

GROUND LEASE AGREEMENT

THIS AGREEMENT made and entered into this 30th day of January, 1981, between the City of Madison, a Dane County, Wisconsin municipal corporation, its successors and assigns, hereinafter called "Lessor", and Mary North O'Hare, _____, located at Madison, Wisconsin, her heirs, successors and assigns, hereinafter referred to as "Lessee",

W I T N E S S E T H:

WHEREAS, Lessor is the owner of certain lands lying in the City of Madison, Dane County, Wisconsin, known as Marshall Park, together with other facilities necessary and useful in connection with the operation of a city park; and

WHEREAS, Lessee desires to lease certain lands located within Marshall Park, and to obtain certain rights in connection therewith, more fully described hereinafter, for the purpose of maintaining and preserving the residential dwelling located thereon as a single-family residence with historic significance; and

WHEREAS, Lessor deems it advantageous to itself and to the operation and development of the park to lease these certain lands, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I - PREMISES

Lessor, for and in consideration of the terms, conditions and covenants of this lease to be performed by Lessee, hereby leases the following described lands situated in Marshall Park, in the City of Madison, Dane County, Wisconsin, to-wit:

Lot 4 of certified survey map No. 3631 as recorded in the Office of the Dane County Register of Deeds, together with a one-half leasehold interest in a certain fresh water well located on Lot 3 of certified survey map No. 3631 together with and subject to use of an easement in common with others for ingress and egress over the existing driveway located on all lots of said certified survey map No. 3631 extending to the private concrete road, known as Thorstrand Road,

thence over said existing private concrete road in the southwesterly direction to Highway 12, now known as University Avenue, together with a one-half leasehold interest in a private sanitary sewer located within the private sanitary sewer easement shown on said certified survey map, for the sole and express purpose of maintaining and preserving the residential dwelling located thereon as a single-family residence with historic significance.

ARTICLE II - TERM

This Lease, together with amendments, and all rights and responsibilities set forth herein, shall be for a period of ninety-nine (99) years, commencing on 1st day of February, 1981, and ending on the 31st day of January, 2080. At the end of this term a new lease may be entered into upon mutual agreement of the parties.

ARTICLE III - RENT

A. Lessee agrees to pay Lessor for ground rent of the lands herein leased, the sum of Two Hundred Twenty-Five Dollars (\$225) per month for the remainder of 1981. Said rent to be paid in advance on the first day of each month. Rent due under this article for any fractional part of a month, shall be pro-rated. All unpaid rent shall be subject to an interest charge at the then current prime rate per annum on the unpaid rental balance from the due date until the date of payment. Prime rate under this lease shall be the average prime rate in use in the City of Madison by the three largest volume banks in the City the first business day in January of the then current year.

B. Annual Rent Adjustment - (The 1981 monthly rent of \$225, hereinafter called the initial base rent, is derived from a 1981 Base Value of the lands of \$33,000, as determined by Lessor).

1. In 1982 and each subsequent year of this agreement, except as noted in Subsections B.2 and B.3 herein, the monthly rent for February and the following 11 months shall be computed as follows:

a. The value of the lands shall be adjusted in accordance with the Consumers Price Index - National Series - All Items For All Urban Consumers, or the successor or substitute index designated by the Federal government, for the previous calendar year. Said adjustment~~s~~ shall be computed as follow:

$$\text{Most recent year's value} \times \frac{(\text{Latest CPI Index of most recent year})}{(\text{Latest CPI Index of next most recent year})} = \text{New Value}$$

b. This New Value is then used as the basis for establishing the revised rent, which is the sum of two parts, as follows:

(1) Payment in Lieu of Taxes - Multiply the New Value by the latest overall net mil rate established in the City of Madison.

(2) Return on Lessor's Investment - Determine the unweighted average interest rate paid by the City of Madison for long-term (one year or more) general obligation borrowing in the most recent year. Multiply the New Value by this interest rate.

c. ~~C.~~ New Monthly Rental - Effective February 1 of the Current Year - Add the results of subsections a. and b. above. Divide by 12. Round to the nearest dollar multiple of 5. This is the new monthly rental, except as noted in Sections B.2 and B.3 herein.

c. Lessor shall notify Lessee at least fifteen (15) days prior to the effective date of the new monthly rental.

2. 10-Year Base Value Re-Establishment - Every tenth year, instead of following the B.1.a. procedure herein, a New Base Value will be established by the procedure set forth below. From this, a new base rent will be computed by the B.1.b. procedure herein, and will be effective on the 1st of February of the next succeeding year. The New Base Value will be established as follows:

a. Lessor and Lessee shall attempt to negotiate a New Base Value. If negotiations are not successful by May 1 of this current tenth year, the following procedure will be used:

b. Lessor and Lessee shall retain two expert fee appraisers acceptable to both parties, at joint cost, to independently appraise the lands. Each appraiser will prepare a fully-documented narrative appraisal report indicating the New Base Value of the lands as they exist, physically, economically, functionally, and legally.

c. Upon receipt of the appraisal reports, both parties shall promptly review them for thoroughness, relevance and documentation. the appraisers will promptly correct omissions, miscalculations, and the like, and will supply further reasonable documentation and explanation as requested by either party.

d. If the lower of such appraised amounts is then greater than 90% of the higher, the New Base Value shall be the average of the two amounts.

e. However, if the lower of such appraised amounts does not then amount to at least 90% of the higher,

(1) A third independent expert appraiser shall promptly be selected by the first two appraisers. This appraiser shall be acceptable to Lessor and Lessee, and shall be retained at joint cost.

(2) This third appraiser shall review the existing appraisal reports and determine the New Base Value of the lands. This Value shall not exceed the higher nor be less than the lower of the two existing appraisal reports. His findings shall be binding on Lessor and Lessee as the New Base Value.

f. Neither party shall unreasonably withhold the selection or approval of the appraisers in B.2.b. and B.2.e. herein.

3. Interim Base Value Re-Establishment - In any year within the 10-year intervals, if either party feels that conditions have changed enough to affect the rent significantly, that party shall attempt to negotiate a New Base Value with the other party. If negotiations are unsuccessful during the ensuing 90 days, the activating party may proceed with the technique in B.2. above, except that the activating party shall assume all costs. However, if the newly established base rent resulting from the New Base Value favors the activating party by an increment in excess of 10% of the rent then in effect, the costs shall be split 50-50. In any event, the new base rent shall be effective on the 1st day of the month following its establishment.

ARTICLE IV - RIGHTS AND PRIVILEGES GRANTED LESSEE

Subject to the terms and conditions hereinafter set forth, Lessee is hereby granted the following rights and privileges during the term of this Lease:

1. Exclusive use and possession of the demised lands for the purpose of use and enjoyment of the single-family improvements of historical significance subject to a shared use of the circular drive with the Lessee of the adjoining residential Lot 3 of Certified Survey Map No. 3631, together with the shared right of the use of an existing well located on said Lot 3 with the Lessee of said Lot 3 together with the shared right of ingress to and egress from said demised lands across Lots 1 and 2 which rights shall extend to Lessee's employees, invitees and agents, subject to the superior right of the users of the surrounding parklands to cross and recross the driveway located on Lot 2 of Certified Survey Map No. 3631, and together with the shared right of the use of an existing private sanitary sewer located on Lots 2, 3, and 4, said certified survey maps. Lessee accepts and acknowledges that the existing well and improvements are hereunder leased to Lessee and the Lessee of Lot 3 in an "as is" condition without any obligation whatsoever upon Lessor at any time to maintain, repair or

replace said well or well improvements. Lessee accepts and acknowledges that if it becomes necessary to work on the sanitary sewer where it is located in Lot 2, said certified survey map, Lessee shall give 48-hour written notice, by hand or by certified mail, to Lessor's Park Department or its successors and assigns. The 48-hour period shall commence at the time of delivery of said notice.

2. Lessee's right to contest - Lessee may, if it disputes the amount or validity of any liens, taxes, assessments, charges, penalties, or claims, including liens or claims of materialmen, mechanics or laborers, upon the demised lands and improvements thereon, contest and defend the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid the same; provided, however, that such contest shall be prosecuted to a final conclusion as soon as possible. Any rebate made on account of any taxes or charges paid by Lessee shall belong and be paid to Lessee.

During any contest, Lessee shall (by the payment of such disputed taxes, assessments, or charges, if necessary) prevent any foreclosure of or any divesting thereby of Lessor's title, reversion, or other interest in or to the demises lands and will further (by the payment of such disputed taxes, assessments, or charges, if necessary) prevent the public sale or foreclosure of any lien for any such taxes, assessments, or charges.

In the event Lessee fails to pay any such taxes, assessments, or charges as hereinbefore provided (if the same is not being contested in accordance with the provisions hereof) or Lessee otherwise fails to comply with the provisions of this Article IV, then and in that event, Lessor may pay the same and add the amount paid, together with interest at the then current prime rate per annum thereon, to the amount of the next monthly installment of Annual Net Rental to be paid by Lessee hereunder.

3. Garage and other accessory buildings, if any, located or hereinafter constructed on the demised lands shall not be utilized as dwelling units unless they meet all City of Madison building code requirements for habitable buildings, and zoning regulations.

ARTICLE V - RIGHTS AND PRIVILEGES OF LESSOR

Lessor, in addition to any rights herein retained by it, reserves the following privileges, to-wit:

1. Lessor's Project Development Unit Director is hereby designated as its official representative for the enforcement of all provisions in this Lease with full power to represent Lessor in dealings with Lessee in connection with the rights herein leased.

2. All actions relating to policy determination, modification of this Lease, subsequent permissive authorization under this Lease, termination of this contract, and any similar matters affecting the terms of this Lease shall emanate from the Landmarks Commission, Board of Park Commissioners and Lessor's Common Council, or their successors or assigns.

3. Lessor reserves the right to enter upon the lands leased by Lessee from Lessor, at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of the covenants or conditions of this Lease. The Lessee shall give access to the interior and exterior of the Lessee's improvements to Lessor, its agents, representatives, successors or assigns for the purpose of monitoring Lessee's compliance with the terms of this agreement upon ten (10) days prior written notice from the Lessor, its authorized agent, successors or assigns, or upon waiver of notice hereunder by the Lessee.

4. Lessor reserves unto itself, its successors and assigns the right to further develop or improve the public areas of the adjacent park as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by Lessee.

ARTICLE VI - OBLIGATIONS OF LESSEE

A. Condition and use of Premises and Improvements

Thereon - Lessee accepts the demised lands and improvements thereon together with joint access strip and well easement in their present condition and agrees to limit use thereof to single-family residential purposes with historic significance. Lessee agrees that there will be no outside storage of equipment, materials or supplies on the lands, and will cause to be removed at Lessee's expense all trash and garbage, etc., and agrees not to deposit same on any part of the demised lands, except temporarily in connection with collection or removal.

B. Maintenance - Lessee shall, at its sole cost and expense, maintain the leased lands and access strip and improvements thereon in a presentable condition. Lessee shall perform necessary mowing, snow removal, grading and other maintenance on the leased lands and access strip. Lessee shall repair all damages to said lands and improvements caused by its invitees, guests and agents. It is understood Lessee may cooperate with the Lessee of the adjacent Lot 3, Certified Survey Map No. 3631, for repair and maintenance of joint use areas on Lots 2, 3, and 4. It is further understood that Lessee may cooperate with the Lessee of the adjacent Lot 3 and owners of other properties abutting Thorstrand Road for repair and maintenance of said private road. However, this permission does not relieve Lessee of its obligations hereunder. Lessee shall assume the costs of restoration and continued maintenance and repair of the residential dwelling and accessory buildings necessary to preserve the architectural and historical integrity of the materials, features, workmanship and appearance of the structures. Lessee shall assume the costs of erection, continued maintenance, repair and replacement of screening materials, the design, location, extent and type of which shall be mutually agreed upon by Lessor's Board of Park Commissioners and Landmarks Commission or other designated

agent or successor and the Lessee. The Lessee shall, at a minimum, be required to erect and maintain a standard forty-two (42) inch high, 2-rail, split-rail fence more or less along the boundary between the parklands and the demised lands. The owner shall preserve the landscape features identified on the accompanying landscape plan, marked Exhibit A and incorporated herein. Any plans to remove or to alter the character of these features shall have prior written approval of the Lessor's Board of Park Commissioners, its successors or assigns.

Should Lessee fail to erect said screening materials and fail to keep and maintain the entire leased lands and improvements thereon in good order and repair, as set forth herein, in order to preserve and protect the general appearance and value of Lessor's remaining premises in the immediate vicinity thereof, and if such maintenance and repair is not undertaken by Lessee within ten (10) days after receipt of written notice, Lessor shall have the right to enter on the demised lands and improvements located thereon and perform the necessary erection, repair and maintenance, the cost of which shall be added to monthly rent and borne by Lessee.

C. Additions and Alterations - Lessee shall have the right during the term of this Lease to make alterations, attach fixtures, and erect additions to structures in or upon the lands hereby leased, provided any additions or alterations which require a building permit or alter the interior or exterior appearance of such structures shall be performed only after advance written approval of plans by Lessor's Landmarks Commission its successors or assigns. Exterior changes must also have prior written approval of the Lessor's Board of Park Commissioners, its successors and assigns. All improvements, additions, or fixtures made to or placed upon said lands by Lessee shall become the property of Lessor at the termination of this Lease, as provided under the termination clause herein.

D. Signs and Illumination - The Lessee shall secure written approval of Lessor's Landmarks Commission, its successors or assigns, before placing exterior illumination or exterior signs on the leased lands or improvements located thereon. Lessor reserves the right to erect a historical plaque at an appropriate location on the demised lands.

E. Utilities - Lessee agrees to provide for its own connections with utilities, and to make separate arrangements with the agencies responsible for these utilities. Lessee shall pay for all utility service supplied to the improvements located on the leased lands, including sewer and water, and if required by the utility agencies as a condition of continuing said services, Lessee will install and pay for standard metering devices for the measurement of such services.

In the event it shall become necessary to make changes upon the lands or within the structures located thereon, such as any wiring, plumbing or similar installations, as a condition of the continuance of utility services and Lessee desires to continue such services, Lessee will promptly make such changes and installations, at its expense, as directed and required by the utility organizations.

F. Indemnification and Hold Harmless - Lessor shall stand indemnified by Lessee as herein provided. Lessee is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and Lessor shall in no way be responsible therefor. In the use of the leased lands, in the erection, construction, maintenance or repair of any improvements thereon, and in the exercise or enjoyment of the same, Lessee shall indemnify, save harmless and defend Lessor from any and all losses that may proximately result to Lessor because of any negligence on the part of Lessee, its agents, assigns, guests or sublessees in their use of the leased lands or improvements located thereon, including without exclusion because of enumeration any and all damages by fire, theft, or any cause, to any property of Lessee

which may at any time be situated within the limits of the demised lands, except any damage and liability as may be caused by negligence on the part of Lessor.

G. Insurance Requirements - Lessee shall, upon execution of this Lease, in order to protect itself and Lessor under the indemnity agreement set forth in the paragraph above, at all times during the terms of this lease, keep in force and effect a policy of Comprehensive General Liability Insurance issued by a company or companies authorized to do business in the State of Wisconsin in the amount of not less than Five Hundred Thousand Dollars (\$500,000), bodily injury and property damage combined single limit. This insurance so provided shall be deemed primary.

The Lessee shall furnish Lessor with a Certificate of Insurance as evidence that such insurance is in effect and that not less than thirty (30) days prior written notice shall be given to Lessor by the underwriter in the event of a modification, cancellation or non-renewal of any such insurance coverage. All insurance contracts shall name the City of Madison as an additional insured. Lessor specifically reserves the right to review and adjust these insurance coverage requirements once every five (5) years during the term of this Lease.

Fire and Extended Coverage Insurance - Lessee understands and agrees that the terms of this Lease are such that it shall be terminated in the event that the residential dwelling located upon the demised premises is destroyed to an extent greater than fifty (50) percent of its current assessed value, as defined in Article VIII herein, and that it is Lessee's obligation to obtain appropriate nonconforming insurance coverage to protect its property interest in the single-family residential dwelling with historic significance.

H. Assignment - Lessee shall not at any time assign this Lease without prior written approval of Lessor. Assignment shall be limited to owners of the residential dwelling located

on the demised lands, shall be simultaneous with the sale of the residential dwelling and shall be only to the vendee(s) of said residential dwelling which is to be used only as a single-family residence with historic significance.

I. Leasing of Improvements - Lessee may lease the residence and sublease the lands, provided the occupants are compatible with the residential and historical character of the residence and surrounding lands and, further, that all lessees will be bound by the conditions of this document. Any proposed lease and sublease must be approved by the Lessor.

J. Terms of this Lease are based on the fact that all improvements excluding the raw land shall be ~~taxed as personal property~~, according to applicable State of Wisconsin law.

Lessee agrees to pay any and all general real estate taxes, if any, assessed against the afore-described leased lands attributable to improvements to said lands existing on, purchased by or made by or on behalf of Lessee during the term of this Lease. Lessee further agrees to pay special assessments levied upon the lands by the City of Madison and any unpaid sewer and water charges levied against the demised lands and placed upon the tax roll for collection, as may be applicable during the term of this Lease, as hereinafter provided.

K. Indemnification of Lessor Against Charges on Leased Lands - Lessee will at all times indemnify, hold harmless, and defend Lessor and the demised lands and the improvements thereon from any and all of the aforesaid taxes, assessments and charges, and from any and all liens and penalties in connection therewith, and also from any and all claims for damages or liens in any way hereafter chargeable to, or payable to, or payable for, or in respect of the demised lands, or the use and occupancy thereof, during the term of this Lease, and will, upon written request of Lessor, furnish to Lessor for inspection and such use as may be proper in protecting the

estate of Lessor in the demised lands the duly certified written evidence of any and all such payments.

L. Lessee agrees reasonably, promptly and effectively to comply with all applicable and lawful statutes, rules, orders, ordinances, requirements and regulations of the City of Madison, the County of Dane, the State of Wisconsin, the Federal government and any other governmental authority having jurisdiction over the demised lands. Lessee may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint, or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement, or regulations, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. Lessee agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold Lessor harmless with respect to any actions taken by any lawful governmental authority with respect thereto.

M. Title to Improvements and Liens Thereon - Title to all improvements purchased by or erected by Lessee on the demised lands shall be in and remain in Lessee for and during the entire initial term and any renewal term or proper assignment of the Lease, but at the expiration or other termination thereof, such improvements, if any remain, shall revert to Lessor free and clear of all liens as further provided herein, but subject to Lessor-approved leases entered into by Lessee. Lessee further agrees that any maintenance and repair work, alterations, replacements, and additions in connection with the improvements shall be of good workmanship and quality. Lessee covenants and agrees promptly to pay all sums legally due and payable on account of any labor performed on, or material furnished for the demised lands and improvements. Lessee further agrees not to permit any mechanic's or materialmen's liens to stand against the demised lands on account of labor performed or material furnished and to save Lessor harmless from any and all such asserted claims or liens.

N. Mortgages and Subordination -

1. Mortgage Loans Obtained by Lessee - Lessee at its option shall have the right at any time and from time to time during the initial or any renewal term of the Lease, at its own expense, to negotiate and obtain a loan or loans (and to extend, renew, refinance or replace any such loan and/or to negotiate and obtain a new loan or loans) which may be secured by a mortgage on the Lessee's leasehold interest in the demised lands or any part thereof and the improvements purchased by, constructed or to be constructed thereon by Lessee, or any part thereof. Any such mortgage loan or loans or extension, renewal, refinancing or replacement thereof (hereinafter referred to as a "Mortgage loan" or "Mortgage"), (a) shall be made by, and may be in such principal amount and such terms as may be obtained from a bona fide recognized institutional lender (hereinafter referred to as a "Mortgagee"), including without limitation a mortgage banker, bank, trust company, savings and loan or building association, insurance company, or pension or profit-sharing fund; (b) shall be due and payable in full prior to the expiration of the term of this Lease; and (c) shall impose no personal liability on Lessor (the sole recourse of the Mortgagee to be against Lessee and/or Lessee's leasehold interest in the demised lands and the improvements).

2. Proceeds of Mortgage - It is expressly understood and agreed that the proceeds of any Mortgage loan shall be paid to and become the property of Lessee, but shall be used only for the development of the demised lands or improvements located thereon. Upon the written request of the Lessor, the Lessee will deliver to the Lessor a written statement specifying the name of the Mortgagee, summarizing the terms of the Mortgage loan, and showing in reasonable detail the manner in which such proceeds of the Mortgage were disbursed, which statement shall be certified by the Lessee, Lessee's certified public accountant or designated legal representative.

3. Definition of Mortgage - For the purpose of this Lease, the term "Mortgage" or "Mortgage Loan" shall include a mortgage, deed of trust or other such classes of security instruments as are commonly given to secure loans or advances on leasehold interests under the laws of the State of Wisconsin and/or the credit instruments, if any, secured thereby.

4. Expenses of Mortgage Loans Obtained by Lessee - Lessee agrees to pay all charges for securing and making any Mortgage Loan, including all brokerage, commission charges, fees for examination of title, attorney's fees for drawing papers in connection therewith, recording fees, title insurance, and such other costs and expenses as any Mortgagee may required to be paid.

5. Non-Subordination by Lessor - Lessee understands that Lessor's interest in the fee of the demised lands will not be subordinated to the lien or extension, renewal, continuation or replacement of the lien of any Mortgage obtained by Lessee.

6. Mortgage of Lessee's Leasehold Interests - Notwithstanding any other provision of this Lease, Lessee shall have the right, from time to time and at any time, to mortgage at its own expense all or any part of its interest in this Lease (including Lessee's leasehold interest in improvements) without limit as to amount, and without any other restrictions or limitations. It is expressly agreed that Lessee's right to mortgage its leasehold estate (including its leasehold interest in improvements) created hereby shall be unlimited and unrestricted; provided that Lessor's interest in the demised lands shall not be any way encumbered by Lessee's mortgage. Lessee agrees to make all payments of principal and interest under any such leasehold mortgage as and when such payments become due, and to comply with all covenants and agreements contained in such leasehold mortgage.

0. The Lessee expressly agrees for itself, its heirs, successors, and assigns to prevent any use of the herein-described real property which would interfere with or be a

hazard to the use and enjoyment of the adjacent park by the public and the control and maintenance thereof by Lessor or its agents, or to the use and enjoyment of adjacent residential Lot 3 of Certified Survey Map No. 3631.

P. The Lessee expressly agrees for itself, its successors, and assigns to preserve and protect the demised lands and the structures located thereon, so as to preserve the architectural and historical integrity and appearance.

Q. Lessee agrees to pay all reasonable costs, attorney's fees and expenses that shall be paid or incurred by Lessor in enforcing the terms and conditions of this Lease.

R. Lessee agrees to permit all utilities to gain access through the demised lands by easements provided by Lessor hereunder without compensation to Lessee. Any such easements shall be compatible with residential and historical character of the demised lands and improvements thereon.

ARTICLE VII - OBLIGATIONS OF LESSOR

A. Lessor agrees to permit all utilities to gain access to the demised lands through appropriate easement to be provided to said utilities without cost to Lessor.

B. Lessor represents that the leased lands are presently zoned R-1, for single-family residential purposes only.

C. During the term of this Lease, Lessor agrees to pay any and all real estate taxes on the above described lands, exclusive of improvements and special assessments.

D. Lessor agrees that all special assessments on the lands will have been paid at the time of execution of this document.

ARTICLE VIII - TERMINATION OR CANCELLATION OF LEASE

A. If the residential dwelling on lands herein leased by Lessee is destroyed, damaged or taken by fire or the elements, or other casualty, or by condemnation, and the destruction or taking is such as to exceed fifty (50) percent of the current assessed value of such building, this Lease shall automatically terminate. For the purposes of Article VIII, such "assessed

value" is defined as \$100,000 or the current legally-determined assessed valuation, whichever is greater, for the first five years of this lease. Thereafter, the current legally-determined assessed valuation shall control. If the damage to such building is less than fifty (50) percent of such assessed value, Lessee may restore the structure to its interior and exterior appearance before the destruction or taking and Lessee shall have sixty (60) days in which to exercise said right by giving Lessor written notice of Lessee's intention to rebuild, or this Lease shall automatically terminate. In the event Lessee elects to repair or replace said damage, such work shall be completed within reasonable time limits to be established by Lessor, or this Lease shall automatically terminate.

If cancellation occurs under this provision due to any amount of damage or destruction of said improvements or non-performance by Lessee in conjunction therewith, Lessee agrees that said improvements shall become the property of Lessor to dispose of in whatever manner Lessor deems proper.

B. Lessee may cancel this agreement anytime that said Lessee is not in default in its payments to Lessor hereunder, by giving Lessor sixty (60) days advance written notice to be served as hereinafter provided, upon or after the event of a default by Lessor in the performance of any covenant or agreement herein contained or required to be performed by Lessor, and the failure of Lessor to remedy such default for a period of sixty (60) days after receipt of written notice from Lessee to remedy the same; provided, however, that no notice of cancellation, as above provided shall be of any force or effect if Lessor shall have remedied the default prior to receipt of Lessee's notice of cancellation. If cancellation occurs under this provision, Lessee agrees that all improvements located on the leased lands shall become the property of Lessor to dispose of in whatever manner Lessor deems proper.

Failure of Lessee to declare this Lease terminated for any of the reasons set out above shall not operate to bar or

destroy the right of Lessee to cancel this Lease by reason of any subsequent violation of the terms of this Lease.

C. Lessor may cancel this agreement by giving Lessee sixty (60) days advance written notice upon violations of Article VI hereof upon or after any one of the following events:

1. Nonpayment of rent within ten (10) days of due date.
2. The filing by Lessee of a voluntary petition in bankruptcy.
3. The institution of proceedings in bankruptcy against Lessee and the adjudication of Lessee as a bankrupt pursuant to such proceedings.
4. The taking by court of jurisdiction of Lessee and its assets pursuant to proceedings brought under the provisions of any Federal Organization Act.
5. The appointment of a receiver of Lessee's assets; or any general assignment for the benefit of Lessee's creditors.
6. The divesture of Lessee's estate herein by other operation of law.
7. The abandonment by Lessee of its demised lands and/or of the residence located thereon, except in connection with its surrender to an approved assignee, sublessee, mortgagee, or other party succeeding to Lessee's interest hereunder.
8. The default by Lessee in the performance of any covenant or agreement required herein, to be performed by Lessee, and Lessee's failure to commence and diligently continue to correct such default within sixty (60) days after receipt of written notice from Lessor of said default; provided, however, that no notice of cancellation, as above provided, shall be of any force or effect if Lessee shall have remedied the default prior to receipt of Lessor's notice of cancellation.

In any of the aforesaid events, Lessor may take immediate possession of the demised lands, including the residence located thereon, and remove Lessee's effects forcibly, if

necessary, without being deemed guilty of trespassing. Upon such entry, this Lease shall terminate. If the residence is of historic significance the City shall purchase the residential dwelling back. The repurchase price of the dwelling shall be determined in the following manner. The City shall retain two fee appraisers to independently appraise the above-mentioned dwelling as is. The appraiser shall be acceptable to both Lessor and Lessee. Approval of such appraiser shall not be unreasonably withheld by either party. Each appraisers will be instructed to prepare an appraisal report prepared in accordance with the City Instructions and Guides for Writing Appraisal Reports, hereinafter referred to as "Guide" indicating fair market value of the subject dwelling. Upon receipt of the appraisal reports by the City, they shall be promptly reviewed. In the event that the lower of such appraised amount shall not amount to ninety (90) percent of the higher appraised amount, then a third appraiser who shall be selected by the fee appraiser and who will be acceptable to Lessor and Lessee, shall be retained to review the existing appraisal reports and determine the fair market value of the dwelling. This value shall not exceed the higher of the previous appraisals nor be less than the lower of said appraisals and shall be binding upon both parties. The cost incurred in retaining the third appraisal shall be borne equally by the parties to this agreement. In the event that the first two appraisals shall be such that the lower appraisal is greater than ninety (90) percent of the higher appraisal, then the value of the dwelling shall be the average of the values indicated in the two appraisal reports.

In the event the residential dwelling is of no historic significance due to acts or omissions of Lessee, the Lessee shall receive no compensation for the improvements remaining, but shall have the right to remove all or part of the remaining improvements within sixty (60) days of a final determination that the dwelling is of no historical significance due to the

acts or omissions of the Lessee. The determination of whether the dwelling is not of historic significance due to acts or omissions of the Lessee shall be made by the Lessor's Landmarks Commission, or its successors and assigns. The determination shall be made and be reviewable in accordance with the provisions of Section 9.49, Madison General Ordinances entitled "Review of Administrative Determinations", as amended hereafter, or if repealed and not otherwise reenacted, by Chapter 68, Wis. Stats., as amended.

ARTICLE IX - RIGHTS UPON TERMINATION

Upon termination of this Lease, Lessee's right herein shall cease, and Lessee shall immediately surrender the same. Further, Lessor shall be entitled to have the demised lands herein restored to reasonable condition, ordinary wear and tear, damage by the elements, or other causes beyond the control of Lessee excepted. Upon Lease termination, any and all improvements not removed shall become a part of the land on which it is located, and title thereto shall thereupon vest in Lessor; however, Lessor reserves the right to require the removal of such improvements at Lessee's expense, except as provided in Article VIII herein.

ARTICLE X - WAIVER OF RELOCATION BENEFITS

Lessee hereby waives any right that may be construed to accrue to the Lessee by provisions of Section 32.19, Wis. Stats., as amended by Chapter 409 of the Laws of 1969 and any ensuing modifications.

ARTICLE XI - MISREPRESENTATION AND INVALID PROVISIONS

All terms and conditions with respect to this Lease are expressly contained herein and both parties agree that no representative or agent of Lessor or Lessee has made any representation or promise with respect to this Lease not expressly contained herein.

In the event any covenant, condition, or provision herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall in no way affect any other covenant, condition or provision herein contained.

ARTICLE XII - NOTICES

All rentals due under this Lease shall be made payable to the City of Madison, Wisconsin, and shall be remitted to the office of the Project Development Unit Director of the City of Madison, City County Building, 210 Monona Avenue, Madison, Wisconsin 53709.

Notices shall be sufficient if sent by certified mail, postage prepaid, addressed to:

Lessor:

City of Madison
Project Development Unit
Director
210 Monona Avenue
Madison, Wisconsin 53709

Lessee:

Mary North O'Hare
1410 Skyline Drive
Madison, WI 53705

or other such addresses as the parties may designate to each other in writing from time to time.

The authorized agent for the City of Madison for the enforcement of all provisions in this Lease shall be the Project Development Unit Director.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed on this 31 day of January, 1980.

LESSEE

Mary North O'Hare
Mary North O'Hare

Signed at Madison, Wisconsin, this 31 day of October, 1980.

CITY OF MADISON

Joel Skornicka
JOEL SKORNICKA, Mayor
Eldon L. Hoel
ELDON L. HOEL, City Clerk

Approved:

Paul R. Reilly
PAUL R. REILLY, City Comptroller

APPROVED AS TO FORM:

HENRY A. GEMPELER, City Attorney

STATE OF WISCONSIN)
 : ss
COUNTY OF DANE)

Personally came before this 30th day of January, 1980, the above named Mary North O'Hare to me known to be the persons who executed the foregoing instrument and acknowledged the same.

William A. Reinhardt
Notary Public, State of Wisconsin
My commission expires 6-26-83

STATE OF WISCONSIN)
 : ss
COUNTY OF DANE)

Personally came before this 31 day of October, 1980, the above named Joel Skornicka and Eldon L. Hoel to me known to be the Mayor and City Clerk, respectively, of the City of Madison who executed the foregoing instrument and acknowledged the same under authority of Resolution No. 32927 adopted by the Common Council of the City of Madison on the 22 day of July, 1980.



Irene M. Robinson
Notary Public, State of Wisconsin
My commission 12-4-83

This instrument was drafted by:
James M. Voss
Assistant City Attorney
Room 401, City-County Building
210 Monona Avenue
Madison, Wisconsin 53709

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Register of Deeds