

ENVIRONMENTAL ADDENDUM

This Environmental Addendum describes the environmental conditions of the Property, the extent of environmental reports and investigations, and the responsibilities and obligations of each party in order to facilitate the redevelopment of the Property located at 1960 S. 67 Place and 6520 W. Becher Place, City of West Allis, Milwaukee County, Wisconsin. Terms not otherwise defined herein shall have the meaning set forth in the Purchase and Sale Agreement between the parties of even date herewith.

1. **Properties.** The property outlined in this Environmental Addendum is as follows:

Address	Parcel Number	Owner
1960 S. 67 Place 6520 W. Becher Place	475-0004-000	Community Development Authority of the City of West Allis

Referred to as the "Property"

2. **Contingent on Sale of Property.** This Environmental Addendum and the obligation of SELLER and BUYER hereunder are contingent upon the Closing of the sale of the Property. To the extent the Property is not sold and conveyed by the SELLER to BUYER, this Environmental Addendum shall be void and of no force or effect. To the extent the Property is sold and conveyed by the SELLER to BUYER, the terms of this Environmental Addendum shall govern in the event of any inconsistency between this Environmental Addendum and the Memorandum of Understanding ("MOU") dated November 23, 2016.
3. **Assessments and Investigations.** The SELLER obtained environmental investigations of the Property through the services of an environmental consultant. The Seller conducted Site investigation, soil and groundwater remediation testing with input from the Wisconsin Department of Natural Resources ("WDNR"). Prior to demolition of site improvements, the Property was assessed for the presence of asbestos and abated prior to demolition as required. The following, **Appendix I-List of Environmental Reports**, is a list of all reports and communications generated for the Property.

4. Pre-Closing Work.

A. Asbestos and Other Hazardous Materials

1. Assessments of on-site structures were completed to identify and quantify asbestos containing building materials ("ACBM") and other hazardous materials.

2. Friable and potentially friable ACBM and other hazardous materials referenced above were removed prior to building demolition and disposed in a licensed disposal facility or recycled, as appropriate to the material.
- B. Demolition of Structures. On-site buildings and related foundations were demolished and removed from the Property.
 - C. Asphalt surface pavement and concrete was pulverized and/or engineered for use as backfill on the Property.
 - D. On-site utility laterals and connections to the Property were shut-off/abandoned and terminated/removed at the Property boundary as determined by the City and/or individual utility.
 - E. Property redevelopment work including grading and earthwork was completed in 2009. See the Arcadis (the Seller's environmental consultant) June 2010 Site Grading and Earthwork Summary Report for placement and compaction details.

5. Environmental Conditions and Actions.

- A. The SELLER has completed extensive work to facilitate redevelopment of the Property (collectively "Seller's Prior Environmental and Site Work"). The Seller's Prior Environmental and Site work completed includes, but is not limited to, environmental investigations with the collection of soil, groundwater and soil gas vapor samples; environmental remediation; decommissioning and demolition of the former buildings and operations on the Property; construction of a wet retention pond, outfall structure, and groundwater interceptor trench; site grading work; and coordination with local agencies regarding the storm water management and control requirements. In addition, SELLER shall perform its responsibilities set forth in this Environmental Addendum and in the Agreement.
- B. All environmental, soil and similar reports and investigations conducted or commissioned by the SELLER will be provided to the BUYER ("Seller's Property Reports"), and SELLER shall cause Arcadis to authorize BUYER and BUYER's lenders to rely upon all such reports and investigations.

1. Conditional Grant of Exemption and Case Closure. The WDNR issued a *Conditional Grant of Exemption for the Development Where*

Solid Waste was Disposed for the Property on April 6, 2010 as modified by WDNR letter dated March 13, 2015 (collectively, the "Exemption"). In the Exemption, the WDNR exempted the Property from regulation pursuant to NR506.085. The Exemption requires that a venting system and vapor barrier will be required as submitted and approved in the March 13, 2015 Exemption Modification, provided that the venting system and vapor barrier requirements may be modified by subsequent correspondence from WDNR. The Exemption requires that this work be coordinated with the remedial response actions (venting and vapor barrier). The Exemption runs with the Property and is transferable to future owners including, but not limited to BUYER. SELLER shall cooperate with BUYER to confirm that the Property satisfies WDNR's requirements for Case Closure per NR 726 without additional cost to BUYER, subject to BUYER constructing engineering controls and implementing institutional controls. SELLER has represented that there are areas of the Property where the WDNR approved proposed new building construction plans that did not require the installation of a vapor barrier and/or vapor control systems, and BUYER shall take reasonable efforts to avoid or minimize costs relating to any vapor barrier and/or vapor control system, provided that BUYER's primary design considerations shall be its own business planning and SELLER shall fund all costs relating to any vapor barrier and/or vapor control system that BUYER determines are necessary for the Project. SELLER and BUYER shall cooperate to obtain Case Closure and written approval (through a new Historic Fill Exemption Update) from the WDNR for the proposed new building construction and whether a vapor barrier or vapor control system is required.

6. SELLER's Remedial Obligations. The SELLER agrees to the following actions on the Property:

- A. The SELLER will provide additional information, if requested, to WDNR to achieve Case Closure and a new Historic Fill Exemption Update consistent with BUYER's construction plans for the Project. The SELLER will provide documentation of Case Closure and the Historic Fill Exemption Update to the BUYER, which shall be acceptable to BUYER in its reasonable discretion.
- B. SELLER shall fund all costs relating to any subsoil conditions on the Property which increase the costs of developing the Project beyond costs normal and customary, as reasonably agreed between Arcadis and Buyer's geotechnical

consultant, for similar projects. Added costs to be funded by SELLER may include but shall not be limited to (i) building foundations other than customary floor-slab-on-grade, (ii) soils handling and management requirements other than asphalt capping and (iii) special barriers for entry and exit points for below-grade utilities that pass through contaminated soils. BUYER shall take reasonable efforts to avoid or minimize costs relating to soils management, provided that BUYER's primary design considerations shall be its own business planning and SELLER shall fund all added, non-customary costs of managing subsoil conditions, per the reasonable agreement of Arcadis and Buyer's geotechnical consultant, as necessary for the Project.

C. SELLER agrees to indemnify, defend and hold BUYER harmless from and against any enforcement action taken by WDNR relating to the environmental condition of the Property prior to Closing, except to the extent that any environmental condition was caused by BUYER.

7. Continuing Soil Management. Except as provided in this Addendum or the Agreement, BUYER shall be responsible for the additional costs required to adhere to all continuing obligations and to follow the requirements provided by the WDNR as part of its Case Closure for the Property.

8. BUYER's As Is Purchase. BUYER acknowledges that BUYER had the opportunity to undertake such studies and investigations, conduct such tests and surveys, and engage such specialists as BUYER deems appropriate to evaluate the Property and its risks from an environmental standpoint. Accordingly, except as set forth in this Environmental Addendum or the Agreement, BUYER is acquiring the Property “**as is, where is,**” without representation or warranty of any kind, express or implied, as to the environmental condition of the Property. In addition to and not by way of limitation of the sale of the Property on an “**as is, where is,**” basis, and except for a claim to enforce the SELLER’s obligations under paragraph 6 above, BUYER, on its own behalf and on behalf of any successors, heirs or assigns, hereby releases the SELLER, the Community Development Authority of the City of West Allis, its elected officials, agents and contractors (collectively “Released Parties”) from, and waive all claims and liability against the Released Parties arising out of or related to the environmental condition of the Property, the presence of contamination thereon or migration there from, including, but not limited to, claims for Remedial Action except to the extent that the Released Parties: i) caused or contributed to the contamination; ii) were negligent in completing or performing Remedial Action; or, iii) breached a material representation or warranty in the Agreement or this Environmental Addendum. The Waiver and Release shall apply to all claims and causes of action of any type whatsoever, known or unknown, arising in contract, common law, or under applicable statutory law.

9. No Admission of Liability. Nothing in the SELLER’s completion of any work relating to this Environmental Addendum shall be construed as an admission or acknowledgment of any kind that the SELLER is liable or responsible for any contamination on the Property, such liability and responsibility is expressly denied. The

SELLER is making the commitments in this Environmental Addendum to facilitate the redevelopment of the Property.

11. **Survival of Rights and Obligations.** The "Parties" respective rights and obligations under this Environmental Addendum shall survive the closing.

12. **Severability.** If any provision, clause or part of this Environmental Addendum is held invalid, the remainder of this Environmental Addendum and the application of such provision, clause, or part shall not be affected.

13. **Relationship of the Parties.** Nothing in this Environmental Addendum shall be construed as creating, between the parties, a partnership, joint venture or relationship other than as described herein. The SELLER and BUYER each acknowledges that it is not an agent for the other party hereto and may not bind or enter into agreements for such other party.

(SIGNATURES CONTINUED ON NEXT PAGE)

IN WITNESS WHEREOF, the Parties have executed this Agreement the date first above written.

AGREED TO BY AND BETWEEN Buyer and Seller on the date first set forth above.

**SELLER: COMMUNITY DEVELOPMENT
AUTHORITY OF THE CITY OF WEST
ALLIS**

By: _____
John F. Stibal, Executive Director

Dated: _____

BUYER: GLENN RIEDER, INC.

By: _____
Michael Floyd, CEO

Dated: _____

Approved as to form this ____ day
of _____, 2017.

Scott E. Post, City Attorney

STATE OF _____)
) SS.
_____ COUNTY)

Personally came before me this ____ day of _____, 2017, the above-named individuals are known to be the persons who executed the foregoing instrument and acknowledged the same on behalf of said corporation.

[SEAL]

Print Name: _____
Notary Public, _____
County State of _____
My Commission: _____

Appendix I
Environmental Addendum
List of Environmental Reports

Novak Property Phase I Environmental Site Assessment, (TEMCO, 2004a).
Preliminary Phase II Environmental Site Assessment, Novak Property, (TEMCO, 2004b).
Preliminary Subsurface Exploration, (CGC, 2005).
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67th Place Closure Report, (Arcadis, 2010).

Consultant:

Arcadis
126 North Jefferson, Suite 400
Milwaukee, WI 53202
414-277-6231
414-708-9815
bverburg@arcadis-us.com

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(SIGNATURES CONTINUED ON NEXT PAGE)

IN WITNESS WHEREOF, the Parties have executed this Agreement the date first above written.

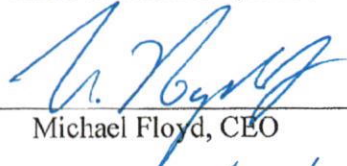
AGREED TO BY AND BETWEEN Buyer and Seller on the date first set forth above.

**SELLER: COMMUNITY DEVELOPMENT
AUTHORITY OF THE CITY OF WEST
ALLIS**

By: 
John F. Stibal, Executive Director

Dated: 5-9-17

BUYER: GLENN RIEDER, INC.

By: 
Michael Floyd, CEO

Dated: 5/8/17

Approved as to form this ___ day
of _____, 2017.

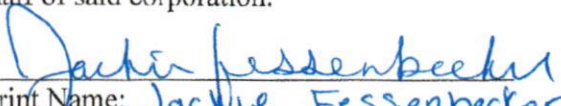
Scott E. Post, City Attorney

STATE OF Wisconsin)
Milwaukee) SS.
COUNTY)

Personally came before me this 8 day of May, 2017, the above-named individuals are known to be the persons who executed the foregoing instrument and acknowledged the same on behalf of said corporation.

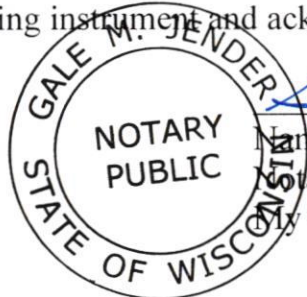
[SEAL]

JACKIE FESSENBECKER
Notary Public, State of Wisconsin


Print Name: Jackie Fessenbecker
Notary Public, Milwaukee
County State of Wisconsin
My Commission: 6/25/17

STATE OF WISCONSIN)
)
COUNTY OF Milwaukee) ss.

Personally came before me this 9 day of May, 2017,
the above-named individual(s) are known to me known to be the person(s) who
executed the foregoing instrument and acknowledged the same.



Name: Gale M Jender
Notary Public
My Commission: 9-11-20

Appendix I
Environmental Addendum
List of Environmental Reports

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Consultant:

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