notary Public, State of Wisconsin
 My Commission expires: _____

This document was prepared by:

Corporation Counsel
 Milwaukee County
 901 N. 9th Street, Room 303
 Milwaukee, WI 53208

EXHIBIT A-1

Legal Description of the "Property"

South 3.5 acres

All that part of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section 21 and the Northwest Quarter (NW ¼) of the Northwest Quarter (NW ¼) of Section 28, Town 7 North, Range 21 East, City of Wauwatosa, Milwaukee County, Wisconsin bounded and described as follows: Commencing at the southwest corner of said Southwest Quarter (SW ¼); thence North 86°24'32" East along the south line of said Southwest Quarter (SW ¼) 300.94 feet; thence South 00°41'00" East 170.22 feet to the north right-of-way line of Watertown Plank Road; thence North 84°32'21" East along said north right-of-way line 200.08 feet; thence easterly 38.91 feet along said north right-of-way line and the arc of a curve 38.91 feet, center lies to the north, chord bears North 83°40'38" East 38.90 feet to the place of beginning of the land hereinafter to be described; thence North 00°52'42" East 254.69 feet; thence North 14°35'27" West 67.38 feet; thence South 89°19'00" West 30.75 feet; thence North 30°49'59" West 144.28 feet; thence South 89°19'00" West 27.00 feet; thence North 00°41'00" West 155.20 feet; thence North 87°48'17" East 683.01 feet; thence South 00°41'00" East 484.70 feet to the north right-of-way line of Watertown Plank Road; thence South 73°57'08" West along said north right-of-way line 40.00 feet; thence North 13°53'50" West 92.59 feet; thence North 23°00'52" West 125.00 feet; thence North 41°00'52" West 135.00 feet; thence North 69°30'52" West 190.00 feet; thence South 75°44'08" West 135.00 feet; thence South 04°14'08" West 470.00 feet to the place of beginning. Containing 152,460 square feet (3.5 acres) of land.

Exhibit A-2

Legal Description Map

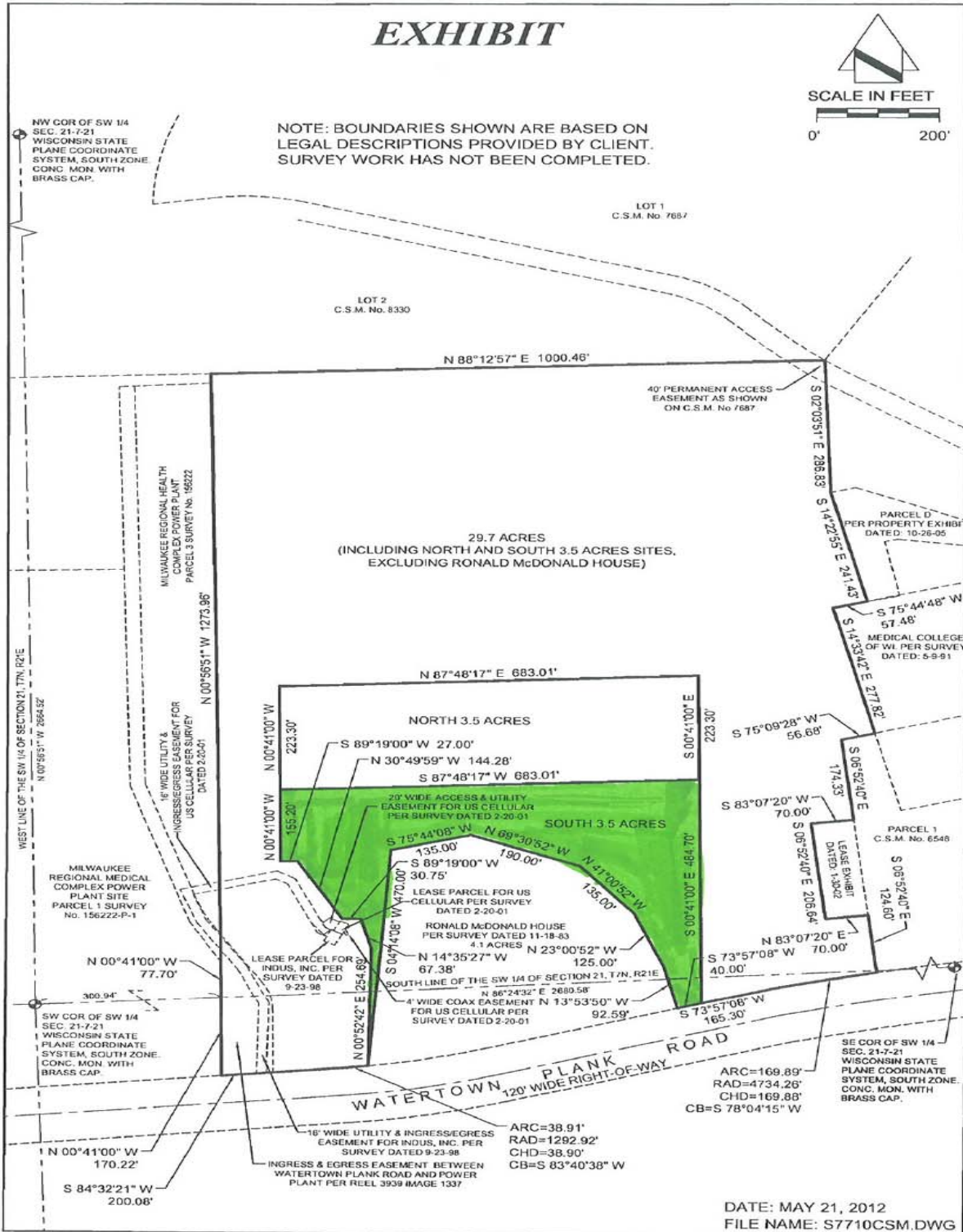


EXHIBIT B

the “Purchase Agreement”

EXHIBIT C-1

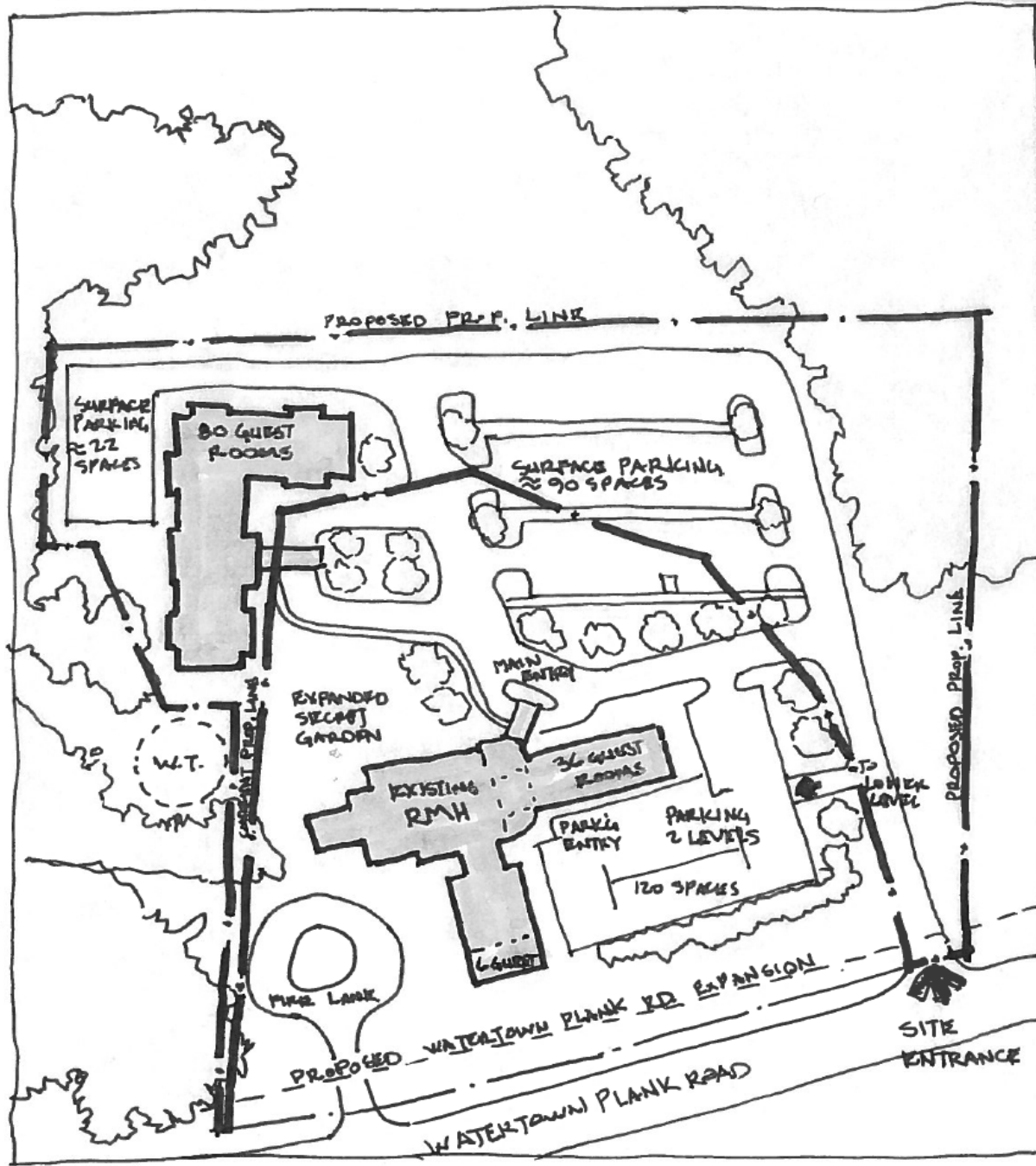
“Building” description

An 80 guest bedroom room facility housing seriously ill children and their families which includes support spaces such as kitchens, dining, study, laundry facilities and some office functions. The building will be three stories in height totaling approximately 48,000 square feet including the basement. The exterior will consist of brick and concrete masonry units (CMU) with rigid insulation and interior furring and gypsum board. The operable wood windows will have precast concrete heads and sills. There will be some decorative precast concrete banding. The roof will be concrete roof tiles with metal flashings and the trim will be wood/cement board.

EXHIBIT C-2

Ronald McDonald House Expansion
Milwaukee, WI

Plunkett
Raysich
Architects



Site Plan - Phase 2
155 Total Guest Rooms
PLA PROJECT # 1001
5.15.2012

EXHIBIT D

“Project” description

There will be one building on the property previously described in Exhibit C and consisting of a three story, 80 guest room facility of approximately 48,000 square feet and the site will have asphalt paved areas for parking of 120 vehicles. There will be no special loading dock requirements.

Asphalt paved drives will commence at the Watertown Plank Road entry to the site and extend to the parking, drop-off and delivery areas. If deemed necessary an additional driveway access point will be located on the future extended 92nd Street.

A freestanding sign at the Watertown Plank Road entrance will identify the “Ronald McDonald House” entry point to the site.

A 6 foot high privacy fence will be erected along the west edge of the property for visual and noise protection. Based on grading and landscaping requirements, some stone retaining walls may be built around planters, trees and shrubs.

All major utilities including sewer, water, electrical and gas will be connected from existing Milwaukee County, City of Wauwatosa and We Energies underground mains. Telecommunications and data connections will be hooked up from available vendors.

On site water retention will be a top priority and will be part of the overall design included in the grading, landscaping and paving areas. Every effort will be made to keep as many original trees as possible.

EXHIBIT E

“Project” cost

The anticipated project cost including all building and site improvements based on today’s construction costs is approximately twelve million dollars (\$12,000,000).

EXHIBIT F

County "Project" Approval
Board Resolution File No. _____

EXHIBIT G

Construction Schedule

The anticipated construction schedule has the construction starting in 2022 and completion sometime in 2023.

Exhibit H-1

Legal Description Future Expansion Land

North 3.5 acres

All that part of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section 21, Town 7 North, Range 21 East, City of Wauwatosa, Milwaukee County, Wisconsin bounded and described as follows: Commencing at the southwest corner of said Southwest Quarter (SW ¼); thence North 86°24'32" East along the south line of said Southwest Quarter (SW ¼) 300.94 feet; thence South 00°41'00" East 170.22 feet to the north right-of-way line of Watertown Plank Road; thence North 84°32'21" East along said north right-of-way line 200.08 feet; thence easterly 38.91 feet along said north right-of-way line and the arc of a curve 38.91 feet, center lies to the north, chord bears North 83°40'38" East 38.90 feet; thence North 00°52'42" East 254.69 feet; thence North 14°35'27" West 67.38 feet; thence South 89°19'00" West 30.75 feet; thence North 30°49'59" West 144.28 feet; thence South 89°19'00" West 27.00 feet; thence North 00°41'00" West 155.20 feet to the place of beginning of the land hereinafter to be described; thence continuing North 00°41'00" West 223.30 feet; thence North 87°48'17" East 683.01 feet; thence South 00°41'00" East 223.30 feet; thence South 87°48'17" West 683.01 feet to the place of beginning. Containing 152,460 square feet (3.5 acres) of land.

Exhibit H-2

Legal Description Map Future Expansion Land

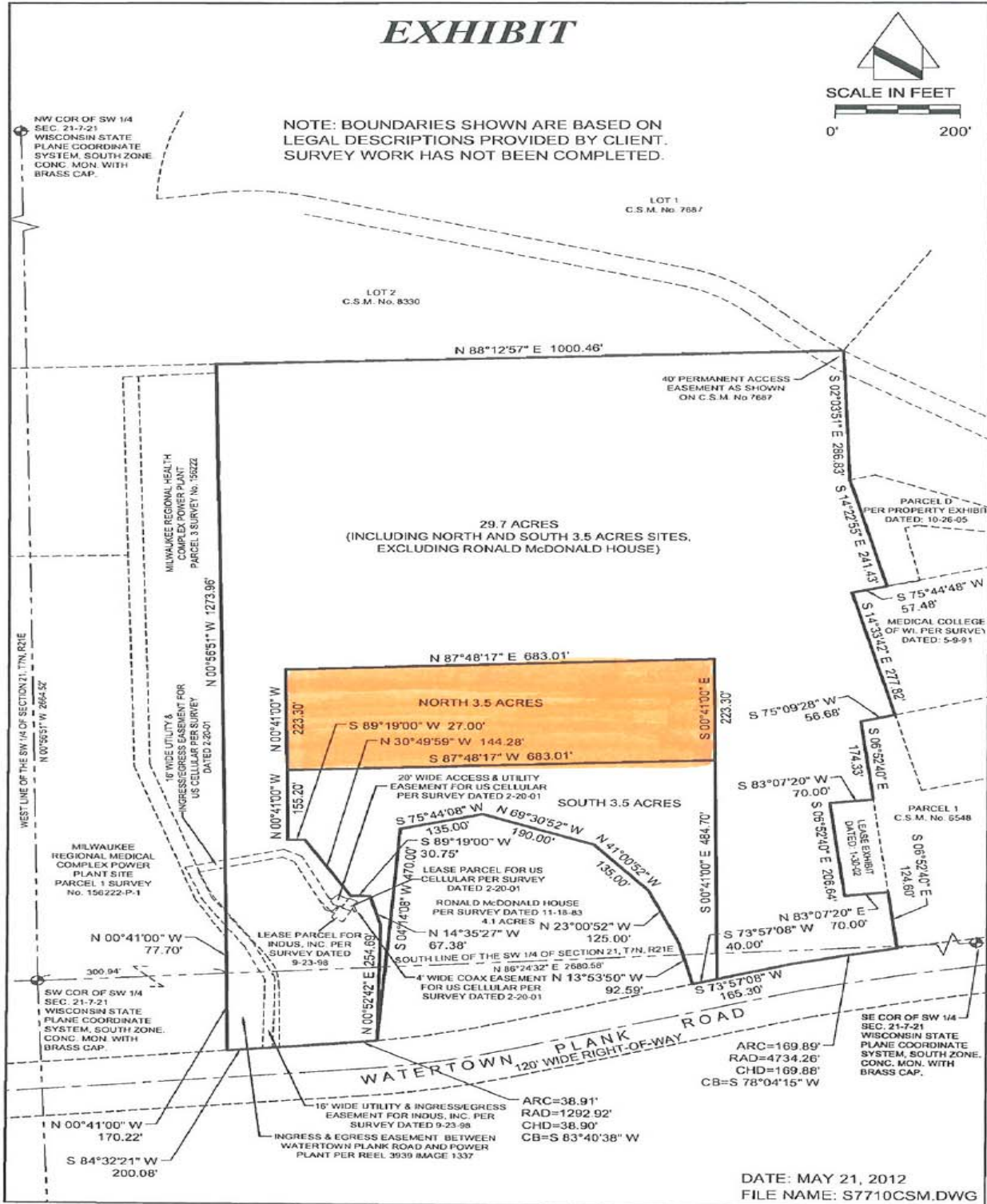


Exhibit I

Memorandum of Development Agreement

(ITEM) Ronald McDonald House Charities of Eastern Wisconsin, Inc. submitting an offer to purchase 3.5-acres of County-owned land abutting the 4.0-acres of land under lease at 8948 West Watertown Plank Road in the City of Wauwatosa, by recommending adoption of the following:

A RESOLUTION

WHEREAS, in March, 1983 Our House in Milwaukee, Inc., a/k/a Ronald McDonald House ("RMH") entered into a \$1.00 per year ground lease ("Lease") with Milwaukee County ("County") on approximately 4.0-acres of County-owned land located at 8940 West Watertown Plank Road. The current Lease continues in force with an initial term of thirty (30) years with extensions expiring on February 28, 2083; and

WHEREAS, RMH has expressed to the Economic and Community Development ("ECD") Committee on several occasions their desire to add land to the 4.0 acres they currently lease to expand their mission of providing temporary housing for seriously ill children and their families while confined to or visiting area hospitals. RMH's most recent presentation to the ECD Committee on June 18, 2012, expressed an interest in acquiring a 3.5-acre area of land adjacent to the leased 4.0 acres; and

WHEREAS, RMH submitted an offer to purchase ("Offer") for the subject 3.5-acres of County-owned land. The terms and conditions of the Offer and an accompanying Development Agreement are summarized and paraphrased as follows:

Subject Land to be Purchased:

- A 3.5-acre land area abutting the 4.0 acres RMH currently leases at 8948 West Watertown Plank Road in the City of Wauwatosa. Said 3.5-acres is more specifically depicted on Exhibits A-1 and A-2 attached to the Offer and made a part of this file ("Expansion Land").

Purchase Price:

- Cash offer in the amount of the appraised value of \$675,500.

Closing:

- On or before September 30, 2012.

Title Evidence:

- County shall provide, at RMH expense, a title commitment with GAP coverage satisfactory to RMH.

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Conveyance Conditions:

- County to retain property interests for right of entry to County utilities located on the Expansion Land.
- RMH signage shall be consistent with signage for the Milwaukee Regional Medical Center (“MRMC”).
- RMH shall proportionately pay on an annual basis for fire protection service.
- RMH shall proportionately pay on an annual basis for supportive services, for long as provided, similar to the other MRMC geographic members, pursuant to Chapter 98, Milwaukee County General Ordinances, commonly known as the Cost Sharing Ordinance (“CSO”). Said supportive CSO services shall comprise, but not be limited to, water, sanitary and storm sewer, tie-in privileges to utilities, costs and expenses for utility metering and controlling devices, etc.
- RMH shall accept the Expansion Land “as-is”, “where-is” with all faults and conditions (i.e. environmental, subsoil, subsurface structures), with indemnification to the County.
- RMH shall maintain, replace and assume all costs for snowplowing/de-icing of all internal RMH roadways, parking lots and walkways on the Expansion Land as well as the access roadway from Watertown Plank Road.
- At a future date determined by the County, in conjunction with the City of Wauwatosa and RMH, RMH shall financially participate proportionately in the reconstruction and ongoing maintenance of that portion of North 92nd Street extending from Watertown Plank Road to the current north line of the RMH property if the increased RMH building density demands ingress/egress other than via Watertown Plank Road.
- RMH shall be receptive to incorporating in its development plans walking trails which provide public access linking RMH’s property with the County land to the north and the existing natural resources within the Northeast Quadrant and greater surrounding area.
- RMH shall be prohibited from selling any or all of the leased or Expansion Land without County Board approval.
- Construction and development of RMH’s improvements shall be in compliance with Disadvantaged Business Enterprise (“DBE”) participation for professional services (17%) and construction (25%), use the standards, policies and procedures of the County’s Community Business Development Partners (“CBDP”) and seek assistance of CBDP to achieve said DBE goals.
- RMH commitment to Labor Standards, including prevailing wage overtime rates, minimum hourly wage rates and minimum fringe benefits, as well as nondiscrimination and affirmative action commitments.
- Pursuant to County Board Resolution File No. 02-456, RMH shall assume those real estate cost/fees typically associated with a seller of real estate, including but not limited to land division expenses (Certified Survey Map), title insurance, legal descriptions and filing and recording fees.
- RMH shall deliver a bond/letter of credit/fund deposit of \$50,000 as security for the full and complete performance of all obligations, agreements and covenants.

- 93 • RMH guarantees the full performance of all obligations with the County retaining
94 a repurchase provision for default in commencing construction.
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96 **Ground Lease Land Conveyance:**
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- 98 • Upon termination of the current Lease ending February 28, 2083, or earlier at the
99 County's sole option, title to the 4.0-acre ground lease area shall be conveyed to
100 RMH by Warranty Deed, for \$1.00, "as-is" and "where-is" with respect to
101 environmental and subsoil conditions.
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103 **Future Expansion Purchase:**
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- 105 • County to consider any request from RMH for an additional 3.5-acres, beyond
106 the initial 3.5-acre Expansion Land. The additional 3.5-acres, desired for the
107 further expansion of the RMH mission, is depicted on Exhibits B-1 and B-2
108 attached to the Offer and made a part of this file. Approval to purchase this
109 additional land shall be made by the Milwaukee County Board of Supervisors and
110 if approval is granted, County and RMH shall enter into an amendment to the
111 Development Agreement.
112

113 ; and
114

115 WHEREAS, staff respectfully requests the Economic and Community
116 Development Committee recommend to the Milwaukee County Board of Supervisors
117 the following:
118

- 119 • Acceptance of the Offer to Purchase from RMH, in the amount of \$675,500, for
120 the 3.5-acre Expansion Land abutting the 4.0-acre parcel currently leased by
121 RMH at 8948 West Watertown Plank Road in the City of Wauwatosa.
122 • Approval of the Development Agreement, with non-substantive revisions
123 approved by Corporation Counsel, memorializing the terms and conditions of
124 purchasing and developing the land for the RMH mission.
125 • Execution of a Certified Survey Map defining the 3.5-acre Expansion Land.
126

127 ; and
128

129 WHEREAS, the Committee on Economic and Community Development at their
130 meeting on July 16, 2012 recommended the following:
131

- 132 • Acceptance of the Offer to Purchase from RMH, in the amount of \$675,500, for
133 the 3.5-acre Expansion Land abutting the 4.0-acre parcel currently leased by
134 RMH at 8948 West Watertown Plank Road in the City of Wauwatosa.
135 • Approval of the Development Agreement, with non-substantive revisions
136 approved by Corporation Counsel, memorializing the terms and conditions of
137 purchasing and developing the land for the RMH mission.
138 • Execution of a Certified Survey Map defining the 3.5-acre Expansion Land.

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; now, therefore,

BE IT RESOLVED, the County Board of Supervisors hereby accepts and authorizes the following:

- Acceptance of the Offer to Purchase from RMH, in the amount of \$675,500, for the 3.5-acre Expansion Land abutting the 4.0-acre parcel currently leased by RMH at 8948 West Watertown Plank Road in the City of Wauwatosa.
- Approval of the Development Agreement, with non-substantive revisions approved by Corporation Counsel, memorializing the terms and conditions of purchasing and developing the Expansion Land for the RMH mission.
- Execution of a Certified Survey Map defining the 3.5-acre Expansion Land.

; and

BE IT FURTHER RESOLVED, that the County Executive and the County Clerk are hereby authorized to sign the above described Development Agreement, Certified Survey Map and Warranty Deed and the Manager of Real Estate Services is hereby authorized to sign the accepted Offer to Purchase; and

BE IT FURTHER RESOLVED, that the County Executive and the County Clerk and/or other appropriate County officials are hereby authorized to execute any and all instruments/documents referenced in the Development Agreement, which are necessary to implement the intent of this resolution.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 28, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Ronald McDonald House Charities of Eastern Wisconsin, Inc. submitting an offer to purchase 3.5-acres of County-owned land abutting the 4.0-acres of land under lease at 8948 West Watertown Plank Road in the City of Wauwatosa

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue	\$675,500	
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The \$675,500 purchase price, less sales expenses, if any, shall be deposited pursuant to the adopted 2012 County budget.

Department/Prepared By Craig C. Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.