

AMENDED AND RESTATED LEASE

WHEREAS, the Village of Shorewood Hills, a municipal corporation, hereinafter called the Lessor, is currently leasing to Blackhawk Country Club, Inc., a corporation organized and existing under the laws of the State of Wisconsin, hereinafter called the Lessee; and

WHEREAS, it is determined beneficial for the Lessee to continue to occupy and maintain the Premises so as to provide green space and scenic views for the residents of the Lessor and the general public; and

WHEREAS, the Lessor and Lessee wish to secure certain additional benefits.

THEREFORE, the Lessor hereby rents to the Lessee, and the Lessee hereby rents from the Lessor the Premises on the following terms and conditions:

- I. Definitions. The following definitions shall apply to the following terms used herein:
 - (a) Premises. The term Premises shall refer to the real estate described on Appendices A to E, inclusive, which are attached hereto and made a part of this Lease and shall include all Buildings and structures presently located thereon.
 - (b) Grounds. The term Grounds shall include all land included in the term "Premises" but shall exclude therefrom all Buildings or structures thereon.
 - (c) Buildings. The term Buildings shall refer to all buildings, improvements or structures located on the Premises and all additions thereto, including without limitation all decks or patios, and shall include future buildings, improvements, facilities or structures located on the Grounds.
 - (d) Clubhouse. The term Clubhouse shall refer to any Buildings or portions thereof in which dining rooms, lounges, bars, meeting rooms and dancing areas may be located.
 - (e) Member. The term "Member" means a person who has been granted membership status of any kind by Lessee including, without limitation,

each person admitted as part of a group membership category (such as the current Corporate membership category), but expressly excludes a person who holds a student membership (as such membership category is defined by Lessee's Bylaws in effect as of October 1, 2014). A married couple or a couple designated as a family unit by Lessee's Bylaws shall be deemed one member for purposes of this Lease.

(f) 2014 Membership means [405].

(g) Net New Members. The term "Net New Members" means the number of Members of Lessee during the immediately preceding Lease Year, in excess of the 2014 Membership, if any. The number of Members of Lessee during the immediately preceding Lease Year shall be determined as of the date that Lessee invoices annual membership dues, which as of the date of this Lease is October 1.

II. Term. The initial term of this Lease shall commence January 1, 2015 and shall end December 31, 2034. While this Lease is entered into as of January 1, 2015, Lessor and Lessee acknowledge that the date of execution is [May 1, 2015]. Provided that Lessee shall not be in default at the time of exercise and at the time of extension, beyond any applicable cure periods, Lessee shall have the option to extend the term of this Lease for one (1) additional ten (10) year period ending December 31, 2044. If Lessee elects to exercise this option, the Lessee shall provide Lessor with written notice no earlier than December 31, 2024 and no later than December 31, 2031. If Lessee fails to provide such notice, Lessee's option to extend the term shall be null and void. During any extension term, the terms and conditions of this Lease shall remain the same, except as may be otherwise agreed by the parties.

III. Base Rent and Adjustments to Base Rent.

(a) Lessee agrees to pay Lessor Base Rent, subject to increases as provided in subparagraphs (d), (e) and (f), upon the terms specified below. Base Rent means the amount established as follows for the one-year period beginning January 1, 2015, and on each January 1 thereafter during the initial term and any extended term of this Lease. Base Rent for the period January 1, 2015 through December 31, 2015 is One Hundred Thousand Dollars (\$100,000.00) and thereafter Base Rent shall adjust as provided in subparagraphs (d), (e) and (f). Lease Year means the twelve (12) month period commencing January 1, 2015, and on January 1 of each year thereafter during the initial and any extended term of the Lease.

(b) The amount of Eight Thousand Two Hundred Forty Seven Dollars (\$8,247.00) plus the sum of amounts paid by Lessee to Lessor as rent for the period January 1, 2015 through [April 30, 2015] shall be a credit against Base Rent for the period January 1, 2015 through December 31, 2015.

(c) Base Rent, as increased from time to time as provided below, shall be paid in equal monthly installments due on the first day of each month commencing January 1, 2015.

(d) Beginning January 1, 2016 and on January 1 of each Lease Year through and including January 1, 2024, Base Rent shall increase (or remain the same as the case may be) to an amount equal to the greater of (i) Base Rent for the immediately preceding Lease Year or (ii) One Hundred Thousand Dollars (\$100,000.00) plus the product calculated by multiplying Three Hundred Dollars (\$300.00) by Net New Members. For avoidance of doubt and purposes of illustration only, if Net New Members for the Lease Year ending December 31, 2015 is four (4), Base Rent would increase as of January 1, 2016 by One Thousand Two Hundred Dollars (\$1,200.00) to One Hundred One Thousand Two Hundred Dollars (\$101,200.00). If Net New Members for the Lease Year ending December 31, 2016 is three (3), Base Rent would remain at One Hundred One Thousand Two Hundred Dollars (\$101,200.00) as of January 1, 2017. If Net New Members for the Lease Year ending December 31, 2017 is five (5), Base Rent would increase as of January 1, 2018 to One Hundred One Thousand Five Hundred Dollars (\$101,500.00). Before January 15 of each year during the term of this Lease, Lessee shall deliver to Lessor a written statement (the "Membership Report") setting forth Lessee's calculation of Net New Members for the most recent calendar year and copies of member rosters, books, records and other supporting data and documents as Lessor may require or request to verify and substantiate the Membership Report and the calculation of Net New Members. Lessee shall maintain complete and accurate books and records of all Members. In the event of a dispute in the calculation of Net New Members, Lessor's calculation shall control absent manifest error. Lessee shall make up any shortfall in the Base Rent

payment due January 1 in any Lease Year contemporaneously with the delivery of the Membership Report or upon demand by Lessor.

(e) On January 1, 2025, Base Rent shall increase to an amount equal to the greater of (i) Base Rent for the immediately preceding Lease Year or (ii) Inflation Adjusted Base Rent as hereafter defined. "Inflation Adjusted Base Rent" means \$100,000.00 as modified by the amount derived from multiplying \$100,000.00 by one hundred percent (100%) of the 2025 Adjustment Multiplier (as hereafter defined). "2025 Adjustment Multiplier" means the percentage increase or decrease, if any, in Consumer Price Index (as hereafter defined) between the Consumer Price Index published for the month immediately prior to January 1, 2025 and the Base Index (as hereafter defined). "Consumer Price Index" means the index now known as the United States Department of Labor Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average; All items, not seasonally adjusted, 1982-1984=100 reference base. "Base Index" means 234.812, the CPI-U for December 2014. For avoidance of doubt and illustration purposes only, if the CPI-U published for the month immediately prior to January 1, 2025 is 314.812, the increase would be calculated as the 2025 Adjustment Multiplier times \$100,000.00 where the 2025 Adjustment Multiplier is $(314.812 - 234.812) \div 234.812$ such that the amount of Inflation Adjusted Initial Base Rent would be \$134,069.81.

(f) On January 1, 2026 and on January 1 of each Lease Year thereafter including any extended term of the Lease (each such date an "Adjustment Date"), Base Rent shall be modified by adjusting the Base Rent for the immediately preceding Lease Year by an amount derived by multiplying Base Rent for the immediately preceding Lease Year by one hundred percent (100%) of the Post-2025 Adjustment Multiplier (as hereafter defined). "Post-2025 Adjustment

Multiplier” means the percentage increase or decrease, if any, in the Consumer Price Index between the Consumer Price Index published for the month one year prior to the Adjustment Date and the Consumer Price Index published for the month immediately preceding the Adjustment Date. For avoidance of doubt and illustration purposes only, if the Consumer Price Index published for the month one year prior to January 1, 2026 is 314.812 and the Consumer Price Index published for the month immediately prior to January 1, 2026 is 320.812 and Base Rent then in effect is \$134,069.81 (borrowing from the illustration in subparagraph (e)), the increase would be calculated as the Post-2025 Adjustment Multiplier times \$134,069.81 where the Post-2025 Adjustment Multiplier is $(320.812 - 314.812) \div 314.812$ such that the amount of Base Rent for 2026 would be \$136,625.05.).

(g) In the event the Consumer Price Index is discontinued, or if a substantial change is made in such index, the parties shall attempt in good faith to agree on an alternative index in accordance with such statistics as may be recommended by a department or agency of the United States Government for such purposes, and absent such a recommendation or such an agreement by the parties, the Lessor shall designate an alternative index.

IV. Payment of Rent. All payments due under this Lease shall be paid to the treasurer of the Village of Shorewood Hills or his or her designated representatives at the Village Hall of the Village of Shorewood Hills when due, without offset or deduction.

V. Use of Premises. The Premises shall be used by the Lessee for the sole purpose of operating a private country club thereon and not for any other purposes except as provided in this Lease or as may be authorized in writing by the Lessor. As a part of its use, the Lessee shall maintain and operate on the Premises, an eighteen (18) hole golf course and a Clubhouse, which shall include therein one or more dining rooms.

The Premises shall not be open to use by the general public except as otherwise provided in paragraph XII of this Lease.

VI. Title and Subordination of Liens. The Lessor covenants that the Premises are free and clear of encumbrances except any existing of record as of the date of this Lease and represents and warrants that it holds title in fee simple to such land. Lessor further warrants and agrees that it will not create therein, or willingly permit any third party to establish, any interest, or record any encumbrances, whatsoever in, or against, the Premises except as such shall be subject to the terms and conditions of this Lease, or as may be approved, in advance by Lessee in the exercise of its reasonable discretion. The Lessee warrants and agrees that it will promptly pay for any work done on or about the Premises contracted for by it and will not permit or suffer any mechanic's or materialmen's lien to attach to the Premises as a result thereof. Lessee agrees not to make any contract for construction, repair, or improvement in, of, or to the Premises, or any part thereof, or for any work to be done or materials to be furnished on or to Premises, or any part thereof, without providing in such contract or agreement that no lien of mechanics or materialmen shall be permitted to arise against or attach to the Premises at any time. All persons furnishing any work, labor, or materials, as well as all other persons, shall be notified in advance of furnishing such labor, work or materials of the aforementioned provision and Lessee shall secure a written waiver of their rights to any such liens and deliver the same to the Lessor prior to the commencement of any such work or the delivery of any materials to the Premises. To that end, Lessee agrees that it will not make any contract or agreement, either oral or written, for any labor, services, fixtures, materials, or supplies in connection with altering, repairing or improving any building or improvement on said Premises without providing in such contract or agreement that the contractor or contractors and the subcontractors shall waive all rights to any liens created by reason of furnishing any labor, services, or

materials under such contracts or subcontracts or shall subordinate the same to the interests of the Lessor in the Premises.

VII. Assignment. The Lessee shall not assign this Lease or sublet any portion of the Premises without written consent of the Lessor. This provision shall not prevent the Lessee from renting the Premises to private organizations for the purposes of conducting private social or golf events, provided that the same shall not exceed seventy-two (72) hours at one time.

VIII. Lessee's Use of the Premises. Except as otherwise provided, Lessee shall have the exclusive use of the Premises during the term of this Lease. Lessee may sell liquor and beer in the Clubhouse located on the Premises but agrees as a condition of this Lease that such sales shall be conducted in an orderly and lawful manner and in accordance with state and municipal regulations and ordinances. The Lessee shall apply for any licenses required for the sale of beer or liquor, and any sales of beer or liquor shall be conditioned upon the Lessee obtaining and maintaining valid license(s) for such sales. Lessor agrees that it will act upon any timely application for renewal of Lessee's liquor license in accordance with Wisconsin law.

IX. Lessor's Use of the Grounds. The Lessor expressly reserves the following uses of the Grounds:

(a) Lessor's residents shall have the right to use the Grounds for winter sports from the earlier of (i) December 1 or (ii) the date, if any, on which Lessee gives notice to its Members that the Grounds are closed due to winter conditions, to April 1 of each year. The Lessor shall, as soon as reasonably possible, repair any damage that may be done to the Premises resulting from such use. Lessor shall not permit the use of snowmobiles on the Grounds.

(b) Lessor shall have the right to construct, modify and maintain a boat house, boat marina, pier, dock and associated facilities including sanitary facilities

on the land north of any golf course land improvements on the north side of Lake Mendota Drive described in Appendix B, which is attached hereto and made a part of this Lease (the "Marina and Boathouse Area"). Lessor shall further have the right to store boat lifts in the areas north of any golf course land improvements on the north side of Lake Mendota Drive during a period from October 15 to May 25 but is required to get specific permission for storage of any boat lift remaining after May 25 or remove the lift at Lessor's expense. Lessee shall at all times, at its expense, maintain any improvements or equipment now or hereafter located in the Marina and Boathouse Area and used by Lessee in connection with the irrigation of the Grounds.

(c) Lessor reserves the following rights-of-way from Lake Mendota Drive to be used in conjunction with the uses specified in subsection (b):

1. A right-of-way from Lake Mendota Drive to Lake Mendota for pedestrian traffic ten (10) feet in width, the center line of which is the existing walkway located east of the western-most property line bounding the west end of the golf course land improvements on the north side of Lake Mendota and as generally shown on Exhibit 1 attached hereto.
2. A right-of-way from Lake Mendota Drive to Lake Mendota for vehicular traffic fifteen (15) feet in width, the center line of which is the existing service road which passes east of the golf course improvements on the north side of Lake Mendota and then runs parallel to the edge of Lake Mendota Drive to the existing boat marina as generally shown on Exhibit 1 attached hereto. The Lessor shall have the right to close said service road to all vehicular traffic except authorized service vehicles of either the

Lessor or the Lessee. The Lessor may, at its option, construct a gateway across said service road, but, if so, shall at all times provide the Lessee with a key to said gate to permit the free passage of Lessee's service vehicles.

(d) The Lessor shall have the right to use the Grounds subject to reasonable regulation by the Lessee, on one day during the first week of July each year for the purposes of exhibiting and operating a fireworks display. Said use shall be limited to the hours of 4:00 p.m. to 11:00 p.m., and shall be limited to that portion of the Grounds as shall be necessary for said displays. The Lessor shall purchase the fireworks and pay for portable toilets and other necessary expenses for the aforesaid display. Lessee agrees to pay Lessor one-half of the net cost of putting on the display (net cost remaining after donations) which shall be paid promptly by the Lessee upon request by the Lessor.

(e) Lessor shall have the right to use the golf course maintained on the Premises for adult and children's golf instruction programs. The right reserved hereunder shall be limited to regularly organized groups of Village residents operating under an organized and specifically designated program of instruction conducted by the Lessor. Such use shall be further limited to no more than one-half day per week during the months of June, July, and August, which day and time shall be designated by the Lessee. Whenever practical, any golf instruction program shall be conducted jointly between the parties hereto under the supervision of the golf professional(s) in the employ of the Lessee.

(f) Subject to the terms and conditions set forth in this subparagraph, Lessee grants Lessor the right to use that portion of the Premises indicated on Appendix E attached hereto (the "Village Use Area") to construct, develop, manage, maintain, operate or otherwise provide for a salt shed, an equipment

storage and maintenance building, and all improvements related thereto or necessary in connection therewith. Lessor agrees that construction of any buildings and related improvements in the Village Use Area will comply with applicable law. Lessee also grants Lessor the right, upon sixty (60) days prior notice to Lessee and in connection with the construction of the Lessor's equipment storage and maintenance building, to remove Lessee's compost operation and part of the gravel parking area in the Village Use Area on the following conditions (the "Removal Conditions"): (i) Lessor must offer Lessee space within the shaded area on Appendix E for a new compost operation location and, if Lessee agrees to space in such area (the "New Compost Site") or elects to relocate its compost operations elsewhere on Appendix E, Lessor shall incur all reasonable expenses of such relocation, including the cost of preparing the space to a condition suitable for use as a compost operation, providing ingress and egress to such space, and moving the existing compost operation to such space; (ii) to the extent practicable, Lessor offers, or pays the reasonable cost of providing reasonably equivalent or better parking improvements on the Village Use Area or elsewhere on Appendix E lost by Lessee as a result of construction of the equipment storage and maintenance building; and (iii) Lessee shall not be required to relocate during the period from June 1 to August 30. Notwithstanding any other provision in this Lease, Lessor, at its option, may terminate this Lease with respect to the Village Use Area (excluding any New Compost Site) for the remaining term of this Lease provided Lessor satisfies the Removal Conditions. If Lessor exercises this option then this Lease shall terminate with respect to the Village Use Area on the date that is sixty (60) days after the date Lessor exercises its option to so terminate this Lease with respect to the Village Use Area.

X. Lessor's Use of the Buildings. Lessor expressly reserves the following rights in the Buildings:

(a) Lessor shall have the right to use the Clubhouse as a place for Village meetings and elections provided that the time for such use shall not interfere with the reasonable enjoyment of such Premises by Members of the Lessee.

(b) The Lessor shall have the right to use the Clubhouse for social functions of Shorewood Hills organizations, except that such use, unless otherwise mutually agreed upon, shall be limited to twenty-four (24) times per year and to no more than one (1) day in each week of which no more than four (4) days shall fall on a Friday or Saturday. Such use time shall not be cumulative. The Lessor agrees to provide the Lessee with a schedule of proposed dates for each year prior to the first day of January of each calendar year (failure to provide such list shall not preclude any use reserved by the Lessor). The Lessor shall not schedule any events on holidays unless mutually agreed to by the Lessee. The Board of Trustees of the Village of Shorewood Hills shall determine which Village organizations are eligible under this clause and its findings shall be binding upon the Lessee. The Lessor shall not exercise its rights hereunder so as to conflict with any scheduled event or function held by Lessee. The use of the Lessor hereunder shall be subject to the normal rules and regulations of the Lessee. Lessor shall make all proper arrangements with persons, firms or organizations, if any, which may be operating the bar or restaurant concessions with respect to providing and serving food or refreshments. Shorewood Hills organizations shall be entitled to furnish their own refreshments for their functions and the Lessee shall permit the reasonable use of facilities necessary for serving such refreshments including the use of dishes and silverware provided that such organizations shall be responsible

for any loss or breakage. Lessor's use hereunder shall be limited to the hours of 7:00 a.m. until 1:30 a.m. The term "refreshments" in this section does not include intoxicating liquor or fermented malt beverages. Any additional, commercially reasonable staff costs incurred by Lessee to provide service to a Shorewood Hills organization pursuant to this section shall be paid for by the organization.

XI. Use By Village Residents. The Lessor reserves and Lessee grants the following rights in the Premises to Village residents, provided that the same may be limited or released at any time by the Lessor:

Upon application to the Lessee, any adult resident of the Village of Shorewood Hills shall be entitled to play golf on the golf course maintained on the Premises, however, such use shall be limited to such times as shall be reasonable, the same to be subject to the discretion of the Lessee's golf professional and further provided that no resident shall have the right to play more than four (4) times during any single golf season. Residents playing golf pursuant to this section may be accompanied by three (3) or fewer guests. Residents and their guests playing golf pursuant to this section shall have, on the day of play, food and beverage privileges, at their expense at the prices applicable to Members and without Lessee's extension of credit, at the Lessee's dining and bar facilities. Any resident exercising the rights reserved herein shall be subject to all course rules and regulations set by the Lessee and shall pay fifty percent (50%) of the non-Member standard green fees as shall be set by the Lessee. Resident's guests shall be subject to full non-member standard green fees. Cart fees, if any, will be at standard rates. Use by residents under this provision shall not interfere with any regularly scheduled qualifying event or tournament scheduled by the Lessee.

XII. Mutual Privileges of Lessor and Lessee.

(a) All residents of Lessor shall have the privilege of applying for a social membership in the Club and upon acceptance by the Club any initiation fee

shall be waived, provided, however, that such resident shall be obligated to meet all of the other requirements of a social member. In the event that such resident applies for and is accepted as a golfing member or student member the initiation fee for such membership shall be paid along with other charges applicable to these categories.

(b) All adult residents of the Lessor and their children when accompanied by a parent shall have food and beverage privileges at the Club two (2) times each month during the months of November through April 15 on days and at times when the Club is otherwise open and not booked for specific events. All non-Member's dining purchases will be paid for without extension of credit.

(c) Any non-resident Member of Lessee who applies for membership at the Shorewood Hills Swimming Pool by the application deadline for renewals and new memberships shall, in the absence of a waiting list, be allowed to purchase membership at the non-resident rate. In the event of a waiting list, any non-resident Member of Lessee who applied for new membership at the pool by the application deadline shall be offered priority placement on the non-resident waiting list. Said priority placement shall be at the earliest positions available after those non-residents already on the waiting list from the prior season, but before those non-residents asking to be placed on the list for the first time in the current season. Continued priority requires that the person maintain membership at Lessee, and renew his or her application for pool membership each year by the application deadline for renewals and new memberships. All Lessee membership privileges for non-residents of the Village at the Shorewood Hills Swimming Pool shall be at the non-resident rate, and may be renewed each year at the non-resident rate pursuant to pool rules. Members of the Lessee who are not members

of the Shorewood Hills Swimming Pool may purchase one book of guest passes to the pool according to pool rules for Village residents.

(d) All residents of the Lessor shall be given a priority to apply for membership as a golfing member of Lessee provided they are social members of the Club at the time of application. If there is a waiting list for Club golfing membership, the waiting list shall give priority to Village residents over non-residents on an alternating basis meaning priority will take place with alternating selections between two separate waiting list of Village residents and all other applicants, but first selecting the name from the Village residents list and then one name for the other, beginning with the top of the lists.

XIII. Utilities. Lessee shall furnish its own heat and pay for all utility services, such as gas, electricity, telephone, water and sewer services, if any. Utility services provided to any separate structures operated exclusively by the Lessor under the provisions of this Lease shall be separately metered and paid for by the Lessor.

XIV. Janitorial Services. The Lessee shall maintain the Buildings in a clean and presentable condition at all times and shall meet all requirements set by the laws of the State of Wisconsin, or any agency thereof, or set by the ordinances of the Village of Shorewood Hills. Lessee shall provide such janitorial service as shall be required to comply with this section. This section shall not apply to Buildings which are under the exclusive control of the Lessor.

XV. Maintenance of the Premises.

(a) Lessee shall at all times, at its expense, maintain the Premises, including all Buildings, or structures located thereon, the Grounds, watering systems, and trees, bushes, shrubs, and other plantings, in a good state of repair and maintenance and in a sightly condition. Repairs and alterations required by normal deterioration are not excepted. Lessor shall make municipal water and

sewer service available to buildings on the same terms and conditions as water and sewer are made available to other property in the Village of Shorewood Hills. Lessee shall not be liable for cost of repairs or replacement of damaged portions of the municipal water and sewer service systems (and their components) that provide water and sewer service to the Premises except to the extent such cost arises in whole or in part from the negligence or willful misconduct of Lessee or its members, employees, agents or invitees. Lessee shall, at its expense, pave and maintain the parking lot and driveways off Blackhawk Drive for the Lessee's use except that Lessor, subject to reimbursement by Lessee as described in subparagraph (b) below, shall repave and stripe the parking lot and driveways in 2015. Lessee shall, at its own expense, maintain the interior of all structures on the Premises in a sightly and presentable condition, normal wear and tear not excepted. This section shall not apply to any Building or area of the Grounds used exclusively by the Lessor, which Building or area of the Grounds shall be maintained at all times in a condition of sightliness and good repair by the Lessor at its expense. If the Lessee shall fail to maintain the Premises as required herein, the Lessor shall have the right, after ten (10) days' notice in writing of the existence of a breach hereunder, to enter the Premises and make such repairs for which the Lessee shall become liable and does hereby agree to pay to the Lessor. In the alternative, the Lessor may after ten (10) days' notice treat such a failure as a breach of this Lease and may avail itself of all other remedies therefor.

(b) Lessee shall reimburse and pay Lessor, without offset or deduction, the actual cost of repaving and striping the parking lot and driveways off Blackhawk Drive (the "Repaving Work") which cost shall not exceed \$110,000.00 (such actual cost is hereafter referred to as the "Reimbursement Obligation") plus interest on the unpaid principal balance of the Reimbursement Obligation at the Note Rate (as

hereafter defined) in one hundred nineteen (119) equal monthly installments, each in an amount sufficient to amortize the Reimbursement Obligation over a ten-year period, beginning December 28, 2015 and on the 28th day of each consecutive month thereafter, plus a final payment of the unpaid balance of the Reimbursement Obligation and accrued interest thereon due on December 28, 2025. The "Note Rate" means the annual rate of interest identified in that certain General Obligation Promissory Note in the principal amount of approximately \$2,200,000.00 issued and sold by Lessor to finance the Repaving Work and other improvements. Interest shall be computed for the actual number of days the Reimbursement Obligation is unpaid on the basis of a 360 day year. Full or partial prepayment of the Reimbursement Obligation is permitted at anytime without penalty. All prepayments shall be applied first to accrued and unpaid interest, second to other to the principal amount of the Reimbursement Obligation. Lessee's failure or refusal to make any payment when due under this subparagraph shall constitute an event of default under this Lease. Lessee may, with Lessor's consent, which consent shall not be unreasonably withheld or delayed, specify the scope and scale of the Repaving Work, provided however, that in no event shall the cost of the Repaving Work exceed \$110,000.00.

(c) Lessee shall make minimum capital expenditures on Buildings and the Clubhouse of not less than One Hundred Fifty Thousand Dollars (\$150,000.00) during the five-year period following Lessee's notice of the exercise of the option to extend the term of this Lease. Lessee shall provide proof of compliance with this provision to the Lessor, in form satisfactory to the Lessor, within thirty (30) days of completing compliance with this provision and in any event no later than January 31, 2037.

XVI. Alterations and Additions. The Lessee shall have the right to make structural alterations or improvements beyond ordinary repairs and to make additions to existing Buildings or structures or to erect new Buildings or structures, all upon the written consent and approval of the Lessor, which consent and approval shall not be unreasonably withheld. Alterations and improvements necessary for ordinary restoration need not be approved by the Lessor, however, the Lessor shall be notified in advance of any such repairs or alterations which shall exceed the expenditure of Fifty Thousand Dollars (\$50,000.00) in advance thereof. All additions, alterations or improvements made by the Lessee shall pass to the Lessor upon the termination of this Lease. Nothing in this section shall be construed as relieving the Lessee from obtaining all permits or other official approval that may be required by state or local regulations.

XVII. Intentionally Omitted.

XVIII. Liability for Damage. The Lessor shall not be liable to the Lessee for any damage whatsoever resulting from defects in any Buildings or structures on the Premises or any utility system located thereon except as provided in Section XV above. The Lessee hereby covenants and agrees that it will save the Lessor harmless and defend it against all claims arising from damage or injury caused by any defects whatsoever in the Premises, including structures located thereon, or resulting from Lessee's use of said Premises or the use by any of its members, employees, agents or invitees. The liability of the Lessee shall not extend to damage or injury related to structures constructed and maintained by the Lessor for its exclusive use nor to any injury or damage occurring on any portion of the premises while the same is under the exclusive control of the Lessor; except when such liability or damage shall result from failure of the Lessee to meet a duty to maintain or repair under the terms of this Lease. The Lessor agrees to save the Lessee harmless and shall defend it against all claims arising from damage or injuries occurring during activities sponsored by the Lessor on

the premises unless said damage or injury results from a failure of the Lessee to meet its duty to maintain and repair the Premises as set forth in this Lease or as a result of the direct negligence or intentional acts of employees, agents of the Lessee or other person under its management and control. Either party hereto agrees to notify the other immediately upon receipt of any claim or damage or loss occasioned by any person and upon which liability upon either party might be predicated. Nothing contained in this Lease is intended to be a waiver or limitation of the Lessor or its insurer to rely upon the limitations, defenses, and immunities contained within Wisconsin law, including, without limitation, those contained within Wisconsin Statutes §§ 893.80, 895.52 and 345.05, as amended or renumbered from time to time. To the extent that indemnification is available and enforceable, Lessor and its insurer shall not be liable in indemnity or contribution for an amount greater than the limits of liability for municipal claims established by Wisconsin law from time to time.

XIX. Liability Insurance. The Lessee agrees, upon acceptance of the Premises, to take out and maintain, at its own cost and expense, commercial general liability insurance coverage (or its equivalent) of at least One Million Dollars (\$1,000,000.00) each occurrence and Two Million Dollars (\$2,000,000) annual aggregate which commercial general liability policy shall include (i) coverage for bodily injury and death, property damage and personal injury; (ii) contractual liability coverage; and (iii) medical payments coverage of at least Ten Thousand Dollars (\$10,000.00). Such policy shall name Lessor as an additional insured. So long as Lessee is engaged in any way in the sale or distribution of alcoholic beverages, Lessee shall also maintain liquor liability insurance on an occurrence basis with limits reasonably acceptable to Lessor. If written on a policy separate from the commercial general liability policy, such policy shall name Lessor as an additional insured. Within thirty (30) days following written request therefore, Lessee shall provide Lessor with a certificate of all policies

required in this Lease, including an endorsement providing that such insurance shall not be canceled except after 30 days notice in writing to Lessor. Lessor, from time to time, may require increases in the policy limits for any policy required to be carried by Lessee hereunder in order to reflect standard limits for similar properties or lessees.

XX. Property Insurance. Lessee shall take out and maintain, at its own cost and expense, insurance covering all causes of loss insurable under a "Causes of Loss – Special Form policy (or its equivalent) with full replacement cost coverage for all Buildings and appurtenances on the Premises, except those constructed by the Lessor and remaining under its exclusive control. Said policy or policies of insurance shall identify Lessor as the named insured and Lessee as an additional named insured, as their interest shall appear. Lessee shall furnish to the Lessor a complete reliable appraisal by a person or firm acceptable to the Lessor as to the replacement value of all buildings on the first day of the term of this Lease and at least every five (5) years thereafter and immediately upon the completion of any major improvement or addition thereto, unless such appraisal requirements are waived in writing by the Lessor.

XXI. Default in Insurance. If the Lessee shall fail to procure the insurance set forth in paragraphs XIX and XX of this Lease or any appraisal or annual reevaluation required therein, the Lessor may secure such insurance, appraisals or annual reevaluations and the Lessee agrees that any charges therefor shall be paid by it upon demand by the Lessor. Nothing in this section shall limit the right of the Lessor to treat any default under the insurance provisions of this Lease by the Lessee under other default provisions of this Lease at the option of the Lessor. If Lessor is forced to take out any insurance due to the default of the Lessee in this respect, it shall notify Lessee of the amount of premium paid by it and thereupon Lessee shall reimburse the Lessor for such premium payments. Failure of Lessee to pay such premiums or the costs of appraisers or reevaluations incurred by the Lessor within ten (10) days from notice to

Lessee in writing by the Lessor of the amount due, shall constitute a breach of the covenants of this Lease. Lessee shall provide the Lessor with copies of policies, or with certificates of insurance, for all policies of insurance required under this Lease.

XXII. Destruction of Premises. In the event of damage by an insurable casualty so as to render any portion of the Premises partly or wholly untenable, the same shall be restored or repaired by the Lessee to the extent that said loss is covered by insurance. Any and all monies paid to the Lessee or to the Lessor pursuant to the provisions of any policy of insurance covering buildings or structures on the leased Premises shall be used to repair, restore, or rebuild the Clubhouse or other Buildings or structures covered by said insurance. Such work or repair, restoration or rebuilding shall be done with all reasonable dispatch after the occasion therefor arises and there shall be no abatement of rent during the period the Lessee is making such repairs, restoration or is rebuilding. This section does not apply to any structures subsequently constructed by the Lessor on the Premises, except that in the event of damage or destruction involving such structures, if the same are to be rebuilt, the Lessor shall do so within a reasonable time after such damage or destruction or shall remove the same. In the event that the damage or destruction occurs within five (5) years from the end of the term of this Lease, or within five (5) years from the end of the term of the Lease as extended, the Lessee shall have the option of rebuilding or repairing under the terms of this Lease or terminating the Lease. In the event of termination, all proceeds received by the Lessee from insurance covering its interest in the Premises, except as the same may cover personal property belonging to the Lessee, shall be paid to the Lessor.

XXIII. Default in Rent or Scheduled Payments. In the event of default by the Lessee in any scheduled payments or rents herein reserved, or any part thereof, and if such default shall continue for thirty (30) days after written notice from Lessor, then the Lessor shall, without further notice, at its option, have the right to reenter the Premises,

remove the Lessee and all persons holding under Lessee therefrom, and to terminate this Lease, and repossess itself of the Premises; provided, however, that such repossession shall not constitute waiver by the Lessor of any other rights which it might have to enforce the collection of rents for the balance of the term, or to recover damages from the Lessee for default in the payment of rents, or otherwise.

XXIV. Default of Either Party (Other Than Payments). If either party hereto should be in default under any provisions of this Lease, the other party, prior to exercising any option arising upon such default, unless such default shall immediately threaten the interest of the said party in the Premises, shall give the defaulting party written notice of such default, and the defaulting party shall have ten (10) days in which to cure such default, unless a shorter time be provided elsewhere in this Lease, in which case the shorter time shall apply; provided, however, that if any such default cannot be remedied by the defaulting party with reasonable diligence within said ten (10) days, the defaulting party may have such additional time as may, under the circumstances, be reasonably necessary to complete the remedy of such default. This section shall not apply to the payment of any rents or other payments reserved hereunto to the Lessor.

XXV. Notices. All notices or demands to be given under this Lease by one party to the other shall be given personally or by certified mail addressed to the last known address of the other party. The date of service of a notice or demand shall be the date of actual personal service or the postmark on the certified mail, as the case may be. Notices to Lessor shall be directed to the attention of the Village Administrator.

XXVI. Parties Bound. This Lease and the provisions herein under shall be binding upon the respective parties and shall inure to the benefit of said parties, their successors and assigns.

XXVII. Termination on Bankruptcy. If the Lessee shall be adjudged bankrupt or if a judgment is rendered against the Lessee in such an amount as to render the Lessee

insolvent and incapable of meeting the obligations hereunder, and such judgment or order is not appealed from or if said Lessee shall make an assignment for the benefit of creditors or if a receiver shall be appointed for the Lessee by a court of competent jurisdiction and said order appointing the receiver is not appealed from by the Lessee, the Lessor may immediately terminate this Lease and the right of the Lessee to possession of the Premises.

XXVIII. Fixtures. Any fixtures installed by the Lessee may be removed by the Lessee at its expense at any time provided that the Lessee shall leave the Premises in as good condition after said removal, as prior thereto, and provided that said Lessee shall have the written permission of the Lessor for such removal. If the Lessor does not approve the removal of any fixtures installed by the Lessee, it shall pay for the same a sum equal to the cost thereof to the Lessee less reasonable depreciation. This provision shall be applicable to trade fixtures.

XXIX. Surrender of Premises on Termination. The Lessee, upon termination of this Lease, in any manner, will surrender to the Lessor possession of the Premises in good and clean condition and repair and will deliver up the keys to the Lessor.

XXX. Taxes. The Lessee shall pay all taxes assessed or levied against its property located on the Premises.

XXXI. Consolidation of Lessor. In the event Lessor consolidates with another municipality effective before November 30, 2044 and this Lease is still in effect, the rights and privileges accorded to Lessor's residents under this Lease shall continue as to those persons residing within the boundaries of the Lessor as they existed as of January 1, 2015. In the event Lessor consolidates with another municipality effective before November 30, 2044 and provided Lessee shall not be in default at the time of exercise and at the time of extension, beyond any applicable cure periods, Lessee shall have the option to extend the term of Lease for one (1) additional extended term of ten (10) years

through December 1, 2054. If Lessee elects to exercise this option to extend this Lease, the Lessee shall provide Lessor with written notice of Lessee's exercise of this option no later than thirty (30) days after the effective date of such consolidation of Lessor. If Lessee fails to provide such notice, Lessee's option to extend the term shall be null and void. During any such additional extension term, the terms and conditions of this Lease shall remain the same, except as may be otherwise agreed by the parties. In the event Lessor consolidates with another municipality effective before November 30, 2044 and this Lease is still in effect and provided Lessee shall not be in default at the time of exercise and at the time of termination, Lessee shall have the option to terminate this Lease. If Lessee elects to exercise this option to terminate the Lease, the Lessee shall provide Lessor with written notice of Lessee's exercise of this option at least one year prior to the effective date of such termination.

XXXII. Previous Leases and Severability. It is mutually agreed by the parties hereto that this Lease shall, as of January 1, 2015, supersede and replace all previous leases or amendments thereto between the parties covering the Premises described herein. If any portion of this Lease should be declared void, unlawful or unenforceable, then the Lease shall be continued under its remaining terms and conditions, modified so that payments and rentals shall be as determined under Section III of this Lease, and with the term of the Lease (if the option to extend is exercised) as modified extending until December 31, 2045.

XXXIII. Capital Improvements - Assignment of Lease by Lessee. Notwithstanding paragraph VII and on the terms and conditions stated in this paragraph, Lessor agrees that Lessee may assign its interest in the Lease to a lender financing leasehold improvements on the Premises for collateral purposes and on the condition that such assignee shall have no right to assign, sublet, transfer, or encumber Lessee's interest in the Lease. Lessor's consent to a collateral assignment pursuant to this

paragraph shall not be deemed, construed or held to be consent to any additional or other assignment or other transfer by Lessee or its lender of the Lessee's interest in the Lease or limit or modify Lessor's rights hereunder. Lessor's consent to a collateral assignment of the Lessee's interest pursuant to this paragraph shall not release Lessee from any of its obligations hereunder. The Lessee shall promptly notify Lessor, in writing, of any such assignment.

XXXIV. Mutual Understanding. In order to continue mutual understanding between the parties, it is agreed that each party shall appoint a committee from its residents or members, as the case may be, to meet at least twice a year, to jointly discuss matters of mutual interest and any potential problems which may arise from time to time.

XXXV. Property Tax. In the event that the Lessor shall be required by law to assess and to levy any real property taxes against the Premises or any portion thereof, the Lessee shall have the option of (1) paying said taxes in addition to the payment of those sums set forth in this Lease and continuing in possession of the Premises under this Lease or (2) it may declare this Lease void and terminate the same.

IN WITNESS WHEREOF, the Village of Shorewood Hills has caused these presents to be signed by the President and countersigned by the Village Clerk and sealed with its official seal; and Blackhawk County Club, Inc., has caused these presents to be signed by its President and Secretary, all on the ____ day of _____, 20_____.

AS TO THE VILLAGE IN PRESENCE OF:

VILLAGE OF SHOREWOOD HILLS

By: _____
Mark Sundquist, President

COUNTERSIGNED BY:

Colleen Albrecht, Village Clerk

AS TO BLACKHAWK IN PRESENCE OF:

BLACKHAWK COUNTRY CLUB, INC.

By: _____
, President

COUNTERSIGNED BY:

, Secretary

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

Personally came before me this ___ day of _____, _____, President, and, Village Clerk, of the above-named municipal corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be such of said municipal corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

Notary Public, Dane County, Wisconsin
My Commission: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

Personally came before me this ___ day of _____, _____, President, and, Secretary, of the above-named corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be such President and Secretary of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

Notary Public, Dane County, Wisconsin
My Commission: _____

APPENDIX A

Part of the SW $\frac{1}{4}$ of Section 17, Town 7 N., Range 9 E., Village of Shorewood Hills, Dane County, Wisconsin, more particularly described as follows:

Commencing at the Southwest corner of said Section 17; thence S 0° -13' E 58.7 feet along the West line of said NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ said Section 20 to the North right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad; thence N 72° -41' E 188.8 feet along said right-of-way line of said railroad to the South line of said Section 17; thence S 89° -12' E 1190.7 feet on said South line of said Section; thence N 3° -40' W 380.8 feet to the North right-of-way line of said railroad; thence Northeasterly along said North right-of-way line of said railroad 1344.3 feet to the Southwest corner of Lot 188 Third Addition to Shorewood; thence N 0° -32' E 644.4 feet along the West line of said Third Addition to the Southwest corner of the First Addition to Shorewood; thence N 0° -12' W 262.15 feet along the West line of said First Addition to the Southwest corner of Lot 46, First Addition to Shorewood; thence S 86° -07' W 20.85 feet; thence N 25° 01' W 46.25 feet; thence N 26° -31' E 89.8 feet to the Northwest corner of said Lot 46 of said First Addition; thence N 0° -12' W 613.25 feet along the West line of the Second Addition to Shorewood extending to the center line of Lake Mendota Drive; thence S 65° -12' W 1085.93 feet along the said center line of said Drive; thence S 70° -20' W 207.33 feet along said center line of said Drive; thence S 80° -20' W 34.44 feet along said center line of said Drive; thence N 1° -56' W 372.9 feet along the West line of Lot 1, Block 1, Plat of Shorewood to Lake Mendota; thence Westerly along the shoreline of Lake Mendota to the Northwest corner of Lot 12, Block 1, Merrill Park; thence S 0° -13' E 222.85 feet along the East line of said Lot 12 of said Block 1, Merrill Park to the center line of Lake Mendota Drive; thence S 75° -41' W 271.34 feet along said center line of said Drive; thence N 89° -17' W 500.49 feet along said center line of said Drive to a point which is 30 feet Easterly from the West line of said Section 17; thence S 0° -13' E 725.45 feet; thence S 26° -21' W 67.0 feet to the West line of said Section 17; thence S 0° -13' E 979.5 feet to the point of beginning, subject to all easements and restrictions of record and excepting therefrom all parts of the above-described premises which comprise the existing right-of-way of Lake Mendota Drive, Sunset Drive, and Blackhawk Drive.

APPENDIX B

Part of the SW $\frac{1}{4}$ of Section 17, Town 7 N., Range 9 E., Village of Shorewood Hills, Dane County, Wisconsin, more particularly described as follows:

Commencing at a point which is S 71° -29' W 330.9 feet from an iron stake which is the Northeast meander corner of Lot 1, Block 1, Plat of Shorewood; thence N 7° -29' W 75.0 feet to the Shoreline of Lake Mendota; thence S 82° -31' W 250.0 feet along said shoreline of said Lake; thence S 7° -29' E 75.0 feet; thence N 82° -31' E to the point of beginning; except that the Southerly 15 feet of this described area shall be used only for landscaping purposes and provided that all plantings on such area must have prior approval of LESSEE.

The LESSOR shall have the right of use of all the Lake East and West of the above-described property for boat mooring facilities only.

APPENDIX C

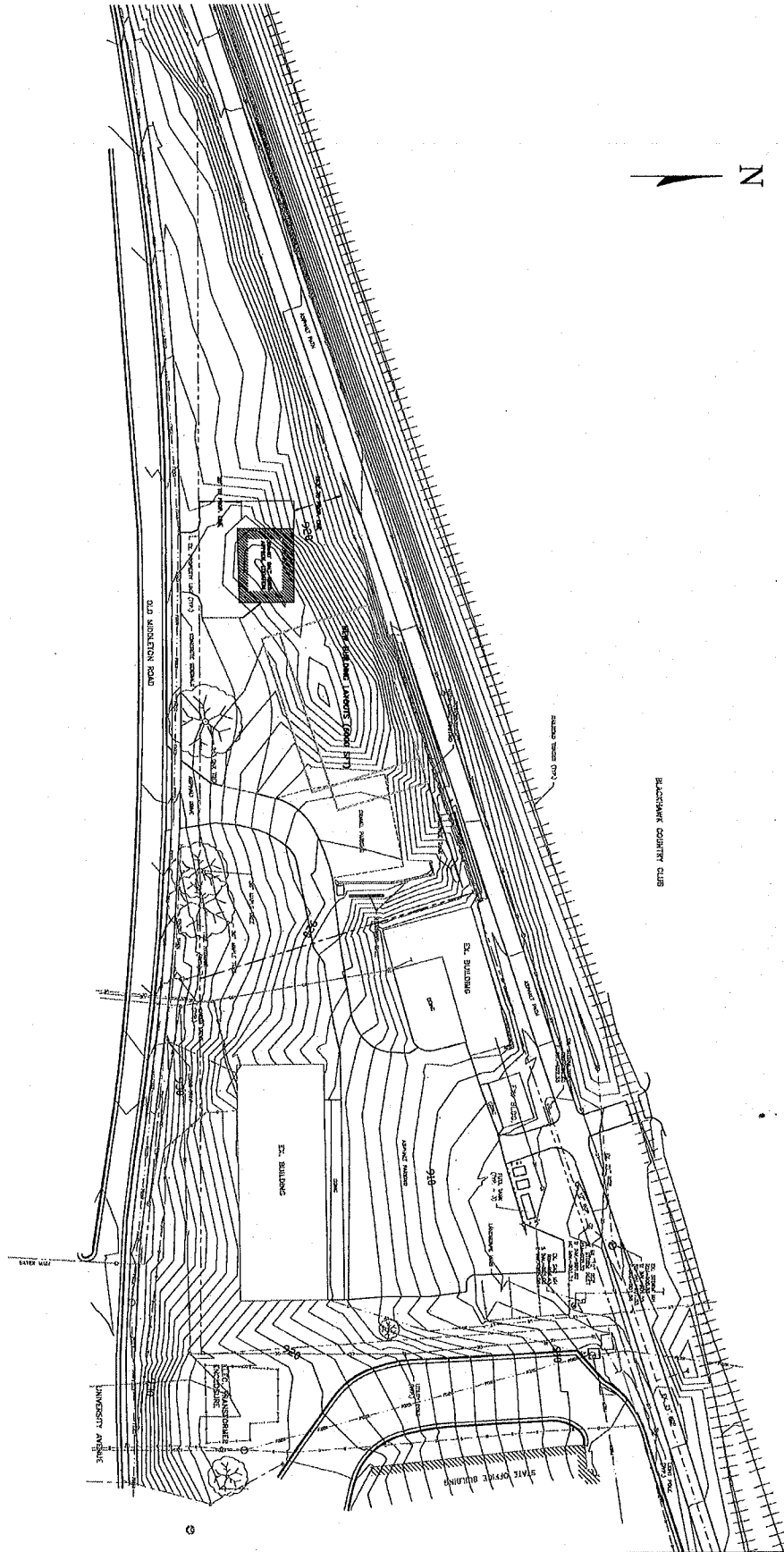
Part of the SW $\frac{1}{4}$, Sec. 17, T7 N., R9 E., Village of Shorewood Hills, Dane County, Wisconsin, more particularly described as follows:

Commencing at the southwest corner of said Sec. 17; thence S 89° 12' E 502.25 ft. along the south line of said section to the point of beginning. Thence continuing S 89° 12' E 400 ft. along said south line of said section; thence north $\frac{+}{-}$ 225 ft. to the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad; thence southwesterly $\frac{+}{-}$ 425 ft. along said south right-of-way line of said railroad to the point of beginning.

APPENDIX D

Part of the SW $\frac{1}{4}$, Sec. 17 T7 N., R9 E., Village of Shorewood Hills, Dane County, Wisconsin, more particularly described as follows:

Commencing at the NE corner of the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Sec. 17; thence S 0° -32' W 330 ft., thence west \pm 220 ft. to a point which is 10 ft. easterly of the existing left track; thence northerly \pm 200 ft. along a line 10 ft. easterly and parallel to said left track to the southwest corner of the existing pro shop; thence easterly along said pro shop to the southeast corner of said shop; thence northerly \pm 52 ft. to the corner of said shop adjacent to the existing parking lot; thence northeasterly along the edge of existing parking lot \pm 220 ft. to a point on the east line of said SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said section, thence N 0° -31' E 50 ft. to the point of beginning.



DATE	BY	CHKD.	APP'D.
7/10/08	J. J. [unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]
7/10/08	[unclear]	[unclear]	[unclear]

PROPOSED PUBLIC WORKS
 [unclear]

TOWN & COUNTRY
 ENGINEERING INC

Appendix E