FINANCING GUARANTY AND ESCROW AGREEMENT

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

RECITALS

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

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

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. <u>Repurchase Right</u>. 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 "<u>Repurchase Right</u>") if a closing on all financing necessary to complete the construction of the Project ("the <u>Financing Closing</u>") does not occur by June 30, 2022 (the "<u>Financing Closing Deadline</u>"). 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. <u>Escrow Deposit</u>. 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 "<u>Escrow Deposit</u>") pursuant to an escrow agreement in form and substance as attached hereto as <u>Exhibit A</u> (the "<u>Escrow Agreement</u>"). 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. <u>Restoration of Disturbed Areas</u>. 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

other funds as may be necessary. Buyer must follow all public bidding laws when performing site restoration, and must complete such work within ninety (90) days of the CDA exercising its Repurchase Right. Buyer must convey clean title to The CDA upon completion of the restoration work to the Disturbed Areas.

4. <u>Termination</u>. This Agreement, including the CDA's Repurchase Right and the Escrow Agreement, shall automatically terminate upon a successful Financing Closing. Buyer shall provide the CDA with a copy of its settlement statement from the Financing Closing as evidence thereof. The CDA shall cooperate with Buyer in promptly delivering any instrument Buyer may reasonably require in order to evidence the termination of this Agreement.

5. <u>Applicable Law</u>. This Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of Wisconsin.

6. <u>Headings</u>. The headings are for convenience and reference only and in no way define or limit the scope and content of this Agreement or in any way affect its provisions.

7. <u>Relationship of Parties</u>. Nothing contained in this Agreement shall be construed to make the parties partners or joint venturers or to render a party liable for the debts or obligations of any other party, except as this Agreement expressly provides.

8. <u>Notices</u>. All notices required under this Agreement shall be written, and hand delivered or sent by certified mail, return receipt, requested, to:

To the CDA:	City of Madison 215 Martin Luther King, Jr. Blvd., LL-100 P. 0. Box 2983 Madison, WI 53701-2983 Attn.: Manager - Office of Real Estate Services
To: ULGM:	Executive Director Urban League of Greater Madison, Inc. 2222 S. Park St. Madison, WI 53713

The parties may, by written notice to each other, designate any additional address or addresses to which notices shall be sent to them when required by this Agreement.

9. <u>Enforcement</u>. In the event of any violation by any party hereto or their duly authorized representative or agent, the other party(s), their successors and assigns, as the case may be, shall have in addition to the right to collect damages, the right to enjoin such violation or threatened violation by order of judgment of a court of competent jurisdiction. Notwithstanding the foregoing, if any party fails, refuses, or neglects to perform adequately its duties hereunder or to honor its obligations hereunder, the other party(ies) shall, in addition to whatever rights they may be entitled to pursue at law or in equity, give written notice of such failure and if the party receiving such notice fails to rectify or cure such failure within thirty (30) days of such notice, the other party(s) may, but are not required to, rectify or cure such failure and the noncomplying party

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. <u>No Waiver</u>. 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. <u>Severability</u>. 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

Ву:_____

Matthew Wachter, Executive Director

ULGM REAL ESTATE HOLDINGS, INC.

a Wisconsin nonstock corporation By:

Ruben Anthony, President