Pettibone Resort
333 Park Plaza Dr. La Crosse, WI 54601
Phone 608-782-5858 Fax 608-782-5884

June 12, 2019

City of La Crosse
City Clerk
400 La Crosse St
La Crosse, WI 54601

To Whom it May Concern,

Pettibone Park Resort, Inc. would like to renew its lease with the City of La Crosse for another five year term.

Thank you,

Mark Pretasky

CC: La Crosse Director of Parks
La Crosse City Attorney

5/28/2010 2:58 PM

LEASE

THIS LEASE is made and entered into this 28th day of May, 2010, intended to be effective January 1, 2010, by and between ***City of La Crosse,*** a municipal corporation and body politic of State of Wisconsin (hereinafter called the "Lessor"), and ***Pettibone Park Resort, Inc.***, a Wisconsin Corporation (hereinafter referred to as the "Lessee").

1. Leased Premises. The Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor those certain Premises in the City of La Crosse, County of La Crosse, State of Wisconsin, more particularly described as:

A legal description for said premises is attached hereto as Exhibit "A"

2. Leased Area.

A. The parties hereto acknowledge that the Leased Premises which are the subject of this Lease are land only and that all improvements and buildings thereon were constructed by the Lessee or their predecessors in interest. There is no warranty or representation given by the City as to the condition of any improvements.

B. The Lessee acknowledges and admits that a substantial portion of the Leased Premises are at risk of flooding on an annual basis and as such have been designated by the State of Wisconsin and the United States government as flood-way, flood fringe or flood plain. These areas are subject to extensive rules and regulations related to the use of the same to which the Lessee agrees to be in full compliance during the entire term of this Lease and any renewal of the same.

3. Allowed Operations within the Leased Premises.

A. The purpose of the Leased Premises is only for a park, campground and related operations to a campground or park.

1. Under the terms of this Lease, the Lessee may create no more than Three Hundred (300) campsites, with no more than thirty percent (30%) of the actual number of existing campsites, said percentage never to exceed ninety (90) campsites, being set aside for a continuous lease term in excess of Thirty (30) days. The purpose of this clause is to prevent monopolization of the campground by one individual or a group in order to comply with the wishes of Albert W. Pettibone when he gifted this land to the City of La Crosse.

2. Due to the concerns related to completion of the campground expansion, the limitations set forth in paragraph 3(A) (1) are deferred until November 1, 2010.

B. As part of this Lease and subject to further restrictions set forth within this Lease, the Lessor is allowing the following additional operations subject to proper zoning regulations:

1. Food and beverage services, including catering;

2. Retail shop which sells souvenirs and items to be used by campers;

3. The sale of recreational vehicles under a sublease to Advance Recreation, Inc.;

4. The sale of parts and materials for recreational vehicles under a sublease to Advance Recreations, Inc, provided that such activities do not interfere with camping operations or the use and enjoyment of the Leased Premises by campers and the public;

5. The servicing and repair of recreational vehicles under a sublease to Advance Recreation, Inc. provided that such activities do not interfere with camping operations or the use and enjoyment of Park by campers and the public; and

6. The storage of recreational vehicles within the campground during the time when the campground is closed for camping purposes. This use for storage is limited to customers of the Lessee who occupy the Leased Premises during the camping season or those owned by the Lessee or approved Sublessees

7. Lessee or Sublessee may store no more than ten (10) recreational vehicles during the camping season, provided that such storage does not interfere with camping activities or public access.

C. No other business or activity may take place on these Leased Premises without the advance written consent of the Lessor, which will include both the City Council and the Park Board on either a permanent or temporary basis.

D. In conducting any of the above operations, the Lessee and any Sublessee must be in full compliance with all of the codes, ordinances, statutes, rules and regulations of the City of La Crosse, County of La Crosse, State of Wisconsin and United States Government and any of their committees, boards, agencies or commissions.

4. Term.

A. The inception date for this Lease shall be January 1, 2010 with the first Lease Term expiring on December 31, 2014.

B. The anniversary date of the Lease shall be the first day of January of each year.

C. This Lease may be renewed by the Lessee for four (4) additional five (5) year terms upon 180 days advance written notice from the Lessee to the Lessor. Notice may be given no sooner than 210 days prior to the expiration of the Lease term. This Lease may only be renewed if the Lessee is not in default under any of the terms or conditions set forth in this Lease.

5. Rent.

A. Quarterly Advance Rent Payments.

1. For the Lease Year January,1 2010, through December 31, 2010, the Lessee agrees to pay to the Lessor a quarterly rental payment of Ten Thousand and 00/100 Dollars ($10,000.00) each to be paid commencing June 30, 2010, and the last business day of each calendar quarter thereafter (September 30 and December 31).

2. For the Lease Year commencing January 1, 2011, and each Lease year thereafter, the Lessee agrees to pay to the Lessor a quarterly rental payment of Fifteen Thousand and 00/100 Dollars ($15,000.00) each to be paid commencing the last business day of each calendar quarter (March 31, June 30, September 30 and December 31).

B. Percentage Rent.

1. For the first three (3) years of the Lease (January, 1, 2010, through December 31, 2010; January 1, 2011, through December 1, 2011; and January 1, 2012, through December 31, 2012) the Lessee agrees to pay to the Lessor as rent in each Lease year a sum equal to three percent (3%) of any and all gross income derived or originated from the Leased Premises, regardless of the source of the same, less the aggregate amount of the Quarterly Advance Rent Payments referenced in Paragraph 5(A) above.

2. For the Lease year commencing January 1, 2013, and for each year thereafter, including any renewals to this Lease, the Lessee agrees to pay to the Lessor as rent in each year a sum equal to five percent (5%) of any and all gross income derived or originated from the Leased Premises, regardless of the source of the same, less the aggregate amount of the Quarterly Advance Rent Payments referenced in Paragraph 5(A) above.

3. For the Lease Year January 1, 2010, through December 31, 2010, the percentage rent set forth in Paragraph 5(B) above is limited as follows:

a. 3% of all gross income except as set forth in Paragraph 5(B) (3) (b) below and

b. For any income derived from the sale of recreation vehicles, only that gross income which is received after May 31, 2010. (As a point of clarification if the sale of a recreational vehicle is made and the deposit received prior to May 31, 2010, but the unit

delivered or the balance of the purchase price received June 1, 2010, the deposit would be exempt from the payment of rent, but the balance of the proceeds would be subject to the percentage rent calculation.

C. Definition of Gross Income. The term "Gross Income" as used in this Lease shall mean the gross amount received or derived from any source whatsoever on the Leased Premises, by either cash, credit or trade (whether payment is actually received for sales credit or not) from all sales or merchandise, services and from income from all other sources derived from business conducted on the Leased Premises, including orders received on the Leased Premises but filled elsewhere.

D. Deductions from Gross Income.

1. There shall be excepted from the Lessee's gross income, as such term is used herein, the amount of all sales tax receipts which are required to be accounted for by Lessee to any government or governmental agency.

2. Dealer Exchange or Wholesale.

a. There shall also be excepted from the Lessee's gross income the "dealer exchange" or wholesale transfer of no more than two (2) recreational vehicles in any Lease year. This amount shall not exceed, under any circumstance, an aggregate total of Twenty Thousand and 00/100 Dollars ($20,000.00.)

b. Dealer exchange or wholesale is defined as the Lessee or Sub-Lessee exchanging with an independent unrelated third party one recreational vehicle for another or the sale of recreational vehicles for no profit.

c. This exchange or wholesale transfer must be supported by written documentation, satisfactory in form and content to Lessor, signed by all parties to the transaction detailing all terms and the cost and vehicles involved.

d. Gross income shall not include tips for wait staff.

E. Accounting.

1. The Lessee shall keep, or cause to be kept, full, complete and proper books, records and accounts of the gross sales and credits of such separate department, sublessee or division at any time operated in or on the demised Leased Premises; such books, records and accounts, including any sales tax reports that the Lessee may be required to furnish to any governmental agency, shall, at all reasonable times, be open to the inspection of the Lessor, Lessor's auditor or other authorized representative or agent at no cost to Lessor or Lessor's agents. If the Lessee fails to supply any and all records when asked or attempts to charge a fee or cost of any kind for inspection, reproduction, review or duplication of these records, it will be an immediate monetary default under the terms and conditions of this Lease.

2. All books shall be maintained on a cash accounting basis.

3. Records.

a. On or before March 15th of each year, the Lessee shall furnish the Lessor with a balance sheet and income statement, reviewed and approved by an accountant chosen by the Lessee, certifying all income and expenses from all operations in or on the Leased Premise, divided by each department or operation. These records shall clearly set forth the gross income made in or from the demised Leased Premises during the Lease year just concluded and the authorized deductions, if any, therefrom.

b. On or before the fifteenth day of March of each year, the Lessee shall provide the Lessee signed copies of all state and federal tax returns and all sales tax reports for the prior year for the Lessee and for all businesses which derive income from, in or on the Leased Premises.

F. Year-End Adjustment.

1. On or before the fifteenth day of March of each year, a final adjustment and accounting for the preceding lease year shall be had to determine the gross income of the preceding lease year and the amount of percentage rent due the Lessor for the preceding lease year. This accounting shall be forwarded to the Lessor in a written format, in form and substance satisfactory to the Lessor.

2. In the event the amounts of percentage rent due for said year is more than what was actually paid by the Lessee then a payment representing the balance due shall be made with the accounting set forth above.

3. If at the end of the calendar year, the amount previously paid by Lessee is greater than the amount due, then the Lessee shall receive a credit for the same on the next quarterly rent payment(s).

G. Non-Resident Surcharge.

1. One Hundred and 00/100 Dollars ($100.00) annually on all long-term camping sites effective January 1, 2011, which are not occupied by a City of La Crosse resident. These funds shall be placed into a Park Improvement Fund.

2. Lessee shall provide to Lessor on or before the thirty-first day of March of each year a list of all long-term campers, including their site number, their names and permanent addresses along with a copy of their camping agreement for the season. Payment of

the residency surcharge for each site will also made on or before the thirty-first day of March of each year.

3. As part of this surcharge, the Lessor agrees that rates may be increased by an additional $75.00 on all long-term sites, in addition to the non-resident surcharge effective January 1, 2011.

6. Audit of Books and Records.

A. The Lessor may, at Lessor's expense, audit the books and records of the Lessee and/or Sub-lessee to determine compliance with the obligations of this Lease. The Lessee agrees to assist and comply with all instructions related to the same.

B. If there is a determination by the auditor of an error in the books and records of the Lessee or Sublessee which would result in a payment to the Lessor of Five Hundred and 00/100 Dollars or more, the costs of the audit shall be borne by the Lessee.

7. Security Deposit. The Lessee will pay a Security Deposit equal to the sum of Sixty Thousand and 00/100 Dollars ($60,000.00) in the following manner:

A. Six (6) installments of Ten Thousand and 00/100 Dollars ($10,000.00) each paid annually commencing on or before June 30, 2010, and on the thirtieth day of June each and every year until the Deposit has been paid.

B. This Deposit shall be placed into an interest-bearing segregated account in a federally insured banking institution chosen by the Lessee, which is restricted so that funds may only be withdrawn from the same upon consent of the Lessor. The banking institution chosen by the Lessee MAY NOT have a pledge on the account for any purpose and must agree and sign along with the Lessee that a perfected security interest may be placed upon the same in favor of the Lessor.

C. These funds may only be drawn by the Lessor to cover defaults in Lease payments, water and sewer bills, any amounts due under this Lease and/or to refund deposits collected by Lessee in the event of default and termination of this Lease. If there is no Default, the Deposit, less any deductions, will be released within 60 days of surrender of Leased Premises to the Lessor. If there is a Lease Default, the Deposit will not be released not until the final computation all damages and deductions are made by the Lessor.

8. Compliance with all Laws.

A. Lessee shall, at its own cost and expense, be responsible to promptly comply and conform with all present and future laws, ordinances, rules, requirements and regulations of the federal, state, county and city governments and of any and all other governmental authorities or agencies affecting the Leased Premises or its use, and Lessee shall, at its own cost and expense,

make all additions, alterations or changes to the Leased Premises or any portion thereof as may be required by any governmental authority or agency. Without limiting the generality of the foregoing, Lessee agrees to comply with all present and future laws, orders and regulations regarding the collections, sorting, separation and recycling of waste products, garbage, refuse and trash into such categories as provided by law.

B. Code Compliance.

Without limitation, the following codes or their successor codes must be met annually or the Lease will be in default:

1. State DHS Campground approval;

2. DNR EAP approval;

3. City of La Crosse EAP approval;

4. Within the lease itself, the following is a summary of the code compliance provisions:

a. State Campground approval
b DNR EAP approval
c City of La Crosse EAP approval
d. Chapter 30 permits
e. City of La Crosse permits
f. Land-use permits
g. Land disturbance permits
h. 179-day movement
i. All other Chapter 15.03 requirements
j Zoning and land use restrictions
k. Health Department & City permits for food and beverage operations
l. Fire department inspection requirements

C. Lessee shall, during the entire term of this Lease, comply with all applicable federal, state, and local environmental laws, ordinances and amendments thereto and rules and regulations implementing the same, together with all common law requirements, which relate to discharge, emissions, waste, nuisance, pollution control, hazardous or toxic substances and other environmental matters as the same shall be in existence during the term hereof. All of the foregoing laws, regulations and requirements are hereinafter referred to as Environmental Laws. Lessee shall obtain all environmental licenses, permits, approvals, authorizations, exemption, classifications, certificates and registrations (hereinafter collectively referred to as Permits) and make all applicable filings required of Lessee under the Environmental Laws to operate at the

Leased Premises. The Permits and required filings shall be made available for inspection and copying by Lessor at Lessee's offices upon reasonable notice and during business hours. Lessee shall not cause or permit any flammable explosive, oil, contaminant, radioactive material, hazardous waste or material, toxic waste or material or any similar substance (hereinafter collectively referred to as Hazardous Substances) to be brought upon, kept or used in or about the Leased Premises except for small quantities of such substances as is necessary for the business conducted upon the Leased Premises provided that Lessee shall handle, store, use and dispose of any such Hazardous Substance in compliance with all applicable laws and in a manner which is safe and does not contaminate the Leased Premises.

D. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of any Hazardous Substance on or about the Leased Premises by any occupant of the Leased Premises during the Lease term, then the reasonable costs thereof shall be reimbursed by Lessor to Lessee upon demand. Lessee shall deliver to Lessor Material Safety Data Sheets describing all Hazardous Substances stored, used or disposed of on the Leased Premises. Lessee shall also, from time to time, at Lessor's request, execute such other affidavits, representations and the like concerning Lessee's best knowledge and belief regarding the presence of Hazardous Substances on the Leased Premises. Lessee agrees to indemnify and hold Lessor harmless from any liability, claim or injury, including attorney fees and the cost of any required or necessary repair, clean-up, remediation or detoxification, arising out of (i) the use, manufacture, handling, storage, disposal or release of any Hazardous Substances by Lessee, its agents and employees and any subtenant and its agents and employees on, under or about the Leased Premises, or (ii) an actual or alleged violation of Environmental Laws in connection with the occupancy of the Leased Premises by Lessee or any occupant of the Leased Premises or the operation of Lessee's business on the Leased Premises during the term of the Lease. The foregoing indemnification shall survive the expiration or earlier termination of this Lease. It is agreed that Lessor shall also indemnify Lessee for any payment Lessee is required to make with regard to necessary testing, repair, cleanup, remediation, or detoxification with regard to any environmental damage which existed prior to Lessee's occupancy of the Leased Premises. Lessor shall also hold Lessee harmless for any liability Lessee may have to any third party as a result of any environmental claim or condition.

9. Display of Recreational Vehicles in Parking Lot and Campground for Sale.

A. During the camping season Year 2010 through Year 2013 of the Lease, twenty (20) recreational vehicles on display; and off-season Year 2010 through Year 2013, twenty-five (25) recreational vehicles on display;

B. Years 2014 and 2015 of the Lease, fifteen (15) recreational vehicles on display during the season and twenty (20) recreational vehicles during the off-season; and

C. Years 2016 and beyond , no more than ten (10) recreational vehicles on display year round with no more than five (5) recreational vehicles on the front row of parking lot along the roadway.

D. Temporary pick up and drop off of recreational vehicles is acceptable beyond those numbers for no more than twenty-four (24) hours, with a method to designate which recreational vehicles are there for temporary purposes.

E. Lessee may display up to eighty (80) recreational vehicles for a three-week period during the sale, with two-week advanced notice, in writing, of when this will occur.

F. If at any point during the term of this Lease, the income reported for the sale of new recreational vehicles is less than the number of vehicles allowed for display under this Lease, then the following lease year's number of vehicles allowed on display in the parking lot shall decrease to the number of new recreational vehicles sold in the previous year.

G. The camping season is defined as Memorial Day to Labor Day

10. Signage.

A. Lessee shall remove the RV Sales sign and plant birch trees in clumps, upon consultation with the City Forrester, along the front area along the public roadway, on or before December 31, 2010.

B. Lessee shall be allowed on-premises signage and awnings at Lessee's sole expense provided that the signs and awning comply with all the codes and ordinances of the City of La Crosse and are approved in advance by the Park Board.

C. The location and design of the signage and awnings must be approved in writing, in advance, by the Park Board, but such approval may not be unreasonably withheld. Lessee agrees to pay all costs associated with said signage, as well as all electrical bills associated therewith.

11. Ownership and Control of Lessee.

A. Lessee states that as of the date of signing of this Lease, all persons and entities with interest in the Lessee's corporation are disclosed on the attached Appendix "B" which is incorporated herein by this reference as if set forth in full.

B. If there is a change in the number of shares **or the number of shareholders** by fifty percent (50%) or more, then such transfer must be approved in advance, in writing, by the Lessor and the Park Board. This approval may not be unreasonable withheld.

C. On an annual basis, on or before the fifteenth day of February of each year a disclosure signed and authenticated by the Secretary and President of the corporation setting forth the current Officers, Directors and Shareholders of the Lessee, along with the percentage of ownership of each shareholder shall be provided to the Lessor.

12. Lessor's Right of Entry and Inspection.

A. Lessor shall have the right to enter the Leased Premises at all reasonable times for the purpose of verifying compliance with the terms and conditions of this Lease.

B. Lessor may also request any and all records from Lessee, at no cost, upon ten (10) days advance notice for the purpose of verifying compliance with the terms and conditions of this Lease.

C. Lessee understands and acknowledges that Lessor is subject to the Public Records Law of the State of Wisconsin. As such, Lessee agrees to retain all records as defined by Wisconsin Statute § 19.32(2) applicable to this Lease for a period of not less than seven (7) years after the termination or expiration of this Lease. Lesee agrees to assist Lessor in complying with any public records request that Lessor receives pertaining to this Lease. Additionally, Lessee agrees to indemnify and hold harmless Lessor, its elected and appointed officials, officers, employees, and authorized representatives for any liability, including without limitation, attorney fees related to or in any way arising from Lessee's actions or omissions which contribute to Lessor's inability to comply with the Public Records Law. In the event that Lessee decides not to retain its records for a period of seven (7) years, then it shall provide written notice to Lessor whereupon Lessor shall take custody of said records assuming such records are not already maintained by Lessor. This provision shall survive the termination of this Lease.

13. Repairs and Improvements.

A. The Lessee, during the term of this Lease or any extension or renewal of this Lease, shall, at its expense, make all repairs as shall be reasonably necessary to keep said Leased Premises in good condition and repair.

B. Prior to the commencement of any work, other than standard repairs and maintenance, all improvements must be approved in advance by the Park Board and proper permits obtained.

C. Water System:

1. It is understood between the Lessor and Lessee that the water system which serves the Leased Premises may not have been installed with permits or to plumbing codes in existence at the time of installation. In addition the proposed expansion of the campground requires the new installation of a new or upgraded water system.

2. The Lessee agrees to properly upgrade, repair or replace the water system(s) with a code-compliant system on or before December 31, 2010.

3. Prior to the commencement of any work, all proposed improvements must be approved in advance by the Park Board and proper permits obtained.

D. Lessee will not allow improvements or changes to the Leased Premises without the consent of the Lessor unless all proposed improvements are approved in advance by the Park Board and proper permits obtained. The Lessee admits that it is liable for the acts of its campers, sublessees, guests and invitees and that their actions may cause a default under the terms and conditions of this Lease. (Note: A Notice of Default under paragraph 17(C) is required under this section.)

E. No trees may be removed at all without the consent of the Park Board and City Forester.

F. The Lessee further agrees that all damage or injury done to the Leased Premises by the Lessee or by any person who may be in or upon them shall be repaired by the Lessee at its expense. The Lessee agrees, at the expiration of this Lease or upon the earlier termination thereof, to quit and surrender said Leased Premises in good condition and repair, reasonable wear and tear and damage by act of God or fire or other causes beyond the control of Lessee excepted.

14. Assignment and Subletting.

A. The Lessee shall not assign this Lease or any interest therein, nor let or underlet the said Leased Premises or any part thereof or any right or privilege appurtenant thereto, nor permit the occupancy or use of any part thereof by any other person without the advance written consent of the Lessor and its Park Board.

B. Campers are not considered to be engaged in subleasing under this Lease.

C. The sublease to Advance Recreation, Inc., which attached hereto as Appendix "C" and made a part hereof by this reference as if set forth in full is hereby approved.

D. All subleases, assignees and sublessees are bound by the terms and conditions of this Lease, regardless of any statement to the contrary within any sublease or assignment document.

E. Lessee grants to the Lessor the right to enforce the terms of any sublease and further the right to enforce this Lease on any sublessee or assignee.

F. Lessee, upon prior consent of the Lessor, may assign this Lease for security purposes, subject to approval of said Assignment, in advance, by the Lessor. As of the signing of this Lease, there is an Assignment in existence to Fortress Bank n/k/a Harris Bank which is attached hereto as Appendix "D" and made a part hereof by this reference as if set forth in full.

15. Insolvency. If any proceedings in bankruptcy or insolvency are filed against the Lessee, or if any writ of attachment or writ of execution is levied upon the interest herein of the Lessee and such proceedings or levy shall not be released or dismissed within sixty (60) days thereafter, or if any sale of the leasehold interest hereby created or any part thereof should be made under any execution or other judicial process, or if the Lessee shall make any assignment for benefit of creditors or shall voluntarily institute bankruptcy or insolvency proceedings, the Lessor, at Lessor's election, may re-enter and take possession of said Leased Premises and remove all persons therefrom and may, at Lessor's option, terminate this Lease.

16. Attorneys Fees. In the event of any litigation by the Lessor to enforce its rights under this Lease, the Lessor, if it prevails, shall be allowed all reasonable attorneys fees expended or incurred in such litigation to be recovered as part of the costs therein.

17. Default. The occurrence of any of the following shall constitute a default by the Lessee:

A. Failure to timely pay any amounts due under this Lease if the failure continues for a period of ten (10) days after written notice has been given to the Lessee of the Default. If any payment due under this Lease is not made within five (5) days of the original due date, a late payment penalty of ten percent (10%) of the amount due will be assessed and added to the amount due.

B. Abandonment and Vacation of the Leased Premises. Failure to occupy and operate the Leased Premises for twenty (20) consecutive days may, at the option of the Lessor, be deemed an abandonment and vacation. Relocation of the RV sales business is not an abandonment of the Leased Premises.

C. Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given to the Lessee to cure the default. This time frame for curing the default may be extended in the sole discretion by the Park Board or City Council upon a showing by Lessee of reasonable efforts to correct the same and that the cure cannot be made with the 30 day Notice period.

D. Failure to supply any documents or records required under this Lease.

E. Lessee's willful or malicious substantial injury to the Leased Premises or commission of waste to the same.

F. Lessee's making of an assignment for the benefit of creditors, which is not approved in advance by the Lessor.

18. Non-Waiver of Default.

A. The subsequent acceptance of rent hereunder by the Lessor shall not be deemed a waiver of any preceding breach of any obligation hereunder by the Lessee other than the failure to pay the particular rental so accepted.

B. The failure by the Lessor to assert or notice a default under this lease in a timely manner is not considered a waiver or acceptance of the default.

19. Insurance.

A. The Lessee hereby agrees to indemnify the Lessor against and to hold the Lessor harmless from any and all claims or demands for loss of or damage to property or for injury or death to any person from any cause whatsoever while in, upon or about the demised Leased Premises or the sidewalks adjacent thereto during the term of this Lease or any extension hereof. The Lessee agrees to take out and maintain with a reputable insurance company, at its sole cost and expense, public liability insurance against property damage or personal injury growing out of the use of or occurring on or about the Leased Premises, with minimum liability limits of $1,000,000.00 property damage (adjusted annual for changes due to increases in valuation, improvements or additions to the Leased Premises) and $1,000,000.00 per occurrence, $2,000,000.00 aggregate for personal injury and liability, along with an additional $2,000,000.00 umbrella policy to cover all incidents, accidents or occurrences on or about the Leased Premises. The Lessor shall be named as co-insured and as loss payee on all such policies and shall be entitled to a certificate of the insurer showing said coverage to be in effect. The Lessee and insurance company shall provide an endorsement certificate to the Lessor guaranteeing the coverage and amounts of coverage set forth in this Lease.

B. Lessee shall, at its own cost and expense, during the Lease term carry insurance against fire, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement, insuring all trade fixtures, furnishings, equipment and all other items of Lessee's personal property located at the Leased Premises.

C. The Lessee shall obtain from any Sublessees Certificates of Insurance in the amounts and terms set forth in Paragraph 19(A) and 19(B) naming the Lessor as an additional insured.

20. Utilities and Services. Lessee shall, in its own name, pay when due any and all charges for all utilities and trash removal for the Leased Premises. Under no circumstances shall Lessor be responsible for any interruption of any utility service.

21. Rules, Regulations, Fees, Charges and Camping Agreement:

A. The Lessee shall provide to the Park Board, in accordance with par. 27, for review and approval prior to the first day of August of every year the following:

1. All Rules and Regulations for the upcoming season;

2. Copies of the forms to be used to enter into camping agreements for the upcoming season; and

3. ALL fees and charges to be assessed to campers for the upcoming season;

C. The City Council of the City of La Crosse also reserves the right to review and approve of the items listed in Paragraph 21(A) above.

22. Destruction of Leased Premises.

A. In the event of a total or partial destruction of the Leased Premises during the term from any cause, the Lessor shall forthwith repair the same, provided such repairs can be made within ninety (90) days under the laws and regulations of state, federal, county or municipal authorities.

B. Should the total or partial destruction result from causes covered by the fire and extended coverage insurance furnished by the Lessee, the insurance proceeds shall be made available to the Lessee to affect the required repairs.

C. If such repairs cannot be made within ninety (90) days, this Lease may be terminated at the option of either party.

23. Alterations. The Lessee shall not make, or suffer to be made, any alterations of the real property or without the written consent of the Lessor first made and obtained; and any additions to, or alterations of, the real property improvements shall become at once a part of the realty and belong to the Lessor. If written consent of the Lessor to any proposed alterations by the Lessee shall have been obtained, the Lessee agrees to advise Lessor in writing of the date upon which such alterations will commence in order to permit the Lessor to post notice of no responsibility. The Lessee shall keep the demised Leased Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by Lessee.

24. Lease Termination. For reasons other than default, the Lease may terminate for the following reasons:

A. A change in the laws, rules or regulations governing lands located in flood areas that make any of the operations located on these Leased Premises illegal or require the cessation of such activities.

B. A termination by the Lessor, without any default by the Lessee, of this Lease upon one hundred eighty (180) days advance written notice. If this Paragraph 24(B) is invoked, the Lessor shall pay to the Lessee at the end of the Lease term, the assessed value of all buildings, fixtures and improvement which cannot be removed from the Leased Premises as shown on the personal property tax return for the Lessee for the most recent year.

25. Abandonment. The Lessee agrees not to vacate or abandon the Leased Premises at any time during the demised term. Should the Lessee vacate or abandon said Leased Premises or be dispossessed by process of law or otherwise, such abandonment, vacation or dispossession shall be a breach of this Lease, and in addition to any other rights which the Lessor may have, the Lessor may remove any personal property belonging to the Lessee which remains on the demised Leased Premises and store the same, such removal and storage to be for the account of and the expense of the Lessee. The Security Deposit of the Lessee may be used to pay any removal, transportation, cleaning and storage fees incurred by the Lessor. This does not apply to the relocation of the RV Sales business.

26. Laws and Regulations. The Lessee, at its own cost and expense, shall comply promptly with all laws, rules and orders of all federal, state and municipal governments or departments which may be applicable to the Leased Premises, and shall likewise promptly comply with the requirements of the Board of Fire Underwriters concerning the Leased Premises.

27. Notices. All notices to be given to the Lessor and Lessee shall be in writing, and either personally delivered or deposited in the United States mail, certified or registered, with postage prepaid, and addressed as follows:

Lessor: City of La Crosse
Attn: City Clerk
400 La Crosse Street
La Crosse, WI 54601

With copies to:

City of La Crosse

City Attorney
400 La Crosse Street
La Crosse, WI 54601

and

City of La Crosse
Director of Parks
400 La Crosse Street
La Crosse, WI 54601

Lessee: Pettibone Park Resort, Inc.
Mark Pretasky, President
333 Park Plaza Drive
La Crosse, WI 54601

With copy to:

Attorney Brent Smith
Johns, Flaherty & Collin, S.C
205 5th Avenue South
La Crosse, WI 54601

Change of addresses by either party must be by notice given to the other in the same manner as above specified.

28. Guaranty.

A. Parties agree that in order to induce Lessor to enter into this Lease, the Lessor is requiring the personal guaranties of the owners and their spouses of five percent (5%) or more of the outstanding and issued stock of the Lessee. The personal guaranty is attached hereto as Exhibit "E" and is made part of this Lease and incorporated herein by this reference as if set forth in full.

B. Should any person acquire five percent (5%) or more of interest in the Lessee, then they must also sign this personal guaranty prior to transfer of any shares to that person or entity. If this guaranty is not signed by the acquiring party, then this Lease is in default.

C. The Lessor is not required to accept corporate guaranties and may require that the beneficial or personal owners of any business entities, including spouses, sign this guaranty in their individual capacity.

29. Relationship of Parties. It is understood and agreed that the relationship of the parties hereto is strictly that of landlord and tenant. The Lessor is the owner of the Leased Premises, but this Lease shall not be construed as a joint venture or partnership. The Lessee is not and shall not be deemed to be agent or representative of the Lessor.

30. Personal Property. The Lessor acknowledges it has no interest in any of the personal property of the Lessee until the termination of the Lease. Lessee will pay all personal property taxes assessed against its improvements.

31. Defense and Indemnification. Lessee shall indemnify and hold harmless said Lessor relative to any enforcement actions, remedial actions, orders of removal, fines, penalties, or any other damages that may be suffered by Lessor on account of or arising out of the Lessee's activities or course of conduct, in the event that any of such are imposed upon by Lessor by any Federal, State, local or other governmental agency.

Lessee agrees to defend, hold harmless and indemnify Lessor from all claims and demands that may be made against Lessor arising out of and in connection with the Lessee's use or occupancy of the Leased Premises. Lessee further agrees to defend, hold harmless and indemnify Lessor from and against all damages, losses, costs, reasonable attorneys' fees, charges and expenses which Lessor may have sustained, incur or be liable for in connection with any such claims or demands arising out of and in connection with the Lessee's use or occupancy of the Leased Premises, unless such damages are caused by the Lessor or its agents.

Lessor shall not be liable for damage to Lessee's property for any reason.

32. Third-Party Benefits and Assignment. This Lease is entered into for the sole and exclusive benefit of the parties to the Lease and their respective successors and assigns; no third-party is intended to receive or be entitled to any rights hereunder, except as set forth herein.

33. Choice of Law. This Lease shall be governed by the laws of the State of Wisconsin and any action concerning the Lease shall be venued in the Courts of the State of Wisconsin and hereby submit to the personal jurisdiction of the Courts of Wisconsin, both Federal and State, in any action with respect to this Lease and agree that any State Court action shall be venued in the Circuit Court of La Crosse County, Wisconsin. Any claims against the Lessor are governed by the statutes, law and rules for claims against municipalities. The parties agree that in the event of a dispute, all parties waive the right to a trial by jury.

34. Surrender of Possession.

A. At the expiration or termination of this Lease, whether by lapse of time or otherwise, and subject to Paragraph 34(B) below, Lessee shall surrender the leased Premises including any of Lessee's alterations, additions, and improvements, but excluding Lessee's equipment and furnishings, in good condition and repair, reasonable wear and tear excepted.

B. Upon the termination of this Lease, Lessee shall have the right to remove from the Leased Premises all trade fixtures, furniture or other personal property which may have been installed on the Leased Premises by Lessee but expressly excluding ductwork and any electric installations. It is further understood that any and all signs placed on or about the Leased Premises by Lessee shall be and remain the sole property of Lessee and may be removed by him at any time. Lessee shall repair any damages occasioned by the placement, maintenance or removal of any such property or signs.

35. Access by the Public.

A. The public shall have access to all areas of the campground or parking areas at any time for recreational purposes, such as walking, fishing, biking, etc. without a fee or charge.

B. Lessee may restrict access by motorized vehicles, except for those bearing a handicapped plate or sticker of any kind will be allowed access to the Park for recreational purposes, such as walking, fishing, biking, etc. without a fee or charge. In addition, access will be allowed to governmental vehicles on official business (City, County, State and Federal) and all emergency or rescue vehicles.

C. Public must follow all pertinent Rules and Regulations of Lessee, such as closed due to flooding.

36. Miscellaneous.

A. The paragraph captions in this Lease are for convenience only and shall not in any way limit, define, or construe the scope of any article of this Lease, nor offset the provisions thereof.

B. This Lease incorporates by its terms all prior negotiations between the parties and settles all outstanding issues related the prior Lease defaults asserted by the Lessor and potential claims or counter claims to said defaults asserted by the Lessee.

C. This Lease shall be construed in accordance with the laws of the State of Wisconsin as a Wisconsin contract.

D. The failure of either party to exercise or to complete the exercise of any right or remedy permitted hereunder shall not be deemed a waiver of that party's right to insist upon full performance of any condition hereof in the future.

E. Lessee affirms and agrees that Lessor and its agents have made no representations or promises with respect to the Leased Premises for the entry into of this Lease except as in the Lease expressly set forth and that no claim or liability shall be asserted by Lessee against Lessor or its agents for breach of any representations or promises not expressly stated herein.

F. None of the covenants, provisions, terms or conditions of this Lease to be kept or performed by Lessor or Lessee shall be in any manner modified, waived or abandoned, except by a written instrument duly signed by the parties and delivered to this Lessor and Lessee. This Lease contains the whole agreement of the parties.

G. If any provisions of this Lease or any specific application shall be invalid or unenforceable, the remainder of this Lease shall not be affected and each provision of this Lease shall be valid and enforceable to the full extent permitted by law.

H. The covenants, conditions, and terms of this Lease shall be binding upon the respective parties, their heirs, personal representatives, successors and assigns.

I. The officers of the Lessee who are executing and attesting to this Lease hereby represent and warrant that they have full power, authority and right to execute this Lease and said officers represent and warrant that the execution and delivery of this Lease has been duly authorized by the Board of Directors of the Lessee corporation, and the execution of this Lease by such officers is sufficient and legally binding on the Lessee.

J. Within this Lease, if an action or approval is required to be done by the Lessor, that reference is jointly to the City Council of the City of La Crosse and the Board of Park Commissioners (Park Board) for the City of La Crosse unless otherwise stated.

K. The Lessee shall provide to the Lessor a copy of the proposed application for expansion of the Campground on or before June 15, 2010, which the Lessee agrees is subject to final and review and approval by the Lessor.

Effective this first day of January, 2010.

LESSOR:
City of La Crosse

Mathias Harter, Mayor

LESSEE:
Pettibone Park Resort, Inc.

Mark Pretasky, President

5/28/2010 2:58 PM

Teri Lehrke, City Clerk

Kristin Pretasky, Secretary

ACKNOWLEDGEMENT

State of Wisconsin)
) ss.
County of La Crosse)

These signatures of Mathias Harter, Mayor and Teri Lehrke, City Clerk on behalf of the City of La Crosse are acknowledged before me on the 16th day of ~~May~~ June, 2010 to me known to be the persons who executed the same.

Notary Public
La Crosse County, WI.
My Commission Expires (is): 1-30-11

ACKNOWLEDGEMENT

State of Wisconsin)
) ss.
County of La Crosse)

These signatures of Mark Pretasky and Kristin Pretasky, on behalf of Pettibone Park Resort, Inc. are acknowledged before me on the 28th day of May, 2010 to me known to be the persons who executed the same.

Notary Public
La Crosse County, WI.
My Commission Expires (is): no expiration