PURCHASE AND SALE AGREEMENT

(SONA LOFTS II)

THIS PURCHASE AND SALE AGREEMENT: SONA LOFTS II (this "Agreement") is made as of the ___ day of __________, 2026, between the Community Development Authority of the City of West Allis, a separate body politic created by ordinance of the City of West Allis pursuant to Section 66.1335 of the Wisconsin Statutes (the "Authority"), and SoNa Lofts II, LLC, a Wisconsin limited liability company, an affiliate of Mandel Group, Inc., and its successors and/or assigns (the "Developer"). The Authority and the Developer are each referred to herein as a party or, together, as the "Parties."

FOR AND IN CONSIDERATION of the promises and the undertakings and mutual covenants of the Parties set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Developer hereby covenant and agree as follows:

1. <u>Property.</u>

A. The Authority agrees to sell and convey to the Developer, and the Developer agrees to buy and pay for, that certain parcel of real property within the City of West Allis, Milwaukee County, Wisconsin, consisting of approximately 3.02 acres of land, identified as Lot 3 of Certified Survey Map No. 9370 which was recorded in the Office of the Register of Deeds of Milwaukee County, Wisconsin (the "Register's Office") on December 2, 2021, as Document No. 11193094 ("Lot 3"), and Lot 2 of Certified Survey Map 9715, which was recorded in the Register's Office on December 9, 2025, as Document No. 15561305 ("Lot 2"), as more particularly described in **Exhibit A-1 and Exhibit A-2** attached hereto (collectively, the "<u>Property</u>").

B. Pursuant to the Wisconsin Tax Increment Law, Wis. Stats. § 66.1105 et seq., the Common Council of the City of West Allis created Tax Incremental District Number 22, City of West Allis, by resolution adopted on March 24, 2026, and approved the project plan for such district (as amended, the "Project Plan"). The Property is within the boundaries of Tax Incremental District Number 22, has been designated by the City of West Allis as blighted, and the transaction contemplated by this Agreement is essential to the viability of the district.

C. The sale includes all of the Authority's interest in the Property and every easement, access right, privilege and appurtenance thereto, currently in existence (or to be created pursuant to this Agreement), including, but not limited to, any reciprocal easement and operating agreement affecting the Property (as defined below, the "REA"), and all other real property rights and interests of the Authority related to the Property.

2. **Project.** Lot 3 of the Property will include a 66-unit, four story apartment building with approximately 2,500 sq. ft. of commercial space and an estimated 3,000 sq. ft. of clubhouse space with modern fitness amenities. The building will have 39 underground parking stalls and 38 surface stalls. Lot 2 of the Property will include a 51- unit, four story apartment building accessed through a private drive that will have 27 indoor parking stalls and 30 surface parking with 5 streets stalls on the private drive. Together, the development is collectively, the "Project", all as more particularly described in the Development Agreement (as defined below) between the Parties.

3. **Purchase Price.**

A. The purchase price for the Property shall be One Dollar ($1.00) (the "Purchase Price"), to be paid at Closing (as defined below), and reflects the environmental condition and blighted nature of the Property as determined by the Authority.

B. Also, the Project and Purchase of the Property by the Developer will satisfy the Authority's obligation portion of the site preparation costs allocated Reciprocal Access Easement Agreement recorded with the Register of Deeds on December 30, 2021, and estimated to be $714,689.

4. Closing**.** The closing of the transaction contemplated by this Agreement (the "Closing") will take place on a date mutually agreed upon between the Developer and the Authority, but in no event later than September 1, 2026 (the "Closing Date"), provided the Authority's contingencies and the Developer's contingencies in connection therewith have been satisfied or waived as herein provided.

5. **Conveyance.** At Closing and upon receipt of the Purchase Price, the Authority shall convey the Property to the Developer by warranty deed in the form attached hereto as **Exhibit B** (the "Deed").

6. <u>"As Is, Where Is."</u>

A. **<u>Sale</u>**. The sale of the Property to the Developer hereunder shall be <u>AS IS, WHERE IS,</u> with all faults and without representation or warranty of any kind except as expressly provided in this Agreement and in the documents delivered at Closing. Any other warranties or representations of any kind made either orally or in writing by any agent or representative of the Authority or anyone purporting to be an agent or representative of the Authority shall be of no force and effect. Except as expressly provided in this Agreement and in the documents delivered at Closing, the Developer acknowledges that it does not rely upon any representation or warranty made by the Authority or by the Authority's agents and, except as expressly provided in this Agreement and in the documents delivered at Closing, none have been made.

B. **Developer's Investigation**. Prior to Closing, the Developer, with the cooperation and assistance of the Authority as provided in this Agreement, will have investigated and will have knowledge of operative or proposed governmental laws and regulations (including, without limitation, zoning, environmental and land use laws and regulations) to which the Property is or may be subject and, based upon the foregoing, the Developer shall accept the Property upon the basis of its review and determination of the applicability and effect of such laws and regulations, except as expressly provided in this Agreement.

C. **Warranties.** The Developer further acknowledges that the Authority, its agents and employees and other persons acting on behalf of the Authority have made no representation or warranty of any kind in connection with any matter relating to the condition, value, fitness, use or zoning of the Property upon which the Developer has relied directly or indirectly for any purpose other than as may be expressly provided in this Agreement and in the documents delivered at Closing.

7. **Environmental.** Upon Closing, the Developer shall be responsible for all costs associated with environmental remediation and all general site preparation in accordance with the Remedial Action Plan approved by the Wisconsin Department of Natural Resources.

8. Conditions to Closing.

A. **Authority's Contingencies to Closing**. The Authority's obligation to consummate the transactions contemplated hereby is subject to the fulfillment of all of the following conditions on or before the Closing Date (all of which may be waived by the Authority, in whole or in part, in its sole discretion):

(1) Compliance with Agreement. The Developer shall have performed and complied, in all material respects, with all of its obligations under this Agreement to be performed or complied with on or before the Closing Date.

(2) No Litigation. No litigation, investigation, or other proceeding challenging or affecting the legality of the transaction contemplated by this Agreement, or seeking restraint, prohibition, damages or other relief in connection with this Agreement or the use intended for the Property by the Developer, shall have been instituted or threatened by any person, agency, or other entity prior to Closing, which would reasonably be expected to prohibit or materially interfere with the transaction contemplated by this Agreement.

(3) Payment of Purchase Price. The Developer shall pay the Purchase Price stated in Section 3.

(4) Execution and Delivery of Project Documents. The Developer shall have executed and delivered (i) the Development Agreement in form and substance reasonably acceptable to the Parties (the "Development Agreement"), (ii) the Development Finance Agreement in form and substance reasonably acceptable to the Parties (the "Development Finance Agreement"), (iii) the Memorandum (as defined in Section 11) attached hereto as **Exhibit C** (the "Memorandum of Agreements"), and (iv) a Completion Guaranty in substantially the form attached hereto within the Development Finance Agreement (the "Completion Guaranty").

(5) Representations. Each of the representations and warranties of the Developer in this Agreement shall be true and correct in all material respects as of the Closing Date.

(6) Termination. In the event any of the foregoing conditions (the "Authority Conditions") have not been satisfied or waived by the Authority on or before the Closing Date, then the Authority shall provide the Developer with written notice of any such deficiency, and the Developer shall be allowed mutually agreeable

additional time to satisfy such condition, provided the Developer demonstrates it is pursuing satisfaction of the conditions in good faith and with due diligence. In case of such termination, no Party shall have any further liability under this Agreement except as specifically set forth as surviving termination.

B. Developer's Contingencies to Closing. The Developer's obligation to consummate the transaction contemplated hereby is subject to the fulfillment of all of the following conditions (the "Developer Conditions") on or before the Closing Date (all of which may be waived by the Developer, in whole or in part, in its sole discretion):

(1) Compliance with Agreement. The Authority shall have performed and complied, in all material respects, with all of its obligations under this Agreement to be performed or complied with on or before the Closing Date.

(2) No Misrepresentation or Breach. Each of the representations and warranties of the Authority in this Agreement shall be true and correct in all material respects as of the Closing Date.

(3) No Litigation. No litigation, threat, investigation, or other proceeding challenging or affecting the legality of the transaction contemplated by this Agreement, or seeking restraint, prohibition, damages or other relief in connection with this Agreement or the intended use of the Property by the Developer, which would reasonably be expected to have an adverse impact on the Property or the Developer's intended use, shall have been instituted or threatened by any person, agency, or other entity prior to Closing.

(4) Developer's Financing and Approvals.

(a) The Developer has secured sources of financing and private equity with terms reasonably acceptable to the Developer.

(b) The Developer has secured all necessary approvals and confirmations that all necessary actions by any governmental instrumentality, agency or affiliate (including, without limitation, the Authority and the City of West Allis (the "City")) have been taken for the full execution and performance under this Agreement, the Development Agreement, the Development Financing Agreement and the REA excluding those approvals that may be required to support individual tenancies proposed to occupy the Project.

(c) The Development Agreement and the Development Finance Agreement have been fully executed by the Developer prior to Closing.

(d) The Authority, the City and any other applicable parties shall have executed and delivered the Development Agreement, the Development Finance Agreement and the Memorandum.

(5) Authority's Tests and Reports. The Authority has furnished the Developer the Due Diligence Documents (as hereinafter defined).

(6) Government Approvals. The Developer shall have confirmed prior to Closing that it has obtained adequate assurances regarding the availability of any governmental permits, easements, licenses and approvals necessary to develop and use the Property in the manner intended in the Development Agreement; provided, however, if any such approvals cannot be obtained within said time period, the Closing Date shall be extended for a reasonable time to allow all approvals to be obtained, provided the Developer is pursuing such approvals in good faith and with due diligence. This Condition excludes those approvals that may be required to support individual tenancies proposed to occupy the Project.

(7) Utilities and Access. The Developer shall have been satisfied, in its sole discretion, with the location, availability, sufficiency and suitability of municipal and other utilities and access connections to public rights-of-way in connection with the Developer's intended use of the Property. The Authority makes no representations or warranties concerning the location or condition of utilities.

(8) Due Diligence. The Developer and its lender (if any) shall have been satisfied, in their sole discretion, with the physical condition of the Property, including any environmental conditions, and with the condition of title to the Property.

(9) Title Policy. First American Title Insurance Company (or another nationally recognized title company selected by Developer) (the "Title Company") shall be

ready, willing and able to issue at Closing (upon payment of the premiums and other charges) an owner's policy of title insurance (the "Title Policy") insuring fee simple title to the Property in the Developer, subject only to Permitted Encumbrances (as defined below).

(10) No New Encumbrances. There shall be no new encumbrances reflected in the Title Policy or any updated title commitment for the Property, unless approved by the Developer in writing.

(11) No Material Change. There shall not have occurred any change, and no circumstance shall have occurred, including, without limitation, with respect to the condition (including environmental condition), zoning, permitting or leasing of the Property, that would materially adversely affect the Developer's intended use, except changes caused by the actions of the Developer or its affiliates prior to Closing. Upon request, the City shall provide written confirmation of the absence of any existing or planned condemnation or moratorium affecting the Property.

(12) Extension. In the event the Authority believes that the Developer has failed to satisfy or waive any of the Developer Conditions on or before Closing, specifically those set forth in subsections (4), (6) or (7), the Authority will allow for an extension of the deadline if requested by the Developer, subject to Developer providing reasonable evidence of its ability to satisfy the remaining outstanding matters in good faith and with due diligence. Closing on the Property shall be deemed as satisfaction or waiver of the Developer Conditions.

9. Intentionally omitted.

10. Obligations and Title Matters.

A. Authority's Obligations.

(1) Subdivision. A CSM was fully executed and recorded by the City to subdivide the Property into a legally subdivided parcel as noted in Section 1 above.

(2) Zoning and Permitting Cooperation. The Authority shall cooperate with the Developer through the term of this Agreement and shall promptly assist in obtaining and expediting the necessary review by the City and in processing all submissions and applications for zoning matters, permits, and licenses in accordance with the applicable City ordinances. As of the Closing, all

zoning and permit approvals necessary for the construction of the Project will have been granted.

(3) Due Diligence Documents. The Authority has delivered to the Developer such documents in the Authority's or the City's possession or under its control and the Authority shall promptly deliver such additional documents that the Authority may obtain hereafter, as may be requested by the Developer for purposes of evaluating the Property and its ability to use the Property for the use intended by the Developer under this Agreement (collectively, the "Due Diligence Documents").

(4) Operation and Maintenance of the Property before Closing. Between the Effective Date and the Closing, the Authority covenants and agrees that it will:

(a) continuously maintain in full force and effect liability insurance coverage with respect to the Property, as typically maintained in the Authority's ordinary course of business;

(b) refrain from entering into any new lease, easement, agreement or contract affecting the Property unless approved by the Developer in writing (which approval may be granted or withheld in the Developer's sole discretion); and

(c) not do or permit to be done any act with respect to the Property that would adversely affect or make more expensive the Developer's intended use thereof as set forth in the Development Agreement.

B. Approvals. The Developer is responsible, at its sole cost, to seek and obtain all necessary governmental approvals as may be required for the Developer's intended use of the Property as set forth in the Development Agreement.

C. Title Evidence and Documents.

(1) Title Commitment. The Developer shall obtain and pay for prior to or at Closing commitments (each a "Title Commitment" and collectively, the "Title Commitments") from First American Title Insurance Company (the "Title Company") to issue owner's policies of title insurance (collectively, the "Title Policy") to the Developer or its permitted assigns in the amount of the Purchase Price of the Property or such higher amount as reflects the Developer's projected development costs for the Project, which Title Commitments shall show the Authority's title to be merchantable as of the Closing Date, subject only to such

liens as will be paid out of the proceeds of closing and such exceptions to title which will not unreasonably inhibit, prohibit or impair the Developer's use of the Property for the Developer's intended uses as set forth in the Development Agreement and which are approved by Developer in writing ("Permitted Encumbrances"). The Authority shall release, or cause to be released, any encumbrances in favor of the Authority or the City other than Permitted Encumbrances.

(2) Survey. The Developer shall be responsible for obtaining and paying for an ALTA/NSPS survey(s) ("Survey") of the Property if required by the Developer to pursue its intended development of the Property.

(3). Objections. The Developer, at least fifteen (15) calendar days prior to Closing shall submit to the Authority in writing a list of matters affecting the Property to which the Developer objects ("Title Objections"). Such Title Objections shall not have been caused by Developer's contractor, or any of its affiliates. The Authority shall have ten (10) calendar days to remove or cause the Title Company to insure over the Title Objections. Failure of Authority to notify Developer that said objections will be removed or waived constitutes refusal of Authority to agree to such waiver or removal. The Developer reserves the right to approve the means and methods by which the Authority proposes to remove or cause the Title Company to insure over the Title Objections. In the event that the Authority is unable or unwilling to remove the Title Objections to the Developer's satisfaction, the Developer shall have five (5) calendar days from the expiration of such ten (10) calendar day period, to deliver written notice to the Authority waving the Title Objections. If the Developer does not waive the Title Objections, then this Agreement shall be null and void and both the Developer and the Authority shall have no further liabilities under this Agreement.

D. **Assessments**. As of the date hereof and as of the Closing Date, the Property is not and will not be subject to real estate taxes or assessments in the year of Closing and any year prior thereto. The Authority represents to the Developer that there are no special assessments or charges outstanding for public improvements that have been made, or will have been made, against the Property that has not been paid. Developer agrees to pay any operating expenses assignable to the Property for calendar year 2026 arising from the Reciprocal Easement and Operating Agreement recorded in the Register's Office on December 30, 2021, as Document No. 11203577 (the "REA"). The Developer shall pay all taxes, special assessments, and charges first made against the Property on and after Closing.

11. **<u>Memorandum of Agreements</u>**. The Authority and the Developer agree that, on or before Closing, they will execute a Memorandum of this Agreement, the Development Finance Agreement and the Development Agreement to be recorded in the Register's Office against the Property in substantially the form to be attached hereto as **Exhibit C** (the "<u>Memorandum</u>"). The Parties further agree that the Memorandum shall be recorded prior to the Developer attaching any mortgage, lien, or other encumbrance on the Property except for any mortgage or lien granted to a lender in connection with its construction and permanent loans on the Property.

12. **<u>Closing and Closing Costs</u>**. The Closing shall be held at such place as the Parties may mutually agree on or before the Closing Date.

A. Closing will be through an escrow account with the Title Company.

B. Closing Costs will be allocated as follows:

(1). The Developer shall pay the cost to record each Deed and its loan documents;

(2). The Authority shall pay the recording fee for any satisfaction of its existing liens and encumbrances and the Memorandum;

(3) Each Party shall pay its own attorney's and other professional fees;

(4) All other non-specified closing costs, including the costs of the Title Commitment, Title Policy and Survey shall be paid by the Developer.

13. **<u>Representations and Warranties</u>**.

A. **<u>Authority's Representations and Warranties</u>**. The Authority hereby represents and warrants that as of the date hereof and as of the Closing Date:

(1) <u>Organization; Good Standing</u>. The Authority is a Community Development Authority duly organized and validly existing under Sec. 66.1335 of the laws of the State of Wisconsin. The Authority has full power and authority to sell, own, or hold under lease its properties and assets and to carry on its business as presently conducted, to enter into this Agreement, and to carry out the transactions contemplated hereby.

(2) Authorization. The execution and delivery of this Agreement and the consummation by the Authority of the transaction contemplated hereby are within the power and authority of the Authority and have been duly authorized by all necessary actions on the part of the Authority and the persons executing this Agreement on behalf of the Authority have been duly authorized.

(3) No Violation or Conflict. The execution, delivery, and performance of this Agreement by the Authority does not and will not conflict with or violate any law, regulation, judgment, deed restriction, order, decree, or any contract or agreement to which the Authority is a party or by which it is bound.

(4) Floodplain. No part of the Property is located in a floodplain, flood hazard area, shore land, wetland, or similarly restricted area.

(5) Liens. There are no Liens on the Property regarding work performed or materials furnished for lien-able work on the Property.

(6) Leases and Third-Party Rights. There are no written or oral leases, occupancy agreements, rights of first refusal, options to purchase or any other rights of possession affecting the Property.

(7) Service Agreements. There is no existing service, maintenance, management, or any other agreements regarding the Property.

(8) No Default, Violation or Litigation. Regarding the Property and, to the Authority knowledge, the Authority are not in violation of any regulation, law, order of any court, federal, state, or municipal, or other governmental department, commission, board, bureau, agency or instrumentality, or restriction or covenant contained in any agreement or document of title (including, without limitation, legislation, regulations and agreements applicable to environmental protection, civil rights, public and occupational health and safety), nor has the Authority received any notice of noncompliance that has not been remedied, except as set forth in subsection (9) below as to certain environmental conditions. There are no lawsuits, proceedings, claims, governmental investigations, citations or actions of any kind pending or threatened against the Authority or against the Property nor is there any basis known to the Authority for any such action, and there is no action, suit or proceeding by any governmental agency pending or threatened which

questions the legality, validity or propriety of the transaction contemplated hereby nor is there any basis known to the Authority for any such action.

(9) Laws. Except for the exhibits and schedules attached to this Agreement relating to environmental condition and any documents listed thereon, there is no government agency or court order requiring repairs, alterations, or corrections of or relating to the Property or any condition which might be cause for any such order, and to the Authority's knowledge, the Property complies with all laws. Further, except for documents provided to Developer as part of the Due Diligence Documents relating to the environmental condition, to the Authority's knowledge, there is no violation of any law or any building, zoning, environmental, or other ordinance, code, rule, or regulation and no notice from any governmental body or other person has been served upon the Authority's or upon the Property, claiming the violation of any such law, ordinance, code, rule, or regulation; there are no legal actions, suits, or administrative proceedings, including condemnation, pending or threatened against the Property. The Authority has provided the Developer with all materials in the possession related to known environmental conditions of the Overall Project Site.

(10) Warranty. The Authority acknowledges that the warranties and representations made herein and by the Authority are a material inducement to the Developer entering into this Agreement, the Developer is entitled to rely upon these warranties and representations despite independent investigation undertaken by the Developer and that the warranties and representations made here and by the Authority shall survive the Closing and the execution and delivery of the Deed.

B. Developer's Representations and Warranties. The Developer hereby represents and warrants that as of the date hereof and as of the Closing Date:

(1) Organization; Good Standing. The Developer is a Wisconsin limited liability company duly organized and validly existing under the laws of the State of Wisconsin and authorized to do business in the State of Wisconsin. The Developer has full power and authority to acquire and own real estate and to carry on with its business as presently

conducted, to enter into this Agreement, and to carry out the transaction contemplated hereby.

(2) Authorization. The execution and delivery of this Agreement and the consummation by the Developer of the transaction contemplated hereby are within the power and authority of the Developer and have been duly authorized by all necessary actions on the part of the Developer, and the persons executing this Agreement on behalf of the Developer have been duly authorized.

(3) No Violation or Conflict. The execution, delivery, and performance of this Agreement by the Developer do not and will not conflict with or violate any law, regulation, judgment, deed restriction, order, decree, or any contract or agreement to which the Developer is a party or by which it is bound.

(4.) Litigation. To the Developer's knowledge, there are no lawsuits, proceedings, claims, governmental investigations, citations or action of any kind pending or threatened against the Developer, nor is there any basis known to the Developer for any such action, and there is no action, suit or proceeding by any governmental agency pending or threatened which questions the legality, validity or propriety of the transactions contemplated hereby nor is there any basis known to the Developer for any such action.

(5.) Warranty. The Developer acknowledges that the warranties and representations made here and by the Developer are a material inducement to the Authority entering into this Agreement, the Authority entitled to rely upon these warranties and representations despite independent investigation undertaken by the Authority that the warranties and representations made here and by the Developer shall survive the Closing and the execution and delivery of the Deed.

C. **Waiver and Release**. Except to matters otherwise specifically set forth herein, including this Section 13, and in any closing documents signed in connection with this Agreement, such as, but not limited to, the Development Agreement and the Development Financing Agreement, if this transaction closes, the Developer agrees to waive, release and forever discharge the Authority, employees and agents or any other person acting on behalf of the Authority of and from any claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever arising prior to the Closing Date, direct or indirect, known or unknown, foreseen or unforeseen, which the Developer now has on account of or in any way growing out of or connected with this transaction. This waiver and release do not extend to any matter with respect to which the Authority had actual notice or knowledge prior to Closing and failed to disclose to the Developer or to any breach of this Agreement.

14. **Time of the Essence**. Time is of the essence with respect to all obligations arising hereunder.

15. **Brokers**. The Authority shall be responsible for and shall indemnify and hold the Developer and its affiliates harmless for any claim for commission made by any agent or broker claiming to have acted on the Authority's behalf or otherwise in connection with the sale or conveyance of the Property. The Developer shall be responsible for and shall indemnify and hold the Authority harmless for any claim for commission made by any agent or broker claiming to have acted on the Developer's behalf or otherwise in connection with leasing of any portion of the Property.

16. **Closing Documentation**.

A. The Closing on the purchase and sale of the Property shall occur by placing all documents and funds into a trust or escrow with Title Company, at least one business day prior to the Closing Date. The Title Company shall prepare a closing statement setting forth a summary of the Purchase Price and debits and credits to the Developer and the Authority for Closing. The Title Company shall provide and record at Closing a properly completed Wisconsin Real Estate Transfer Return. A Payout Letter shall be delivered at Closing for any mortgages or other liens being satisfied as of the Closing Date.

B. At least one business day prior to the Closing, the Parties shall deliver, or cause to be delivered, to Title Company with directions to record and/or deliver to the other Parties at Closing, fully executed originals of the following (as applicable):

(1). Warranty Deed. The Deed to the Property executed by the Authority.

(2). Development Agreement. The Development Agreement executed by the Parties.

(3). Development Financing Agreement. The Financing Agreement executed by the City and the Parties.

(4). Memorandum of Agreements. The Memorandum executed by the City and the Parties.

(5) REA. The REA executed by the Parties.

(6). Title Affidavits. Owner's Affidavit and standard GAP affidavit required by the Title Company for title insurance purposes, executed by the Authority.

(7). Other Documents. Such other documents and instruments reasonably requested by the Title Company to consummate the transactions contemplated by this Agreement.

(8). Guaranty. The Completion Guaranty is executed by Mandel Group, Inc.

17. Possession. At Closing, the Authority shall deliver to the Developer legal and physical possession of the Property.

18. <u>Independent Consideration and Project Documents</u>. In the event the Developer terminates this Agreement prior to Closing, the Developer shall deliver to the Authority the Survey, the Title Commitment and any environmental reports prepared for the Developer and shall pay to the Authority One and No/100 Dollar ($1.00) as consideration for entering into this Agreement (the "<u>Independent Consideration</u>"), which amount the Parties bargained for and agreed to as consideration for the Authority's grant to the Developer of the Developer's exclusive right to purchase the Property pursuant to the terms hereof and for the Authority's execution, delivery and performance of this Agreement. Each Party waives any and all claims or defenses to enforceability of this Agreement in any way predicated upon the broad discretion afforded the Developer in evaluating the satisfaction of conditions precedent to the Developer's performance. The provisions of this Section 18 shall survive termination of this Agreement.

19. <u>Condemnation</u>. If, prior to the Closing Date, an authority other than the Authority itself takes the Property or any material portion thereof by power or exercise of eminent domain, or institutes any proceedings to effect such a taking, the Authority shall immediately give the Developer notice of such occurrence, and the Developer shall have the option to terminate this Agreement, whereupon no Party shall have any obligation to another under this Agreement; provided, however, if such action is instituted by the Authority, the Authority shall reimburse the Developer for actual pre-development expenses, including sitework expenses, incurred by the Developer prior to the date of such notice. If this Agreement is not so terminated, the conveyance that is the subject of this Agreement shall be completed, and the Developer shall receive all proceeds of such condemnation. As used herein, a material portion of the Property shall be deemed taken if the same shall unreasonably interfere with the intended use of the Property by the Developer.

20. **No Partnership or Venture**. The Developer and its contractors or subcontractors shall be solely responsible for the completion of the Apartment Project. Nothing contained in this Agreement shall create or effect any partnership, venture or relationship between the Authority and the Developer or any contractor or subcontractor employed by the Developer in the construction of the Apartment Project. No elected official, member, officer, or employee of the Authority during his/her tenure or for one year thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any proceeds thereof.

21. **Notices**. All notices permitted or required by this Agreement shall be given in writing and shall be considered given upon receipt if hand delivered to the party or person intended, or one calendar day after deposit with a nationally recognized overnight commercial courier service, or two (2) business days after deposit in the United States mail, postage prepaid, by certified mail, return receipt requested, addressed by name and address to the party or person intended as follows:

To the Authority: Community Development Authority of the City of West Allis
Office of the Executive Director
7525 West Greenfield Avenue
West Allis, WI 53214
Attn: Executive Director

With a copy to: City of West Allis
Office of the City Attorney
7525 West Greenfield Avenue
West Allis, WI 53214
Attn: City Attorney

To Developer: SoNa II Lofts LLC
330 East Kilbourn Avenue
Suite 600 South
Milwaukee, WI 53202
Attn: Barry R. Mandel

With a copy to: Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, WI 53202
Attn: Joshua P. Roling

22. **Further Assurances**. Following the Closing Date, each of the Parties will take such further actions and execute and deliver such additional documents and instruments as may be reasonably requested by any other Party in order to perfect and complete the purchase and sale of the Property as set forth herein as well as any other transactions specifically contemplated herein.

23. **Waiver of Terms**. Except as otherwise provided herein, any of the terms or conditions of this Agreement may be waived at any time by the Party or Parties entitled to benefit thereof, but only by a written notice signed by the Party or Parties waiving such terms or conditions. The waiver of any term or condition shall not be construed as a waiver of any other term or condition of this Agreement.

24. **Right of Entry**.

A. **To Developer**. The Authority grants to the Developer, its agents and contractors, the right to enter upon the Property, subject to the insurance requirements below, at all reasonable times prior to closing for the purpose of performing the physical and environmental tests, investigations, testing and analysis of the Property and the feasibility of the Property for the Developer's intended use thereof. However, the Developer must restore the Property to substantially its previous condition if the Closing does not occur and this Agreement and the Development Agreement are terminated, such work shall remain "as is." The Developer must provide the Authority with copies of all written reports generated from such investigation. Developer should restore the site and provide copies of reports within 30 days of termination. The provisions of Section 24(A) shall survive the termination of this Agreement.

Before entering the Property, Developer shall obtain and maintain in full force and effect, at its own expense: (i) workers' compensation insurance required under state law, if applicable; (ii) a policy of insurance written by one or more responsible insurance carrier(s), which will include Authority as an additional insured, insuring against liability for injury to persons and/or property and death of any person or persons occurring in, on or about Property arising from Developer's conduct, with a liability limit of not less than $1,000,000 per occurrence, and $3,000,000 general aggregate limit, and which shall not be canceled except after thirty (30) days written notice to Authority; and (iii) umbrella or excess liability insurance providing a minimum limit of $5,000,000.00 per occurrence and in the aggregate. Before entering the Property, Developer shall furnish Authority with evidence of insurance reasonably acceptable to Authority demonstrating compliance with the terms of this subsection, including but not limited to a certificate of insurance and endorsements naming the Authority as an additional insured, waving the insurance company's right to recover against the Authority, providing notice of cancellation for all causes, and making Developer's insurance primary and noncontributory.

B. **<u>Cooperation</u>**. The Parties shall cooperate with each other and their respective agents and contractors to facilitate the timely and accurate completion of the aforesaid tests, examinations, inspections and remedial activities.

C. **<u>License</u>**. The Parties acknowledge that this right of entry is a license only and does not constitute a lease of or grant of any easement or other interests in real property; and each agree that in the exercise of such right they shall comply with all valid laws, ordinances, rules, orders or regulations of the United States, the State of Wisconsin, the County of Milwaukee, City or any agencies, departments, districts or commissions thereof.

<u>25.</u> **<u>Amendment of Agreement</u>**. This Agreement may be amended, supplemented, or modified at any time, but only by a written instrument duly executed by the Authority and the Developer.

26. **<u>Governing Law and Venue</u>**. This Agreement shall, in all respects whether as to validity, construction, capacity, performance, or otherwise, be governed by the laws of the State of Wisconsin. Any suit or proceeding arising out of or related to this Agreement shall be commenced and maintained only in a court of competent jurisdiction in the state or federal courts located in Milwaukee County, Wisconsin. Each party irrevocably consents to submit to the exclusive jurisdiction of such courts.

27. **<u>Successors and Assigns</u>**. This Agreement and all rights and obligations therein, including but not limited to the indemnification provisions thereunder, may be assigned in whole or in part by the Developer to an affiliated entity upon notice to the Authority. For purposes of this Section 27, the term "<u>affiliated entity</u>" shall mean an entity controlling or controlled by or under common control with the Developer. This Agreement may also be collaterally assigned in whole or in part by the Developer to any lender or lenders holding a mortgage on all or any part of the Property. No such lender shall have any liability hereunder unless said lender elects to effectuate such assignment and exercise the Developer's rights hereunder.

28. **Execution in Counterparts**. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original Agreement, but all of which together shall constitute one and the same instrument.

29. **Titles and Headings**. Titles and headings to sections or subsections are for purposes of reference only and shall in no way limit, define, or otherwise affect the provisions herein.

30. **Entire Agreement**. This Agreement, including the schedules and Exhibits annexed hereto, constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, by the Parties or any of them, with respect to the subject matter hereof.

31. **Interpretation**. Unless the context requires otherwise, all words used in this Agreement in the singular number shall extend to and include the plural, all words in the plural number shall extend to and include the singular, and all words in any gender shall extend to and include all genders.

32. **<u>Construction</u>**. The Authority and the Developer acknowledges that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

33. **<u>Severability</u>**. If any term or provision of this Agreement is determined to be invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.

34. **<u>Default Provisions and Remedies</u>**.

A. **<u>Authority Remedies</u>**. In the event that the purchase and sale of the Property is not consummated because of the Developer's failure to perform its obligations under this Agreement within three (3) business days after written notice from the Authority, then the Authority shall have the right to terminate this Agreement by written notice to Developer as the Authority's sole remedy.

B. **<u>Developer Remedies</u>**. In the event that the purchase and sale of the Property is not consummated because of the Authority's failure to perform its obligations under this Agreement within three (3) business days after written notice from the Authority, then the Developer shall have the following rights and remedies, which shall be cumulative to the fullest extent permitted by law: (1) to seek injunctive relief; (2) to bring an action for specific performance; (3) to terminate this Agreement upon notice to the Authority, whereupon the Developer and the Authority shall have no further rights, obligations or liabilities hereunder, except for those agreements, which by their terms, expressly survive termination of this Agreement; and (4) to bring an action for direct money damages.

C. **Limitation on Remedies**. Neither party shall be liable to the other for consequential, indirect, incidental or exemplary damages, whether based on contract, negligence, and strict liability or otherwise. In any action to enforce this Agreement, the prevailing party shall be entitled to its costs, including statutory attorney's fees.

35. **No Reliance**. No third party, except for the City as to Section 11 of this Agreement, is entitled to rely on any of the representations, warranties, or agreements of the Developer or the Authority contained in this Agreement. The Parties assume no liability to any third party because of any reliance on the representations, warranties and agreements of the Parties contained in this Agreement.

36. **Survive the Closing**. The agreements, covenants, warranties and representations contained herein shall survive the Closing of the transaction contemplated herein.

37. **Representations and Warranties**. All representations and warranties contained in any certificate, instrument, or document executed and delivered by any Party pursuant to this Agreement and the transactions contemplated hereby prior to Closing shall, unless otherwise expressly provided therein or in this Agreement, be deemed representations and warranties by such Party solely for purposes of establishing if a breach of any representation or warranty has occurred hereunder and nothing contained herein will in any way modify, change or prolong the survival or term of any such warranty or representation.

38. **Binding Effect**. The terms and conditions of this Agreement shall be binding upon and benefit the Parties and their respective successors and assigns.

39. **Good Faith**. The Parties covenant and agree to act in good faith in the performance and enforcement of the provisions of this Agreement.

40. **Confidentiality Agreement**. The Authority acknowledges that certain portions of the materials to be exchanged pursuant to this Agreement contain sensitive and proprietary information relating to the Developer, the Property, and the Apartment Project and that disclosure could cause irreparable harm if such materials were to be made available to the general public. Additionally, certain of the materials to be exchanged may be trade secrets or copyrighted. The Parties further acknowledge that the Authority is subject to the requirements of the Wisconsin Public Records Law, Wis. Stats. §§19.21 et seq. Under these statutes, all documents and records are subject to public disclosure, unless there is a statutory, common law, or public policy reason for nondisclosure. The Parties acknowledge that this Agreement is subject to the provisions of the Public Records Law of the State of Wisconsin (Wis. Stat. Section 19.21 et seq.)

41. **Force Majeure**. No Party shall be responsible to the other Party for any resulting losses, and it shall not be an Event of Default hereunder, if fulfillment of any of the terms of this Agreement is delayed or prevented by reason of acts of God, inclement weather, civil disorders, pandemics, national epidemics, wars, acts of enemies, strikes, lockouts, or similar labor troubles, fires, floods, legally required environmental remedial actions, shortage of materials, relocation of utilities, or by other cause not within the control of the Party whose performance was interfered with ("Force Majeure"), and which by the exercise of reasonable diligence such Party is unable to prevent. The time for performance shall be extended by the period of delay caused by such Force Majeure.

[Signature Pages Follow]

AGREED TO BY AND BETWEEN the Developer and the Authority on the date first set forth above.

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS

By: ______________________________

Name: _____________________________

Title: _____________________________

Dated: ______________________________

Approved as to form this _____ day of ______________, 2026.

Name:

Title: ________________________

SONA LOFTS II LLC

By: Mandel/SoNa Lofts II LLC

By: BR Mandel LLC
Its: Manager

By: ____________________________

Barry R. Mandel, Manager

Dated: ____________________________

EXHIBITS TABLE

Exhibit A - Property (Lot 2 and Lot 3)

Exhibit B - Warranty Deed Form (Lot and Lot 3)

Exhibit C - Memorandum of Agreements

Exhibit B – Warranty Deed

WARRANTY DEED

Document Number

Document Name

THIS DEED, made between the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS and the City of West Allis, (the "Grantors"), and SONA Lofts II, LLC, a Wisconsin limited liability company, (the "Grantee").

Grantors, for a valuable consideration, conveys to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in Milwaukee County, State of Wisconsin ("Property"):

See Exhibit A Legal Description

Recording Area

Name and Return Address

Parcel Identification Number:
See attached Exhibits A.
This is not homestead property.

Grantor warrants that the title to the Property is good, indefeasible in fee simple, and free and clear of all encumbrances except easements, covenants, and restrictions of record.

This Warranty Deed is dated as of ______________________, 2026.

[SIGNATURE PAGE FOLLOWS]

This Instrument Drafted By:
Patrick Schloss, Executive Director

IN WITNESS WHEREOF, said **COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS** has caused its duly authorized officer to execute and deliver this Warranty Deed as this ___ day of _____________, 2026.

GRANTOR:

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS

By: ____
Name: Patrick Schloss
Title: Executive Director

ATTEST:

By: __________________________________
Name: Kail Decker
Title: City Attorney

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

Personally came before me this ____ day of __________________, 2026, the above-named ________________________ and _____________________, to me known to be the ______________________ and ______________________, respectively, of ______________________________, and to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Printed Name:

Notary Public
Milwaukee County, Wisconsin
My Commission expires: _________________________________

Exhibit A

PARCEL 1:

Lot Three (3) of CERTIFIED SURVEY MAP NO. 9370 recorded in the Office of the Register of Deeds for Milwaukee County, Wisconsin on December 02, 2021, as Document No. 11193094, said certified survey map being a redivision of Lots 1, 2 and 3 of Certified Survey Map No. 8866, being a part of the Southwest 1/4 and Northwest 1/4 of the Northeast 1/4 of Section 3, Township 6 North, Range 21 East, in the City of West Allis, Milwaukee County, Wisconsin.

Property address: 1605 South 66th Street, West Allis WI, 53214
Tax Parcel No.: **454-0655-000**

PARCEL 2:

Lot Two (2) of CERTIFIED SURVEY MAP NO. 9715 recorded in the Office of the Register of Deeds for Milwaukee County, Wisconsin on December 09, 2025, as Document No. 11561305, said certified survey map being a redivision of part of Lot 1 and all of Lot 4 of Certified Survey Map No. 9370, being a part of the Southwest 1/4 and Northwest 1/4 of the Northeast 1/4 of Section 3, Township 6 North, Range 21 East, in the City of West Allis, Milwaukee County, Wisconsin.

Property Address: 6680 West Mitchell Street, West Allis WI, 53214
Tax Parcel No.: **454-9006-000**

Exhibit C

Memorandum of Agreements

Document Number __________________

This space is reserved for recording data

Return to

Joshua P. Roling
Foley & Lardner LLP
777 East Wisconsin Ave.
Milwaukee, Wisconsin 53202

Parcel Identification Number/Tax Key Number
454-0655-000
454-9006-000

NOTICE IS HEREBY GIVEN that (1) a Purchase and Sale Agreement: SONA II Lofts, (2) a Development Agreement, and (3) a Development Financing Agreement have been made and entered into as of the _____ day of May, 2026 (collectively, the "Agreements"), by and among the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS, a separate body politic created by ordinance by the City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes, the City of West Allis, a municipal corporation, and SONA LOFTS II LLC, a Wisconsin limited liability company, and its successors and assigns, and, as applicable, wherein the parties have set forth certain terms and conditions governing the sale, purchase, and development of certain lands located in the City of West Allis, Milwaukee County, State of Wisconsin, legally described on **Exhibit "A"**, attached hereto and made a part hereof.

For Notice Purposes. This Memorandum of Agreements (this "Memorandum") is entered into for notice purposes only, and anyone relying hereon is put on notice that this Memorandum is only a summary of certain terms and conditions set forth in the Agreements, and the Agreements contain additional terms and conditions not set forth herein, including an agreement requiring, under certain circumstances, payments in lieu of taxes. Nothing contained herein shall modify or amend the terms of the Agreements, and if the terms of this Memorandum conflict with the terms of the Agreements, the Agreements shall control.

Counterparts. This Memorandum may be executed in one or more counterparts which, when taken together, shall constitute one original.

(SIGNATURE PAGE FOLLOWS)

This instrument was drafted by: Patrick Schloss, Executive Director, 7525 W. Greenfield Avenue, West Allis, WI ,52314

IN WITNESS WHEREOF, the undersigned have executed and delivered this Memorandum of Agreements.

COMMUNITY DEVELOPMENT AUTHORITY OF
THE CITY OF WEST ALLIS

By: ____

Name:__Patrick Schloss ____________________________________

Its:__Executive Director ____

State of Wisconsin)
) ss
Milwaukee County)

Personally, came before me this ______ day of ___________, 2026, ______________, the ______________ of the Community Development Authority of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said Authority.

____

__ (SEAL)

( )
Notary Public, State of Wisconsin
My Commission Expires: ________________

SONA LOFTS II LLC

By: Mandel/SoNa II Lofts LLC
Its: Manager
By: BR Mandel LLC
Its: Manager

By: ______________________________________

Barry R. Mandel, Manager

State of Wisconsin)
) ss
Milwaukee County)

Personally, came before me this ______ day of ___________, 2026, the above-named Barry R. Mandel, Manager of BR Mandel LLC, the Manager of Mandel/SoNa II Lofts LLC, the Manager of SoNa Lofts II LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of said company.

_____________________________________(
SEAL)

( )
Notary Public, State of Wisconsin
My Commission Expires:
____

CITY OF WEST ALLIS

By: ____

Dan Devine, Mayor

By: ____

Tracey Uttke, City Clerk

State of Wisconsin)
) ss
Milwaukee County)

Personally, came before me this ______ day of ____________, 2026, Dan Devine, the Mayor of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said City.

____

__ (SEAL)

( )
Notary Public, State of Wisconsin
My Commission Expires: _________________

State of Wisconsin)
) ss
Milwaukee County)

Personally, Tracey Uttke, the City Clerk of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said City.

____

__ (SEAL)

( )
Notary Public, State of Wisconsin
My Commission Expires: ________________

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