

SETTLEMENT AGREEMENT AND RELEASE

This settlement agreement and release ("Agreement") is made by and between the Racine Country Club ("RCC") and the City of Racine ("City").

WHEREAS, RCC owns certain real estate in the City located at 2801 Northwestern Avenue and identified as Parcel Nos. 21204000 and 08393002 (the "Property"); and

WHEREAS, RCC has challenged the assessments of the Property for the years 2010-2012 as excessive and has filed refund actions for such years, which actions are pending in the Racine County Circuit Court, captioned Racine Country Club v. City of Racine, Case Nos. 11-CV-1622, 12-CV-1234 and 12-CV-2758 (the "Actions"); and

WHEREAS, RCC has provided the City with an appraisal of the Property for the years 2010 and 2011 prepared by a certified MIA appraiser with golf course valuation expertise, which appraisal concludes the market values of the Property as of January 1, 2010 and January 1, 2011 were substantially lower than the City's assessments; and

WHEREAS, Case Nos. 11-CV-1622 and 12-CV-1234 are scheduled for trial to the Court commencing January 22, 2013 (the "2010 and 2011 Trial"); and

WHEREAS, the parties desire to resolve the Actions amicably and without further litigation, and further desire to agree upon the assessments of the Property for the year 2013; and

WHEREAS, the City's Assessor concurs with the terms of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Amended 2010-2012 Assessments. The 2010-2012 assessments of the Property are hereby amended as follows:

Year	Parcel No.	Original Assessments			Amended Assessments		
		Land	Impr	Total	Land	Impr	Total
2010	21204000	744,800	3,490,200	4,235,000	500,000	1,635,410	2,135,410
	08393002	85,600	0	85,600	43,580	0	43,580
	Total			4,320,600			2,178,990
2011	21204000	744,800	3,490,200	4,235,000	450,000	1,568,450	2,018,450
	08393002	85,600	0	85,600	41,190	0	41,190
	Total			4,320,600			2,059,640
2012	21204000	744,800	3,490,200	4,235,000	450,000	1,568,450	2,018,450
	08393002	85,600	0	85,600	41,190	0	41,190
	Total			4,320,600			2,059,640

2. 2013 Assessments. The 2013 assessments of the Property shall be the same as the amended 2011 and 2012 assessments.

3. 2010 and 2011 Refund Payments.

a. Based upon the assessment reductions indicated above, RCC has overpaid property taxes for 2010 in the amount of \$51,062, and has overpaid property taxes for 2011 in the amount of \$57,596.

b. Provided the City timely makes the refund payment set forth in paragraph 3.c. below, RCC hereby waives interest on the 2010 refund.

c. On or before February 28, 2013, the City shall pay RCC refunds in the total amount of \$108,658 for the years 2010 and 2011, plus interest on the 2011 refund at the statutory rate.

4. 2012 Tax Payments. The parties hereby agree that, notwithstanding the amounts set forth in the 2012 tax bills issued for the Property, the total taxes payable for the year 2012 are \$58,638.91. RCC will pay the first installments of 2012 property taxes due January 31, 2013 as assessed in the total amount of \$30,845.88 (plus special assessments). The balance of \$27,793.03 is payable in installments of \$9,264.34 each due March 31, May 31 and July 31, 2013.

5. City's Approval. This Agreement is subject to approval by the City's Common Council and shall be placed on the Common Council's agenda for consideration and approval at its meeting scheduled for February 5, 2013.

6. Adjournment of Trial. Pending the Common Council's approval of this Agreement, the parties jointly shall request that the Court postpone the 2010 and 2011 Trial to a mutually agreeable date as soon after February 5, 2013 as the Court's and counsel's schedules permit.

7. Future Assessments. In the event the City assesses the Property for any of the years 2014 to 2016 in a total amount that exceeds the total of the amended 2012 assessments, then the City is obligated to disclose to RCC the valuation opinions and work papers of Stephen R. Hughes of Hughes & Company, Inc. which the City withheld from production in the Actions Nothing herein limits RCC's right to dispute any such assessment increase(s).

8. Dismissal of the Actions. Within five (5) business days following RCC's receipt of the refund payment as set forth in paragraph 3.c. above, the parties shall cause their respective counsel to execute and file with the Court stipulations for the dismissal of the Actions on the merits, with prejudice and without costs to any party.

9. Mutual Release. RCC and the City, for themselves and for their respective successors and assigns, hereby release and discharge one another and each other's successors and assigns from any and all claims, demands and causes of action, whether known or unknown, relating in any way whatsoever to the assessments of the Property parcels for the years 2010-2013, except for claims for breach of this Agreement.

10. Entire Agreement. This Agreement embodies the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, representations, and negotiations between the parties. Except as stated herein, each party

warrants that no representation, promise or inducement has been offered or made to induce such party to enter into this Agreement.

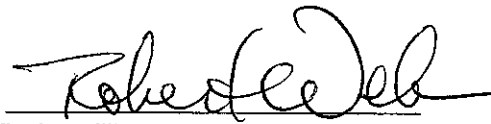
11. Amendments. This Agreement may be amended or modified only by a writing that has been executed by each of the parties hereto.

12. Signatures. This Agreement may be executed in counterparts. Facsimile signatures are acceptable.

RACINE COUNTRY CLUB

CITY OF RACINE

By _____
Lance Cotton, General Manager

By 
Robert K. Weber, City Attorney
(Subject to Common Council Approval)

Dated: _____

Dated: 1/8/13