Department of Planning & Community & Economic Development
Economic Development Division
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Madison, Wisconsin 53701-2983
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Office of Real Estate Services

November 9, 2023

Dr. Jack E. Daniels III
Madison Area Technical College
1701 Wright Street
Madison, WI 53704

RE: Letter of Intent - Disposal of 825 West Badger Road (Fire Station No. 6)
Real Estate Project No. 12776

Dear Dr. Daniels:

The purpose of this Letter of Intent ("LOI") is to outline the principal terms and conditions for a Purchase and Sale Agreement (the "Agreement") to be executed between the City of Madison (the "Seller") and Madison Area Technical College (the "Buyer"), pertaining to properties owned by the Seller located at 825 West Badger Road, Madison, Wisconsin (the "Property"), as shown and identified on the attached Exhibit A, which Agreement shall be subject to the following terms and conditions:

1. The Property. The Buyer shall purchase and the Seller shall sell and convey by Warranty Deed (the "Deed") fee simple title to the Property, including all related improvements if any located thereon and all appurtenances thereto.

2. Project Description. Buyer intends to demolish the existing fire station upon the Property and construct an expansion to the adjacent Madison College Goodman South Campus building. The expansion shall initially be used primarily provide for instructional spaces for early childhood educators; a licensed childcare facility; and related uses principally related to the educational mission of the College. ("Project").

3. 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.

4. Purchase Price. The total purchase price of the Seller's interest in the Property (the "Purchase Price") shall be One Dollar ($1.00). The Purchase Price shall be payable in cash at the date of conveyance (the "Closing"), subject to the adjustments and prorations herein provided.

5. Delivery of Documents. Within ten (10) days of the Effective Date, the Seller will reproduce at the Seller's expense and send to the Buyer at the Buyer's office copies of all environmental studies, reports, surveys, permits, applications and remediation plans or assessments of the Property and

all studies, reports, plans or assessments related to the condition of the Property including in the Seller's possession or control.

6. Due Diligence Period.

a. Within nine (9) months following the Effective Date ("Due Diligence Period") Buyer may perform the following: (i) obtain, at Buyer's sole cost, acceptable financing, appraisal, and Survey; (ii) at Buyer's sole cost, conduct any physical and/or environmental tests, studies, or investigations deemed necessary by Buyer, and (iii) confirm whether Buyer is able to obtain any and all municipal, state, and federal approvals, permits, licenses, consents of use, and zoning approvals from all governmental or private bodies/agencies having jurisdiction over Buyer's intended use of the Property.

b. If within the Due Diligence Period Buyer determines, in its sole discretion, that it does not desire to purchase the Property, Buyer may provide written notice to City of such desire to terminate this Agreement, and the parties shall have no further obligation or liability under this Agreement, except for any which survive the Closing or early termination of this Agreement.

c. Buyer agrees that if it terminates this Agreement, as provided for herein, or fails to close the transaction contemplated hereby for any reason, then, Buyer shall deliver to City, at no cost to City, but without representation or warranty with respect to the findings or information provided therein about the Property, complete copies of all third party consultant produced of Buyer's due diligence reports other than any attorney work product or attorney-client privileged documents.

7. Buyer Contingencies. In addition to the Due Diligence contingency above, Buyer shall have the following contingencies:

a. Land Use Approvals. The Buyer will have until the Closing Date to receive all Municipal development and zoning approvals that Buyer deems necessary at Buyer's sole discretion to allow Buyer's intended use at the Property, including without limitation, obtaining any design, zoning approvals and utility agreements needed, with terms acceptable to Buyer. The sale of the Property is contingent upon Purchaser receiving all City land use approvals for the Project as defined in this Agreement. This Agreement should not be construed as the City's approval of the Project.

b. Project Financing. The Buyer will have until ten (10) business days prior to the Closing Date (the "Financing Deadline") within which to receive all confirmations, awards, and approvals from lenders that Buyer deems necessary, at Buyer's sole discretion to allow Buyer to develop and construct the Property for its intended use, including but not limited to any approvals needed from the Wisconsin Technical College System (WTCS) Board.

The Buyer's Contingency Period may be extended by written agreement of the parties prior to expiration of the original Seller's Contingency Period.

8. Access to the Property. The Buyer and the Buyer's authorized agents and contractors shall be permitted access to the Property for the purpose of conducting a Phase 1 or 2 environmental assessment and/or wetlands delineation survey of the Property at reasonable times with at least twenty-four (24) hours written notice to the Seller. The Buyer will repair all damages caused by its inspections, at the Buyer's cost, so that the condition of the Property is returned to as good or better condition as existed prior to the inspection.

9. Title Insurance. The Buyer shall provide to the Seller at the Buyer's expense at least ten (10) business days prior to closing a commitment from a title insurance company (the "Title Company") licensed in Wisconsin to issue title insurance 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 not 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 standard title insurance 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 Seller is unwilling to waive, the Agreement shall be void.

10. Limited Representations and Warranties: AS-IS Condition. Except as otherwise provided herein, and in the Deed, 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 City, its agents or employees, in entering into this Agreement or in closing the transaction described therein. Except as provided below, Buyer's closing on the acquisition of the Property shall constitute conclusive evidence that Buyer is satisfied with the condition of and title to the Property and has waived or satisfied the due diligence requirement provided in Paragraph 6 above.

11. Closing.

    a. Closing shall occur within sixty (60) days following the satisfaction of all Buyer Contingencies but no later than December 31, 2024 unless an extension to the closing date is mutually agreed to by the Seller and the Buyer.

    b. The Seller agrees to execute and deliver to the Buyer at closing a Warranty 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; easements; recorded building and use restrictions and covenants; and 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 real estate taxes with respect to the Property shall be prorated between the Buyer and the Seller as of the date of closing based upon the latest known assessment and latest known mil rate.

e. The Seller shall be responsible for any existing, area assessments 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 Wisconsin Real Estate Transfer fee due in connection with conveyance of the Property.

12. Fees. Buyer will be responsible for any future expenses or fees whatsoever related to any development or use of the Property after Closing including, but not limited to: costs to demolish existing improvements, MMSD fees, installation of all private utilities and utility hook-up charges, and any work in the right of way required by City Engineering (if any), connection fees, impact fees, interceptor fees, curb-cut/driveway apron fees, CARPC fees, etc.

This "Letter of Intent" does not constitute a definitive statement of all of the terms and conditions of the proposed transaction. This Letter of Intent is not intended to constitute an agreement to execute any contract in the future. If the parties enter into negotiations, either party may terminate such negotiations at any time. Neither party will be legally bound in any manner unless and until a contract has been prepared, executed and delivered between them. All terms and conditions remain subject to the final approval of the City's Common Council and City Attorney's Office.

By signing in the spaces provided below, the parties indicate their desire to begin drafting a definitive Purchase and Sale Agreement. No binding agreement will exist between the Buyer and the Seller unless and until a Purchase and Sale Agreement is executed between the Buyer and the Seller.

Sincerely,

Matt Wachter
Director, Department of Planning &
Community & Economic Development

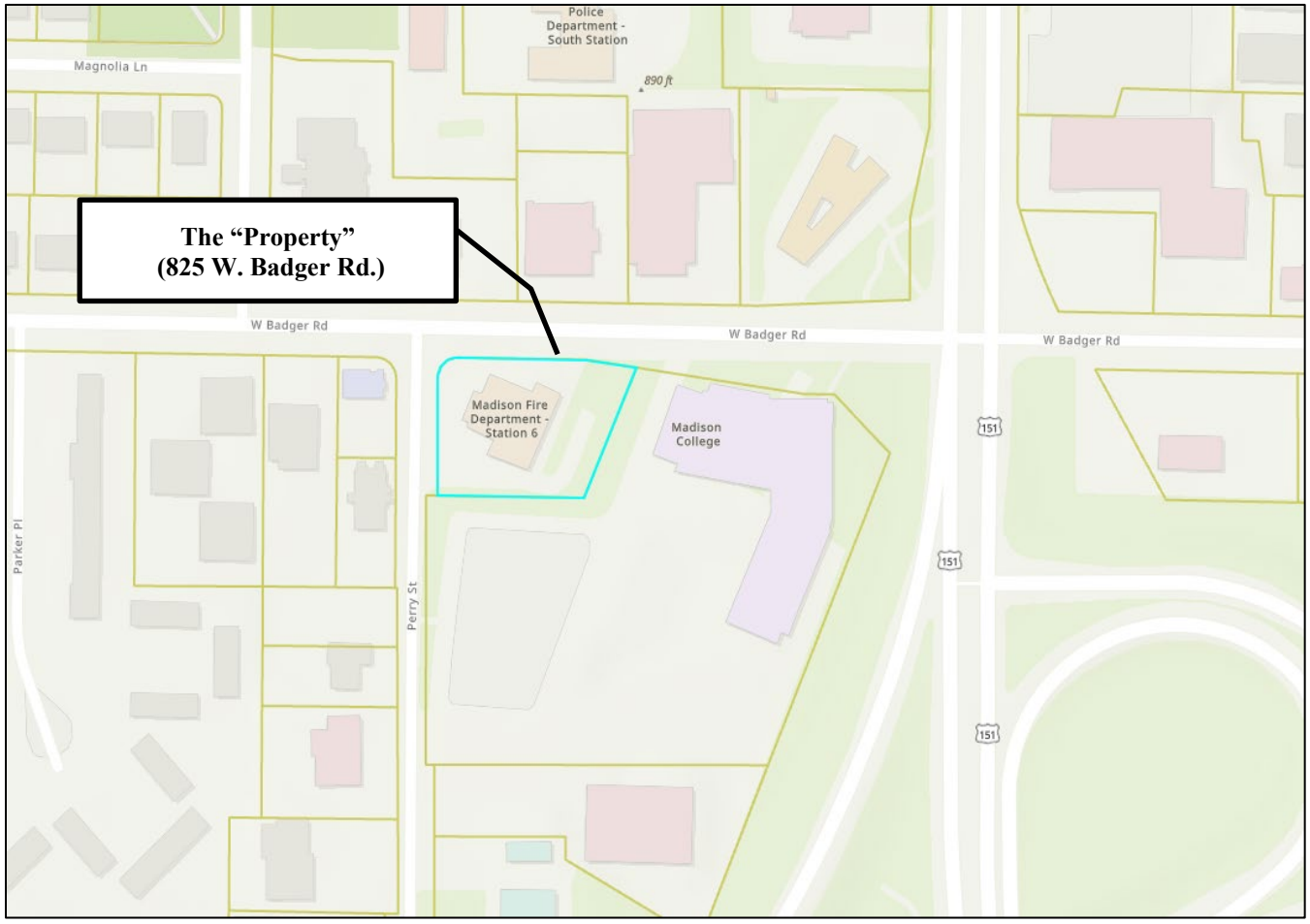
The proposal set forth in this Letter of Intent is acceptable to Madison Area Technical College. I further certify that I have the full authority to execute this Letter of Intent on behalf of the College.

BUYER: MADISON AREA TECHNICAL COLLEGE

By: _____ Date: 11.14.2023

Title: President

EXHIBIT A


The "Property"
(825 W. Badger Rd.)
Police Department - South Station
Magnolia Ln
890 ft
W Badger Rd
W Badger Rd
W Badger Rd
Madison Fire Department - Station 6
Madison College
Parker Pl
Perry St
151
151
151