

DRAFT – FOR DISCUSSION PURPOSES ONLY

March 3, 2021

Housing Authority/The City of Milwaukee  
809 N Broadway  
Milwaukee, WI 53202

RE: Acquisition of the property/land located at 6001 W Silver Spring, Milwaukee, WI 53218.  
SW corner of 60<sup>th</sup> & Silver Spring Dr, Milwaukee, WI. Tax Id#: 189-0887-000  
("Property")

To Whom it may concern:

This letter of intent ("Letter") will set forth the general terms and conditions under which 3300, LLC or Assigned ("Purchaser"), will enter into a purchase and sale agreement with the Housing Authority/The City of Milwaukee ("Seller") the owner of the property/land located at SW corner of 60<sup>th</sup> & Silver Spring Dr, Milwaukee, WI. Tax Id#: 189-0887-000 ("Property"), for the purchase and sale of the Property.

It is the intention of Purchaser and Seller to utilize this Letter as the basis for negotiation of a mutually acceptable, legally binding Purchase and Sale Agreement ("Purchase and Sale Agreement") for the purchase and sale of the Property. If the parties are successful in negotiating an acceptable Purchase and Sale Agreement, such Purchase and Sale Agreement will be submitted to Seller's Board of Commissioners for approval, executed and will supersede all prior negotiations between the parties, including this Letter.

The general terms and conditions under which we have agreed to structure the Purchase and Sale Agreement are as follows:

1. Property. The property to be purchased shall consist of the vacant lot located at 6001 W Silver Spring, Milwaukee, WI 53218. SW corner of West 60<sup>th</sup> Street & West Silver Spring Drive Tax Id#: 189-0887-000.

2. Purchase Price. The purchase price for the Property shall be Two Hundred Eighty-Five Thousand Dollars (\$285,000). The purchase price shall be payable as follows:

(a) As earnest money, a refundable deposit of Eighty-Five Thousand and No/100 Dollars (\$85,000.00) shall be deposited in escrow with the Knight Barry Title Company issuing

the Title Commitment (as such term is defined in Section 3.2.8. below) within seven (7) business days following execution of the Purchase and Sale Agreement and;

(b) The balance of the Purchase Price shall be paid by Purchaser in cash at Closing (as such term is defined in Section 3.4. below).

3. Purchase and Sale Agreement. As soon as reasonably practicable, the parties will enter into good faith negotiations with respect to a Purchase and Sale Agreement. In addition to the terms and conditions outlined in this Letter, it is anticipated that the Purchase and Sale Agreement will, among other things:

3.1. AS-IS; No Representations and Warranties. Contain language that Purchaser agrees and acknowledges that Purchaser shall purchase the Property on an AS-IS, WHERE-AS, WITH ALL FAULTS basis without any representations or warranties from Seller, except for warranty of title. Purchaser agrees that such AS-IS, WHERE-AS, WITH ALL FAULTS language shall be included in the special warranty deed to be given by Seller to Purchaser. Purchaser further agrees and acknowledges that Purchaser shall rely solely on Purchaser's own due diligence related to Property and not on any information, statements, representations and/or warranties that may have been given by Seller to Purchaser.

3.2. Contingencies. Provide, as contingencies to Purchaser's obligation to proceed to Closing ("Purchaser's Contingencies") that shall be satisfied or waived within ninety (90) days ("Contingency Period") following the date of the Purchase and Sale Agreement, the following, among others:

3.2.1. Approvals. Purchaser shall have received all consents and approvals from third parties required for the consummation of the transaction contemplated by the Purchase and Sale Agreement; Purchaser shall have received approval from its Executive Committee for the consummation of the transaction contemplated by the Purchase and Sale Agreement and Purchaser shall have obtained from private parties and any governmental or regulatory authorities all permits, approvals, easements and licenses necessary for Purchaser's development and operation of the Property as a mixed use commercial building ("Purchaser's Intended Use"), all on terms and conditions which are acceptable to Purchaser. As shown as Exhibit B.

3.2.2. Survey. Purchaser shall obtain, at Purchaser's expense, an ALTA/ASCM survey of the Property in form and content acceptable to Purchaser and sufficient to permit the removal of all survey exceptions from the Title Commitment;

3.2.3. Environmental Site Assessment. Purchaser shall obtain, at Purchaser's expense, a Phase I Environmental Site Assessment in form and content acceptable to Purchaser. Purchaser shall not have the right to conduct any invasive testing, sampling, assessments or investigations (including but not limited to a Phase II Environmental Site Assessment) without Seller's prior written consent and/or approval, which may be withheld, conditioned or delayed in Seller's sole discretion. Under no circumstances shall Purchaser provide the results or reports of any testing, sampling, assessments or investigations to third parties without Seller's explicit prior written consent.

3.2.4. Use Restrictions. Purchaser shall have determined that no easements, restrictive covenants, restrictions, land use regulations or other encumbrances affecting the Property will have a materially adverse effect on or restrict Purchaser's Intended Use of the Property, except Purchaser agrees and acknowledges that Seller will record prior to the transfer of the Property to Purchaser certain "Restrictive Covenants" addressing permitted and excepted uses for the Property, which Restrictive Covenants will be for the benefit of Seller and shall run with the land. Seller shall provide to Purchaser the Restrictive Covenants within thirty (30) days of the execution of the Purchase and Sale Agreement and Purchaser shall have until the end of the Contingency Period to review and comment on the Restrictive Covenants.

3.2.5. Physical Inspection. Purchaser shall determine that the physical characteristics of the Property are acceptable to Purchaser and do not violate any applicable laws, rules or ordinances;

3.2.6. Title Insurance. Seller shall provide Purchaser, at the Seller's expense, a commitment for title insurance ("Title Commitment") on the current ALTA form in the amount of the purchase price and showing the Property to be free and clear of all liens and encumbrances except for the Restrictive Covenants and those other encumbrances which are acceptable to Purchaser as reasonable for a transaction of this type and size; and

3.2.7. Document Review. Seller shall provide to Purchaser for review and approval all relevant documentation in the Seller's possession or under its control with respect to the Property, including but not limited to environmental reports, engineering reports, surveys, appraisals, title insurance and real estate tax bills, if any.

3.2.8. Access Point to the Property from Silver Spring Dr. Seller shall provide to Purchaser on or before Closing either: (a) confirmation that the site work shown on Exhibit A is complete, or (b) a hard date upon which such site work will be complete.

3.3. Brokers. The parties hereto represent and warrant to each other that Founders 3 Retail Services, LLC is representing the Purchaser and are the procuring cause of this proposed transaction. Purchaser will pay to Founders 3 Retail Services, or their designee, a real estate broker commission for the Property at closing.

3.4. Closing. Provide that the closing ("Closing") will occur within fifteen (15) days after the satisfaction or waiver of Purchaser's Contingencies or on such other date as the parties may agree.

4. Cooperation and Good Faith. By your signature below, you agree to cooperate in good faith in negotiating a mutually agreeable Purchase and Sale Agreement.

5. Exclusivity. The proposal made herein does not constitute a binding commitment of the parties to consummate the contemplated transaction; however, your execution of this Letter shall constitute your binding agreement to: (i) cease any negotiations with other parties with respect to the sale of the Property; (ii) not solicit or initiate any proposal with, negotiate, discuss or otherwise communicate with or furnish or cause to be furnished any information to, or otherwise cooperate with or enter into any agreement or contract with, any other person, corporation, firm or entity with respect

to any proposal for the disposition of the Property; and (iii) proceed to negotiate in good faith toward the execution of a mutually acceptable Purchase and Sale Agreement and related documentation.

6. Confidentiality. To the extent permitted by law, Purchaser and Seller shall keep the terms of this Letter confidential and private and shall not disclose or publicize this Letter or any of its terms or conditions to any third party (other than their respective attorneys, lenders and consultants) without the prior written consent of the other. The obligations of this confidentiality provision shall extend beyond the termination of this Letter.

Notwithstanding any provision herein to the contrary, the Purchase and Seller recognize that Seller is subject to the requirements of the Wisconsin Open Records Law, Wis. Stat. s. 19.31 et seq. Purchaser and Seller agree that Seller's obligations under this Letter shall be subordinate to its obligations under the Wisconsin Open Records Law and that a disclosure by Seller pursuant to an open records request shall not be deemed a breach of this Letter; provided, however, Seller shall only disclose information to the extent required by the Wisconsin Open Records Law, and only then pursuant to a properly submitted open records request.

Except as set forth below, the foregoing is not intended to be exhaustive or binding, but merely an outline of the basic terms of the proposal to be included in a Purchase and Sale Agreement. The transaction will be binding upon the parties only in accordance with the terms contained in a definitive agreement, except that the provisions of Sections 4, 5 and 6, above, shall be binding on the parties from the date that this letter is signed by Purchaser and Seller.

If the terms of this Letter meets with your approval, please sign copies of this Letter where indicated below and return a copy signed by the Seller to us no later than by March 5, 2021.

We look forward to working with you to complete the transaction.

Very truly yours,

3300, LLC

By: \_\_\_\_\_

Name: Omara Alimov

Title: Partner

Acknowledged and agreed to as of the date set forth opposite of the signature below.

Housing Authority/ The City of Milwaukee

Date: \_\_\_\_\_

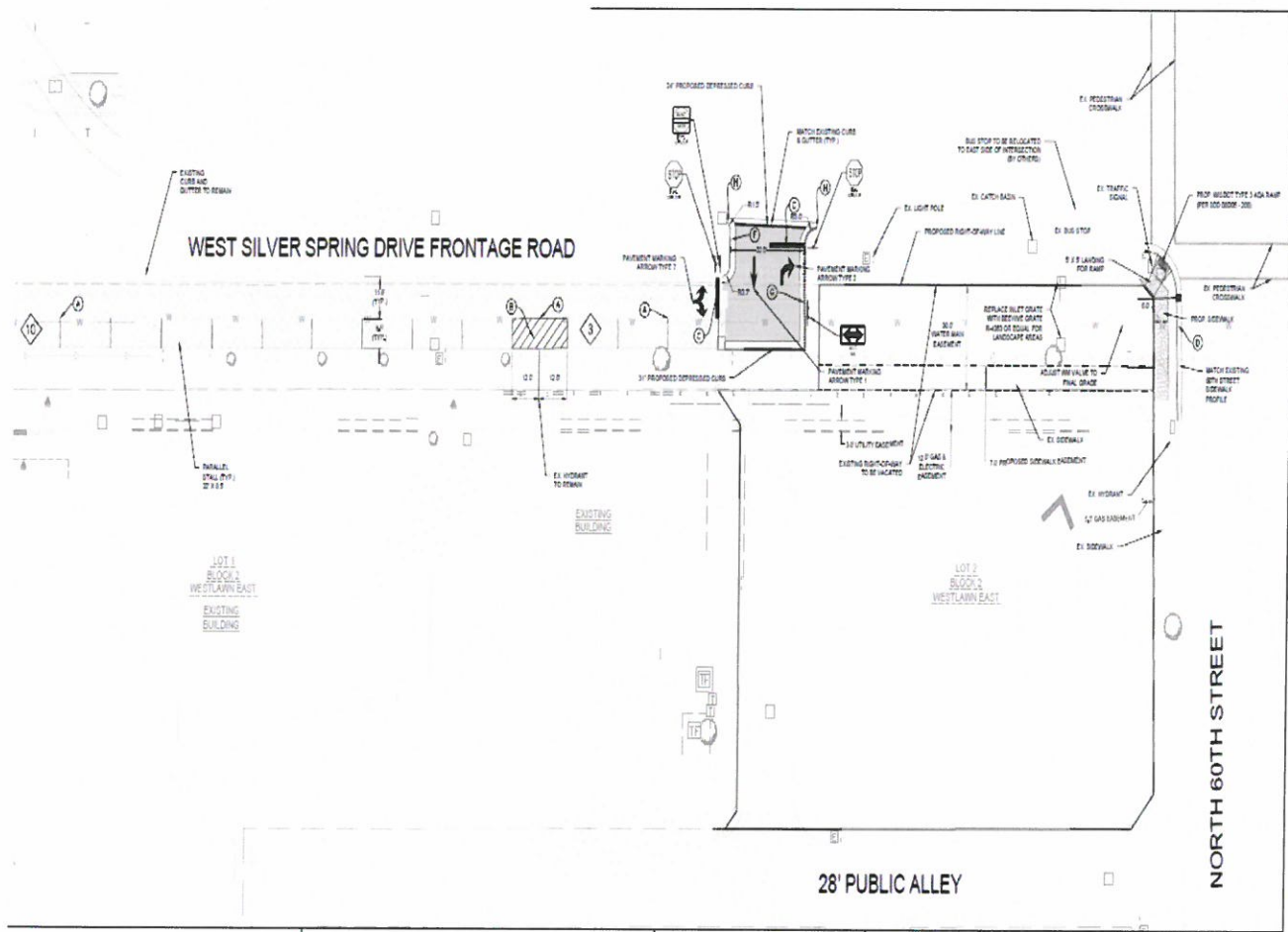
By: \_\_\_\_\_

Name: \_\_\_\_\_

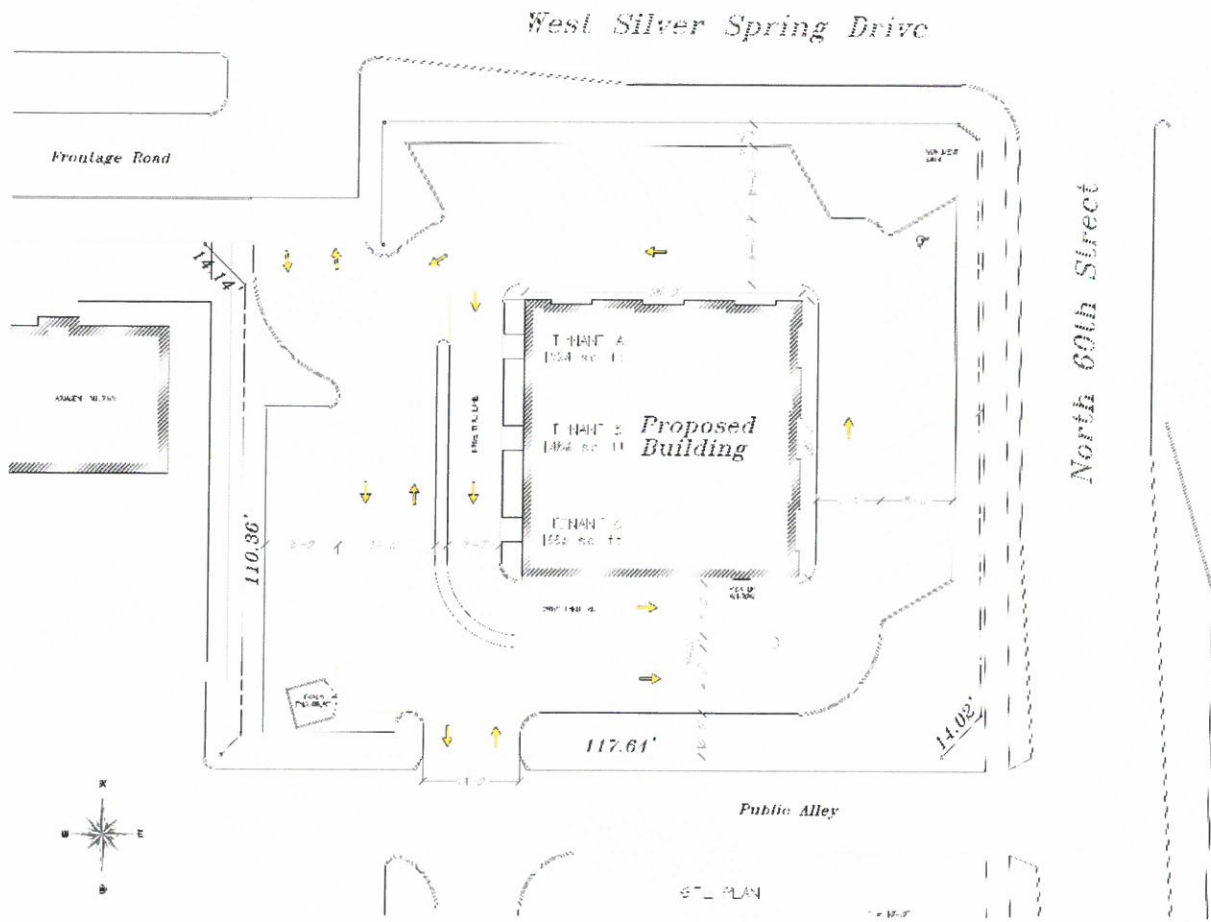
Title: \_\_\_\_\_



EXHIBIT A



# Exhibit B



ARCHITECTURE  
4100 N. 52nd Street  
Suite 100  
Phoenix, AZ 85018

TITLE: 2004 LAW BUILDING  
600' W. 11th St. N. 60th St.  
V. 1.00.00.00.00.00.00.00

10-10-00  
10-10-00

SITE PLAN

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