

September 22, 2023

Mr. Patrick Schloss, Mr. Shaun Mueller
City of West Allis
7525 W. Greenfield Ave.
West Allis, WI 53214

1. **RE: Letter of Intent – Development Agreement** – 6424-26 W. Greenfield Ave. (439-0145-002), 13** S. 65 St. (439-0146-000), and 6414-22 W. Greenfield Ave. (439-0144-001).

The purpose of this Letter of Intent is to outline the principal terms and conditions of a development agreement (the "Development Agreement") to be entered into by and between Jeff Hook of JJH3group LLC and Joe Galbraith of Galbraith Carnahan Architects LLC and/or real estate entity to be formed for purposes of the real estate development ("Developer") and the Community Development Authority of the City of West Allis, WI ("City") for the redevelopment of the 6400 block of W. Greenfield Ave. West Allis, WI (the "Building" or "Project").

Developer and CDA agree to be bound by the following terms:


1. **Exclusive Negotiation Period.** As a condition to Developer's agreement to proceed and expend significant resources and due diligence costs in connection with the Project:
 - a. CDA agrees to exclusively negotiate with Jeff Hook and Joe Galbraith and/or real estate entity to be formed for the purposes of the real estate development, for the development of the Project for a period of not less than ninety (90) days from the date hereof to allow time to finalize and execute the Development Agreement (the "Exclusive Negotiation Period").
 - b. The CDA agrees to offer an extension of thirty (30) days beyond the original 90 days upon the Developer demonstrating progress on items stated under Item 3 and obligation of \$5,000 earnest funds that shall be refundable if the conditions are not waived to proceed to closing. Further, the earnest funds shall be dedicated to the acquisition of the property and any remaining balance shall be returned to the Developer at Closing.
 - c. During the Exclusive Negotiation Period, CDA and Developer agree to work in good faith to negotiate the terms of a prospective Development Agreement. After the last day of the Exclusive Negotiation Period, if, after good faith efforts, CDA and Developer have not been able to reach agreement on the Development Agreement, CDA shall have the right to enter negotiations for the development of the Project with any other person or entity without further obligation or liability to Developer.
 - d. The CDA shall provide any records regarding the properties in review by the Developer.
 - e. The CDA shall provide evidence of Seller's ownership interest in the properties.
2. **Due Diligence Period and Condition of Title:** During the Exclusive Negotiation Period, Developer may do any of the following at its own cost and at its own discretion:


- a. Conduct due diligence investigations on the Project to determine whether the Project is feasible.
 - b. Conduct and order surveys and examine the Project and any improvements thereon, including, but not limited to, the physical condition of the Project and any improvements, the availability of access, water, sewer and other utilities and services on the Project and the costs of securing same, the existence of hazardous or toxic substances or pollutants, and the zoning and applicable governmental regulations, statutes and ordinances pertaining to the Project, at any time, with any persons whom it shall designate, including without limitation of the foregoing, appraisers, contractors, engineers and soil testing personnel.
 - c. Order a current commitment for title insurance (the "Title Commitment") for the Project disclosing all matters of record which relate to the title to the Project, and a legible copy of each of the instruments and documents referred to in the Title Commitment. The parties will work together to resolve any issues disclosed in the Title Commitment, and the CDA acknowledges that the inability to satisfactorily resolve any title objections may impair the future development of the Project.
3. **Not Binding.** The parties agree that the following terms are not binding and none of the terms thereof shall be enforceable against any party, Jeff Hook, or Joe Galbraith and/or real estate entity to be formed for the purposes of the real estate development unless a definitive Development Agreement is fully executed and delivered to the parties. In no event shall CDA or Developer have any obligation to each other under this Letter of Intent to purchase, sell or finance the Property. During the Exclusive Negotiation Period, Developer and CDA shall endeavor to create a Development Agreement with terms like the following:
- a. **Project:** Developer shall renovate the building to standards to be determined through Developer's plans and specifications that will be developed and submitted to the CDA in conjunction with the project proposal. This will include a renovation of the building's core and shell and interior improvements.
 - b. **Acquisition:** CDA shall enter negotiations with the Developer to convey fee simple title to the Project to Developer for an agreed-upon purchase price. The CDA paid \$700,000 for the – 6424-26 W. Greenfield Ave. (439-0145-002), 13** S. 65 St. (439-0146-000), and 6414-22 W. Greenfield Ave. (439-0144-001). CDA shall seek to have the City of West Allis convey 6400 W. Greenfield Ave. (439-0141-001) and 1351 S. 64th St. (439-0147-001) to Developer for a purchase price negotiated by the parties to the transaction.
 - c. **Project Budget:** Developer shall further research and detail the project budget.
 - d. **Vision.** The developer will prepare a vision for the Project, outlining the reuse of the Properties and Land that include architectural renderings, elevations, perspectives, etc

e. **Financial Structure.** The developer shall provide a complete pro forma. Parties will review the financial need proposed by the Developer for the Project and develop plans that will work to attract private financing and equity.

The parties hereby agree that these terms are acceptable by providing signature below:

DEVELOPER:

BY: 
NAME: Jeffrey J. Hook
ITS: Principal of JJH3group LLC.

BY: 
NAME: Joe Galbraith
ITS: Partner of Galbraith Carnahan Architects LLC.

Community Development Authority of the City of West Allis:
City of West Allis, Wisconsin

BY: 
NAME: Patrick Schloss
ITS: Executive Director, Community Development Authority

