

## **FINANCING GUARANTY AND ESCROW AGREEMENT**

THIS FINANCING GUARANTY AND ESCROW AGREEMENT (this "Agreement") is made and entered into by ULGM Real Estate Holdings, Inc., a Wisconsin non-stock corporation (the "Buyer") and the Community Development Authority of the City of Madison, a Wisconsin redevelopment corporation (the "CDA"), effective as of March 25, 2022 (the "Effective Date").

### **RECITALS**

A. The CDA owns Lot 1 of CSM 15938 (the "CDA Parcel") and Lot 2 of CSM 15938, which are part of the development known as The Village on Park (the "Development").

B. The CDA is under contract to sell Lot 2 of CSM 15938 (the "Subject Property") to the Buyer, pursuant to the terms of the Purchase and Sale Agreement, dated March 25, 2022 (the "Purchase and Sale Agreement").

C. The Buyer is acquiring the Hub Parcel for purposes of constructing an approximately 76,000 gross square foot multi-tenant building containing a ground-floor retail "Hub" for small Black-owned businesses and upper-story office space ("Project").

D. The parties desire to enter into this Agreement for purposes of setting forth certain terms and conditions regarding the Project.

### **AGREEMENT:**

NOW THEREFORE, the parties agree as follows:

1. Repurchase Right. The CDA shall have a right to repurchase the Subject Property for One Dollar (\$1.00), free and clear of all liens and other encumbrances except those existing as of the date hereof (the "Repurchase Right") if a closing on all financing necessary to complete the construction of the Project ("the Financing Closing") does not occur by June 30, 2022 (the "Financing Closing Deadline"). The Financing Closing shall include the CDA and Buyer mutually agreeing on an Operating Easement, Parking Agreement, Private Access Easement, Stormwater Easement, Land Use Restriction Agreement, and any other documents reasonably required for the transfer of the CDA Parcel in accordance with the Purchase and Sale Agreement.

2. Escrow Deposit. Upon execution of this Agreement, Buyer shall deposit the sum of Five Hundred Thousand Dollars (\$500,000) cash in escrow with First American Title Insurance Company (the "Escrow Deposit") pursuant to an escrow agreement in form and substance as attached hereto as Exhibit A (the "Escrow Agreement"). Per the terms of the Escrow Agreement, if Buyer fails to meet the Financing Closing Deadline, the Escrow Deposit shall be used by Buyer to restore any disturbed areas of the Subject Property and the CDA Parcel to the condition that existed as of the Effective Date, as defined by the ALTA Survey prepared by Snyder and Associates dated November 24, 2021.

3. Restoration of Disturbed Areas. If The CDA exercises its Repurchase Right, Buyer must restore the Disturbed Areas to the satisfaction of the CDA using the Escrow Deposit and any



shall, if the complying party has elected to rectify or cure such default, promptly, upon presentation of invoice therefore, reimburse the performing party(s) for the non-complying party's percentage share of cost incurred by the performing party(s) in performing such work, plus an additional ten percent (10%) of the non-complying party's percentage share of the cost thereof for overhead and administrative purposes.

10. No Waiver. Failure or delay on the part of either party to enforce any of the terms, covenants, conditions or agreements hereof shall not operate as a waiver thereof nor void or affect the right of the party to enforce the same upon any subsequent default or breach. Except as otherwise provided in this Agreement, the rights and remedies herein granted are cumulative and are in addition to any given by statutes, rules of law or otherwise and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

11. Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable, no other provision of this Agreement shall be effected by such holding, and all other remaining provisions of this Agreement shall continue in full force and effect pursuant to the terms hereof.

[Signature page follows.]


IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first set forth above.

**COMMUNITY DEVELOPMENT  
AUTHORITY OF THE CITY OF MADISON**  
a redevelopment authority created under Section  
66.1333, Wis. Stats.

By: \_\_\_\_\_  
Claude Gilmore, Chair

By: \_\_\_\_\_  
Matthew Wachter, Executive Director

**ULGM REAL ESTATE HOLDINGS, INC.**  
a Wisconsin nonstock corporation

By:  \_\_\_\_\_  
Ruben Anthony, President