

**Delavan Lake Resort Condominium
RESIDENTIAL CONDOMINIUM OFFER TO PURCHASE**

DATE: _____

SELLER:

Delavan Grand Hotel, LLC
Federal Identification No.: 39-1957872
751 Geneva Parkway
Post Office Box 460
Lake Geneva, Wisconsin 53147
Telephone: (262) 728-2200
Facsimile: (262) 728-5223

BUYER:

Social Security No. of Each Buyer: _____

Telephone: Home _____ Work _____
Facsimile: _____ Work _____

PROPERTY:

Unit No. _____ and Storage Unit No. _____ (collectively the "Unit") of Delavan Lake Resort Condominium, Seller's undivided interest in the common elements appurtenant to the Unit, together with and subject to the rights, interests, obligations and limitations set forth in the declaration and condominium plat (as amended from time to time) creating the Condominium, and Seller's interest in any common surplus and reserves of the Condominium allocated to the Unit (which all together shall be referred to as the "Property").

PURCHASE PRICE:

\$ _____, payable in full at Closing (with credit for Earnest Money and subject to the other adjustments provided below).

EARNEST MONEY:

\$2,000.00 accompanying this Offer and \$ _____ which must be received by the Seller within ten (10) business days after the date of acceptance of this Offer, time being of the essence. If said amount is not received by the Seller within the ten (10) business day period, this Offer shall be voidable at the sole option of Seller. All Earnest Money shall be held in the trust account of the real estate broker, Keefe Real Estate, Inc.

PARKING:

There is no assigned parking unit or area.

CONDOMINIUM ASSOCIATION:

Delavan Lake Resort Condominium Association, Inc., a Wisconsin not-for-profit corporation

ASSOCIATION FEES:

Estimated to be \$290 per month. At Closing, Buyer shall also pay to the Condominium Association a one-time administrative/start-up fee equal to two (2) months of the regular Association Fees.

CLOSING AND OCCUPANCY:

At Seller's office between _____ and _____, on a date and at a time determined by Seller, and upon not less than 10 days notice to Buyer (or at such other date, time and place as the parties mutually agree). Occupancy of the Unit shall be given to Buyer at the time of Closing.

PRORATIONS:

Closings that occur in the year 2004 and thereafter will have real estate taxes prorated based upon the individual tax bill from the previous year. Seller pays their pro-rata share at closing. Special assessments, if any, including those of the Condominium Association, for work on the site actually commenced or levied prior to the date of the Offer shall be paid by Seller. All other special assessments shall be paid by Buyer.

WARRANTY DEED:

Seller shall convey the Property to Buyer by warranty deed free and clear of all liens and encumbrances excepting municipal and zoning ordinances and agreements entered into under them, recorded easements and building and use restrictions and covenants, general taxes levied in the year of Closing, Wisconsin Condominium Act, Condominium declaration and plat and Condominium Association articles of incorporation, bylaws, rules and any amendments to the above. The foregoing condition of title constitutes merchantable title for purposes of this transaction.

TITLE EVIDENCE:

Seller shall, at its expense, give evidence of title by an owner's policy of title insurance in the amount of the Purchase Price (including the ALTA Condominium 4 Endorsement or equivalent). This title evidence shall be acceptable if the title insurance commitment is delivered to Buyer not less than 3 days before Closing, showing title to the Property as of a date not more than 30 days before such delivery to be in the condition described above, subject only to liens which will be paid at Closing out of the sale proceeds, standard title insurance requirements and exceptions. Title insurance will be issued by Southeastern Wisconsin Title Co. Inc., which is affiliated with the Seller.

CONDOMINIUM DISCLOSURES AND DOCUMENTS:

Seller agrees to provide Buyer with complete, current copies of the disclosure materials (organization and operational documents, plans and financial statements) as required by Wisconsin Statutes Section 703.33 ("Condominium Documents") no later than 15 days prior to Closing, and any amendment to these materials promptly after its adoption. **As provided in Wisconsin Statutes Section 703.33, Buyer may, within 5 business days after receipt of the Condominium Documents, including any material amendment thereto, rescind this Offer by written notice mailed or delivered to Seller, the date of mailing or actual delivery being the effective date of such notice.** Seller reserves the right, prior to Closing, upon notice to Buyer, to make amendments (which shall not be deemed material for purposes of the following) to the Condominium Documents as may be required by any construction or permanent lender, secondary mortgage market agency, public authorities or title company insuring title to the Unit, provided that no such amendment shall (i) result in a change to the Purchase Price hereunder, (ii) require a material physical modification of the layout or location of the Unit, (iii) materially decrease or limit Seller's obligations hereunder, or (iv) materially change the percentage interest of the Unit as provided in the Condominium Documents, with the exception of Seller's right to expand the Condominium as set forth in the Condominium Documents.

SELLER'S DEVELOPMENT RIGHTS:

Seller has the right to construct additional condominium units which will be part of the Delavan Lake Resort Condominium. Such additional units may be constructed prior to or after Closing. Seller reserves the right to perform such construction work and related activities, and the right of access through, on and about the common elements of the Condominium to accomplish such activities and sell the condominium units thereby constructed.

DEFAULT/REMEDIES:

If Buyer fails to close through no fault of Seller, Seller may (i) sue for specific performance and retain the Earnest Money as partial payment of the Purchase Price, or (ii) terminate this Offer and retain the Earnest Money as liquidated damages, or (iii) sue for its damages and retain the Earnest Money on account of any such damages. If Seller fails to close through no fault of Buyer, Buyer may terminate this Offer and receive the Earnest Money as Buyer's sole and exclusive remedy.

OTHER DOCUMENTS:

Attached hereto and made part of this Residential Condominium Offer to Purchase are the following:

- Exhibit "F" Riders 1 & 2
- Addendum A

OTHER PROVISIONS/DISCLOSURES:

- The broker involved in this transaction is the agent of Seller.
- Keefe & Associates, Inc., a member of the Seller, is the parent company of Keefe Real Estate, Inc., a broker involved in this transaction.
- Except as provided herein, time is of the essence.
- The terms and conditions of this Offer shall survive the Closing.
- In the event of any litigation hereunder, the prevailing party shall be entitled to recover all costs related thereto, including reasonable attorneys' fees and expenses.
- Unless otherwise provided in this Offer, delivery of documents and written notices to a party shall be effective only when accomplished in any of the following ways: (i) by mailing in the U.S. Mail or delivery to a commercial delivery service addressed to the party as set forth above; or (ii) by giving the document or notice personally to the party; or (iii) by electronically transmitting (facsimile) the document or written notice (executed as appropriate) to the telephone numbers set forth above.
- The provisions of any schedules, riders, addenda or other documents attached hereto are made a part of this Offer.
- This Offer, including any amendments to it, contains the entire agreement of Buyer and Seller regarding the transaction. All prior negotiations and discussions have been merged into this Offer.
- This Offer binds and inures to the benefit of Buyer and Seller and their heirs, successors and assigns.
- Seller makes no representations, warranties or guarantees as to the rental income that the Unit may generate for Buyer or any other aspect of the present or future rental market in and about Delavan, Wisconsin.
- Prior to or at the time of closing each unit owner must enter into a Rental Agreement which will require collection of the Township of Delavan 8% room tax.

BUYER MAKES THE FOREGOING OFFER.

Signature of Buyer

Signature of Buyer

SELLER ACCEPTS THE FOREGOING OFFER.

Date: _____

By: DELAVAN GRAND HOTEL, LLC
Keefe & Associates, Inc., Member

The form of this Offer was prepared by:
Axley Brynelson, LLP
Attorneys for Seller
Post Office Box 1767
Madison, Wisconsin 53701-1767
(608) 257-5661
Revised 3/20/03

By: _____
