

Community Development Division
625 52nd Street – **Room 308**
262.653.4030

**Redevelopment Authority
of the City of Kenosha
Agenda**

Tuesday, February 18, 2014
5:00 p.m.

*Katherine Marks - Chairperson and Bob Johnson - Vice Chairperson
Alderman Michael Orth, Everett Butler, Eric Migrin, John Potente, Doug Williams*

Call to Order and Roll Call

Approval of Minutes from December 17, 2013

1. Financial Report for January 31, 2014
2. *Wilson Redevelopment Project* Report
3. Offer to Purchase property at 4816 37th Avenue. (District #10)

*The Redevelopment Authority May Go Into Closed Session
Per Section 19.83(1)(e.) Wisconsin Statutes and May or May Not
Reconvene into Open Session for the Purpose of Holding
a Hearing and Making a Final Determination.*

Public Comments

Authority Comments

Staff Comments

Adjournment

REDEVELOPMENT AUTHORITY OF THE CITY OF KENOSHA
Minutes
December 17, 2013

MEMBERS PRESENT: Katherine Marks, Bob Johnson, Everett Butler, Eric Migrin, John Potente and Doug Williams

EXCUSED: Alderperson Michael Orth

STAFF PRESENT: Zohrab Khaligian

The meeting was called to order at 5:00 p.m. by Ms. Marks and roll was taken.

A motion was made by Mr. Williams and seconded by Mr. Migrin to approve the minutes of the October 22, 2013 meeting. **The motion passed. (Ayes 6; Noes 0)**

1. Election of Chairperson and Vice-Chairperson

A motion was made by Mr. Johnson and seconded by Mr. Butler to nominate Katherine Marks as the Chairperson. The motion passed. (Ayes 6, Noes 0)

A motion was made by Mr. Williams and seconded by Mr. Potente to nominate Mr. Johnson as the Vice-Chairperson. The motion passed. (Ayes 6, Noes 0)

A motion was made by Mr. Potente and seconded by Mr. Johnson to nominate Jeff Labahn as Recording Secretary. The motion passed. (Ayes 6, Noes 0)

2. Financial Report for November 30, 2013

A motion was made by Mr. Williams and seconded by Mr. Migrin to Receive and File the Financial Report. The motion passed. (Ayes 6, Noes 0)

3. Wilson Redevelopment Project - Update

Zohrab Khaligian, Community Development Specialist, said the report is a synopsis of what the Authority did in 2013 and noted that the Common Council approved \$250,000 for acquisition for 2014. Mr. Khaligian said the existing four-plex property owners seem to think the \$80 or \$90,000 is too low for their buildings.

Mr. Butler asked for the status of the property at approximately 35th and 24th. Mr. Khaligian said we don't own that property, but we own the vacant lot next to that. Our agenda is continually checking to see what property may be available. Ms. Marks asked what is the cost of that house and will the Authority be working on this property? Mr. Khaligian said probably \$30-\$40,000 since the fire. It would be more beneficial for the Authority to fund other four-unit properties.

A motion was made by Mr. Butler and seconded by Mr. Potente to Receive and File the report. The motion passed. (Ayes 6, Noes 0)

Public Comments

No Public comments.

Authority Comments

Mr. Williams thanked the other Authority members and Staff for their work and support over the past year.

Mr. Potente asked if the work is done at the Brass Site. Mr. Khaligian said the dirt has been moved, but they ran out of time to seed and put down an erosion matting. The contamination material is now capped with 2 feet of soil.

Ms. Marks thanks the Authority and Staff for a great year.

Staff Comments

No Staff comments.

A motion was made by Mr. Williams and seconded by Mr. Migrin to adjourn the meeting. The motion passed. (Ayes 6, Noes 0) The meeting adjourned at 5:14 p.m.

Meeting Minutes Prepared by: Kay Schueffner, Community Development & Inspections

Community Development Division 625 52nd Street – Room 308 262.653.4030	Redevelopment Authority of the City of Kenosha Fact Sheet	February 18, 2014 5:00 p.m.	Item 1
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Financial Report for January 31, 2014

LOCATION:

N/A

NOTIFICATIONS/PROCEDURES:

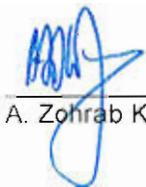
N/A

ANALYSIS:

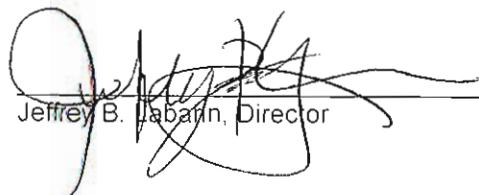
- Attached is the Financial Report for the period ending January 31, 2014
- The report includes the:
 - 1) Balance Sheet - A statement of revenues, expenditures and changes in fund balance.
 - 2) Statement of Authorizations and Expenditures
 - 3) List of holdings - list of anticipated expenditures.
 - 4) Two (2) maps indicating properties owned or assembled by the Redevelopment Authority

RECOMMENDATION:

A recommendation is made to receive and file the Financial Report.



A. Zohrab Khaligian, Community Development Specialist



Jeffrey B. Jabarin, Director

**Redevelopment Authority Balance Sheet
For The Period Ended January 31, 2014**

	Redevelopment Authority (Fund 461)
<u>ASSETS</u>	
Cash	\$66,328
Total Assets	\$66,328

<u>LIABILITIES</u>	
Escrow	\$0
Total Liabilities	\$0

<u>FUND BALANCES</u>	
Resv for Encumbrances**	\$1,563
Fund Balance:	
Capital Improvement Program	\$64,765
Program Income	\$0
Total Fund Balance	\$66,328
Total Liabilities & Fund Balance	\$66,328

** Malsack, J PO 131095	1,563
Total Encumbrances	\$1,563

(Signature)
2/13/14

Redevelopment Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
For The Period Ended January 31, 2014

	Redevelopment Authority	
	<u>(Fund 461)</u>	<u>(Fund 461)</u>
	Current Month	Year to Date
<u>Revenues and Other Sources</u>		
Miscellaneous Revenue	\$0	\$0
Rent Revenue	\$0	\$0
Grant Revenue	\$0	\$0
Interest Income	\$0	\$0
Note Proceeds	\$0	\$0
Interfund transfer in	\$0	\$0
Total Revenues	\$0	\$0
<u>Expenditures and Other Uses</u>		
Expenditures**	\$20,933	\$20,933
Total Expenditures	\$20,933	\$20,933
Revenues over (under) Expenditures	(20,933)	(20,933)
Fund Balance – 12/31/13 unaudited		\$87,261
Fund Balance – 1/31/14		\$66,328

** Expenditure amounts do not include encumbrances.

**Redevelopment Authority
2013 Expenditures**

<u>Date</u>	<u>Check #</u>	<u>Vendor</u>	<u>Function</u>	<u>Amount</u>	<u>Total</u>	
<i>January</i>						
12/31/13	134883	KWU	10-11/13 UTILS	10.06		
12/31/13	134883	KWU	10-11/13 UTILS	12.70		
12/31/13	134883	KWU	10-11/13 UTILS	12.15		
12/31/13	134883	KWU	10-11/13 UTILS	15.44		
12/31/13	134883	KWU	10-11/13 UTILS	29.78		
12/31/13	134883	KWU	9/17-11/16/13 UTILS	221.81		
12/31/13	134883	KWU	10-11/13 UTILS	27.58		
12/31/13	134883	KWU	10-11/13 UTILS	28.68		
12/31/13	135211	WE Energies	12/5-16/13 UTILS	7.37		
12/31/13	135209	KWU	10-11/13 STORMWATER	235.12		
12/31/13	135369	KWU	9/17-12/2/13 UTILS	31.81		
12/31/13	135464	PROFESSIONAL SERVICE	12/13 4627 37AV	2,350.00		
12/31/13	JE 12204	KENOSHA CO. SHERRIF	VOID AP 133349	(750.00)		
12/31/13	135622	LORENZ TOPSOIL	PULVERIZED TOPSOIL	968.00		
12/31/13	JE 12327		4817 37AV RE TAX	3,293.62		
12/31/13	JE 12327		4810 37AV RE TAX	3,293.62		
12/31/13	JE 12327		4627 37AV RE TAX	3,601.98		
12/31/13	JE 12327		4723 36AV RE TAX	3,293.62		
12/31/13	JE 12346		4717 36AV RE TAX	3,293.62		
01/10/14	134836	WE Energies	4627 37AV - GAS RMVL	956.00		
		Total January		20,932.96		
		<i>Total thru January</i>				20,932.96

Redevelopment Authority
Supplemental Statement of Authorizations, Expenditures and Encumbrances
Balance of Authorizations
For The Period Ended January 31, 2014

	Redevelopment Authority (Fund 461)			
	2009	2010	2012	2013
<u>Authorization</u>				
Miscellaneous Acquisitions	\$225,000	\$225,000	\$0	\$0
Property Maintenance	\$0	\$0	\$12,000	\$12,000
Foreclosure Acquisition	\$0	\$0	\$100,000	\$0
Fourplex Acquisition	\$0	\$0	\$250,000	\$0
Planned Acquisition	\$0	\$0	\$0	\$400,000
Total *	\$225,000	\$225,000	\$362,000	\$412,000
<u>Misc. Acquisition Expenditures/Encumbrances</u>				
2010 - Through 12/31/10	\$225,000	\$107,012	n/a	n/a
2011 - Through 12/31/11	\$0	\$83,980	n/a	n/a
2012 - Through 12/31/12	\$0	\$34,002	n/a	n/a
2013 - Through 12/31/13	\$0	\$6	n/a	n/a
Total Miscellaneous Acquisition Expenditures/Encumbrances	\$225,000	\$225,000	n/a	n/a
<u>Property Maintenance Expenditures/Encumbrances</u>				
2012 - Through 12/31/12	n/a	n/a	\$8,036	\$0
2013 - Through 12/31/13	n/a	n/a	\$3,964	\$12,000
Total Property Maintenance Expenditures	n/a	n/a	\$12,000	\$12,000
<u>Foreclosure Acquisitions Expenditures/encumbrances</u>				
2012 - Through 12/31/12	n/a	n/a	\$0	n/a
2013 - Through 12/31/13	n/a	n/a	\$100,000	n/a
Total Foreclosure Acquisitions Expenditures	n/a	n/a	\$100,000	n/a
<u>Fourplex Acquisitions Expenditures/Encumbrances</u>				
2012 - Through 12/31/12	n/a	n/a	\$109,088	n/a
2013 - Through 12/31/13	n/a	n/a	\$140,912	n/a
Total Fourplex Acquisitions Expenditures	n/a	n/a	\$250,000	n/a
<u>Planned Acquisitions Expenditures/Encumbrances</u>				
2013 - Through 12/31/13	n/a	n/a	n/a	\$336,381
Total Planned Acquisitions Expenditures	n/a	n/a	n/a	\$336,381
Balance – Current	\$0	\$0	\$0	\$63,619

* These amounts were authorized in the Capital Improvement Program

**KRA Holdings to Date as Requested by the Chairman
As of January 31, 2014**

Date	Property	Address	Tax Key No.	Acquisition Price	Cost to Date
11/13/13	Alostar Bank	4627 37th Avenue	09-222-36-227-006	\$80,495.94	\$87,403.92
06/26/13	Watring	4817 37th Avenue	09-222-36-231-003	\$89,919.66	\$96,819.38
02/14/13	Lund	4723 36th Avenue	09-222-36-226-016	\$79,702.25	\$100,211.81
01/15/13	Lund	4717 36th Avenue	09-222-36-226-015	\$78,970.75	\$97,896.32
01/25/13	Lentz Partners	4810 37th Avenue	09-222-36-230-014	\$114,690.18	\$136,607.49
05/09/12	Lentz Partners	4804 37th Avenue	09-222-36-230-015	\$123,798.31	\$149,006.68
10/28/10	Piyush Patel	4702 36th Avenue	09-222-36-227-028	\$135,080.00	\$155,139.63
05/12/10	Labanowsky	4902 37th Avenue	09-222-36-230-010	\$150,637.00	\$175,543.41
02/26/10	FNMA	4615 36th Avenue	09-222-36-226-010	\$95,000.00	\$112,140.73
09/18/09	Lentz	4915 37th Avenue	09-222-36-231-007	\$150,101.00	\$164,781.30
08/12/09	Fannie Mae	4609 36th Avenue	09-222-36-226-009	\$112,665.00	\$129,493.86
09/26/08	Lentz	4901 37th Avenue	09-222-36-231-005	\$180,093.00	\$194,162.03
06/25/08	Mattioli	5016 Sheridan Road	12-223-31-156-003	\$275,103.00	\$366,343.48
04/30/08	Abdelhamid	4621/4627 38th Avenue	09-222-36-228-003 & 017	\$130,093.00	\$140,484.32
04/30/08	Iaquinta	1102/1200 52nd Street	12-223-31-157-016	\$146,573.00	\$188,509.55
09/07/07	Labanowsky	4823 37th Avenue	09-222-36-231-004	\$170,013.00	\$184,135.34
08/22/07	Kenosha County	1342 50th Street	12-223-31-207-032	\$34,200.93	\$34,400.93
11/29/06	Crow Properties	1014 48th Street	12-223-31-133-003	\$88,500.00	\$92,437.24
		1015 48th Street	12-223-31-134-002		\$0.00
		1021 46th Street	12-223-31-130-003		\$0.00
03/28/02	Southport Bank	4913 13th Avenue	12-223-31-154-005	\$45,011.00	\$45,011.00
10/13/00	Bass	1022 50th Street	12-223-31-154-007	\$55,000.00	\$64,615.10
09/28/00	Davison	5103 13th Avenue	12-223-31-157-002	\$35,000.00	\$41,858.15
10/29/99	Kenosha County	5131 13th Avenue	12-223-31-157-010	\$5,827.98	\$5,827.98
06/30/99	Fratrick	5002 Sheridan Road	12-223-31-156-001	\$123,000.00	\$133,410.00
06/10/99	AutoWiz	913 50th Street	12-223-31-156-002	\$85,000.00	\$137,987.24
02/19/99	Kenosha County	1334 50th Street	12-223-31-207-016	\$1.00	\$1.00
01/27/99	First Nations Bank	1104 50th Street	12-223-31-154-006	\$45,000.00	\$56,018.29
12/18/98	Carreon	5143 13th Avenue	12-223-31-157-013	\$30,800.00	\$37,653.00
11/13/98	Principe	1010 52nd Street	12-223-31-157-019	\$62,100.00	\$74,501.41
02/27/98	Bauer	5139 13th Avenue	12-223-31-157-012	\$19,000.00	\$28,290.05
02/18/98	Fogle	5109 13th Avenue	12-223-31-157-003	\$35,000.00	\$45,170.47
08/29/97	Haarstick	5215 Sheridan Road	12-223-31-426-008	\$193,000.00	\$316,266.30
06/17/97	Kenosha Housing Authority	5115 13th Avenue	12-223-31-157-005	\$0.00	\$155.00
06/17/97	Kenosha Housing Authority	5127 13th Avenue	12-223-31-157-009	\$0.00	\$0.00
11/15/96	Executive Square	5400 8th Ave, South of Barr Furniture	12-223-31-426-017	\$115,000.00	\$118,010.61
04/26/95	Barr Furniture	5319 Sheridan Road	12-223-31-426-016	\$410,000.00	\$452,918.78
06/21/93	CNW Railroad	50th Street to 45th Street	12-223-31-501-001,002,003,004,007&008	\$31,000.00	\$31,250.00

**KRA Holdings to Date as Requested by the Chairman
As of January 31, 2014**

Date	Property	Address	Tax Key No.	Acquisition Price	Cost to Date
06/15/93	CNW Railroad	Sheridan Road to 50th Street	12-223-31-501-009 & 010	\$11,627.00	\$11,657.95
02/12/87	Reformation Church	1006 52nd Street	12-223-31-157-020	\$0.00	\$0.00
SUBTOTAL				\$3,537,003.00	\$4,206,119.75

**Other Properties
As of January 31, 2014**

Date	Property	Address	Tax Key No.	Acquisition Price	Cost to Date
11/04/11	Wells Fargo	4628 37th Avenue	09-222-36-228-012	\$65,388.56	\$84,937.56
11/29/06	Crow Properties (Purchased by City)	1001 50th Street 2916 Sheridan Road 1515 52nd Street	12-223-31-155-002 10-223-19-453-002 12-223-31-303-005		\$0.00 \$0.00 \$75.00
01/04/95	Train Station (METRA)	5414 13th Avenue	12-223-31-501-035 & 036	\$150,000.00	\$152,562.00
01/21/94	HUD	5818 Fifth Avenue	12-223-31-488-009	\$10,000.00	\$15,686.90
01/07/94	Senate Building (Leased to City Transit)	1204/1210 56th Street	12-223-31-436-006	\$220,000.00	\$336,772.66
05/15/92	CNW Railroad	Sixth Avenue to 52nd Street	12-223-31-501-037	\$26,000.00	\$31,596.75
03/07/90	Finishing & Plating (Stationside Village Parking Lot)	1003 53rd Street	12-223-31-431-001	\$1,400,000.00	\$1,593,259.42
N/A	N/A (Public parking lot for City Transit)	5802 Fifth Avenue	12-223-31-488-001	\$0.00	\$0.00
SUBTOTAL				\$1,871,388.56	\$2,214,890.29
GRAND TOTAL				\$5,408,391.56	\$6,421,010.04

**Properties Previously Owned by Redevelopment Authority
As of January 31, 2014**

Date	Property	Address	Tax Key No.	Acquisition Price	Cost to Date
12/05/05	Wolf (Transferred to Kenosha Community Health Center)	6202 14th Avenue		\$37,011.00	\$37,011.00
09/26/03	14th Avenue Ventures (Transferred to Kenosha Community Health Center)	6220 14th Avenue		\$88,600.00	\$88,600.00
07/30/93	Ebner (Public parking lot transferred to City)	5802 Fifth Avenue	12-223-31-489-015	\$90,000.00	\$90,000.00
05/25/05	DOG Properties (Transferred to Boys & Girls Club)	5129/5131 14th Avenue	12-223-31-276-016	\$180,000.00	\$207,551.97
04/06/01	McKinley (Transferred to Boys & Girls Club)	5021 14th Avenue	12-223-31-276-009	\$71,400.00	\$93,993.54
04/06/01	McKinley (Transferred to Boys & Girls Club)	5111 14th Avenue	12-223-31-276-015	\$66,150.00	\$86,985.90
04/06/01	McKinley (Transferred to Boys & Girls Club)	5133 14th Avenue	12-223-31-276-017	\$62,160.00	\$78,891.39
08/13/99	Villegas (Transferred to Boys & Girls Club)	5043 14th Avenue	12-223-31-276-012	\$55,000.00	\$59,989.36
04/07/99	Shay (Transferred to Boys & Girls Club)	5013 14th Avenue	12-223-31-276-007	\$52,010.00	\$56,007.68
12/18/98	Boak (Transferred to Boys & Girls Club)	5105 14th Avenue	12-223-31-276-014	\$55,000.00	\$85,581.58
12/18/98	Villasenor (Transferred to Boys & Girls Club)	5101 14th Avenue	12-223-31-276-013	\$45,000.00	\$53,734.87
11/30/98	Bushnell (Transferred to Boys & Girls Club)	5025 14th Avenue	12-223-31-276-010	\$65,082.00	\$80,003.42
12/30/97	Vacant Lot (Transferred to Boys & Girls Club)	5037 14th Avenue	12-223-31-276-011	\$7,500.00	\$7,500.46
06/27/97	Stipek (Transferred to Boys & Girls Club)	5007 14th Avenue	12-223-31-276-006	\$49,900.00	\$61,507.46
06/17/97	Kenosha Housing Authority (Transferred to Boys & Girls Club)	1346 52nd Street	12-223-31-276-018	\$0.00	\$0.00
05/30/97	Laundromat (Transferred to Boys & Girls Club)	1351 50th Street	12-223-31-276-005	\$52,783.71	\$82,857.54
01/13/97	Kenosha County (Transferred to Boys & Girls Club)	5015 14th Avenue	12-223-31-276-008	\$14,377.71	\$15,398.78
07/31/96	Meyers (Transferred to Boys & Girls Club)	1339 50th Street	12-223-31-276-002	\$25,000.00	\$33,200.32

*Properties Previously Owned by Redevelopment Authority
As of January 31, 2014*

<i>Date</i>	<i>Property</i>	<i>Address</i>	<i>Tax Key No.</i>	<i>Acquisition Price</i>	<i>Cost to Date</i>
08/28/09	Smith (Transferred to Boys & Girls Club)	1343 50th Street	12-223-31-276-003	\$73,715.00	\$98,154.51
12/31/97	Warehouse (Transferred to Boys & Girls Club)	1347 50th Street	12-223-31-276-004	\$30,000.00	\$40,009.16
		TOTAL		\$1,120,689.42	\$1,356,978.94

**KRA Anticipated Expenditures
As of January 31, 2014**

Property	Address	Tax Key No.	Activity	Anticipated Costs
Lentz Partners	4810 37th Avenue	09-222-36-230-014	Demolition	\$7,500.00
Lund	4717 36th Avenue	09-222-36-226-015	Demolition	\$7,500.00
Lund	4723 36th Avenue	09-222-36-226-016	Demolition	\$7,500.00
Watring	4817 37th Avenue	09-222-36-231-003	Demolition	\$25,000.00
Alostar Bank	4627 37th Avenue	09-222-36-231-003	Demolition	\$25,000.00
TOTAL				\$72,500.00

<p>Community Development Division 625 52nd Street – Room 204 262.653.4030</p>	<p>Redevelopment Authority of the City of Kenosha Fact Sheet</p>	<p>February 18, 2014 5:00 p.m.</p>	<p>Item 2</p>
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Wilson Redevelopment Project Report

LOCATION:

45th Street on the North, 35th Avenue on the East, 50th Street on the South and 38th Avenue on the West

NOTIFICATIONS/PROCEDURES:

The alderperson of the district, Alderperson Kennedy, has been notified.

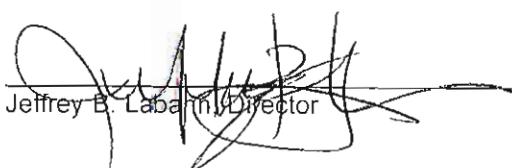
ANALYSIS:

- The *Wilson Redevelopment Project Area* was created in January 2008 to address the blighting influence of sixty (60) contiguous four-unit rental apartments located in the center of the project area.
- Based on the concentration of higher density units and rental properties, the objectives of the redevelopment project area are:
 - In the short term, eliminate the higher-density units
 - In the long term, replace the rental units with owner occupied units.
 The following maps show the concentration of higher density units and rental properties surrounded by mostly single family, owner-occupied units.
- To date, fifteen (15) of the sixty (60) four-unit rental apartments were acquired as follows:
 - One (1) by the Kenosha Housing Authority prior to creation of the redevelopment project;
 - One (1) by the Redevelopment Authority prior to the creation of the redevelopment project area;
 - Twelve (12) by the Redevelopment Authority after the creation of the redevelopment project area;
 - One (1) by the City after the creation of the redevelopment project area.
 Six (6) of these apartments were acquired through foreclosure.
- The total amount paid to assemble the 15 four-unit rental apartments was \$2,051,163.46 and the average acquisition price was \$118,998. The average acquisition price of the five (5) four-unit rental apartments acquired in 2013 was \$88,756. *In 2008 the majority of four-unit rental apartments were assessed at \$235,000. Currently, the majority of four-unit rental apartments are assessed at \$114,800.*
- There were four (4) properties acquired that were not four-units.
 - Prior to the creation of the redevelopment project area, the Kenosha Housing Authority acquired a two-unit apartment at Parcel #09-222-36-226-017.
 - After the creation of the redevelopment project area, the Redevelopment Authority acquired a commercial property (consisting of two parcels) at Parcels #09-222-36-228-003 and -017.
 - The City also accepted the transfer of the former Boys & Girls Club Madrigano Center.
 The total amount paid to assemble these four(4) properties was \$354,505.32.
- The total amount paid to assemble all properties was \$2,405,668.78.

RECOMMENDATION:

A recommendation is made to receive and file the report.

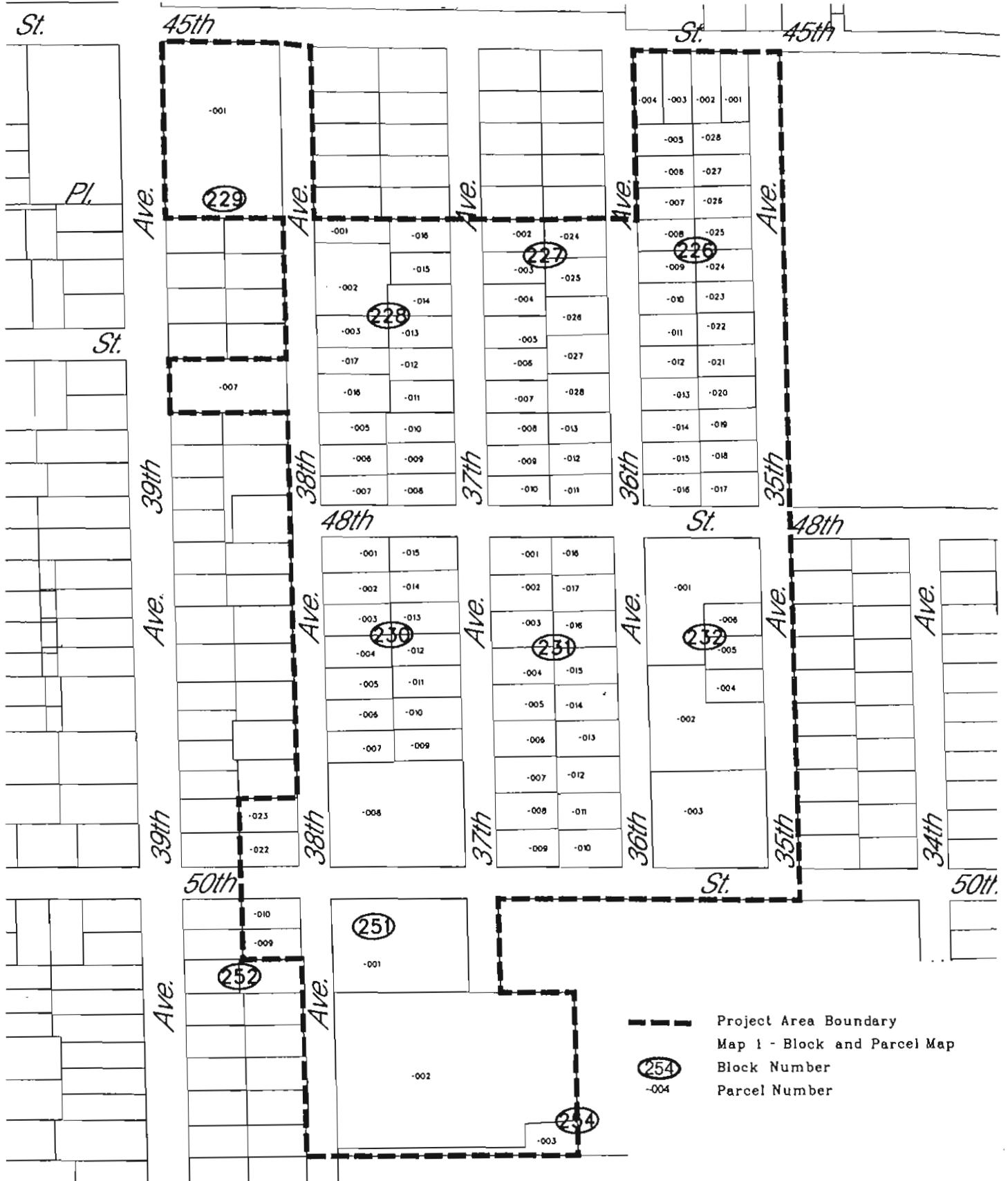

 A. Zohrab Khaligian, Community Development Specialist


 Jeffrey B. Labarino, Director

**KRA Holdings to Date as Requested by the Chairman
As of January 31, 2014**

DATE	PROPERTY	TYPE	ADDRESS	FORECLOSURE	TAX KEY NUMBER	ACQUISITION PRICE	COST TO DATE
11/13/13	Alostar Bank	4	4627 37th Avenue	X	09-222-36-227-006	\$80,495.94	\$87,403.92
06/26/13	Watring	4	4817 37th Avenue		09-222-36-231-003	\$89,919.66	\$96,819.38
02/14/13	Lund	4	4723 36th Avenue	X	09-222-36-226-016	\$79,702.25	\$100,211.81
01/15/13	Lund	4	4717 36th Avenue	X	09-222-36-226-015	\$78,970.75	\$97,896.32
01/25/13	Lentz Partners	4	4810 37th Avenue		09-222-36-230-014	\$114,690.18	\$136,607.49
05/09/12	Lentz Partners	4	4804 37th Avenue		09-222-36-230-015	\$123,798.31	\$149,006.68
10/28/10	Piyush Patel	4	4702 36th Avenue		09-222-36-227-028	\$135,080.00	\$155,139.63
05/12/10	Labanowsky	4	4902 37th Avenue		09-222-36-230-010	\$150,637.00	\$175,543.41
02/26/10	FNMA	4	4615 36th Avenue	X	09-222-36-226-010	\$95,000.00	\$112,140.73
09/18/09	Lentz	4	4915 37th Avenue		09-222-36-231-007	\$150,101.00	\$164,781.30
08/12/09	Fannie Mae	4	4609 36th Avenue	X	09-222-36-226-009	\$112,665.00	\$129,493.86
09/26/08	Lentz	4	4901 37th Avenue		09-222-36-231-005	\$180,093.00	\$194,162.03
09/07/07	Labanowsky	4	4823 37th Avenue		09-222-36-231-004	\$170,013.00	\$184,135.34
SUBTOTAL-RACK-4PLEX						\$1,561,166.09	\$1,783,341.90
<hr/>							
11/04/11	Wells Fargo	4	4628 37th Avenue		09-222-36-228-012	\$65,388.56	\$84,937.56
03/07/06	Labanowsky	4	4908 37th Avenue		09-222-36-230-009	\$158,413.00	\$182,884.00
SUBTOTAL CITY/KHA 4PLEX						\$223,801.56	\$267,821.56
<hr/>							
06/11/13	Boys & Girls Club	IP	3712 50th Street		09-222-36-230-008	\$1.00	\$64,026.00
04/30/08	Abdelhamid	COM	4621/4627 38th Avenue		09-222-36-228-003 & 017	\$130,093.00	\$140,484.32
03/02/06	National City Bank of Indiana	2	4720-22 35th Avenue	X	09-222-36-226-017	\$125,011.00	\$149,995.00
SUBTOTAL CITY/KHA OTHER						\$255,105.00	\$354,505.32
<hr/>							
***TOTAL ***						\$2,040,072.65	\$2,405,668.78

City of Kenosha
 Proposed
 Wilson Neighborhood
 Redevelopment Project Area



City of Kenosha

Redevelopment Options Wilson Neighborhood

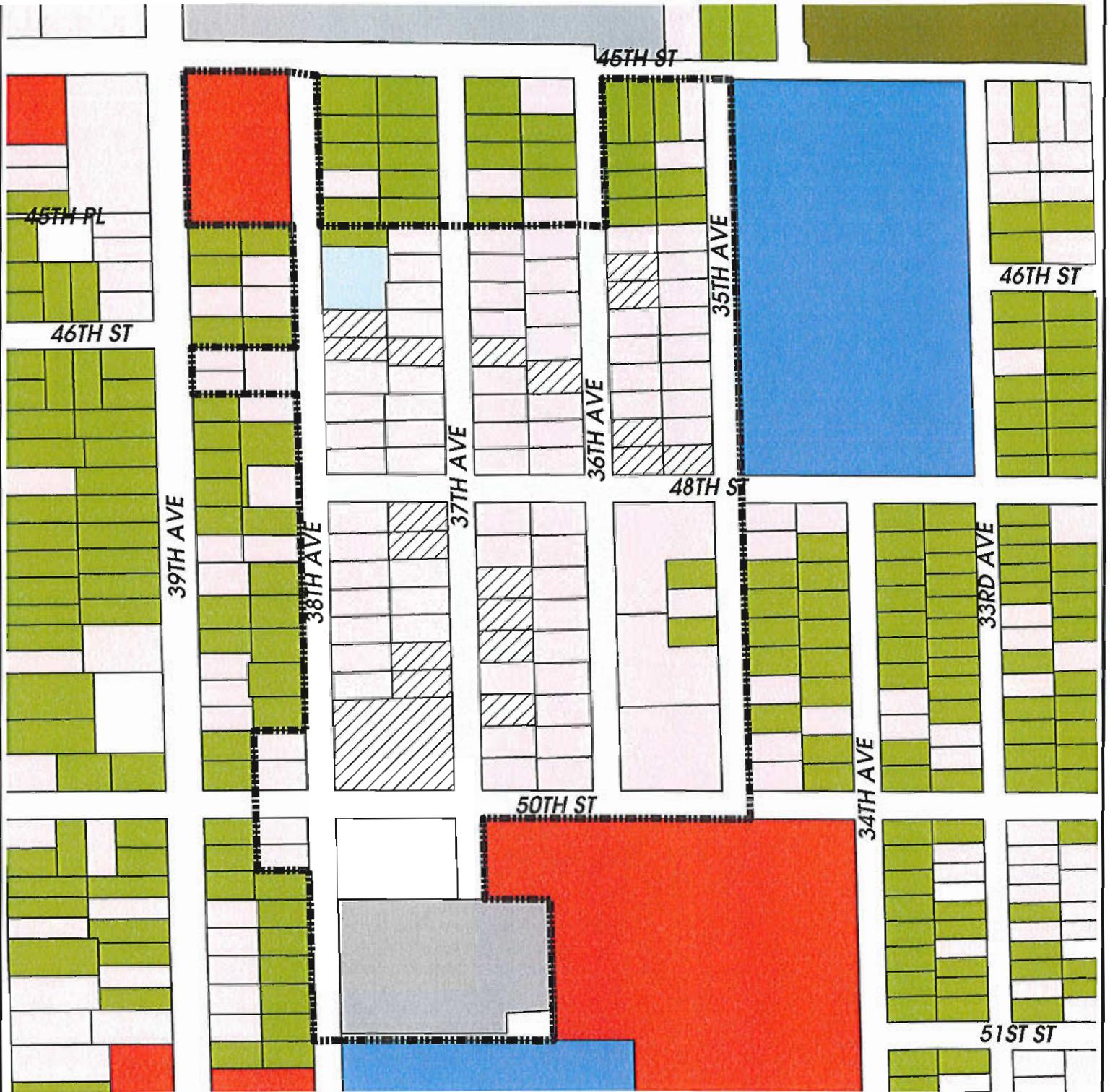


Wilson Project Area	2 FAMILY RESIDENTIAL	MULTIPLE FAMILY RESIDENTIAL - GENERAL	COMMERCIAL(GENERAL)
City-Owned Properties	3 FAMILY RESIDENTIAL	CHURCH	PARKS/OPEN SPACES
City Land Uses	FOUR FAMILY UNITS	OFFICE	INDUSTRIAL
SINGLE FAMILY RESIDENTIAL	APARTMENT	SCHOOL	VACANT LAND



City of Kenosha

Property Ownership Wilson Neighborhood



- | | | |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
|  Wilson Project Area |  CHURCH |  PARKS/OPEN SPACES |
|  City-Owned Properties |  COMMERCIAL(GENERAL) |  SCHOOL |
|  Tenant-Occupied Properties |  INDUSTRIAL |  VACANT LAND |
|  Owner-Occupied Properties | | |



<p>Community Development Division 625 52nd Street – Room 204 262.653.4030</p>	<p>Redevelopment Authority of the City of Kenosha Fact Sheet</p>	<p>February 18, 2014 5:00 p.m.</p>	<p>Item 3</p>
---------------------------------------------------------------------------------------	--------------------------------------------------------------------------	----------------------------------------	---------------

Offer to Purchase property at 4816 37th Avenue. (District #10)

LOCATION:

4816 37th Avenue

NOTIFICATIONS/PROCEDURES:

The alderperson of the district, Alderperson Kennedy, has been notified.

ANALYSIS:

- On January 31, 2014 Michelle Volkmar, the City's real estate Agent, informed Staff that the Owners of 4816 37th Avenue, Lentz Partners, LLC, were ready to sell their property.
- The Owners moved one tenant to another rental property they own, they are evicting two tenants for non-payment of rent and the fourth unit is vacant.
- On February 6, 2014, the Agent submitted the attached Offer to Purchase for \$80,000. The Offer is contingent upon the following:
 - 1) Redevelopment Authority's approval by Tuesday, February 18, 2014;
 - 2) Proof of proper eviction notices;
 - 3) The building must be vacant;
 - 4) The Owners must pay the City's agent a co-broker fee.
 The Owners have until Wednesday, February 12, 2014 to respond to the offer.
- On February 10, 2014, the Owners submitted a Counter-Offer of \$85,000. Per the Direction of the Redevelopment Authority Chairperson (Katherine Marks), the City's Real Estate Agent submitted a Counter-offer of \$83,000. On February 12, 2014 the Owners accepted the Counter-offer of \$83,000.
- Based on the December 17, 2013 *Wilson Redevelopment Project* report, the Redevelopment Authority has approximately \$267,859 to assemble additional properties.

RECOMMENDATION:

A recommendation is made to approve the Offer to Purchase the property at 4816 37th Avenue for \$83,000.



 A. Zohrab Khaligian, Community Development Specialist



 Jeffrey B. Labahn, Director

City of Kenosha

Redevelopment Options Wilson Neighborhood



-  Phase I
-  Phase II
-  City-Owned Properties
-  Kenosha Housing Authority-Owned Properties
-  Redevelopment Authority-Owned Properties

 Subject Property



WB-11 RESIDENTIAL OFFER TO PURCHASE

1 LICENSEE DRAFTING THIS OFFER ON February 6, 2014 [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, Redevelopment Authority Of the City of Kenosha
4 , offers to purchase the Property known as [Street Address] 4816 37th Ave
5 in the City
6 of Kenosha, County of Kenosha Wisconsin (insert additional
7 description, if any, at lines 165-172 or 435-442 or attach as an addendum per line 434), on the following terms:

8 PURCHASE PRICE: Eighty-Three Thousand
9 Dollars (\$ 83,000.00).

10 EARNEST MONEY of \$ 1,000.00 accompanies this Offer and earnest money of \$ 1,000.00
11 will be mailed, or commercially or personally delivered within 7 days of acceptance to listing broker or
12 Re/Max Elite Trust Account

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
15 the date of this Offer not excluded at lines 17-18, and the following additional items: None

16
17 NOT INCLUDED IN PURCHASE PRICE: None

18
19 **CAUTION: Identify Fixtures that are on the Property (see lines 185-193) to be excluded by Seller or which are rented**
20 **and will continue to be owned by the lessor.**

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

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

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

27 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on
28 or before February 12, 2014. Seller may keep the Property on the
29 market and accept secondary offers after binding acceptance of this Offer.

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

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

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

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

38 Seller's recipient for delivery (optional): Julia A Felsing

39 Buyer's recipient for delivery (optional): Re/Max Elite C/O Michelle Volkmar

40 (2) **Fax:** fax transmission of the document or written notice to the following telephone number:
41 Seller: () n/a Buyer: (262) 694-3231

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

45 (4) **U.S. Mail:** depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party,
46 or to the Party's recipient for delivery if named at line 38 or 39, for delivery to the Party's delivery address at line 47 or 48.

47 Delivery address for Seller: n/a

48 Delivery address for Buyer: Re/Max Elite 7520 39th Ave Kenosha, WI 53142

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

53 E-Mail address for Seller (optional): guttj@aol.com

54 E-Mail address for Buyer (optional): michelle.volkmar@gmail.com

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

57 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this
 58 Offer at lines 165-172 or 435-442 or in an addendum attached per line 434. At time of Buyer's occupancy, Property shall be in
 59 broom swept condition and free of all debris and personal property except for personal property belonging to current tenants,
 60 or that sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

61 **DEFINITIONS**

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

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

- 66 a. Defects in the roof.
- 67 b. Defects in the electrical system.
- 68 c. Defects in part of the plumbing system (including the water heater, water softener and swimming pool) that is included in
 69 the sale.
- 70 d. Defects in the heating and air conditioning system (including the air filters and humidifiers).
- 71 e. Defects in the well, including unsafe well water.
- 72 f. Property is served by a joint well.
- 73 g. Defects in the septic system or other sanitary disposal system.
- 74 h. Underground or aboveground fuel storage tanks on or previously located on the Property. (If "yes", the owner, by law,
 75 may have to register the tanks with the Department of Commerce at P.O. Box 7970, Madison, Wisconsin, 53707, whether
 76 the tanks are in use or not. Regulations of the Department of Commerce may require the closure or removal of unused
 77 tanks.)
- 78 i. "LP" tank on the Property (specify in the additional information whether the tank is owned or leased).
- 79 j. Defects in the basement or foundation (including cracks, seepage and bulges).
- 80 k. Property is located in a floodplain, wetland or shoreland zoning area.
- 81 l. Defects in the structure of the Property.
- 82 m. Defects in mechanical equipment included in the sale either as Fixtures or personal property.
- 83 n. Boundary or lot line disputes, encroachments or encumbrances (including a joint driveway).
- 84 o. Defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, lead in paint,
 85 lead in soil, lead in water supplies or plumbing system, or other potentially hazardous or toxic substances on the Property.
 86 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential**
 87 **properties built before 1978.**
- 88 p. Presence of asbestos or asbestos-containing materials on the Property.
- 89 q. Defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic substances
 90 on neighboring properties.
- 91 r. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal or other insect
 92 infestations.
- 93 s. Defects in a wood burning stove or fireplace or Defects caused by a fire in a stove or fireplace or elsewhere on the
 94 Property.
- 95 t. Remodeling affecting the Property's structure or mechanical systems or additions to Property during Seller's ownership
 96 without required permits.
- 97 u. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition.
- 98 v. Notice of property tax increases, other than normal annual increases, or pending property reassessment.
- 99 w. Remodeling that may increase Property's assessed value.
- 100 x. Proposed or pending special assessments.
- 101 y. Property is located within a special purpose district, such as a drainage district, that has the authority to impose
 102 assessments against the real property located within the district.
- 103 z. Proposed construction of a public project that may affect the use of the Property.
- 104 aa. Subdivision homeowners' associations, common areas co-owned with others, zoning violations or nonconforming uses,
 105 rights-of-way, easements or another use of a part of the Property by non-owners, other than recorded utility easements.
- 106 bb. Structure on the Property is designated as an historic building or part of the Property is in an historic district.
- 107 cc. Any land division involving the Property for which required state or local permits had not been obtained.
- 108 dd. Violation of state or local smoke and carbon monoxide detector laws.
- 109 ee. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
 110 Property.
- 111 ff. The Property is subject to a mitigation plan required by Wisconsin Department of Natural Resources (DNR) rules related
 112 to county shoreland zoning ordinances that obligates the owner to establish or maintain certain measures related to
 113 shoreland conditions, enforceable by the county.
- 114 gg. Other Defects affecting the Property.

115 (Definitions Continued on page 4)

116 **CLOSING** This transaction is to be closed no later than March 3, 2014
117 at the place selected by Seller, unless otherwise agreed by the Parties in writing.

118 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
119 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owner's association
120 assessments, fuel and _____

121 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**
122 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.
123 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

- 124 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
125 taxes are defined as general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE
126 APPLIES IF NO BOX IS CHECKED)
- 127 Current assessment times current mill rate (current means as of the date of closing)
- 128 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
129 year, or current year if known, multiplied by current mill rate (current means as of the date of closing)
- 130

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

135 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
136 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
137 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
138 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
139 and is the responsibility of the Parties to complete, not the responsibility of the real estate brokers in this transaction.

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

143 _____ . Insert additional terms, if any, at lines 165-172 or 435-442 or attach as an addendum per line 434.

144 **RENTAL WEATHERIZATION** This transaction (is) ~~(is not)~~ ~~STRIKE ONE~~ exempt from Wisconsin Rental Weatherization
145 Standards (Wis. Admin. Code Ch. Comm 67). If not exempt, (Buyer) ~~(Seller)~~ ~~STRIKE ONE~~ ("Buyer" if neither is stricken) shall
146 be responsible for compliance, including all costs, with Wisconsin Rental Weatherization Standards. If Seller is responsible for
147 compliance, Seller shall provide a Certificate of Compliance at closing.

148 **REAL ESTATE CONDITION REPORT** Wisconsin law requires owners of property which includes 1-4 dwelling units to
149 provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has never been
150 inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for example,
151 personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. § 709.03. The
152 law provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of the
153 contract of sale . . . to the prospective Buyer of the property a completed copy of the report . . . A prospective Buyer who does
154 not receive a report within the 10 days may, within 2 business days after the end of that 10 day period, rescind the contract of
155 sale . . . by delivering a written notice of rescission to the owner or the owner's agent." Buyer may also have certain rescission
156 rights if a Real Estate Condition Report disclosing defects is furnished before expiration of the 10 days, but after the Offer is
157 submitted to Seller. Buyer should review the report form or consult with an attorney for additional information regarding
158 rescission rights.

159 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no
160 notice or knowledge of Conditions Affecting the Property or Transaction (lines 64-114) other than those identified in Seller's
161 Real Estate Condition Report dated _____, which was received by Buyer prior to Buyer
162 signing this Offer and which is made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE** and
163 Seller to provide buyer with a Property Condition Report within 2 days of acceptance.

164 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT**

165 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____

166 _____
167 _____
168 _____
169 _____
170 _____
171 _____
172 _____

DEFINITIONS CONTINUED FROM PAGE 2

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

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

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

194 **CAUTION:** Exclude any Fixtures to be retained by Seller or which are rented (e.g., water softener or other water
 195 conditioning systems, home entertainment and satellite dish components, L.P. tanks, etc.) on lines 17-18.

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

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

200 **CAUTION:** Buyer should verify total square footage formula, total square footage/acreage figures, and land, building
 201 or room dimensions, if material.

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

206 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** Seller shall maintain the Property until the earlier of
 207 closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary
 208 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,
 209 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
 210 than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and restoration. If the damage shall exceed
 211 such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer.
 212 Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any,
 213 relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on
 214 such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall
 215 be held in trust for the sole purpose of restoring the Property.

IF LINE 217 IS NOT MARKED OR IS MARKED N/A LINES 257-263 APPLY.

216
 217 **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
 218 _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage
 219 loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an
 220 amount of not less than \$ _____ for a term of not less than _____ years, amortized over not less than
 221 _____ years. Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly payments may
 222 also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance
 223 premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination
 224 fee in an amount not to exceed _____ % of the loan. If the purchase price under this Offer is modified, the financed
 225 amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and
 226 the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.
 227 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 228 or 229.**

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

233 If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines
 234 165-172 or 435-442 or in an addendum attached per line 434.

235 **BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a
 236 mortgage loan, and to provide evidence of application promptly upon request of Seller. If Buyer qualifies for the loan described
 237 in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no
 238 later than the deadline at line 219. **Buyer and Seller agree that delivery of a copy of any written loan commitment to**
 239 **Seller (even if subject to conditions) shall satisfy Buyer's financing contingency if, after review of the loan**
 240 **commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall**
 241 **accompany the loan commitment. Delivery shall not satisfy this contingency if accompanied by a notice of**
 242 **unacceptability.**

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

247 **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this
 248 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
 249 commitment.

250 **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already
 251 delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of
 252 same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is
 253 named in this Offer, Seller shall then have 10 days to deliver to Buyer written notice of Seller's decision to finance this
 254 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
 255 extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain
 256 any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

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

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

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

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

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

281 If Buyer defaults, Seller may:

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

285 If Seller defaults, Buyer may:

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

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

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

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

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

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

304 [n/a] **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of Buyer's
 305 property located at _____, no later than _____. If Seller accepts
 306 a bona fide secondary offer, Seller may give written notice to Buyer of acceptance. If Buyer does not deliver to Seller a written
 307 waiver of the Closing of Buyer's Property Contingency and _____
 308 _____

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

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

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

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

325 **TITLE EVIDENCE**

326 **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
 327 (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
 328 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
 329 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
 330 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's Real Estate
 331 Condition Report and in this Offer, general taxes levied in the year of closing and _____
 332 _____
 333 _____

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

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

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

343 **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) ~~Buyer's~~
 344 ~~STRIKE ONE~~ ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after
 345 the effective date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy
 346 exclusions and exceptions, provided the title company will issue the endorsement. If a gap endorsement or equivalent gap
 347 coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 353-359).

348 **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title
 349 insurance commitment is delivered to Buyer's attorney or Buyer not less than 5 business days before closing, showing title to
 350 the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines 326-335,
 351 subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and
 352 exceptions, as appropriate.

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

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

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

369 **EARNEST MONEY**

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

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

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

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

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

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

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

410 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 395-409). This
411 Offer is contingent upon a Wisconsin registered home inspector performing a home inspection of the Property which discloses
412 no Defects. This Offer is further contingent upon a qualified independent inspector or independent qualified third party
413 performing an inspection of all components, if so desired

414 _____ (list any Property component(s) to be separately inspected, e.g.,
415 swimming pool, roof, foundation, chimney, etc.) which discloses no Defects. Buyer shall order the inspection(s) and be
416 responsible for all costs of inspection(s). Buyer may have follow-up inspections recommended in a written report resulting
417 from an authorized inspection, provided they occur prior to the deadline specified at line 421. Inspection(s) shall be performed
418 by a qualified independent inspector or independent qualified third party.

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

421 This contingency shall be deemed satisfied unless Buyer, within 10 days of acceptance, delivers to Seller a copy of the
422 written inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice
423 of Defects).

424 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**
425 For the purposes of this contingency, Defects (see lines 182-184) do not include structural, mechanical or other conditions the
426 nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

427 **RIGHT TO CURE:** Seller (shall)(shall not) STRIKE ONE ("shall" if neither is stricken) have a right to cure the Defects. If
428 Seller has right to cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of
429 Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects; (2) curing the Defects in a good and
430 workmanlike manner; and (3) delivering to Buyer a written report detailing the work done within 3 days prior to closing. This
431 Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and: (1)
432 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
433 or (b) Seller does not timely deliver the written notice of election to cure.

434 **ADDENDA:** The attached Addendum B is/are made part of this Offer.

435 **ADDITIONAL PROVISIONS/CONTINGENCIES**

- 436 1. This is a cash offer and not subject to any financing.
- 437 2. Offer is contingent upon Redevelopment Authority approval on or before 2-18-2014.
- 438 3. Seller to provide proof of proper evictions. Seller agrees to indemnify and hold Buyer
439 harmless from claims of tenants. This obligation shall survive closing.
- 440 4. Seller to warrant that property is completely vacated.
- 441 5. Seller to pay a co-broke fee to buyers agent in the amount of 2.4% of purchase price.

443 This Offer was drafted by [Licensee and Firm] Michelle N. Volkmar; ReMax Elite

444 _____ on February 6, 2014

445 (x) Katherine Monks 2/6/14
446 Buyer's Signature ▲ Print Name Here ▶ Redevelopment Authority of the Kenosha, Date ▲
Katherine Monks, Chairperson

447 (x) _____
448 Buyer's Signature ▲ Print Name Here ▶ Date ▲

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

450 _____ Broker (By) _____

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

455 (x) [Signature] 2-12-14
456 Seller's Signature ▲ Print Name Here ▶ Date ▲

457 (x) _____
458 Seller's Signature ▲ Print Name Here ▶ Date ▲

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

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

461 This Offer is rejected _____ This Offer is countered [See attached counter] _____
462 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

DISCLAIMER

A. THIS CONDITION REPORT CONCERNS THE REAL PROPERTY LOCATED AT 4816 37th Ave
 _____ (STREET ADDRESS) IN THE _____ City _____ (CITY) (VILLAGE) (TOWN) OF Kenosha
 COUNTY OF Kenosha, STATE OF WISCONSIN. THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY
 IN COMPLIANCE WITH SECTION 709.02 OF THE WISCONSIN STATUTES AS OF _____ (MONTH), _____ (DAY), _____ (YEAR). IT
 IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR ANY AGENTS REPRESENTING ANY PRINCIPAL IN THIS TRANSACTION AND IS NOT A
 SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PRINCIPALS MAY WISH TO OBTAIN.

OWNER'S INFORMATION

- B.1. In this form, "am aware" means to have notice or knowledge. In this form, "defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impair the health or safety of future occupants of the property; or that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life of the premises.
- B.2. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the property. The owner hereby authorizes any agent representing any principal in this transaction to provide a copy of this statement, and to disclose any information in the statement, to any person in connection with any actual or anticipated sale of the property.
- B.3. The owner represents that to the best of his or her knowledge the responses to the following statements have been accurately noted as "yes", "no" or "not applicable" to the property being sold. If the owner responds to any statement with "yes", the owner shall provide, in the additional information area of this form, an explanation of the reason why the response to the statement is "yes".
- B.4. If the transfer is of a condominium unit, the property to which this form applies is the condominium unit, the common elements of the condominium and any limited common elements that may be used only by the owner of the condominium unit being transferred.

PROPERTY CONDITION STATEMENTS*

	Yes	No	N/A	See Expert's Report
C.1. I am aware of defects in the roof.	_____	_____	_____	_____
C.2. I am aware of defects in the electrical system.	_____	_____	_____	_____
C.3. I am aware of defects in part of the plumbing system (including the water heater, water softener and swimming pool) that is included in the sale.	_____	_____	_____	_____
C.4. I am aware of defects in the heating and air conditioning system (including the air filters and humidifiers).	_____	_____	_____	_____
C.5. I am aware of defects in the well, including unsafe well water.	_____	_____	_____	_____
C.6. I am aware that this property is served by a joint well.	_____	_____	_____	_____
C.7. I am aware of defects in the septic system or other sanitary disposal system.	_____	_____	_____	_____
C.8. I am aware of underground or aboveground fuel storage tanks on or previously located on the property. (If "yes", the owner, by law, may have to register the tanks with the department of safety and professional services at P.O. Box 7970, Madison, Wisconsin, 53707, whether the tanks are in use or not. Regulations of the department of safety and professional services may require the closure or removal of unused tanks).	_____	_____	_____	_____
C.9. I am aware of an "LP" tank on the property. (If "yes", specify in the additional information space whether or not the owner of the property either owns or leases the tank).	_____	_____	_____	_____
C.10. I am aware of defects in the basement or foundation (including cracks, seepage and bulges). <i>Other basement defects might include, but are not limited to, flooding, extreme dampness or wet walls, unsafe concentrations of mold, or defects in drain tiling or sump pumps.</i>	_____	_____	_____	_____
C.11. I am aware that the property is located in a floodplain, wetland or shoreland zoning area.	_____	_____	_____	_____
C.12. I am aware of defects in the structure of the property.	_____	_____	_____	_____
C.13. I am aware of defects in mechanical equipment included in the sale either as fixtures or personal property.	_____	_____	_____	_____
C.14. I am aware of boundary or lot line disputes, encroachments or encumbrances (including a joint driveway)	_____	_____	_____	_____
C.15. I am aware of a defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the property, lead in paint, lead in soil, lead in water supplies or plumbing system or other potentially hazardous or toxic substances on the premises. <i>Such defects might also be caused by unsafe levels of mold. NOTE: specific federal lead paint disclosure requirements must be complied with in the sale of most residential properties built before 1978.</i>	_____	_____	_____	_____
C.16. I am aware of the presence of asbestos or asbestos-containing materials on the premises.	_____	_____	_____	_____
C.17. I am aware of a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic substances on neighboring properties.	_____	_____	_____	_____
C.18. I am aware of current or previous termite, powder-post beetle or carpenter ant infestations or defects caused by animal or other insect infestations.	_____	_____	_____	_____
C.19. I am aware of defects in a woodburning stove or fireplace or of defects caused by a fire in a stove or fireplace or elsewhere on a violation of applicable state or local smoke detector laws; <i>NOTE: State law requires operating smoke detectors on all levels of all residential properties, and operating carbon monoxide detectors on all levels of most residential properties (see Wis. Stat. §§ 101.149 & 101.647).</i>	_____	_____	_____	_____
C.20. I am aware either that remodeling affecting the property's structure or mechanical systems was done or that additions to this property were made during my period of ownership without the required permits.	_____	_____	_____	_____
C.21. I am aware of federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.	_____	_____	_____	_____

	Yes	No	N/A	See Expert's Report
C.22. I have received notice of property tax increases, other than normal annual increases, or am aware of a pending property reassessment.	_____	_____	_____	_____
C.23. I am aware that remodeling that may increase the property's assessed value was done.	_____	_____	_____	_____
C.24. I am aware of proposed or pending special assessments.	_____	_____	_____	_____
C.24.m I am aware that the property is located within a special purpose district, such as a drainage district, that has the authority to impose assessments against the real property located within the district.	_____	_____	_____	_____
C.25. I am aware of the proposed construction of a public project that may affect the use of the property.	_____	_____	_____	_____
C.26. I am aware of subdivision homeowners' associations, common areas co-owned with others, zoning violations or nonconforming uses, any land division involving the property for which required state or local permits had not been obtained, rights-of-way, easements or another use of a part of the property by nonowners, other than recorded utility easements.	_____	_____	_____	_____
C.26.m I am aware that the property is subject to a mitigation plan required under administrative rules of the department of natural resources related to county shoreland zoning ordinances, which obligates the owner of the property to establish or maintain certain measures related to shoreland conditions and which is enforceable by the county.	_____	_____	_____	_____
C.27. I am aware of other defects affecting the property.	_____	_____	_____	_____

ADDITIONAL INFORMATION

D.1. I am aware that a structure on the property is designated as a historic building or that part of the property is in a historic district.	_____	_____	_____	_____
D.1.a I am aware of a pier attached to the property that is not in compliance with state or local pier regulations. See http://dnr.wi.gov/ for information.	_____	_____	_____	_____
D.1.b All or part of the land has been assessed as agricultural land under Wis. Stat. § 70.32(2r) (use-value assessment).	_____	_____	_____	_____
D.1.c The owner has been assessed a use-value assessment conversion charge under Wis. Stat. § 74.485(2).	_____	_____	_____	_____
D.1.d The payment of the use-value assessment conversion charge has been deferred under Wis. Stat. § 74.485(4). <i>Notice: The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non-agricultural use (e.g. residential or commercial development), that person may owe a conversion charge. To obtain more information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's Equalization Section at 608-266-2149 or visit http://www.revenue.wi.gov/lags/all/useassmt.html.</i>	_____	_____	_____	_____
D.1.e I am aware that the property is subject to a farmland preservation agreement. <i>Notice: The early termination of a farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to 3 times the class 1 "use value" of the land. Call 608-224-4500 or visit http://dncp.wi.gov/Environment/Working_Lands_Initiative/ for more information.</i>	_____	_____	_____	_____
D.1.f I am aware of the presence of unsafe levels of mold, or roof, basement, window or plumbing leaks, or overflow from sinks, bathtubs or sewers, or other water or moisture intrusions or conditions that might initiate the growth of unsafe levels of mold.	_____	_____	_____	_____
D.1.g I am aware that all, or part, of the property is subject to, enrolled in or in violation of a Farmland Preservation Agreement (see D.1.e.), Forest Crop Law, Managed Forest Law (see disclosure requirement in Wis. Stat. § 710.12), the Conservation Reserve Program or a comparable program.	_____	_____	_____	_____
D.2. The owner has lived on the property for _____ years. "SOLD AS IS"	_____	_____	_____	_____
D.3. Explanation of "yes" responses. (See B. 3.) _____	_____	_____	_____	_____

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.widocollenders.org> or by phone at 608-240-5830.

OWNER'S CERTIFICATION

E. The owner certifies that the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report. NOTE: Wisconsin Statute §709.035 requires owners who, prior to acceptance, obtain information which would change a response on this report, to submit a new report or an amended report to the prospective buyer.

Owner *[Signature]* Date _____ Owner _____ Date _____
 Owner _____ Date _____ Owner _____ Date _____

CERTIFICATION BY PERSON SUPPLYING INFORMATION

F. A person other than the owner certifies that he or she has supplied information on which the owner relied for this report and that information is true and correct to the best of that person's knowledge as of the date on which the person signs this report.

Person _____ Items _____ Date _____ Person _____ Items _____ Date _____
 Person _____ Items _____ Date _____ Person _____ Items _____ Date _____

NOTICE REGARDING ADVICE OR INSPECTIONS

G. THE PROSPECTIVE BUYER AND THE OWNER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTIONS, DEFECTS OR WARRANTIES.

BUYER'S ACKNOWLEDGMENT

H.1. THE PROSPECTIVE BUYER ACKNOWLEDGES THAT TECHNICAL KNOWLEDGE SUCH AS THAT ACQUIRED BY PROFESSIONAL INSPECTORS MAY BE REQUIRED TO DETECT CERTAIN DEFECTS SUCH AS THE PRESENCE OF ASBESTOS, BUILDING CODE VIOLATIONS AND FLOODPLAIN STATUS.

H.2. I ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Prospective Buyer _____ Date _____ Prospective Buyer _____ Date _____
 Prospective Buyer _____ Date _____ Prospective Buyer _____ Date _____

NOTE: All information appearing in italics in this REAL ESTATE CONDITION REPORT is purely of a supplemental nature and is not required pursuant to Section 709.03 of the Wisconsin Statutes.

**OFFER ADDENDUM S - LEAD BASED PAINT
DISCLOSURES AND ACKNOWLEDGMENTS**

1 **LEAD WARNING STATEMENT:** Every purchaser of any interest in residential real property on which a
2 residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from
3 lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in
4 young children may produce permanent neurological damage, including learning disabilities, reduced
5 intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular
6 risk to pregnant women. The seller of any interest in residential real property is required to provide the
7 buyer with any information on lead-based paint hazards from risk assessments or inspections in the
8 seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or
9 inspection for possible lead-based paint hazards is recommended prior to purchase.

10 Disclosures and Acknowledgments made with respect to the Property at 4816 37th Ave Kenosha, WI
11 _____, Wisconsin.

12 **SELLER DISCLOSURE AND CERTIFICATION.** Note: See Seller Obligations at lines 27 - 54 and 55 - 112.

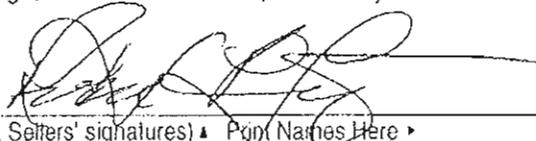
13 (1) **SELLER DISCLOSURES:** (a) Seller hereby represents that Seller has no knowledge of any lead-based paint or
14 lead-based paint hazards (collectively referred to as LBP) present in or on the Property except: None Known

15 _____
16 *(Explain the information known to Seller, including any additional information available about the basis for the determination
17 that LBP exists in or on the Property, the location of any LBP, and the condition of painted surfaces, or indicate "none.")*

18 (b) Seller hereby confirms that Seller has provided the Buyer with the following records and reports which comprise all
19 of the reports and records available to Seller pertaining to lead-based paint or lead-based paint hazards (LBP) in or on the Property:
20 _____

21 _____ *(Identify the LBP record(s) and report(s) (e.g. LBP abatements,
22 inspections, reductions, risk assessments, etc., as defined at lines 89 - 107) provided to Buyer, or indicate "none available.")*

23 (2) **SELLER CERTIFICATION:** The undersigned Seller has reviewed the information above and certifies, to the best of their
24 knowledge, that the information provided by them is true and accurate.

25 (X) 
26 _____

(ALL Sellers' signatures) * Print Names Here *

(Date) *

Seller Obligations under the Federal Lead-Based Paint Disclosure Rules

28 (Based upon 40 CFR Chapter 1, Part 745, Subpart F, §§745.103, 745.107, 745.110, 745.113 & 745.115; and 24 CFR subtitle A,
29 Part 35, Subpart H, §§35.86, 35.88, 35.90, 35.92 & 35.94, which all are collectively referred to in this Addendum as Federal LBP Law.)
30 **DISCLOSURE REQUIREMENTS FOR SELLERS.** (a) The following activities shall be completed before the Buyer is obligated
31 under any contract to purchase target housing that is not otherwise an exempt transaction pursuant to Federal Law. Nothing in this
32 section implies a positive obligation on the Seller to conduct any risk assessment and/or inspection or any reduction activities.

33 (1) Provide LBP Pamphlet to Buyer. The Seller shall provide the Buyer with an EPA-approved lead hazard information
34 pamphlet. Such pamphlets include the EPA document entitled *Protect Your Family From Lead in Your Home* (EPA
35 #747-K-99-001) or an equivalent pamphlet that has been approved for use in this state by EPA.

36 (2) Disclosure of Known LBP to Buyer. The Seller shall disclose to the Buyer the presence of any known lead-based
37 paint and/or lead-based paint hazards in the target housing being sold. The Seller shall also disclose any additional
38 information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the
39 determination that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based
40 paint hazards, and the condition of painted surfaces (chipping, cracked, peeling).

41 (3) Disclosure of Known LBP & LBP Records to Agent. The Seller shall disclose to each agent the presence of any
42 known lead-based paint and/or lead-based paint hazards in the target housing being sold and the existence of any available
43 records or reports pertaining to lead-based paint and/or lead-based paint hazards. The Seller shall also disclose any
44 additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis
45 for the determination that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or
46 lead-based paint hazards, and the condition of the painted surfaces (chipping, cracked, peeling).

47 (4) Provision of Available LBP Records & Reports to Buyer. The Seller shall provide the Buyer with any records or reports
48 available (see line 88) to the Seller pertaining to lead-based paint and/or lead-based paint hazards in the target housing being sold.
49 This requirement includes records or reports regarding common areas. This requirement also includes records or reports
50 regarding other residential dwellings in multifamily target housing, provided that such information is part of a risk assessment and/or
51 inspection or a reduction of lead-based paint and/or lead-based paint hazards in the target housing as a whole.

52 (b) Disclosure Prior to Acceptance of Offer. If any of the disclosure activities identified in lines 30-51 occurs after the Buyer
53 has provided an offer to purchase the housing, the Seller shall complete the required disclosure activities prior to accepting
54 the Buyer's offer and allow the Buyer an opportunity to review the information and possibly amend the offer.

55 ■ **CERTIFICATION AND ACKNOWLEDGMENT OF LBP DISCLOSURE.** (a) Seller requirements. Each contract to sell target
 56 housing shall include an attachment or addendum containing the following elements, in the language of the contract (e.g., English,
 57 Spanish):

58 (1) Lead Warning Statement. A Lead Warning Statement consisting of the following language:

59 Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified
 60 that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead
 61 poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities,
 62 reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to
 63 pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on
 64 lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the buyer of any known
 65 lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to
 66 purchase.

67 (2) Disclosure of Known LBP & LBP Information Re: the Property. A statement by the Seller disclosing the presence of
 68 known lead-based paint and/or lead-based paint hazards in the target housing being sold or indicating no knowledge of the
 69 presence of lead-based paint and/or lead-based paint hazards. The Seller shall also provide any additional information
 70 available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination
 71 that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint
 72 hazards, and the condition of the painted surfaces (chipping, cracked, peeling, dust, etc.).

73 (3) List of Available LBP Records & Reports Provided to Buyer. A list of any records or reports available to the Seller
 74 pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the Buyer. If no
 75 such records or reports are available, the Seller shall so indicate.

76 (4) Buyer Acknowledgment of Receipt of Disclosures, Records & Pamphlet. A statement by the Buyer affirming receipt
 77 of the information set out in lines 67 - 75 and a lead hazard information pamphlet approved by EPA.

78 (5) Buyer Acknowledgment of Receipt of Opportunity for LBP Inspection. A statement by the Buyer that he or she has either:
 79 (i) received the opportunity to conduct the risk assessment or inspection required per lines 123 - 127; or (ii) waived the opportunity.

80 (6) Agent Certification. When one or more real estate agents are involved in the transaction to sell target housing,
 81 a statement from each agent that: (i) The agent has informed the Seller of the Seller's obligations under
 82 Federal LBP Law; and (ii) the agent is aware of his or her duty to ensure compliance with Federal LBP Law. Agents ensure
 83 compliance by informing Seller of his or her obligations and by making sure that the Seller or the agent personally completes
 84 the required activities. Buyer's agents paid solely by Buyer are exempt.

85 (7) Signatures. The signatures of all Sellers and Buyers, and all agents subject to Federal LBP Law (see lines 80 - 84)
 86 certifying to the accuracy of their statements to the best of their knowledge, along with the dates of the signatures.

87 ■ **DEFINITIONS:**

88 Available means in the possession of or reasonably obtainable by the Seller at the time of the disclosure.

89 Abatement means the permanent elimination of lead-based paint and/or lead-based paint hazards by methods such as
 90 removing, replacing, encapsulating, containing, sealing or enclosing lead-based paint with special materials, in conformance
 91 with any applicable legal requirements.

92 Buyer means one or more individuals or entities who enter into a contract to purchase an interest in target housing (referred
 93 to in the singular whether one or more).

94 Inspection means: (1) a surface-by-surface investigation to determine the presence of lead-based paint, and (2) the provision
 95 of a report explaining the results of the investigation.

96 Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square
 97 centimeter or 0.5 percent by weight.

98 Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated
 99 soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces
 100 that would result in adverse human health effects as established by the appropriate Federal agency.

101 Reduction means designed to reduce or eliminate human exposure to lead-based paint hazards through interim controls,
 102 abatement, etc.

103 Risk assessment means an on-site investigation to determine and report the presence of lead-based paint, and to evaluate
 104 and report the extent, nature, severity, and location of lead-based paint hazards in residential dwellings, including: (1)
 105 information gathering regarding the age and history of the housing and occupancy by children under 6; (2) visual inspection;
 106 (3) limited wipe sampling or other environmental sampling techniques; (4) other activity as may be appropriate; and (5)
 107 provision of a report explaining the results of the investigation.

108 Seller means one or more individuals or entities who transfer, in return for consideration, (1) legal title to target housing, in
 109 whole or in part; (2) shares in a cooperatively owned project; or (3) an interest in a leasehold (referred to in the singular
 110 whether one or more).

111 Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless
 112 any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

113 **AGENT(S) ACKNOWLEDGMENT AND CERTIFICATION.**

114 (1) **ACKNOWLEDGMENT:** All agent(s) in this transaction subject to Federal LBP Law (see lines 80 - 84) hereby
115 acknowledge that: (1) the Seller was informed of his or her obligations under the Federal LBP Law (see lines 27 - 54 and 55 -
116 112); and (2) they are aware of their duty to ensure compliance with the requirements of Federal LBP Law.
117 (2) **CERTIFICATION:** The undersigned agents have reviewed the information above and certify, to the best of their
118 knowledge, that the information provided by them is true and accurate.

119 (X) _____ (Date) ▲
120 (Agent's signature) ▲ Print Agent & Firm Names Here ▶ _____
121 (X) Michelle Volkmar _____ 02/06/2014
122 (Agent's signature) ▲ Print Agent & Firm Names Here ▶ Michelle Volkmar, Re/Max Elite (Date) ▲

123 **BUYER'S OPPORTUNITY TO CONDUCT AN EVALUATION (LBP Inspection Contingency).** (a) Before a Buyer is
124 obligated under any contract to purchase target housing, the Seller shall permit the Buyer a 10-day period (unless the parties
125 mutually agree, in writing, upon a different period of time) to conduct a risk assessment or inspection for the presence of
126 lead-based paint and/or lead-based paint hazards. (b) Notwithstanding lines 123 - 126, a Buyer may waive the opportunity
127 to conduct the risk assessment or inspection by so indicating in writing.

128 **BUYER INSPECTION CONTINGENCY, ACKNOWLEDGMENT AND CERTIFICATION.**

129 (1) **LEAD-BASED PAINT INSPECTION CONTINGENCY:** [Buyer to check one box at lines 131, 147 or 148. If no box is
130 checked, Buyer is deemed to have elected a 10-day contingency per lines 131 - 148.]
131 **LEAD-BASED PAINT INSPECTION CONTINGENCY:** This Offer is contingent upon a federal or state certified lead
132 inspector or lead risk assessor conducting an inspection or risk assessment of the Property, at Buyer's cost, which discloses
133 no lead-based paint and/or lead-based paint hazards (see lines 96 - 100) (collectively referred to as LBP). This contingency
134 shall be deemed satisfied, and Buyer will have elected to take the Property "as is" with respect to LBP, unless Buyer, within
135 _____ days of acceptance, delivers to Seller a copy of the inspector's or risk assessor's written report and a written notice
136 listing the LBP identified in the report to which the Buyer objects. Buyer agrees to concurrently deliver a copy of the report
137 and notice to the listing broker, if any. A proposed amendment will not satisfy this notice requirement.
138 **RIGHT TO CURE:** Seller (shall)(shall not) STRIKE ONE have a right to cure [if neither struck, Seller shall have the right to
139 cure]. If Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering, within 10 days of receipt of Buyer's
140 notice, written notice of Seller's election to abate the LBP identified by the Buyer; and (2) providing Buyer, no later than 3 days
141 prior to closing, with certification from a certified lead supervisor or project designer, or other certified lead contractor that
142 the identified LBP has been abated. This Offer shall be null and void if Buyer makes timely delivery of the above notice and
143 report and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: a) Seller delivers notice that Seller will
144 not cure or b) Seller does not timely deliver the notice of election to cure. "Abate" shall mean to permanently eliminate the
145 identified LBP by methods such as removing, replacing, encapsulating, containing, sealing or enclosing the identified LBP,
146 in conformance with the requirements of all applicable law.
147 Buyer elects the LBP contingency Buyer has attached to this Addendum S.
148 Buyer waives the opportunity for a LBP inspection or assessment.

149 (2) **BUYER ACKNOWLEDGMENT:** Buyer hereby acknowledges and certifies that Buyer has: (a) received the Seller's
150 above-listed disclosures, reports and records concerning any known LBP in or on the Property (see lines 12 - 22); (b) received
151 a lead hazard information pamphlet approved by the EPA; and (c) received the opportunity to conduct a LBP risk assessment
152 or inspection of the Property or has waived the opportunity (see lines 131 - 148 above).

153 (3) **BUYER CERTIFICATION:** The undersigned Buyer has reviewed the information above and certifies, to the best of their
154 knowledge, that the information provided by them is true and accurate.

155 (X) Katherine Marks _____ 02/06/2014
156 (ALL Buyers' signatures)▲ Print Names Here ▶ Redevelopment Authority of the City of Kenosha (Date) ▲
157 Katherine Marks, Chapperson