



Mineral Point, Wisconsin

137 HIGH STREET, SUITE 1  
MINERAL POINT, WI 53565  
608-987-2361

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NOTICE IS HEREBY GIVEN  
**City of Mineral Point Special Council Meeting**

Monday, October 26, 2020

6:00 p.m. in Community Room or Virtually (Please see instructions below)

**\*\*ALL AGENDA ITEMS LISTED MAY HAVE ACTION TAKEN\*\***

**Agenda**

- 1) **Call to Order.** Roll Call. Confirmation of compliance with the Open Meetings Law

Due to the informational aspect of this special session there is no public comment item on this agenda. Should the Council decide to proceed with the development proposal, there will be further meetings and at least one public hearing in the next two months on the subject matter presented, which will give residents an opportunity to be heard. Also, citizens always have the opportunity to speak with their Alderman/Alderswoman.

- 2) **Pledge of Allegiance**  
3) **New Business**  
    a) Development Proposal Presentation for 114 Fountain Street  
4) **Recommendation from Finance Committee**  
    a) Discussion and Possible Actions on Proposal, Option to Purchase Agreement and related matters  
5) **Continued New Business**  
    a) Discussion and Possible Action on Future Steps in the Development Process  
6) Adjourn

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Dated: Friday, October 23, 2020

Posted: City Hall and website

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Candice Coughlin, City Clerk-Treasurer

Any person who has a qualifying disability, as defined by the American with Disabilities Act, that requires the meeting or material at the meeting to be in accessible location or format, must contact the City Clerk @ 137 High Street or call 608-987-2361, prior to the meeting so that any necessary arrangements can be made to accommodate each request.

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**JT Klein Company Presents:**  
**Old City Garage Redevelopment RFP**  
**City of Mineral Point, Wisconsin**



**The Fountain Street Apartments**





## Table of Contents

- Section 1: Developer Background & Experience
- Section 2: Project Summary & Construction Description
- Section 3: Schedule, Costs, and Financial Projections
- Section 4: Related Documents

## **Section 1**

The following document is a response to the City of Mineral Point's Request for Proposal for a 0.7-acre City-owned parcel located off of Fountain Street. JT Klein Company (JTK) is pleased to present the Fountain Street Apartments proposal.

### **Developer Background & Experience**

JT Klein Company, Inc. was founded in November 2014 with the ambition of increasing access to senior and family affordable housing in Wisconsin. Since inception, JTK has received six tax credit awards in WHEDA's competitive 9% financing program. These tax credit awards have been used to construct a variety of complex infill affordable housing developments throughout Dane County. Using years of experience and a high level of attention to detail, JT Klein is able to navigate each project's unique challenges to ensure each building is built in a timely fashion without sacrificing quality. In 2016 JT Klein Company was recognized as one of 2016's Top 50 affordable housing developers in the nation by Affordable Housing Finance Magazine.

### **The JT Klein Team**

#### **Jacob T. Klein– President**

The founder and President of JT Klein Company, Jacob is responsible for leading all facets of the development process including site identification and acquisition, city approvals, financial layering, tax credit approval, construction and lease-up, financing including identifying various forms of soft cost subsidies, TIF analysis, construction and long-term debt financing as well as tax credit equity. Jacob is experienced in developing and performing construction management duties for independent senior apartments, assisted living and memory care as well as market rate and affordable general occupancy apartments. Prior to forming JTK, Mr. Klein served as Vice President and Project Partner at a regional multifamily development company based in Minneapolis, MN. During his tenure at that organization Jacob developed over 1,000 units with project costs exceeding \$150,000,000.

Since forming JT Klein Company, he has overseen the development of four projects totaling 319 units and approximately \$60,000,000 in project costs. Three of these projects have been the City of Middleton's TIF district #5, consisting of 224 units and approximately \$40,000,000 in total project costs.



**Danny Afable– Development Manager**

Joining the JTK team in 2018, Danny is involved in all aspects of JT Klein Company's operations. He is responsible for managing the day to day operations of the entire portfolio and helps support each stage of the project development, from site acquisition through stabilized occupancy. Danny started his career in 2010 at Oakbrook Corporation, one of the largest multi-family property management companies in the Midwest. Years of property management experience give him a unique perspective to ensure each property is developed and operated as efficiently as possible. Prior to joining JTK, Danny worked as a Development Analyst for a major Madison developer specializing in mixed use market rate & commercial developments.

## **Examples of Development Projects**



### **Meadow Ridge Middleton—Completed 2017**

#### **Middleton, WI**

Completed in May 2017, Meadow Ridge Middleton offers one, two, and three bedroom units located in the center of Middleton's evolving Parmenter Corridor. The 95 unit project is located within two blocks of a new 50,000 square foot Meriter/UW Health Clinic, planned to reach 250,000 square feet by 2027. This \$17,000,000 project was completed on time and on budget. Not only was the project completed on time, but it was 100% preleased, and was 100% occupied within 45 days of completion. This project is a key component of the City of Middleton's Parmenter Corridor Neighborhood Plan and is supported financially by a TIF loan from Tax Increment District #5.



### **8Twenty Park Phase I & II—Completed 2018**

#### **Madison, WI**

JT Klein Company, Inc. redeveloped an entire city block to create 8Twenty South Park Street. This development involved relocating 3 houses and working in a small construction site with many complexities. The resulting \$21,000,000 redevelopment is a 95 unit new construction workforce housing development. 8Twenty Park consists of 1, 2 and 3 bedroom units along with 2,000 square feet of commercial space on the 1st floor. Each of these units were carefully designed to meet the highest standards and include in-unit washer/dryer, granite countertops, and stainless steel Energy Star appliances. Among the unit mix are rare townhome-style, two story three bedroom units located along Delaplaine Ct. 8Twenty Park is also home to the JT Klein Company, Inc. corporate office on the first floor.



### **Oak Ridge Middleton-Completed January 2019**

#### **Middleton, WI**

In December of 2017, JT Klein Company, Inc. started construction of an eighty three (83) unit, four story mixed income senior apartment building in Middleton, WI. This \$15,000,000 building will be targeted towards independent seniors aged 55+ and offers one and two bedroom apartments, including 70 affordable units. Additionally, this development includes three bedroom units designed for "grandfamilies", families with senior heads of household raising younger relatives.





### **Stagecoach Trail Apartments-Completed June 2019**

#### **Middleton, WI**

In May of 2018, JT Klein Company started construction of a forty-six (46) unit, three story apartment building located at 6620 Century Ave. in Middleton, WI. This redevelopment transformed 5 blighted single family homes into a \$9,000,000 building financed by WHEDA tax exempt bonds and City of Middleton TIF. Stagecoach offers upscale one, two, and three bedroom apartments, including 10 workforce housing units. Residents benefit from the convenient access to Middleton Hills Shopping Center, public transportation, as well as the close proximity to the 160 acre Pheasant Branch Conservancy.

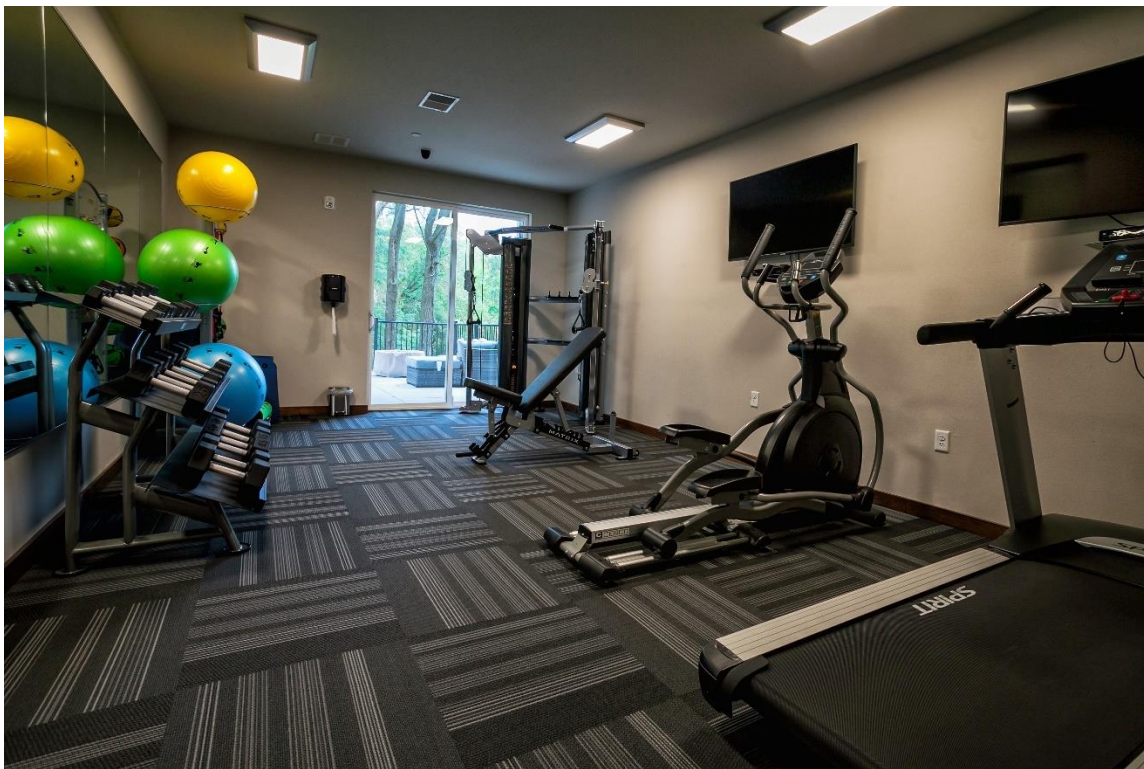
**Examples of JT Klein's Workforce Unit Finishes**







## Examples of JT Klein's Amenities







## **The Development Team**

The Fountain Street Apartments will be supported by the professional experience of a handpicked development team. Each member of the development team has long standing working relationship with JTK, which helps meet the rigorous standards required of each development and build a high quality product efficiently.

### **Development Team:**

**Developer/ Owner:** JT Klein Company, Inc.

**Lead Contact:** Jacob T. Klein

**Management Company:** Oakbrook Corporation

**Lead Contact:** Michael Morey

**Architect:** JLA Architects

**Lead Contact:** Joe Lee

**General Contractor:** McGann Construction

**Lead Contact:** Aaron Kostichka

**Accountant:** SVA

**Lead Contact:** Mike Kendhammer

**Attorney:** Reinhart

**Lead Contact:** William Cummings

*A copy of detailed information for members of the development team is attached to the end of this RFP submittal*

### **Financial Condition of the Developer**

As detailed previously in the track record section, Jacob Klein and JT Klein Company, Inc. has a career of repeated success in financing, constructing, and maintaining multi-family developments. Part of this success is due to a long-standing relationships with financing partners. Jacob Klein has proven time and time again that he is able to secure financing, and meet or exceed the terms in all financial agreements. Attached is a letter of recommendation from the senior lender on all of JT Klein Company's affordable development portfolio, Town Bank.



September 11, 2020

City of Mineral Point  
C/O Erin Hirn  
137 High Street, Suite 1  
Mineral Point, WI 53565

Re: JT Klein Company, Inc.

To whom it may concern:

At the request of our customer, JT Klein Company Inc., please be advised of the following information.


Town Bank has an active working relationship with JT Klein Company, providing financing for four new construction projects in the Dane County, Wisconsin area. In addition, we have/will have provided long-term financing for all four projects after construction, totaling over \$34MM. All loans are secured by a first position security interest in the assets of the entity as well as a mortgage on real estate owned by the principal. The four projects are:

- Oak Ridge Middleton
- Meadow Ridge Middleton
- 8Twenty Park
- 8Twenty Park II

Town Bank hopes to continue growing their relationship with JT Klein Company, Inc., as they have continued to bring successful projects into the marketplace. In addition, JT Klein Company, Inc. has maintained a satisfactory relationship with our Bank for over five years and we hold their accounts in high regard, having no defaults on payments or loan agreements. JT Klein Company has the financial capacity to pursue the Fountain Street Development Opportunity and redevelopment site as outlined in the request for proposal application. Town Bank is interested in financing the project.

If I can be of further assistance in this matter, please do not hesitate to contact me.

Sincerely,

DocuSigned by:  
  
6F9CF0A528E8491...

John C. Johannes  
Executive Vice President  
Commercial Real Estate – Market Manager  
Wintrust Commercial Banking at Town Bank  
P: 262-369-4223  
E: jjohannes@wintrust.com

## Certificate Of Completion

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Status: Completed

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Source Envelope:

Document Pages: 1

Signatures: 1

Envelope Originator:

Certificate Pages: 4

Initials: 0

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9700 W. Higgins Road

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Rosemont , IL 60018

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tschoessow@townbank.us

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tschoessow@townbank.us

## Signer Events

John Johannes

jjohannes@wintrust.com

Executive Vice President

Wintrust Financial Corporation - P- Credit & Lending

Security Level: Email, Account Authentication  
(None)

## Signature

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## Electronic Record and Signature Disclosure:

Accepted: 4/13/2020 8:32:54 PM

ID: 22354ea6-180f-43ca-bcda-33ac5b4b940c

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

## Certified Delivery Events

## Status

## Timestamp

## Carbon Copy Events

## Status

## Timestamp

## Witness Events

## Signature

## Timestamp

## Notary Events

## Signature

## Timestamp

## Envelope Summary Events

## Status

## Timestamps

Envelope Sent

Hashed/Encrypted

9/11/2020 10:09:00 AM

Certified Delivered

Security Checked

9/11/2020 10:22:01 AM

Signing Complete

Security Checked

9/11/2020 10:22:48 AM

Completed

Security Checked

9/11/2020 10:22:48 AM

## Payment Events

## Status

## Timestamps

## Electronic Record and Signature Disclosure

## **Section 2: Project Summary & Construction Description**

JTK presents to the City of Mineral Point two design development concepts to create multi-family workforce housing on the old city garage site. As a developer, JTK specializes in urban infill redevelopment such as the parcels outlined in this RFP. This allows JTK the flexibility to create multiple design concepts to maximize the total value while customize the development to fit the City of Mineral Point's needs.

Design concept 1 will only utilizes the two City owned parcel to develop a three story 37 unit workforce apartment development. Design concept 2 incorporates the neighboring parcel directly to the East, owned by Jon Ahlgrimm. This concept will feature more density, and proposes a three story 42 unit workforce housing development, along with an additional public community green space.

As of the time of this application submittal, JT Klein Company has had several conversations with Jon Ahlgrimm, regarding the purchase of his .18 acre parcel directly East of the City owned garage. Mr. Ahlgrimm & his wife have owned this land for decades, and he stated he will not sell it unless it is in the best interest of the City of Mineral Point. After hearing preliminary design concepts, Mr. Ahlgrimm suggested the purchase agreement for his land may include monetary compensation and the naming rights to the community green space included in design concept 2. At this time there is no formal agreement with the Ahlgrimm's how if selected as the developer, JTK will continue to work with the Ahlgrimm's to execute a purchase agreement and develop concept 2.

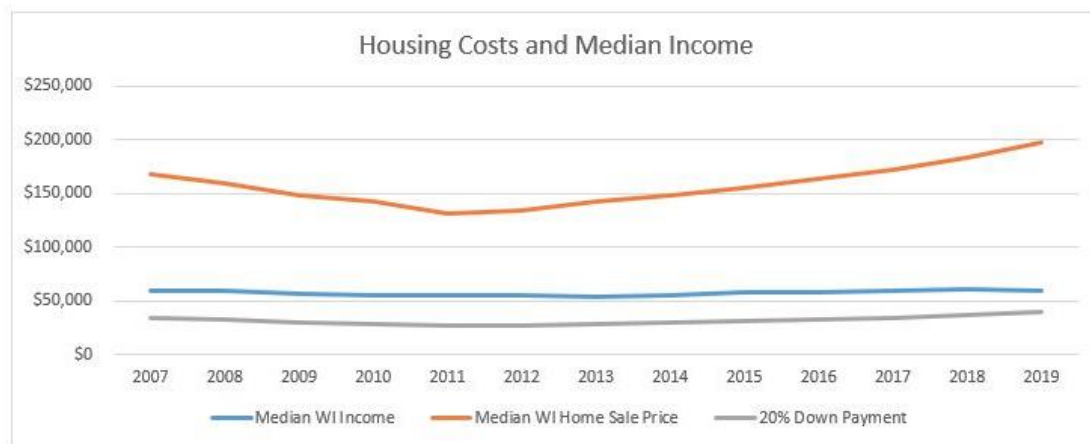
Regardless of which design concept is pursued, the development will contain high end finishes, use high quality building materials, and provide tenant's a variety of everyday amenities. Detailed design drawings, descriptions, and floor plans of each design concept are outlined within the "Architectural Design" paragraph within Section 1.

### **What is Workforce Housing?**

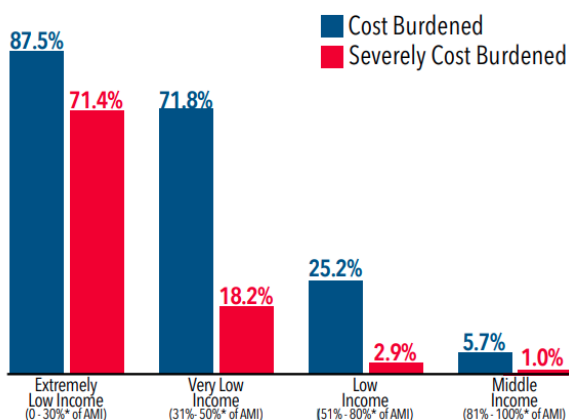
Workforce housing is housing that is designed to help working individuals & families remain in their communities without being rent/mortgage burdened. A household is considered rent/mortgage burdened when over 30% of their total income goes towards their housing expenses. Over the last decade, the state of Wisconsin has been facing a workforce housing crisis in which the costs of living are rising faster than the incomes of working families and individuals. Both the home owner and rental markets are being effected by this trend. A report outlining the Wisconsin housing shortage was published by Kurt Paulsen, PhD, a professor of urban and regional planning at UW-Madison, for the Wisconsin Realtors Association (WRA). Dr. Paulsen's report found three major contributing factors to the housing shortage:

1. Wisconsin has not built enough homes to keep up with population and income growth
2. Construction costs are rising faster than inflation and incomes
3. Outdated land use regulations are driving up the cost of new housing.



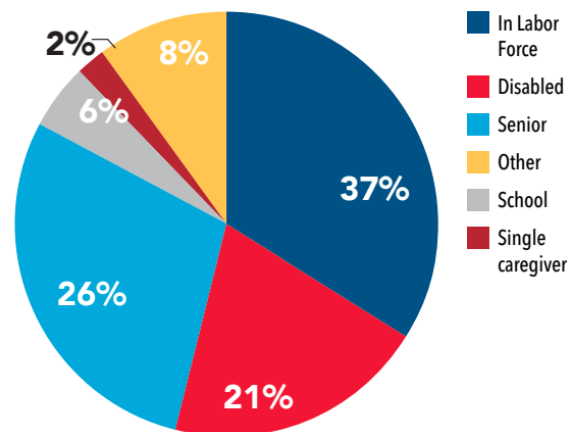


**HOUSING COST BURDEN  
BY INCOME GROUP**



Note: Renter households spending more than 30% of their income on housing costs and utilities are cost burdened; those spending more than half of their income are severely cost burdened. Source: NLIHC tabulations of 2018 ACS PUMS.

**EXTREMELY LOW INCOME RENTER  
HOUSEHOLDS**



Note: Mutually exclusive categories applied in the following order: senior, disabled, in labor force, enrolled in school, single adult caregiver of a child under 7 or a person with a disability, and other. Fifteen percent of extremely low income renter households include a single adult caregiver, more than half of whom usually work more than 20 hours per week. Eleven percent of extremely low-income renter households are enrolled in school, 48% of whom usually work more than 20 hours per week. Source: 2018 ACS PUMS

The first chart above was taken from Dr. Paulsen’s WRA report, visualizing the disproportional rise in housing sales costs compared to median income. The second & third charts are from the 2018 American Community Survey Comprehensive Housing Affordability Strategy conducted by the US Census Bureau. These reports are a visualizations of the workforce housing crisis Wisconsin is facing in the rental market. Families at or below 80% of the AMI are subjected to much higher rates of being “cost burdened” by housing. As shown with the pie chart, the majority of the population that fall into these categories are in the labor force, seniors, or disabled. These populations are some of the most vulnerable to rising housing costs.

The Mineral Point's Comprehensive Plan also highlights concerns in regards to workforce housing, and highlights solutions under the "Housing Policies" point 1 and 3.

Point 1: "Provide choices of owner and renter type-housing units to serve the current and future needs of all residents...residents have diverse needs and require a mix of affordable rental units as well as opportunities for home ownership. In order to meet the needs of low-income people, it is necessary to increase the rental stock in the area and develop ordinances to ensure affordable units in any new development"

Point 3: "Preserve and expand the supply of affordable rental and ownership housing for low and moderate-income individuals."

The workforce housing gap leads to employment problems in which municipalities and employers struggle to retaining employees because the employees cannot afford to live close to their jobs. There are very few ways to reduce housing costs. An employee can move farther away from their place of employment, or they can move their family into a less desirable quality of housing. Neither of which are permanent solutions. Workforce housing developments such as the proposed Fountain Street Apartments aims to bridge this gap and create a permanent solution. Workforce housing developments allow families to remain in their communities in a well maintained high quality home.

### **Misconceptions Regarding Workforce Housing**

There are a lot of common misconceptions on what workforce or affordable housing is. Workforce housing is not government subsidized housing. Just like market rate housing, all future residents are required to show proof of income and pass a credit/criminal background checks before a lease is signed. Workforce housing has often been described as "where jobs go to sleep at night". The proposed Fountain Street workforce housing development will be rental housing that has rents based on Iowa County's Area Median Income (AMI). More specifically, units within this development will have rent maximums set by the Wisconsin Housing & Economic Development Administration (WHEDA) that are based on the individual's or family's household income. Below is a chart that outlines the rent and income maximum for each unit set aside.

**Workforce Housing in Iowa County**

<b>AMI</b>	<b>1 Bed Rent</b>	<b>2 Bed Rent</b>	<b>3 Bed Rent</b>	<b>Max Household Income</b>
30%	\$ 385.00	\$ 445.00	\$ 501.00	\$16,500-\$27,330**
50%	\$ 680.00	\$ 798.00	\$ 909.00	\$27,500-\$45,550
60%	\$ 827.00	\$ 975.00	\$ 1,113.00	\$33,000-\$54,660
80%	\$ 830.00	\$ 1,050.00	\$ 1,139.00	\$44,400-\$72,880

\*\*30% AMI units will be set aside for veterans & resident's with disabilities



As shown in the table above, the Fountain Street Apartments will accommodate households making anywhere between \$16,500 and \$72,880. Current JTK developments have a wide range of occupations living within the JTK workforce portfolio, including teachers, nurses, municipal staff, trade workers, grocery store employees, restaurant staff, car mechanics, office workers, etc. As notated above, the units set aside at the 30% AMI will be targeting veterans or individuals with physical or mental disabilities. Veterans, persons with disabilities, and seniors are considered some of the most vulnerable populations in regards to rising housing costs. JTK is proposing that 8-9 units within the Fountain Street Apartments will be targeted to serve these populations. A detailed description of unit mix and rents are outlined in Section 4.

### **Architectural Design**

JT Klein has partnered with JLA Architects, one of Wisconsin's leading architectural firms to design this project. JLA has completed a preliminary site site analysis to compliment the surrounding area while maximizing density. The RFP site sits in a valley that is at a much lower elevation than the surrounding neighboring parcels. Even though the houses and business fronting High St. and Maiden St. are mostly two stories, they appear much taller when standing within the RFP site. JLA is utilizing this grade change to design a 3 story building that will not feel too big or too small in relative to the neighborhood. Preliminary height studies show that the proposed developments will compliment the surrounding neighborhood.

The building will be positioned directly on Fountain St. for a variety of reasons. Because the RFP site is so close to the main corridor of Mineral Point, JLA wanted this development to fit the urban downtown feel. High St. provides a walkable area in which all of the shops & business are directly on the street front. The Fountain Street Apartments will mimic this design. The first floor units will have individual entries that contribute to the walkability of the site. In addition to walkability, JLA designed this development to give the neighboring single family homes to the South a buffer of space. South St. and the tree line will be ample separate between the properties.

## Exterior Renderings

As mentioned above, both design concepts will use the same materials and architectural features. The renderings below outline the preliminary exterior design



**JLA**  
ARCHITECTS

JTKlein – MINERAL POINT

RENDERING VIEW #1

SEPTEMBER 15, 2020  
1"=60' @ 11x17



**JLA**  
ARCHITECTS

JTKlein – MINERAL POINT

RENDERING VIEW #2

SEPTEMBER 15, 2020  
1"=60' @ 11x17





**JTKLEIN**, INC.  
DEVELOPMENT • CONSTRUCTION • MANAGEMENT



**JLA**  
ARCHITECTS

JTKlein – MINERAL POINT

RENDERING VIEW #3

SEPTEMBER 15, 2020  
1"=60' @ 11x17



## **Design Concept 1 vs Design Concept 2**

There will only be two noticeable differences in concept 1 and concept 2, density and additional community green space. There will be no difference in quality or materials between either design concepts. Concept 1 will only utilize the City owned parcels as outlined in the RFP. In this concept, JTK is proposing a 3 story 37 unit workforce development.

Concept 2 incorporates the neighboring parcel owned by the Ahlgrimm's, and will add additional density as well as a community green space. In this concept, JTK is proposing a 3 story 42 unit workforce development. Both exterior site plans and building layouts are located below.

## **Design Concept 1**

### **Design Concept 1: Exterior**



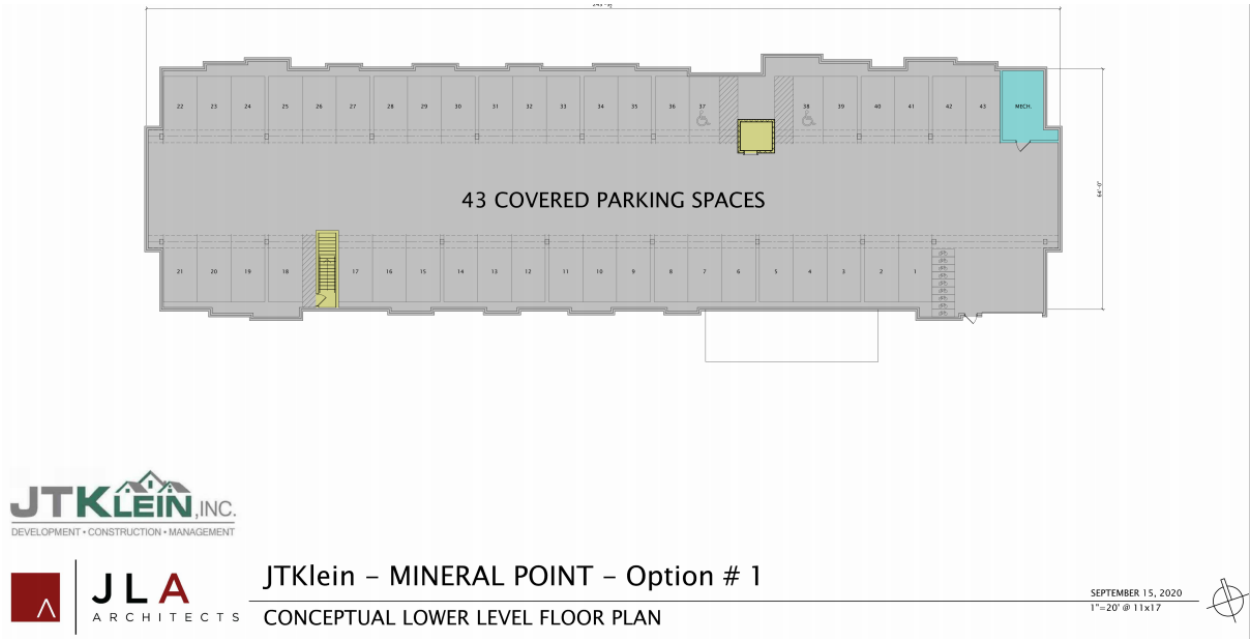
JTKlein – MINERAL POINT – Option # 1

SITE PLAN

SEPTEMBER 15, 2020  
1/32"=1' @ 11x17



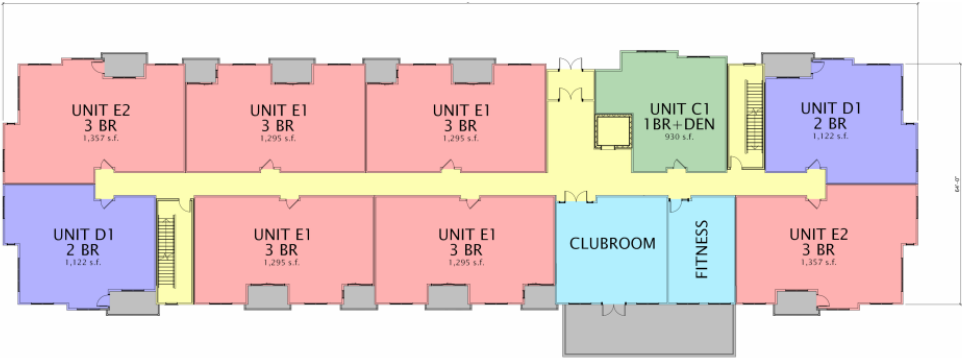
Design Concept 1: Garage Layout



Design Concept 1: Unit Mix

BUILDING DATA – OPTION 1						
FLOOR	UNITS					
	1BR	1BR+	2BR	3BR	TOTAL	BR'S
3	7	0	5	2	14	23
2	7	0	5	2	14	23
1	0	1	2	6	9	23
T.	14	1	12	10	37	69
	40%	1%	32%	27%		

Design Concept 1: First Floor Layout



BUILDING DATA - OPTION 1									
FLOOR	UNITS					PARKING PROVIDED			
	1BR	1BR+	2BR	3BR	TOTAL	BYS	COVERED	SURFACE	RATIOS
3	2	0	5	2	14	23			
2	7	0	5	2	14	23			
1	0	1	2	6	9	23			
T	14	1	12	10	37	69	43	21	54 1:5:0 0.78 / BR
	40%	1%	32%	27%					

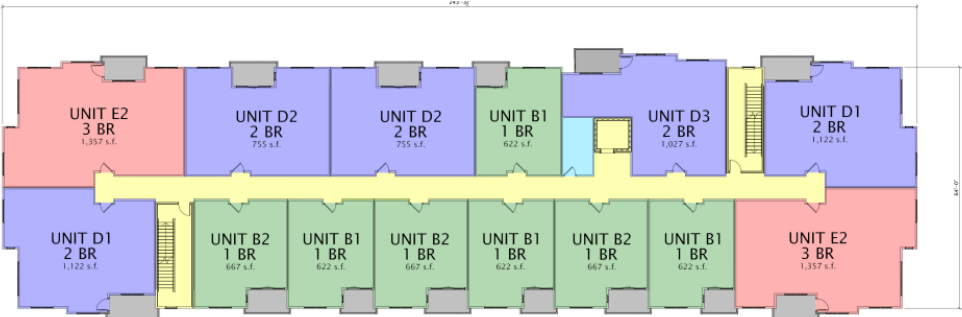


JTKlein – MINERAL POINT – Option # 1  
CONCEPTUAL FIRST FLOOR PLAN

SEPTEMBER 15, 2020  
1"=20' @ 11x17



Design Concept 1: 2<sup>nd</sup> & 3<sup>rd</sup> Floor Layout



JTKlein – MINERAL POINT – Option # 1  
CONCEPTUAL SECOND FLOOR PLAN

SEPTEMBER 15, 2020  
1"=20' @ 11x17





## Design Concept 2

### Design Concept 2: Exterior



JTKlein – MINERAL POINT – Option # 2  
SITE PLAN

SEPTEMBER 15, 2020  
1/32"=1' @ 11x17"



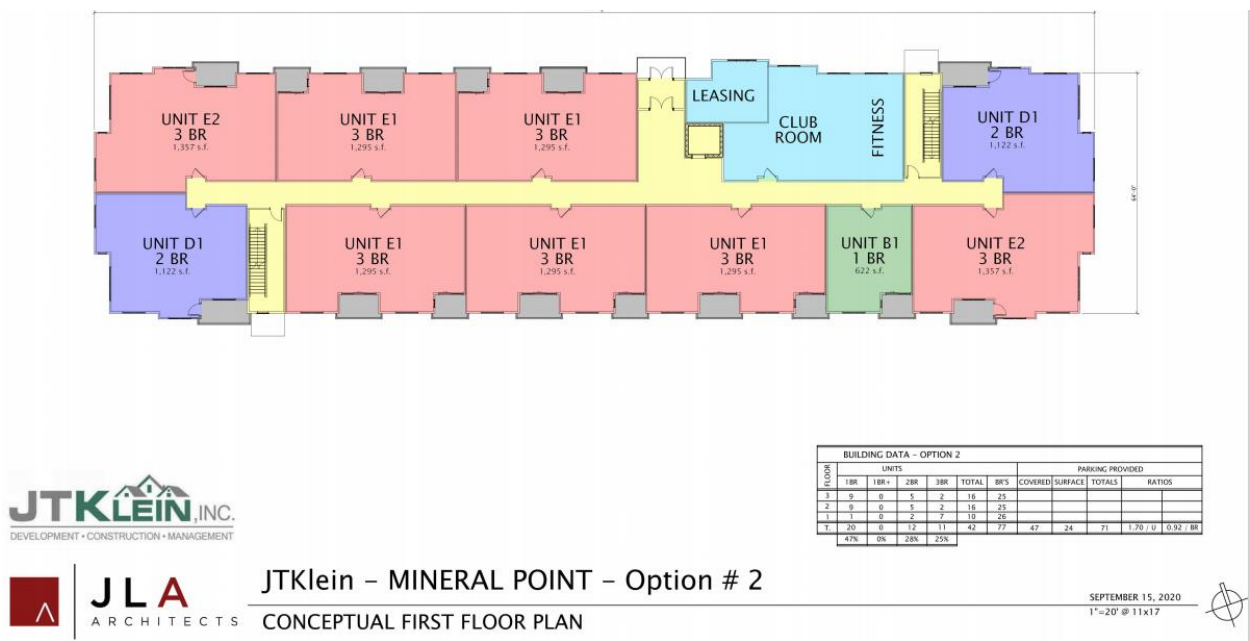
### Design Concept 2: Greenspace

As shown in the site plan above, design concept 2 is proposing a dedicated community green space on the East corner of the site. This area will be approximately 7000sqft. This space is still in the design phase, but previous JTK green spaces have featured monuments, native plantings, and a variety of seating arrangements. JTK has also designed similar areas to incorporate storm water management into the greenspace design. This area will be contingent on acquiring the neighboring parcel. If selected as the developer, JTK will fully design this area and present it to the City of Mineral Point.

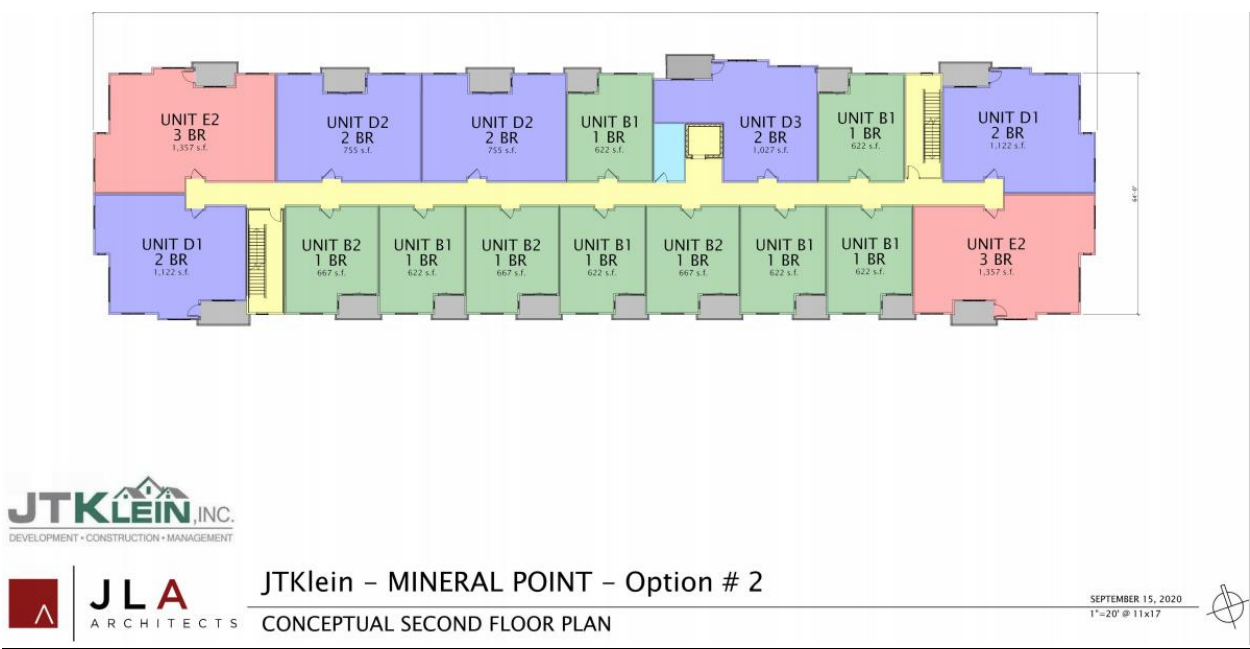
### Design Concept 2: Unit Mix

BUILDING DATA – OPTION 2						
FLOOR	UNITS					
	1BR	1BR+	2BR	3BR	TOTAL	BR'S
3	9	0	5	2	16	27
2	9	0	5	2	16	27
1	2	0	2	7	11	29
T.	20	0	12	11	43	83
	47%	0%	28%	25%		

Design Concept 2: First Floor Layout



Design Concept 2: 2<sup>nd</sup> & 3<sup>rd</sup> Floor Layout





### **In Unit Finishes**

The Fountain Street Apartments will offer the same high-quality finishes and amenities offered at every affordable development within the JT Klein Company portfolio. JT Klein's finish level rivals, if not exceeds the finish level found in most market rate developments. The interior of each unit is carefully designed to provide the best product for the tenant. In doing so, tenant satisfaction is maximized, and turnover/maintenance cost is minimized. Each individual unit features luxury vinyl plank flooring, energy star appliances, ample cabinet space, and full size washer/dryer in unit.

### **Community Amenities**

The Fountain Street Apartments will offer a variety of on-site amenities designed to appeal to both individuals & families. Some of the featured amenities will include a community room with a fireplace, a state of the art exercise facility, a secured package room, individual resident storage units, underground parking, and an on-site leasing office. Due to the unknown final site size, the exterior of both design concept is still in process at this time. Regardless of site size, both concepts will have outdoor green space and doggy bag stations for resident's with pets. The size and features included within the green space will vary based on the total parcel size. Previous JTK projects have featured an outdoor patio space that includes a hard line gas grill, fire pit, and outdoor seating. As outlined above, design concept 2 will include a much more inclusive community green space. If selected as the developer, these areas will be fully designed and presented to the City of Mineral Point.

### **Section 3: Schedule, Costs, and Financial Projections**

Because of the long lead times associated with WHEDA tax credit projects, JTK would like to submit this development for the 2021 tax credit cycle due in early December 2020. The projected timeline below is based around this date. In order to apply for 2021 tax credits, JT Klein Company & Mineral Point would need to enter into a general purchase agreement and put permission zoning in place on the site. The project timeline below is scheduled around applying for WHEDA 2021 tax credits.

#### **Project Schedule Timeline**

<b>Date</b>	<b>Action Complete</b>
September 17 <sup>th</sup> , 2020	RFP Submittal
September-November 2020	RFP Interview Process & Developer Selection
December 2020	General Development Plan Approved
December 2020	WHEDA Competitive Application Due
April 1st, 2021	WHEDA Credits Awarded
June 2021	Apply for Federal Home Bank of Chicago Grant Funding
September 2021	Receive FHLBC Grant
October 2021	Finalize Financing & Start Demolition
January 1 <sup>st</sup> , 2022	Start Construction
October 1 <sup>st</sup> , 2022	Start Leasing
March 1 <sup>st</sup> , 2023	Construction Completed
August 1st, 2023	100% Occupancy

### **Projected Value**

Upon stabilization, this development will have an approximate value of between \$1,500,000-\$2,000,000. JTK anticipates that this value will generate between \$48,000-\$58,000 of annual tax revenue for the City of Mineral Point.

Using the City Building Permit Data table included in the RFP packet, the estimated Fountain Street Apartments value would exceed the total improved value in either 2018 or 2019.

### **City Building Permit Data**

Description	2018	2019
New Single Family Homes	5	5
Valuation	\$1,135,000	\$1,472,600
New Multi-Family Bldgs.	0	0
Valuation	\$0	\$0
Improvements	4	2
Valuation	\$200,800	\$271,000
Valuation of all Building Permits	\$5,397	\$4,290
Permit Valuation Grand Total	\$3,079,400	

This development would represent a significant increase in tax contributions to the City of Mineral Point. The Fountain Street Apartments will not only provide an increased tax base for the City of Mineral Point, it will add affordable workforce housing to the surrounding community.

## **Project Financing**

Currently all sources/uses and rent breakdowns are based off of design concept 1 (37 unit building). If selected as the developer, JTK will revise all numbers to reflect both design concepts.

## **Project Sources & Uses**

### **Fountain Street Apartments: 37 Units**

<b>Uses</b>	<b>Costs</b>
Land Costs	\$ 1.00
Site Work	\$ 50,000.00
Construction Costs	\$ 6,650,000.00
Contingency	\$ 335,000.00
Architect/Engineering	\$ 163,600.00
Interim Construction Expenses	\$ 326,600.00
Permenant Financing Fees	\$ 47,400.00
Soft Costs	\$ 237,000.00
Syndication	\$ 520.00
Development Fee & Overhead	\$ 943,214.00
Reserves/ Lease up	\$ 219,477.00
<b>Total Uses</b>	<b>\$ 8,972,812.00</b>

<b>Sources</b>	<b>Costs</b>
Mortgage	\$ 1,500,000.00
WHEDA Tax Credit Equity	\$ 5,617,812.00
<b>Equity Gap</b>	
TIF/City Financing	\$ 1,000,000.00
Home Loan	\$ 300,000.00
FHLBC Grant	\$ 555,000.00
	<b>\$ 8,972,812.00</b>

## **Proposed Acquisition & Gap Fill**

As construction costs continue to rise, workforce housing developments are becoming impossible to build without outside funding. Even with the tax credit equity provided by WHEDA, JTK is still facing an equity gap of roughly \$1,855,000. JTK proposes to have the City of Mineral Point convey an environmentally clean site for a \$1 and open a TID on the site to provide the development with TIF funding to help close the equity gap. JTK will in turn apply to the Federal Home Loan Bank of Chicago's (FHLBC) Affordable Housing Program (AHP) and the Community Development Block Grant's funds to close the remaining equity gap. The results will add approximately \$1.5-2 million of property value to the City, and allow Mineral Point to collect an estimated annual tax revenue of over \$48,000-\$58,000. This increase in tax increment can be used to finance a TIF loan for the development.

JT Klein believes the strategy outlined above will give the development the best possible chance of success in being awarded WHEDA affordable housing tax credits. As outlined in the developer experience, JTK has a long history of successfully receiving WHEDA tax credit awards. This has given JTK a deep insight into how the scoring process works, and what a development needs in order to successfully receive an award. Last year, the WHEDA tax credit program awarded approximately \$248,000,000.00 of tax credit equity to workforce housing developments throughout the State. Understandably, this makes the tax credit application process extremely competitive.

The 2<sup>nd</sup> largest scoring category in the WHEDA competitive 9% tax credit round is "Financial Leverage". In this category, WHEDA awards points to projects based on the housing tax credit equity as a percentage of the total development budget. The lower the total percentage that the tax credits make up of the total development costs, the more points the project will earn. Having the land donated & TIF funding will give the Fountain Street Apartments a major competitive advantage in the Financial Leverage category. The City's donation & TIF will allow JTK to request the highest possible amount of WHEDA tax credits while keeping the highest possible score.

Additionally, the City's donation and TIF contribution will make JTK's application to the Federal Home Loan Bank of Chicago's (FHLBC) Affordable Housing Program (AHP) more competitive. Every Summer the FHLBC opens their competitive AHP grant application process to workforce housing developers within the states of Wisconsin and Illinois. This grant will award developers roughly \$15,000 per affordable housing unit, up to \$900,000. One of the larger scoring category within the AHP is the "Use of Donated or Conveyed Government-Owned Properties". Developers that partner with municipalities to use donated land receive additional points, giving the development a major competitive advantage. In the case of the Fountain Street Apartments, this grant represents between \$555,000-\$630,000 of financial contributions depended on the number of units within the final design concept.

By donated the City land and opening a TIF district, the City of Mineral Point gives the development a competitive advantage to receive approximately \$5,600,000-\$6,400,000 worth of WHEDA tax credit equity, and between \$555,000-\$630,000 of grant funding through the FHLBC.

## **Section 4 Related Documentation**

### **Marketing Plan**

JT Klein has partnered with Oakbrook Corporation to manage and market all developments within the JTK portfolio. As outlined in the development team resumes, Oakbrook is one of the largest and most experienced property management companies in Wisconsin. Their portfolio contains over 6,000 units of both market rate and affordable housing. Oakbrook Corp will work hand in hand with the JTK team to properly screen applications and lease the Fountain Street Apartments. This process will begin approximately 6 months prior to building occupancy. Oakbrook uses a variety of electronic and print market practices to ensure potential renters are properly notified and the development hits 100% occupancy as soon as possible. On previous JT Klein workforce developments, Oakbrook had all units leased within 3 months of certified occupancy. The chart below outlines the unit breakdown by AMI and proposed rents

UNIT	NUMBER OF BEDROOMS	NUMBER OF UNITS	PROPOSED MONTHLY RENT	UTILITY ALLOWANCE	TOTAL HOUSING COST
1 BR- 30%	1	8	<b>\$385</b>	\$56	\$441
1BR- 50%	1	3	<b>\$680</b>	\$56	\$736
1BR- 80%	1	4	<b>\$830</b>	\$56	\$886
2BR- 50%	2	2	<b>\$798</b>	\$85	\$883
2BR- 60%	2	2	<b>\$975</b>	\$85	\$1060
2BR- 80%	2	8	<b>\$1050</b>	\$85	\$1135
3BR- 50%	3	6	<b>\$1113</b>	\$111	\$1224
3BR- 80%	3	4	<b>\$1139</b>	\$111	\$1250

### **Market Analysis**

If JT Klein Company is selected as the developer, JTK will employ a market study provider to complete a full analysis of the market to ensure that the demand is present and that the rents are achievable. For previous workforce developments, JTK has employed Baker Tilly, a leading international accounting firm, to complete an encompassing market study. Baker Tilly's market studies are 170+ pages that include a full analysis of the market demographics, potential competitive existing buildings, and achievable rents. The market study be specifically designed for a workforce housing development to ensure the most accurate results.

### **Codes & Regulations**

JT Klein Company will conform to all federal, state, and local building codes and/or regulations throughout the development process of the Fountain Street Apartments.

### **Conclusions: Overall Economic Impact and Tangible Benefits**

As outlined throughout this proposal, JTK plans to convert an underutilized site into a vibrant residential building and community green space that will benefit the Mineral Point community for years to come. In doing so, the City of Mineral Point will gain workforce housing to help keep working families within the heart of the City, while creating a taxable building to help drive revenue back into the City. If accepted, the JTK proposal will be eligible to receive approximately \$6,600,000-\$7,300,000 of outside funding that will directly benefit the City of Mineral Point. JT Klein Company believes this development opportunity will be mutually beneficial, and looks forward to working with the City of Mineral Point for years to come.



**JLA**  
ARCHITECTS

## ABOUT **JLA**

JLA Architects is a full-service architectural and planning firm with offices in Madison and Milwaukee. Joseph Lee founded the firm in 2007 to create a "client service" based firm that offers a comprehensive range of professional services allowing us to assist you at every phase of the real estate development process.

### FIRM COMPOSITION

25	Total Staff Members
6	Licensed Architects
16	Architectural Associates
1	Marketing
1	Admin/HR
1	IT Tech

## OUR **EXPERIENCE**

Our projects have ranged in size from smaller commercial remodels to large & complex multi-use facilities. We provide each client and project with the same level of excellent service & care that is often lacking in the architectural industry today.

Although our expertise is diverse, we focus on these project types:

- Multi-Family
- - Market-Rate & Affordable
- Mixed-Use
- Corporate
- Recreational
- Housing with Services
- Civic & Institutional
- Retail/Restaurants
- Adaptive Re-use
- Industrial

We invite you to visit [jla-ap.com](http://jla-ap.com) to view our portfolio.



2418 Crossroads Drive, Suite 2300  
Madison, WI 53718  
Ph. 608.241.9500

311 E. Chicago Street, Suite 240  
Milwaukee, WI 53202  
Ph. 414.988.7520







# AREAS OF **EXPERTISE**

As a full-service architectural and planning firm, we offer the following services to our clients:

## **project feasibility**

Site Selection and Site Analysis  
Programming and Pro Forma Assistance

## **planning services**

Land Use Space Allocation  
Building Footprints  
Parking Requirements  
Service Needs

## **architectural services**

Architectural Programming  
Architectural Design  
Interior Design  
Construction Documents  
Construction Administration  
Post-Occupancy Evaluations

## **entitlement assistance**

Community Meetings  
Municipal Meetings  
Municipal Submittals  
Owner's Representative Services

# THE JLA **PROMISE**

***A commitment to your vision, your budget,  
and your organization's legacy.***

We promise that WE WILL:

- LISTEN TO YOUR NEEDS and go the extra mile to provide you a design that's feasible, within budget, and one you can be proud of.
- BE YOUR PARTNER FROM BEGINNING TO END, from determining the feasibility of your project to construction administration. A relationship built on collaboration ensures a successful project.
- PROVIDE MARKET KNOWLEDGE AND SOUND PROFESSIONAL ADVICE so you are educated on current design and construction trends as well as applicable municipal approval processes and building codes.
- LEVERAGE THE LATEST TECHNOLOGY to ensure an efficient approach. This allows you to make more informed decisions earlier in the process to help avoid costly changes down the road.
- OFFER COMPETITIVE AND CLEAR FEE STRUCTURES because in our minds it's bad business to 'nickel and dime' clients.



# JOSEPH LEE

## FOUNDER & PRESIDENT

JLee@JLA-AP.com

C: 608.215.1495

### EDUCATION

*Masters of Architecture*  
UW-Milwaukee, May 1998

*Masters of Urban Planning*  
UW-Milwaukee, May 1998

*Bachelor of Science*  
*Architectural Studies*  
UW-Milwaukee, May 1995

*Project Manager Bootcamp*  
PSMJ, 2006

*Strategies for the Construction*  
*Administrator*  
UW-Extension Course, 2005

### PROFESSIONAL AFFILIATIONS

*Licensed Architect*  
Wisconsin, 2003–present

*American Institute*  
*of Architects*, 2003–present

### AWARDS & RECOGNITION

*Franciscan Health Care Center*  
Finalist: New Construction

*Nursing Homes Long Term Care*  
*Management*, 2003

*Madison's "40 Under 40"*  
In Business Magazine, 2006

*"Design of the Times"*  
Madison Magazine, Feb. 2007

Joe is a Madison native and graduated with both a Masters of Architecture and a Masters of Urban Planning from the University of Wisconsin–Milwaukee (UWM). During his schooling and after graduation, Joe resided in Milwaukee for 13 years, working in both the public and private sectors.

Prior to founding JLA Architects & Planners in February 2007, Joe was an associate at Eppstein Uhen Architects in Milwaukee where he was a lead designer on multi-family, mixed-use, & retail projects.

Joe's background in both architecture and urban planning has allowed him to develop a unique blend of skills & market knowledge that brings distinct value to JLA clients.

As the Owner and Managing Principal of JLA Architects, his main goal is client satisfaction. He is involved at every phase of the process and truly believes that listening and collaborating with clients at every step ensures a successful project.

### RELATED PROJECT EXPERIENCE

Forte at 84 South	Greenfield, Wis.
50Twenty Apartments	Madison, Wis.
Velo Village at Ballpark Commons	Franklin, Wis.
Vim & Vigor at the Brewery	Milwaukee
1600Tosa apartments	Wauwatosa, Wis.
Veritas Village apartments	Madison, Wis.
Yahara Commons (mixed-use development)	Monona, Wis.
Middleton Station apartments	Middleton, Wis.
Meadow Ridge (affordable housing)	Middleton, Wis.
The Globe Apartments (affordable housing)	Watertown, Wis.
Stonebridge Apartments (affordable housing)	Merrill, Wis.
Cedar Glen Senior Living	Wauwatosa, Wis.
Factory District Apartments	Madison, Wis.
The Junction Apartments	Menomonee Falls, Wis.
Valley Endodontics	Appleton, Wis.
Home Again Assisted Living	Cambridge, Wis.
Brooks & Dayton Student Housing	Madison, Wis.
22 Slate Apartments	Madison, Wis.
Holy Mother of Consolation Parish Hall	Oregon, Wis.



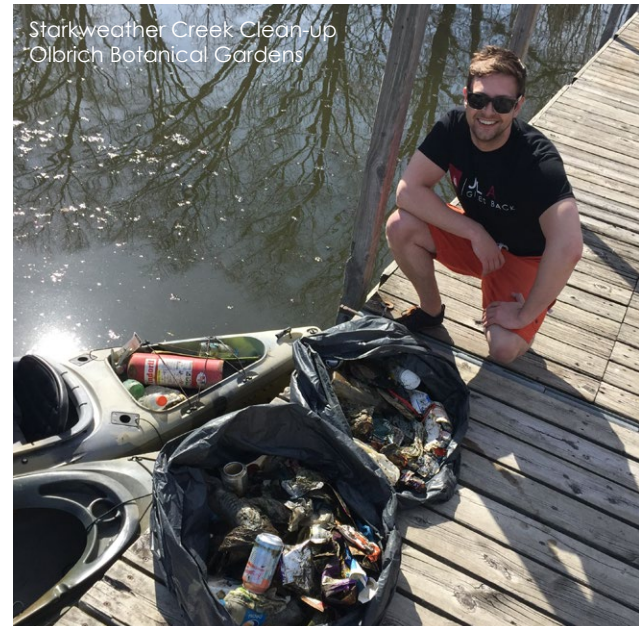
# GIVING BACK

Through our corporate citizenship program, JLA Gives Back, our team works hard every day to make a positive impact in our communities. Several times a year, we volunteer together at a new non-profit organization. Each team member is also allotted paid time every year to volunteer with organizations they are most passionate about. Many team members spend their nights and weekends volunteering as well, so JLA is proud to match their efforts with monetary donations. We are deeply committed to bettering our communities and aren't afraid to roll up our sleeves.

To learn more, follow [#JLAGivesback](#) on Facebook and LinkedIn



River Food Pantry



Starkweather Creek Clean-up  
Olbrich Botanical Gardens



Mobile Food Pantry at Bradley Crossing  
JFS Housing & Feeding America



Construction 2018  
Middleton Outreach Ministries



Mobile Food Pantry at Bradley Crossing  
JFS Housing & Feeding America

# CLIENT REFERENCES

We are proud of our past successes & relationships that we have built with our clients. We encourage you to contact any of the references below to discuss their experiences with JLA.

**Mr. Chris Laurent**

*Senior Vice-President*  
Building Blocks / Cinnaire  
Madison, Wisconsin  
503.869.6544  
claurent@cinnaire.com

**Mr. Craig Raddatz**

*Vice-President*  
Fiduciary Real Estate Development  
Milwaukee, Wisconsin  
414.226.4535  
craddatz@fred-inc.com

**Mr. Blair Williams**

*President*  
WiRED Development  
Milwaukee, Wisconsin  
414.803.9699  
blair@wiredproperties.com

**Mr. Jeff Thornton**

*President*  
Sun Prairie Youth Hockey Association  
Sun Prairie, Wisconsin  
608.274.2577  
thornton@tess-inc.com

**Mr. William Kunkler**

*Executive Vice President*  
The Fiore Companies  
Madison, Wisconsin  
608.255.5060  
wkunkler@fioreco.com

**Mr. Aaron Kostichka**

*Private Developer &  
VP of McGann Construction*  
Madison, Wisconsin  
608.241.5585  
aaron.kostichka@mcgannconstruction.com

**Mr. Dan Fitzgerald**

President, Horizon Development Group  
Madison/Milwaukee, Wisconsin  
608.354.0900  
d.fitzgerald@horizondbm.com

**Mr. TJ Blitz**

Principal  
Cresa Company  
Madison, Wisconsin  
608.467.1513  
tblitz@cresa.com

**Mr. Greg McHenry**

*(Former) Director of Development*  
Milhaus Development  
Indianapolis, Indiana  
317.602.2044  
(Greg is currently with Hines)

**Mr. Brett Miller**

*President*  
Fiduciary Real Estate Development  
Milwaukee, Wisconsin  
414.274.8218  
bmiller@fred-inc.com

**Mr. Jacob Klein**

*President*  
JT Klein Development  
Madison, Wisconsin  
612.202.1577  
Jacob@JTKlein.com





"JLA is easy to work with because **they take the time to listen to the needs of their clients.** They do everything humanly possible to meet schedules and be on budget with the project."

*William Arpe  
CEO, Fiduciary Real Estate Development Inc.*

# COMPANY OVERVIEW

## HISTORY OF THE COMPANY

Oakbrook Corporation was formed in 1987 for the purpose of engaging in real estate property management, leasing and project management. Subsequently, the firm added brokerage, leasing, research, construction management and consulting services. Along the way, we have held true to our values of diligence, stewardship, and integrity. Our success in adhering to these principles is the primary reason that our company has attained a significant number of prominent clients who have continued their relationship with us for many years.

2019 marks 32 years since Oakbrook's founding. We now employ over 240 employees, manage over 6,900 apartments at 80 different locations in Wisconsin, Illinois and Iowa, and 45 commercial properties in the metropolitan Madison area, all totaling over 10 million square feet of space. Oakbrook is an Accredited Management Organization and has a Certified Property Manager and another Certified Property Manager candidate on staff.

## UNIQUE ORGANIZATIONAL STRUCTURE

Oakbrook conducts business through an organizational structure that remains virtually unique among Wisconsin real estate service firms. We are organized into six primary operating groups:

- Residential Property Management
- Commercial Property Management
- Brokerage & Leasing
- Development & Investment
- Construction
- Accounting, corporate operations and treasury

Our experience and longevity in managing and leasing commercial property in the Madison market is unrivaled. As each assignment warrants, we can bring together teams with special expertise in research, financial analysis, property management, development, project management, construction and transaction execution, providing our clients with a unique blend of value added services. Each team's breadth of prior experience on a local and national basis creates a potent array of insight, experience and knowledge of the many disciplines that need to be mastered for a successful project.

# COMPANY OVERVIEW

## SERVICES OVERVIEW

The backbone of our organization and the services we offer to our residential and commercial clients stems from broad and comprehensive experience developing, financing, marketing, managing and selling our own properties. This experience has provided us with both broad and deep knowledge of all the faculties and skills necessary to achieve success in the complex world of property ownership. We have experienced in house resources that allow us to offer the following integrated services:

### Residential and Commercial Management Property Management

- Property Accounting
- Federal and State Program Compliance
- Annual Budget Planning and Expense Management
- Capital Budget Planning and Execution
- Renovations
- Client Relations
- Tenant Relations
- Human Resources and Payroll Management
- Marketing and Leasing
- Owner Financial and Tax Reporting
- Property Transitions
- Recruiting and Employee Development
- Revenue Management
- Senior Housing
- Preventative Maintenance

### Brokerage

- Retail, Office, Industrial, Multifamily, Land, and Corporate Building Sales and Acquisitions
- Landlord and Tenant Representation
- Investment Sales and Acquisitions
- Broker Opinion of Value

### Development and Construction Services

- Strategic Planning
- Analysis of Facility Operating Costs
- Project Management
- Mortgage/Equity Financing Service
- Site Selection and Acquisition
- Construction Management
- Design Consulting Services
- Architectural/Engineering Contract Negotiations
- Construction Contract Negotiation





### **MICHAEL L. MOREY**

President  
Oakbrook Corporation

### **CAREER SUMMARY**

Prior to forming the Oakbrook Corporation in 1987, Mr. Morey was Executive Vice President and Secretary of Madsen Corporation, a Midwestern commercial development and construction business. He was also President of its two operating subsidiaries, Madsen Investment Services, Inc., a licensed securities broker/dealer, and Madsen Mortgage Company, Inc., a mortgage-banking firm. During his 13 years at Madsen, Mr. Morey was responsible for development, financing and financial planning for \$400 million in properties developed and/or owned by Madsen. He also supervised the activities of Madsen's developers, real estate agents, securities agents, property managers, and finance directors.

During his career, Mr. Morey has been active as a speaker at seminars on various aspects of real estate. He is currently a member of the Wisconsin Real Estate Alumni Association. Mr. Morey is a past member of the Board of Trustees of the Edgewood Campus Grade School and the Edgewood College Board of Trustees. He is also a past member of the Board of Directors of Downtown Madison, Inc., the Business and Advisory Board of Attic Angels, and previously on the Gubernatorial appointed Multifamily Dwelling Code Council.

### **EXPERIENCE**

As President of Oakbrook Corporation Mr. Morey is responsible for overall corporate management and directs the brokerage, property management, consulting, development, construction and financial operations.

- 1987 – Present: President  
Oakbrook Corporation

### **EDUCATION**

- University of Wisconsin-Madison, M.B.A., Finance, 1974
- University of Wisconsin-Madison, B.S. Engineering, 1972

### **PROFESSIONAL AFFILIATIONS**

- Licensed Real Estate Broker – Wisconsin, Illinois, Iowa



## **MICHAEL C. MOREY**

Senior Vice President  
Oakbrook Corporation

### **CAREER SUMMARY**

Michael Morey joined Oakbrook in 2007. In his current role, Mr. Morey provides leadership and oversight of the Investment division, which includes all development, acquisition, asset management and disposition activities on behalf of Oakbrook's principals, clients and stakeholders. Mr. Morey works directly with Oakbrook's lending and investor partners as well as the operations and accounting divisions to maximize the value and returns of this portfolio. Mr. Morey has experience with a variety of housing types and finance programs, having lead or participated in the development, financing, repositioning, and sale of over \$300 million of multifamily housing over the course of his career.

Prior to joining Oakbrook, Mr. Morey worked for General Growth Properties in Chicago. His responsibilities included project management and providing feasibility analysis of redevelopment and capital improvement projects for regional malls and unique retail properties within GGP's existing portfolio. Previously he worked at Lend Lease Real Estate Investments in Boston, MA, a national tax credit equity syndication and investment firm.

### **EDUCATION**

- University of Wisconsin-Madison, M.S., Real Estate and Urban Land Economics, 2005
- University of Michigan, A.B., Economics, 2003

### **PROFESSIONAL AFFILIATIONS**

- Licensed Real Estate Salesperson, Wisconsin
- Wisconsin Real Estate Alumni Association
- National Multi-Housing Council
- Board Member, Catholic Charities of Madison



## JOSEPH M. CARPENTER

Chief Financial Officer  
Oakbrook Corporation

### CAREER SUMMARY

Joe Carpenter is a financial and informational systems professional with experience in property management, telecommunications, publishing and distribution. He has broad skills in financial systems design and improvement, information systems implementation and operational improvements. Much of his recent experience has been managing organizations through change and developing staff.

### EXPERIENCE

Joe is responsible for the company's finance, human resource and information technology functions.

- 2009 – Present: CFO  
Oakbrook Corporation
- 2002 – 2009: Controller & Operations Manager  
H&M Distributing
- 2000 – 2002: Controller  
Hanley-Wood, LLC
- 2000: Accounting Manager  
The Wilderness Society
- 1995 – 2000: Specialist – Accounting & Finance  
Southern New England Telephone
- 1991 – 1995: Staff Accountant  
Martin Verhelst, CPA

### EDUCATION

- University of Wisconsin-Madison, BBA, Accounting, 1991
- Quinnipiac University, MBA, 1999

### PROFESSIONAL AFFILIATIONS

- AICPA, WICPA, Financial Executives International

## PROFESSIONAL PROFILE



### JENNIFER FOLAND

Director | Compliance

#### CAREER SUMMARY

Jennifer Foland brings over 15 years of experience in the area of real estate compliance. With a background in real estate sales and investments, Jennifer has proven to be an asset to owners who search for ways to navigate the complex process of ensuring their assets are in compliance with all applicable federal and state regulations.

Oakbrook Corporation's affordable portfolio includes Section 42, Section 8, and Section 515 properties with additional layering of HOME, Bonds, and project based voucher funding. Jennifer manages a talented compliance team who work diligently to oversee our diverse portfolio of properties in multiple states.

#### EXPERIENCE

Ms. Foland is a skilled and experienced Director of Compliance with a demonstrated history of working the real estate industry and has significant skills in overseeing the compliance of 3000+ units including multi-family and senior properties containing a blend of market rate and affordable units. Her work experience includes:

- Compliance Specialist Oakbrook Corporation. Managed the day-to-day leasing of affordable units, working closely with property managers to ensure households were initially qualified and remained qualified throughout their tenancy. Ensured portfolio of over 1000+ affordable units maintained compliance with multiple affordable programs. Tracked income and rent limits. Prepared investor and state audits to maintain higher ratings.
- Real Estate Sales Agent for Keller Williams Realty. Ranked in top 5% of agents in Las Vegas area. Marketed real estate holdings. Negotiated real estate transactions. Facilitated educational sessions on buying HUD properties.

#### EDUCATION

- Bachelor of Arts – Mass Communication, University of Wisconsin-Milwaukee
- Real Estate Sales Associate Certificates, Shorewest Real Estate School and Real Estate Sales Associate Certificate, ABC Real Estate School

**CERTIFICATIONS** - Housing Credit Certified Professional (HCCP), Novogradac Property Compliance Certification (NPCC), and Certified Occupancy Specialist (COS)

**PROFESSIONAL ASSOCIATIONS** - National Center for Housing Management, National Association of Homebuilders



**ALLISON C. OLSON**

Director of Operations  
Oakbrook Corporation

### CAREER SUMMARY

Allison Olson joined Oakbrook in 2017 as our Director of Training, and was recently promoted to Director of Operations. In her new role, she works to organize daily operations and enhance communication with other key operating divisions. Allie identifies and targets areas in which our residential business can improve and develops plans to address these areas of opportunity. Additionally, she manages and implements our policies and procedures while coaching and training our employees. As a results-focused leader, Allie leads our employee engagement efforts, including Oakbrook's Annual Leadership Summit.

Prior to joining the Oakbrook team, Allie spent ten years with AT&T, where she led large teams in both the sales and training organizations. Most recently, she served as Associate Director of Training, specializing in development and delivery of Sales and Leadership training courses. Her knowledge of project management, operations, learning theory, curriculum design and engaging delivery make her an asset to the team.

### EDUCATION

- Bachelor of Arts—Organizational Communication, University of Wisconsin-Green Bay, 2010

### PROFESSIONAL AFFILIATIONS

- Association for Talent Development

# PROFESSIONAL PROFILE



## JENNIFER ADE

Director | Property Management

### CAREER SUMMARY

Having learned property management from the ground up, Jennifer brings a strong background in finance, residential leasing operations and property development. Jennifer comes with 20+ years of experience in multiple aspects of housing and asset management. Before returning to Oakbrook, Jennifer previously served as Vice President of Property Management for Wimmer Communities where she was accountable for the performance of 3,500 apartments in the Milwaukee market. Jennifer previously served Oakbrook Corporation as Regional Manager, with a portfolio exceeding 40 properties consisting of more than 3,200 residential units located in Illinois and Wisconsin. These properties included market rate, HUD Section 8 and HOME, USDA Rural Development and Low Income Housing Tax Credit financed developments. Jennifer also holds a degree in accounting/finance and is a licensed real estate broker.

### CORE KNOWLEDGE & SKILL AREAS

- ◆ Asset Management
- ◆ Client/Owner Relations
- ◆ Capital Improvement Planning
- ◆ Financials/Budgets
- ◆ Service Strategies/Solutions
- ◆ Marketing Strategies
- ◆ Contract Negotiating
- ◆ Recruiting/training/coaching
- ◆ Tax Credit Compliance

### EXPERIENCE

Jennifer is an expert in combining financial and business planning with tactical execution to optimize long term gains in performance, revenues, and profitability. Jennifer is a results-focused, quality-driven, business executive with experience increasing efficiency of operations and team building. Jennifer demonstrates consistent achievement of objectives, supervisory and service skills with dedication to employer, owners/clients.

- Responsible for a portfolio of 40 properties, 2100+ apartments including market rate, and Low-Income Housing Tax Credit financed developments.
- Supervise Regional Managers holding portfolios of over 1000 units.
- Staff of 45+ associates (4 direct reports): hire, train, counsel, and discipline
- Communicate with owners regarding property performance, cash flow, capital improvement, etc.
- Prepare realistic budgets for income and operational costs and monitor financial objectives to ensure budgeted goals are met.
- Develop policies and procedures that support and enhance operations.

### EDUCATION

- Accounting/Finance Degree
- Licensed Real Estate Broker, Wisconsin

### PROFESSIONAL ASSOCIATIONS

- Board Member of the Apartment Owners and Managers Association of Wisconsin

# PROFESSIONAL PROFILE



## PETER DEVORE

Director | Facilities and Construction Management

### CAREER SUMMARY

Peter Devore brings over 20 years of experience in commercial and multi-housing construction, development, asset management, and acquisitions. He has 10+ years of experience in the role of Owner Rep for commercial office, retail and multi-family developments.

With a background in construction, Peter has proven to be an asset to owners and tenants who search for ways to save significant funds during project development and efficiencies over the life of the asset.

In his current role as Director of Facilities and Construction Management at Oakbrook Corporation, he provides construction oversight of multi-housing and commercial projects in excess of \$20 million, commercial tenant improvements, and capital expenditure projects. Peter works directly with Oakbrook and other asset owners to properly position assets for immediate and future growth.

### EXPERIENCE

Mr. Devore is a skilled and experienced Director of Facilities with a demonstrated history of working in the facilities services industry and has significant skills in negotiation, budgeting, operations management, coaching, and team building. His work experience includes:

- April 2018 - Present: Director of Facilities and Construction Management  
Oakbrook Corporation (Madison, Wisconsin)
- 2010 - 2018: Director of Services  
Neupoint Management Solutions (Minneapolis, Minnesota)
- 2000 - 2010: Senior Property Engineer  
First Select Equities (Greater Minneapolis-St. Paul area)

### EDUCATION

- United States Air Force
- Terra Community College

### PROFESSIONAL AFFILIATIONS

- International Facilities Management Association
- Building Owners and Managers Association
- Multi-housing Association
- General Contractor QM



Integrated Real Estate Services

**RESIDENTIAL BUSINESS REFERENCES**



## **OAKBROOK CORPORATION RESIDENTIAL BUSINESS REFERENCES**

### **ACCOUNTING**

#### **Glen Weyenberg**

SVA Certified Public Accountants, S.C.  
1221 John Q. Hammons Drive  
Madison, WI 53717  
(608) 826-2005  
weyenbergg@sva.com

*Partner responsible for preparation of Oakbrook Corporation corporate tax returns and income tax returns and audits for real estate properties managed by Oakbrook Corporation.*

### **LEGAL**

#### **Michael Hatch**

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777 East Wisconsin Avenue  
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mhatch@foley.com

#### **Katie Rist**

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*Partners responsible for legal assistance on real estate matters.*

### **INSURANCE**

#### **Jim Yeager**

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828 John Nolen Drive  
Madison, WI 53713  
(608) 288-2830  
jim.yeager@m3ins.com

*Partner and Vice President at M3 Insurance responsible for providing assistance with Oakbrook Corporation's insurance needs.*

## **PROPERTY MANAGEMENT**

### **David Weiss**

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Fox Point, WI 53217  
(414) 228-3500  
david@generalcapitalgroup.com

### **Dan Fosdick**

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### **Jacob Klein**

JT Klein Company, Inc.  
818 South Park Street  
Madison, WI 53715  
(612) 202-1577  
jacob@jtklein.com



McGann Construction, Inc. is a Subchapter S Wisconsin Corporation established in January of 1988. McGann has a steady workforce of approximately 90 employees in which they self-perform demolition, rough and finished carpentry, concrete foundations/flatwork, steel erection and exterior siding.

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Revival Ridge - Madison

# SIMILAR RECENT EXPERIENCE:

<u>Year</u> <u>Started</u>	<u>Name</u>	<u>Total</u> <u>Contract</u>
2018	203 Main Waunakee	\$ 20,000,000
2018	Monona Riverfront Phase 1	\$ 19,000,000
2017	Watts Hill Apartments	\$ 10,500,000
2017	8Twenty Park Phase 1 & 2	\$ 13,500,000
2016	Meadow Ridge Apartments	\$ 11,700,000
2016	Maple Grove Commons	\$ 10,000,000
2015	Webster Street Apartments	\$ 8,000,000
2014	Parmenter Circle Phase 2	\$ 8,000,000
2014	Murray Glen Apartments Phase 1 & 2	\$ 10,000,000
2014	Atwood Avenue Apartments	\$ 5,400,000
2013	Granite Ridge Apartments	\$ 8,000,000
2013	The Monroe	\$ 3,000,000
2012	Hawks Landing Building D	\$ 2,800,000
2011	Hawks Landing Lot 62	\$ 2,500,000



## RECENT SECTION 42 PROJECTS

	Project	Units	Contract	Notes
	Marathon Co. Housing Rehab	176	\$8,100,000	WHEDA
	LaFollette Park Apartments	56	\$4,100,000	WHEDA
	Sturgeon Bluff Apartments	105	\$7,500,000	WHEDA
	Arcadia Housing	30	\$2,250,000	WHEDA
	Marian Manor Renovations	121	\$7,750,000	WHEDA

	Parkview Apartment/Brillion	24	\$1,725,000	WHEDA
	Whitehall Apartments	60	\$4,500,000	WHEDA
	Allied Drive Redevelopment	49	\$6,300,000	WHEDA / CDA Madison
	Heritage Apartments/Brillion	23	\$2,150,000	WHEDA
	Red Cliff Housing Redevelopment	24	\$4,000,000	WHEDA
	River Cities Redevelopment	60	\$4,200,000	WHEDA
	Truax Park Apartments	71	\$9,200,000	WHEDA / CDA Madison
	Beloit Apartments Redevelopment	66	\$7,500,000	WHEDA
	Towers Redevelopment Phase 1	51	\$6,500,000	WHEDA
	Towers Redevelopment Phase 2	53	\$6,800,000	WHEDA
	Truax Park Redevelopment Phase 2	48	\$7,500,000	WHEDA / CDA Madison
<b>Total</b>		<b>1017</b>	<b>\$90,075,000</b>	

#### MULTIFAMILY / RESIDENTIAL NEW CONSTRUCTION COMPLETED PROJECTS

\* Contract Amounts are Estimated

PROJECT NAME	CONSTRUCTION TYPE	CONTRACT	PROJECT TYPE
Olbrich by the Lake Apts	Wood Frame Apartments	\$3,200,000	Multifamily
Riverplace Senior Housing	44 Unit Elderly Housing	\$1,800,000	Senior Housing
Cedar Glen Terrace Apts	Market Rate Apts	\$1,650,000	Multifamily
Rodney Scheel House	HUD Housing	\$1,200,000	Multifamily
Sussex Mill Apts	Elderly Apts	\$3,200,000	Senior Housing
Rosewood Apts	Wood Frame Housing	\$4,200,000	Senior Housing

WovenHearts-Platteville	Community Based	\$500,000	Senior Housing
Maple Ridge Senior Housing	Wood Frame Housing	\$1,600,000	Senior Housing
The Landings	Wood Frame Housing	\$2,850,000	Senior Housing
Timber Trails	Wood Frame Housing	\$2,900,000	Senior Housing
WovenHearts-Whitewater	Wood Frame Housing	\$700,000	Senior Housing
WovenHearts-Janesville	Wood Frame Housing	\$600,000	Senior Housing
Westridge Apts	Wood Frame Apts	\$900,000	Multifamily
Sheboygan Senior Housing	Wood Frame Housing	\$2,400,000	Multifamily
Cudahy Senior Housing	Wood Frame Housing	\$1,600,000	Multifamily
Community Housing	Multifamily Addition	\$2,200,000	Multifamily
Sherman Glen Apts	Wood Frame Housing	\$4,600,000	Multifamily
Eagle Heights Apts	Apartments	\$4,700,000	Multifamily
Lincoln Court Apts	Wood Frame Housing	\$1,400,000	Senior Housing
Oregon Senior Housing	Wood Frame Housing	\$1,600,000	Senior Housing
Pleasant Valley Sr Housing	Wood Frame Housing	\$1,400,000	Senior Housing
Junction Pt Retail/Res Center	Residential	\$6,600,000	Multifamily
<b>PROJECT NAME</b>	<b>CONSTRUCTION TYPE</b>	<b>CONTRACT</b>	<b>PROJECT TYPE</b>
Greenfield Senior Housing	Elderly Housing	\$5,800,000	Senior Housing
Chapel Valley Housing	Wood Frame Apts	\$3,200,000	Multifamily
Highlands of Seminole Bldg 1	Wood Frame Apts	\$1,300,000	Multifamily
Riverbend Senior Housing	Wood Frame Housing	\$3,100,000	Multifamily
Highlands of Seminole Bldg 2	Wood Frame Apts	\$1,300,000	Multifamily
Sugarwood Apts	Wood Frame Housing	\$1,300,000	Senior Housing
Highlands of Seminole Bldg 3	Wood Frame Apts	\$1,300,000	Multifamily
Parkside Commons	Wood Frame Elderly Apts	\$6,000,000	Senior Housing



Junction Point Phase II	Wood Frame Apts	\$4,200,000	Multifamily
Chester Square Apts	Apartments	\$1,200,000	Multifamily
Harthaven Apts	HUD Senior Housing	\$600,000	Senior Housing
WovenHearts Asst Living	Wood Frame Housing	\$600,000	Senior Housing
Pioneer Place III	HUD Elderly Housing	\$1,000,000	Senior Housing
Pioneer Place II	HUD Elderly Housing	\$600,000	Senior Housing
Lodi Elderly Housing	Wood Frame Housing	\$300,000	Senior Housing
Independent Living	Housing/CBRF	\$1,400,000	Senior Housing
Coachyard Square	New Wood Frame Condos	\$1,900,000	Multifamily
Highland Rise Bldg 4	Wood Frame Apts	\$1,400,000	Multifamily
Wexford Ridge	ADA Improvements	\$500,000	Multifamily
Pheasant Run Apts	Wood Frame Apts	\$700,000	Multifamily
Goodwill Debra Beebe Apts	Wood Frame HUD housing	\$300,000	Multifamily
Eagle Heights 200/100 Series	Wood Frame Rehab	\$2,400,000	Multifamily
Prairie Crest Apts	Wood Frame Apts	\$2,100,000	Multifamily
Sunwood Apts	Wood Frame Housing	\$3,400,000	Senior Housing
College Park Apts	Student Housing	\$2,300,000	Multifamily
Colonial Club Adult Day Care	Addition to Elderly Housing	\$500,000	Senior Housing
Renee Row Apts	Student Housing	\$2,400,000	Multifamily
Lake View Apts	FMHA Housing	\$1,000,000	Multifamily
Sauk Creek Phase I	Luxury Apts	\$1,800,000	Multifamily
Hickory Hills, LSS Housing	HUD Housing	\$900,000	Multifamily
Masonic Village on the Square	Elderly Market Rate Housing	\$5,700,000	Multifamily
Sauk Creek Phase II	Luxury Apts	\$1,700,000	Multifamily
Sauk Creek Phase III	Luxury Apts	\$1,700,000	Multifamily

New Fountains I Apts	Apartments	\$1,800,000	Multifamily
CBRF Lodi	Wood Frame Housing	\$300,000	Multifamily
New Fountains II Apts	Remodeling	\$900,000	Multifamily
Clybourn Street Apts	Large Wood Frame Apts	\$2,200,000	Multifamily
Oakview Apts	Fire Remodel	\$1,300,000	Multifamily
Sauk Creek Phase IV	Luxury Apts	\$1,900,000	Multifamily
Keene Residence	New Home/Lake Mendota	\$1,500,000	Residential
Eagle Heights 308/403/405	Interior Remodel	\$700,000	Multifamily
Red Cliff Redevelopment	Wood Frame Housing	\$4,500,000	Single Family Homes
Mueller Memorial Terrace	Wood Frame Housing	\$1,000,000	Multifamily
Cortland Pond Apts	New Apts - Wood Frame	\$7,900,000	Multifamily
St. Mary's Care Center	Wood Frame	\$7,100,000	Nursing Home
Oregon Senior Housing	New Apts - Wood Frame	\$2,500,000	Elderly Housing
Pleasant Valley Sr Housing	New Apts - Wood Frame	\$2,800,000	Elderly Housing
Rosewood II	Wood Frame Housing	\$3,600,000	Elderly Housing
Prairie Crest Clubhouse	Wood Frame Apt Clubhouse	\$400,000	Multifamily
Prairie Crest Bldg 4	New Wood Frame Apt	\$2,400,000	Multifamily
699 West Mifflin	Luxury Apts	\$1,900,000	Multifamily
Goodwill/Jefferson Apts	New Multifamily Housing	\$1,200,000	Multifamily
Highland South Apts	New Multifamily Housing	\$4,800,000	Multifamily
Yahara Riverview Apts	New Multifamily Housing	\$4,700,000	Multifamily
Upland Homes / 40 Rental Units	New Multifamily	\$3,600,000	Multifamily
Harvey Street Apts	Remodel University Housing	\$306,410	Multifamily
Castle Condominiums	New Wood Frame Condos	\$3,750,000	Multifamily
Our House Assisted Living	New Wood Frame Senior	\$2,300,000	Multifamily

Cortland Commons	New Apts/Retail	\$1,800,000	Multifamily
Park Glen Commons	New Senior Apts	\$7,900,000	Multifamily
The Meetinghouse	New Senior Apts	\$6,800,000	Multifamily
The Uplands, Lot 98,2/4,32/33,7	Wood Frame Apartments	\$2,150,000	Multifamily
Cortland Commons II	Wood Frame Multifamily	\$1,800,000	Multifamily
Cortland Commons	Wood Frame Multifamily	\$1,900,000	Multifamily
Bayside Commons Condos	New Wood Frame Condos	\$4,800,000	Multifamily
Porchlight/Pheasant Ridge	Wood Frame Apartments	\$800,000	Multifamily
Cityview Condos Sun Prairie	New Wood Frame Condos	\$2,400,000	Multifamily
The Brownstone	Wood Frame Apartments	\$7,500,000	Multifamily
Sun Prairie Healthcare Ctr	Add/Rehab Senior Care	\$3,500,000	Senior Housing
Troy Gardens	New Wood Frame Condos	\$3,300,000	Multifamily
Leopold Place, Building 1	New Residential	\$4,600,000	Multifamily
Waunakee Manor	Additions/Rehab Sr Care	\$3,200,000	Senior Housing
Arboretum Cohousing	New Cohousing Condos	\$6,500,000	Multifamily
Leopold Place Building #3	Wood Frame Market Rate	\$4,600,000	Multifamily
Leopold Place Building #2	Wood Frame Market Rate	\$3,800,000	Multifamily
Allied Drive Redevelopment	New Multifamily Apartments	\$6,300,000	Multifamily
The Monroe	Wood Frame Market Rate	\$3,200,000	Multifamily
Granite Ridge Apartments	Wood Frame Market Rate	\$6,900,000	Multifamily
Hawks Landing	Wood Frame Market Rate	\$5,200,000	Multifamily
Porchlight Nakoosa Trail	Supportive Housing	\$2,500,000	Multifamily



Park Glen - Madison

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**To:** City of Mineral Point Finance Committee  
**From:** Dave Rasmussen, Community Development Specialist  
**Subject:** October 21<sup>st</sup> Meeting Summary with JT Klein Company  
**Date:** October 21, 2020

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As directed by the Finance Committee, a meeting was held to discuss the development proposal by JT Klein Company for construction a 42-unit apartment complex known as “The Fountain Street Apartment” in the City of Mineral Point. Attending the meeting were myself and Administrator, Erin Hirn from the City and, representing the developer, Jacob Klein and Danny Afable. The purpose of the meeting was to discuss the developer’s proposal and develop a “game plan” as to how this project can proceed.

The main takeaway from this meeting includes the following points:

- City would transfer the City owned property to the developer at no cost;
- Developer would negotiate the acquisition of the adjacent lot from the private owner;
- City would reimburse the developer for up to \$350,000 of costs associated with the demolition, remediation, site preparation (including excavation for underground parking) on the site;
- Developer agrees to a “Pay-As-You-Go” (PAYGO) arrangement for the reimbursement of developer costs.

Attached, please find a revised cash flow projection that was the result of this meeting and takes into consideration, the points above. The following is a column by column explanation of the revised projections:

**Column B & C** – Per the submitted proposal construction of the 42-unit housing complex would begin in 2022 and finish in 2023. The value of property is then put on the tax roll the following year (**Column C**) and the taxes are paid in the following year. We have estimated the value of the property to be \$2.25 million, however, the developer will submit their plans to the City Assessor to get a better idea of the value.

**Column D** – We have estimated an annual inflation factor of 1.0% on the value of the property.

## MEMO

October 21, 2020

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**Column E** – We have looked the overall mill rate over the past 5 years and with the exception of 2018, the other years were just over 0.025 or \$25/\$1000 of value. We believe that this mill rate is accurate and will continue throughout the life of the TIF District.

**Column G** – In previous projections we had estimated that demolition, remediation and site clearance was \$100,000. We are now estimating that those costs are \$350,000 as identified above and will now be absorbed annual borrowing by the City identified in **Column H**.

**Column H** – Under the PAYGO arrangement, the City is going to reimburse the developer for cost borne by the developer associated with the demolition, remediation, site clearance, and underground parking excavation. This reimbursement is up to \$350,000. It is intended that the City will get a line of credit from the local bank and draw on this line of credit as the developer submits receipts. In 2022, the City will turn the line of credit into permanent financing on the \$350,000. We are estimating that the loan will be at 3.0% for 20 years. Debt service payments of \$23,293 will begin in 2023 (**Column L**). We are also looking at possible grant to assist the developer.

**Column K** – Other expenses include creation of the TIF District (\$15,000) and annual operation of the TIF District, including DoR fees, conducting the annual Joint Review Board meeting, auditing fees, etc.

**Column M** – Project costs are estimated at \$1.2 million which includes the \$350,000 of reimbursement of site costs (demolition, remediation, and excavation of underground garage) and a development incentive of \$850,000 to the developer. Under the PAYGO arrangement, the developer agrees to bear the \$850,000 of the development incentive and, in turn, receives the remaining taxes on their development after the City's annual debt service is paid. For example, in 2028 we are estimating the tax increment to be \$58,341 (Column F). We would then subtract Other Expenses (Column K) and Annual Debt Service (Column L) and the remaining taxes are \$33,548 (Column M). This amount is then return to the developer for reimbursement of their \$850,000. The total amount reimbursed to the developer over time is estimated at \$1,081.804.

There are several advantages to the PAYGO arrangement to the City. First, instead of having to borrow \$1.2 million and providing it to the developer "up front", the City only needs to borrow \$350,000 at the beginning of the project. We looked at the General Obligation (G.O.) borrowing of the City. By statute, the City can borrow up to 5% of their equalized value under G.O. That limit is approximately \$11.5 million. Currently, the City has used approximately 50% of their available capacity. Adding \$1.2 million of G.O. borrowing would bring that up to 60%.

The second advantage is the reduction of risk for the City. Again, paying debt service on \$350,000 instead of \$1.2 million is an advantage to the City. Each year, as the real estate taxes are paid, the City will pay their expenses and debt service first; with the remaining taxes going to the developer. Should the development not assess at the rate shown in the projects, the City should still be covered in terms of their obligations (expenses and debt service). The PAYGO arrangement shifts the risk from the City to the developer.

## **MEMO**

October 21, 2020

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Finally, I would like to bring up some non-financial factors that need to be considered by the City. First, the development of this property will eliminate an eyesore in the City's downtown area. Second, the development of this property will add value to the City's tax base on a property that is currently tax exempt. And third, the development will bring 42 families to within walking distance to the downtown area businesses and amenities.

A	B	C	D	E	F	G	H	I	J	K	L	M	N
YEAR	DEVELOPMENT CONSTRUCTION	DEVELOPMENT CONSTRUCTION INCREMENT	ANNUAL VALUE INCREMENT	TAX RATE	TAX INCREMENTS (INCOME)	PROJECT COSTS	ANNUAL BORROWING	OTHER INCOME	JAN. 1ST ACCT. BALANCE	OTHER EXPENSES	ANNUAL DEBT SERVICE	PAY AS YOU GO	DEC. 31ST ACCT. BALANCE
2020	\$0	\$0	\$0	0.0250	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
2021	\$0	\$0	\$0	0.0250	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0		(\$15,000)
2022	\$1,500,000	\$0	\$0	0.0250	\$0	\$0	\$350,000	\$0	(\$15,000)	\$1,500	\$0	(\$1,500)	(\$15,000)
2023	\$750,000	\$1,500,000	\$1,500,000	0.0250	\$0	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	(\$24,793)	(\$15,000)
2024	\$0	\$750,000	\$2,265,000	0.0250	\$37,500	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$12,707	(\$15,000)
2025	\$0	\$0	\$2,287,650	0.0250	\$56,625	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$31,832	(\$15,000)
2026	\$0	\$0	\$2,310,527	0.0250	\$57,191	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$32,398	(\$15,000)
2027	\$0	\$0	\$2,333,632	0.0250	\$57,763	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$32,970	(\$15,000)
2028	\$0	\$0	\$2,356,968	0.0250	\$58,341	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$33,548	(\$15,000)
2029	\$0	\$0	\$2,380,538	0.0250	\$58,924	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$34,131	(\$15,000)
2030	\$0	\$0	\$2,404,343	0.0250	\$59,513	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$34,720	(\$15,000)
2031	\$0	\$0	\$2,428,387	0.0250	\$60,109	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$35,315	(\$15,000)
2032	\$0	\$0	\$2,452,670	0.0250	\$60,710	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$35,917	(\$15,000)
2033	\$0	\$0	\$2,477,197	0.0250	\$61,317	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$36,524	(\$15,000)
2034	\$0	\$0	\$2,501,969	0.0250	\$61,930	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$37,137	(\$15,000)
2035	\$0	\$0	\$2,526,989	0.0250	\$62,549	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$37,756	(\$15,000)
2036	\$0	\$0	\$2,552,259	0.0250	\$63,175	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$38,382	(\$15,000)
2037	\$0	\$0	\$2,577,781	0.0250	\$63,806	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$39,013	(\$15,000)
2038	\$0	\$0	\$2,603,559	0.0250	\$64,445	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$39,651	(\$15,000)
2039	\$0	\$0	\$2,629,595	0.0250	\$65,089	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$40,296	(\$15,000)
2040	\$0	\$0	\$2,655,891	0.0250	\$65,740	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$40,947	(\$15,000)
2041	\$0	\$0	\$2,682,450	0.0250	\$66,397	\$0	\$0	\$0	(\$15,000)	\$1,500	\$23,293	\$41,604	(\$15,000)
2042	\$0	\$0	\$2,709,274	0.0250	\$67,061	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$65,561	(\$15,000)
2043	\$0	\$0	\$2,736,367	0.0250	\$67,732	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$66,232	(\$15,000)
2044	\$0	\$0	\$2,763,730	0.0250	\$68,409	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$66,909	(\$15,000)
2045	\$0	\$0	\$2,791,368	0.0250	\$69,093	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$67,593	(\$15,000)
2046	\$0	\$0	\$2,819,281	0.0250	\$69,784	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$68,284	(\$15,000)
2047	\$0	\$0	\$2,847,474	0.0250	\$70,482	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$68,982	(\$15,000)
2048	\$0	\$0	\$2,875,949	0.0250	\$71,187	\$0	\$0	\$0	(\$15,000)	\$1,500	\$0	\$69,687	(\$15,000)
TOTAL	\$2,250,000	\$2,250,000			\$1,564,872	\$0	\$350,000	\$0		\$55,500	\$442,569	\$1,081,804	

ASSUMPTIONS:

1. Proposed development is estimated to assess at \$2.25 million; no other development except JT Klien is assu
2. Inflation is 1.0% annually.
3. Tax Rate is \$25.00 per \$1,000 of value.
4. No Project Costs are assumed.
5. City to borrow \$350,000 in 2020 at XX% interest for 20 years; loan proceeds to be used to reimburse developer.
6. Under the "Pay-As-You-Go" scenario, the developer will be reimbursed the excess taxes as reimbursement for the \$850,000 that they are investing in the project.

**MEMORANDUM**

**TO:** Erin Hirn, City Administrator  
Finance Committee

**FROM:** Eileen A. Brownlee, City Attorney

**DATE:** October 21, 2020

**RE:** Zoning and Historic Preservation Timelines and Issues

---

I have reviewed both the Zoning Code and the Historic Preservation ordinance in light of the proposed project on Fountain Street.

**Multi-Family Housing*****Permitted Use***

Multi-family housing is a permitted use in the R-3 Zoning District. Last night, I stated that I did not believe the City's Zoning Code had a density requirement but it does, in fact, have a density requirement. Section 17.04(5)(c)7 requires a minimum lot area of 8,000 square feet "with at least 2,000 square feet and not less than 1,500 square feet per dwelling unit, plus 500 feet per bedroom."

This project proposes a 37 dwelling unit apartment building. The lot size is approximately .7 acres (30,492 square feet). This is less than 1,000 square feet per unit. Under the current zoning code, a project of this size would require a lot of at least 74,000 square feet assuming all of the units are one bedroom.

Under these circumstances, there are a couple of options:

1. At the same time the amendment is sought to rezone this parcel to R-3, an amendment to the density requirement could also be considered. The amendment could either eliminate or reduce the density requirement. It could also make multi-family housing that does not conform to the terms of the existing ordinance a conditional use.
2. Rezone the property to the Planned Unit Development (PUD) District. A PUD does not have a density, lot size or any other requirements in terms of the zoning ordinance. However, whatever requirements are established as part of the approved

development plan for a particular project have the force of the zoning code with respect to that particular development. If, for example, the Council were to require certain parking requirements as part of the development, those parking requirements would have the same force and effect as parking requirements under the zoning code and can be enforced as such. The same process is used for rezoning to a PUD as is used for rezoning to an R-3 District but the development plan must be presented as part of the rezoning process.

### ***Permitted/Conditional Use***

Multi-family housing is also a permitted use in the C-1 Zoning District for residential units above the first floor of a commercial building and a conditional use on the first floor of buildings in the C-1 Zoning District.

Conditional use permit applications are handled by the Plan Commission and the Council has no involvement in the process:

(c) Conditional Uses. May be permitted when approved by the Plan Commission in accordance with the provisions of each zoning district and subject to the following requirements:

1. The applicant shall apply for a conditional use permit on forms furnished by the Zoning Administrator.
2. Fee receipt from the city clerk/treasurer in the amount of One Hundred Fifty Dollars (\$150.00).
3. Conditional Use permits must be renewed by re-application upon the transfer of ownership or control of the property to a new owner or lessee. (Am. Ord. 790, passed 10-8-2018)

The grant or denial of a conditional use permit must be determined within 60 days.

### **Zoning Permits and Site Plan Approval**

Whether a permitted or conditional use is sought, an applicant must also seek site plan approval (except for single and two family residences in residential districts). This can be done contemporaneously with seeking a conditional use permit or a zoning change. This section of the code also limits the Plan Commission to a 60 day time frame to grant or deny a conditional use permit or to approve or disapprove a site plan because zoning permits must either be granted or denied within 60 days when site plan approval or a conditional use permit is required. For site plan review, the Zoning Administrator has 10 days to review the plan, the Plan Commission has 45 days after receipt of the application to review the plan and the Zoning Administrator then has 5 days to either issue or deny the zoning permit.



**Zoning Permit Issuance.** The Zoning Permit shall be granted or denied in writing by the Zoning Administrator within thirty (30) days of the date of application, or within sixty (60) days of said date when site plan approval or a conditional use permit is required.

## **Zoning Timelines**

### ***Rezoning and Other Zoning Code Amendments***

The City can initiate a zoning change by determination of the Council or by filing a petition to rezone the property as the property owner. The Council can also introduce other language changes and refer those proposed changes to the Plan Commission.

Once the rezoning has been requested:

- (a) The Plan Commission shall review all proposed changes and amendments to the zoning code and shall recommend that the proposed change or amendment be approved as requested, modified, or denied.
- (b) Prior to making its recommendation, the Plan Commission shall hold a public hearing upon each proposed change or amendment, and shall publish or cause to be published a Class 2 notice prior to the date of hearing listing the time, place and changes or amendments proposed and such other information as may be required under Wis. Stat. sec. 62.23(7)(d)2. The City Clerk shall also give at least ten (10) days prior written notice to the Clerk of any municipality within one thousand (1,000) feet of any land to be affected by the proposed change or amendment.”

This can all be done in one meeting but does not have to be. Historically, because of language in a prior ordinance requiring two meetings, the Plan Commission would meet to complete an initial review of the proposed change and then hold a second meeting to make its recommendation. Two meetings are no longer required but the Plan Commission may use two meetings if it wants to do so. Under Wis. Stat. sec. 62.23(7)(d)2, the Plan Commission has 60 days from receipt of the proposed amendment in which to make its recommendation unless the Council authorizes a longer period of time. If no recommendation is made within that period, the Council may hold a public hearing and take action on the amendment.

Once the recommendation is made, the Council can act on it at any time. No further hearing is required.

### ***Conditional Use Permit/Zoning Permit***

As noted above, there is a 60 day time requirement for approval of a conditional use permit. State law requires scheduling a public hearing upon receipt of a request for a conditional use permit and a Class 2 notice prior to the public hearing.

## **Historic Preservation**

The Historic Preservation Commission (HPC) process involves filing an application for a Certificate of Appropriateness (COA). The HPC then has 30 days in which to grant or deny the COA. If the COA is denied, the applicant can either go to court to appeal the denial or it can continue to negotiate with the HPC for up to six months following the date of the initial application. If no agreement is reached within the six month period, the applicant may appeal to the Council and the Council may grant a COA upon a  $\frac{3}{4}$  majority vote after hearing from both the applicant and HPC.

151.03(C)(2):

(e) If the Commission determines division (d) above in the negative, it shall approve the certificate, otherwise it shall deny the request for approval. The Commission shall make this decision within 30 days after the filing of the application. Nothing contained herein shall be deemed to prevent the appeal of such denial to the Circuit Court. The Certificate of Appropriateness shall expire within six (6) months of the date of issuance unless substantial work has commenced. (Am. Ord. 738, passed 6-2-2009)

(f) If the Commission denies the request for a certificate of appropriateness, the Commission and the applicant shall cooperate and work together for a period of up to 6 months following the date of the initial application to find a mutually agreeable method of completing the proposed work. At any time during the 6-month period, if no such mutually agreeable method is determined and both parties appear to be deadlocked on the issue, the applicant may appeal the decision of the Commission to the Common Council, which may grant a certificate of appropriateness by a  $\frac{3}{4}$  majority vote of all members in favor. At the time the Common Council hears the appeal, both the applicant and representatives from the Historic Preservation Commission shall be present to state their case and justify their actions.

## **SUMMARY**

### ***Rezoning/Site Plan Review***

1. Petition for rezoning submitted; zoning permit application submitted either at same time or later

2. Plan Commission has 60 days from date of petition or application to review and make recommendations on proposed rezoning and proposed site plan. If rezoning results in zoning to a district in which proposed use is a conditional use, Plan Commission can review proposed conditional use at the same time as site plan and petition for rezoning.
3. Council acts on rezoning by ordinance after Plan Commission recommendation (no time limit); Zoning Administrator acts on zoning permit (within 60 days of application); Plan Commission acts on conditional use permit (within 60 days of application).

### ***Conditional Use/Site Plan Review***

1. Plan Commission has 60 days from date of conditional use application to review and make recommendations on proposed conditional use and proposed site plan.
2. Zoning Administrator acts on zoning permit (within 60 days of application); Plan Commission acts on conditional use permit (within 60 days of application).

### ***Historic Preservation Commission***

1. HPC has 30 days to grant or deny COA after application submitted. If denied, applicant can appeal through court system or continue to negotiate with HPC for up to six months to address/resolve concerns. If no resolution, applicant can appeal to Council.

### **Best Case Timeline Examples:**

#### ***Zoning change or other zoning ordinance amendments:***

Petition or request filed October 27, 2020

Class 2 notice published on October 29 and November 5 (if can get notice to paper on time)

Public hearing held November 12; Plan commission makes recommendation to Council on November 12

Council takes action to adopt ordinance any time thereafter (Council meets on November 16)

Ordinance takes effect November 20 (day after publication on November 19) or November 27 (if not published until November 26)

#### ***Conditional use permit application/site plan application***

Applications for conditional use permit and zoning permit filed November 13, 2020

Class 2 notice published on November 19 and November 26 (if conditional use permit required)

Public hearing held December 3; Plan commission acts on conditional use permit on December 3 and Zoning Administrator acts on Zoning Permit on December 3

### **Historic Preservation**

Application filed November 13, 2020

Meeting notice published November 19 (No Class designation in ordinance). Guidebook states that HPC meets on 2<sup>nd</sup> and 4<sup>th</sup> Thursdays of the month when applications are pending and application must be filed 10 days before meeting. The 4<sup>th</sup> Thursday in November is Thanksgiving so may have to wait until December 10 unless HPC is willing to meet "off schedule."

HPC meets on December 10.

We also may need to be aware of "off-schedule" newspaper publication because of Thanksgiving.

Please let me know if you have any questions.

Eileen

**WB-24 OPTION TO PURCHASE**

Page 1 of 7, WB-24

Attorney

1 **LICENSEE DRAFTING THIS OFFER ON** October 23, 2020 **[DATE] IS (AGENT OF BUYER)**  
2 **(AGENT OF SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) [STRIKE THOSE NOT APPLICABLE]**

3 The Seller (Optionor), City of Mineral Point, hereby grants to  
4 the Buyer (Optionee), JT Klein Company

5 an option to purchase (Option) the Property known as [Street Address] 112/114 Fountain Street and tax parcels are identified as  
6 251-0029 and 251-0030 in the City

7 of Mineral Point, County of Iowa, Wisconsin, on the following terms:

8 **[DEADLINE FOR GRANT OF OPTION]** This Option is void unless a copy of the Option, or separate but identical copies, is/are signed by all  
9 Sellers and delivered to Buyer on or before October 27, 2020 (Time is of the Essence).

10 **[OPTION TERMS]**

11 ■ **INITIAL OPTION TERM:** A nonrefundable option fee of \$ 1.00 will be paid by Buyer to Seller within five days  
12 of the later of: (i) the granting of this Option, or (ii) the deadline for execution of a lease if line 141 of this Option is checked. This Option may only be  
13 exercised if Buyer delivers written notice to Seller no later than midnight April 26, 2021 unless extended below.

14 ■ **EXTENDED OPTION TERM:** The Deadline to exercise this Option shall be extended until midnight October 26, 2021, upon  
15 payment of \$ 1.00 to Seller on or before April 26, 2021, as an option  
16 extension fee which shall not be refundable.

17 ■ **EXERCISE:** To exercise this Option, Buyer must sign and deliver (i) the notice at lines 355-361, or (ii) any other written notice which states that  
18 Buyer exercises this Option. If the Option is exercised, \$ all of the option fee and \$ all of the  
19 option extension fee, if any, shall be a credit against the purchase price at closing.

20 **CAUTION:** If the option fees are to be paid into listing broker's trust account or to a third party, specify in additional provisions at lines 256-268  
21 or 326-330 or in a separate agreement attached per line 325.

22 **[TERMS OF PURCHASE]** If this Option is exercised per the terms of this Option, the following shall be the terms of purchase:

23 ■ **PURCHASE PRICE:** one and no/100 Dollars  
24 (\$ 1.00) will be paid in cash or equivalent at closing unless otherwise provided below.

25 ■ **INCLUDED IN PURCHASE PRICE:** Seller is including in the purchase price the Property, all Fixtures on the Property on the date of this Option  
26 not excluded at lines 28-29, and the following additional items: n/a

27  
28 ■ **NOT INCLUDED IN PURCHASE PRICE:** n/a

29  
30 **CAUTION:** Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines 75-82) to be excluded by  
31 Seller or which are rented and will continue to be owned by the lessor.

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

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

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

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

38 Seller's recipient for delivery (optional): Erin Hirn, City Administrator

39 Buyer's recipient for delivery (optional): \_\_\_\_\_

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

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

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

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

47 Delivery address for Seller: 137 High Street, Mineral Point, WI 53565

48 Delivery address for Buyer: \_\_\_\_\_

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

53 E-Mail address for Seller (optional): adminstrator@cityofmineralpoint.com

54 E-Mail address for Buyer (optional): \_\_\_\_\_

55 **[TIME IS OF THE ESSENCE]** "Time is of the Essence" as to: (1) payment of option fees; (2) payment of extension fees; (3) Seller's grant of this  
56 Option; (4) Buyer's exercise of this Option; (5) occupancy; (6) date of closing; **[STRIKE AS APPLICABLE]** and all other dates and Deadlines in this  
57 Option except: none. If "Time is of the Essence" applies  
58 to a date or Deadline, failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a date  
59 or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

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

**DEFINITIONS**

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

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

■ **DEFECT:** "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 or adversely affect the use of the Property.

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

**CAUTION: Exclude any Fixtures to be retained by Seller or which are not owned by Seller, such as rented fixtures (e.g., water softener or other water conditioning systems, home entertainment and satellite dish components, L.P. tanks, etc.) on lines 28-29.**

■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 5-7.

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

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

**BUYER'S WALK-THROUGHS** Within 3 days of the earlier of: (i) the Deadline for Buyer's exercise of this Option; or (ii) the Buyer's exercise of this Option; and again within 3 days prior to closing, at a reasonable time pre-approved by Seller or Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no significant change in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and that any Defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

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

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

**NOTICE ABOUT SEX OFFENDER REGISTRY** 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.widocoffenders.org> or by telephone at (608) 240-5830.



112 **CLOSING** This transaction is to be closed (within 60 days after the exercise of this Option) (no later  
113 than \_\_\_\_\_) **STRIKE AND COMPLETE AS APPLICABLE** at the place selected by Seller, unless otherwise  
114 agreed by the Parties in writing.

115 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes,  
116 rents, prepaid insurance (if assumed), private and municipal charges, property owners association assessments, fuel and no other prorations  
117

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

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

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

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

123 ☐ Current assessment times current mill rate (current means as of the date of closing)

124 ☐ Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior year, or current year if  
125 known, multiplied by current mill rate (current means as of the date of closing)  
126 ☐

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

130 ☐ Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on the actual tax bill for  
131 the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5 days of receipt, forward a copy of the bill  
132 to the forwarding address Seller agrees to provide at closing. The Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax  
133 bill. Buyer and Seller agree this is a post-closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real  
134 estate brokers in this transaction.

135 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under the lease(s) and  
136 transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) **STRIKE ONE** lease(s), if any, are  
137

138 \_\_\_\_\_, Insert additional terms, if any, at lines 256-268 or 326-330 or attach as an addendum per line 325.

139 **LEASE-OPTION PROVISIONS** [CHECK BOX ON LINE 140 OR 141, IF APPLICABLE]:

140 ☐ Concurrent with the granting of the Option, Seller and Buyer have entered into a written lease for the Property.

141 ☐ This Option is contingent upon Seller and Buyer, within \_\_\_\_\_ days from the granting of this Option, entering into a written lease  
142 for the Property with minimum terms which shall include: term from \_\_\_\_\_ to \_\_\_\_\_ and  
143 an initial rent of \$ \_\_\_\_\_ per month or this Option shall be null and void.

144 [CHECK ANY OF THE FOLLOWING THAT APPLY, IF LINE 140 OR 141 WAS CHECKED ABOVE]:

145 ☐ In the event that this Option is timely exercised, \$ \_\_\_\_\_ of each monthly rent payment of \$ \_\_\_\_\_  
146 shall be applied to the purchase price while the balance shall be deemed solely rent that is retained by Seller.

147 **NOTE: Lenders may not recognize a credit for rent paid under a lease.**

148 ☐ Buyer may not exercise this Option unless Buyer is current with all rent.

149 ☐ Any material breach of the lease by Buyer shall also constitute a default under this Option.

150 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that, as of the date Seller grants this Option, Seller has no notice or  
151 knowledge of any Defects (lines 72-74) other than those identified in Seller's disclosure report dated see attached  
152 and, if applicable, Real Estate Condition Report dated n/a and, if applicable, Vacant Land Disclosure Report  
153 dated \_\_\_\_\_, which was/were received by Buyer prior to Buyer signing this Option and which is/are made a part of this Option  
154 by reference **COMPLETE DATES OR STRIKE AS APPLICABLE** and no other conditions  
155

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

157 **CAUTION: If the Property includes 1-4 dwelling units, a Real Estate Condition Report containing the disclosures provided in Wis. Stat. §**  
158 **709.03 may be required. If the Property does not include any buildings, a Vacant Land Disclosure Report containing the disclosures**  
159 **provided in Wis. Stat. § 709.033 may be required. Excluded from these requirements are sales of property with 1-4 dwelling units that**  
160 **has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries (for example,**  
161 **personal representatives who have never occupied the Property). The buyer may have certain rescission rights per Wis. Stat. § 709.05 if**  
162 **Seller does not furnish such report(s) within 10 days after Seller grants this Option or if a report disclosing Defects is furnished before**  
163 **expiration of those 10 days, but after the Option is submitted to Seller. Buyer should review the report form or consult with an attorney**  
164 **for additional information regarding rescission rights.**

165 Seller agrees to notify Buyer in writing of any Defect which Seller becomes aware of after Seller's granting of, but prior to Buyer's exercise of this  
166 Option, which is materially inconsistent with the above representations. For purposes of this provision (lines 150-156), Defect does not include  
167 structural, mechanical or other conditions of which the Buyer has actual knowledge or written notice or which Buyer discovers prior to the exercise  
168 of this Option.

169 **ZONING** Seller represents that the property is zoned C-2



170 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Option at lines 256-  
171 268 or 326-330 or in an addendum attached per line 325. At time of Buyer's occupancy, Property shall be in broom swept condition and free of all  
172 debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent.  
173 Occupancy shall be given subject to tenant's rights, if any.

174 **CAUTION: Consider an agreement which addresses responsibility for clearing the Property of personal property and debris, if applicable.**

175 **RENTAL WEATHERIZATION** Unless otherwise agreed, Buyer shall be responsible for compliance with Rental Weatherization Standards (Wis.  
176 Admin. Code Ch. SPS 367), if applicable.

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

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

- 181 (1) sue for specific performance if Buyer has exercised this Option; or
- 182 (2) terminate the Option and may sue for actual damages.

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

- 184 (1) sue for specific performance; or
- 185 (2) terminate the Option and may sue for actual damages.

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

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

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

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

198 **BUYER DUE DILIGENCE** Prior to the granting or exercising of this Option, Buyer may wish to perform certain authorized inspections,  
199 investigations and testing of the Property. Buyer shall provide for any specific inspections, investigations or tests Buyer intends to perform as part  
200 of Buyer's due diligence items on lines 256-268, 314-321, or 326-330 or attach as an addendum per line 325. In addition, Buyer may need to obtain  
201 and review documents relevant to financing approval, appraisals, or perform general due diligence activities for the transaction, including but not  
202 limited to: business records, condominium documents, maps or other information, municipal and zoning ordinances, recorded building and use  
203 restrictions, covenants and easements of record, as they may prohibit or restrict certain uses and improvements for the Property. Buyer may also  
204 need to obtain or verify certain permits, zoning variances, other governmental or private approvals, environmental audits and subsoil tests,  
205 required road improvements, utility hook-up and installation costs, or other development related costs and fees, in order to fully determine the  
206 feasibility of any proposed or planned development of the Property. Seller agrees to cooperate with Buyer as necessary to complete any due  
207 diligence items or any authorized investigations, testing and inspections as provided for in this Option, without cost to Seller, unless otherwise  
208 agreed by the Parties in writing.

**RECORDING OF OPTION** Buyer (may) (may not) **STRIKE ONE** record this Option at Buyer's expense.

Buyer (may) (may not) **STRIKE ONE** ("may" if neither is stricken) record a separate instrument evidencing this Option at Buyer's expense. If this Option or a separate instrument evidencing this Option is to be recorded, insert legal description at lines 256-268 or 326-330 or attach as an addendum per line 325. If recording, the parties agree to provide authenticated or acknowledged signatures as may be required.

**CAUTION: Failure to record may give persons with subsequent interests in the Property priority over this Option.**

**TITLE EVIDENCE**

■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or condominium deed if Property is a condominium unit, trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's Real Estate Condition Report and in this Option, general taxes levied in the year of closing and see Addendum 1

\_\_\_\_\_ which constitutes merchantable title for purposes of this transaction. Seller shall complete and execute the documents necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee. The Parties agree that Seller shall not rezone the Property or create any additional liens or encumbrances on title after Seller grants this Option without Buyer's written consent except for liens and encumbrances that will be removed at closing.

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

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

■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's) **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the effective date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy exclusions and exceptions, provided the title company will issue the endorsement. If a gap endorsement or equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 242-248).

■ **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title insurance commitment is delivered to Buyer's attorney or Buyer not more than 30 \_\_\_\_\_ days after Seller grants this Option ("15" if left blank), showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines 215-223, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

**CAUTION: Buyer should consider obtaining an update of the title commitment prior to exercising this Option.**

■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title within 60 \_\_\_\_\_ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In such event, Seller shall have a reasonable time, but not exceeding 30 \_\_\_\_\_ days ("5" if left blank), from Buyer's delivery of the notice stating title objections, to deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. In the event that Seller is unable to remove said objections, Buyer may deliver to Seller written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver written notice of termination and this Option shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

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

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

**ADDITIONAL PROVISIONS** see Addenda 1-2

**CONDOMINIUM UNITS**

**CAUTION:** If this Option involves a condominium unit, Buyer should obtain and review the condominium disclosure documents before entering into this Option. See lines (198-208)

If the Property is a residential condominium unit, Seller must comply with the following:

■ **CONDOMINIUM DISCLOSURE MATERIALS:** Seller agrees to provide Buyer, at Seller's cost, within 10 days of Buyer exercising this Option, but no later than 15 days prior to closing, current and accurate copies of the condominium disclosure materials required by Wis. Stat. § 703.33. The condominium disclosure materials include a copy of the following and any amendments to any of these [except as may be limited for small condominiums with no more than 12 units per Wis. Stat. § 703.365(1)(b) and (8)]: (a) proposed or existing declaration, bylaws and any rules or regulations, and an index of the contents; (b) proposed or existing articles of incorporation of the association, if it is or is to be incorporated; (c) proposed or existing management contract, employment contract or other contract affecting the use, maintenance or access of all or part of the condominium; (d) projected annual operating budget for the condominium including reasonable details concerning the estimated monthly payments by the purchaser for assessments and other monthly charges; (e) leases to which unit owners or the association will be a party; (f) general description of any contemplated expansion of condominium including each state of expansion and the maximum number of units that can be added to the condominium; (g) unit floor plan showing location of common elements and other facilities available to unit owners; (h) the executive summary.

■ **BUYER RESCISSION RIGHTS:** As provided in Wis Stat. § 703.33(4)(a), Buyer may, within 5 business days of receipt of all the required disclosure documents, rescind this Option by written notice delivered to Seller. If the disclosure materials are delivered to Buyer and Buyer does not receive all of the disclosure documents, Buyer may, within 5 business days of Buyer's receipt of the disclosure materials, either rescind the Option or request any missing documents. Seller has 5 business days following receipt of Buyer's request for missing documents to deliver the requested documents. Buyer may rescind the sale within 5 business days of the earlier of Buyer's receipt of requested missing documents or the deadline for Seller's delivery of the documents [Wis. Stat. § 703.33(4)(b)]. **The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the disclosure materials or requested missing documents or (2) upon the deadline for Seller's delivery of the documents.**

**NOTE: BUYER SHOULD READ ALL DOCUMENTS CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE DOCUMENTS BUT ARE PROHIBITED BY LAW FROM GIVING LEGAL ADVICE OR OPINIONS.**

■ **ADDITIONAL CONDOMINIUM ISSUES:** In addition to the disclosure materials required by Wis. Stat. § 703.33, Buyer may wish to consider reviewing other condominium materials as may be available, such as copies of: the condominium association's financial statements for the last two years, the minutes of the last 3 Unit owners' meetings, the minutes of condominium board meetings during the 12 months prior to acceptance, information about contemplated or pending condominium special assessments, the association's certificate of insurance, a statement from the association indicating the balance of reserve accounts controlled by the association, a statement from the association of the amount of any unpaid assessments on the unit (per Wis. Stat. § 703.165), any common element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.), any pending litigation involving the association and the declaration, bylaws, budget and/or most recent financial statement of any master association or additional association the unit may be part of. Not all of these materials may exist or be available from the condominium association.

■ **OPTION FEES NOT A DEPOSIT:** The Parties agree that if this Option is for a residential condominium unit, the option fee and any option extension fee are not deposits subject to return under Wis. Stat. § 703.33(4)(c).

**INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific authorizations are included in this Option. An "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these materials. Seller agrees to allow Buyer's inspectors, testers, appraisers and qualified third parties reasonable access to the Property upon advance notice, if necessary to perform the activities authorized in this Option. Buyer and licensees may be present at all inspections and testing. Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property. Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

**AUTHORIZATION FOR APPRAISAL, INSPECTIONS AND TESTS**

Buyer is authorized to have the Property appraised by a Wisconsin licensed or certified appraiser and to conduct the following inspections and tests (see lines 304-313) prior to Buyer's exercise of this Option. Any inspection(s) and test(s) shall be performed by a qualified independent inspector or expert, or an independent qualified third party. Inspections and testing shall be conducted pursuant to government or industry protocols and standards, as applicable.

List inspections (e.g., home, roof, foundation, septic) here:

List tests (e.g., radon, lead-based paint, well water) here:

Describe additional inspections and tests, if any, at lines 256-263 or 326-330 or attach as an addendum per line 325.

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

☒ **ADDENDA:** The attached Addenda 1-2

is/are made part of this Option.

**ADDITIONAL PROVISIONS**

**IF GRANTED, THIS OPTION CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS OPTION AND ALL ATTACHMENTS CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OPTION BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OPTION OR HOW TITLE SHOULD BE TAKEN AT CLOSING IF THE OPTION IS EXERCISED. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

This Option was drafted by [Licensee and Firm] Attorney Eileen A. Brownlee

on October 22, 2020

Buyer Entity Name (if any): JT Klein Company

(x)

Buyer's/Authorized Signature ▲ Print Name/Title Here ▶

Date ▲

(x)

Buyer's/Authorized Signature ▲ Print Name/Title Here ▶

Date ▲

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

Seller Entity Name (if any): City of Mineral Point

(x)

Seller's/Authorized Signature ▲ Print Name/Title Here ▶ Jason Basting, Mayor

Date ▲

(x)

Seller's/Authorized Signature ▲ Print Name/Title Here ▶ Candice Coughlin, City Clerk

Date ▲

This Option was presented to Seller by [Licensee and Firm]

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

This Option is rejected

Seller Initials ▲

Date ▲

This Option is countered

Seller Initials ▲

Date ▲

**NOTE: Parties wishing to counter this Option should draft a new Option (WB-24) or draft a Counter-Offer (WB-44) to reference this Option.**

**NOTICE OF EXERCISE OF OPTION**

By signing below and delivering this notice (see lines 35-54) to Seller, Buyer hereby exercises this Option to Purchase.

Buyer Entity Name (if any):

(x)

Buyer's/Authorized Signature ▲ Print Name/Title Here ▶

Date ▲

(x)

Buyer's/Authorized Signature ▲ Print Name/Title Here ▶

Date ▲

**ADDENDUM 1**  
**CONTINGENCIES**

1. This Option is contingent on Buyer obtaining zoning and historic preservation approvals required for its intended use of the site. Buyer understands that Seller makes no representations of any kind that such approvals will be granted.
2. This Option is contingent on the parties agreeing to the terms of a Development Agreement no later than sixty (60) days after the date of this Option.
3. This Option is contingent on Buyer obtaining financing required for its proposed project, which financing may include TID funding, grants and loans.
4. This Option is contingent on the development plan submitted by Buyer, or a substantially similar plan as determined by Seller, being implemented. The parties agree that the development plan as presented to the Seller is the basis for the grant of this Option.
5. The seller disclosure report – commercial attached to this option is acceptable to Buyer.

<b>SELLER DISCLOSURE REPORT - COMMERCIAL</b>
--

THIS DISCLOSURE REPORT CONCERNS THE REAL PROPERTY LOCATED AT \_\_\_\_\_ IN THE \_\_\_\_\_ (CITY) (VILLAGE) (TOWN) OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_, STATE OF WISCONSIN. THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY AS OF \_\_\_\_\_ (MONTH) \_\_\_\_\_ (DAY) \_\_\_\_\_ (YEAR).

When listing a property Wis. Admin. Code § REEB 24.07(1)(b) requires licensees to inspect the property and to "make inquiries of the seller on the condition of the structure, mechanical systems and other relevant aspects of the property. The licensee shall request that the seller provide a written response to the licensee's inquiry." This Seller Disclosure Report is a tool designed to help the licensee fulfill this license law duty.

This is not a warranty of any kind by the owner or any agents representing any party in this transaction and is not a substitute for any inspections, testing or warranties that the parties may wish to obtain. This is not a disclosure report required by Wis. Stat. Ch. 709 and the owner is voluntarily providing this information.

### NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS

Real estate licensees may not provide advice or opinions concerning whether or not an item is a defect for the purposes of this report or concerning the legal rights or obligations of parties to a transaction. The parties may wish to obtain professional advice or inspections of the property and to include appropriate provisions in a contract between them with respect to any advice, inspections, defects, or warranties.

#### A. OWNER'S INFORMATION

A1. In this form, "aware" means the "owner(s)" have notice or knowledge.

A2. 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.

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described real property.

A4. The owner represents that to the best of the owner's knowledge, the responses to the following questions have been accurately checked as "yes," "no," or "not applicable (N/A)" to the property being sold. If the owner responds to any question with "yes," the owner shall provide an explanation of the reason why the response to the question is "yes" in the area provided following each group of questions.

A5. 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 the owner's agents and the agents of any prospective buyer to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the property.

#### B. STRUCTURAL AND MECHANICAL

	YES	NO	N/A
B1. Are you aware of defects in the roof?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B2. Are you aware of defects in the electrical system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B3. Are you aware of defects in part of the plumbing system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B4. Are you aware of defects in the heating and air conditioning system (including the air filters and humidifiers), fire safety, security or lighting?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B5. Are you aware of defects in the basement or foundation (including cracks, seepage, and bulges)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B6. Are you aware of defects in any structure or structural components on the property (including walls)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B7. Are you aware of defects in mechanical equipment included in the sale either as fixtures or personal property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B8. Are you aware of rented items located on the property or items affixed to or closely associated with the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B9. Explanation of "yes" responses _____			
_____			
_____			
_____			



**C. ENVIRONMENTAL**

	YES	NO	N/A
C1. Are you aware of the presence of unsafe levels of mold?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C2. Are you 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, pesticides, or other potentially hazardous or toxic substances on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C3. Are you aware of the presence of asbestos or asbestos-containing materials on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C4. Are you aware of the presence of or a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous or toxic substances on neighboring properties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C5. Are you aware of current or previous termite, powder post beetle, or carpenter ant infestations or defects caused by animal, reptile, or insect infestations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C6. Are you aware of water quality issues caused by unsafe concentrations of or unsafe conditions relating to lead?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C7. Are you aware of the manufacture of methamphetamine or other hazardous or toxic substances on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C8. Are you aware of governmental investigation or private assessment/audit (of environmental matters) ever being conducted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C9. Explanation of "yes" responses _____			
_____			
_____			

**D. STORAGE TANKS**

	YES	NO	N/A
D1. Are you aware of underground or aboveground fuel storage tanks on or previously located on the property for storage of flammable or combustible liquids, including but not limited to gasoline and heating oil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D2. Are you aware of defects in the underground or aboveground fuel storage tanks on or previously located on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D3. Explanation of "yes" responses _____			
_____			
_____			

**E. TAXES, SPECIAL ASSESSMENTS, PERMITS, ETC.**

	YES	NO	N/A
E1. Have you received notice of property tax increases, other than normal annual increases, or are you aware of a pending property reassessment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E2. Are you aware that remodeling was done that may increase the property's assessed value?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E3. Are you aware of pending special assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E4. Are you 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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E5. Are you aware of any proposed construction of a public project that may affect the use of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E6. Are you aware of any remodeling, replacements, or repairs affecting the property's structure or mechanical systems that were done or additions to this property that were made during your period of ownership without the required permits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E7. Are you aware of any land division involving the property for which a required state or local permit was not obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E8. Explanation of "yes" responses _____			
_____			
_____			

**F. LAND USE**

	YES	NO	N/A
F1. Are you aware of any zoning code violations with respect to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F2. Are you aware of the property or any portion of the property being located in a floodplain, wetland, or shoreland zoning area, or of flooding, drainage problems, standing water or other water problems affecting the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F3. Are you aware of nonconforming uses of the property or nonconforming structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F4. Are you aware of conservation easements on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F5. Are you aware of restrictive covenants or deed restrictions on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F6. Are you aware of nonowners having rights to use part of the property, including, but not limited to, rights-of-way and easements other than recorded utility easements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	YES	NO	N/A
F7. Are you aware of the property being subject to a mitigation plan required under administrative rules of the Wisconsin Department of Natural Resources related to county shoreland zoning ordinances?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F8. <u>Use Value.</u>			
a. Are you aware of all or part of the property having been assessed as agricultural land under Wis. Stat. s. 70.32 (2r) (use value assessment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Are you aware of the property having been assessed a use-value assessment conversion charge relating to this property? (Wis. Stat. s. 74.485 (2))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Are you aware of the payment of a use-value assessment conversion charge having been deferred relating to this property? (Wis. Stat. s. 74.485 (4))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F9. Is all or part of the property subject to or in violation of a farmland preservation agreement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F10. Is all or part of the property subject to, enrolled in, or in violation of the Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F11. Are you aware of a dam that is totally or partially located on the property or that an ownership in a dam that is not located on the property will be transferred with the property because it is owned collectively by members of a homeowners' association, lake district, or similar group? (If "yes," contact the Wisconsin Department of Natural Resources to find out if dam transfer requirements or agency orders apply.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F12. Are you aware of boundary or lot line disputes, encroachments, or encumbrances affecting the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F13. Are you aware there is not legal access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F14. Are you aware of federal, state, or local regulations requiring repairs, alterations, or corrections of an existing condition? This may include items such as orders to correct building code violations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F15. Are you aware of a pier attached to the property that is not in compliance with state or local pier regulations? See <a href="http://dnr.wi.gov/topic/waterways">http://dnr.wi.gov/topic/waterways</a> for more information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F16. Are you aware of one or more burial sites or archeological artifacts on the property? (For information regarding the presence, preservation, and potential disturbance of burial sites, contact the Wisconsin Historical Society at 800-342-7834 or <a href="http://www.wihist.org/burial-information">www.wihist.org/burial-information</a> ).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F17. Explanation of "yes" responses _____			
_____			
_____			

### G. ADDITIONAL INFORMATION

	YES	NO	N/A
G1. Are you aware of a structure on the property that is designated as a historic building or that all or any part of the property is in a historic district?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G2. Are you aware of any agreements that bind subsequent owners of the property, such as a lease agreement or an extension of credit from an electric cooperative?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G3. Are you aware of defects in a well on the property or in a well that serves the property, including unsafe well water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G4. Are you aware of a joint well serving the property including any defect related to a joint well serving the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G5. Are you aware that a septic system or other private sanitary disposal system serves the property including defects in the septic system or other private sanitary disposal system on the property or any out-of-service septic system that serves the property and that is not closed or abandoned according to applicable regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G6. Are you aware of an "LP" tank on the property, including defects? (If "yes," specify in the additional information space whether the owner of the property either owns or leases the tank.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G7. Are you aware of material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G8. Are you aware of nearby airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating from neighboring property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G9. Are you aware of any shared usages such as shared fences, walls, driveways, or signage, or any defect relating to the shared use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G10. Are you aware of leased parking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G11. Are you aware of other defects affecting the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G12. The owner has owned the property for _____ years.			
G13. Explanation of "yes" responses _____			
_____			
_____			
_____			

Note: Any sales contract provision requiring inspection of a residential dumbwaiter or elevator must be performed by a state-licensed elevator inspector.

**OWNER'S CERTIFICATION**

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.

Entity Name (if any): \_\_\_\_\_

Name & Title of Authorized Representative Signing for Entity: \_\_\_\_\_

Authorized Signature for Entity: \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

**CERTIFICATION BY PERSON SUPPLYING INFORMATION**

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

Person \_\_\_\_\_ Items \_\_\_\_\_ Date \_\_\_\_\_

Person \_\_\_\_\_ Items \_\_\_\_\_ Date \_\_\_\_\_

**BUYER'S ACKNOWLEDGEMENT**

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.

I acknowledge receipt of a copy of this statement.

Entity Name (if any): \_\_\_\_\_

Name & Title of Authorized Representative Signing for Entity: \_\_\_\_\_

Authorized Signature for Entity: \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_