



HAWTHORN & STONE
DEVELOPMENT, INC.

February 25, 2013

Mo Hansen
Clerk/Treasurer
City of Waterloo
136 North Monroe Street
Waterloo, WI 53594

RE: LETTER OF INTENT -- PROPOSED REDEVELOPMENT AND REUSE OF THE LISTED PROPERTIES:

<u>Parcel Number</u>	<u>Site Address</u>
<u>290-0813-0643-049</u>	565 W MADISON ST
<u>290-0813-0644-026</u>	217 N MONROE ST
<u>290-0813-0644-065</u>	333 W MADISON ST
<u>290-0813-0711-040</u>	207 S JACKSON ST
<u>290-0813-0711-043</u>	No Street Address
<u>290-0813-0711-053</u>	200 S JACKSON ST

This letter of intent shall confirm our discussions with respect to the following:

Hawthorn & Stone Development Inc. ("HSD") and the City of Waterloo ("City") wish to formalize their relationship with respect to the reuse and redevelopment of the parcels listed above, and to set out the terms and conditions for drafting a development agreement and associated documents.

• OBJECTIVES

Phase 1 – HSD seeks to take title to clean redevelopment sites for the purpose of constructing an assisted living facility on the current corporate office location and a multi-family residential structure on a portion of the manufacturing facility parcel in 2014.

Phase 2 – HSD seeks to construct a multi-family residential structure in 2017 on a portion of the manufacturing facility.

Phase 3 – HSD seeks to build-out additional structures as the real estate market demands on the current manufacturing facility site.

HSD seeks to aid and assist the City to bring about the productive reuse of the remaining parcels. HSD is offering to take title to properties at such time as a real estate management role is necessary to ensure a suitable reuse for the three warehouses on South Jackson Street and the current parking lot location at 207 N Monroe Street.

● PROJECT SCOPE

Phase 1 is to create in excess of \$5,038,000 in taxable assessed value and property value beginning with construction in 2014 with the minimum values identified by the January 1, 2015 municipal assessment. Phase 2 is to create in excess of \$2,565,000 in taxable assessed property value and personal property beginning with construction in 2017 and the minimum values identified by the January 1, 2018 municipal assessment.

● ROLE OF CITY

HSD seeks to partner with the City to ensure that the parcels making up the redevelopment acreage (565 W Madison Street, 333 West Madison Street and 200 South Jackson Street) are suitable for construction in a timely manner.

● ROLE OF HSD

The role of the developer is to benefit the community by bringing new residential housing and a care facility to Waterloo in a manner that increases the net tax base over the life of the project.

● USE OF TAX INCREMENTAL FINANCING

To finance a portion of the private development, HSD seeks to enter into a development agreement containing provisions allowing for HSD to secure private financing using a portion of the future increment generated over a fifteen year period.

This funding strategy puts the burden on HSD to successfully complete the project phases, thus generating the tax increment. It also frees the City from undesirable up front borrowing and the associated risks.

It is anticipated that after the redevelopment sites are sufficiently razed and the sites are suitable for redevelopment, that the boundaries of Tax Incremental District #2 would be amended to include the parcels listed above, which are not already in District #2.

Tax Incremental District #2 has a statutory life of 24 years. It can remain open until 2037. The development assumptions of the approved project plan call for municipal expenditures in 2013 and beyond. We seek to demonstrate through submittal of a Pro Forma spreadsheet and other documentation, that sufficient tax increment will be generated over a 15 to 17 year period to make the City whole for upfront expense, and to pay-off a loan secured by the tax increment.

● SOURCES OF PHASE 1 & 2 PROJECT FUNDING

Total sources of funds for phases 1 and 2 are anticipated to total to \$10,135,800.

HSD and its investors intend to invest: \$1,520,370 (Investor Equity)

HSD intends to seek private financing of: \$5,750,755 (Loan 1)

HSD seeks private financing secured by equal TID increment, over 15 years \$2,364,674 (Loan 2)

HSD seeks City participation for initial funding (above demolition expense) \$500,000

TOTAL -- SOURCES OF FUNDS \$10,135,800

- OWNERSHIP OF PROPERTY

Contingent upon City receiving title of the properties in the immediate near term, HSD seeks to take title to the parcels currently containing the corporate office and the manufacturing facility as soon as they are suitable for construction.

- PREPARATION OF REDEVELOPMENT SITES

In advance of the transfer of title from the City to HSD, HSD offers to make available its staff to coordinate and carryout the necessary site demolition. Additionally, we recognize that quickly spinning-off the reuse sites can only be a plus for the community.

- PUBLIC INFRASTRUCTURE REQUIREMENTS

Until such time as preliminary engineering can be completed the necessary public improvements are not known. At this time it is assumed that the infrastructure needs of corporate building are minimal to none. Based upon comments from the City Engineer we have an initial understanding that the sizing of available utilities (sanitary sewer connection, water pressure, electrical service, etc) are suitable at the manufacturing facility site.

We acknowledge that in 2017 a reconstruction of West Madison Street will occur. We seek to work with the City as they develop detailed plans to both create the optimal access points to the redevelopment and to minimize municipal expense in the process.

- REUSE OF CERTAIN PARCELS

For the North Monroe Street parking lot and the warehouses, HSD offers to take ownership of the parcels at such time as an owner is needed to lease retro-fit and make ready the parcels for reuse for a known third party.

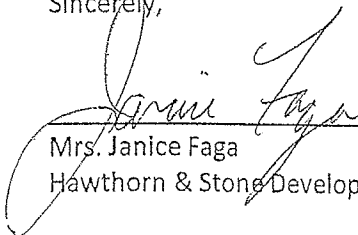
- STORM WATER MANAGEMENT IMPROVEMENTS

The Maunasha River is a major asset for this project. HSD intends to partner with the City to redevelop the lands adjacent to the river under HSD ownership in a way that enhance storm water quality and flood fringe capacity along the river. By removing over 300,000 square feet of impervious surface next to the river, the Maunasha River will have a greater capacity to withstand flooding events benefitting the whole community.

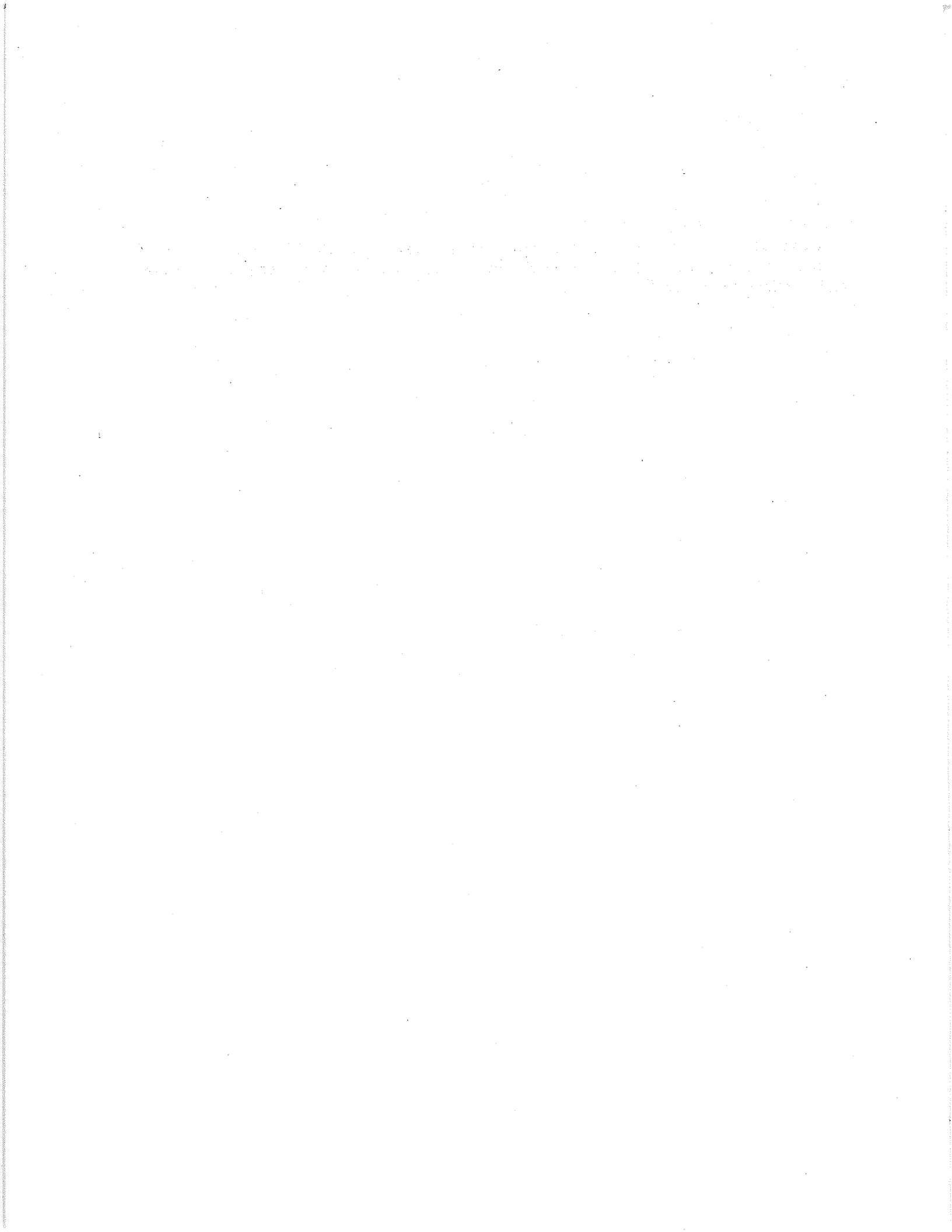
- SURETY

Hawthorn and Stone Development will establish a line of Credit, Bond, or similar instrument of guarantee that will ensure the security of any upfront dollars provided by the City of Waterloo.

Sincerely,


Mrs. Janice Faga
Hawthorn & Stone Development Inc.


Mr. Aaron Otto
Hawthorn & Stone Development Inc.





136 North Monroe Street, Waterloo, Wisconsin 53594-1198
Phone (920) 478-3025
Fax (920) 478-2021

RESOLUTION #2013-07

AUTHORIZING THE SUBMITTAL OF A COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION TO FACILITATE SITE PREPARATION FOR REDEVELOPMENT OF THE RR DONNELLEY LEASED PROPERTIES

The Common Council of the City of Waterloo, Wisconsin does hereby resolve as follows:

WHEREAS, municipal staff has been in negotiations with WP Carey Inc. relating to acquisition of properties currently owned by WP Carey Inc. and leased by RR Donnelley Inc., and;

WHEREAS, municipal staff has been in negotiations with Hawthorn & Stone Development Inc. relating to redevelopment and reuse of parcels (listed below) to ensure future redevelopment and reuse directly or indirectly benefitting the community in accordance with the municipal Comprehensive Plan; and

Legal Description of the Property

<u>Parcel Number</u>	<u>Site Address</u>	<u>Municipality</u>
<u>290-0813-0643-049</u>	565 W MADISON ST WATERLOO WI 53594	City of Waterloo
<u>290-0813-0644-026</u>	217 N MONROE ST WATERLOO WI 53594	City of Waterloo
<u>290-0813-0644-065</u>	333 W MADISON ST WATERLOO WI 53594	City of Waterloo
<u>290-0813-0711-040</u>	207 S JACKSON ST WATERLOO WI 53594	City of Waterloo
<u>290-0813-0711-043</u>	No Parcel Address	City of Waterloo
<u>290-0813-0711-053</u>	200 S JACKSON ST WATERLOO WI 53594	City of Waterloo

WHEREAS, it is anticipated that Hawthorn & Stone Development Inc. will formally seek public assistance from the City of Waterloo relating to site preparation for multiple properties listed; and

WHEREAS, State of Wisconsin offers Community Development Block Grant matching grants to qualifying projects for Public Infrastructure, Community Facilities, and Downtown Redevelopment projects in an amount not to exceed \$500,000.

THEREFORE, BE IT RESOLVED, the City Council of the City of Waterloo, Wisconsin directs municipal staff to submit an application to the state for Community Development Block Grant funds in an amount not to exceed \$500,000 for the purposes of facilitating reuse and redevelopment of the properties and projects contained within, and related to, potential Hawthorn & Stone Development Inc. work in the community.

Passed and adopted: February 21, 2013

City of Waterloo

Signed: _____

Robert H. Thompson, Mayor

Attest: _____

Morton J. Hansen, Clerk/Treasurer

SPONSOR(S) – Mayor Thompson and Clerk/Treasurer

FISCAL NOTE – An approved and municipally accepted grant requires a \$500,000 match. Existing funds from TID #1 transferred to TID #2, developer contributions and future tax increment are identified as sources for the match



136 North Monroe Street, Waterloo, Wisconsin 53594-1198
Phone (920) 478-3025
Fax (920) 478-2021

RESOLUTION #2013-09

**PURCHASE AND SALE AGREEMENT BETWEEN
PRINT (WI) QRS 12-40, INC,
A WISCONSIN CORPORATION HAVING OFFICE AT
C/O W.P. CAREY INC., 50 ROCKEFELLER PLACE, NEW YORK, NY
AND
THE CITY OF WATERLOO**

The Common Council of the City of Waterloo, Wisconsin does hereby resolve as follows:

WHEREAS, the City of Waterloo desires to facilitate the redevelopment and reuse of properties currently underutilized and falling into disrepair, and;

WHEREAS, representatives of WP Carey have offered all Waterloo properties they currently lease to RR Donnelley Inc. to the City of Waterloo for ten dollars.

NOW, THEREFORE, BE IT RESOLVED, that the Waterloo City Council does agree to enter into the purchase and sale agreement as referenced in the title of the resolution and as presented on this night.

Adopted: _____, 2013

City of Waterloo

Signed: _____
Robert H. Thompson, Mayor

Attest:

Morton J. Hansen, Clerk/Treasurer

SPONSOR(S) – Clerk/Treasurer

Funding: TID #2

DRAFT OF MARCH 4, 2013

PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

PRINT (WI) QRS 12-40, INC,

a Wisconsin corporation,

as Seller

AND

City of Waterloo,

a municipal corporation

as Buyer

City of Waterloo
Jefferson County, WI
Parcel Numbers:

290-0813-0643-049;
290-0813-0644-026;
290-0813-0644-065;
290-0813-0711-040;
290-0813-0711-043;
290-0813-0711-053.

Dated: March __, 2013

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of the ___ day of March, 2013, by and between PRINT (WI) QRS 12-40, INC, a Wisconsin Corporation, having an office at c/o W.P. Carey Inc., 50 Rockefeller Plaza, Second Floor, New York, New York 10020 ("Seller"), and City of Waterloo, a municipal corporation, having an address of 136 North Monroe Street, Waterloo, Wisconsin 53594-1198 ("Buyer").

WITNESSETH:

WHEREAS, Seller is the owner of certain Property (as defined below) situated in Waterloo, Wisconsin; and

WHEREAS, Seller is willing to sell the Property to Buyer and Buyer is willing to purchase the Property from Seller, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

I. Definitions In addition to other words and terms defined elsewhere in this Agreement, as used herein the following words and terms shall have the following meanings unless the context hereof otherwise clearly requires:

"Closing" shall mean the consummation of the purchase and sale of the Property in accordance with the terms of this Agreement.

"Effective Date" shall mean the date set forth on the first page of this Agreement, which shall be the date upon which both parties have executed this Agreement.

"Escrow Agent" shall mean _____, having an address of _____, Attn: _____.

"Improvements" shall mean the buildings and other improvements presently located on the Land.

"Land" shall mean those certain parcels of land described in "Exhibit A" hereto.

"Outside Date" shall mean Outside Date as defined in Section 4.

"Property" shall mean (a) the Land, together with all of the, tenements, hereditaments and appurtenances belonging or in any way appertaining to such real property, and all of Seller's right, title and interest in and to (i) any and all property lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining such real property to the center line thereof, (ii) any strips and gores of land adjacent to, abutting or used in connection with such real property, and (iii) any easements and rights, if any, inuring to the benefit of such real property or to Seller in connection therewith, and (b) the Improvements and Seller's right title and interest in all warranties, guaranties, plans, specifications, surveys and other reports relating to such improvements.

1. Purchase and Sale of Property. Subject to the terms, provisions and conditions set forth herein, Seller hereby agrees to sell the Property to Buyer, and Buyer hereby agrees to purchase the Property from Seller.

2. Purchase Price for Property. The Purchase Price for the Property shall be One and 00/100 Dollar (\$1.00), paid in full by Buyer at the Closing by wire transfer of immediately available federal funds, as Seller shall direct, subject to the adjustments provided for herein.

3. Closing.

(a) The Closing shall take place on a date (the "Closing Date") mutually acceptable to Buyer and Seller, but in no event later than five (5) days after the Due Diligence Date (the "Outside Date"). Time is of the essence with respect to closing no later than the Outside Date. The Closing shall occur via escrow.

(b) Settlement-Seller. At the Closing, Seller shall deliver to Buyer:

(i) A duly executed quit claim deed with respect to the Property in the form attached hereto as Exhibit "B" (the "Deed");

(ii) A duly executed FIRPTA Certificate pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended;

(iii) A Bill of Sale in the form attached hereto as Exhibit "C";

(iv) Authorization documents of Seller;

(v) Such other documents as are reasonably required to complete the transaction contemplated herein.

(c) Settlement-Buyer. At the Closing, Buyer shall deliver to Seller:

(i) The Purchase Price, as adjusted for any deductions, prorrations, and credits provided for herein;

(ii) Authorization documents of Buyer; and

(iii) Such other documents as are reasonably required to complete the transaction contemplated herein.

4. Title and Condition of Property; Due Diligence Review; Indemnification of Seller.

(a) State of Title. Buyer shall take title to the Property subject only to the Permitted Exceptions. "Permitted Exceptions" shall mean:

(i) [intentionally omitted];

(ii) all local, state and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances, regulations and restrictions, now or hereafter in effect relating to the Property, and any violations thereof;

(iii) all consents by Seller or any former owner of the Property for the erection of any structure or structures on, under or above any street or streets on which the Property may abut;

(iv) all unpaid installments of taxes and/or assessments not due and payable on or before the Closing Date subject to adjustment as provided for herein;

(v) all rights of utility companies to erect, maintain and operate lines, wires, poles, cables and distribution boxes, in, over, under and upon the Property;

(vi) all covenants, restrictions, easements, reservations and other agreements of record, if any;

(vii) all state of facts, circumstances or conditions upon or effecting the Property caused or permitted by Buyer, and

(viii) any state of facts that an accurate survey would disclose.

(b) Condition of Property. Buyer acknowledges and agrees that Buyer shall accept the Property in "AS IS, WHERE IS CONDITION, WITH ALL FAULTS." Buyer hereby acknowledges that it shall not be entitled to, and does not and will not, rely on Seller or its agents as to (i) the quality, nature, adequacy or physical condition of the Property including, but not limited to, the structural elements, foundation, roof, appurtenances, access, landscaping, parking facilities or the electrical, mechanical, HVAC, plumbing, sewage or utility systems, facilities or appliances at the Property, if any; (ii) the quality, nature, adequacy or physical condition of soils or ground water at the Property, (iii) the existence, quality, nature, adequacy or physical condition of the utilities serving the Property; (iv) the development potential of the Property for any particular purpose; (v) the zoning or other legal status of the Property; (vi) the Property or its respective operations' compliance with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions or restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vii) the quality of any labor or material relating in any way to the Property; (viii) the condition of title to the Property or the nature, status and extent of any right, encumbrance, license, reservations, covenant, condition, restriction or any other matter affecting title to the Property; (ix) the status of any lease or existence of any defaults by any tenant thereunder; (x) the presence of any underground or aboveground tanks, pits, sumps, drums or other containers; or (xi) the existence or nature of any environmental condition(s) at the Property involving any and all hazardous or toxic materials, substances, pollutants, contaminants or waste currently defined as a "hazardous waste", "hazardous substance", "toxic substance", "waste", "pollutant", "contaminant" or any word of similar import under any Environmental Laws, including, without limitation, oil, petroleum, or any petroleum derived substance or waste, microbial matter, asbestos or asbestos-containing materials, PCBs, explosives, radioactive materials, dioxins, or urea formaldehyde insulation (collectively, "Hazardous Substances"). As used herein, "Environmental Laws" shall include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., the Clean Air Act, 42 U.S.C. § 7401, et seq., the Clean Water Act, 33 U.S.C. § 1251, et seq., the Toxic Substance Control Act, 15 U.S.C. § 2601, et seq., and the Occupational Safety and Health Act, 29 U.S.C. § 651, et seq., as any of the preceding have been amended prior to the date hereof, and any other federal, state, or local law, ordinance, regulation, rule, order, decision or permit relating to the protection of the environment or of human health from environmental effects of Hazardous Substances and which are applicable to the Property.

BUYER ACKNOWLEDGES THAT BUYER HAS RELIED AND WILL BE RELYING ON ITS OWN DUE DILIGENCE REVIEW IN PURCHASING THE PROPERTY, INCLUDING PHYSICAL INSPECTIONS OF THE PROPERTY, AND THAT THE SAME IS BEING

PURCHASED SOLELY IN RELIANCE UPON SUCH DUE DILIGENCE REVIEW, AND FURTHER ACKNOWLEDGES THAT NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PURPOSE, HAVE BEEN MADE OR WILL BE MADE BY OR ON BEHALF OF SELLER WITH RESPECT TO THE PROPERTY OR THE PHYSICAL CONDITION THEREOF. Without limiting the generality of the foregoing, in the event of any defect or deficiency in the Property, whether latent or patent, Seller shall not have any responsibility or liability with respect thereto, nor any liability for incidental or consequential damages. Upon Closing, Buyer shall be deemed to have waived, released and discharged any claims it has, might have or may in the future have against Seller, Seller's officers, employees or agents, any affiliate of Seller or any of Seller's lenders having a lien on the Property, with respect to the condition of the Property, either patent or latent, the ability or inability to obtain or maintain building permits, temporary or final certificates of occupancy or other licenses for the use or operation of the Property, and/or certificates of compliance for the Property, the actual or potential income or profits to be derived from the Property, the real estate taxes or assessment now or hereafter payable thereon, compliance with the federal Americans with Disabilities Act ("ADA") or any state or local accessibility standards, or with any environmental protection, pollution, subdivision or land use laws, rules, regulations or requirements, and any other state of facts which may exist with respect to the Property. Furthermore, by executing this Agreement, Buyer, on behalf of itself and its officers, directors, employees, agents, heirs, successors and assigns, acknowledges does hereby fully and completely release and discharge Seller, and all officers, directors, agents, attorneys, employees, servants, subsidiaries, affiliated companies, parent companies, insurance companies, divisions, successors, and representatives of Seller (collectively, the "Released Parties"), and its successors, and assigns, and each of them, who may be liable to the undersigned or the assigns, executors, successors, and administrators of them from any and all claims, rights, actions, causes of action, demands, payments, attorneys' fees, benefits, damages, costs, cleanup and removal costs, expenses, natural resource damages, and compensation whatsoever (collectively, "Claims") which Buyer now has or which may hereafter accrue arising from the purchase and sale of the Property or operations on the Property and/or from any and all claims, rights and actions relating to the Property, irrespective of any action, inaction or negligence of any of the Released Parties, including but not limited to the following: (A) claims for statutory consumer fraud and/or common law fraud; (B) direct claims and/or contribution actions for cleanup and removal costs and natural resource damages under Environmental Laws or at common law, other laws or in equity; and (C) third party claims (including government agencies) or toxic tort claims arising out of any Hazardous Substances discharged, released, disposed of, or stored at the Property, or third-party claims (including government agencies) or toxic tort claims arising out of any Hazardous Substances present, discharged, released, disposed of or stored at the Property prior to the Effective Date. Buyer hereby agrees not to institute, prosecute, facilitate or, absent a court order or other binding court process, assist in the institution or prosecution of any action, claim, proceeding or suit against any of the Released Parties, directly or indirectly, arising from or out of, or in connection with, any Claim arising out of any environmental conditions on, at, under or from the Property, whether such environmental conditions existed or occurred prior to or after the Closing and regardless of whether such conditions were caused by the acts or omissions of the Released Parties or by third parties.

(c) Due Diligence Review. From the Effective Date until 5:00 p.m. (local time at the Property) on the fifth (5th) day following the Effective Date (the "Due Diligence Date"), Buyer shall have the right to inspect and review all matters relating to the Property upon advance written notice to Seller. Notwithstanding the foregoing, Buyer shall not have the right to conduct any boring, drilling or other invasive tests or procedures on or about the Land or the Improvements without the prior written consent of Seller, which consent may be granted or withheld in Seller's reasonable discretion and which consent may be subject to conditions imposed by Seller in its sole discretion, including without limitation (i) the prompt restoration, at Buyer's sole cost and expense, of the Property to its condition prior to any such inspections or tests, and (ii) that Buyer provide Seller with evidence of insurance which Seller deems adequate in its sole discretion. Buyer understands

and agrees that any on-site inspections of the Property shall be subject to the rights of any tenant occupying all or any portion of the Property and shall occur at reasonable times agreed upon by Seller and Buyer after at least 24 hours advance notice to Seller. At any time prior to 5:00 p.m. (local time at the Property) on the Due Diligence Date, Buyer, in its sole and absolute discretion, may elect to terminate this Agreement by written notice to Seller, whereupon neither party shall have any further liability to the other hereunder (other than rights and obligations arising under this Agreement which by their terms are to survive such termination). Upon the Effective Date, to the extent such items are in Seller's possession, Seller shall deliver to Buyer copies of all environmental reports related to the Property (collectively, the "Disclosure Documents"). All Disclosure Documents are delivered or made available to Buyer without representation, warranty or recourse.

(d) Seller's Indemnity. Buyer shall promptly and at Buyer's expense restore the Property and repair any damage resulting from Buyer's entry on to the Property to the condition the Property was in prior to such entry. Buyer hereby indemnifies, defends and holds harmless Seller from and against any and all loss, cost, damage, claim and liability which Seller may sustain arising out of Buyer's or Buyer's agent's, employees' or contractors' entry upon the Property. Buyer's obligations set forth in this Section 5(d) shall survive the Closing or earlier termination of this Agreement.

(e) Confidentiality. Buyer acknowledges and agrees that the Disclosure Documents and any other information Buyer receives about the Property are proprietary and confidential in nature and will be delivered to Buyer solely to assist Buyer in determining the feasibility of purchasing the Property. Further, each party hereto agrees to maintain in confidence, and not to discuss with or to disclose to any person or entity who is not a party to this Agreement, any such document or information, or the information contained herein or any material term of this Agreement or any aspect of the transactions contemplated hereby, except as provided in this Section. Buyer shall not disclose to anyone other than its officers, employees and financiers the documents and information provided by Seller to Buyer which is not generally known by the public regarding Seller's operations and/or the Property. Each party hereto may discuss such matters with and disclose such matters to its employees, accountants, attorneys, existing or prospective lenders, investment bankers, underwriters, rating agencies, partners, consultants and other advisors to the extent such parties reasonably need to know such information and are bound by a confidentiality obligation identical in all material respects to the one created by this Section. This provision shall survive termination of this Agreement, but shall terminate upon the Closing. In permitting Buyer to review any documents and information, Seller has not waived any privilege or claim of confidentiality with respect thereto, and no third party beneficiaries or relationships of any kind, either express or implied, have been offered, intended or created.

5. Prorations and Allocation of Expenses.

(a) Prorations. The following items shall be prorated as of midnight preceding the date of Closing: (i) any taxes or assessments, (ii) water and sewer and other utility charges, (iii) amounts payable under any property contract or permits, if any. Notwithstanding any of the foregoing, Seller shall not be responsible for any portion of any special assessments which may be a lien on the Property but are not due and payable until after the Closing.

(b) Seller's Costs and Expenses. At Closing, Seller shall pay the following costs and expenses: (i) the escrow fee, if any, which may be charged by Escrow Agent, (ii) the fee for any title commitment and the premium for any owner's title policy and (iii) fees of Seller's counsel.

(c) Buyer's Costs and Expenses. Buyer shall pay the following costs and expenses: (i) the fee for any endorsements to the owner's title policy referenced in (b) above, (ii) the