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April 24, 2020

Mr. Steven A. Corbeille
Finance Director/Treasurer
City of Manitowoc
900 Quay St.
Manitowoc, WI 54220

RE: City of Manitowoc - Community Development Authority Bond Financing for
Southfield Townhouses Project

Dear Steven:

We appreciate the opportunity to serve as special counsel to the City of Manitowoc (the "City") and the Community Development Authority of the City of Manitowoc (the "Authority") in connection with the issuance of bonds (the "Bonds") by the Authority on behalf of Southfield Townhomes L.P., a Wisconsin limited partnership (the "Company"). While we generally serve as the City's bond counsel in connection with its traditional municipal finance projects, we are not serving as bond counsel in connection with the Bonds. The purpose of this letter is to set forth the role we are serving and responsibilities we are assuming as special counsel in connection with the issuance of the Bonds.

In our role as special counsel to the City and the Authority, we will:

- examine the applicable law;
- review authorizing and closing documents such as the preliminary and final resolutions, the indenture, bond agreement or similar governing document, and closing certificates prepared by bond counsel and other counsel in the transaction;
- review the portions of the offering document, if any, for which the City or the Authority assumes responsibility;
- consult, when necessary, with the parties to the transaction;
- review certified proceedings; and
- undertake such additional duties as requested by the City or the Authority.

Subject to the completion of the proceedings, we will advise the City and the Authority as follows:

1. That the financing documents are in customary form for conduit municipal financings of the type being considered, including provisions regarding limitation of liability, indemnification and reimbursement of expenses; and
2. That the Bonds are payable solely from revenues or other collateral provided by the Company and do not constitute an indebtedness of the City within the meaning of any State constitutional provision or statutory limitation, nor give rise to a charge against the City's general credit or the City's taxing powers nor create a pecuniary liability of the City or the Authority and that such limitation of liability is plainly stated on the face of the Bonds.

As special counsel to the City and the Authority, we do not undertake to review or opine as to other matters relating to the financing, such as the validity and enforceability of the Bonds, the tax-exemption of the Bonds or compliance with any requirements applicable to tax-exempt bonds, the creditworthiness of the Company, the security for the Bonds or feasibility of the project(s) being financed by the Bonds, the adequacy of the revenues or other collateral for the Bonds, compliance by the Authority with the procedural requirements of Section 66.1335 of the Wisconsin Statutes, the adequacy of disclosure with respect to the sale of the Bonds, or any related matters. We assume that these matters will be the responsibility of other professionals and counsel to the transaction, including, but not limited to, the bond counsel selected by the Company, purchaser's or underwriter's counsel, borrower's counsel and bank counsel (if any).

In delivering any requested written opinion as special counsel to the City and the Authority, we will rely upon facts certified as true in the certified transcript of the proceedings or represented to us as true by officers of the City and the Authority, and will not undertake to verify any fact by independent investigation.

Please be aware that in the event of an Internal Revenue Service audit of the Bonds, the municipal issuer of a conduit bond financing, and not the borrower, is treated as the issuer and therefore the City or the Authority, as municipal issuer, would become directly involved in the audit process, incurring potentially significant staff costs and legal expenses if the financing were to be selected for an audit. Please be aware that the IRS would impute knowledge of such matters as, for example, the nature of the project, the investment and expenditure of Bond proceeds, and the structure of the financing, to the City or the Authority as issuer of the Bonds, even though the City or the Authority may not have any actual knowledge or involvement in or control over those matters.

Our representation of the City and the Authority as special counsel in connection with the Bonds will be concluded on the closing of the Bonds; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide continuing advice to the City or the Authority or to represent the City or the Authority in an Internal Revenue Service audit of the Bonds.

Our services as special counsel will be billed on an hourly basis at our customary rates. For informational purposes only, it is our experience that fees incurred in this type of representation generally range from \$7,500 to \$10,000, but this amount could vary significantly depending upon individual circumstances and actual time spent. It is our understanding that, as is customary, our fees, together with

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any out-of-pocket expenses, will be the responsibility of the Company. At the conclusion of our engagement as special counsel, we will send our statement for services rendered directly to the Company.

If you have any questions, please do not hesitate to call me at any time.

Very truly yours,

QUARLES & BRADY LLP


Rebecca A. Speckhard

Accepted and Approved:

CITY OF MANITOWOC

By: _____

Its: _____

Title

Date: _____