

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is entered into as of the ____ day of _____, 2026, by and between the **City of Madison**, a Wisconsin municipal corporation (“Buyer”) and **The Salvation Army**, an Illinois corporation (“Seller”).

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 Buyer and the Seller (together, the “Parties”) hereto covenant and agree as follows:

1. The Property. The Seller is the owner of the real property legally described in Exhibit A, located at 3030 Darbo Drive in the City of Madison, Wisconsin (the “Property”). At Closing, the Buyer shall purchase and the Seller shall sell and convey by Special Warranty Deed (“Deed”) fee simple ownership of Seller’s interest in the Property, together with all rights, easements and appurtenances pertaining thereto and all improvements, trees, bushes, landscaping, and foliage.
2. Effective Date. The “Effective Date” shall be the date first stated above.
3. Purchase Price. The total purchase price of the Property (“Purchase Price”) shall be Three Million Three Hundred Thousand and no/100 (\$3,300,000.00) which amount shall be payable in cash at Closing, as defined herein, subject to the adjustments and prorations herein provided.
4. Personal Property. The transaction contemplated by this Agreement will not include any personal property.
5. Delivery of Documents.
 - a. The Seller shall, within (10) business days after the Seller’s execution of this Agreement, provide the Buyer with complete copies of all documents in the Seller’s actual possession or control relating to the physical and environmental condition of the Property. Seller has previously provided to the City copies of appraisals received by Seller regarding the Property.

- b. Within five (5) business days after the Seller's execution of this Agreement, the Seller shall order a title insurance commitment ("Title Commitment") from the First American Title Company ("Title Company") with a policy amount of not less than the Purchase Price. The commitment shall include all supporting documents including, but not limited to, recorded declarations, use restrictions and annexation agreements. If the Title Commitment discloses any conditions, restrictions, liens, encumbrances, easements or covenants which in the Buyer's reasonable opinion would adversely affect the Buyer's intended use, Buyer shall notify the Seller in writing within prior to the expiration of the Due Diligence Period (as defined below) of such matters ("Title Objection Notice"), and the Seller shall have thirty (30) days from the date it receives the Title Objection Notice (the "Cure Period") to (i) cure those defects that it elects to cure, provided Seller shall have no obligation to cure any matters objected to in the Title Objection Notice except for monetary liens, which the Seller shall satisfy at or before Closing, and (ii) cause the Title Company to furnish an updated Title Commitment showing such defects cured or removed. If all defects set forth in the Title Objection Notice are not cured within the Cure Period, the Parties may either agree to extend the initial thirty (30) day Cure Period, or the Buyer may, at its option, within ten (10) business days following the initial thirty-day Cure Period terminate this Agreement by written notice to the Seller.
6. Limited Representations and Warranties; AS-IS Condition. Except as otherwise provided in this Agreement, 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 this Agreement or in closing the transaction described therein. 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.
7. Due Diligence Period.
 - a. The Buyer shall have thirty (30) days after execution of this Agreement by the Parties ("Due Diligence Period") to review, test and inspect all aspects of the Property, at its sole cost and expense, subject to the provisions of this Section 7. In the event said review, inspections or tests disclose matters which would make the Property unsuitable for the Buyer's intended use, the Buyer may terminate this Agreement by written notice to the Seller prior to the expiration of the Due Diligence Period. If the Buyer does not provide written notice terminating this Agreement on or prior to the thirtieth (30th) day of the Due Diligence Period, this Agreement shall remain in full force and effect, the Buyer shall accept the Property as-is, and the Parties shall proceed to Closing.
 - b. Notwithstanding the foregoing, the Buyer may not perform any Phase 2 Environmental Site Assessment or any testing of the air, soil or water at the Property without the prior written consent of the Seller, which consent may be withheld in Seller's sole discretion.

- c. Should the Buyer desire to waive its contingencies under this Agreement and 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 covenants and Closing requirements contemplated in this Agreement, except that the Closing shall occur on or before fifteen (15) days from the date the Seller receives such notice, unless the Parties agree in writing to another date.
 - d. The Due Diligence Period in this Agreement may be extended only upon written agreement of the Parties.
8. Access to the Property.
- a. The Buyer and the Buyer's authorized agents, contractors, and engineers shall be permitted access to the Property for the purpose of conducting inspections and testing, including but not limited to, including a Phase 1 or 2 Environmental Site Assessment report ("ESA") and related testing, soils testing and any other inspections or testing deemed necessary by the Buyer and approved by Seller as set forth in Paragraph 7(b). Access shall be at reasonable times with at least forty-eight (48) hours advance notice to the Seller.
 - b. In the event Buyer's Phase 1 ESA recommends a Phase 2 ESA, and the Seller consents as set forth in Paragraph 7(b), the Buyer may notify the Seller in writing of its desire to extend the Due Diligence Period if necessary to conduct such investigation. If the Parties are unable to agree on an extension of the Due Diligence Period, the Buyer may declare this Agreement null and void by providing written notice of termination to the Seller prior to the expiration of the Due Diligence Period. In no event shall the Seller be required to cure any matter to which the Buyer objects relating to the condition of the Property or any improvements located thereon. The Buyer shall repair, at its sole cost and expense, all damages caused by any of its assessments and inspections so that the condition of the Property is returned to as good or better condition as existed prior to the assessment(s) and inspections, which obligation shall survive any termination of this Agreement.
 - c. Seller may have one or more representatives present during any period of access by the Buyer or the Buyer's agents. The Buyer and the Buyer's agents shall follow the Seller's reasonable safety and welfare rules during any period of access to the Property.
9. Title Insurance. Seller shall order a Title Commitment from the Title Company as set forth in Paragraph 5(b) of this Agreement, and any objections to matters shown on the Title Commitment shall be addressed as set forth in Paragraph 5(b).
10. Survey. Any survey of the Property including, but not limited to, an ALTA/NSPS Land Title Survey that meets the Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys effective February 23, 2021 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 9 shall be at the sole cost and expense of the Buyer. Any objections by the Buyer to matters shown in any such survey shall be delivered by the Buyer to the Seller in a written notice on or before the expiration of the Due Diligence Period, provided the Seller shall have no obligation to cure any such objections.

11. Commissions. The Seller represents that it has not entered into any contracts with any brokers or finders nor has the Seller obligated itself to pay any real estate commissions or finders' fees on account of the execution of this Agreement or the close of the transaction contemplated therein. The Buyer represents that it has not entered into any contracts with any brokers or finders nor has the Buyer obligated itself to pay any real estate commissions or finders' fees on account of the execution of this Agreement or the close of the transaction contemplated therein. The provisions of this Paragraph 11 shall survive any expiration or termination of this Agreement and shall not merge into any deed delivered and accepted upon the closing of the transaction therein contemplated.

12. Closing.
 - a. Subject to the outside date set forth in Paragraph 13(d)(4), closing ("Closing" or the "Closing Date") shall occur on or before fifteen (15) days from; (a) the expiration of the Due Diligence Period; or (b) the date of the Seller's receipt of notice from the Buyer requesting an earlier date of Closing; or (c) such other date agreed to in writing by the Parties, either in escrow or at the office of the Title Company issuing the commitment for title insurance, unless the Parties agree in writing to an alternate Closing location.

 - b. The Seller agrees to execute and deliver to the Buyer at or before Closing the Deed, conveying the Property to the Buyer free and clear from all liens and encumbrances, excepting the following: Municipal and zoning ordinances and agreements entered under them; recorded easements for the distribution of utility, municipal services; and other encumbrances agreed to by the Buyer.

 - 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 this Agreement.

 - d. Real estate taxes, if applicable, in the year of Closing shall be prorated between the Buyer and the Seller as of the date of Closing based upon the latest known assessment and latest known mill rate.

 - e. The Seller shall be responsible for the payment of any existing special or area assessments, sewer 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 Seller shall pay any fees related to the Wisconsin Real Estate Transfer fee.

- g. The Title Company shall prepare and deliver at Closing the Wisconsin Transfer Return due in connection with conveyance of the Property.
 - h. All costs charged by the Title Company to facilitate Closing shall be prorated between the Parties.
 - i. Prior to Closing, the Buyer shall obtain authorization from the City of Madison Common Council for the approval and execution of this Agreement by the Buyer.
13. Representations, Covenants, and Conditions. The City hereby acknowledges Seller's desire to remain in occupation of the Property following Closing on substantially the same terms described in Exhibit B (the "Post-Closing Lease").
- a. Seller Representations. Seller represents and warrants to Buyer as follows:
 - i) No Prior Right to Purchase. No other party has any option, right of first refusal agreement with respect to the purchase or sale of the Property.
 - ii) No Adverse Possessors. There are no parties in possession of any portion of the Property as tenants at sufferance or trespassers.
 - iii) No Lessees. The Seller represents that the Property is not leased or occupied by any third party and the Seller agrees that it shall not enter into any lease or rental agreement for the Property, or any portion thereof, during the Buyer's Due Diligence Period, as described in Paragraph 7, and through the date of Closing, without the prior written consent of the Buyer.
 - iv) The Seller has not received any uncured notice that the Property is currently in violation of any applicable statutes, ordinances, codes, and rules and regulations of any governmental authority having jurisdiction over the Property.
 - v) There are no actions, suits, proceedings or claims pending or, to the best of Seller's knowledge, threatened with respect to or in any manner affecting any of the Property or the ability of the Seller to consummate the transaction contemplated by this Agreement.
 - vi) There are no threatened condemnation or similar proceedings affecting any of the Property and, to the best of Seller's knowledge, no such proceeding is contemplated by any governmental authority.
 - vii) The entering into and consummation of the transactions contemplated hereby will not conflict with or, with or without notice or the passage of time or both, constitute a default under, any contract, lease or other agreement, including, without limitation, the contracts to which Seller is a party or by which Seller may be bound or any law, rule, license, regulation, judgment, order or decree governing or affecting Seller or the Property.

- b. Operation of the Property. Until the earlier of the Closing or the termination of this Agreement, Seller shall:
- i) Not do anything, or permit anything to be done, that would impair or modify the status of title as shown on the Title Commitment other than releasing liens and curing any title matters that the Seller elects to cure under Paragraph 5(b); provided the foregoing shall not prevent the Seller from granting any new easement or other title matter required by any governmental authority or organization that has condemnation authority.
 - ii) Maintain the Property in the same manner as immediately prior to the Effective Date, reasonable wear and tear excepted.
 - iii) Not enter into any contract that, following Closing, will be binding upon Buyer or the Property without, in each instance, obtaining the prior written approval of Buyer.
 - iv) Not cause or permit transfer, conveyance, sale, grant of easement, assignment, pledge, mortgage, or encumbrance of any of the Property.
- c. Advise Buyer. Until the earlier of the Closing or the termination of this Agreement, Seller shall notify City in writing promptly upon learning or receiving notice of:
- i) Any violation of any law, ordinance, regulation or law that would or might materially affect any of the Property.
 - ii) Any pending or threatened litigation that affects any of the Property or that could affect the transaction contemplated hereby.
- d. Conditions. City shall not be obligated to close the transaction contemplated hereunder unless each of the following conditions shall be satisfied on the Closing Date.
- i) The Title Company shall issue (or commit unconditionally to issue) to the Buyer an owner's policy of title insurance in the condition called for in this Agreement.
 - ii) The representations and warranties of Seller in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of the Closing Date.
 - iii) Seller shall have performed all covenants and obligations and complied with all conditions required by this Agreement to be performed or complied with by Seller on or before the Closing Date.

- iv) Notwithstanding any extension of the Due Diligence Period or the fifteen (15) day period set forth in Paragraph 12(a), Closing must occur on or before May 13, 2026. If Closing does not occur on or before said date, then the Buyer may choose to exercise any of its options outlined in Subparagraph 13(f), and the Buyer's obligation to close shall be conditioned upon the City of Madison Common Council authorizing a budget amendment allowing for the Buyer's purchase of the Property.
- e. Notwithstanding anything to the contrary set forth elsewhere herein, each Party's obligation to proceed with the closing of the transaction contemplated by this Agreement is conditioned upon the simultaneous execution of the Post-Closing Lease.
- f. If any condition specified herein is not satisfied on or before the Closing, then at Buyer's option, (a) Buyer may waive such condition either at the time originally established for Closing or at any time thereafter, or (b) Buyer may terminate this Agreement by written notice thereof to Seller, either at the time originally established for Closing.

14. Miscellaneous.

- a. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties hereto, to any person or entity other than the Parties.
- b. Benefit and Burden. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, personal representatives, successors, and assigns.
- c. Entire Agreement. This Agreement contains the entire agreement between the Parties and any modification, alteration or addendum to this Agreement shall be valid only when written and executed by the Parties.
- d. 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 electronic scanned copy (.pdf) or similar technology and shall be as valid as original. This Agreement may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Agreement may be delivered by facsimile, email or similar technology and upon receipt will be deemed original and binding upon the Parties, whether or not a hard copy is also delivered. Copies of this Agreement, fully executed, shall be as valid as an original.

- e. Severability. If any non-material part, paragraph, or article of this Agreement is determined to be invalid, or otherwise unenforceable, the validity of all the remaining parts, paragraphs, and articles shall not be affected thereby. Any such non-material parts, paragraphs, or articles shall be deemed severable.
 - f. Choice of Law, Venue, and Forum Selection. This Agreement shall be governed by and construed, interpreted, and enforced in accordance with the laws of the State of Wisconsin, without regard to conflict of law principles. For any claim or suit or other dispute relating to this Contract that cannot be mutually resolved informally, the venue shall be Dane County, Wisconsin, and the parties agree to submit themselves to the jurisdiction of a court of competent jurisdiction in said venue, to the exclusion of any other forum that may have jurisdiction over such a dispute according to any law.
 - g. Headings. The headings in this Agreement will be for reference purpose only and shall not in any way affect the meaning or interpretation herein.
15. Seller Contingency. Seller's obligation to conclude the transaction contemplated by this Agreement shall be contingent upon obtaining the approval of the Board of Directors, The Salvation Army, Territorial Headquarters, Hoffman Estates, Illinois. If Seller does not terminate this Agreement within twenty-eight (28) days after the Effective Date by Seller sending written notice to Buyer within such period, then this contingency shall be deemed waived and satisfied. If Seller terminates this Agreement within the time period provided, then this Agreement shall be deemed null and void and neither party shall have any further obligations to the other hereunder.

[Signature pages to follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first above written.

BUYER: CITY OF MADISON

By: _____ Date: _____

Name: Satya Rhodes-Conway
Title: Mayor

By: _____ Date: _____

Name: Lydia A. McComas
Title: City Clerk

Approved:

David Schmiedicke, Finance Director Date

Approved:

Eric Veum, Risk Manager Date

Approved as to form:

Michael Haas, City Attorney Date

Execution of this Agreement by the City of Madison is authorized by Resolution Enactment No. RES-26-_____, File I.D. No. _____, adopted by the Common Council of the City of Madison on the _____ day of _____ 2026.

Drafted by the City of Madison Office of Real Estate Services

Project No. 10379

Signatures continue on the following page

SELLER: The Salvation Army

By: _____ Date: _____
(Signature)

By: _____
(Print name and title)

By: _____ Date: _____
(Signature)

By: _____
(Print name and title)

State of Illinois)
) ss.
County of Cook)

Personally came before me this _____ day of _____, 2026, the above named
_____ (name), _____ (title) and
_____ (name), _____ (title), each acting in said
capacity and known by me to be the person(s) who executed the foregoing instrument and
acknowledged the same.

Notary Public, State of Illinois

(print or type name)

My Commission expires: _____

EXHIBIT A
Legal Description of the Property

LOT 2 OF CERTIFIED SURVEY MAP 7652, RECORDED NOVEMBER 15, 1994 IN VOLUME 40, PAGES 47-49 AS DOCUMENT NO. 2645258 AND BEING CORRECTED BY AFFIDAVIT RECORDED JUNE 10, 1996 IN VOLUME 33141, PAGE 73 AS DOCUMENT NO. 2799665, BEING LOCATED IN THE NORTHEAST ¼ AND NORTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 5, TOWNSHIP 7 NORTH, RANGE 10 EAST, CITY OF MADISON, DANE COUNTY, WISCONSIN, BEING OUTLOT A, LOTS 1-4 AND 9-19 EXCEPT THE NORTHERLY 5 FEET OF LOTS 16-19, ALL IN DARBO'S ADDITION.

EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN WARRANTY DEED RECORDED IN DOCUMENT NO. 4229987 AND FURTHER EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN INSTRUMENT RECORDED IN DOCUMENT NO. 5424962.

Tax Parcel Number: 251/0710-052-1005-1
Address: 3030 Darbo Drive

EXHIBIT B
Form of Post-Closing Lease

37470068.5