

[January 20, 2015]

**EXECUTIVE SUMMARY
OF
PROPOSED DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF WISCONSIN RAPIDS, WISCONSIN
AND
COMMUNITY PROPERTY, INC.**

The following is an Executive Summary of the primary terms and conditions of a proposed Development Agreement between The City of Wisconsin Rapids, Wisconsin (the “City”) and Community Property, Inc. [or another Incourage development entity] (the “Developer”).

1. Background.

(a) The Developer owns the Tribune Building at 220 South First Avenue in Wisconsin Rapids (the “Tribune Property”). The Developer has committed to renovate and redevelop the Tribune Property into a multipurpose public space, including a taxable commercial enterprise.

(b) The Developer needs parking for the redeveloped Tribune Building and desires to purchase the City’s parking lot parcel located adjacent to the Tribune Building Property (the “Parking Lot Parcel”).

(c) The City desires to sell the Parking Lot Parcel to the Developer.

(d) The City may desire to make certain improvements to the “Centralia Property” located across 3rd Avenue South from the Parking Lot Parcel (the “Centralia Exterior Improvements”).

2. Terms of Development Agreement.

(a) The term of the Development Agreement will be 20 years, commencing on the date duplicate originals of the Development Agreement are signed by both the City and the Developer, and a fully executed original has been delivered to each.

(b) The Developer will renovate and redevelop the Tribune Property.

(c) The City will cooperate with and support the Developer’s renovation and redevelopment of the Tribune Property.

(d) During the 20 year term of Development Agreement, the Developer will pay the City, annually with respect to the Tribune Property, an amount equal to the current mill rate multiplied by the greater of (i) the actual taxable value of the Tribune Property under Section 70.1105 of the Wisconsin Statutes or (ii) \$856,000.

(e) If the City elects to make the Centralia Exterior Improvements in the 2 years after the execution of the Development Agreement, then the Developer shall (i) with reasonable input from the City, complete and pay the planning and design costs by Concordia LLC for the Centralia Exterior Improvements, up to a maximum contribution of \$50,000 and (ii) make a contribution to the City (by delivery of “in-kind” services, payment for other third party services and/or direct cash payments to the City) in an amount equal to fifty percent (50%) of the construction costs for the Centralia Exterior Improvements, up to a maximum contribution of \$150,000.

(f) The City will sell the Parking Lot Parcel to the Developer. The Developer will pay the City \$150,000 for the Parking Lot Parcel. The sale will be “seller financed,” and will be effectuated by a 20-year promissory note from the Developer to the City (the “Promissory Note”). The Promissory Note will provide that there will be no principal or interest due until maturity, at which time the entire principal amount and all accrued interest will become due, provided however, if the Developer abides by the terms of the Development Agreement for the entire 20 year term of the Promissory Note, then at maturity the entire principal balance of the Promissory Note and all accrued interest will be forgiven.

(g) If the Developer is in default under the Development Agreement, then the City shall provide the Developer with written notice detailing the exact nature of the default (a “Default Notice”). The Developer shall have 1 year from receipt of the Default Notice to cure the default detailed therein (or if the default cannot reasonably be cured in 1 year, and provided the Developer is diligently pursuing a cure, then the Developer shall have a reasonable period of time to cure the default). If the Developer fails to cure the default within the cure period, an “Event of Default,” will be deemed to have occurred. In the Event of Default, the City may either (i) demand a reversion of the Parking Lot Parcel, in which the Developer will convey the Parking Lot Parcel to the City by Warranty Deed, free and clear of all liens and encumbrances except municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants and general taxes levied in the year of closing, or (ii) accelerate the Promissory Note, in which event the Developer will pay the City \$150,000 plus interest then due under the Promissory Note, and upon payment of the same, the Developer will own the Parking Lot Parcel free and clear. The provisions of this Section 2(g) will be recorded in a Memorandum of Understanding and the Developer and the City will agree to terminate the Memorandum of Understanding upon the earliest of (x) the reversion of the Parking Lot Parcel to

the City, (y) the acceleration of the Promissory Note and the payment of \$150,000 plus interest then due or (z) the expiration of the 20 year term of the Development Agreement.

(h) After the Developer's purchase of the Parking Lot Parcel, the Developer shall construct and maintain a parking lot on the Parking Lot Parcel in accordance with a "Development and Parking Plan." The Development and Parking Plan shall provide (among other information) schematics and engineering for the Developer's planned development of the Parking Lot Parcel. The Development and Parking Plan shall provide not less than 50% of the parking for the Tribune Property will be on the Parking Lot Parcel. The City, acting in good faith shall cooperate and work with the Developer to approve the Development and Parking Plan and the Developer's plan for the Parking Lot Parcel. The City's cooperation may include, without limitation (i) making reasonable variances for required spaces (or in the alternative a PUD for the Parking Lot Parcel requiring a number of parking spaces acceptable to both the City and the Developer), (ii) granting the Developer a license to allow for parking for the Tribune Property on the Centralia Property and/or (iii) allowing the Developer to reduce and "smooth out" the elevation changes between the Tribune Property and the Parking Lot Parcel to provide for a less severe transition between the property and to accommodate more efficient delivery access to the Tribune Building and to further provide for the construction of a public space/plaza that straddles the property line between the Tribune Property and the Parking Lot Parcel.

(i) The Developer will agree to close the Tribune Property on the evening of July 3, 2015, and all day on July 4, 2015, to allow for the City's fireworks.

(j) During the 20 year term of the Development Agreement, the City and the Developer, each acting in good faith, will negotiate together, on a case by case basis, in an attempt to make parking available on the Parking Lot Parcel for special city events.

(k) The Developer agrees to negotiate in good faith with the Moravian Church in an attempt to make parking available on the Parking Lot Parcel for the church's services and events.