WASHINGTON COUNTY
EST 1836
WISCONSIN

Community Development Department
Debora Sielski, Community Development Director

Public Agency Center
333 E. Washington Street, Suite 2300
P.O. Box 2003
West Bend, WI 53095-2003
(262) 335-4445
Fax: (262) 335-6868
www.washcowisco.gov

Next Generation Housing Offer Instructions

The Oaks of Jackson Condominium North – Oaks of Jackson Subdivision
V3-0536-063-0041
N167 W19781 Spruce Street – Unit 41

Builder Name: ______________________________
Builders Listing Agent: ______________________________
Phone and email of Builders Listing Agent: ______________________________
____
Accepted Offer to Purchase Amount: ______________________________

Purchaser Information:
Purchaser Name: ______________________________
What municipality are you relocating from? ______________________________
Email: ______________________________

DO NOT OFFER MORE THAN THE LIST PRICE

DO NOT SUBMIT ANY OFFER WITH A PURCHASE PRICE ABOVE THE LISTED PURCHASE PRICE SET FORTH ON THE MULTI-LISTING SERVICE. ANY OFFER THAT HAS A PURCHASE PRICE IN EXCESS OF THE LISTED PURCHASE PRICE CANNOT BE ACCEPTED BY THE SELLER AND WILL BE REJECTED.

Instructions:

1. Builders Listing Agent shall include this Offer Instructions and the following documents to the MLS listing for each Next Generation Home:
   a. NGH OI 1 – Next Generation Housing Occupancy Agreement
   b. NGH OI 2 – Next Generation Housing Deed Restriction Disclosure
   c. NGH OI 3 – Next Generation Housing Mortgage and Declaration of Restriction Disclosure
   d. Recorded Declaration of Restrictions Owner-Occupancy Requirement Section (Doc #1612595) and Recorded Deed Restriction (Doc #1602866)
2. Buyers Agent shall obtain signatures from buyer
3. Buyers Agent shall attach signed Disclosures and Agreement to Offer to Purchase
4. Builders Listing Agent shall promptly notify the County of the sale of the home
5. Builders Listing Agent shall complete this form and submit this form and all of the items below to the Washington County Community Development Department within five (5) days of home close

Public Agency Center
333 E. Washington Street, Suite 2300
P.O. Box 2003
West Bend, WI 53095-2003
(262) 335-4445
Fax: (262) 335-6868
www.washcowisco.gov

6. Washington County will obtain Village of Jackson signature on NGH OI 1 – Next Generation Housing Occupancy Agreement and send copy to Builders Listing Agent

Items to be submitted:

1. Copy of Signed NGH OI 1 – Next Generation Housing Occupancy Agreement
2. Copy of Signed NGH OI 2 – Next Generation Housing Deed Restriction Disclosure
3. Copy of Signed NGH OI 3 – Next Generation Housing Mortgage and Declaration of Restriction Disclosure
4. Offer Instructions Page
5. Addition comments or information pertinent to the sale:

___

___

Please submit all items above to:

Attn: Debora Sielski, Director
Washington County Community Development Dept.
333 E. Washington Street, Suite 2300
West Bend, WI 53095

Or email:

cddinfo@washcowisco.gov

NEXT GENERATION HOUSING WITH HEART & HOMESTEAD - OAKS OF JACKSON OUTLOTS

Washington County's Community Development Department provides two innovative housing initiatives that make achieving the American Dream a reality. The two initiatives can be combined and it is important to understand their unique differences.

NGH NEXT GENERATION HOUSING

$20,000 Lien

- The NGH Initiative provided $20,000 per owner-occupied unit to builders or developers. These funds acted as a 0% loan to the builder/developer for infrastructure, land acquisition, or other eligible uses outlined in the NGH Framework.
- A $20,000 lien was recorded on each lot/unit participating in NGH that will be satisfied at home closing as part of the total sale price.
- The lien is described in the NGH Offer Instructions Document #3 as the NGH Mortgage.
- The repayment of the lien funds future NGH developments.

NGH NEXT GENERATION HOUSING

Deed Restriction

- The NGH deed restriction is placed on properties where the sale price is lower than the fair market value of the home. Single family lots in the Oaks of Jackson have been discounted $4,200 as part of the NGH Initiative. The single family lots and the duplexes have a $6,000 deed restriction as the County has provided financial assistance for the permit fees.
  - Duplex Unit Deed Restriction Total: $6,000
  - Single Family Deed Restriction Total: $10,200
- By living in the home for five years, homeowners earn the full value of the deed restriction at which time it will be satisfied and released. Homes can be sold at fair market value within the first five years, but the owner will owe a portion of the deed restriction amount back to the Village.
- In the event of a foreclosure, the restrictions will terminate.
- Repayment percentages paid back if homeowner sells within the first 5 years:
  - Year 1: 100% of Deed Restriction Amount
  - Year 2: 80% of Deed Restriction Amount
  - Year 3: 60% of Deed Restriction Amount
  - Year 4: 40% of Deed Restriction Amount
  - Year 5: 20% of Deed Restriction Amount
- The deed restriction is attached. There are two documents related to it in the Offer Instructions:
  - Occupancy Agreement NGH Document #1
  - Deed Restriction Disclosure NGH Document #2

HEART & HOMESTEAD EARNED DOWN PAYMENT INCENTIVE

Up to $20,000 Incentive for down payments, closing costs, or escrow reserves.

- There is no guarantee of being awarded a Heart & Homestead Down Payment Incentive when purchasing a home in an NGH development. Interested homebuyers are required to complete a formal application at: Heartandhomewashco.com
- The Incentive can be earned during the 5 years following home closure through:
  - Volunteering time with a Participating Agency
    - $25 of Incentive Earnings for every 1 hour volunteered
  - Financially donating to a Participating Agency
    - 70¢ of Incentive Earnings for every $1 donated
- Funds are secured by a subordinate mortgage on the home. If not fully earned within the 5 years, unearned funds must be repaid when the home is sold, the deed is transferred, or it is no longer the Recipient's primary residence.
- Funding is awarded on a first-come-first served basis.

NEXT GENERATION HOUSING OCCUPANCY AGREEMENT

This Occupancy Agreement (this "Agreement") is granted as of ______________ ____, 202___, by the undersigned (whether one or more, the "Homeowner") in favor of Washington County (the "County").

RECITALS:

A. The Homeowner is purchasing the real property described on Exhibit A (the "Next Gen Home").

B. The seller selling the Next Gen Home to Homeowner developed the Next Gen Home as part of Washington County's Next Generation Housing program to ensure the development of attainable housing (the "Program") and subject to the Program's terms and conditions.

C. As a term and condition of the seller being part of the Program and the Next Gen Home receiving specific Program incentives, the Program includes a requirement that the Homeowner as the initial buyer of the Next Gen Home must agree to occupy the Next Gen Home for a period of five years after a final occupancy permit is issued for the Next Gen Home or incur the Repayment Obligation (defined below) to the County to help reimburse the County for the costs of the Program.

D. The Homeowner and the County desire to enter into this Agreement to set forth that Repayment Obligation.

AGREEMENT:

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Homeowner agrees to the following Repayment Obligation:

1. Recitals Incorporated by Reference. The recitals are incorporated by reference herein and made a part hereof.

2. Occupancy Requirement.

A. Term. This Agreement will be effective as of the date above and the occupancy period shall begin on the date that a final occupancy permit is issued for the Next Gen Home and continue in effect for five years thereafter (the "Occupancy Period") unless earlier terminated per Section 3 hereof (the "Termination Date"). On and after the Termination Date, this Agreement shall be of no further force or effect.

B. Sale or Lease of Next Gen Home During Occupancy Period. If the Homeowner sells, conveys, leases, or transfers the Homeowner's Next Gen Home, to a third party during the Occupancy Period (the "Third-party Conveyance"), the Homeowner shall repay the County all or a portion of the contributed subsidy made by the County plus the Permit Fee Incentive (the "Repayment Obligation"). The Repayment Obligation for the Next Gen Home shall be the amount set forth in Exhibit A (the "Subsidy") multiplied by the Repayment Percentage.

C. Repayment Percentages. The percentage (Repayment Percentage) used to determine the Repayment Obligation is as follows:

Year 1 = 100%

Year 2 = 80%

Year 3 = 60%

Year 4 = 40%

Year 5 = 20%

For example, if the Homeowner sold the Next Gen Home to a third-party buyer 14 months after the beginning of the Occupancy Period, the Repayment Obligation would be 80% of the Subsidy for the Next Gen Home.

D. Exception to Repayment Obligation. If the Homeowner sells the Next Gen Home to a third party in a bona fide, arms-length transaction for less than the Purchase Price that the Homeowner paid for the Next Gen Home, then the Homeowner will not be required to satisfy the Repayment Obligation. The Purchase Price is the total amount paid by the Homeowner for the Next Gen Home. If the Homeowner improves the Next Gen Home after Homeowner's initial purchase (for example, finishes a basement or has an addition built) during his or her ownership of the Next Gen Home, the Purchase Price is then defined as the total amount paid by the Homeowner for the Next Gen Home plus the amount set forth on the building permit(s) for any subsequent improvements to the Next Gen Home. No costs incurred by the Homeowner for subsequent improvements that are not set forth on a building permit will be included in the Purchase Price. If the Homeowner sells the Next Gen Home for an amount greater than the Purchase Price but less than the total Repayment Obligation, then the Repayment Obligation shall be satisfied by the payment to the County of the actual amount received by the Homeowner above the Purchase Price. The Homeowner may only take advantage of the exception set forth under this Section 2D if the Homeowner provides the County an appraisal by an appraiser licensed by the state of Wisconsin, completed no more than 60 days prior to the closing of the transaction, showing that the appraised fair market value of the Next Gen Home is equal to or less than the Purchase Price. The exception to the Repayment Obligation does not apply to any leasing of the Next Gen Home.

E. Foreclosure/Conveyance In Lieu of Foreclosure. Notwithstanding anything herein to the contrary, if the holder of any mortgage on the Next Gen Home (each, a "Mortgagee") shall acquire the Next Gen Home because of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of the Next Gen Home in lieu of foreclosure, the rights and restrictions contained herein shall terminate and not apply to such Mortgagee upon acquisition of the Next Gen Home, or to any purchaser of the Next Gen Home at a foreclosure sale conducted by such Mortgagee, or any purchaser of the Next Gen

Home from such Mortgagee. The Next Gen Home shall then be free from all such rights and restrictions.

F. Subordination. This Agreement shall always be inferior and subordinate to the security interest of a Mortgagee. The County shall execute such documents and take other actions as may be reasonably required by Mortgagee to evidence Mortgagee's first and prior security interest in the Next Gen Home.

3. NGH Maximum Price Requirement. The Program may include properties that are sold to homeowners after final construction is complete or may allow for a developer to sell a homeowner a property as a lot with construction to be completed after ownership is transferred. If the Homeowner acquires title to the Next Gen Home prior to construction being completed and a final occupancy permit being issued, the Homeowner acknowledges and agrees that the total cost of the Next Gen Home after all construction and up to the date of issuance of a final occupancy permit shall not exceed the Program maximum price as set forth on Exhibit A ("Maximum Price").

4. Miscellaneous Provisions.

A. Amendments. This Agreement may not be rescinded, modified, or amended, in whole or in part, without the written consent of the current owner of the Next Gen Home and the County.

B. Further Assurances. Homeowner agrees from time to time, as may be reasonably required by the County, to furnish the County, upon its request, with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of the Next Gen Home, information concerning the resale of the Next Gen Home and all other material information about the Next Gen Home or Homeowner's conformance with the terms of this Agreement.

C. Severability. If any provisions hereof or the application thereof to any person or circumstance shall come, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or events other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each provision hereof shall be valid and enforced to the fullest extent permitted by law.

D. Gender; Captions. The use of the plural in this Agreement shall include the singular, the singular, the plural, and the use of any gender shall be deemed to include all genders. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of the intent of this Agreement.

E. Binding Successors. This Agreement shall bind, and the benefits shall inure to, the respective parties, their legal representatives, executors, administrators, successors, and assigns.

F. Governing Law. This Agreement is being executed and delivered in the state of Wisconsin. It shall be governed by, construed, and enforced in accordance with the laws of Wisconsin without giving effect to any conflict of law provision or rule. The venue for any action relating to this Agreement shall be the

Washington County Circuit Court or the United States District Court, Eastern District of Wisconsin.

G. Attorney's Fees. In the event of any legal actions or proceedings to enforce any rights under this Agreement, the County shall be entitled to recover from the Homeowner all reasonable costs and expenses incurred in connection with such action or proceeding, including, but not limited to, reasonable attorney's fees, courts costs, and any other expenses related to the enforcement or defense of its rights under this Agreement.

IN WITNESS WHEREOF, the parties hereto each caused this Agreement to be duly executed and delivered by themselves or their respective duly authorized representatives as of the day and year set forth above.

Homeowner: ____ (Sign Name)

____ (Print Name)

Date:_____________

Homeowner: ____ (Sign Name)

____ (Print Name)

Date:_____________

WASHINGTON COUNTY

By:_________________________

Name:_______________________

Title:_______________________

Date:_______________________

EXHIBIT A

Legal Description of the "Next Gen Home"

The Oaks of Jackson Condominium North "Outlot 9 of THE OAKS OF JACKSON ADDITION NO. 1, being a part of the Northeast ¼ of the Northwest ¼ of Section 20, Township 10 North, Range 20 East, located in the Village of Jackson, Washington County, Wisconsin."

Parcel Identification Number: V3_05360630041

Total Amount of Subsidy/Repayment Obligation = $6,000, which includes:

- $6,000 permit fee incentive

NGH Program Maximum Price (Insert Maximum Price or Mark "N/A")

- $339,999

NEXT GENERATION HOUSING DEED RESTRICTION DISCLOSURE

The home you are buying is a "Next Gen Home" developed as part of the Washington County Next Generation Housing program to create attainable quality housing opportunities. If you sell your Next Gen Home within five years of the purchase date, you must pay Washington County (the "County") the amount set forth in the attached Deed Restriction and Next Generation Occupancy Agreement to offset the incentive used to make the Next-Gen Home attainable for you.

1. **Deed Restriction**. A deed restriction is a limitation on your use of the property. Attached to this Disclosure is a copy of the Next Gen Deed Restriction that has been recorded against the Next Gen Home. Per the Deed Restriction, by purchasing this Next Gen Home, you agree to pay the County the preset amount if you stop occupying it within five years of its purchase. The payment requirement is set forth in the Deed Restriction and explained in Section 4 below. If there is a conflict between this Disclosure and the Deed Restriction, the Deed Restriction shall govern.

2. **Occupancy Agreement**. In addition, you will be required to sign an Occupancy Agreement with the County. The Occupancy Agreement sets for the same terms as the Deed Restriction except that you are making the agreement directly with the County. Per the Occupancy Agreement, by purchasing this Next Gen Home, you agree to pay the County the preset amount if you stop occupying it within five years of its purchase. The payment requirement is set forth in the Occupancy Agreement and explained in Section 4 below. If there is a conflict between this Disclosure and the Occupancy Agreement, the Occupancy Agreement shall govern.

3. **Duration of Payment Obligation.** The Payment Obligation will apply to your Next Gen Home for a period of five years from the date the final occupancy permit is issued for the home.

4. **Payback Requirement.** If you sell, convey, lease, or transfer your Next Gen Home during the five-year restriction period, you will need to pay the County an amount as follows:

   - for single-family units a Fair Market Value Discount of $4,200 plus a Permit Fee Incentive of $6,000
   - for duplex units only a Permit Fee Incentive of $6,000

   (the "Repayment Obligation); each of the above would be multiped by the percentage listed below based on the year of the sale. The "Permit Fee Incentive" represents the value of local government permit and inspection fees paid by the County on your behalf. The "Fair Market Value Discount" is an agreed upon figure representing the discount received on the purchase from the true fair market value.

   The percentages used for the Repayment Obligation are as follows:

   Year 1 = 100%
   Year 2 = 80%
   Year 3 = 60%
   Year 4 = 40%
   Year 5 = 20%

   For example, if you had a single family and sold to a third-party 14 months after the beginning of the Occupancy Period, the Repayment Obligation would be 80% of the Repayment Obligation (i.e. 0.80 x $10,200 = $8,160 due to the County). For the same scenario for a duplex unit the Repayment Obligation would be $4,800 (i.e. 0.80 x $6,000 = $4,800 due to the County).

   These are only provided as examples only; the exact Repayment Obligation will be determined using your specific scenario and according to the Deed Restriction and Occupancy Agreement.

YOU ARE ENCOURAGED TO OBTAIN THE ADVICE OF AN ATTORNEY PRIOR TO ENTERING INTO AN OFFER TO PURCHASE THE PROPERTY. YOU HEREBY ACKNOWLEDGE RECEIPT OF AND HAVE READ THIS DISCLOSURE, THE NEXT GENERATION HOUSING DEED RESTRICTION, AND NEXT GENERATION OCCUPANCY AGREEMENT.

Buyer:____

Buyer:____

NEXT GENERATION HOUSING
MORTGAGE AND DECLARATION OF RESTRICTION DISCLOSURE

The home you are buying is a “Next Gen Home” developed as part of the Washington County Next Generation Housing program to create attainable quality housing opportunities. As such, certain investments have been made by Washington County. The purpose of this disclosure is to highlight the following two matters related to the investments made by Washington County:

1. **NGH Mortgage**. One the Washington County investments involved contributing funds to assist with infrastructure development. As part of that process, a mortgage was put into place between the builder and Washington County. You may notice this mortgage when reviewing your title work for your home purchase and see that it says $20,000 is due to Washington County. Note that the builder is responsible for paying this back at closing and this repayment has or will be factored into the agreed upon purchase price. This disclosure is provided for your information only. There is nothing further you need to do because the builder and title company will ensure this mortgage is satisfied at closing.

2. **Declaration of Restrictions**. A Declaration of Restrictions has been recorded against your property, a copy of which is attached hereto. This document requires you as a property owner to limit use so that property is occupied and used only for single family, owner-occupied residential purposes. The term “residential purposes” includes only those activities necessary for or normally associated with the use and enjoyment of a home site as a place of residence and limited recreation.

YOU ARE ENCOURAGED TO OBTAIN THE ADVICE OF AN ATTORNEY PRIOR TO ENTERING INTO AN OFFER TO PURCHASE THE PROPERTY. YOU HEREBY ACKNOWLEDGE RECEIPT OF AND HAVE READ THIS DISCLOSURE AND THE DOCUMENTS REFERENCED HEREIN.

Buyer Name: ______________________________________ Date: _________

Buyer Signature: ____________________________________ Date: _________

Buyer Name: ______________________________________ Date: _________

Buyer Signature: ____________________________________ Date: _________

Document # **1602866**
WASHINGTON COUNTY WISCONSIN
2024-10-09 8:43:00 AM
Sharon A. Martin
SHARON A MARTIN
WASHINGTON COUNTY
REGISTER OF DEEDS
Fee: **$30.00**

The above recording information verifies this document has been electronically recorded
Returned to **Dempsey Law Firm, LLP**
Pages: **7**

Document Number	Document Title
	NEXT GENERATION HOUSING DEED RESTRICTION

Recording Area

Name and Return Address

Comm. Develop. Director
Washington County, Wisconsin
333 E. Washington St., #2300
West Bend, WI 53095-2003

V3_0536049

Parcel Identification Number (PIN)

Instrument Drafted By:

Attorney Ryan M. Plisch

Dempsey Law Firm, LLP

10 Forest Avenue

Fond du Lac, WI 54935

RMP@dempseylaw.com

THIS PAGE IS PART OF THIS LEGAL DOCUMENT – DO NOT REMOVE.

Upon recording, return to:

Washington County
Community Development Department
Attn: Community Development Director
333 E. Washington Street #2300
West Bend, WI 53095-2003

V3_0536049
Parcel Identification Number

NEXT GENERATION HOUSING DEED RESTRICTION

This Next Generation Housing Deed Restriction (this "Deed Restriction") is granted as of September 26, 2024, by Hillcrest Jackson LLC, a Wisconsin limited liability company ("Grantor").

RECITALS:

A. Grantor holds legal title to the following real property, which is the subject of this Deed Restriction:

> "***Outlot Eight (8) of The Oaks of Jackson Subdivision, in the Village of Jackson, Washington County, Wisconsin***"

(the "Property");

B. Grantor intends to construct thirty-one (31) residential dwelling units (each a "Unit" and collectively the "Units") on the Property;

C. Grantor is developing the Units as part of the Washington County Next Generation Housing Initiative (the "Program"), which addresses the need for high-quality, attainable housing within Washington County (the "County");

D. As part of the Program, the County is providing financial incentives to housing developers, including reimbursement for certain local government permit and inspection fees required for the construction of residential dwelling units;

E. As a condition of receiving certain incentives through the Program, the Grantor has agreed that this Deed Restriction will be imposed upon the Property and each Unit as a covenant running with the land and binding upon any successors to the Grantor;

F. The thirty-one (31) Units will consist of thirteen (13) single-family homes (the "Singles") and nine (9) duplex buildings with each duplex building containing two (2) Units (the "Duplexes");

G. Grantor intends to record an updated plat with respect to the Property following this Deed Restriction that would change description of the Property so that the Singles will be known as Lots 42-54 of The Oaks of Jackson Subdivision and the Duplexes will be located in Outlot 9 of the Oaks of Jackson Subdivision, both in the Village of Jackson, Washington County, Wisconsin; and

H. The rights and restrictions granted herein serve the public's interest in creating safe, sanitary and affordable housing for residents of the County.

RESTRICTIONS:

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Grantor agrees that the Property and each Unit shall be subject to the following restrictions:

1. Recitals Incorporated by Reference. The recitals are incorporated by reference herein and made a part hereof.

2. Occupancy Requirement.

A. Occupancy Period. This Deed Restriction shall apply independently to each Unit and shall remain in effect with respect to a particular Unit from the date this Deed Restriction is executed by the Grantor through the date that is five (5) years after the date the Unit is issued a final occupancy permit allowing the Unit to be occupied by the first purchaser(s) (the first purchaser is referred to herein as the "Homeowner" and the 5-year term period referenced above is the "Occupancy Period") or the date terminated per Section 3, whichever is earlier (the "Termination Date"). On and after the Termination Date, this Deed Restriction shall be of no further force or effect.

B. Sale or Lease of Unit During Occupancy Period. If a Homeowner sells, conveys, leases, or transfers a Unit to a third party (the "Third-party Conveyance") during the Unit's Occupancy Period, the Homeowner shall pay the County the following (the "Repayment Obligation"):

(a) Singles. If the Unit is part of the Singles:

- **Four Thousand Two Hundred and 00/100 Dollars ($4,200.00)**, which is the agreed upon discount from the fair market value that the Homeowner received when purchasing the Unit; **plus**
- **Six Thousand and 00/100 Dollars ($6,000.00)**, which is the permit fee incentive, representing the value of local government

permit and inspection fees paid by the County on behalf of Grantor.

(b) Duplexes: If the Unit is part of the Duplexes:

- **Six Thousand and 00/100 Dollars ($6,000.00)**, which is the permit fee incentive, representing the value of local government permit and inspection fees paid by the County on behalf of Grantor.

C. Repayment Percentage. The percentage used to determine the Repayment Obligation shall be based on when the Third-party Conveyance occurs, and as follows:

a. Year 1 of the Occupancy Period = 100%
b. Year 2 of the Occupancy Period = 80%
c. Year 3 of the Occupancy Period = 60%
d. Year 4 of the Occupancy Period = 40%
e. Year 5 of the Occupancy Period = 20%

For example, if the Homeowner of a Singles Unit sold the Unit to a third-party buyer 14 months after the beginning of the Unit's Occupancy Period, the Repayment Obligation would be 80% of the Repayment Obligation (i.e. 0.80 x $10,200 = $8,160 due to the County).

D. Exception to Repayment Obligation. If the Homeowner sells his or Unit to a third party in a bona fide, arms-length transaction for less than the Purchase Price that the Homeowner paid for the Unit, then the Homeowner will not be required to satisfy the Repayment Obligation. The Purchase Price is the total amount paid by the Homeowner for the Unit. If the Homeowner subsequently improves the Unit (for example, finishes a basement or has an addition built) during his or her ownership of the Unit, the Purchase Price is then defined as the total amount paid by the Homeowner for the Unit plus the amount set forth on the building permit(s) for any subsequent improvements to the Unit. No costs incurred by the Homeowner for subsequent improvements that are not set forth on a building permit will be included in the Purchase Price. If the Homeowner sells the Unit for an amount greater than the Purchase Price but less than the total Repayment Obligation, then the Repayment Obligation shall be satisfied by the payment to the County of the actual amount received by the Homeowner above the Purchase Price. The Homeowner may only take advantage of the exceptions set forth under this Section 2D, if the Homeowner provides the County an appraisal by an appraiser licensed by the state of Wisconsin, completed no more than 60 days prior to the closing of the transaction, showing that the appraised fair market value of the Unit is equal to or less than the Purchase Price. The exception to the Repayment Obligation does not apply to any leasing of a Unit.

3. Rights of Mortgagees.

A. Foreclosure / Conveyance In Lieu Of Foreclosure. Notwithstanding anything herein to the contrary, if the holder of any mortgage on a Unit (a "Mortgagee") shall acquire a Unit because of foreclosure or similar remedial action under the provisions of such mortgage or upon conveyance of a Unit in lieu of foreclosure, the rights and restrictions contained herein shall terminate and not apply to such Mortgagee upon acquisition of the Unit, or to any purchaser of the Unit at a foreclosure sale conducted by such Mortgagee, or any purchaser of the Unit from such Mortgagee. The Unit shall then be free from all such rights and restrictions.

B. Subordination. This Deed Restriction shall always be inferior and subordinate to the security interest of a Mortgagee. Grantor shall execute such documents and take other actions as may be reasonably required by Mortgagee to evidence Mortgagee's first and prior security interest in a Unit.

4. Joint and Several Liability. Without limitation of any other rights or remedies of the County or its successors and assigns, in the event of Third-party Conveyance of a Unit in violation of the provisions of this Deed Restriction, the County shall be entitled to recover the Repayment Obligation from either the Homeowner or the third-party that received the conveyance of the Unit from the Homeowner.

5. Covenants to Run with Property. Grantor acknowledges, declares and covenants on behalf of the Grantor and Grantor's successors and assigns (i) that this Deed Restriction shall be and are covenants running with the land, encumbering the Property and each Unit for the Occupancy Period, and are binding upon Grantor's successors in title and assigns, (ii) are not merely personal covenants of Grantor, and (iii) shall bind Grantor, and Grantor's successors and assigns, and inure to the benefit of and be enforceable by the County and its successors and assigns, for the Occupancy Period of each Unit.

6. Miscellaneous Provisions.

A. Amendments. This Deed Restriction may not be rescinded, modified, or amended, in whole or in part, with respect to any Unit without the written consent of the current owners of the Unit and the County.

B. Further Assurances. Grantor agrees from time to time, as may be reasonably required by the County, to furnish the County, upon its request, with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of each Unit, information concerning the resale of the Unit and all other material information about the Unit or Homeowners' conformance with the terms of this Deed Restriction. This provision shall bind Grantor, and Grantor's successors and assigns, for the duration of the Occupancy Period.

C. Severability. If any provisions hereof or the application thereof to any person or circumstance shall come, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or events other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each provision hereof shall be valid and enforced to the fullest extent permitted by law.

D. Gender; Captions. The use of the plural in this Deed Restriction shall include the singular, the singular, the plural, and the use of any gender shall be deemed to include all genders. The captions used in this Deed Restriction are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of the intent of this Deed Restriction.

E. Binding Successors. This Deed Restriction shall bind, and the benefits shall inure to, the respective parties, their legal representatives, executors, administrators, successors, and assigns.

F. Governing Law. This Deed Restriction is being executed and delivered in the State of Wisconsin. It shall be governed by, construed, and enforced in accordance with the laws of Wisconsin without giving effect to any conflict of law provision or rule. The venue for any action relating to this Deed Restriction shall be the Washington County Circuit Court or the United States District Court, Eastern District of Wisconsin.

G. Attorney's Fees. In the event of any legal actions or proceedings to enforce any rights under this Deed Restriction, the County shall be entitled to recover from the other party all reasonable costs and expenses incurred in connection with such action or proceeding, including, but not limited to, reasonable attorney's fees, courts costs, and any other expenses related to the enforcement or defense of its rights under this Deed Restriction.

[signatures appear on next page]

IN WITNESS WHEREOF, Grantor has caused this Deed Restriction to be executed and delivered by a duly authorized representative as of the day and year set forth above.

GRANTOR:

Hillcrest Jackson LLC, a Wisconsin limited liability company

By:____________________
Name: Hillcrest Jackson LLC, Oyvind Solvang
Title: president

ACKNOWLEDGEMENT

STATE OF WISCONSIN)
)
COUNTY OF WASHINTON)

This Deed Restriction was acknowledged before me on ~~September~~ October 3rd, 2024, by Hillcrest Jackson LLC, Oyvind Solvang

________________ (Signature of notarial officer)
Nakesha Lawrenz (Print name of notarial officer)
My commission expires: 09.24.26

NAKESHA LAWRENZ
Notary Public
State of Wisconsin

Drafted by:
Attorney Ryan M. Plisch for Dempsey Law Firm, LLP
10 Forest Avenue, Fond du Lac, WI 54935
RMP@dempseylaw.com

Items number 8.03 and 8.05 are the owner-occupancy requirement.
For a copy of the entire Declaration of Restrictions, please contact the Register of Deeds.

Doc #1612595

ALTERATIONS AND USE RESTRICTIONS

8.01 Alterations. A Unit Owner may make improvements and alterations within its Unit; provided, however, that such improvements or alterations shall not impair the structural soundness or integrity or lessen the structural support of any portion of the Condominium including sound transmission between Units, and does not impair any easement. A Unit Owner may not change the dimensions of or the exterior appearance of a Unit, including color, or any portion of the Common Elements without obtaining the prior written permission of the Association, which permission may be denied in the sole discretion of the Association. Any approved improvement or alteration which changes the exterior dimensions of a Unit must be evidenced by recording a modification to this Declaration and the Condominium Plat before it shall be effective and must comply with the then applicable legal requirements for such amendment or addendum. Furthermore, any approved improvements or alterations must be accomplished in accordance with applicable laws and regulations, must not unreasonably interfere with the use and enjoyment of the other Units and the Common Elements, and must not be in violation of any underlying mortgage, land contract or similar security interest.

8.02 Expenses. All expenses involved in any improvements, or alterations approved by the Association or permitted under this Article, whether or not completed, including all expenses to the Association, shall be borne by the Unit Owner or Unit Owners involved and may be charged as a special assessment to the affected Units in accordance with Section 7.07.

8.03 Use and Restrictions on Use of Unit. Each Unit shall be used for single-family residential purposes, as defined by any applicable zoning and municipal ordinances, and for no other purpose unless otherwise authorized by the Association prior to the commencement of such use. No business, whether or not for profit, including, without limitation, any day care center, animal boarding business, products distributorship, manufacturing facility, sales office or professional practice, or any commercial activity requiring visits by people other than the Unit Owner, may be conducted from any Unit. The foregoing restrictions as to residence and use shall not, however, be construed in such a manner as to prohibit a Unit Owner from:

(a) maintaining his or her personal professional library in his or her Unit;

(b) keeping his or her personal business or professional records or accounts in his or her Unit;

(c) handling his or her personal or business records or accounts in his or her Unit; or

(d) handling his or her personal business or professional telephone calls or correspondence from his or her Unit.

(e) Working from home provided no traffic or visitors are involved.

Nothing in this Section shall authorize the maintaining of an office at which customers or clients customarily call and the same is prohibited.

8.04 Nuisances. No nuisances shall be allowed upon the Property, nor any use or practice that is unlawful or interferes with the peaceful possession, including any nuisance sound or smell, and proper use of the Condominium by the Unit Owners or that would cause an increase in the premiums for insurance required to be maintained by the Association below. All parts of the Condominium shall be kept in a clean and sanitary condition, and no fire or other hazard shall be allowed to exist. No Unit Owner shall permit any use of its Unit or of the Common Elements that increases the cost of insuring the Condominium.

8.05 Single-Family Residential. In addition to the allowed uses described in Paragraph 8.03 each Dwelling Unit shall be occupied and used only for single family, owner-occupied residential purposes. The term "residential purposes" includes only those activities necessary for or normally associated with the use and enjoyment of a home site as a place of residence and limited recreation. No garage or other mobile accessory structure shall be used for temporary or permanent living or sleeping for family or guests without prior approval of the Association. The Condominium Association shall be established and managed in a manner consistent with the Next Generation Housing Framework, as may be amended from time to time and recorded with the Washington County Register of Deeds.

8.05 Lease of Units. Each Unit or any part thereof may not be rented or leased.

8.06 Signs. Except as permitted by the rules and regulations of the Association and subject to Section 703.105 of the Act, no sign of any kind shall be displayed to the public view on any Unit without the written consent of the Association and, if Declarant owns at least one Unit, the Declarant. The Declarant reserves the right to erect signs, gates or other entryway features surrounded with landscaping at the entrances to the Condominium and to erect appropriate signage for the sales of Units.

8.07 Garbage and Refuse Disposal. No part of the Condominium shall be used or maintained as a dumping ground for rubbish, trash, garbage or waste. All landscape clippings, rocks or earth must be in containers.

8.08 Storage. Except if expressly permitted by the Rules and Regulations of the Association, no outdoor storage shall be permitted.

8.09 Pets. Pets are permitted in accordance with the current applicable Rules and Regulations of the Association.

8.10 Landscaping. Unit Owners may not plant any decorative plants, vegetables and shrubbery outside of their Unit without the prior written consent of the Association. If approved by written consent the Unit Owner agrees to pay the cost to maintain additional landscaping.

8.11 Use of Units by Declarant. Notwithstanding anything else contained in this Declaration, Declarant shall be entitled to use all Units owned by Declarant as models and for sales and leasing activities, and Declarant reserves the right to erect signs or other entryway features at the entrances to the Condominium and to erect appropriate signage within the Units and elsewhere relating to the sale or leasing of Units.