

The Purchase and Sale Agreement shall include the following terms and conditions agreed upon in writing between the City and McAllen:

1. The Property. The City shall purchase and McAllen shall sell and convey by Special Warranty Deed ("Deed") its fee simple interest to the real property located at 3901 & 3829 Hanson Road in the City of Madison, Wisconsin, together with all improvements located thereon (collectively, the "Property"), identified as tax parcel number 251-0810-163-0404-0, and legally described as follows:

Lot One (1) of Certified Survey Map No. 10768 recorded in the Office of the Register of Deeds for Dane County, Wisconsin, in Volume 64 of Certified Survey Maps, Pages 103-107, as Document No. 3725419, located in the City of Madison, Dane County, Wisconsin.

Except property deeded to the City of Madison in Warranty Deed recorded January 15, 2014 as Document No. 5049018.

2. Purchase Price. The total purchase price of the Property ("Purchase Price") shall be sixteen million two hundred twenty thousand dollars (\$16,220,000). The Purchase Price included in the PSA shall be payable in cash at closing, as defined herein, subject to the adjustments and prorations herein provided.
3. Personal Property. The transaction contemplated by the PSA will not include any personal property.
4. Earnest Money. The City will deposit with First American Title Insurance Company ("Title Company"), Twenty-Five Thousand Dollars (\$25,000.00) as "Earnest Money" within ten (10) days of execution of the PSA, which will be non-refundable except that the Earnest Money shall be forfeited and returned to the City if McAllen defaults on the terms of the PSA. The Earnest Money shall be applied toward the Purchase Price at Closing in accordance with Paragraph 2.
5. Due Diligence Period. The City shall have ninety (90) days after execution of the PSA 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 limitations and requirements described herein and in the PSA. If within the Due Diligence Period the City determines, in its sole discretion, that it does not desire to purchase the Property, the City may provide written notice to McAllen, as directed in the PSA, of such desire and the PSA shall terminate immediately.

If the City does not provide written notice terminating the PSA on or prior to the ninetieth (90th) day of the Due Diligence Period, the PSA shall remain in full force and effect, the City shall accept the Property as-is, and the Parties shall proceed to Closing.

The Due Diligence Period in the PSA may be extended upon written agreement of the Parties.

6. Inspections and Testing. The City and the City'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, a review of the National Environmental Policy Act ("NEPA"), a Phase 1 Environmental Site Assessment report ("ESA") and any other inspections deemed necessary by the City. Access shall be at reasonable times with advance notice to McAllen and be conducted in a manner so as to not unreasonably interfere with any occupant/tenant of the Property.

The City is specifically permitted to inspect the integrity of the two oil-water separator vaults (the "Vaults") by pumping the Vaults to empty and inspecting the Vaults at the City's expense. If the Vaults have been compromised in a manner that would cause potential environmental concerns, the City shall have the right to proceed with soil borings for volatile organic compounds in a reasonable manner so as not to disturb the tenant. If the Vaults have not been compromised, then the City may only proceed with additional Phase 2 testing as described below. The City understands that McAllen does not have actual control over the Vaults during the term of the lease for Property (the "Tenant Lease") with the current tenant (the "Tenant"). However, McAllen agrees to exercise its rights under the Tenant Lease in order to permit access to the City by providing proper notice to the Tenant, and undertaking any other responsibilities necessary and appropriate to ensure that the City can test the Vaults pursuant to this paragraph.

In the event City's Phase 1 ESA recommends a Phase 2 ESA, the City may notify McAllen in writing of its desire to extend the Due Diligence Period if necessary to conduct such investigation. Except for testing the Vaults, the City shall not have the right to conduct any invasive environmental investigations, including, without limitation, any sampling or testing of the soil, groundwater, indoor air, or building improvements, without Seller's express prior written consent which may be withheld or conditioned in Seller's sole but reasonable discretion. If the Parties are unable to agree on an extension of the Due Diligence Period or Seller withholds its consent to the Phase 2 ESA, the City may declare the PSA null and void by providing notice as set forth in the PSA. In no event shall McAllen be required to cure any matter to which the City objects relating to the condition of the Property or any improvements located thereon. The City 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.

7. Closing.
  - a. Closing shall occur on July 1, 2021 or such other date agreed to in writing by the Parties, 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. McAllen agrees to execute and deliver to the City at Closing the Deed, reviewed and accepted by the City prior to Closing, conveying the Property to the City 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; taxes for the year of Closing as described in (d) below; and all other matters of record or that would be disclosed by a complete and accurate ALTA survey of the property which are not objected to or waived by the City as further set forth in the PSA.
  - c. The City shall pay all recording/filing fees except that McAllen 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 PSA.
  - d. Real estate taxes applicable to the Property in the year of Closing shall be prorated between the City and McAllen as of the date of Closing based upon the latest known assessment and latest known mill rate.
  - e. McAllen 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 which are due prior to the date of Closing.
  - f. McAllen 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. McAllen shall pay any and all broker commissions or fees due Ruedebusch in connection with the sale of the Property.
8. Representations. McAllen represents that the Property is currently leased and McAllen will agree that it shall not enter into any new lease or rental agreement for the Property, or any portion thereof, during the City's Due Diligence Period, as described in Paragraph 7, and through the date of closing, without the prior written consent of the City.
9. Exclusive Right. The City shall have the exclusive right to negotiate with McAllen concerning acquisition of the Property for 45 days following the date of this LOI during which the City shall diligently pursue authorization from the City of Madison Common Council to execute the PSA in good faith as generally contemplated by this LOI, and McAllen agrees that it shall not directly or indirectly

negotiate any other proposals for such acquisition of the Property during such period, unless otherwise released by the City ("Exclusive Right"); provided, however, that the foregoing shall not require McAllen to remove any "for sale" signs that may be located at the Property or otherwise discontinue any advertising or marketing efforts initiated prior to the date of this LOI. The foregoing Exclusive Right shall automatically terminate on the date that is 45 days following the date hereof. McAllen recognizes that in consideration of the Exclusive Right, the City will expend both time and money to achieve such approval. It is therefore agreed that the Exclusive Right cannot be challenged due to a lack of consideration.

In addition to other rights provided by law, including specific performance, in the event that McAllen intentionally violates the foregoing Exclusive Right the City shall have the right to liquidated damages in the amount of \$250,000 due to the City's intended specialized use of the Property which makes actual damages impossible to calculate.