



BRICKYARD CREEK AND SAWGRASS

TENANCY IN COMMON PROGRAM

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1. TENANCY IN COMMON OVERVIEW

Because we have discovered that some Owners at Sawgrass and Brickyard Creek actually use their cottages on an “occasional” basis, we have devised our Tenancy in Common (“TIC”) Ownership program. This program will significantly reduce the cost of the initial acquisition and the ongoing ownership expenses of a cottage. A TIC ownership is a deeded title purchase of a 1/2 or a 1/3 interest in a cottage. A TIC ownership is not to be confused with a timeshare, partnership or joint venture.

Each TIC ownership carries with it the right to the % of possession of the cottage equal to the % of ownership. A TIC cottage is sold fully furnished and outfitted - all one needs to do is move in and enjoy. An Agent attends to the assignment of periods of possession, the payment of expenses normally associated with whole ownership such as insurance, real estate taxes, telephone, utilities and cable TV. The Agent also levies assessments for the payment of these expenses and fees. The TIC owners can choose to employ the Developer or any other professional to be their Agent - or the TIC owners can handle the Agent's duties themselves if they wish.

Bottom line – a TIC ownership affords the Buyer yet another option to own and enjoy a cottage in Sawgrass and Brickyard Creek at a fraction of the cost and without the responsibilities of whole cottage ownership.

2. FREQUENTLY ASKED QUESTIONS ABOUT TENANCY IN COMMON OWNERSHIP

WHAT EXACTLY IS TENANCY IN COMMON (TIC) OWNERSHIP AND HOW DOES IT WORK?

TIC Ownership is essentially partial ownership of a property. Property is owned and shared by two but not more than three individuals. Each owner receives a deeded title and exclusive use of the cottage for a period equal to their % of ownership. Each owner can mortgage their ownership interest and sell their ownership interest without having to deal with the other owners, except each owner has a first right of refusal to purchase the offered ownership interest.

CAN I PURCHASE MORE THAN ONE OWNERSHIP INTEREST?

Yes. One can purchase multiple interests up to a whole interest in a cottage. You may also combine with family or friends and each purchase an ownership interest in a cottage.

HOW DOES TIC OWNERSHIP WORK?

A 1/3rd ownership interest will be sold to each of three owners. The owners may be related or unrelated. Each owner receives a deed for an individual ownership interest in the cottage. Each owner is assigned the same % of use that is equal to his/her ownership interest in two week segments. The times of possession rotate each year on a pre-arranged schedule, including major holidays and local special event days.

CAN I SELL MY OWNERSHIP INTEREST TO OTHERS OR LEAVE IT TO MY CHILDREN OR ESTATE?

Yes. You are free to sell your ownership interest just as you would with any other real estate that you own. As with any condominium or planned unit development, your interest will be sold subject to the Declaration of Covenants, Conditions and Restrictions, Articles of Incorporation and By-Laws of the Homeowners Association.

WILL I KNOW WHO THE OTHER OWNERS OF MY COTTAGE ARE?

Yes. You will be provided the names and contact information of the other owners of your cottage.

IS IT POSSIBLE TO STAY FOR AN EXTENDED PERIOD OF TIME?

Since you will have the contact information of the other two owners, you may exchange any portion of your use periods with the other owners to accomplish an extended stay. The management company working with the owners will establish a process and guidelines for managing this in an equitable and efficient way.

WHAT AMENITIES DO I OWN AS A TIC OWNER

You own and can use in common all amenities that are owned and enjoyed by owners of whole cottages. The cottage in which you have a TIC ownership interest is a member of the Condominium Association just as are cottages owned by one owner. Common amenities include roads, nature trails throughout the development leading to the lakeshore, lakeshore beach areas, kayak storage and launching areas, picnic areas and a pavilion at the beach area and other elements.

WHAT ARE ASSOCIATION ASSESSMENTS AND WHAT ARE THEY USED FOR?

There are two budgets and sources for assessments. One is the Homeowner's Association budget. This budget is the basis for the levying of assessments equally for all cottages in the development, regardless of whether they are owned by one owner or by TIC ownership. This budget covers Common Element maintenance and repair, snow plowing of roads and driveways, insurance for Common Elements and other expenses commonly associated with condominium or planned unit developments. The 2010 assessment for each cottage is \$900 per year, payable in two equal installments.

The second budget is the budget for the maintenance and operation of the TIC cottage. The Agent for the TIC owners oversees these operations and collects assessments to cover the costs pursuant to the TIC Declaration Agreement. These costs include, without limitation, caretaking, cleaning, pest control, management, Homeowners Associations assessments (see above) utilities (including electricity, propane, phone/cable sanitary user fee, etc.), real estate taxes, comprehensive fire and extended insurance coverage on the cottage and its contents, reserves for maintenance and replacement and other costs commonly associated with keeping the cottage in a first class condition. These assessments will approximate \$400 per month per 1/3rd TIC Ownership. It is important to note that this assessment covers all expenses involved in the operations of the cottage including the Homeowners Associations assessment, keeping in mind that, with limitations set by the TIC owners, these assessments may be reviewed and changed annually.

WHAT WILL REAL ESTATE TAXES BE?

Real estate taxes on TIC owned cottages will be taxed at the same rate as those owned by one owner. The real estate taxes will be split by the number of TIC owners in the cottage. Assuming a 1/3rd TIC Ownership, real estate taxes will approximate \$1000 per year, which sum is included in the above mentioned \$400 per month assessment.

WHAT FURNISHINGS ARE INCLUDED IN MY TIC OWNERSHIP PURCHASE PRICE?

All accessories, kitchenware, furnishings, furniture and appliances are included in the purchase price. All cottages are professionally decorated to enhance the Arts and Crafts design of the cottage.

WHAT TYPE OF HEATING SYSTEMS ARE PROVIDED?

The heat is propane or gas radiant hot water baseboard heat and a wood burning fireplace in the living room.

ARE PETS ALLOWED?

TIC Owners are allowed to have pets, subject to reasonable rules promulgated by the Homeowners Association. Renters of portions of a TIC Owner's possession period may not have pets on the premises.

MAY I RENT MY TIC POSSESSION PERIOD?

Yes. There are professional rental companies in the area that have a proven record of renting cottages in the development. We will provide the contact information with these companies upon request.

WHO PROVIDES HOUSEKEEPING SERVICES?

The Agent chosen by the TIC owner will clean the cottage for all owners and guests so that everyone who arrives is guaranteed a clean cottage. The cost of cleaning is included in the above referenced TIC assessment in accordance with the provisions of the Agency Agreement.

WILL I BE PROVIDED WITH ADDITIONAL INFORMATION IF I AM INTERESTED IN PURCHASING A WHOLE OR PARTIAL INTEREST IN A COTTAGE?

Yes. All prospective purchasers will be provided with a Disclosure Statement mandated by Wisconsin law and a copy of all relevant documents, including the TIC Declaration Agreement and the Agency Agreement. Additional questions are always welcome.

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3. EXAMPLES OF AVERAGE PURCHASE PRICES FOR A 1/3RD TENANCY IN COMMON OWNERSHIP FOR EACH COTTAGE DESIGN IN BRICKYARD CREEK II AND SAWGRASS (Actual purchase prices are site specific)

BRICKYARD CREEK II

Sumac.....	\$93,000
Woodland.....	\$105,000
Meadow.....	\$116,000
Creekside A.....	\$120,000
Creekside B.....	\$115,000

SAWGRASS*

Sumac.....	\$99,000
Woodland.....	\$110,000
Meadow.....	\$120,000
Creekside A.....	\$124,000
Creekside B.....	\$120,000

*Includes public sanitary sewer

4. DEVELOPER ARRANGED FINANCING FOR TENANCY IN COMMON OWNERSHIP INTERESTS

The Developer has arranged financing for qualified buyers of Brickyard Creek and Sawgrass cottages in accordance with the following terms:

- Conventional first mortgage financing
- Loan amount up to 80% of purchase price
- Fixed rate of 5.25% for 3 years or 5.75% for 5 years
- Loan amortization period of up to 20 years
- No pre-payment penalty
- No origination fee
- Above terms and conditions are subject to change at any time