



CITY HALL • 100 STATE STREET • BELOIT, WI 53511

MEETING NOTICE AND AGENDA
Community Development Authority
February 26, 2014 at 4:30 pm
The Forum
Beloit City Hall
100 State Street

1. Call to Order and Roll Call
2. Citizen Participation
3. Review and Consideration of the Minutes of the Regular Meeting held on January 29, 2014
4. Housing Authority
 - a. Presentation of January Activity Report and Program Update (Pollard)
 - b. Presentation of January Financial Report and Collection Report (Pollard)
 - c. Review and Consideration of Resolution 2014-03, Approving the 2013 Section 8 Management Assessment Program Submission (SEMAP) for the Beloit Housing Authority (Pollard)
5. Community Development
 - a. Review and Consideration of Resolution 2014-04, Accepting an Offer to Purchase for 823 St. Lawrence Avenue (Downing)
6. Adjournment

*If you are unable to attend this meeting, notify the Housing Authority Office at 364-8740 **no later than 4:00 PM the day before the meeting.***

Notice Mailed: February 21, 2014

Approved: Julie Christensen, Exec. Director

** Please note that upon reasonable notice, at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the City Clerk's Office at 364-6680, 100 State Street, Beloit, WI 53511.

Minutes
Beloit Community Development Authority
100 State Street, Beloit WI 53511
January 29, 2014
4:30 P.M.

The regular meeting of the City of Beloit Community Development Authority was held on Wednesday, January 29, 2014, in the Forum of Beloit City Hall, 100 State Street.

1. **Call to Order and Roll Call:**
Meeting was called to order by Commissioner Johnson at 4:30 p.m.
Present: Commissioners Evans, Jacobs, T. Johnson, Luebke and Van De Bogart
Absent: Commissioners G. Johnson
Staff Present: Julie Christensen, Cathy Pollard, Clinton Cole, Teri Downing and Ann Purifoy
2. **Election of Officers**
 - a. **Nomination and election of Chairperson**
Commissioner Jacobs nominated Commission Johnson as Chairperson. Nominations were closed. Motion carried unanimously.
 - b. **Nomination and election of Vice-Chairperson**
Commissioner Luebke nominated Commissioner Jacobs as Vice-Chairman. Nominations were closed. Motion carried unanimously.
3. **Citizen Participation:**
None
4. **Review and Consideration of the Minutes of the Regular Meeting held on December 12, 2013.**
Motion was made by Commissioner Van De Bogart and seconded by Commissioner Luebke to approve the minutes of the Regular Meeting held December 12, 2013.
5. **Housing Authority:**
 - a. **Presentation of November and December Activity Reports**
Cathy Pollard, Beloit Housing Authority Director, gave a brief summary of the reports.

Public housing vacancies are due to tenants opting to waive their public housing in order to take a Section 8 vouchers.
 - b. **Presentation of November and December Financial Reports**
Cathy Pollard gave a brief summary of the report.

- c. Review and Consideration of Resolution 2014-01, Authorization to Write-Off Beloit Housing Authority Public Housing Tenants Accounts Receivable 2013 Third Quarter Vacated Residents

Commissioner Van De Bogart moved and Commissioner Luebke seconded a motion to approve Resolution 2014-01.

Motion carried unanimously.

- d. Review and Consideration of Resolution 2014-02, Authorization to Write-Off Beloit Housing Authority Public Housing Tenants Accounts Receivable 2013 Fourth Quarter Vacated Residents

Commissioner Van De Bogart moved and Commissioner Luebke seconded a motion to approve Resolution 2014-02.

Motion carried unanimously.

6. **Community Development:**

- a. Update on 422 Bluff Street

Julie Christen presented an update on the property at 422 Bluff Street. We learned that this property has structural issues and, because of some uncertainty, did not take the HOME dollars to Council for action. We will revisit this in the future.

- b. Update on NSP Program

Teri Downing presented an update on the NSP Program activities.

7. **Adjournment:**

Meeting was adjourned by Commissioner Johnson at 4:55 p.m.

REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 4a

TOPIC: January Activity Report

REQUESTED ACTION: Information only- No action required

PRESENTER: Cathy Pollard

STAFF REPORT:

Public Housing:

There were 4 vacancies in public housing units in January and one upcoming vacancy in February of 2014. Public housing accounts receivable on occupied units totaled \$2,677.42 and vacated units totaled \$2,844.18 at the end of January, 2014 which brings the totaled outstanding public housing accounts receivable to \$5,521.60. Five applicants were pulled from the public housing waiting list in January; 3 applicants were briefed. 16 public housing inspections and 23 annual and interim re-certifications were completed in January.

Section 8:

573 vouchers were housed by January 31, 2014 with 24 voucher holders either searching for units or waiting for passed inspections. 11 portable vouchers were paid by BHA in January with another 2 families waiting to Port-Out. 67 Section 8 inspections were completed in January, and the Housing Specialists completed 84 annual or interim re-certifications in January. 1 applicant was notified; 1 was briefed.

ATTACHMENTS:

January Activity Report

**Beloit Community Development Authority
Activity Report to Board for February 2014**

January Activity Report

Public Housing

Tenants Accounts Receivable

Outstanding Receivables – Occupied Units 01/31/14	\$ 2,677.42
Outstanding Receivables – Vacated Units 01/31/14	\$ 2,844.18
Outstanding Receivables – Occupied Units 12/31/13	\$ 1,327.80
Outstanding Receivables – Vacated Units 12/31/13	\$ 8,897.27
Total January 31, 2014 Outstanding Receivables:	\$ 5,521.60
Total December 31, 2013 Outstanding Receivables:	\$ 10,270.07
Decrease of:	\$ 4,784.47

Vacancies – 01/31/14

Total Public Housing Units

131 Units
97% Occupancy

4 Vacancies:

Elderly - 100% Occupancy
Family - 96% Occupancy

Public Housing Inspections

18 Inspections completed. There were 12 annual inspections; there were 2 move-out inspections. There were 4 move-in inspections. There were no housekeeping inspections and no preventative maintenance inspections.

Public Housing Activities

Annual Recerts:	6
Interim Recerts:	17
Notice to Vacate:	1

New Tenants:	4
Transfers:	1
Lease Terminations:	1
Possible Program Violations:	0
Evictions	1

Public Housing Briefings

Number Notified:	5
Number Briefed:	3

Section 8 Program

Total Section 8 Vouchers

598 Vouchers

January

573 under lease - 96% Occupancy
 11 Portable Vouchers – 11 Not Absorbed (2/Port-In)
 24 Voucher holders searching or waiting for passed inspections

Section 8 Inspections

67 inspections were completed in January. 40 were annual inspections. 9 were initial inspections, 15 were re-inspections, no project based inspections and there were 3 special inspections.

Section 8 Activities

New Participants:	8	
Annual Recerts:	30	
Interim Recerts:	54	
Abatements:	5	
Movers:	3	
Possible Program Violations:	14	program violations
End of Program	2	

Section 8 Briefings

Number Notified:	1
Number Briefed:	1

APPLICATIONS:

Waiting List:

191 Public Housing East
202 Public Housing West
73 Parker Bluff
85 Project-Based
517 Sec. 8

0 Tenants removed for Repayment Default
0 Tenants removed for unreported income
0 Tenants removed for unauthorized occupants
0 Applicants removed for debts owed
Some applicants are on both lists, some are not
Section 8 waiting list opened 4/4/11

Beloit Housing Authority EOP Stats

Month	Voluntary EOP	180 Days Zero HAP EOP	Total
January '13	1	1	2
February '13	0	1	1
March '13	1	2	3
April '13	1	0	1
May '13	0	0	0
June '13	0	4	4
July '13	2	0	2
August '13	0	1	1
September '13	2	1	3
October '13	0	3	3
November '13	1	1	2
December '13	0	0	0
Total 2013 EOP's	8	14	22
January '14	1	3	4

Tenant Demographic Report

Wednesday, February 19, 2014

Menu

Head of Household by Age

Count of Age	Age Range				Grand Total
	18 - 21	22 - 50	51 - 61	62 - 99	
Development	1	14	1		16
Scattered Sites	2	54	6	2	64
Phase 1		8			8
Project Based	1	8			9
Townhomes		7	14	20	41
Parker Bluff			21	22	41
Grand Total	4	91	21	22	138

Total Residents by Site

Sum of FamilySize	Total
Development	56
Scattered Sites	205
Phase 1	37
Project Based	19
Townhomes	43
Parker Bluff	360
Grand Total	360

Family Members by Race

Relation	Head
----------	------

Count of Race	Race					Grand Total
	Asian	Black/African American	Native Hawaiian/Other Pacific Islander	White	Grand Total	
Development		329		238	567	
Section 8		9		7	16	
Scattered Sites		5		3	8	
Project Based	1	38	1	24	64	
Phase 1		18		23	41	
Parker Bluff		5		4	9	
Townhomes	1	404	1	299	705	
Grand Total						

Children by Age Range

(includes foster child/adult, FT student 18+, other youth under 18)

Relation	(All)
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Count of Age Range	Age Range					Grand Total
	0 - 5	6 - 10	11 - 14	15 - 18	19 - 22	
Development	209	233	168	122	13	758
Section 8	14	14	7	2	1	38
Scattered Sites	9	8	6	3	1	27
Project Based	33	42	37	12	3	127
Phase 1						
Parker Bluff	9				1	3
Townhomes	274	297	218	139	19	962
Grand Total						

Children by Gender / Age

(Includes foster child/adult, F/T student 18+, other youth under 18)

Relation (All)

Count of Sex	Age Range							Grand Total
	0-5	6-10	11-14	15-18	19-22	23 plus		
Development								
Section 8								
	Female	106	72	68	5	8	360	
	Male	127	96	54	8	5	398	
Section 8 Total		233	168	122	13	13	758	
Scattered Sites								
	Female	8	5	2	2	1	19	
	Male	6	2				19	
Scattered Sites Total		14	7	2	2	1	38	
Project Based								
	Female	5	3	1	1	1	14	
	Male	4	3	2	2		13	
Project Based Total		9	6	3	3	1	27	
Phase 1								
	Female	20	20	5	5	1	69	
	Male	13	19	7	7	2	59	
Phase 1 Total		33	37	12	12	3	127	
Parker Bluff								
	Female					2	2	
	Male					1	1	
Parker Bluff Total						3	3	
Townhomes								
	Female	4				2	6	
	Male	5					5	
Townhomes Total		9					9	
Grand Total		274	218	139	19	15	962	

Count of Regulatory Income Type

(residents may have multiple sources of income)

Regulatory/Income Type	Development 2		Parker Bluff	Phase 1		Townhomes	Scattered Sites	Project Based	Grand Total
	Section 8	145		14	6				
Child Support									168
Federal Wage	2								2
General Assistance	549		22			9	15	7	660
Military Pay	1								1
Other NonWage Sources	46								50
Other Wage	276					14	9	7	345
Own Business	9								12
Pension	19								30
Social Security	359		11				5		402
SSI	528		29			3	18	9	653
TANF (formerly AFDC)	26		51				1	1	33
Unemployment Benefits	22		1						25
Grand Total	1982		114			28	54	25	2381

Count of Regulatory Income Type By Gender

(residents may have multiple sources of income)

Regulatory/Income Type	Sex	Development 2		Parker Bluff	Phase 1	Townhomes	Scattered Sites	Project Based	Grand Total
		Section 8	143						
Child Support	Female		2						2
	Male		143						143
Federal Wage	Female		2						2
General Assistance	Female		495		15	9	14	7	593
	Male		54		7		1		67
Military Pay	Female		1						1
Other NonWage Sources	Female		41		3				44
	Male		5		1				6
Other Wage	Female		247		31	14	9	6	307
	Male		29		8				38
Own Business	Female		6		2				10
	Male		1		1				2
Pension	Female		17						23
	Male		2		5				7
Social Security	Female		268		8		3		288
	Male		91		1		2		104
SSI	Female		399		36	3	15	9	481
	Male		129		8		3		162
TANF (formerly AFDC)	Female		25		5		1		32
	Male		1						1
Unemployment Benefits	Female		21		2				23
	Male		1						2
Grand Total			1982		114	28	54	25	2381

Disabled Family Members by Race, by Relationships

Disabled		Yes		No		Grand Total	
Count of Name	Relation	Race	White	Black/African American	White	Black/African American	Grand Total
Development Section 8	Head	430	345	85	775		
	Co-Head	4			4		
	Spouse	10	8		13		
	Full-Time Student 18+		2		2		
	Other Adult	22	20		42		
	Other Youth Under 18	39	31		70		
Section 8 Total		505	401		906		
Parker Bluff	Head	33	49		82		
	Co-Head		4		4		
	Live-In Aide	1			1		
Parker Bluff Total		34	53		87		
Phase 1	Head	23	4		27		
	Spouse		1		1		
	Other Youth Under 18	3	2		5		
Phase 1 Total		26	7		33		
Townhomes	Head	4			4		
	Co-Head						
Townhomes Total		4	0		4		
Scattered Sites	Head	5	10		15		
	Co-Head		1		1		
Scattered Sites Total		5	11		16		
Project Based	Head	3			3		
	Co-Head						
Project Based Total		3	0		3		
Grand Total		577	472		1049		

REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 4b

TOPIC: Monthly Reports

REQUESTED ACTION: Information only – No action required

PRESENTER: Cathy Pollard

STAFF REPORT:

Attached is the Beloit Housing Authority Financial Statement for the month ending January 31, 2014 prepared by the BHA Accountant. Beloit Apartments Redevelopment, LLC activities are included with Public Housing for purposes of this report.

Through the month of January, the Low Income Public Housing (LIPH) program income was \$52,614, Project Based Voucher (PBV) program income was \$5,041 and the Housing Choice Voucher (HCV) program was \$261,549, for a combined income of \$319,204, which is \$9,950.48 less than budgeted year-to-date.

Through the month of January, the Low Income Public Housing (LIPH) program expenses were \$65,987, Project Based Voucher (PBV) program expenses were \$3,888 and the Housing Choice Voucher (HCV) program expenses were \$270,829. Combined program expenses are \$340,703, which is \$44,945 less than the approved budget year to date.

Through the month of January, the Housing Authority shows an overall deficit of (\$21,499) year-to-date. Public Housing deficit is (\$18,084), Redevelopment Phase 1 & 2 surplus is \$4,711, Project Based Voucher surplus is \$1,153, Section 8 administrative deficit is (\$13,787), and Section 8 HAP surplus is \$4,508.

Through the month of January, the FSS program has 17 of the 30 enrolled tenants holding escrow accounts totaling \$13,339.19. The Homeownership program has 2 tenants receiving homeownership assistance payments in January totaling \$518.

ATTACHMENTS:

Monthly Financial Report

Cash Flow Statement
Beloit Housing Authority
January 31, 2014

	BHA YTD	LLC Phase 1 & 2	HCV YTD	YTD Budget	Variance
	Actual	Actual	Actual		Over (Under)
Income					
Dwelling Rent/Utilities	4,889.00	11,937.66	-	14,645.08	2,181.58
Interest on Investments	20.41	59.01	10.18	128.33	(38.73)
Other Income	2,108.39	16,005.37	1,082.46	5,790.67	13,405.55
HUD Admin Fees	-	-	21,731.00	26,017.25	(4,286.25)
HUD Grants/Subsidies	22,635.00	-	238,725.96	282,102.75	(20,741.79)
Total Income	29,652.80	28,002.04	261,549.60	328,684.08	(9,479.64)

	BHA YTD	LLC Phase 1 & 2	HCV YTD	YTD Budget	Variance
	Actual	Actual	Actual		Under (Over)
Expenses					
Administrative					
Salaries/Benefits	22,767.67	2,835.94	27,971.31	64,137.67	10,562.75
Office Expenses	1,734.11	52.56	1,885.15	11,067.50	7,395.68
Office Contracted Services	5,158.21	-	5,368.63	11,950.00	1,423.16
Oper Sub Transfer/Mgmt Fee Pd	-	626.39	-	-	(626.39)
Housing Assistance Pmts	-	-	234,217.57	241,824.08	7,606.51
Maintenance					
Salaries/Benefits	859.60	11,420.52	-	11,927.08	(353.04)
Materials & Supplies	(231.66)	399.44	-	1,041.67	873.89
Maintenance Contracts	447.47	675.04	-	2,300.00	1,177.49
Utilities	1,170.08	3,968.18	-	4,325.00	(813.26)
Other Operating					
Protective Services	656.22	889.77	-	470.83	(1,075.16)
Insurance	2,232.93	1,626.06	1,386.08	8,356.25	3,111.18
PILOT	488.41	796.96	-	1,124.42	(160.95)
Other Operating Expenses	11,300.60	-	-	27,123.83	15,823.23
Total Expenses	46,583.64	23,290.86	270,828.74	385,648.33	44,945.09

Net Admin Income (Loss)	(16,930.84)	4,711.18	(13,787.53)		
Net HAP Income (Loss)			4,508.39		
Total YTD Income (Loss)	(16,930.84)	4,711.18	(9,279.14)		

Cathy,

Here is an update on our successes with TRIP.

To date, since we began using Tax Refund Intercept Program on 10/2004, we have collected \$236,946.51 on old debts from all programs.

2005	= \$41,627.94
2006	= \$32,300.29
2007	= \$34,882.00
2008	= \$34,749.59
2009	= \$35,743.19
2010	= \$20,911.61
2011	= \$13,105.75
2012	= \$ 8,249.58
2013	= \$15,376.56

In addition, since 10/2009 when we began using EIV to track debtors currently receiving assistance, we have also collected \$23,142.80 on old debts from all programs through BHA staff collection efforts in conjunction with the HA's currently providing assistance to these debtors, for a total collections of \$272,967.96.

Lisa M. White BS-A, - Accountant I

REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 4c

TOPIC: Resolution No. 2014-03
Approval of the 2013 Section 8 Management
Assessment Program Submission (SEMAP) for the
Beloit Housing Authority

REQUESTED ACTION: Approval of Resolution 2014-03

PRESENTER: Cathy Pollard

STAFF REPORT:

HUD requires all housing authorities to submit an annual Section 8 Management Assessment Program Submission (SEMAP). This tool is utilized to determine the performance of the Housing Authority's Housing choice voucher Program.

SEMAP measures several areas of performance including Waiting List Selection, Rent Reasonableness, Utility Allowance Monitoring, HQS Compliance, Family Self-Sufficiency participation and Decentralization Monitoring.

STAFF RECOMENDATION:

Staff recommends approval of Resolution 2014-03

ATTACHMENTS:

Resolution No. 2014-03 and attached detail

RESOLUTION NO. 2014-03

**APPROVING THE 2013 SECTION 8 MANAGEMENT ASSESSMENT PROGRAM
SUBMISSION (SEMAP) FOR THE БЕЛОIT HOUSING AUTHORITY**

WHEREAS, the Beloit Housing Authority is required by the United States Department of Housing and Urban Development (HUD) to submit annual management reports for the Section 8 Program; and

WHEREAS, the Section 8 Management Assessment Program submission for 2009 has been reviewed and discussed.

NOW THEREFORE BE IT RESOLVED, that the Community Development Authority (CDA) Board of Commissioners does approve the 2013 SEMAP for the Beloit Housing Authority for submission to HUD via PIC on-line systems.

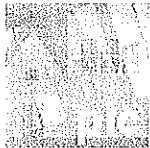
Adopted this 26th day of February, 2014.

Thomas Johnson, Chairman
Community Development Authority

ATTEST:

Julie Christensen, CDA Executive Director

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Cathy Pollard (MHT790) PIC Main SEMAP Logoff

Assessment Profile	Reports	Submission			
List	Summary	Certification	Profile	Comments	
Field Office:	5IPH MILWAUKEE PROGRAM CENTER				
Housing Agency:	WI064 БЕЛОIT HOUSING AUTHORITY				
PHA Fiscal Year End:	12/31/2013				

SEMAP CERTIFICATION (Page 2)

Performance Indicators

8 Payment Standards(24 CFR 982.503)

The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response Yes No

FMR Area Name

FMR 1 of 1

Enter current FMRs and payment standards (PS)

0-BR FMR	<input type="text" value="459"/>	1-BR FMR	<input type="text" value="584"/>	2-BR FMR	<input type="text" value="771"/>	3-BR FMR	<input type="text" value="972"/>	4-BR FMR	<input type="text" value="1030"/>
PS	<input type="text" value="455"/>	PS	<input type="text" value="545"/>	PS	<input type="text" value="695"/>	PS	<input type="text" value="875"/>	PS	<input type="text" value="925"/>
<input type="button" value="Save"/> <input type="button" value="Add"/> <input type="button" value="Delete"/>									

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, add similar FMR and payment standard comparisons for each FMR area and designated area.

9 Timely Annual Reexaminations(24 CFR 5.617)

The PHA completes a reexamination for each participating family at least every 12 months.(24 CFR 5.617)

PHA Response Yes No

10 Correct Tenant Rent Calculations(24 CFR 982, Subpart K)

The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program (24 CFR 982,Subpart K)

PHA Response Yes No

11 Pre-Contract HQS Inspections(24 CFR 982.305)

Each newly leased unit passes HQS inspection before the beginning date of the assisted lease and HAP contract.(24 CFR 982.305)

PHA Response Yes No

12 Annual HQS Inspections(24 CFR 982.405(a))

The PHA inspects each unit under contract at least annually (24 CFR 982.405(a))

PHA Response Yes No

13 Lease-Up

The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year

PHA Response Yes No

14 Family Self-Sufficiency (24 CFR 984.105 and 984.305)

14a.Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required.

Applies only to PHAs required to administer an FSS program.

Check here if not applicable

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

Or, Number of mandatory FSS slots under HUD-approved exception (If not applicable, leave blank)

b. Number of FSS families currently enrolled

c. Portability: If you are the initial PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b+c divided by a) (This is a nonenterable field. The system will calculate the percent when the user saves the page)

120

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

Applies only to PHAs required to administer an FSS program

Check here if not applicable

PHA Response Yes No

Portability: If you are the initial PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

15 Deconcentration Bonus

The PHA is submitting with this certification data which show that :

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is atleast two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY; or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response Yes No

[Go to Comments](#)

Deconcentration Addendum

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REPORT TO THE BELOIT COMMUNITY DEVELOPMENT AUTHORITY

AGENDA ITEM: 5a

TOPIC: Resolution 2014-04 Accepting an Offer to Purchase 823 St. Lawrence Ave.

REQUESTED ACTION: Approval of Resolution 2014-04

PRESENTER: Teri Downing

STAFF REPORT:

On April 19, 2012 the CDA purchased the foreclosed residential property at 823 St. Lawrence for \$20,000 with NSP3 funds. The CDA spent approximately \$120,000 on rehabilitation costs.

The property was originally a two unit, but was rehabbed into a 4-bedroom house. The house was listed at \$69,900 and has been for sale for three months. The offer being presented today is for \$68,000 to an income-eligible buyer. The original offer had a contingency for a “manufacturer warranty”. However, the NSP Real Estate Agent advised that a home warranty would be more appropriate in order to encompass all appliances because each appliance has a different manufacturer warranty. Please see attached offer.

The CDA countered, accepting all conditions of the original offer, except the manufacturer warranty which was changed to a “home warranty”. A one-year home warranty is typical for sellers to provide in the sale of homes today.

STAFF RECOMENDATION:

City staff recommends that the Community Development Authority approve Resolution 2014-04.

ATTACHMENTS:

WB-11 Residential Offer to Purchase and Resolution 2014-04

RESOLUTION 2014-04
ACCEPTING AN OFFER TO PURCHASE FOR 823 St. LAWRENCE AVE.

WHEREAS, the Community Development Authority is responsible for implementation and oversight of the Neighborhood Stabilization program; and

WHEREAS, the property at 823 St. Lawrence Ave. has been renovated and is ready for resale; and

WHEREAS, the Community Development Authority has received the attached offer to purchase from the property.

NOW THEREFORE BE IT RESOLVED, that the Community Development Authority accepts the attached offer and authorizes the Executive Director to execute all documents related to this transaction.

Adopted this 26th day of February, 2014

Thomas M. Johnson, Chairman
Community Development Authority

ATTEST:

Julie Christensen, Executive Director

Estimated Seller's Proceeds

823 St. Lawrence Avenue

Property Address Beloit, WI 53511 Date February 13, 2014

Prepared For CDA of the City of Beloit

Sales Consultant Vicki Jentoft-Johnson, C-21 Affiliated

SELLING PRICE	\$68,000.00
ENCUMBRANCES	

First Mortgage		
Second Mortgage/Equity Loan		
Total Encumbrances		

ESTIMATED SELLING COSTS

<u>Transfer Tax</u> (Fee is \$3 per thousand)	
<u>Real Estate Taxes, Current Year Proration</u>	
<u>Real Estate Taxes, Any Due From Prior Year</u>	
<u>Special Assessments</u>	
*special assessment search	
<u>Title Insurance</u>	\$660.00
<u>Recording Costs</u>	\$60.00
<u>Attorney Fee</u> (Deed and/or Other)	
<u>Brokerage Fee To Selling Company</u> (Compensation to Company Bringing the offer could vary somewhat if Buyer Brokerage)	\$1,700.00
<u>Brokerage Fee to Marketing Company</u> (to pay for advertising, printing, yard and directional signs, flyers, local and long distance phone calls, multiple listing services, computer equipment and time, personnel, promotions, public open houses, coordination with other firms, mailings; preparation, postage, print media, lock box fees, communication systems and websites)	\$1,700.00
<u>Seller to Pay on Behalf of Buyer</u>	
<u>UHP Home Warranty Policy</u>	\$425
<u>Mortgage Payment</u> (one Month for interest in Arrears)	
<u>Repairs</u>	
<u>Title Company Transaction Fee</u>	
<u>closing fee to title company</u>	\$100.00
<u>final sewer/water bill</u>	\$100.00
<u>no home warranty requested</u>	\$(425.00)
Total Estimated Known Selling Costs*	\$4,320.00

ESTIMATED NET CASH PROCEEDS	\$63,680.00
------------------------------------	--------------------

Seller's Proceeds estimated herein are based in part on information supplied by the seller. It is assumed that encumbrances are not in arrears. One or more on the costs and encumbrances may vary from those shown above. Therefore, these figures and proceeds are **estimates** only and are not guaranteed by **Century 21 Affiliated** or its licensees. *Additional prorations will be calculated on the closing statement.

I have read the above and acknowledge a copy of this form.

Seller _____ Date _____
CDA of the City of Beloit

Seller _____ Date _____

WB-11 RESIDENTIAL OFFER TO PURCHASE

1 LICENSEE DRAFTING THIS OFFER ON February 13, 2014 [DATE] IS (AGENT OF BUYER)
2 (AGENT OF SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) STRIKE THOSE NOT APPLICABLE

3 GENERAL PROVISIONS The Buyer, Gwen Rusmisl Savvas Mourtzis
4 offers to purchase the Property known as [Street Address]
5 823 St Lawrence in the City
6 of Beloit County of Rock Wisconsin (insert additional
7 description, if any, at lines 165-172 or 435-442 or attach as an addendum per line 434), on the following terms:

8 PURCHASE PRICE: Sixty Eight Thousand Dollars (\$ 68,000)
9

10 EARNEST MONEY of \$ 500.00 accompanies this Offer and earnest money of \$ 500.00
11 will be mailed, or commercially or personally delivered within 5 days of acceptance to listing broker or
12

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

14 INCLUDED IN PURCHASE PRICE: Seller is including in the purchase price the Property, all Fixtures on the Property on
15 the date of this Offer not excluded at lines 17-18, and the following additional items: range/oven refrigerator
16 dishwasher microwave

17 NOT INCLUDED IN PURCHASE PRICE:

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

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

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

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

27 BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on
28 or before 02/ 21 /14. Seller may keep the Property on the
29 market and accept secondary offers after binding acceptance of this Offer.

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

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

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

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

38 Seller's recipient for delivery (optional): Vicki Jentoft Johnson C21 Affiliated
39 Buyer's recipient for delivery (optional): Dave Brown FirstWeber Group

40 [X] (2) Fax: fax transmission of the document or written notice to the following telephone number:
41 Seller: (608) 3651672 Buyer: (608) 7589894

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

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

47 Delivery address for Seller:
48 Delivery address for Buyer:

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

53 E-Mail address for Seller (optional): vickij@c21affiliated.com

54 E-Mail address for Buyer (optional): brownd@firstweber.com

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

GR SA
of SA

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

61 **DEFINITIONS**

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

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

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

115 (Definitions Continued on page 4)

Property Address:

8123 St. Lawrence Beloit WI

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

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

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

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

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

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

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

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

130
131 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be**
132 **substantially different than the amount used for proration especially in transactions involving new construction,**
133 **extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local assessor**
134 **regarding possible tax changes.**

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

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

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

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

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

159 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no
160 notice or knowledge of Conditions Affecting the Property or Transaction (lines 64-114) other than those identified in Seller's
161 Real Estate Condition Report dated 11/15/03, which was received by Buyer prior to Buyer
162 signing this Offer and which is made a part of this Offer by reference COMPLETE DATE OR STRIKE AS APPLICABLE and

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

165 **ADDITIONAL PROVISIONS/CONTINGENCIES**

166 _____
167 This offer is subject to final approval of the C.D.A. of the
168 City of Beloit

169 _____
170 This offer is subject to C.D.A./N.H.A. grant of up to \$7500 for
171 down payment / closing cost assistance through N.H.A.
172 and provide

GF #1
GF #1

173 DEFINITIONS CONTINUED FROM PAGE 2

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

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

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

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

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

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

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

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

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

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

216
217 FINANCING CONTINGENCY: This Offer is contingent upon Buyer being able to obtain a written _____
218 P30ulticare [INSERT LOAN PROGRAM OR SOURCE] first mortgage

SP 5/11

219 loan commitment as described below, within 30 days of acceptance of this Offer. The financing selected shall be in an
220 amount of not less than \$ 68,000 for a term of not less than 30 years, amortized over not less than
221 30 years. Initial monthly payments of principal and interest shall not exceed \$ 354.02. Monthly payments may
222 also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance
223 premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination
224 fee in an amount not to exceed _____% of the loan. If the purchase price under this Offer is modified, the financed
225 amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and
226 the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

227 CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 228 or 229.
228 FIXED RATE FINANCING: The annual rate of interest shall not exceed 5.375 %.
229 ADJUSTABLE RATE FINANCING: The initial annual interest rate shall not exceed _____%. The initial interest
230 rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% per
231 year. The maximum interest rate during the mortgage term shall not exceed _____%. Monthly payments of principal
232 and interest may be adjusted to reflect interest changes.

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

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

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

247 ■ SELLER TERMINATION RIGHTS: If Buyer does not make timely delivery of said commitment; Seller may terminate this
248 Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan
249 commitment.

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

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

264 APPRAISAL CONTINGENCY: This Offer is contingent upon the Buyer or Buyer's lender having the Property appraised
265 at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated
266 subsequent to the date of this Offer indicating an appraised value for the Property equal to or greater than the agreed upon
267 purchase price. This contingency shall be deemed satisfied unless Buyer, within 25 days of acceptance, delivers
268 to Seller a copy of the appraisal report which indicates that the appraised value is not equal to or greater than the agreed upon
269 purchase price, accompanied by a written notice of termination.

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

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

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

281 If Buyer defaults, Seller may:

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

285 If Seller defaults, Buyer may:

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

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

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

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

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

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

903 St Lawrence Beloit WI

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

308
309 **[INSERT OTHER REQUIREMENTS, IF ANY (e.g., PAYMENT OF ADDITIONAL EARNEST MONEY, WAIVER OF ALL**
310 **CONTINGENCIES, OR PROVIDING EVIDENCE OF SALE OR BRIDGE LOAN, etc.)]** within ____ hours of Buyer's Actual
311 Receipt of said notice, this Offer shall be null and void.

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

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

321
322 _____. If "Time is of the Essence" applies to a date or
323 Deadline, failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to
324 a date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

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

332
333
334
335 which constitutes merchantable title for purposes of this transaction. Seller shall complete and execute the documents
336 necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee.

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

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

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

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

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

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

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

369 **EARNEST MONEY**

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

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

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

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

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

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

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

Property Address: _____

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

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

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

421 This contingency shall be deemed satisfied unless Buyer, within 20 days of acceptance, delivers to Seller a copy of the
422 written inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice
423 of Defects).

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

425 For the purposes of this contingency, Defects (see lines 182-184) do not include structural, mechanical or other conditions the
426 nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

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

434 **ADDENDA:** The attached **Addendum "A"** Property Audit Report is/are made part of this Offer.

435 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____

436 _____
437 _____
438 _____
439 _____
440 _____
441 _____
442 _____

443 This Offer was drafted by [Licensee and Firm] Dave Brown

444 FirstWeber Group on February 12, 2014

445 (X) Gwen Rusmisel on 2/13/14
446 Buyer's Signature ▲ Print Name Here ► Gwen Rusmisel Date ▲

447 (X) Mourtzis S on 2/13/14
448 Buyer's Signature ▲ Print Name Here ► Savvas Mourtzis Date ▲

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

450 _____ Broker (By) _____

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

455 (X) _____
456 Seller's Signature ▲ Print Name Here ► _____ Date ▲

457 (X) _____
458 Seller's Signature ▲ Print Name Here ► _____ Date ▲

459 This Offer was presented to Seller by [Licensee and Firm] Dee J. Johnson
460 C-21 Affiliated on Feb. 17, 2014 at 8:00 o a.m./p.m.

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



ADDENDUM "A"
Miscellaneous Contingencies

firstweber.com

Offer to Purchase Dated: 2/13/14
 Property Address: 823 St Lawrence
 Buyer: Gwen Rasmusel

Beloit WI 53511
 Savvas Mourtzis

The provisions of this addendum are part of this Offer if checked or marked in the box before each item intended to be included. Items are not part of this Offer if marked N/A or left blank. If items in this addendum marked as included with this Offer conflict with the optional terms in the main body of the Offer to Purchase, the terms of this addendum shall prevail. Buyer and Seller acknowledge that the broker and agents involved in preparing these addendum terms are not dictating how the Offer to Purchase is or must be completed. The provisions in this addendum are preprinted for convenience only. Buyer and Seller are aware this addendum includes provisions which may not be applicable in all transactions. All terms herein may be modified by the parties, and additional provisions may be added by the parties, to accomplish the intent of the parties. No representation is made by broker or agents involved in preparing these addendum terms as to the legality, appropriateness, sufficiency, or enforceability of any provision in a specific transaction. Buyer and Seller are advised to consult legal counsel.

PRIORITY SECONDARY OFFER

1. This offer is secondary to a prior accepted offer. This Offer shall become primary upon delivery of written notice from Seller to Buyer that this Offer is primary. Seller agrees to give Buyer said notice, and thereby make Buyer's Offer primary, if the prior accepted offer is terminated or cancelled for any reason, and Seller agrees to give Buyer said notice, prior to any other secondary offers or other potential buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than ___ days after acceptance of this Offer. All other Offer deadlines shall run from the time this Offer becomes primary, unless otherwise agreed.

PRE-QUALIFICATION OR PRE-APPROVAL LETTER

2. Buyer shall deliver to Seller, within 0 days of acceptance of this Offer:
 Pre-qualification Letter Pre-Approval Letter
 Indicating in the opinion of a lender that Buyer is eligible for financing of the type and amount required, subject to verifications and/or conditions stated in the letter. **Note: This is not a loan commitment.** If Buyer does not make timely delivery of the letter, Seller may terminate this Offer by delivering a written notice of termination to Buyer, provided Seller's termination notice is delivered within three (3) days after the date the letter was due, and provided Seller's termination notice is delivered before Buyer delivers the letter to Seller, otherwise this contingency shall be deemed satisfied.

FINANCING CONTINGENCY SATISFACTION

3. If this Offer contains a contingency for financing, Buyer and Seller agree that the requirement for delivery of Buyer's written direction for delivery of the loan commitment to Seller shall be satisfied, without separate documentation, provided Buyer signs the loan commitment itself.

GOVERNMENTAL MORTGAGE PROGRAMS

4. If the financing contingency specifies FHA, or Federal or State VA loan, or USDA Rural Development, as the source of the loan, this Offer is also contingent upon completion of an appraisal by Buyer's lender, within the time frame provided for the financing contingency, that satisfies the respective agency's appraisal requirements and indicates a current market value for the property equal to or greater than the purchase price. **NOTE:** Lender may require its own inspection(s) as a condition of the loan, and Seller agrees to allow access to the Property for any such inspection(s) made as a condition of the loan. Seller agrees to complete any additional documentation and/or amendments as may be required for the transaction by the governmental program (for example, the Amendatory Clause required under FHA financing), provided said documentation or amendments are consistent with this provision, and are at no additional cost to the Seller. Seller agrees that if the appraisal does not satisfy the requirements specified above, or any issues raised by inspection(s) are not satisfactorily resolved for lending purposes, and Buyer is denied financing, Buyer may terminate this Offer by delivering notice of unavailability of financing and a copy of said denial, under the same time period allowed under the financing contingency, or any extension thereof.

BUYER'S BROKERAGE COMPENSATION

5. Seller agrees to credit Buyer \$ _____, or _____ % of the purchase price plus \$295 at the time of closing to be used by Buyer for Buyer's brokerage fees. **NOTE:** If the property is listed and subject to an offer of compensation, Buyer hereby directs Buyer's broker to reject any offer of compensation offered by the listing broker to Buyer's broker, and to instead have Seller pay Buyer's brokerage fees directly in the amount or percentage as stated herein, at closing.

**SELLER TO CREDIT BUYER
(Closing Costs, Etc.)**

6. Seller agrees to credit Buyer \$ _____ at the time of closing to be used by Buyer for _____
 (for any closing costs, prepaids, or other buyer's costs in the transaction, if not otherwise stated).

PURCHASE BY REAL ESTATE LICENSEE

7. It is understood that the Buyer is a real estate agent with First Weber Group, and has a valid real estate license in the State of Wisconsin. Buyer is purchasing this property for (homestead)(investment) [~~STRIKE ONE~~] and may realize a profit from the subsequent resale.
 As an incentive for Buyer to purchase the Property, Seller agrees to pay _____ % of the purchase price to First Weber Group at closing, on behalf of Buyer. Seller acknowledges and agrees that any compensation derived from this transaction by Buyer through First Weber Group shall be considered an incentive to purchase.

SURVEY MAP/CERTIFIED SURVEY/BOUNDARY CORNERS

8. **SURVEY MAP:** This Offer is contingent upon (Buyer obtaining) (Seller providing)) [STRIKE ONE] ("Seller providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by a registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) [STRIKE ONE] ("Seller" if neither is stricken) expense. The map shall show minimum of _____ acres, maximum of _____ acres, identify the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements, if any, and: _____ [Strike and complete as applicable].
- If a specific type survey is intended, such as ALTA/ACSM Land Title Survey, specify accordingly. Additional map features may be added, including but are not limited to: how current the map must be; staking of all corners of the Property; identifying dedicated and apparent street, lot dimensions, total acreage or square footage, easements or rights-of-way. **CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time required to obtain the map when setting the deadline.** This contingency shall be deemed satisfied unless Buyer, within five (5) days of Buyer's receipt of the map, delivers to Seller a copy of the map and a written notice which identifies: 1) the significant encroachment; 2) information materially inconsistent with prior representations; or 3) failure to meet requirements stated within this contingency.
- CERTIFIED SURVEY:** (Buyer shall obtain)(Seller shall provide) [STRIKE ONE] ("Seller providing" if neither is stricken) a Certified Survey of the Property, approved by all applicable governmental authorities, in recordable form acceptable to the applicable County Register of Deeds, no later than _____ days after acceptance. Cost of survey shall be paid by (Buyer)(Seller) [STRIKE ONE]. ("Seller" if neither is stricken). This contingency shall be satisfied unless Buyer delivers a copy of the survey and a written notice to Seller, within five (5) days of the earlier of: 1) Buyer's receipt of the survey, or 2) the deadline for delivery of said survey, identifying material items inconsistent with previous representations, or material encroachments or boundary line disputes, in which case this Offer shall be null and void.
- BOUNDARY CORNERS:** (Buyer shall obtain)(Seller shall provide) [STRIKE ONE] at (Buyer's)(Seller's) [STRIKE ONE] expense ("Seller" if neither is stricken), a Wisconsin licensed surveyor to flag all exterior corners of Property prior to closing.

ZONING AND LAND USE REGULATIONS

9. This Offer is contingent upon the Buyer researching and reviewing all relevant laws, regulations, ordinances, and other governmental land use restrictions affecting the property, including zoning regulations and building codes, and Buyer's determination that none of the above significantly increases Buyer's construction, maintenance, or landscaping costs, imposes costly or burdensome duties or obligations on Buyer, or would prohibit or substantially restrict legal uses of the property intended by Buyer. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within seven (7) days of acceptance, a notice terminating this Offer, stating specifically which laws, regulations or ordinances negatively affect Buyer's intended use of the Property, according to the criteria stated herein. For purposes of this contingency, Buyer's right of termination shall be limited to those restrictions of which Buyer did not have actual notice, or written notice, at the time of submitting the Offer.

SUBDIVISIONS/DEED RESTRICTIONS

10. Seller shall deliver to Buyer deed and subdivision restrictions and any owners' association rules and/or restrictions that have been recorded with the Register of Deeds, within _____ days of acceptance of this Offer. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within five (5) days of receipt of said documents, a notice terminating this Offer, identifying which restrictions or rules would significantly increase Buyer's construction, maintenance, or landscaping costs, would impose costly or burdensome duties or obligations on Buyer, or would prohibit or substantially restrict legal uses of the property intended by Buyer. For purposes of this contingency, Buyer's right of termination of the Offer shall be limited to those restrictions of which Buyer did not have actual notice, or written notice, at the time of submitting the Offer. (Note: The brokers and agents involved may assist in obtaining documents called for in this contingency, but make no representation as to the completeness or applicability of said documents. Buyer and Seller are solely responsible for determining that the documents delivered in connection with this contingency are complete.)

JOINT DRIVEWAY AND/OR JOINT WELL

11. This Offer is contingent upon the Seller delivering to Buyer a copy of any applicable joint driveway agreement(s) and/or joint well agreement(s) within _____ days of acceptance. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within five (5) days of receipt of said agreement(s), a notice terminating this Offer, identifying those terms of the agreement(s) which will significantly and adversely affect Buyer's intended use of the property, or which are unacceptable to Buyer's lender.

ABANDONED WELLS

12. If there is an abandoned well on the property, Seller shall, prior to the closing of this transaction, close the well and provide Buyer with documentation confirming closure in compliance with applicable codes, or provide Buyer with documentation evidencing that the well has been previously closed in compliance with the applicable codes in effect at the time of closure.

WELL WATER

13. This Offer is contingent upon (Buyer obtaining)(Seller providing) [STRIKE ONE] ("Seller providing" if neither is stricken) no later than _____ days after acceptance, a current report from a state-approved or other qualified lab which indicates that the well(s) are supplying water which is bacteriologically safe (of the Coliform group) for all human consumption and that the concentrations of: _____ (NOTE: If desired, insert other substances which may affect the safety of drinking water such as: nitrates, atrazine, arsenic, inorganic or organic substances, pesticides, herbicides, radon, radium, metals, etc.) in the well water are less than the maximum health-related level established by federal and state laws regulating public water systems. The party responsible for obtaining the report(s) shall be responsible for all costs. All water samples used for testing shall be taken by a licensed plumber or other independent, qualified person. This contingency shall be deemed satisfied unless Buyer, within five (5) days of receipt of said report, delivers a copy of the report and a notice terminating this Offer, stating why the report does not satisfy the standard set forth in this contingency.

WELL SYSTEM

14. This Offer is contingent upon (Buyer obtaining)(Seller providing) [strike one] ("Seller providing" if neither is stricken) no later than _____ days after acceptance, a current report from a licensed well driller or a licensed pump installer, competent to inspect well systems, which indicates the well(s) and pressure system(s) conform to the code in effect at the time they were installed and are not disapproved for current use, and that they produce sufficient quantity of water to adequately serve the needs of the type of property or properties served by the well. The party responsible for obtaining the report(s) shall be responsible for all costs. This contingency shall be deemed satisfied unless Buyer, within five (5) days of receipt of said report, delivers to Seller a copy of the report and a notice terminating this Offer, stating why the report does not satisfy the standard set forth in this contingency.

PRIVATE SANITARY SYSTEM (POWTS)

15. This Offer is contingent upon ~~(Buyer obtaining)~~(Seller providing) [STRIKE ONE] ("Seller providing" if neither is stricken) no later than _____ days after acceptance, a current written report(s) from a county code administrator, licensed master plumber, licensed master plumber-restricted service, licensed plumbing designer, registered engineer, certified POWTS inspector, certified septicage operator, and/or a certified soil tester, which indicates the POWTS (private onsite wastewater treatment system) conforms to the code in effect when the POWTS was installed, is not disapproved for current use, is hydraulically functional and maintains vertical separation from limiting conditions such as groundwater and bedrock per current code. The party responsible for obtaining or providing the report(s) shall be responsible for all costs, other than pumping. If required by the inspector, the POWTS is to be pumped at time of inspection, in the presence of, or under supervision of, the inspector, at ~~(Buyer's)~~(Seller's) [STRIKE ONE] expense (at expense of the party responsible for obtaining/providing the report(s), if a choice of party is not indicated here). This contingency shall be deemed satisfied unless Buyer, within five (5) days of receipt of said report(s), delivers to Seller, a copy of report(s) and a notice terminating this Offer, stating why the report(s) does/do not satisfy the standard in this contingency. NOTE: Different professionals may be needed to inspect different system components.
CAUTION: Buyer is aware that POWTS are regulated by state and county agencies. Additional inspection(s)/testing and ongoing maintenance programs may be required upon transfer of the Property. A failing inspection or test may mean a new system is required. Buyer is advised to consult county and local officials for additional POWTS requirements.

PUBLIC/MUNICIPAL WATER SYSTEM

16. This Offer is contingent upon Buyer researching and reviewing the water quality data available for the public/municipal water system serving the property, whether municipal, community, or non-community. If Buyer receives water quality data from the operator of the public water system serving the property (e.g., Consumer Confidence Report), or from any state or local governmental authority or agency, which indicates that the drinking water supplied to the premises does not meet the required federal and/or state regulations as to safety and maximum health-related levels of contaminants, Buyer may terminate this Offer by delivering a notice of termination to Seller, within _____ days of acceptance, along with a copy of the data and/or reports relied upon by Buyer, otherwise this contingency shall be deemed satisfied.

UNDERGROUND STORAGE TANKS

17. If there is an underground storage tank on the property and if its existence is known by Seller, Seller shall, prior to closing, comply with all federal, state and local regulations regarding the tank, including state tank registration and abandoned tank closure requirements. This Offer is contingent on Seller confirming to Buyer, in writing, at least five (5) days prior to closing, that any in-use underground storage tank is registered and meets applicable current state operating standards; and that any abandoned underground storage tank was properly cleaned and closed in conformance with applicable state standards and that Seller has no knowledge of any contamination detected upon closure. Seller shall give Buyer copies of any documents confirming Seller's representations regarding any tanks. It is Buyer's sole responsibility to comply with state tank registration requirements and re-register any tanks remaining in use upon the property after closing in Buyer's name.

ABOVE GROUND STORAGE TANKS/BASEMENT FUEL TANKS

18. If there is an abandoned above ground storage tank (AST) or an abandoned basement fuel tank on the property, Seller shall, prior to closing, comply with all applicable state regulations regarding such tank(s). This Offer is contingent upon Seller confirming to Buyer, in writing, at least five (5) days prior to closing, that any abandoned AST or abandoned basement fuel tank has been emptied and cleaned in conformance with applicable state standards and that all required notices and registrations have been completed. Seller shall give Buyer copies of any documents confirming compliance with the applicable regulations.

LEAD BASED PAINT

19. If applicable, an Addendum S - Lead Based Paint Disclosure and Acknowledgment shall be a part of this Offer. (Required for residential improvements constructed prior to 1978.) NOTE: If not attached, and if required by Federal or State law, Seller agrees to include a completed Addendum S in the Offer. - Buyer acknowledges receipt of EPA booklet on lead hazards, or that Buyer has reviewed the EPA booklet from the EPA website <http://www.epa.gov/lead/pubs/leadprot.htm>.

RADON TEST

20. This Offer is contingent upon ~~(Buyer obtaining)~~(Seller providing) [STRIKE ONE] ("Seller providing" if neither is stricken) a current written report, within 10 days of acceptance, documenting the results of a radon gas test on the Property, conducted by a professional testing service or contractor qualified to perform radon testing, which indicates a radon gas level below 4.0 pCi/L (pico curies per liter of air, per EPA standards). (The party obtaining or providing the report shall pay for the test, and the parties agree testing must be conducted consistently with Environmental Protection Agency (EPA) guidelines). Seller ~~(shall)~~(shall not) [STRIKE ONE] have the right to remediate. (Seller shall have a right to remediate if no choice is indicated.) If the report indicates a radon gas level at or above 4.0 pCi/L, Buyer may deliver to Seller notice, within five (5) days of receipt of the report, objecting to the level of radon, along with a copy of the test results. This Offer shall be considered terminated, effective upon delivery of said notice and test results, unless Seller has the right to remediate. - If Seller has the right to remediate, Seller may satisfy this contingency by: (1) delivering to Buyer, within ten (10) days of receipt of said notice and test results, a written notice of Seller's election to remediate, and (2) hiring a professional or contractor qualified to perform radon remediation to install in a good and workmanlike manner an appropriate remediation system to lower the radon gas level on the property to below 4.0 pCi/L, and (3) providing, and paying for, a re-test report to Buyer after installation of remediation system, confirming a radon gas level in the test which is below 4.0 pCi/L, no later than three (3) days prior to closing. (Note: Any re-test shall be performed by, or under the supervision of, a professional testing service or contractor qualified to perform radon testing.) This Offer shall also be terminated if Buyer timely submits a valid notice and test results and Seller has the option to remediate, but the Seller either elects not to remediate, or fails to elect to remediate.

VARIOUS TESTS

21. This Offer is contingent upon ~~(Buyer obtaining)~~(Seller providing) [STRIKE ONE] ("Seller providing" if neither is stricken) a current written report documenting the results of the following tests: _____ within _____ days of acceptance, at ~~(Buyer's)~~(Seller's) [STRIKE ONE] expense (Buyer's expense if neither is stricken). This testing contingency shall be deemed satisfied unless Buyer, within five (5) days of Buyer's receipt of the test report(s), delivers to Seller a copy of the test report(s) and a written notice identifying the defect(s) to which Buyer objects. For the purposes of this contingency, "defect" is defined as that term is defined in the base Offer to Purchase (WB State form). Seller ~~(shall)~~(shall not) [STRIKE ONE] have the right to cure. (Seller shall have a right to cure if no choice is indicated.) If Seller has the right to cure, the procedure for electing whether to cure and/or curing any "defect" shall be the same stated in the base Offer to Purchase.

INSPECTIONS, TESTS, APPRAISALS, AND OPINIONS

22. [X] Broker has recommended to Buyer that the Property be thoroughly inspected and tested, covering all components and conditions material to Buyer. Broker, agents, or broker's Concierge service may furnish names of inspectors/testers, appraisers, or other third party professionals, but Buyer acknowledges that no representation has been made as to the competency of the inspectors/testers, appraisers, or third party professionals. The party designated as responsible for obtaining an inspector/tester, or other professional, is solely responsible for confirming adequacy of qualifications. If Buyer does not include an inspection and/or testing contingency, Buyer is considered to have waived inspection and/or testing in writing. Buyer and Seller agree the real estate brokers are not responsible for the negligent actions of inspectors, testers, or other third party professionals.

ATTORNEY'S APPROVAL

23. [] This Offer is contingent upon review and approval of this Offer by Buyer's attorney within _____ days of acceptance. Approval shall be based upon the following standards: (1) the sufficiency of the accepted offer as to definiteness, certainty and enforceability; and (2) the suitability and sufficiency of the conditions of the Offer for the protection of the Buyer in relation to the Buyer's particular financial and personal circumstances as revealed by the Buyer to the reviewing attorney. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within the time period provided above, a written disapproval from Buyer's attorney, based upon any of the foregoing standards, identifying specifically those items or terms to which Buyer's attorney objects. Buyer agrees that for purposes of this contingency, said disapproval may not be based upon the amount of the purchase price, the cost of credits payable to or by Seller, or commission amount. If written disapproval is delivered, the parties shall then have two (2) business days to negotiate an amendment modifying the contract to cure the grounds for disapproval. If no such agreement is reached in that time, Buyer shall have two (2) days to terminate this Offer by delivery to Seller of a notice of termination. Upon timely delivery of Buyer's notice of termination, this Offer shall be deemed null and void, otherwise this contingency is satisfied and waived.

BUYER'S RESPONSIBILITY TO ASCERTAIN CONDITION OF PROPERTY

24. [X] Buyer acknowledges it is Buyer's responsibility to make certain the Property is in a condition Buyer finds acceptable, and that the Property, including any applicable regulations or restrictions, are compatible with Buyer's intended use of the Property. Buyer is advised to include all provisions and contingencies deemed necessary by Buyer for all issues Buyer considers material. While broker, agents, or broker's Concierge service may assist in arranging for performance or satisfaction of contingencies in this Offer, it is Buyer's responsibility to ensure that all necessary acts are taken to make use of each contingency selected, and to ensure that all such acts are taken within the applicable time limitation(s). Buyer acknowledges that in purchasing the Property, Buyer has relied upon Buyer's own independent inspection, analysis, and judgment, and upon the statements, disclosures and representations concerning the Property as are contained in this Offer and/or in any Seller's disclosure report, or in any other written statements provided to Buyer, if incorporated into this Offer. Buyer specifically acknowledges that Buyer is not relying upon any statements or representations of Seller or any real estate agent or broker, whether in the MLS, advertisements, or otherwise, unless such statement(s) or representation(s) is(are) expressed in writing and specifically set forth in this Offer. Buyer has the responsibility to verify all material information, and Buyer acknowledges Buyer is not relying upon any real estate agent or broker to verify the accuracy of any of Seller's or third parties' statements, disclosures and/or representations.

HOME WARRANTY

25. [X] This Offer includes a one year home warranty plan, through Universal Home Protection (UHP), to be provided at closing for Buyer, covering repair or replacement of the working components of the home, subject to the applicable deductible and the specific terms, conditions and limitations of the plan.

The plan shall be [CHECK ONE] Basic Plan (\$425.00), or, Elite Plan (\$495.00), or Other: _____

The cost of the warranty plan shall be paid by (Buyer)(Seller) [STRIKE ONE]. (Seller, if no choice indicated), and the (Listing broker)(Selling-broker) [STRIKE ONE] (Selling broker, if no choice indicated), shall place the application. Buyer and Seller understand and agree that a portion of the warranty fee may be paid to the broker as a processing fee. (If Buyer fails to check the type of plan, the plan will be UHP's Basic Plan at a cost of \$425.00.) A copy of the indicated plan is at <http://www.uhpwarranty.com/> or has been received. NOTE: If any optional coverages are desired, if the property is in excess of 5000 sq. ft., or if the property is a duplex or multiple unit, check "Other" and specify the premium amount, and identify the specific plan and coverages.

NOTE: Mobile Homes are not eligible for coverage. This provision is deleted if subject property is a mobile home.

ADDITIONAL PROVISIONS

26. [X] Buyer is asking for a one year manufacturers warranty on all the appliances

Date 2/13/14

Buyer Gwen R. Rasmisel

Buyer Savvas Mourizis

Date _____

Seller _____

Seller _____

**OFFER ADDENDUM 3 - LEAD BASED PAINT
DISCLOSURES AND ACKNOWLEDGMENTS**

1 **LEAD WARNING STATEMENT:** Every purchaser of any interest in residential real property on which a
2 residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from
3 lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in
4 young children may produce permanent neurological damage, including learning disabilities, reduced
5 intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular
6 risk to pregnant women. The seller of any interest in residential real property is required to provide the
7 buyer with any information on lead-based paint hazards from risk assessments or inspections in the
8 seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or
9 inspection for possible lead-based paint hazards is recommended prior to purchase.
10 Disclosures and Acknowledgments made with respect to the Property at 823 St. Lawrence Avenue, Beloit

11 _____, Wisconsin.

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

13 (1) **SELLER DISCLOSURES:** (a) Seller hereby represents that Seller has no knowledge of any lead-based paint or
14 lead-based paint hazards (collectively referred to as LBP) present in or on the Property except: House built prior to 1978 and
15 could contain LBP.

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

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

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

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

25 (X) Julie Christner 11/15/2013
26 (All Seller's signature) & Print Name Here > CDA of the City of Beloit (Date) &
27 Seller Obligations under the Federal Lead-Based Paint Disclosure Rules

28 (Based upon 40 CFR Chapter 1, Part 746, Subpart F, §§746.109, 746.107, 746.110, 746.113 & 746.115; and 24 CFR subtitle A,
29 Part 95, Subpart H, §§95.96, 95.98, 95.99, 95.92 & 95.94, which all are collectively referred to in this Addendum as Federal LBP Law.)

30 **DISCLOSURE REQUIREMENTS FOR SELLERS.** (a) The following activities shall be completed before the Buyer is obligated
31 under any contract to purchase target housing that is not otherwise an exempt transaction pursuant to Federal Law. Nothing in this
32 section implies a positive obligation on the Seller to conduct any risk assessment and/or inspection or any reduction activities.

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

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

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

47 (4) **Provision of Available LBP Records & Reports to Buyer.** The Seller shall provide the Buyer with any records or reports
48 available (see line 35) to the Seller pertaining to lead-based paint and/or lead-based paint hazards in the target housing being sold.
49 This requirement includes records or reports regarding common areas. This requirement also includes records or reports
50 regarding other residential dwellings in multifamily target housing, provided that such information is part of a risk assessment and/or
51 inspection or a reduction of lead-based paint and/or lead-based paint hazards in the target housing as a whole.

52 (b) **Disclosure Prior to Acceptance of Offer.** If any of the disclosure activities identified in lines 30-41 occurs after the Buyer
53 has provided an offer to purchase the housing, the Seller shall complete the required disclosure activities prior to accepting
54 the Buyer's offer and allow the Buyer an opportunity to review the information and possibly amend the offer.

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

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

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

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

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

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

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

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

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

97 ■ **DEFINITIONS:**

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

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

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

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

106 Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square
107 centimeter or 0.6 percent by weight.

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

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

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

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

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

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

114 (1) **ACKNOWLEDGMENT:** All agent(s) in this transaction subject to Federal LBP Law (see lines 80 - 84) hereby
115 acknowledge that: (1) the Seller was informed of his or her obligations under the Federal LBP Law (see lines 27 - 64 and 55 -
116 112); and (2) they are aware of their duty to ensure compliance with the requirements of Federal LBP Law.

117 (2) **CERTIFICATION:** The undersigned agents have reviewed the information above and certify, to the best of their
118 knowledge, that the information provided by them is true and accurate.

119 (X) Nicki Gentsoff-Johnson 11/11/2013
120 (Agent's signature) Print Agent & Firm Names Here: Nicki Gentsoff-Johnson, C21 Affiliated (Date)

121 (X) David Brown 2/13/14
122 (Agent's signature) Print Agent & Firm Names Here: First Weber Assoc (Date)

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

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

129 (1) **LEAD-BASED PAINT INSPECTION CONTINGENCY:** [Buyer to check one box at lines 131, 147 or 148. If no box is
130 checked, Buyer is deemed to have elected a 10-day contingency per lines 131 - 148.]

131 **LEAD-BASED PAINT INSPECTION CONTINGENCY:** This Offer is contingent upon a federal or state certified lead
132 inspector or lead risk assessor conducting an inspection or risk assessment of the Property, at Buyer's cost, which discloses
133 no lead-based paint and/or lead-based paint hazards (see lines 98 - 100) (collectively referred to as LBP). This contingency
134 shall be deemed satisfied, and Buyer will have elected to take the Property "as is" with respect to LBP, unless Buyer, within
135 _____ days of acceptance, delivers to Seller a copy of the inspector's or risk assessor's written report and a written notice
136 stating the LBP identified in the report to which the Buyer objects. Buyer agrees to concurrently deliver a copy of the report
137 and notice to the listing broker, if any. A proposed amendment will not satisfy this notice requirement.

138 **RIGHT TO CURE:** Seller (shall/shall not) STRIKE ONE have a right to cure (if neither struck, Seller shall have the right to
139 cure). If Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering, within 10 days of receipt of Buyer's
140 notice, written notice of Seller's election to abate the LBP identified by the Buyer; and (2) providing Buyer, no later than 9 days
141 prior to closing, with certification from a certified lead supervisor or project designer, or other certified lead contractor that
142 the identified LBP has been abated. This Offer shall be null and void if Buyer makes timely delivery of the above notice and
143 report and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: a) Seller delivers notice that Seller will
144 not cure or b) Seller does not timely deliver the notice of election to cure. "Abate" shall mean to permanently eliminate the
145 identified LBP by methods such as removing, replacing, encapsulating, containing, sealing or enclosing the identified LBP,
146 in conformance with the requirements of all applicable law.

147 Buyer elects the LBP contingency Buyer has attached to this Addendum S.
148 Buyer waives the opportunity for a LBP inspection or assessment.

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

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

155 (X) Mouffars E. Gawan 2/13/14
156 (ALL Buyers' signatures) Print Names Here: _____ (Date)
157

REAL ESTATE CONDITION REPORT

DISCLAIMER

A. THIS CONDITION REPORT CONCERNS THE REAL PROPERTY LOCATED AT 923 St. Lawrence Avenue (STREET ADDRESS) IN THE Rock City (CITY) (VILLAGE) (TOWN) OF Beloit COUNTY OF Rock, STATE OF WISCONSIN. THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY IN COMPLIANCE WITH SECTION 709.02 OF THE WISCONSIN STATUTES AS OF November (MONTH), 15 (DAY), 2013 (YEAR). IT IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR ANY AGENTS REPRESENTING ANY PRINCIPAL IN THIS TRANSACTION AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PRINCIPALS MAY WISH TO OBTAIN.

A BUYER WHO DOES NOT RECEIVE A FULLY COMPLETED COPY OF THIS REPORT WITHIN 10 DAYS AFTER THE ACCEPTANCE OF THE CONTRACT OF SALE OR OPTION CONTRACT FOR THE ABOVE-DESCRIBED REAL PROPERTY SHALL HAVE THE RIGHT TO REScind THAT CONTRACT (WIS. STATS. SECTION 709.02), PROVIDED THE OWNER IS SUBJECT TO WISCONSIN STATUTES CHAPTER 709.*

NOTE: All information appearing in italics in this REAL ESTATE CONDITION REPORT is purely of a supplemental nature and is not required pursuant to Section 709.02 of the Wisconsin Statutes.

OWNER'S INFORMATION

B.1. In this form, "am aware" means have notice or knowledge. "Am aware" means that the owner has notice or knowledge based on an official notice issued by a governmental body, advice or recommendations received from a contractor, inspector or other person regarding a property condition or the correction of a property defect or problem, personal observation, or some other source of information. In this form, "defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impact 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.

In this form, "owner" means that person or those persons, or the entity or organization, which is the owner of the above-described real property. If the property is owned by two or more individuals as joint tenants or tenants-in-common, each joint owner or tenant-in-common must join in the execution of this Real Estate Condition Report or complete a separate report based on his or her individual awareness. Owners subject to Wisconsin Statutes Chapter 709 include all persons who transfer real estate containing one to four dwelling units by sale, exchange or land contract, except personal representatives, trustees and conservators and except fiduciaries who are appointed by, or subject to supervision by, a court if those persons have never accepted the property transferred; and excluding owners who transfer property which has not been inhabited and who transfer property by conveyance exempt from the real estate transfer tax. Owners not subject to Chapter 709 may complete this report on a voluntary basis without becoming subject to the provisions of Chapter 709. In this form, "principal" refers either to the owner or the buyer.

B.2. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the property. The owner hereby authorizes any agent representing any principal in this transaction to provide a copy of this statement, and to disclose any information in the statement, to any person in connection with any actual or anticipated sale of the property.

B.3. The owner represents that to the best of his or her knowledge the responses to the following statements have been accurately noted as "yes", "no" or "not applicable" to the property being sold. If the owner responds to any statement with "yes", the owner shall provide, in the additional information area of this form, an explanation of the reason why the response to the statement is "yes".

B.4. If the transfer is of a condominium unit, the property to which this form applies is the condominium unit, the common elements of the condominium and any limited common elements that may be used only by the owner of the condominium unit being transferred.

Instead of responding to any statement below with a "yes", "no" or "not applicable", and explaining the "yes" statements, the owner may substitute for any statement answer below an answer supplied by a public agency such as a governmental agency or department (Wis. Stats. Section 66.073(3)(b)); or information supplied by one of the following experts or professionals, provided the information is in writing, is furnished on time, and the statement to which it relates is identified: licensed engineers, land surveyors and structural pest control operators; contractors with respect to matters within the scope of the contractor's occupation; or other persons who the seller, buyer or any agent involved in the transaction reasonably believes has sufficient experience to meet the standards of practice for the kind of information provided (Wis. Stats. Sections 709.02 & 102.23(2)(b)). If a statement is answered by such an expert's or professional's written information, report or document, the owner may place an "X" in the "See Expert's Report" column next to the statement(s) which are answered by the expert's information and attach the expert's written information to this Real Estate Condition Report, or provide the written information separately before the applicable deadline.

THE ITALIZED LISTS OF POSSIBLE TYPES OF DEFECTS FOLLOWING EACH STATEMENT BELOW ARE EXAMPLES ONLY AND ARE NOT THE ONLY DEFECTS WHICH MIGHT PROPERLY BE DISCLOSED IN RESPONSE TO EACH RESPECTIVE STATEMENT.

PROPERTY CONDITION STATEMENTS	Yes	No	N/A	See
				Expert's Report
O.1. I am aware of defects in the roof. <i>Roof defects might include, but are not limited to such things as leakage, ice build-up, or significant problems with gutters or eaves.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O.2. I am aware of defects in the electrical system. <i>Electrical defects might include, but are not limited to, electrical wiring not in compliance with applicable code, or defects in an attached antenna and cables, satellite dish, security system, doorbells or intercom.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O.3. I am aware of defects in part of the plumbing system (including the water heater, water softener and swimming pool) that is included in the sale. <i>Other plumbing system defects might include, but are not limited to, excessive or insufficient water pressure, leaks or other defects in pipes, toilets, interior or exterior faucets, bath tubs, showers, or any sprinkler system.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O.4. I am aware of defects in the heating and air conditioning system (including the air filters and humidifiers). <i>Other heating and air conditioning defects might include, but are not limited to, defects in supplemental heaters, ventilating fans or fixtures, or solar collectors.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O.5. I am aware of defects in the well, including unsafe well water. <i>Well defects might include, but are not limited to, an unused well not properly closed in conformance with state regulations, a well which was not constructed pursuant to state standards or local code, or a well which requires modifications to bring it into compliance with current code specifications.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O.6. I am aware that this property is served by a joint well.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

See
Expert's
Report

	Yes	No	N/A	See Expert's Report
C.7. I am aware of defects in the septic system or other sanitary disposal system. <i>Septic system defects might include, but are not limited to, back-ups in toilets or in the basement; exterior ponding, overflows or back-ups; or defective or missing baffles.</i>	---	<input checked="" type="checkbox"/>	---	---
C.8. I am aware of underground or aboveground fuel storage tanks on or previously located on the property. (If "yes", the owner, by law, may have to register the tanks with the department of safety and professional services at P.O. Box 7070, Madison, Wisconsin, 53707, whether the tanks are in use or not. Regulations of the department of safety and professional services may require the closure or removal of unused tanks).	---	<input checked="" type="checkbox"/>	---	---
C.9. I am aware of an "LP" tank on the property. (If correct, specify in the additional information space whether or not the owner of the property either owns or leases the tank).	---	<input checked="" type="checkbox"/>	---	---
C.10. I am aware of defects in the basement or foundation (including cracks, seepage and bulges). <i>Other basement defects might include, but are not limited to, flooding, excessive dampness or wet walls, unsafe concentrations of mold, or defects in drain tiling or sump pumps.</i>	---	<input checked="" type="checkbox"/>	---	---
C.11. I am aware that the property is located in a floodplain, wetland or shoreland zoning area.	---	<input checked="" type="checkbox"/>	---	---
C.12. I am aware of defects in the structure of the property. <i>Structural defects with respect to the residence or other improvements might include, but are not limited to, movement, shilling or deterioration in walls or foundations; major cracks or flaws in interior or exterior walls, siding, partitions or foundation; wood rot, and significant problems with driveways, sidewalks, patios, decks, water front piers or walls, windows, doors, floors, ceilings, stairways or insulation.</i>	---	<input checked="" type="checkbox"/>	---	---
C.13. I am aware of defects in mechanical equipment included in the sale either as fixtures or personal property. <i>In addition to heating, ventilation, and air conditioning (HVAC) equipment defects, mechanical equipment defects might include, but are not limited to, defects in any stove, oven, hood, microwave, dishwasher, refrigerator, freezer, washer, dryer, trash compactor, garbage disposal, central vacuum, garage door opener, or incinerator which is included in the sale.</i>	---	<input checked="" type="checkbox"/>	---	---
C.14. I am aware of boundary or lot line disputes, encroachments or encumbrances (including a joint driveway).	---	<input checked="" type="checkbox"/>	---	---
C.15. I am aware of a defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, lead in paint, lead in soil, lead in water supplies or plumbing system or other potentially hazardous or toxic substances on the premises. <i>Such defects might also be caused by unsafe levels of mold or the production of methamphetamine (meth) or other hazard chemicals on the property. Note: Specific Federal lead paint disclosure requirements must be complied with in the sale of most residential properties built before 1970.</i>	---	<input checked="" type="checkbox"/>	---	---
C.16. I am aware of the presence of asbestos or asbestos-containing materials on the premises.	---	<input checked="" type="checkbox"/>	---	---
C.17. I am aware of a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic substances on neighboring properties. <i>Such defects might include, but are not limited to, environmental hazards resulting from an adjacent or nearby dump, gas station, or commercial/industrial business which improperly uses/handles toxic substances.</i>	---	<input checked="" type="checkbox"/>	---	---
C.18. I am aware of current or previous termite, powder-post beetle or carpenter ant infestations.	---	<input checked="" type="checkbox"/>	---	---
C.19. I am aware of defects in a woodburning stove or fireplace or of defects caused by a fire in a stove or fireplace or elsewhere on the property or a violation of applicable state or local smoke detector laws; <i>NOTE: State law requires operating smoke detectors on all levels of all residential properties, and operating carbon monoxide detectors on all levels of most residential properties (see Wis. Stat. §§ 101.149 & 101.647). Such defects might include, but are not limited to, defects in the chimney, fireplace flue, insert or other installed fireplace equipment; or woodburning stoves not installed pursuant to applicable code.</i>	---	<input checked="" type="checkbox"/>	---	---
C.20. I am aware either that remodeling affecting the property's structure or mechanical systems was done or that additions to this property were made during my period of ownership without the required permits.	---	<input checked="" type="checkbox"/>	---	---
C.21. I am aware of federal, state or local regulations requiring repairs, alterations or corrections of an existing condition. <i>This might include, but is not limited to, orders to correct building code violations.</i>	---	<input checked="" type="checkbox"/>	---	---
C.22. I have received notice of property tax increases, other than normal annual increases, or am aware of a pending property reassessment. <i>Abnormal property tax increases might include, but are not limited to, area assessments or other reassessments.</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	---	---
C.23. I am aware that remodeling that may increase the property's assessed value was done.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	---	---
C.24. I am aware of proposed or pending special assessments. <i>Such assessments might be for planned public improvements such as, but not limited to, sidewalks, streets, curb and gutter, sewer or water mains or laterals, tree removal, or lake improvements such as dredging.</i>	---	<input checked="" type="checkbox"/>	---	---
C.24.m I am aware that the property is located within a special purpose district, such as a drainage district, lake district, sanitary district or sewer district that has the authority to impose assessments against the real property located within the district.	---	<input checked="" type="checkbox"/>	---	---
C.25. I am aware of the proposed construction of a public project that may affect the use of the property.	---	<input checked="" type="checkbox"/>	---	---
C.26. I am aware of subdivision homeowners' associations, common areas co-owned with others, zoning violations or nonconforming uses, any land division involving the property for which required state or local permits had not been obtained, conservation easements, restrictive covenants, rights-of-way, easements, or another use of a part of the property by nonowners, other than recorded utility easements.	---	<input checked="" type="checkbox"/>	---	---
C.26.m I am aware that the property is subject to a mitigation plan required under administrative rules of the department of natural resources related to county shoreland zoning ordinances, which obligates the owner of the property to establish or maintain certain measures related to shoreland conditions and which is enforceable by the county.	---	<input checked="" type="checkbox"/>	---	---
C.27. I am aware of other defects affecting the property. <i>Other defects might include, but are not limited to, downed or dying trees or shrubs; animal, reptile or insect infestation; drainage easement or grading problems; substantial pet damage; excessive shilling, settling, earth movements, upheavals or other soil problems; environmental nuisances affecting the property such as noise, smoke, odor, or water diversion from neighboring property; high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the property; deed restriction violations; lack of legal access; or any other defect or material condition.</i>	---	<input checked="" type="checkbox"/>	---	---

ADDITIONAL INFORMATION

	Yes	No	N/A	See Export's Report
D.1. I am aware that a structure on the property is designated as a historic building or that part of the property is in a historic district.		X		
D.1.a I am aware of a plan attached to the property that is not in compliance with state or local plan regulations. See http://dnr.wi.gov for information.		X		
D.1.b All or part of the land has been assessed as agricultural land under Wis. Stat. § 70.32(2r) (use-value assessment).		X		
D.1.c The owner has been assessed a use-value assessment conversion charge under Wis. Stat. § 74.485(2).		X		
D.1.d The payment of the use-value assessment conversion charge has been deferred under Wis. Stat. § 74.485(4).		X		

Notice: The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non-agricultural use (e.g. residential or commercial development), that person may owe a conversion charge. To obtain more information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's Equalization Section at 608-266-2149 or visit <http://www.revenue.wi.gov/laos/luassmt.html>

D.1.e I am aware that the property is to a farmland preservation agreement. Notice: The only termination of a farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to 8 times the class 1 "use value" of the land. Call 608-224-4500 or visit http://dnr.wi.gov/environment/Youth_Lands_Initiative for more information.		X		
D.1.f I am aware of the presence of unsafe levels of mold, or roof, basement, window or plumbing leaks, or overflow from sinks, bathtubs or showers, or other water or moisture intrusions or conditions that might inhibit the growth of unsafe levels of mold.		X		
D.1.g I am aware that all, or part, of the property is subject to, enrolled in or in violation of a Farmland Preservation Agreement (see D.1.e.), Forest Crop Law, Managed Forest Law (see disclosure requirement in Wis. Stat. § 710.12), the Conservation Reserve Program or a comparable program.		X		

D.2. The owner has lived on the property for 52 years.

D.3. Explanation of "yes" responses. (See B. 3.) C23 HOUSE WAS LISTED AS 2 UNIT, + 3 BEDROOMS.

HOUSE IS NOW 1 UNIT + 4 BEDROOMS ALSO, KITCHEN + BATHROOMS WERE RATED AS "POOR"

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

OWNER'S CERTIFICATION

E. The owner certifies that the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report. NOTE: Wisconsin Statute § 709.036 requires owners who, prior to acceptance, obtain information which would change a response on this report, to submit a new report or an amended report to the prospective buyer.

Owner [Signature] Date 11/18/2013 Owner _____ Date _____

Owner _____ Date _____ Owner _____ Date _____

CERTIFICATION BY PERSON SUPPLYING INFORMATION

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

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

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

NOTICE REGARDING ADVICE OR INSPECTIONS

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

BUYER'S ACKNOWLEDGMENT

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

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

Prospective Buyer [Signature] Date 2/13/14 Prospective Buyer _____ Date _____

Prospective Buyer [Signature] Date 2/13/14 Prospective Buyer _____ Date _____

*NOTE: All information appearing in this REAL ESTATE CONDITION REPORT is purely of a supplemental nature and is not part of the REAL ESTATE CONDITION REPORT content required by Wis. Stat. § 709.03.

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January 08, 2014

GWEN T RUSMISEL and SAVVAS MOURTZIS
628 BLUFF ST
BELOIT, WI 53511

Dear Borrower(s)

Thank you for your recent loan application:

ADDRESS: TBD JANESVILLE, WI 53545
SALE PRICE: \$75,000.00
LOAN AMOUNT: \$70,000.00
PAYMENT: \$391.98 (if none present, Not Determined)
INITIAL INTEREST RATE: 5.375%(if none present, Floating)
LOAN PROGRAM: p30ultcarc
DATE APPLIED:

Based on the information provided by you at the time of application, it appears that you meet the underwriting guidelines for the loan program and amount applied for as indicated above.

This letter is not a loan commitment but is a professional opinion subject to the Bank's verification of the financial information provided by you, a satisfactory credit history, acceptable collateral as determined by the appraisal, and acceptable evidence of title to the subject property.

As a courtesy, two copies of this letter are being provided to you; one for your records, and the second for you to provide to the seller or your real estate broker as you deem appropriate.

I look forward to working with you, and if you have any questions, please do not hesitate to call me.

Sincerely yours,

Pam Drye
Loan Counselor
NMLS # 408484

CAUTION: THIS LETTER IS ISSUED ONLY TO YOU, THE LOAN APPLICANT. WE ARE NOT DELIVERING A COPY OF THIS LETTER TO ANY OTHER PARTIES, BROKERS OR AGENTS IN YOUR TRANSACTION WITHOUT YOUR PERMISSION; FOR ANY PURCHASE TRANSACTION, DELIVERY OF THIS LETTER TO OTHER PARTIES IN THE TRANSACTION MAY AFFECT YOUR RIGHTS UNDER THE FINANCING CONTINGENCY IN YOUR PURCHASE AGREEMENT. YOU ARE SOLELY RESPONSIBLE FOR DETERMINING WHETHER TO DELIVER THIS LETTER TO ANY OTHER PARTIES IN YOUR TRANSACTION, AND FOR DELIVERING THIS LETTER IF YOU CHOOSE TO DO SO. IF YOU HAVE ANY QUESTIONS REGARDING THIS ISSUE, CONSULT WITH YOUR LEGAL COUNSEL.

I/WE HEREBY AUTHORIZE ASSOCIATED BANK TO ISSUE A COPY OF THIS LETTER TO THE LISTING AGENT/SELLER AGENT/SELLER (circle as appropriate).

Customer Signature
Customer Signature

WB-44 COUNTER-OFFER

Counter-Offer No. 1 by (~~Buyer/Seller~~) **STRIKE ONE**

1 The Offer to Purchase dated 02/13/2014 and signed by Buyer Gwen Rusmiser, Savvas Mourtzis,
2 for purchase of real estate at 823 St. Lawrence Avenue, Beloit, WI 53511
3 Is rejected and the following Counter-Offer is hereby made. **All terms and conditions remain the same as stated in the**
4 **Offer to Purchase except the following: [CAUTION: This Counter-Offer does not include the terms or conditions in**
5 **any other Counter-Offer unless incorporated by reference.]**

6 1.) Seller to include UHP (Universal Home Protection Plan) Home Warranty plan for buyers
7 per section 25 of Addendum A, paid by seller through listing broker.

8 _____
9 _____
10 _____
11 _____
12 _____
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16 _____
17 _____
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22 _____
23 _____
24 _____
25 _____
26 _____
27 _____
28 _____
29 _____

30 Any warranties, covenants and representations made in this Counter-Offer survive the closing of this transaction.
31 This Counter-Offer is binding upon Seller and Buyer only if a copy of the accepted Counter-Offer is delivered to the Party
32 making the Counter-Offer on or before February 21, 2014 (Time is of the
33 Essence). Delivery of the accepted Counter-Offer may be made in any manner specified in the Offer to Purchase, unless
34 otherwise provided in this Counter-Offer.

35 **NOTE: The Party making this Counter-Offer may withdraw the Counter-Offer prior to acceptance and delivery as**
36 **provided at lines 31-34.**

37 This Counter-Offer was drafted by Vicki Jentoft-Johnson, C21 Affiliated on 02/17/2014.
38 Licensee and Firm ▲ Date ▲

39 Julie Christensen 2/20/14
40 Signature of Party Making Counter-Offer ▲ Date ▲ Signature of Party Making Counter-Offer ▲ Date ▲
41 Print name ▶ CDA of the City of Beloit Print name ▶

42 _____
43 Signature of Party Accepting Counter-Offer ▲ Date ▲ Signature of Party Accepting Counter-Offer ▲ Date ▲
44 Print name ▶ Print name ▶

45 This Counter-Offer was presented by _____ on _____.
46 Licensee and Firm ▲ Date ▲

47 This Counter-Offer is (~~rejected~~) (~~countered~~) **STRIKE ONE** (Party's Initials) _____ (Party's Initials) _____

48 **NOTE: Provisions from a previous Counter-Offer may be included by reproduction of the entire provision or**
49 **Incorporation by reference. Provisions incorporated by reference may be indicated in the subsequent Counter-Offer**
50 **by specifying the number of the provision or the lines containing the provision. In transactions involving more than**
51 **one Counter-Offer, the Counter-Offer referred to should be clearly specified.**

52 **NOTE: Number this Counter-Offer sequentially, e.g. Counter-Offer No. 1 by Seller, Counter-Offer No. 2 by Buyer, etc.**

Estimated Seller's Proceeds

823 St. Lawrence Avenue

Property Address Beloit, WI 53511

Date February 13, 2014

Prepared For CDA of the City of Beloit

Sales Consultant Vicki Jentoft-Johnson, C-21 Affiliated

SELLING PRICE	\$68,000.00
ENCUMBRANCES	

First Mortgage		
Second Mortgage/Equity Loan		
Total Encumbrances		

ESTIMATED SELLING COSTS

<u>Transfer Tax</u> (Fee is \$3 per thousand)	
<u>Real Estate Taxes, Current Year Proration</u>	
<u>Real Estate Taxes, Any Due From Prior Year</u>	
<u>Special Assessments</u>	
*special assessment search	
<u>Title Insurance</u>	\$660.00
<u>Recording Costs</u>	\$60.00
<u>Attorney Fee</u> (Deed and/or Other)	
<u>Brokerage Fee To Selling Company</u> (Compensation to Company Bringing the offer could vary somewhat if Buyer Brokerage)	\$1,700.00
<u>Brokerage Fee to Marketing Company</u> (to pay for advertising, printing, yard and directional signs, flyers, local and long distance phone calls, multiple listing services, computer equipment and time, personnel, promotions, public open houses, coordination with other firms, mailings; preparation, postage, print media, lock box fees, communication systems and websites)	\$1,700.00
<u>Seller to Pay on Behalf of Buyer</u>	
<u>UHP Home Warranty Policy</u>	\$425
<u>Mortgage Payment</u> (one Month for interest in Arrears)	
<u>Repairs</u>	
<u>Title Company Transaction Fee</u>	
<u>closing fee to title company</u>	\$100.00
<u>final sewer/water bill</u>	\$100.00
<u>no home warranty requested</u>	\$(425.00)
Total Estimated Known Selling Costs*	\$4,320.00

ESTIMATED NET CASH PROCEEDS	\$63,680.00
------------------------------------	--------------------

Seller's Proceeds estimated herein are based in part on information supplied by the seller. It is assumed that encumbrances are not in arrears. One or more on the costs and encumbrances may vary from those shown above. Therefore, these figures and proceeds are **estimates** only and are not guaranteed by **Century 21 Affiliated** or its licensees. *Additional prorations will be calculated on the closing statement.

I have read the above and acknowledge a copy of this form.

Seller Jill Christensen Date 2/20/14
 CDA of the City of Beloit

Seller _____ Date _____

Property Address: _____

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

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

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

421 This contingency shall be deemed satisfied unless Buyer, within 20 days of acceptance, delivers to Seller a copy of the
422 written inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice
423 of Defects).

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

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

434 **ADDENDA:** The attached Addendum "A" Property Condition Report is/are made part of this Offer.

435 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
436 _____
437 _____
438 _____
439 _____
440 _____
441 _____
442 _____

443 This Offer was drafted by [Licensee and Firm] Dave Brown

444 FirstWeber Group on February 13, 2014

445 (X) Gwen Rusmisl Buyer's Signature ▲ Print Name Here ► Gwen Rusmisl Date ▲ 2/13/14

446 (X) Mourtzis S Buyer's Signature ▲ Print Name Here ► Savvas Mourtzis Date ▲ 2/13/14

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

448 _____ Broker (By) _____

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

453 (X) _____ Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

454 (X) _____ Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

455 This Offer was presented to Seller by [Licensee and Firm] Wendy J. Johnson
456 C-21 Affiliated on Feb. 17, 2014 at 8:00 a.m./p.m.

457 This Offer is rejected X This Offer is countered [See attached counter] JC 2/20/14
458 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

INSPECTIONS, TESTS, APPRAISALS, AND OPINIONS

22. [X] Broker has recommended to Buyer that the Property be thoroughly inspected and tested, covering all components and conditions material to Buyer. Broker, agents, or broker's Concierge service may furnish names of inspectors/testers, appraisers, or other third party professionals, but Buyer acknowledges that no representation has been made as to the competency of the inspectors/testers, appraisers, or third party professionals. The party designated as responsible for obtaining an inspector/tester, or other professional, is solely responsible for confirming adequacy of qualifications. If Buyer does not include an inspection and/or testing contingency, Buyer is considered to have waived inspection and/or testing in writing. Buyer and Seller agree the real estate brokers are not responsible for the negligent actions of inspectors, testers, or other third party professionals.

ATTORNEY'S APPROVAL

23. [SB] This Offer is contingent upon review and approval of this Offer by Buyer's attorney within _____ days of acceptance. Approval shall be based upon the following standards: (1) the sufficiency of the accepted offer as to definiteness, certainty and enforceability; and (2) the suitability and sufficiency of the conditions of the Offer for the protection of the Buyer in relation to the Buyer's particular financial and personal circumstances as revealed by the Buyer to the reviewing attorney. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within the time period provided above, a written disapproval from Buyer's attorney, based upon any of the foregoing standards, identifying specifically those items or terms to which Buyer's attorney objects. Buyer agrees that for purposes of this contingency, said disapproval may not be based upon the amount of the purchase price, the cost of credits payable to or by Seller, or commission amount. If written disapproval is delivered, the parties shall then have two (2) business days to negotiate an amendment modifying the contract to cure the grounds for disapproval. If no such agreement is reached in that time, Buyer shall have two (2) days to terminate this Offer by delivery to Seller of a notice of termination. Upon timely delivery of Buyer's notice of termination, this Offer shall be deemed null and void, otherwise this contingency is satisfied and waived.

BUYER'S RESPONSIBILITY TO ASCERTAIN CONDITION OF PROPERTY

24. [X] Buyer acknowledges it is Buyer's responsibility to make certain the Property is in a condition Buyer finds acceptable, and that the Property, including any applicable regulations or restrictions, are compatible with Buyer's intended use of the Property. Buyer is advised to include all provisions and contingencies deemed necessary by Buyer for all issues Buyer considers material. While broker, agents, or broker's Concierge service may assist in arranging for performance or satisfaction of contingencies in this Offer, it is Buyer's responsibility to ensure that all necessary acts are taken to make use of each contingency selected, and to ensure that all such acts are taken within the applicable time limitation(s). Buyer acknowledges that in purchasing the Property, Buyer has relied upon Buyer's own independent inspection, analysis, and judgment, and upon the statements, disclosures and representations concerning the Property as are contained in this Offer and/or in any Seller's disclosure report, or in any other written statements provided to Buyer, if incorporated into this Offer. Buyer specifically acknowledges that Buyer is not relying upon any statements or representations of Seller or any real estate agent or broker, whether in the MLS, advertisements, or otherwise, unless such statement(s) or representation(s) is(are) expressed in writing and specifically set forth in this Offer. Buyer has the responsibility to verify all material information, and Buyer acknowledges Buyer is not relying upon any real estate agent or broker to verify the accuracy of any of Seller's or third parties' statements, disclosures and/or representations.

HOME WARRANTY

25. [X] This Offer includes a one year home warranty plan, through Universal Home Protection (UHP), to be provided at closing for Buyer, covering repair or replacement of the working components of the home, subject to the applicable deductible and the specific terms, conditions and limitations of the plan.

The plan shall be [CHECK ONE] Basic Plan (\$425.00), or Elite Plan (\$495.00), or Other: _____

The cost of the warranty plan shall be paid by (Buyer)(Seller) [STRIKE ONE]. (Seller, if no choice indicated), and the (Listing broker)(Selling-broker) [STRIKE ONE] (Selling broker, if no choice indicated), shall place the application. Buyer and Seller understand and agree that a portion of the warranty fee may be paid to the broker as a processing fee. (If Buyer fails to check the type of plan, the plan will be UHP's Basic Plan at a cost of \$425.00.) A copy of the indicated plan is at <http://www.uhpwarranty.com/> or has been received. NOTE: If any optional coverages are desired, if the property is in excess of 5000 sq. ft., or if the property is a duplex or multiple unit, check "Other" and specify the premium amount, and identify the specific plan and coverages.

NOTE: Mobile Homes are not eligible for coverage. This provision is deleted if subject property is a mobile home.

ADDITIONAL PROVISIONS

26. [X] Buyer is asking for a one year manufacturers warranty on all the appliances

Date 2/13/14
Buyer Gwen Rusmissel
Moufatis S.
Buyer Savvas/Moufatis
Drafter: Attorney Kim Moerkond, General Counsel
First Weber Group

Date 2/20/14
Seller Jude Christense
Seller