



## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the “Agreement”) is entered into as of the \_\_\_th day of February 2017, by and between the **Community Development Authority of the City of Madison** (the “Seller”) and **Habitat for Humanity, a Non-profit** \_\_\_\_\_ (the “Buyer”).

In consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Property. The Buyer shall purchase, and the Seller shall sell and convey by Warranty Deed (the “Deed”), fee simple ownership in Lot 10, Mosaic Ridge of the real property located at 2427 Allied Drive, Madison, WI (the “Property”), as legally described in Exhibit A attached hereto, including all improvements and fixtures located thereon and all appurtenances thereto.
2. Effective Date. The “Effective Date” shall be the later date of execution of the Agreement by the Seller or the Buyer, as indicated on the signature page.
3. Purchase Price. The total purchase price for the Seller’s interest in the Property (the “Purchase Price”) shall be Zero and no/100 Dollars (\$0.00). The Purchase Price is subject to the adjustments and prorations herein provided, at Closing.
4. Delivery of Documents. Within ten (10) days of the Effective Date and throughout the Due Diligence Period as described in Paragraph 5, the Seller will reproduce at the Seller’s expense and send, either electronically or by hard copy, to the Buyer at the Buyer’s office, copies of the following documents in the Seller’s possession or control: all environmental studies, reports, permits, applications and remediation plans or assessments of the Property.
5. Due Diligence Period. The Buyer shall have sixty (60) days from the Effective Date (the “Due Diligence Period”) to review, test and inspect all aspects of the Property, at its sole cost and expense. If within the Due Diligence Period the Buyer determines, in its sole discretion, that it does not desire to purchase the Property, the Buyer may provide written notice to the Seller of such desire and the Agreement shall terminate immediately. If the

Buyer timely terminates the Agreement as provided in this paragraph, any Earnest Money, shall be immediately refunded to the Buyer.

The Buyer agrees that if it terminates the Agreement, as provided herein, or fails to close the transaction contemplated hereby for any reason, then, the Buyer shall deliver to the Seller, at no cost to the Seller, complete and accurate copies of all of the Buyer's due diligence materials other than any attorney work product or attorney-client privileged documents.

The Buyer shall keep the Property free of all liens in connection with its inspection of the Property and shall cause all such liens to be removed immediately upon being notified of same.

If the Buyer does not provide written notice terminating the Agreement on or prior to the sixtieth (60th) day of the Due Diligence Period, the Agreement shall remain in full force and effect, the Buyer shall accept the Property as-is, and the parties shall proceed to close the transaction as provided herein.

Should the Buyer desire to close prior to the end of the Due Diligence Period, the Buyer may provide the Seller with written notice of its intent to do so. The provision of such notice by the Buyer shall not affect the terms contemplated in the Agreement, except that the closing date shall occur on or before thirty (30) days from the date the Seller receives such notice, unless the parties agree in writing to another date.

The Due Diligence Period may be extended upon written agreement of the parties.

6. Access to Property. The Buyer and the Buyer's authorized agents, engineers, consultants, appraisers, and contractors shall be permitted access to the Property for the purpose of conducting the inspections and testing during the Due Diligence Period including, but not limited to, a Phase 1 or 2 environmental assessment of the Property and/or a physical inspection of the Property and any building and related improvements located on the Property at reasonable times with at least twenty-four (24) hour notice to the Seller. The Buyer's and the Buyer's authorized agents, engineers, consultants, appraisers, and contractors access to, and inspection of, the Property shall be at the Buyer's sole risk and expense and the Seller shall have no responsibility therefor. The Buyer will repair, at the Buyer's and the Buyer's authorized agents, engineers, consultants, appraisers, and contractors cost, all damages caused by its inspections or testing so that the condition of the Property is returned to as good or better.
7. Indemnification. The Buyer shall be liable to and agrees to indemnify, defend and hold harmless the Seller, and its officers, officials, agents, and employees, against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the Seller or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the acts or omissions of the Buyer or its officers, officials, agents, employees, assigns, guests, invitees

or subcontractors, in the performance of the Agreement, whether caused by or contributed to by the negligence of the Seller, its officers, officials, agents, or employees.

8. Insurance. The Buyer and any of its authorized agents, engineers, consultants, appraisers, and contractors performing work on the Property shall carry commercial general liability insurance covering as insured the Buyer and naming the Seller, its officers, officials, agents and as additional insured's, with a minimum limit of \$1,000,000 per occurrence as may be adjusted, from time to time, by the City's Risk Manager. These policies shall also be endorsed for contractual liability in the same amount, apply on a primary and noncontributory basis, and provide the Seller thirty (30) days advance written notice of cancellation, non-renewal or material changes to the policy during the term of the Agreement. As evidence of this coverage, the Buyer and any of its authorized agents, engineers, consultants, appraisers, and contractors shall furnish the City with a certificate of insurance on a form approved by the Seller, and, if requested by the City Risk Manager, the Buyer and any of its authorized agents, engineers, consultants, appraisers, and contractors shall also provide copies of additional insured endorsements or policy to the Seller prior to the performance of any work on the Property. If the coverage required above expires while the Agreement is in effect, the Buyer and any of its authorized agents, engineers, consultants, appraisers, and contractors shall provide a renewal certificate to the Seller for approval.
9. Lease. The Seller shall represent that the Property is currently not leased and the Seller shall agree that it shall not enter into any lease or rental for the Property, or any portion thereof, or allow occupation of during the Due Diligence Period and through the date of Closing, without the prior written consent of the Buyer.
10. Personal Property. The purchase of the Property does not include any personal property.
11. Survey. Any survey of the Property including, but not limited to, an ALTA/ACSM Land Title Survey that meets the Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys effective February 23, 2011 that is required to eliminate all survey related exceptions to the title insurance policy, certified as of a current date in favor of the Buyer and the title company providing the title insurance described in Paragraph 13 shall be at the sole cost and expense of the Buyer.
12. Title Insurance. The Buyer shall provide to the Seller, at the Buyer's expense, within thirty (30) days prior to Closing, a commitment from \_\_\_\_\_ (the "Title Company") to issue an ALTA Owner's Title Insurance Policy in the amount of the Purchase Price upon the recording of proper documents, together with a gap endorsement. The commitment shall show title to the Property, as of a date no more than fifteen (15) days before such title proof is provided to the Buyer, to be in the condition called for in the Agreement, and further subject only to liens which will be paid out of the proceeds of the Closing and to any exceptions acceptable to the Buyer ("Permitted Exceptions"). The Buyer shall notify the Seller of any valid objection to title, in writing, prior to Closing. The Seller shall have a reasonable time, but not exceeding fifteen (15) days, to remove the objections and Closing shall be extended as necessary for this purpose.

Should the Seller be unable or unwilling to carry out the Agreement by reason of a valid legal defect in title which the Buyer is unwilling to waive, the Agreement shall be void and the Buyer shall be entitled to a return of any Earnest Money.

13. Limited Representations and Warranties; AS-IS Condition. Except as otherwise provided herein, the Buyer shall purchase the Property in “AS-IS, WHERE-IS” condition and “with all faults,” and shall agree that it relied upon no warranties, representations or statements by the Seller, its agents or employees, in entering into the Agreement or in closing the transaction described herein. Except as provided below, the Buyer’s closing on the acquisition of the Property shall constitute conclusive evidence that the Buyer is satisfied with the condition of and title to the Property.
14. Broker Representation. The Seller shall acknowledge that it is not represented by a licensed real estate broker on its behalf in respect of the transaction contemplated herein. The Buyer shall acknowledge that it is not represented by a licensed real estate broker on its behalf in respect of the transaction contemplated herein.
15. Qualified Buyer. After conveyance of the Property to the Buyer, the Buyer agrees that the future sale of the Property shall be to an income qualified buyer at or below 50% of Area Median Income.
16. Closing.
  - a. Closing shall occur on or before thirty (30) days from: (a) the expiration of the Due Diligence Period; or (b) the date of Seller’s receipt of notice from Buyer requesting an earlier closing date; or (c) such other date agreed to in writing by the parties.
  - b. The Seller agrees to execute and deliver to the Buyer at Closing the Warranty Deed conveying the Property to the Buyer free and clear from all liens and encumbrances, excepting the following: Municipal and zoning ordinances and the Permitted Exceptions.
  - c. The Buyer shall pay all recording/filing fees except that the Seller shall pay the recording/filing fees for such documents as are required to be recorded/filed in order to cause title to the Property to be in the condition called for by the Agreement.
  - d. All 2017 real estate taxes with respect to the Property shall be the responsibility of the Buyer as of the date of closing based upon the period of ownership of the parties and the latest known assessment and latest known mill rate.
  - e. The Buyer shall be responsible for any and all special assessments, area assessments, interceptor charges or any other charges payable to any municipality or utility with regard to the Property as of the date of Closing.
  - f. The Buyer shall pay any Wisconsin Real Estate Transfer fee or taxes due in connection with the conveyance of the Property.



22. Severability. If any provision of this Agreement is held invalid or unenforceable, the invalidity or unenforceability shall be limited to the particular provision(s) involved and shall not affect the validity or enforceability of the remaining provisions.
23. Counterparts and Transmittal of Signatures. This Agreement may be executed in one or more counterparts, and all such executed counterparts shall constitute the same agreement. A signed copy of this Agreement transmitted by facsimile or email shall be treated as an original and shall be binding against the party whose signature appears on such copy.
24. Time of the Essence. Time is of the essence for the performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the later date of signature by the Buyer or the Seller as indicated below.

**BUYER: HABITAT FOR HUMANITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Business Manager  
Date: \_\_\_\_\_

**SELLER: COMMUNITY DEVELOPMENT AUTHORITY OF  
THE CITY OF MADISON**, a redevelopment authority  
created under Section 66.4325, Wis. Stats.

By: \_\_\_\_\_  
Dean Brassler, Chairperson

By: \_\_\_\_\_  
Natalie Erdman,  
Executive Director and Secretary

Execution of this Purchase and Sale Agreement by the Community Development Authority is authorized by Resolution No. \_\_\_\_\_, adopted by the Community Development Authority of the City of Madison on \_\_\_\_\_, 2017.

Drafted by the City of Madison Office of Real Estate Services

DRAFT

## **EXHIBIT A**

### **LEGAL DESCRIPTION OF THE PROPERTY**

Lot 10, Mosaic Ridge, City of Madison, Dane County, Wisconsin.

(the real property located at 2427 Allied Drive, Madison, WI )

DRAFT