



May 15, 2023

Craig Dequaine
2165 Skyline Pines Dr.
Green Bay, WI 54313
Via Electronic Mail Only to Duke2165@new.rr.com

Subject: Lease Liability Clarification Letter
Imogene's Cleaning Center, 1502 Saemann Ave, Sheboygan, Wisconsin 53081
Parcel #: 59281601430
BRRTS #: 07-60-591849 & 02-60-552193

Dear Mr. Dequaine:

The Wisconsin Department of Natural Resources (DNR) received a request for a lease liability clarification from Roger Dulmes from RSD of Sheboygan, LLC on your behalf on April 5, 2023 (Request). The Request was submitted with the appropriate review fee for the lease area (Property) identified above. The purpose of this letter is to provide Craig Dequaine clarification as to environmental liabilities associated with the leasing of real property from RSD of Sheboygan, LLC. Wisconsin Statutes (Wis. Stat.) § 292.55(1)(d)1. authorizes the DNR to issue a letter to a person seeking assistance concerning the liability of a person owning or leasing a property for environmental pollution at a property. The DNR based this letter on review of environmental reports and the lease agreement that were provided in the Request:

- Liability clarification letter request, completed Form 4400-237, signed April 10, 2023, including attachments.
- Lease between Craig Dequaine (Tenant) and RSD of Sheboygan, LLC (Landlord) which was not signed and executed. The Lease includes a legal description of the Property. The draft Lease is included as an attachment to this letter.
- Email from Mr. Dulmes dated April 17, 2023, with responses to request for additional information from the DNR.

PROPERTY USE

The Property has been used as a dry cleaner and laundromat since approximately 1963. Craig Dequaine is planning to purchase certain business assets from Pro-Clean, Inc., the current operator and to lease the Property. It will be used as a laundromat and as a dry cleaning drop off location. While most dry cleaning would be done off-site at Mr. Dequaine's other business location, some dry-cleaning would be done at the Property for quick turn-around items and special-order items.

BACKGROUND AND ENVIRONMENTAL SUMMARY

In 2008, volatile organic compounds (VOCs) were detected in soil and groundwater on the Property. The contamination was discovered as part of site investigation performed to enter the Drycleaner and Environmental Repair Program (DERP). Contamination at the Property is considered part of an open Environmental Repair Program (ERP) case tracked by the DNR under Imogenes Cleaning Center site (the Site), BRRTS # 02-60-552193. The DNR issued a responsible party letter to the owner of the Property, Mr. Roger Dulmes of Pro Clean, Inc., on August 26, 2008, and the Site was entered into DERP with applicant Roger Dulmes of Pro Clean, Inc. d/b/a Imogene's Cleaning Center.

The on-site building was constructed in 1962 with coin-operated drycleaning operations beginning in 1963 and commercial drycleaning beginning in 1965. In 1987, the business and Property were purchased by Roger Dulmes and operated as Pro-Clean, Inc. The Site is currently an active drycleaning and laundromat facility, with the drycleaning machine located near the northeast corner of the on-site building. Drycleaning operations historically and currently utilize perchloroethylene (PCE), which is the main contaminant of concern for the Site. Other contaminants of concern include chlorinated volatile organic compound (CVOC) breakdown products of PCE, which include trichloroethylene (TCE), *cis*-1,2-dichloroethylene, *trans*-1,2-dichloroethylene and vinyl chloride. CVOC contamination is present in soil, groundwater and vapor both on-site and off-site. Additional investigation and remediation are required and the current owner of the Site, RSD of Sheboygan, LLC, will continue to be responsible for addressing the contamination.

LEASE AGREEMENT

The Lease allows the Tenant to use the Property. Paragraph 38 of the Lease includes provisions regarding the environment. This paragraph generally explains that the Tenant is responsible for following applicable environmental laws related to the Tenant's operations at the Property. The Tenant indemnifies the Landlord from any liability related to an environmental law violation arising from the operations of the Tenant on the Property or any occupancy of the Property under the Lease. The final sentence in the paragraph states: "Notwithstanding the aforementioned, TENANT acknowledges that it/he is aware that LANDLORD and the premises are subject to the Wisconsin Dry Cleaner Environmental Response Remediation Program."

DETERMINATIONS

The DNR reviewed the documents described above and the reports in the DNR files and determined, based on proposed use and current environmental conditions, that Craig Dequaine, as Tenant under the Lease, would not "possess or control," as those terms are used in Wis. Stat. § 292.11(3), any hazardous substance discharges that are present on the Property prior to signing the Lease. This determination is conditioned on compliance with the following standards of performance:

- Craig Dequaine must provide any responsible party, its consultants and DNR personnel with reasonable access to the Property for the purposes of conducting any necessary environmental assessment or remediation activities.

- Craig DeQuaine or its representatives, agents or contractors, must comply with all applicable state and federal laws that apply if they conduct any excavation, storage, treatment or disposal of contaminated soils, groundwater or other materials on the Property.
- Craig DeQuaine must minimize, to the extent practicable, the placement of any structures in areas of the Property impacted by environmental contamination, or construct buildings in such a manner as to allow remedial work to be conducted.
- Craig DeQuaine must comply with the requirements of Wis. Stat. § 292.11 and Wisconsin Administrative Code (Wis. Admin. Code) chs. NR 700 to 799 for the discharge of any hazardous substances or environmental pollution that may be caused by Craig DeQuaine or its contractors.
- There are no relevant provisions in the Lease that would alter the DNR's analysis.

As long as these conditions are satisfied, the DNR agrees not to hold Craig DeQuaine in his capacity as a Tenant under the Lease responsible for investigating or remediating any hazardous substances or environmental pollution that are present on, or migrated from or onto, the Property prior to the date of the Lease. Craig DeQuaine would be responsible for any hazardous substance discharges caused by his operations on, or occupancy of, the Property under the Lease. The DNR did not conduct a separate legal and financial analysis to ascertain possible liability based on any acquisition of business assets by Craig DeQuaine. This letter does not make any determination regarding environmental liability under any asset purchase agreement. Also, the Lease provides the Tenant the option to purchase the Property. If Craig DeQuaine were to purchase the Property, he would be a responsible party under the Hazardous Substance Spill law, Wis. Stat. § 292.11(3), as the Property owner.

The Lease provided to the DNR as part of the Request has not been executed by the parties. Any determinations made by the DNR in this letter are based specifically on the information made available to the DNR as part of the Request and are subject to change if modifications are made to the Lease prior to execution or other information arises.

This letter only addresses the Property as described in the attached Lease. Should Craig DeQuaine desire a lease liability clarification letter for expanded or revised boundaries, a separate request and fee must be submitted to the DNR. This letter was written specifically for Craig DeQuaine and is not transferrable to another party. You are reminded that this determination does not relieve you of obligations to comply with all other applicable federal, state and local laws, regulations, and permits.

ENVIRONMENTAL REQUIREMENTS

Soil and groundwater contamination is present beneath the on-site building and poses a concern for vapor intrusion. A vapor investigation is required for this building, and the Tenant must allow DNR personnel reasonable access for this investigation and any mitigation and remedial actions.

CLOSING

This letter, site, and case-related information and DNR contacts can be found online in the Bureau for Remediation and Redevelopment Tracking System (BRRTS) on the Web (BOTW); go to dnr.wi.gov and

search "BOTW." Use the BRRTS ID # found at the top of this letter. The site can also be found on the map view, Remediation and Redevelopment Sites Map (RRSM) by searching "RRSM."

If you have any questions regarding this letter, please contact me at (608) 259-6557 or Jodie.Peotter@wisconsin.gov. You may also contact the DNR Project Manager, Josie Schultz at (920) 366-5685 or Josie.Schultz@Wisconsin.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jodie Peotter', with a long horizontal flourish extending to the right.

Jodie Peotter, PG
Chief, Brownfields, Outreach and Policy Section
Remediation and Redevelopment Program

Attachment: LEASE between Craig Dequaine ("Tenant") and RSD of Sheboygan, LLC ("Landlord")

cc:

Roger Dulmes, RSD of Sheboygan, LLC – roger3033@charter.net
Josie Schultz, DNR, Remediation and Redevelopment Program – Josie.Schultz@Wisconsin.gov
Michael Prager, DNR, Remediation and Redevelopment Program – Michael.Prager@wisconsin.gov

LEASE

THIS LEASE, made and executed effective as of the ____ day of March, 2023, by and between **RSD OF SHEBOYGAN, LLC**, a Wisconsin limited liability company, hereinafter referred to as "**LANDLORD**", and **CRAIG DeQUAINE** (or entity), hereinafter referred to as "**TENANT**."

WHEREAS, the **LANDLORD** desires to Lease the premises and the **TENANT** desires to Lease the premises from the **LANDLORD**; and

NOW AND THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, IT IS AGREED AS FOLLOWS:

1. **PREMISES.** The **LANDLORD** does hereby Lease to the **TENANT**, and the **TENANT** does hereby accept for Lease from the **LANDLORD**, the leased premises known as 1502 Saemann Avenue, Sheboygan, Wisconsin, with legal description as described in **Exhibit "A"** attached hereto.

2. **TERM OF LEASE.** Unless mutually agreed otherwise, the term of this Lease shall be for a period of five (5) years, commencing effective on the ____ day of March, 2023, and terminating on the ____ day of February, 2028. The **TENANT'S** obligation to pay rent shall commence effective the ____ day of March, 2023. This Lease shall automatically renew for another five (5) year term unless written notice is given by either party thirty (30) days prior to the end of any particular lease term. For any partial month, **TENANT** shall be obligated to pay an amount equal to **TENANT'S** prorated share of its monthly rental amount.

3. **RENT.** In consideration of this Lease, for the initial two (2) years of the Lease, **TENANT** agrees to pay the rental sum of One Thousand Six Hundred Dollars (\$1,600.00) per month, rent payable on the first day of each month, commencing the ____ day of March, 2023. Further, for the subsequent three (3) year term, **TENANT** agrees to pay the rental sum of One Thousand Seven Hundred Dollars (\$1,700.00). For any partial month, **TENANT** shall be obligated to pay an amount equal to the **TENANT'S** prorated share of its month rent. Said payments shall be made to the **LANDLORD** at 3033 North 27th Street, Sheboygan, WI 53083, or such other place as the **LANDLORD** may from time-to-time designate by written notice to the **TENANT**.

4. **TENANT'S OPTION TO PURCHASE LEASED PREMISES.** **LANDLORD** hereby grants **TENANT**, or its successor or assigns, an option to purchase the Leased Premises upon the following terms and conditions:

A. The option to purchase may be exercised by **TENANT**, at any time prior to the expiration of a lease term, by written notice at least sixty (60) days prior to the intended closing date.

B. **TENANT** shall submit a WB-15 Commercial Offer to Purchase to **LANDLORD** outlining the negotiable terms of the purchase.

5. **ADDITIONAL RENT.** Each month as additional rent the **TENANT** shall pay to **LANDLORD** an amount equal to one-twelfth (1/12) of the annual real estate taxes and assessments as documented by the tax bill received from the appropriate taxing authority in Sheboygan County, commencing with the real estate tax bill for the year 2023. The **TENANT** shall be responsible for the taxes from the lease commencement date thereafter. Special assessments as part of any annual real estate tax bill shall be part of the additional rent hereunder. Attached hereto and incorporated by reference as **Exhibit "B"** is a copy of the current Real Estate Tax Summary. Said Summary is subject to change as the City of Sheboygan is currently undergoing a city-wide reassessment.

6. **UTILITIES.** The **TENANT** shall be responsible for and shall promptly pay directly to the providers all municipal and other utility charges, such as water and sewer, heat, gas, electricity, power and any other utility services used by it at or upon the leased premises.

7. **ALL PERIL INSURANCE.** During the term of this Lease, the **TENANT** shall provide and maintain in full force and effect, a policy of insurance, including, but not limited to fire and wind coverage insurance, upon the leased premises insuring the same with reputable and solvent insurance company or companies, licensed to do business in the State of Wisconsin, and the **TENANT** shall be responsible for the premium payment thereof. The amount of the insurance shall not be less than the full replacement value of the premises. The **TENANT** in addition shall be responsible to obtain and pay premiums for all peril and extended **TENANT** insurance coverage on **TENANT'S** business personal property and equipment, as utilized by the **TENANT**, from time to time, within the leased premises. **LANDLORD** and **TENANT** agree that all insurance contracts as obtained by them, from time to time, during the term of this Lease, shall contain a waiver of all rights of subrogation which the insurer or insurers under said policy or policies might otherwise, if at all, have as against each other. **TENANT** shall see that the **LANDLORD** is named as Loss Payee upon all peril insurance insuring **LANDLORD'S** interest in the premises and building(s) located thereon.

8. **LIABILITY INSURANCE.** During the initial term of this Lease and any renewal term thereafter, the **TENANT** shall provide and maintain in full force and effect, a policy (or policies) of insurance with reputable and solvent insurance companies, insuring the **LANDLORD** and **TENANT** against public liability as covers the leased premises and its use or occupancy thereof, with limits of not less than \$500,000.00 for injury or damage to one person, \$1,000,000.00 for injury or damage to more than one person, and \$100,000.00 for property damage. All such premium limit amounts, as set forth in the preceding sentence, are minimum dollar amounts. All of such policies shall name the **LANDLORD** as an additional insured thereon, and the **TENANT** shall, from time to time, deposit with the **LANDLORD** appropriate certificates certifying the existence of such insurance. **LANDLORD** and **TENANT** agree that any such insurance contract or contracts as obtained by either of them, reference liability insurance, shall contain a waiver of all rights of subrogation which the insurer or insurers under said policy or policies might otherwise, if at all, have as against them, which subrogation rights **LANDLORD** and **TENANT** hereby waive as against each other.

9. **WORKER'S COMPENSATION INSURANCE.** At all times during the term of this Lease, the **TENANT** shall keep and maintain worker's compensation insurance necessary to protect its employees.

10. **REPAIRS, MAINTENANCE AND REPLACEMENT (NON-STRUCTURAL).** **TENANT** shall be responsible for all repairs and maintenance to the leased premises, except where the same shall result from the negligence of **LANDLORD**, its employees or agents; provided, however, that **TENANT** shall not be liable for damage to any building of which the leased premises are a part and which may be caused by fire or other hazards covered by the **LANDLORD'S** insurance to the extent **LANDLORD** shall have recovered thereon or is reimbursed by insurance proceeds for such damage, or to the extent such insurance proceeds are applied to the repair or restoration thereof, notwithstanding the fact that such damage may have been caused by **TENANT**, its agents, employees or invitees; and **LANDLORD** does hereby expressly release **TENANT** of and from liability for such damage so recovered from insurance paid to **LANDLORD** or for **LANDLORD'S** benefit.

The **TENANT** shall maintain the leased premises at its own expense in a manner reasonable and consistent with the Lease use hereof and shall upon the expiration of the term of this Lease deliver up the leased premises in reasonable condition, reasonable wear and tear, ordinary depreciation and damage by fire or other casualty excepted.

11. **STRUCTURAL AND MECHANICAL REPAIRS AND REPLACEMENT.** The **LANDLORD** shall be required to perform such repairs and replacement at **LANDLORD'S** expense as to structural portions of the leased premises, defined as foundations, walls and roofs, and mechanical devices such as furnaces and water heaters, and air conditioning. In those instances, where replacement and/or repairs are covered by all peril insurance, all insurance proceeds shall be applied to such repairs/replacement.

12. **CONDITION OF THE DEMISED PREMISES.** The taking of possession of the Premises by the **TENANT** shall be conclusive evidence that the **TENANT** accepts the Premises "AS IS." No representation, statement or warranty, express or implied, has been made by or on behalf of the **LANDLORD** as to such condition. In no event shall the **LANDLORD** be responsible or liable for any defect in the Premises.

13. **TENANT'S REMODELING.** The **TENANT** may remodel the interior of the premises from time to time, as necessary to carry out the **TENANT'S** business, all such costs of remodeling to be borne by the **TENANT**, with consent of the **LANDLORD**, such consent shall not be unreasonably withheld.

14. **USE OF THE PREMISES.** The **TENANT** agrees that it will use the leased premises in compliance with all applicable laws, ordinances, and regulations of Federal, State, and local governments.

15. **COVENANT OF TITLE.** **LANDLORD** hereby covenants and warrants that **LANDLORD** is lawfully seized of good and merchantable fee title to the leases premises, free

and clear of all liens, encumbrances and material defects, and that **LANDLORD** has good and sufficient right to Lease same to the **TENANT** hereunder or the term herein defined.

16. **PARTIAL DESTRUCTION.** In the event of partial destruction of the building or the improvements located on the leased premises by fire or other casualty, defined as destruction of less than thirty (30) percent of the leased premises (buildings), the **LANDLORD** shall restore or repair the leased premises with reasonable diligence. **LANDLORD** shall be required to expend such insurance sums as are received to repair or restore improvements to the premises, so that the premises will be in the condition they were immediately prior to the date of destruction. A just and proportionate part of the rent payable by the **TENANT**, to the extent that such damage or destruction renders the leased premises untenable, shall abate on the date of such damage or destruction until such premises are repaired or restored. Provided however, that the **TENANT** shall have the option to terminate this Lease, in the event of partial destruction, if the repairs and restoration of the premises cannot be completed within sixty (60) consecutive days following the date of loss.

17. **SUBSTANTIAL DESTRUCTION.** If the leased premises shall be damaged by fire or other casualty of happening as to be substantially destroyed, defined as thirty (30) percent or more destruction of the leased premises, the **TENANT** shall have the option to terminate this Lease by giving **LANDLORD** written notice within thirty (30) days after such destruction, and any unearned rent shall be apportioned and returned to the **TENANT**.

If the **TENANT** does not elect to cancel this Lease as aforesaid, the same shall remain in full force and effect, and **LANDLORD** and **TENANT** shall proceed to utilize insurance proceeds, with reasonable diligence, to repair and replace the leased premises, returning them to the condition they were in prior to the date of said destruction, and during said period of construction, rent shall be abated.

18. **JANITORIAL SERVICES, INTERIOR CLEANING, SNOW AND ICE REMOVAL, LAWN CUTTING.** The **TENANT** shall be solely responsible for janitorial services and interior and exterior cleaning of the leased premises. The **TENANT** shall promptly pay all independent contractors hired by the **TENANT** to perform the aforementioned services, or any other services hereinafter mentioned. The **TENANT** shall be responsible for lawn maintenance and snow removal. **TENANT** shall hold the **LANDLORD** and the premises free from any and all claims of liens on the part of any independent contractors hired or employed by the **TENANT** to fulfill the **TENANT'S** obligation hereunder.

19. **NOTICES.** Whenever in this Lease it shall be required or permitted that notice be given by either party hereto to the other, such notice shall be forwarded by U. S. Certified Mail addressed as follows:

TO THE LANDLORD:

RSD of Sheboygan, LLC
Attn. Roger Dulmes
3033 North 27th Street
Sheboygan, WI 35083

TO THE TENANT:

Craig DeQuaine (or entity)
2165 Skyline Pines Drive
Suamico, WI 54313

Or such other place as the parties may designate in writing.

It is further agreed that either of the parties hereto will promptly submit a copy of any notice received by such party from any third person affecting the rights of either party under this Lease.

20. **TRADE IMPROVEMENTS AND MACHINERY.** If the **TENANT** shall install at its expense any shelving, portable partitions, machinery or equipment, appliances, air lines, counters, racks or other like improvements and removable leasehold improvements of any type whatsoever, any articles so installed shall remain the property of the **TENANT**, and the **TENANT** may remove at the termination of the Lease any and all of said articles, except any fixtures shall remain the property of the **LANDLORD**. The term "fixtures" shall be as defined as follows: an item of property which is physically attached to or so closely associated with land and improvements so as to be treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the property, items specifically adapted to the property, and items customarily treated as fixtures. A fixture does not include trade fixtures owned by tenants of the property. **TENANT** agrees not to create, or suffer others to create, any lien or obligation against the premises or against the **LANDLORD** by reason or the authorized installation of said articles, and further agrees to hold **LANDLORD** harmless or and from all claims and demands of third persons in any manner relating to such installation.

21. **TENANT'S DEFAULT.** Failure on the part of the **TENANT** to pay Rent and/or Additional Rent within ten (10) days after same shall become due, failure of **TENANT** to promptly and faithfully keep and perform every covenant, condition, agreement and obligation of this Lease (other than payment of rent on the part of **TENANT**) to be kept and performed for more than twenty (20) days after written notice of such default shall have been given to **TENANT**, shall, at the option of **LANDLORD**, cause the forfeiture of this Lease, without, however, releasing **TENANT** from liability as hereinafter provided, and if such default shall not be corrected within the applicable period aforesaid, possession of the leased premises and all improvements thereon shall be delivered to **LANDLORD** and thereupon **LANDLORD** shall be entitled to and may take immediate possession of the leased premises and all improvements thereof, and other notice or demand being hereby waived. **TENANT** agrees to quit and deliver up possession of the leased premises to **LANDLORD** or **LANDLORD'S** assigns, successors of leased premises by termination or forfeiture. In the event that the **LANDLORD** incurs any attorney's fees, to enforce any breach of covenant, terms and conditions of this Lease, and/or in the event of eviction, the **TENANT** agrees to reimburse and to be liable to the **LANDLORD** for all reasonable attorney's fees and disbursements incurred.

22. **DELINQUENT RENT AND ADDITIONAL RENT TO BEAR INTEREST.**
Any installments of Base rent, or other sums due and payable hereunder which are not paid when

due or within ten (10) days thereafter shall bear interest at the rate of prime (as determined by U. S. Bank, N.A.).

23. **TENANT'S OBLIGATION.** **TENANT** covenants that any forfeiture, annulment or voidance of this Lease shall not relieve **TENANT** from the obligation to make the monthly payments of Rent or Additional Rent. In case of default of **TENANT**, **LANDLORD** may relet the premises as the agent for an in the name of **TENANT**, at any rental readily acceptable, applying the proceeds first to the payment of such expense as **LANDLORD** may incur by such re-entering, including reasonable attorney's fees, and then to the payment of such rent as same becomes due, and toward the fulfillment of the other covenants and agreements of **TENANT**, and the **TENANT** hereby agrees that if **LANDLORD** shall recover or take possession of said premises as aforesaid, and be unable to relet and rent the same so as to realize a sum equal to the rent hereby reserved, **TENANT** shall pay to **LANDLORD** any loss or difference of rent for the remainder of the term or any renewal terms as then in effect.

LANDLORD shall have the right to re-enter the premises and to assume and take possession of the whole or any part thereof, and to remove all personal or personal property by direct or summary action, or by way of any type of suit or proceeding, or otherwise, without being deemed guilty of trespass or other actionable wrong by reason thereof, and without being liable for the damages therefor or in connection therewith, and, after demand made therefor, **TENANT** or anyone in possession claiming under **TENANT**, shall be deemed guilty of unlawful detainer and subject to such summary or other action as may be provided by law.

LANDLORD, regardless of the date on which its right or re-entry shall have accrued or be exercised, shall have the right, exercisable without notice to or demand upon **TENANT** or any other person, whether for rent or possession or otherwise, to forfeit this Lease and terminate the estate of **TENANT** hereby created.

In any and every event, **LANDLORD** shall not be deemed to have accepted any surrender of the leased premises or of the leasehold estate created hereby from **TENANT**, or anyone acting on **TENANT'S** behalf, unless **LANDLORD** by an agreement in writing shall declare explicitly that it intends thereby to release **TENANT** from liability.

24. **LANDLORD DEFAULTS.** It is mutually agreed that in the event the **LANDLORD** shall default in any of the terms and provisions of this Lease, the **TENANT** may forward written notice of such default by U. S. Certified Mail, addressed to the **LANDLORD** as hereinbefore set forth, and the **LANDLORD** agrees that if it be in default as set forth in such notice, it will cure said default within twenty (20) days after the date of mailing of such notice, or in the event such default is of such a character to require more than twenty (20) days to cure, the **LANDLORD** will use due diligence to cure said default. In the event **LANDLORD** shall fail to cure such default as herein set forth, the **TENANT** may cure such default, and the reasonable cost and expense thereof shall be owing by **LANDLORD** to **TENANT**, and **TENANT** shall have the right to deduct the amount thereof from rentals then due or thereafter coming due under said Lease.

Failure to give notice of any default shall not be deemed to a waiver thereof, or consent to the continuation thereof.

25. **BANKRUPTCY.** Neither this Lease, nor any interest therein nor any estate thereby created shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law. In the event the estate created hereby shall be taken in execution or by other process of law, or if the **TENANT** shall be adjudicated insolvent or bankrupt pursuant to the provisions of any State or Federal Insolvency or Bankruptcy Act, or if a receiver or trustee of the property of the **TENANT** shall be appointed by reason of the **TENANT'S** insolvency or inability to pay its debts, or if any assignment shall be made of the **TENANT'S** property for the benefit of creditors, then and in any such events the **LANDLORD** may at its option, in addition to the remedies provided herein, terminate this Lease and all rights of the **TENANT** herein, by giving to the **TENANT** notice in writing of the election of the **LANDLORD** so to terminate.

26. **ATTORNEY'S FEES.** The **TENANT** shall be obligated to reimburse the **LANDLORD**, and the **LANDLORD** shall be obligated to reimburse the **TENANT**, for any and all reasonable attorney's fees and costs expended either by the **TENANT** or **LANDLORD**, in enforcing any **TENANT'S** or **LANDLORD'S** rights under all terms and conditions of this Lease agreement.

27. **RIGHT TO ENTER AND VIEW.** **LANDLORD** may enter and view the leased premises at reasonable times and intervals during **TENANT'S** normal business hours and in a manner so as to not unreasonably interfere with the conduct of **TENANT'S** business.

28. **ASSIGNMENT AND SUBLEASING.** The **TENANT** may, with the written permission of the **LANDLORD**, which written permission the **LANDLORD** shall not arbitrarily or capriciously withhold, assign this Lease, or sublet the leased premises or any part thereof, but such assignment or subletting shall in no way release the **TENANT** from its liability to pay rent as provided herein, nor from **TENANT'S** liability to carry out and perform in the manner herein set forth all of the other covenants and conditions of this Lease.

29. **CONDEMNATION.** In the event of any condemnation or taking by way of eminent domain of the leased premises for public use, or conveyance in lieu thereof, each of the parties hereto shall have and retain their separate and independent rights for losses, claims, costs, damages and awards against the condemning authority. In the event of such condemnation of all or substantially all of the leased premises, or so much of the improved portion thereof as to render the balance thereof impractical for the use of the **TENANT**, this Lease shall terminate thirty (30) days after **TENANT** so notifies **LANDLORD**. In the event less than all or substantially all of the leased premises are so condemned, and the balance remaining may practically be devoted to the use of the **TENANT**, this Lease shall not terminate, but the rentals shall thereafter be reduced to the extent that the use of the facilities are impaired by such taking.

30. **PERSONAL PROPERTY TAXES.** **TENANT** shall promptly pay and discharge when the same becomes due and payable all personal property taxes levied against

TENANT'S property situated on the leased premises, and any and all other charges assessed thereon by reason of TENANT'S use and occupancy of the leased premises.

31. **ADDITIONAL REPAIR AND MAINTENANCE PROVISIONS.** In the event TENANT fails to perform or pay for any item of repair or replacement which under this Lease is the obligation of TENANT, then the LANDLORD may, upon notice, perform said item of repair or replacement, and pay for same, charging the cost thereof to the TENANT, in the form of additional rental.

32. **ASSIGNEES.** Except as may be otherwise specifically provided for herein, this Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

33. **SIGNS.** The TENANT may display a reasonable commercial advertising sign provided at its own expense, identifying its occupancy and/or use of the leased premises.

34. **MISCELLANEOUS.** The headings of the various articles herein are intended only for convenience and are not intended to limit, define or construe the scope of any articles of this Lease, nor offset the provisions thereof. Neither the method of computation of rent nor any other provision of this Lease shall be deemed to create any relationship between the parties other than that of LANDLORD and TENANT. This Lease contains the entire agreement between the parties, and no representations or promises with respect to the leased premises or the entry into this Lease by the parties have been made except as expressly set forth herein. This Lease has been entered into in Wisconsin and shall be construed in accordance with Wisconsin law.

35. **MECHANIC'S LIENS, ETC.** If the TENANT makes any alterations or improvements to the leased premises, TENANT must pay for same when made. Nothing in this Lease shall be construed to authorize TENANT or any person dealing with or under the TENANT to charge the rents of the leased premises or the property of which the premises for a part, or the interest of the LANDLORD in the leased premises, or any person under or through whom LANDLORD has acquired its interest in the leased premises, with a mechanic's lien or encumbrance of any kind, and under no circumstances shall TENANT be construed to be an agent, employee or representative of the LANDLORD in making any of such alterations or improvements to the premises; but, to the contrary, the right or power to charge any lien, claim or encumbrance of any kind against LANDLORD'S rents or the leased premises of the land is denied. In the event of a filing of a notice of such lien, TENANT shall promptly pay same and take steps immediately to have the same removed. If the same is not removed within ten (10) days from the date of written notice from the LANDLORD, the LANDLORD shall have the right, at the LANDLORD'S option, of paying the same, or any portion thereof, and the amounts so paid, including reasonable attorney's fees and expenses connected therewith, and interest at the rate of twelve (12) percent per annum on any sums paid or advanced by the LANDLORD, shall be deemed to be additional rent due from the TENANT to the LANDLORD, and shall be paid to the LANDLORD immediately upon rendition to the TENANT of a bill. TENANT will indemnify and hold harmless the LANDLORD from and against any loss, claims, demands, costs or expenses suffered by the LANDLORD by reason of any repairs, installation or improvements made by the TENANT.

36. **NOTICE OF CLAIM OR SUIT.** TENANT agrees to promptly notify LANDLORD of any claim, action, proceeding or suit instituted or threatened against the LANDLORD. In the event the LANDLORD is made a party to any action for damages which TENANT has heretofore indemnified LANDLORD against, then the TENANT shall pay all cost and shall provide effective counsel in such litigation, and shall pay in total the attorney's fees and costs incurred in connection with said litigation by the LANDLORD.

37. **WAIVER OF DEFAULT.** Waiver by LANDLORD of any default, breach or failure of TENANT under this Lease, or waiver by TENANT of any default, breach or failure of the LANDLORD under this Lease, shall not constitute a waiver of any subsequent or different default, breach or failure.

38. **ENVIRONMENTAL.** From and after the commencement date and thereafter during the entire term of this Lease, or any renewal term thereafter, TENANT in the operation of its business on the leased premises shall comply with all applicable Federal, State and local environmental laws and all amendments thereto and regulations implementing the same, together with all common law requirements, which relate to discharge, emission, waste, nuisance or the environment as the same shall be in existence during the term hereof. Without limiting the generality of the foregoing, TENANT shall specifically comply with all applicable laws relating to the handling, storage or disposal of any hazardous material or toxic substance arising in connection with the use and occupancy of the leased premises by the TENANT or any occupant of the leased premises during the term of this Lease. All of the foregoing laws, regulations and requirements are hereinafter referred to "environmental laws." TENANT shall obtain all environmental licenses, permits, approvals, authorizations, exemptions, classifications, certificates and registrations (collectively "permits") and make all applicable filings required of TENANT to operate at the leased premises. The permits and required filings shall be made available for inspection and copying by LANDLORD at the leased premises upon reasonable notice and during TENANT'S business hours. The TENANT agrees to hold harmless and indemnify the LANDLORD from any liability, claim or injury based upon an actual or alleged violation of environmental laws arising in connection with the occupancy of the leased premises by the TENANT or any occupant of the leased premises by a TENANT or any occupant of the leased premises or the operations of the TENANT'S business on the leased premises during the term of this Lease. The foregoing indemnification shall survive the expiration of the term of this Lease. Notwithstanding the aforementioned, TENANT acknowledges that it/he is aware that LANDLORD and the premises are subject to the Wisconsin Dry Cleaner Environmental Response Remediation Program.

39. **GOVERNING LAW OF THIS LEASE.** Governing law of this Lease shall be interpreted and governed under the laws of the State of Wisconsin and Sheboygan County shall be the forum for any litigation hereunder.

The undersigned hereby agree that facsimile signatures and electronic signatures (email) shall be legal and binding upon all parties. Furthermore, this document may be executed in several original counterparts. Each counterpart shall be deemed to be an original for all purposes, and all counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the **LANDLORD** and **TENANT** have both duly executed this Lease and affixed their respective seals hereto, as of the day and year above written.

LANDLORD:
RSD of Sheboygan, LLC

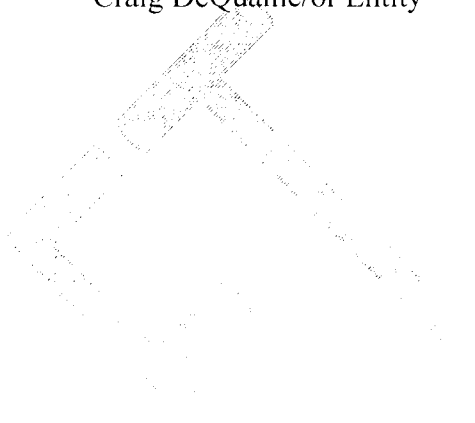
TENANT:
Craig DeQuaine/or Entity

Roger W. Dulmes, Member

Craig DeQuaine/or Entity

This instrument drafted by:

J. Phil Mueller
HOPP NEUMANN HUMKE LLP
2124 Kohler Memorial Drive
Suite 310
Sheboygan, WI 53081
Phone: (920) 457-8400
Fax: (920) 457-8411
E-mail: phil.mueller@hopplaw.com



R:\CLIENT\10800\00004\00205187.DOCX



EXHIBIT "A"

Part of Block 3, Assessment Subdivision No. 2 in the City of Sheboygan, Sheboygan County, Wisconsin, described as follows: Commencing at the northeasterly corner of Block 3, Assessment Subdivision No. 2 in the City of Sheboygan, according to the recorded Plat thereof; thence westerly along the North line of said Lot, 58 feet; thence southerly and parallel to the West line of said Block 3 to a point on the South line of said Block 3 (which South line is also the North line of Saemann Avenue in the City of Sheboygan); thence easterly to the Southeast corner of said Block 3; thence northwesterly to the place of beginning.

Also an easement for right-of-way purposes over a 4-foot strip of land lying and being immediately adjacent to the West line of the above-described premises.

Tax key #59281-601430.

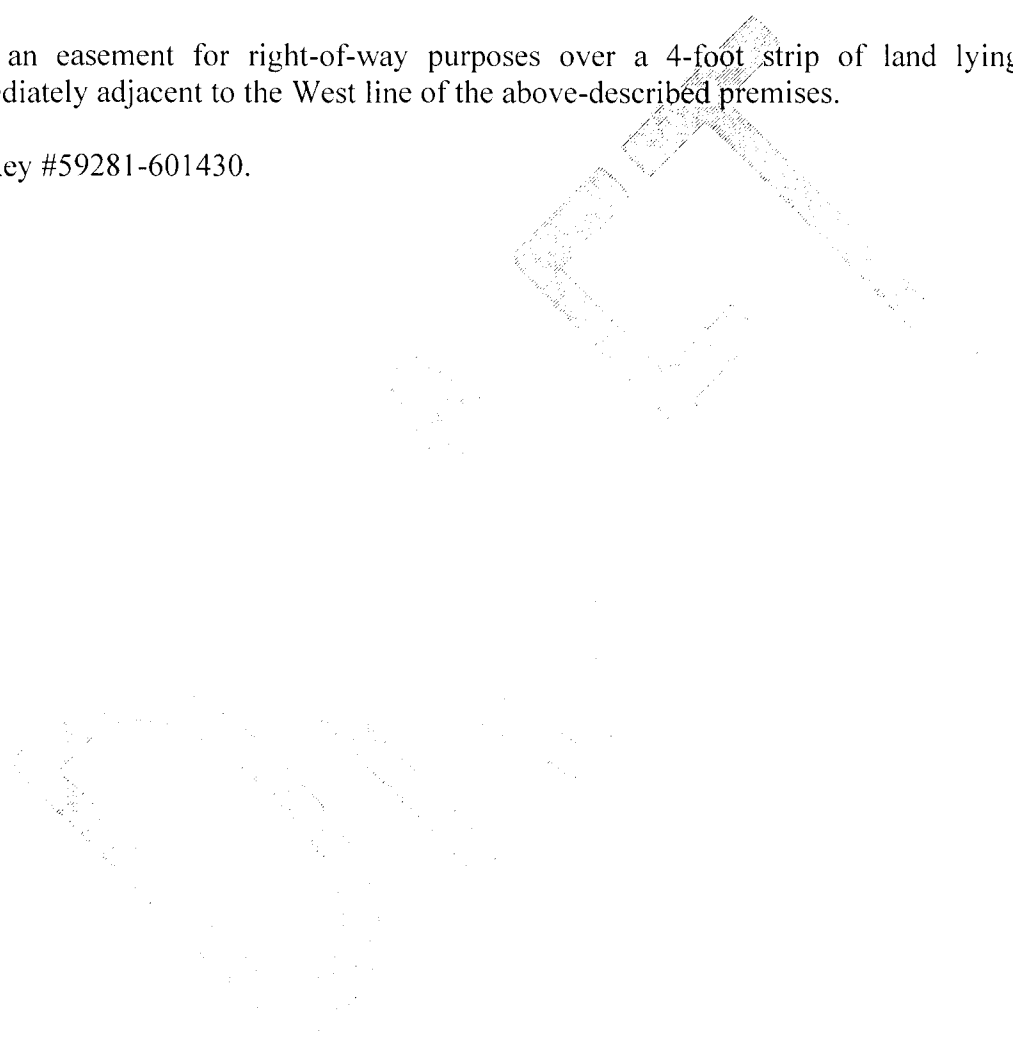


EXHIBIT "B"
REAL ESTATE TAX SUMMARY

See attached.



2022 Real Estate Tax Summary

01/18/2023 10:05 AM

Page 1 Of 1

Parcel #: 59281601430
 Alt. Parcel #: 281 - CITY OF SHEBOYGAN
 SHEBOYGAN COUNTY, WISCONSIN

Tax Address:
 RSD OF SHEBOYGAN LLC
 1502 SAEMANN AVE
 SHEBOYGAN WI 53081-2453

Owner(s): O = Current Owner, C = Current Co-Owner
 O - RSD OF SHEBOYGAN LLC

Districts: SC = School, SP = Special
Type Dist # Description
 SC 5271 SHEBOYGAN SCHOOL
 SP 1100 LTC

Property Address(es): * = Primary
 * 1502 SAEMANN AVE

Abbreviated Description: Acres: 0.000
 (See recorded documents for a complete legal description.)
 ASSESSMENT SUBD NO 02 PART OF BLK 3
 DESCRIBED AS: COMMENCING AT THE NELY
 CORNER OF BLK 3, TH WLY ALONG N LINE
 SAID LOT 58', TH SLY PARALLEL TO THE W
 LINE SAID BLK 3 TO N LINE OF SAEMANN
 AVE, TH ELY TO SE CORNER OF SD BLK 3, TH
 NWLY TO BEG

Parcel History:

Date	Doc #	Vol/Page	Type
03/05/2021	2110231		WD
01/01/2000		1408/669	
01/01/2000		1244/347	
01/01/2000		677/653	
09/27/1995	1435458	1410/665	WD

Plat: * = Primary
Tract: (S-T-R 40% 160% GL) **Block/Condo Bldg:**

Tax Bill #:	39110	Net Mill Rate	0.019260575	Installments	
		Gross Tax	3,359.98		
		School Credit	212.80		
		Total	3,147.18	1	01/31/2023
Land Value	42,500	First Dollar Credit	58.60	2	07/31/2023
Improve Value	120,900	Lottery Credit	0.00		
Total Value	163,400	Net Tax	3,088.58		
Ratio	0.9262				
Fair Mrkt Value	176,400				

	Amt Due	Amt Paid	Balance
Net Tax	3,088.58	0.00	3,088.58
Special Assmnt	0.00	0.00	0.00
Special Chrg	0.00	0.00	0.00
Delinquent Chrg	0.00	0.00	0.00
Private Forest	0.00	0.00	0.00
Woodland Tax	0.00	0.00	0.00
Managed Forest	0.00	0.00	0.00
Prop. Tax Interest		0.00	0.00
Spec. Tax Interest		0.00	0.00
Prop. Tax Penalty		0.00	0.00
Spec. Tax Penalty		0.00	0.00
Other Charges	0.00	0.00	0.00
TOTAL	3,088.58	0.00	3,088.58

Payment History: (Posted Payments)

Date	Receipt #	Type	Amount
------	-----------	------	--------

Key: Payment Type: A-Adjustment, B-Write Off Bankrupt, D-Write Off Deeded, Q-Quit Claim, R-Redemption, T-Tax