

LETTER OF INTENT

In September 2020 Kunes Mitsubishi of Madison, Inc. purchased the Mitsubishi automobile dealership from MAD CITY SALES, INC. and in conjunction therewith Kunes Mitsubishi Madison Property, LLC (Kunes) purchased the real estate located at 920 Ann Street, Madison, Wisconsin. At the time of the purchase MAD CITY SALES, INC. was leasing the adjoining property, 1010 Ann Street, and was using 1010 Ann Street in the operation of the Mitsubishi dealership. The lease of 1010 Ann Street was assumed by Kunes and was continued to be used in the operation of the Mitsubishi dealership. Kunes was advised by the owner of 1010 Ann Street, 1010 Ann Street, LLC, that it was intending to sell the property and in July 2023 Kunes purchased the same as it was an integral part of the operation of the dealership. The use of 1010 Ann Street by MAD CITY SALES, INC. and Kunes from October 2019 to the present has continuously been in conjunction with the Mitsubishi dealership for display of motor vehicles for sale and for parking of dealership, employee and customer vehicles.

1010 Ann Street is located in the Commercial Center District which allows as a permitted use "auto sales and rental". Kunes is using 1010 Ann Street for auto sales, however, Kunes is advised by the Planning Department that the use is not "auto sales" but a "private parking facility" requiring a conditional use. To comply with the position of the Planning Department Kunes is requesting a conditional use for 1010 Ann Street for the parking of dealership motor vehicle inventory for sale, employee and customer vehicles.