

**RESOLUTION NO. 2023-132**

**RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF CALEDONIA  
AUTHORIZING THE ACCEPTANCE AND APPROVAL OF AN OPTION TO  
PURCHASE FOR A PARCEL OF LAND TO BE ACQUIRED BY THE VILLAGE  
LOCATED AT 13038 GOLF ROAD (PARCEL ID NO. 104-04-22-31-021-000) FROM  
HINTZ REAL ESTATE DEVELOPMENT COMPANY, LLC**

The Village Board for the Village of Caledonia, Racine County, Wisconsin resolves as follows:

**WHEREAS**, the Village Board authorized the Village Administrator to negotiate an agreement for the sale of a parcel of land to be acquired by the Village located at 13038 Golf Road (Parcel ID No. 104-04-22-31-021-000) (the "Parcel") to Hintz Real Estate Development Company, LLC ("Hintz Development") and the Administrator has done so as further set forth in **Exhibit A** attached hereto and incorporated herein (the "Option Agreement");

**WHEREAS**, this Parcel of land is anticipated to be acquired by the Village from Racine County (parcel was acquired by Racine County as an in-rem tax foreclosure for unpaid property taxes, assessments and fees) as further set forth in Village Board Resolution No. 2023-\_\_;

**WHEREAS**, the Parcel will be combined with the adjacent parcel to the East currently owned by Hintz Development to facilitate the relocation of a bio-solids storage facility from other lands owned by Hintz Development (the "Hintz Other Lands") and to help facilitate development on those Hintz Other Lands that has the potential to create significant tax base in the Village of Caledonia and within Tax Incremental District No. 4;

**WHEREAS**, the Option Agreement establishes timelines for Hintz Development to provide notice it intends to purchase the Parcel and to close by among other provisions, including to pay the amount of \$31,050.71 representing the back taxes, assessments and fees to make Racine County whole, to raze the existing dilapidated structures, to reimburse the Village its costs and legal fees, and to pay closing costs for the sale transaction;

**WHEREAS**, the Option Agreement also provides that if the Hintz Other Lands do not sell to a third-party developer that has obtained land use approvals from the Village for the development of the Hintz Other Lands, Hintz Development will pay to the Village an additional amount of money to the Village to remit to the County which would then represent the full fair market value of the Parcel as further set forth in the Option Agreement;

**WHEREAS**, the Village Plan Commission in accordance with Sec. 2-5-3(f)(5) of the Village's Code of Ordinances and Wis. Stat. Section 62.23(5) has reviewed the acquisition and transfer of the Parcel and has made a finding that the proposed acquisition and sale of the Parcel is not inconsistent with Village plans and has recommended such actions by the Village Board based on upon terms and conditions to be determined by the Village Board;

**WHEREAS**, it is in the best interests of the Village to allow this Parcel to be owned by a private party, to get it placed back on the tax rolls, and to eliminate a blighted property within the Village that is in an area that is planned for significant business park growth in the coming years.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the Option Agreement in substantially the form attached hereto as **Exhibit A** is approved;

NOW, BE IT FURTHER RESOLVED, that the Village President, Village Clerk, Village Administrator and other necessary Village officials are authorized to take all actions on behalf of the Village to execute documents, undertake, direct and complete required activities in accordance with the terms of the approved Option Agreement.

Adopted this 12 day of December, 2023.

VILLAGE OF CALEDONIA

By: Thomas R. Weatherston  
Thomas Weatherston  
Village President

Attest: Megan O'Brien  
Megan O'Brien  
Deputy Village Clerk

770272.001 (596)



**DRAFT**

**WB-24 OPTION TO PURCHASE**

1 ~~LICENSEE DRAFTING THIS OPTION ON~~ December 8, 2023 ~~[DATE] IS (AGENT OF BUYER) (AGENT~~  
2 ~~OF SELLER/LISTING FIRM) (AGENT OF BUYER AND SELLER) STRIKE THOSE NOT APPLICABLE~~

3 The Seller (Optionor), Village of Caledonia, Wisconsin, hereby grants to

4 the Buyer (Optionee), Hintz Real Estate Development Company, LLC, and/or assigns

5 an option to purchase (Option) the Property known as [Street Address] 13038 Golf Road

6 \_\_\_\_\_ in the Village

7 of Caledonia, County of Racine, Wisconsin, on the following terms:

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

10 **OPTION TERMS**

11 ■ **INITIAL OPTION FEE:** An option fee of \$ See Addendum A will be paid by Buyer to Seller within \_\_\_\_\_ days of  
12 the later of: (i) the granting of this Option, or (ii) the deadline for execution of a lease if line 71 of this Option is checked.

13 ■ **EXERCISE DEADLINE:** This Option may only be exercised if Buyer delivers written notice to Seller no later than  
14 midnight on See Addendum A unless extended per lines 18-19.

15 ■ **EXERCISE:** To exercise this Option, Buyer must sign and deliver (i) the notice at lines 506-512, or (ii) any other written  
16 notice which states that Buyer exercises this Option. If the Option is exercised, \$ See Addendum A of the option fee  
17 and \$ \_\_\_\_\_ of the option extension fee, if any, shall be a credit against the purchase price at closing.

18 ■ **EXTENDED OPTION TERM:** The Deadline to exercise this Option shall be extended until midnight on \_\_\_\_\_  
19 upon payment of an option extension fee of \$ \_\_\_\_\_ to Seller on or before \_\_\_\_\_.

20 ■ **OPTION FEES:** Unless otherwise provided in this Option, the option fee and the option extension fee shall be nonrefundable.  
21 **CAUTION: If the option fees are to be paid into the listing firm's trust account or to a third party, specify in additional**  
22 **provisions at lines 447-478 or in a separate agreement attached per line 446. An escrow agreement should be drafted**  
23 **by the Parties or an attorney.**

24 **TERMS OF PURCHASE** If this Option is exercised per the terms of this Option the following shall be the terms of purchase:

25 ■ **PURCHASE PRICE:** See Addendum A \_\_\_\_\_ Dollars  
26 (\$ \_\_\_\_\_) will be paid in cash or equivalent at closing unless otherwise agreed in writing.

27 ■ **INCLUDED IN PURCHASE PRICE:** Included in the purchase price is the Property, all Fixtures on the Property as of  
28 the date on line 1 of this Option (unless excluded at lines 33-34), and the following additional items: \_\_\_\_\_

29 \_\_\_\_\_  
30 **NOTE: The terms of this Option, not the listing contract or marketing materials, determine what items are included**  
31 **or not included.**

32 ■ **NOT INCLUDED IN PURCHASE PRICE:** Not included in purchase price is Seller's personal property (unless included  
33 at lines 28-29) and the following: \_\_\_\_\_

34 \_\_\_\_\_  
35 **CAUTION: Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines**  
36 **38-47) to be excluded by Seller or that are rented (e.g., water softeners or other water treatment systems, LP**  
37 **tanks, etc.) and will continue to be owned by the lessor.**

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

48 **CAUTION: Exclude any Fixtures to be retained by Seller or which are not owned by Seller, such as rented fixtures**  
49 **(e.g., water softener or other water conditioning systems, home entertainment and satellite dish components,**  
50 **L.P. tanks, etc.) on lines 33-34.**

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

53 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) payment of option fees; (2) payment of extension fees;  
54 (3) Seller's grant of this Option; (4) Buyer's exercise of this Option; (5) occupancy; (6) date of closing; **STRIKE AS**  
55 **APPLICABLE** and all other dates and Deadlines in this Option except: \_\_\_\_\_

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



59 **RECORDING OF OPTION** Buyer (may) ~~(may not)~~ **STRIKE ONE** record this Option at Buyer's expense.  
60 Buyer (may) ~~(may not)~~ **STRIKE ONE** ("may" if neither is stricken) record a separate instrument evidencing this Option at  
61 Buyer's expense. If recording this Option or a separate instrument evidencing this Option, the parties agree to provide the  
62 applicable legal description and authenticated or acknowledged signatures as may be required.

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

64 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights  
65 under the lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written)  
66 (oral) **STRIKE ONE** lease(s), if any, are \_\_\_\_\_ Seller represents and warrants that the property is not currently leased and will not be leased as of the Closing Date

67 \_\_\_\_\_  
68 Insert additional terms, if any, at lines 447-478 or attach as an addendum per line 446.

69 **LEASE OPTION PROVISIONS** ~~CHECK BOX ON LINE 70 OR 71, IF APPLICABLE:~~

- 70  Concurrent with the granting of the Option, Seller and Buyer have entered into a written lease for the Property.  
71  This Option is contingent upon Seller and Buyer, within \_\_\_\_\_ days from the granting of this Option,  
72 entering into a written lease for the Property with minimum terms which shall include: term from \_\_\_\_\_  
73 to \_\_\_\_\_ and an initial rent of \_\_\_\_\_ per month or this Option shall be null and void.

74 **CHECK ANY OF THE FOLLOWING THAT APPLY, IF LINE 70 OR 71 WAS CHECKED ABOVE:**

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

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

- 79  Buyer may not exercise this Option unless Buyer is current with all rent.  
80  Any material breach of the lease by Buyer shall also constitute a default under this Option.  
81  \_\_\_\_\_

82 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that, as of the date Seller grants this Option,  
83 Seller has no notice or knowledge of any Defects (lines 266-269) other than those identified in Seller's disclosure report  
84 dated \_\_\_\_\_ and, if applicable, Real Estate Condition Report dated \_\_\_\_\_, and, if  
85 applicable, Vacant Land Disclosure Report dated \_\_\_\_\_, which was/were received by Buyer prior to Buyer  
86 signing this Option and which is/are made a part of this Option by reference **COMPLETE DATES OR STRIKE AS**  
87 **APPLICABLE** and \_\_\_\_\_

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

90 **CAUTION: Wisconsin law requires owners of property that includes one to four dwelling units to provide Buyers**  
91 **with a Real Estate Condition Report as provided in Wis. Stat. § 709.03. If the Property does not include any**  
92 **buildings, a Vacant Land Disclosure Report containing the disclosures provided in Wis. Stat. § 709.033 may be**  
93 **required. Excluded from these requirements are sales of property with 1-4 dwelling units that has never been**  
94 **inhabited, sales exempt from the real estate transfer fee, and sales by certain court appointed fiduciaries, for**  
95 **example, personal representatives who have never occupied the Property. The law provides: "§ 709.02**  
96 **Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of a contract of**  
97 **sale or option contract, to the prospective buyer of the property a completed copy of the report . . . A prospective**  
98 **buyer who does not receive a report within the 10 days may, within two business days after the end of that 10-**  
99 **day period, rescind the . . . option contract by delivering a written notice of rescission to the owner or the owner's**  
100 **agent." Buyer may also have certain rescission rights if a Real Estate Condition Report or Vacant Land Disclosure**  
101 **Report disclosing defects is furnished before expiration of the 10 days, but after the Option is submitted to Seller.**  
102 **Buyer should review the report form or consult with an attorney for additional information regarding rescission**  
103 **rights.**

104 Seller agrees to notify Buyer in writing of any Defect which Seller becomes aware of after Seller's granting of, but prior to  
105 Buyer's exercise of this Option, which is materially inconsistent with the above representations. For purposes of this  
106 provision (lines 104-107), Defect does not include structural, mechanical or other conditions of which the Buyer has actual  
107 knowledge or written notice or which Buyer discovers prior to the exercise of this Option.

108 **BUYER DUE DILIGENCE** Prior to the granting or exercising of this Option, Buyer may wish to perform certain authorized  
109 inspections, investigations and testing of the Property. Buyer shall provide for any specific inspections, investigations or  
110 tests Buyer intends to perform as part of Buyer's due diligence items on lines 447-478, 138-142, or attach as an addendum  
111 per line 446. In addition, Buyer may need to obtain and review documents relevant to financing approval, appraisals, or  
112 perform general due diligence activities for the transaction, including but not limited to: business records, condominium  
113 documents, maps or other information, municipal and zoning ordinances, recorded building and use restrictions,  
114 covenants and easements of record, as they may prohibit or restrict certain uses and improvements for the Property.  
115 Buyer may also need to obtain or verify certain permits, zoning variances, other governmental or private approvals,  
116 environmental audits and subsoil tests, required road improvements, utility hook-up and installation costs, or other



117 development related costs and fees, in order to fully determine the feasibility of any proposed or planned development of  
118 the Property. Seller agrees to cooperate with Buyer as necessary to complete any due diligence items or any authorized  
119 investigations, testing and inspections as provided for in this Option, without cost to Seller, unless otherwise agreed by  
120 the Parties in writing.

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

133 ~~**AUTHORIZATION FOR APPRAISAL, INSPECTIONS AND TESTS**~~ Buyer is authorized to have the Property appraised by a  
134 Wisconsin licensed or certified appraiser and to conduct the following inspections and tests (see lines 121-132) prior to Buyer's  
135 exercise of this Option. Any inspection(s) and test(s) shall be performed by a qualified independent inspector or expert, or an  
136 independent qualified third party. Inspections and testing shall be conducted pursuant to government or industry protocols and  
137 standards, as applicable.

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

139 \_\_\_\_\_

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

141 \_\_\_\_\_

142 Describe additional inspections and tests, if any, at lines 447-478 or attach as an addendum per line 446.  
143 ~~**NOTE: Any testing authorizations should specify the areas of the Property to be tested, the purpose of the test,**~~  
144 ~~**(e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other**~~  
145 ~~**material terms.**~~

146 ~~**CLOSING**~~ This transaction is to be closed (within See Addendum A days after the exercise of this  
147 Option) (no later than \_\_\_\_\_) ~~**STRIKE AND COMPLETE AS APPLICABLE**~~ at the  
148 place selected by Seller, unless otherwise agreed by the Parties in writing. If the date for closing falls on Saturday, Sunday,  
149 or a federal or a state holiday, the closing date shall be the next Business Day.

150 **CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently**  
151 **verified by phone or in person with the title company, financial institution, or entity directing the transfer. The**  
152 **real estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or**  
153 **money transfer instructions.**

154 ~~**CLOSING PRORATIONS**~~ The following items, if applicable, shall be prorated at closing, based upon date of closing  
155 values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or  
156 homeowners association assessments, fuel and See Addendum A

157 \_\_\_\_\_  
158 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**  
159 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

160 Real estate taxes shall be prorated at closing based on ~~**CHECK BOX FOR APPLICABLE PRORATION FORMULA:**~~  
161  The net general real estate taxes for the preceding year, or the current year if available (Net general real estate  
162 taxes are defined as general property taxes after state tax credits and lottery credits are deducted). **NOTE: THIS**  
163 **CHOICE APPLIES IF NO BOX IS CHECKED.**

164  Current assessment times current mill rate (current means as of the date of closing)  
165  Sale price, multiplied by the municipality area wide percent of fair market value used by the assessor in the prior  
166 year, or current year if known, multiplied by current mill rate (current means as of the date of closing).  
167  \_\_\_\_\_

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

172  Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes  
173 on the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall,  
174 within 5 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The  
175 Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-



176 closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in  
177 this transaction.

178 **TITLE EVIDENCE**

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

186 \_\_\_\_\_  
187 \_\_\_\_\_ (insert other allowable exceptions from title, if any),

188 which constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute  
189 the documents necessary to provide a recordable conveyance and pay the Wisconsin Real Estate Transfer Fee.

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

193 ■ **SELLER CHANGES PROHIBITED:** The Parties agree that Seller shall not rezone the Property or create any additional  
194 liens or encumbrances on title after Seller grants this Option without Buyer's prior written consent except for liens and  
195 encumbrances that will be removed at closing.

196 **TITLE UPON GRANTING OF OPTION**

197 If the box at line 199 is not checked, no title insurance commitment shall be provided by Seller upon the granting of this  
198 Option.

199  A title insurance commitment shall be delivered to Buyer or Buyer's attorney not more than \_\_\_\_\_ days ("15" if  
200 left blank) after Seller grants this Option showing title to the Property as of a date no more than 15 days before delivery  
201 of such title evidence to be merchantable per lines 179-188, subject only to liens which will be paid out of the proceeds  
202 of closing and standard title insurance requirements and exceptions. (Seller)(Buyer) **STRIKE ONE** ("Buyer" if neither is  
203 stricken) shall pay for this title evidence.

204 ■ **TITLE NOT ACCEPTABLE UPON GRANTING OF OPTION:** If the title insurance commitment delivered after the  
205 granting of this Option is not acceptable, Buyer shall notify Seller in writing of Buyer's objections to title within \_\_\_\_\_  
206 days ("15" if left blank) after delivery of the title insurance commitment to Buyer or Buyer's attorney. Seller shall have  
207 \_\_\_\_\_ days ("15" if left blank) from Buyer's delivery of the notice stating title objections, to deliver notice to Buyer stating  
208 Seller's election to remove or not to remove the objections by time of closing. If Seller elects not to remove said objections,  
209 or no election is made by Seller by the deadline at line 207, Buyer shall have (5) days to deliver written notice to Seller  
210 terminating this Option and Buyer's option fee (shall) (shall not) **STRIKE ONE** be returned ("shall" if neither is stricken) to  
211 Buyer. If Buyer does not deliver timely written notice terminating this Option, Buyer's title objections made under the  
212 provisions of lines 204-206 are waived and the title evidence delivered to Buyer herein is deemed acceptable.

213 **TITLE UPON EXERCISE OF OPTION**

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

218 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) (Buyer's)  
219 **STRIKE ONE** ("Seller's" if neither is stricken) cost to provide coverage for any liens or encumbrances first filed or recorded  
220 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance  
221 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or  
222 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines  
223 230-231).

224 ■ **DELIVERY OF MERCHANTABLE TITLE:** If Buyer exercises this Option, the required title insurance commitment shall  
225 be delivered to Buyer's attorney or Buyer not less than See Add A days ("15" if left blank) after exercise of the Option showing  
226 title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines  
227 179-188, subject only to liens which will be paid out of the proceeds of closing, any title evidence disclosed and deemed  
228 acceptable to Buyer under the provisions at lines 204-212 unless otherwise agreed by parties, and standard title insurance  
229 requirements and exceptions.

230 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of  
231 Buyer's objections to title by the time set for closing. Seller shall have See Add A days ("15" if left blank), from Buyer's delivery  
232 of the notice stating title objections, to deliver notice to Buyer stating Seller's election to remove the objections and the  
233 time for closing shall be extended as necessary for this purpose. If Seller is unable to remove said objections, Buyer shall  
234 have 5 days from receipt of notice thereof to deliver written notice waiving the objections, and the time for closing shall  
235 be extended accordingly. If Buyer does not waive the objections, Buyer may deliver written notice to Seller terminating



236 this Option and Buyer's option fee (shall) (shall not) ~~STRIKE ONE~~ be returned ("shall not" if neither is stricken) to Buyer.  
237 Buyer may not object to title matters deemed acceptable under the provisions at lines 204-212 (if applicable).  
238 If Seller does not remove title matters agreed upon under the provisions at lines 204-208 (if applicable) by time of closing,  
239 or if there are any prohibited changes at lines 193-195, Buyer shall retain all remedies for a Default, if any, by Seller under  
240 this Option as stated at lines 315-318.

241 Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.  
242 ~~SPECIAL ASSESSMENTS/OTHER EXPENSES: Special assessments, if any, levied or for work actually commenced~~  
243 ~~prior to the date this Option is exercised shall be paid by Seller no later than closing. All other special assessments shall~~  
244 ~~be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution~~  
245 ~~describing the planned improvements and the assessment of benefits.~~

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

252 **DEFINITIONS**

253 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document  
254 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written  
255 notice is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

256 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under  
257 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive  
258 registered mail or make regular deliveries on that day.

259 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by  
260 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on  
261 the last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner  
262 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of  
263 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and  
264 by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a  
265 specific event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Time.

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

270 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

271 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both Buyer and Seller.

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

273 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Options that are preceded by an OPEN BOX (  ) are part  
274 of this Option ONLY if the box is marked such as with an "X". They are not part of this option if marked "N/A" or are left blank.

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

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

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

285 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the  
286 earlier of closing or Buyer's occupancy, in materially the same condition it was in as of the date Buyer exercises this  
287 Option, except for ordinary wear and tear and changes agreed upon by Parties. ~~exceeding~~ ~~Delayed Additional Payment (as defined in Addendum A)~~

288 **PROPERTY DAMAGE BETWEEN EXERCISE OF OPTION AND CLOSING** If, prior to closing, the Property is damaged  
289 in an amount of not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly  
290 notify Buyer in writing, and will be obligated to restore the Property to materially the same condition that it was on the day  
291 this Option was exercised. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable  
292 repairs no later than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly  
293 notify Buyer in writing of the damage and this Option may be canceled at the option of Buyer. Should Buyer elect to carry  
294 out this Option despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to  
295 the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any.



296 However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust  
297 for the sole purpose of restoring the Property.

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

305 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in  
306 this Option at lines 447-478 or in an addendum attached per line 446. At time of Buyer's occupancy, Property shall be in  
307 broom swept condition and free of all debris and personal property except for personal property belonging to current  
308 tenants, or that sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

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

312 If Buyer defaults, Seller may:  
313 (1) sue for specific performance if Buyer has exercised this Option; or  
314 (2) terminate the Option and may sue for actual damages.

315 If Seller defaults, Buyer may:  
316 (1) sue for specific performance; or  
317 (2) terminate the Option and may sue for actual damages.

318 In addition, the Parties may seek any other remedies available in law or equity.  
319 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and  
320 the discretion of the courts. If either Party defaults, the Parties may renegotiate the Option or seek nonjudicial dispute  
321 resolution instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to  
322 litigate in a court of law these disputes covered by the arbitration agreement.

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

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

331 **CONDOMINIUM UNITS**  
332 **CAUTION: If this Option involves a condominium unit, Buyer should obtain and review the condominium**  
333 **disclosure documents before entering into this Option. See lines (108-120).**

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

347 ■ **BUYER RESCISSION RIGHTS:** As provided in Wis. Stat. § 703.33(4)(a), Buyer may, within 5 business days after  
348 receipt of all the required disclosure documents or following notice of any material changes in the required disclosure  
349 documents, rescind this Option by written notice delivered to Seller. If the disclosure materials are delivered to Buyer and  
350 Buyer does not receive all of the disclosure documents, Buyer may, within 5 business days after Buyer's receipt of the  
351 disclosure materials, either rescind the Option or request any missing documents. Seller has 5 business days after receipt  
352 of Buyer's request for missing documents to deliver the requested documents. Buyer may rescind the sale within 5  
353 business days after the earlier of Buyer's receipt of requested missing documents or the deadline for Seller's delivery of  
354 the documents [Wis. Stat. § 703.33(4)(b)]. Any document delivered to Buyer may not be changed or amended following



355 delivery if the change or amendment would materially affect the rights of Buyer without first obtaining approval of Buyer.  
 356 A copy of any such amendments shall be delivered promptly to Buyer.

357 ~~The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the disclosure~~  
 358 ~~materials, requested missing documents or material changes or (2) upon the deadline for Seller's delivery of the~~  
 359 ~~disclosure materials or the requested missing documents.~~

360 ~~NOTE: BUYER SHOULD READ ALL DOCUMENTS CAREFULLY. LICENSEES MAY PROVIDE A GENERAL~~  
 361 ~~EXPLANATION OF THE DOCUMENTS BUT ARE PROHIBITED BY LAW FROM GIVING LEGAL ADVICE OR~~  
 362 ~~OPINIONS.~~

363  **CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION:** This Option is contingent upon Seller delivering to  
 364 Buyer, at Seller's expense, within 10 days of Buyer exercising this Option the information listed below that exists as of the date on  
 365 line 1 of this Option:

- 366 ◆ The Condominium Association's financial statements for the last 2 two years.
- 367 ◆ The minutes of the last 3 Unit owners' meetings.
- 368 ◆ The minutes of Condominium board meetings during the 12 months prior to acceptance of this Option.
- 369 ◆ Information about contemplated or pending Condominium special assessments.
- 370 ◆ The Association's certificate of insurance.
- 371 ◆ A statement from the Association indicating the balance of reserve accounts controlled by the Association.
- 372 ◆ Any Common Element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.) held  
 373 by the Association.
- 374 ◆ Information regarding any pending litigation involving the Association.
- 375 ◆ The Declaration, bylaws, budget and/or most recent financial statement of any master association or Additional  
 376 Association the Unit may be part of.
- 377 ◆ Other: \_\_\_\_\_

378 (hereinafter collectively the "listed materials").

379 **NOTE: Because not all of the listed materials may exist or be available from the Condominium Association, Seller may**  
 380 **wish to verify availability prior to Seller's granting of this Option.**

381  **BUYER RESCISSION RIGHTS:** Buyer may, within 5 business days after receipt of all the listed materials rescind this Option  
 382 by written notice delivered to Seller. If the materials are delivered to Buyer and Buyer does not receive all of the listed materials,  
 383 Buyer may, within 5 business days after Buyer's receipt of the materials, either rescind the Option or request any missing materials  
 384 in writing. Seller has 5 business days after receipt of Buyer's request for missing listed materials to deliver the requested materials.  
 385 Buyer may rescind the sale within 5 business days after the earlier of Buyer's receipt of requested missing materials or the deadline  
 386 for Seller's delivery of the materials.

387 ~~The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the listed materials or~~  
 388 ~~requested missing materials or (2) upon the deadline for Seller's delivery of the listed materials or requested missing~~  
 389 ~~materials.~~

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

392 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons  
 393 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at  
 394 <http://www.doc.wi.gov> or by telephone at (608) 240-6830.

395 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)  
 396 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the  
 397 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA  
 398 withholding applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign  
 399 trust, or foreign estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property  
 400 transferred, and the amount of any liability assumed by Buyer.

401 **CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer**  
 402 **may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed**  
 403 **upon the Property.**

404 Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a  
 405 condition report incorporated in this Option per lines 82-89, or (2) no later than 10 days after acceptance, Seller delivers  
 406 notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 412-414 apply.

407 **IF SELLER IS A NON-FOREIGN PERSON.** Seller shall, no later than closing, execute and deliver to Buyer, or a qualified  
 408 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's  
 409 non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status,  
 410 Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of  
 411 this Option and proceed under lines 315-318.

412 **IF SELLER IS A FOREIGN PERSON.** If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the  
 413 amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Option regarding  
 414 amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.



415 **COMPLIANCE WITH FIRPTA.** Buyer and Seller shall complete, execute, and deliver, on or before closing, any  
 416 instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required  
 417 under IRC § 1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction,  
 418 Seller shall deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement.  
 419 Seller also shall pay to Buyer an amount not to exceed \$1,000 for actual costs associated with the filing and administration  
 420 of forms, affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.  
 421 **Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.**  
 422 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption  
 423 applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding  
 424 FIRPTA.

425 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Option, delivery of documents and  
 426 written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines 428-  
 427 443.

428 (1) **Personal:** giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line  
 429 430 or 431.

430 Name of Seller's recipient for delivery, if any: \_\_\_\_\_

431 Name of Buyer's recipient for delivery, if any: \_\_\_\_\_

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

433 Seller: (\_\_\_\_\_) \_\_\_\_\_ Buyer: (\_\_\_\_\_) \_\_\_\_\_

434  (3) **Commercial:** depositing the document or written notice, fees prepaid or charged to an account, with a  
 435 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the  
 436 Party's address at line 439 or 440.

437  (4) **U.S. Mail:** depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the  
 438 Party, or to the Party's recipient for delivery, for delivery to the Party's address.

439 Address for Seller: \_\_\_\_\_

440 Address for Buyer: \_\_\_\_\_

441  (5) **Email:** electronically transmitting the document or written notice to the email address.

442 Email Address for Seller: kkasper@caledonia-wi.gov and Pwagner@caledonia-wi.gov with a copy to esekes@peglawfirm.com

443 Email Address for Buyer: dan@rayhintz.com and alex@hintzholdings.com with a copy to angie.black@carlsonblack.com

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

446  **ADDENDA:** The attached Addendum A is/are made part of this Option.

447 **ADDITIONAL PROVISIONS** \_\_\_\_\_

449 This Option is subject to all of the contingencies, terms and conditions as provided in Addendum A, which is attached hereto and made a part hereof. In case of any inconsistency between this Option  
 450 and the contingencies, terms and conditions of Addendum A, the contingencies, terms and conditions of Addendum A shall govern.

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

484 This Option was drafted by [~~Licensee and Firm~~] Kyle J.W. Jones - Carlson Black O'Callaghan & Battenberg LLP  
485 \_\_\_\_\_ on December 8, 2023

486 Buyer Entity Name (if any): Hintz Real Estate Development Company, LLC

487 (x) SEE ADDENDUM A

488 ~~Buyer's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

489 (x) \_\_\_\_\_  
490 ~~Buyer's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

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

495 Seller Entity Name (if any): The Village of Caledonia

496 (x) SEE ADDENDUM A

497 ~~Seller's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

498 (x) \_\_\_\_\_  
499 ~~Seller's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

500 This Option was presented to Seller by [~~Licensee and Firm~~] \_\_\_\_\_  
501 \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m.

502 This Option is rejected \_\_\_\_\_ This Option is countered \_\_\_\_\_  
503 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

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

506 **NOTICE OF EXERCISE OF OPTION** By signing below and delivering this notice (see lines 425-443) to Seller, Buyer hereby  
507 exercises this Option to Purchase.

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

509 (x) \_\_\_\_\_  
510 ~~Buyer's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

511 (x) \_\_\_\_\_  
512 ~~Buyer's/Authorized Signature~~ ▲ ~~Print Name/Title Here~~ ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_



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**ADDENDUM A**

To WB-24 Option to Purchase

**This Addendum A** ("Addendum") is made part of the WB-24 Option to Purchase submitted by **HINTZ REAL ESTATE DEVELOPMENT COMPANY, LLC, and/or assigns** ("Buyer") to the **VILLAGE OF CALEDONIA**, Wisconsin ("Seller"), dated December 8, 2023 (the "Form Option"), for the real property consisting of approximately 6 acres located at 13038 Golf Road (Parcel Id. No. 104-04-22-31-021-000), Village of Caledonia, Racine County, Wisconsin as legally described in the attached and incorporated **Exhibit 1** (the "Property"). In addition to the terms and conditions in the Form Option, the provisions of this Addendum shall be part of the agreement between Buyer and Seller (collectively, the Form Option and this Addendum are the "Option"). The terms of this Addendum shall govern and control to the extent of any inconsistency or conflict between the terms of this Addendum and the Form Option.

1. **Option Terms.** Buyer shall pay to Seller upon the execution of this Option a nonrefundable "Option Fee" of One Hundred Dollars (\$100.00). Buyer may exercise this Option by delivering written notice to Seller of Buyer's intent to exercise this Option (the "Option Notice") no later than two hundred seventy-five (275) days from the Effective Date (the "Option Period"). The date on which Buyer delivers the Option Notice shall be referred to as the "Option Date." If Buyer exercises this Option, the Option Fee shall be credited against the Purchase Price at Closing. Each party's obligations under this Option are contingent upon the Seller acquiring fee simple title to the Property from the County as further set forth in Section 6 below.
2. **Purchase Price.** The purchase price shall be Thirty-One Thousand Fifty and 71/100 Dollars (\$31,050.71) (the "Purchase Price") being the amount designated as the Ledger Grand Total in the attached and incorporated **Exhibit 2**, which amount represents the full and final amount of all costs incurred by Racine County for the in-rem tax foreclosure (past due real property taxes, assessments and fees) which Purchase Price is due at the time of Closing plus those amounts for any other back taxes (including assessments, charges and fees) as further provided in Section 6(c) below. If and only to the extent the Delayed Additional Payment (as defined in Section 6(e) below) is triggered as provided in Section 6(e), the total purchase price for the Property will be One Hundred and Eighty-Five Thousand Dollars (\$185,000.00) and references to the "Purchase Price" shall be updated consistent with the inclusion of the Delayed Additional Payment.
3. **Title.** To the extent within Seller's control, Seller shall not enter into or permit any new or further encumbrances in title to the Property during the Option Period without Buyer's written consent. Buyer may, at Buyer's sole cost and expense, obtain an ALTA title insurance commitment for the Property (together with legible copies of all items and documents referred to in the title commitment, collectively, the "Commitment") from a qualified title company of Buyer's choice licensed in the State of Wisconsin (the "Title Company"). Buyer may, at Buyer's sole cost and expense, cause the Title



Company to issue at Closing an owner's title insurance policy in an amount acceptable to Buyer pursuant to and in accordance with the Commitment, insuring in Buyer as of the Closing fee simple title to the Property and any easements which benefit the Property, subject only to the exceptions acceptable to Buyer and the County's Restrictive Covenant (as set forth below), together with extended coverage over all general exceptions (the "Title Policy"). However, Seller shall have no obligation to remove exceptions to title prior to or at Closing other than ensuring that all real estate tax liens associated with the amounts set forth on **Exhibit 2** have been satisfied, released and removed from title to the Property by Buyer's payment of the Purchase Price, but Seller shall reasonably cooperate with any Buyer request to remove exceptions from title such as signing and delivering standard Title Company affidavits and other customary documents as are reasonably necessary for issuance of the Title Policy if Buyer elects to obtain the Title Policy.

4. **Buyer's Due Diligence Review.** Notwithstanding anything to the contrary contained in this Option, Buyer shall have the right to conduct any desired due diligence review of the Property at any time during the Option Period, upon reasonable advance notice given to Seller including, but not limited to, physical inspections of the Property, tests of the Property related to soils and environmental matters (such as a Phase 1 or Phase 2 environmental site assessment and geotechnical testing), review of water, sewer and other utilities being available to serve the Property and other matters related to Buyer's intended use of the Property. If Buyer conducts any physical testing, Buyer shall restore the Property to its pretesting condition.
5. **Sale is As-Is.** Seller and Seller's agents make no representations or warranties pertaining to the Property, or to any fixtures, structures, conditions, or state of repair of the Property, or to any of the Property's systems. This Option is contingent upon Buyer's due diligence review of the Property to the extent Buyer desires to do so, within the parameters set forth in this Option, and upon Buyer determining that the Property is acceptable to Buyer. Buyer shall rely exclusively on Buyer's due diligence review of the Property in proceeding with its purchase under this Option and not on any representation of Seller or any of Seller's agents. If Buyer proceeds with the purchase of the Property, Seller will sell the Property in an "AS IS WHERE IS AND WITH ALL FAULTS" condition subject to the deed restriction set forth in **Exhibit 3** (the "County's Restrictive Covenant"), and Buyer will accept the Property in an "AS IS WHERE IS AND WITH ALL FAULTS" condition. Buyer is informed that fee simple title to the Property was acquired by the County in an In-Rem Tax Foreclosure and is planned to be transferred to Seller and therefore specifically agrees to the extension of those limits upon municipal liability for both the County and Seller as provided under Wis. Stat. Sec. 292.11(9)(e), and further that the Buyer shall hold the Seller and County harmless and indemnify them from all liability for any reason, known or unknown, related to the physical condition of the Property, whether such physical condition is known or unknown at the time of transfer of title to Buyer.
6. **Closing.** Closing shall occur within sixty (60) days, but not less than thirty (30) days,



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after the Option Date, unless otherwise agreed by the Parties in writing (the "Closing Date"). Notwithstanding anything in this Option to the contrary, if the buyer under the Buyer's Property PSA (as defined in Section 6(e) below) fails or refuses to close on its purchase of the Buyer's real property as provided therein, Buyer shall have the option in its sole discretion to revoke its Option Notice upon written notice to Seller given no later than sixty (60) days after the Option Date, and upon such termination notice, Buyer shall have no obligation to purchase the Property and this Option shall be null and void. Buyer is informed that fee simple title to the Property is not yet held by Seller at the time of execution of this Option and is instead held by Racine County (the "County"). Seller shall take all reasonable actions necessary to request the County to comply with the Seller requirements under this Option. Upon Seller's receipt of the Option Notice, Seller shall take all steps reasonably necessary to cause Racine County to transfer the Property to Seller via quit claim deed in order for Seller to complete the transfer and sale of the Property to Buyer at Closing as contemplated by this Option. Seller shall execute and deliver to Buyer at Closing the following, in form and content satisfactory to Buyer and/or Buyer's counsel:

- a. Regardless of any requirements of the Form Option, Seller shall convey fee simple title to the Property to Buyer via a Quit Claim Deed. Seller further agrees to complete and execute the documents necessary to record the conveyance including, but not limited to, a Wisconsin Real Estate Transfer Return and Seller shall pay any Wisconsin real estate transfer tax which may be due for the conveyance of the Property, if any.
- b. Such other documents reasonably required by Buyer or the Title Company to consummate the transaction contemplated by this Option.
- c. Buyer shall be responsible for all reasonable Closing costs including any fees imposed by the Title Company, any outstanding sewer/water utility bills or fees, outstanding real property assessments and fees due at the time of Closing only up to the amount of Five Hundred Dollars (\$500.00), and Seller's reasonable attorney's fees and costs (Seller shall provide documentation of the incurrence of such attorney's fees and costs to Buyer prior to Closing). For the avoidance of doubt, the intent of the payment of the Purchase Price and payments required under this subsection is for this transaction to be cost neutral to the Seller, as a conduit to convey the Property to Buyer.
- d. Buyer shall be responsible for real property taxes, assessments and fees for the year of Closing.
- e. At Closing, if the Sale of Buyer's real property pursuant to the Buyer's Property PSA (defined below) has not occurred, Buyer shall escrow One Hundred Fifty-Three, Nine-Hundred Forty-Nine Thousand Dollars and 29/100 cents (\$153,949.29) with a mutually agreed upon escrow agent (the "Escrow") in accordance with the escrow agent's standard escrow



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agreement. The Escrow represents the difference between the appraised amount for the Property and the Purchase Price. In the event that Buyer completes the Closing and purchases the Property under this Option but does not thereafter consummate the sale of Buyer's approximately 223 acres of real property located at the intersection of East Frontage Road and Golf Road, in the Village of Caledonia, Racine County, Wisconsin, as legally described in the attached and incorporated **Exhibit C**, in accordance with that certain Purchase and Sale Agreement by and between Buyer and Ashley Ventures, LLC dated October 24, 2023 ("Buyer's Property PSA"), by the earlier of December 31, 2024, or the time provided in the Buyer's Property PSA, Seller shall be authorized to withdraw the Escrow upon prior written notice to Buyer, which shall represent agreed upon consideration for the sale of the Property as a delayed payment (the "Delayed Additional Payment") of the Purchase Price.

7. **Buyer's Requirement to Raze Existing Structures.** Buyer shall apply to the Village of Caledonia (the "Village") for a raze permit for the existing structures on the Property (the "Structures") prior to Closing. Buyer shall, at Buyer's sole expense, raze the Structures in compliance with the Village requirements within ninety (90) days after Closing or such additional and reasonable time as may be required under the circumstances provided Buyer is diligently pursuing razing the Structures (the "Raze Deadline"). In the event Buyer fails to raze the Structures by the Raze Deadline, as may be reasonably extended hereunder, the Village may in its discretion upon written notice to Buyer enter upon the Property (directly and by Village authorized third-parties) and engage a qualified third-party to raze the Structures and charge the reasonable costs of such razing actually incurred by the Village as a lien against the Property as a special charge or special assessment and Buyer hereby waives all rights to notice and hearing prior to the occurrence of such razing or the imposition of such special charge or special assessments on the tax roll and as a lien against the Property in accordance with Wisconsin law. In the event that the Village engages a third-party to raze the Structures, the Village shall maintain and cause any third-party entering the Property to maintain and have in effect commercial general liability insurance with (i) limits of not less than \$1,000,000 per occurrence for personal injury, including bodily injury and death, and property damage, and (ii) Buyer named as an additional insured. The Village shall deliver to Buyer a copy of the certificates of insurance effectuating the required insurance before the Village or any third-party enters upon the Property. Upon Buyer's compliance with this Section, Seller shall deliver to Buyer, within thirty (30) days of such request, an affidavit of fulfillment of the conditions under this Section, which Buyer may record with the Racine County Register of Deeds.
8. **Parcel Combination.** The parties shall cooperate in preparing the quit claim deed for the conveyance of the Property and to request the County recognize an administrative combination of the Property with Buyer's adjacent parcel (Parcel No. 104-04-22-31-007-000), resulting in a lot combination and one PIN being issued. If necessary, within



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forty-five (45) days after Closing or such additional time as may be reasonably required, Buyer will pursue, in accordance with all applicable laws and in a manner acceptable to Buyer, the combination of the Property with Buyer's adjacent parcel by administrative lot line adjustment or other acceptable land reconfiguration instrument. The intent of combining the Property with Buyer's adjacent parcel is to have one principal use on both properties.

9. **Easements for Sanitary Sewer.** In consideration of \$1.00 and for other good and valuable consideration, including Seller agreeing to obtain title to the Property from the County and to convey the Property to Buyer at less than fair market value, in furtherance of the Buyer's request to relocate the biosolids storage facility currently located on the Adjacent Property (the "Biosolids Storage Facility") to the Property, to address certain impacts of the development of all of the parcels of land currently owned by Buyer, and to assist in the facilitation of the development of those parcels currently owned by the Buyer as set forth in Buyer's Property PSA, Buyer agrees to grant to Seller, within thirty (30) days after execution of this Addendum, permanent and temporary easements for the construction and operation of certain sanitary sewer facilities in substantially the form and in the location(s) as set forth in the attached and incorporated **Exhibit 4**.
10. **Assignment.** Buyer shall have the right to assign its rights under this Option to an entity that is owned by, related to, and/or controlled by Buyer or Buyer's principals, which shall be the same owner/entity that owns Buyer's adjacent parcel, with prior notice to Seller. Except as provided in this Section 10, Buyer shall not assign its rights under this Option to any other entity without the express written approval of Seller, which approval shall not be unreasonably withheld, conditioned, or delayed.
11. **Dates and Deadlines.** If any date herein set forth for the performance of any obligations by Seller or Buyer or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday or legal holiday, the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State of Wisconsin for observance thereof.
12. **Counterparts/Electronic Signatures.** This Option may be executed in any number of counterparts (including by facsimile or .pdf electronic delivery), each of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties. Signatures delivered by facsimile or by email in .pdf format shall be binding upon the parties for all purposes. Signature of this Addendum shall bind the parties to the entire Option, including the Option to which this Addendum is attached, and a lack of signatures on the Option shall not affect the enforceability of the Option as a whole. Seller agrees to provide original signatures as necessary for recording a separate instrument evidencing this Option as requested by Buyer.



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[Signature Page Follows]

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**IN WITNESS WHEREOF**, Seller and Buyer have caused the Option, including this Addendum, to be executed on the date written beneath their respective signatures, to be effective as of the latest date set forth below (the "Effective Date").

**SELLER**

**BUYER**

**THE VILLAGE OF CALEDONIA**

**HINTZ REAL ESTATE DEVELOPMENT  
COMPANY, LLC**

By: \_\_\_\_\_  
Thomas Weatherston, Village President

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

Attest: \_\_\_\_\_  
\_\_\_\_\_, Deputy Clerk

Attest: \_\_\_\_\_

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

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**Exhibit 1 to Addendum A**

The East one-hundred ninety-eight (198) feet of the Southeast one-quarter (1/4) of the Northwest one-quarter (1/4) of Section Thirty-one (31), Township Four (4) North, Range Twenty-two (22) East. Said land being in the Village of Caledonia, County of Racine, and State of Wisconsin.

Address: 13038 Golf Road  
Parcel No: 104-04-22-31-021-000

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**Exhibit 2 to Addendum A**

**ACTIVE TAX DEED PROPERTIES OWNED BY RACINE COUNTY**

DISTRICT: VILLAGE OF CALEDONIA

Updated: 9/28/2023

PARCEL # 104-04-22-31-021-000

IN REM ACTION #: 2020-1

JUDGMENT DOC #: 2562014

ITEM #: 7

JUDGEMENT DATE: 8/19/2020

LEGAL THE EAST ONE-HUNDRED NINETY-EIGHT (198) FEET OF THE SOUTH EAST ONE-QUARTER (1/4) OF DESCRIPTION: THE NORTH WEST ONE-QUARTER (1/4) OF SECTION THIRTY-ONE (31), TOWNSHIP FOUR (4) NORT RANGE TWENTY-TWO (22) EAST. SAID LAND BEING IN THE VILLAGE OF CALEDONIA, COUNTY OF RACINE AND STATE OF WISCONSIN.

**PROP. ADDRESS:** 13038 GOLF RD

**FORMER OWNER:** BERNARD C BAUER, AS TRUSTEE  
THE REVOCABLE LIVING TRUST F  
OF BERNARD C BAUER

**ASSESSED VALUE / 2019**  
Land: \$73,500.00  
IMP: \$211,100.00  
**TOTAL: \$284,600.00**

**FAIR MARKET VALUE 2019** \$280,100  
**APPRAISED VALUE:** \$185,000  
**YEAR:** 2020

TAX YEAR	NET TAX	SPECIAL	INT	PEN	TOTAL
2016	3,766.65	-	\$1,619.66	\$809.83	\$6,19
2017	4,277.02	290.77	\$1,416.02	\$708.01	\$6,69
2018	4,296.90	465.78	\$904.91	\$452.46	\$6,12
2019	2,010.36	301.87	\$371.79	\$185.89	\$2,86
2020	5,544.99	304.63	\$0.00	\$0.00	\$5,84
2021	-	137.86	\$0.00	\$0.00	\$13
2022	-	139.74	\$0.00	\$0.00	\$13
2023 estimate	-	139.74	\$0.00	\$0.00	\$13
	<b>\$19,895.94</b>	<b>\$1,780.39</b>	<b>\$4,312.38</b>	<b>\$2,156.19</b>	

**SPECIAL OVER 7500:** NA

**TAX TOTALS:** \$28,14

In-Rem Fee	\$27
Boarding Fee	\$1,73
Appraisal Fee	\$22
Vacate Fee	\$
Newspaper Sale ad	\$5
Lawn Care / Snow	\$62
<b>FEE &amp; COST TOTAL:</b>	<b>\$2,90</b>

**LEDGER GRAND TOTAL:** \$31,050

<b>DISPOSITION:</b>		
TO:		
ON:		
<b>TOTAL COSTS:</b>	<u>\$31,050.71</u>	
<b>SOLD / DONATED FOR:</b>		
		<b>GENERAL RECEIPT NUMBERS</b>
		<b>NO:</b>



### **EXHIBIT 3 TO ADDENDUM**

#### **Special Note:**

The Village of Caledonia agrees to accept full and final title and ownership of the property conveyed by the Quit Claim Deed to which this Special Note is attached (sometimes rereferred to as the “subject property”), and all associated property interests, in its current condition as is and with all faults. Subject to statutory municipal limits of liability and exemptions provided by Wis. Stat. § 292.11, the Village of Caledonia shall hold harmless and indemnify Racine County from all liability for any reason, known or unknown, related to the condition or status of the subject property, whether such liability or condition is known or unknown at the time of transfer of title.

Direct payment of outstanding property taxes and fees due for the subject property shall be remitted to Racine County upon sale of the subject property by the Village of Caledonia to facilitate: (i) relocation of a building used for the storage of biosolids on the subject property; and (ii) a development on another property located within the Village that has the potential to create significant tax base in the Village of Caledonia. In the event that the Village of Caledonia sells the subject property to facilitate the above-described development on another property, but the sale of the other property located in the Village for such development does not close by December 31, 2024 (the “Development Sale”), then the Village of Caledonia shall remit to Racine County One Hundred Fifty-Three Thousand, Nine-Hundred Forty-Nine Dollars and 29/100 cents (\$153,949.29; such amount, if it becomes due, is the “Additional Consideration”) – representing the difference between the appraised amount for the subject property and the applicable outstanding property taxes and fees and Village of Caledonia closing costs – paid by the intended third-party buyer of the subject property.

At such time as either (A) the Village of Caledonia conveys the subject property to a third-party and the Development Sale closes, or (B) the Additional Consideration is paid to the County, then this entire “Special Note” shall automatically be deemed terminated and null and void in its entirety and shall be deleted from title to the subject property (either of the foregoing shall be a “Termination Event”). The Village and the County shall execute and record a termination of this Special Note within fifteen (15) days of a Termination Event. Notwithstanding the Village’s or County’s failure and corresponding default in executing and recording the foregoing termination, upon occurrence of a Termination Event, this Special Note shall terminate and shall no longer encumber title to the subject property in any manner whatsoever and shall not apply to any successors and/or assigns in title to the subject property; and, furthermore, any future owner of the subject property may unilaterally record an affidavit with information establishing the Termination Event has occurred.



## **Exhibit 4 to Addendum A**

### **Exhibit D to Addendum**

#### **Proposed Permanent sewer easement (Hintz property)**

Land being a part of the Southwest 1/4 of the Northeast 1/4 of Section 31, Township 4 North, Range 22 East, in the Village of Caledonia, County of Racine, State of Wisconsin.

Commencing at the Northwest corner of said Northeast 1/4; Thence South 01° 09' 26" East along said West line of said Northeast 1/4 a distance of 1318.73 feet to the North line of the Southwest 1/4 of said Northeast 1/4; Thence North 89°27'12" East along said North line 10.05 feet to the point of beginning of lands to be described; Thence continuing North 89°27'12" East along said North line of 40.00 feet; Thence South 01°09'26" East 1285.84 feet to the North right-of-way line of Golf Road; Thence South 89°34'43" West along said North right-of-way line 40.00 feet; Thence North 01°09'26" West 1285.75 feet to the point of beginning of lands being described.

Containing 51,432 Square feet (1.18 Ac.) of land more or less.

#### **Proposed Temporary limited easement (Hintz property)**

Land being a part of the Southwest 1/4 of the Northeast 1/4 of Section 31, Township 4 North, Range 22 East, in the Village of Caledonia, County of Racine, State of Wisconsin.

Commencing at the Northwest corner of said Northeast 1/4; Thence South 01° 09' 26" East along said West line of said Northeast 1/4 a distance of 1318.73 feet to the North line of Southwest 1/4 of said Northeast 1/4; Thence North 89°27'12" East along said North line 50.05 feet to the point of beginning; Thence continuing North 89°27'12" East along said North line of 50.00 feet; Thence South 01°09'26" East 1285.95 feet to the North right-of-way line of Golf Road; Thence South 89°34'43" West along said North line 50.00 feet; Thence North 01°09'26" West 1285.84 feet to the point of beginning of lands being described.

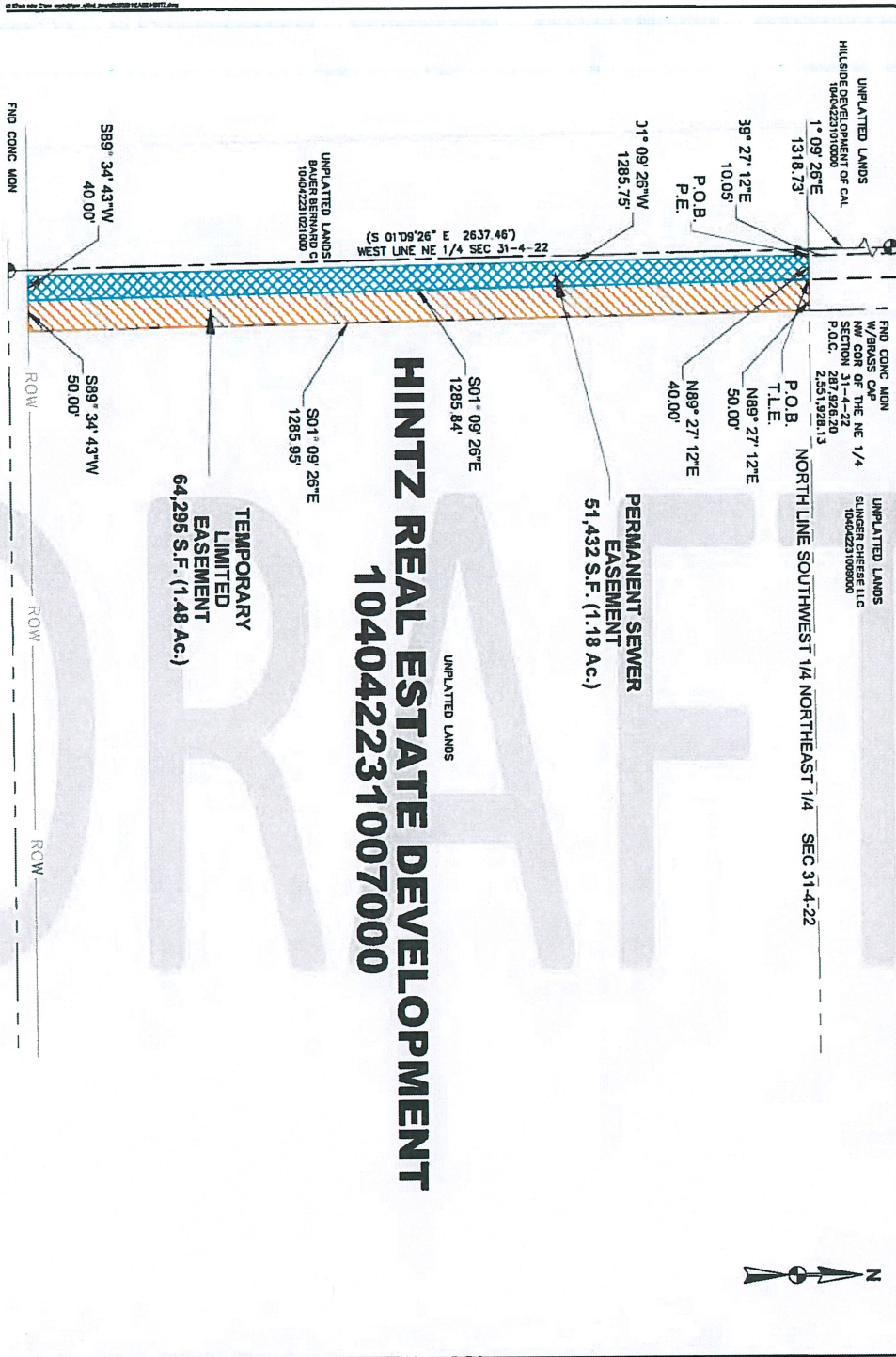
Containing 64,295 Square feet (1.48 Ac.) of land more or less.

Date: 6/26/2019

Andrew Miazga (S-2826)

Address: USH 41  
Tax Key No. 104-04-22-31-007-000





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<b>TID 4 PHASE 4 SANITARY SEWER EXTENSIONS</b>  CALEDONIA UTILITY DISTRICT  RACINE COUNTY      VILLAGE OF CALEDONIA, WISCONSIN		<b>Foth</b> <small>Foth Infrastructure &amp; Environment, LLC          1010 S. 103rd Street          Suite 210, Lincoln Center II          West Allis, WI 53227          Phone 414.939.7299 Fax 414.939.7884</small>
THIS DOCUMENT HAS BEEN DEVELOPED FOR A SPECIFIC APPLICATION AND NOT FOR GENERAL USE. THEREFORE IT IS NOT TO BE USED WITHOUT THE EXPERT OPINION OF FOTH INFRASTRUCTURE AND ENVIRONMENT, LLC. FOTH INFRASTRUCTURE AND ENVIRONMENT, LLC ACCEPTS NO LIABILITY FOR ANY UNAUTHORIZED USE.		
RECORD DATES OF COMPLETED CONSTRUCTION BY DATE RECORD DATES OF COMPLETED CONSTRUCTION CORRESPONDING TO CONTRACTOR DESIGN CHANGE RECORDS BY DATE		
RELOCATION ORDER EXHIBITS		