



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 (WP CAREY - SELLER) AND CITY OF WATERLOO (BUYER) PARCEL NUMBERS: 209-0813-0643-049; 290-0813-0644-026; 209-0813-0644-065; 290-0813-0711-040; 290-0813-0711-043; 290-0813-0711-053

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 one dollar.

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: April 18, 2013

City of Waterloo

Signed: _____
Robert H. Thompson, Mayor

Attest:

Morton J. Hansen, Clerk/Treasurer

SPONSOR(S) – Mayor & Clerk/Treasurer

Funding: none required

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: April 30, 2013

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of the 30th day of April, 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 City of Waterloo, having an address of 136 North Monroe Street, Waterloo WI 53594, Attn: Clerk/Treasurer.

"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) A copy of the fully executed First Amendment to Lease Agreement between Seller and R.R. Donnelley and Sons Company that includes a provision related to the personal property at the Property in substantially the same form as the provision set forth on Exhibit "D" attached hereto;

(v) Authorization documents of Seller; and

(vi) 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, prorations, 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 fees for recording the Deed, (iii) fees for any environmental inspection of the Property undertaken by Buyer, (iv) fees of Buyer's counsel, and (v) any transfer tax, sales tax, documentary tax, stamp tax or similar tax which is payable by reason of the transfer of the Property, (vi) any transfer tax, sales tax, documentary stamp tax or similar tax which is payable by reason of the mortgaging of the Property, (vii) all other due diligence costs of Buyer.

(d) Other Costs and Expenses. All costs and expenses incident to this transaction and the closing thereof not specifically described above shall be paid by Buyer.

6. Remedies Upon Default. In the event Buyer breaches or defaults under any of the terms of this Agreement prior to Closing, the sole and exclusive remedy of Seller shall be to receive a reimbursement for its actual demonstrable, third-party, out-of-pocket expenses in connection with this Agreement. In the event Seller willfully defaults under any of the terms of this Agreement prior to Closing, Buyer as its sole and exclusive remedy shall be entitled to receive a reimbursement for its actual demonstrable, third-party, out-of-pocket expenses in connection with this Agreement.

7. Risk of Loss. Risk of loss to the Improvements or any part thereof from damage or destruction by fire or other casualty shall remain upon Seller until the Closing. If, between the date hereof and the Closing, any portion of the Improvements shall be substantially damaged or destroyed by fire or other casualty Buyer shall have the option, exercisable by notice to Seller given on or before the second (2nd) day following its receipt of notice of such casualty, to either (a) terminate this Agreement and neither party shall have any further liability to the other hereunder (except for any rights and obligations arising under this Agreement which by their terms survive such termination), or (b) elect to proceed with this Agreement and pay the full Purchase Price, in which case Seller shall assign to Buyer any insurance proceeds to which Seller may be entitled or may have received as a result of such damage, destruction, casualty or loss. If Buyer fails to give such written notice, Buyer shall be conclusively deemed to have chosen option (b). The term "substantially damaged or destroyed" shall mean damage that will cost more than \$500,000 to restore. In addition, if there is a Taking (as such term is defined herein) of all or any portion of the Property prior to Closing, Buyer may, at its option and by written notice to Seller on or before the Due Diligence Date, cancel this Agreement. If Buyer does not elect to cancel this Agreement in the event of a Taking, the sale shall take place with respect to the portion of the Property not subject to the Taking on the date scheduled for the Closing Date and Buyer shall pay the total purchase price provided herein and Seller shall pay to Buyer all condemnation proceeds previously received by Seller and shall assign to Buyer at Closing the right to receive any additional condemnation proceeds which are to become payable to Seller as a result of such Taking. "Taking" shall mean the occurrence of any taking by eminent domain or condemnation by any governmental authority or by any similar proceeding of all or any portion of the Property (other than a street-widening or other de minimis portion), or any sale or transfer in lieu thereof.

8. Miscellaneous Provisions.

(a) Brokers. Seller and Buyer represent to each other that they have dealt with no broker in the transaction contemplated herein, and shall indemnify and hold harmless one another from loss, liability, or expense arising from claims of any broker if such claims are based in whole or part on an alleged contract or agreement with Buyer or Seller.

(b) Arbitration. If a controversy arises with respect to the subject matter of this Agreement or the transaction contemplated herein, Buyer and Seller agree that such controversy shall be settled by final arbitration in accordance with the Commercial Arbitration

Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction hereof.

(c) Assignment; Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of Seller and Buyer and their respective successors and assigns and, except as provided for herein, may not be assigned or transferred by either party without having first obtained the consent of the other party. Notwithstanding the foregoing, Buyer may assign this Agreement without Seller's consent to any entity in which Buyer has an interest, provided such assignee agrees to be bound by all provisions, representations and warranties set forth in this Agreement and Buyer shall remain jointly and severally liable hereunder.

(d) Representation of Buyer. Buyer hereby represents to Seller that it has the authorization to close the transaction contemplated herein.

(e) Captions. The several headings and captions of the Sections and subsections used herein are for convenience of reference only and shall in no way be deemed to limit, define or restrict the substantive provisions of this Agreement.

(f) Entire Agreement; Recording. This Agreement constitutes the entire agreement of Buyer and Seller with respect to the purchase and sale of the Property, and supersedes any prior or contemporaneous agreement with respect thereto. No amendment or modification of this Agreement shall be binding upon the parties unless made in writing and signed by both Seller and Buyer. This Agreement shall not be recorded by any party and, if recorded by any party, the other party hereto may immediately terminate all of its obligations under this Agreement, and the party which recorded this Agreement shall pay the other party's reasonable costs and attorneys' fees incurred in removing this Agreement of record. No provision of this Agreement may be waived except by a waiver in writing signed by the party against which the waiver is asserted.

(g) Time of Essence. Time is of the essence with respect to the performance of all of the terms, conditions and covenants of this Agreement.

(h) Cooperation. Buyer and Seller shall cooperate fully with each other to carry out effectively the purchase and sale of the Property in accordance herewith and the satisfaction and compliance with all of the conditions and requirements set forth herein, and shall execute such instruments and perform such acts as may be reasonably requested by either party hereto.

(i) Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and construed in accordance with the laws and customs of the State of Wisconsin.

(j) Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. Any counterpart transmitted via facsimile or email in portable document format (pdf) shall be treated as originals for all purposes as to the parties so transmitting.

(k) Notices. All notices under this Agreement shall be in writing and shall be deemed to have been properly given if sent by (i) overnight courier, (ii) United States registered or certified mail, postage prepaid, or (iii) facsimile transmission, each addressed to the party for whom intended at the address set forth below (as such address may be changed from time to time in writing), provided the same is promptly followed by a copy of such notice sent by method (i) or (ii) above. All notices hereunder sent by overnight courier shall be deemed effective when sent, all notices hereunder sent by registered or certified mail shall be deemed effective when duly

deposited in any post office or branch post office maintained by the United States government, and all notices hereunder sent by facsimile transmission, shall be deemed effective as of the date of the facsimile transmission provided that an original of such facsimile is also sent to the intended addressee by means described in clauses (i) or (ii) above. Unless changed as provided for herein, the addresses for notices given pursuant to this Agreement shall be as follows:

To Seller:

c/o W.P. Carey Inc.
50 Rockefeller Plaza, Second Floor
New York, New York 10020
Attn: Christopher Hayes
Fax: (212) 492-8922

With copies to:

Reed Smith LLP
599 Lexington Avenue, 29th Floor
New York, NY 10022
Attn: Darren M. Sharlach, Esq.
Fax: 212-521-5450

To Buyer:

City of Waterloo
136 North Monroe Street
Waterloo, WI 53594
Attn: Clerk/Treasurer
Fax: 920-478-2021

(1) Severability. Each covenant, agreement, term or condition of this Agreement shall be construed so as to be valid and enforceable to the fullest extent permitted by law. If any portion of this Agreement or the application thereof in any circumstance or to any person shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such portion to circumstances or persons other than those as to which it is invalid or unenforceable shall be and remain in full force and effect. If fulfillment of any provision of this Agreement, or performance of any transaction related hereto, at the time such fulfillment or performance shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled or performed shall be reduced to the limit of such validity; and if any non-material clause or provision contained in this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be held ineffective, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. In the event that any material provision (or any material part of any provision) contained in this Agreement shall for any reason be held to be invalid, unlawful or unenforceable in any respect, Seller and Buyer shall amend this Agreement so as to render every provision hereby fully valid, lawful and enforceable in all respects, and so as to result in a revised contract with equivalent economic and legal substance as if no provision or portion of this Agreement had been declared invalid, unlawful or unenforceable.

9. OFAC Representation. Buyer hereby represents and warrants to Seller (which representation and warranty shall expressly survive any assignment of this Agreement and the Closing) that: (a) neither of Buyer nor any designee or assignee of Buyer is, nor will any of them become, prior to any Closing contemplated hereunder, an entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and none of them has engaged in any dealings or transactions or be otherwise associated with such persons or entities; (b) none of the funds or other assets of Buyer constitute property of, or are beneficially owned, directly or indirectly, by any person, entity or government subject to trade restrictions under U.S. law, including, but not limited to, The USA PATRIOT Act (including the anti terrorism provisions thereof), the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701, et seq., The Trading with the Enemy Act, 50 U.S.C. App. I et seq., and any Executive Orders or regulations promulgated thereunder including those related to Specially Designated Nationals and Specially Designated Global Terrorists, with the result that the investment in Buyer (whether directly or indirectly), is prohibited by law ("Embargoed Person"); (c) no Embargoed Person has any interest of any nature whatsoever in Buyer or its successors or assigns, as applicable, with the result that the investment in Buyer (whether directly or indirectly), is prohibited by law; and (d) none of the funds of Buyer have been derived from, or are the proceeds of, any unlawful activity, including money laundering, terrorism or terrorism activities, with the result that the investment in Buyer (whether directly or indirectly), is prohibited by law. Buyer and any assignee or designee of Buyer each hereby agree to indemnify, defend and hold harmless Seller with respect to any loss, claim or expense incurred in the event any representation or warranty set forth in this Section 13 is or prior to Closing becomes untrue.

10. WAIVER OF JURY TRIAL. BUYER AND SELLER HEREBY UNCONDITIONALLY WAIVES THEIR RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE DOCUMENTS RELATED HERETO, ANY DEALINGS BETWEEN BUYER AND SELLER RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN BUYER AND SELLER HEREUNDER.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement on the date first above written.

SELLER:

PRINT (WI) QRS 12-40, INC.,
a Wisconsin corporation

By: Christopher Hayes
Title: Director

BUYER:

City of Waterloo,
a municipal corporation

By: Robert H. Thompson
Title: Mayor

EXHIBIT A
Legal Description of the Property

[SEE ATTACHED]

EXHIBIT B

[QUIT CLAIM DEED]

BILL OF SALE

a _____

to

a _____

THIS BILL OF SALE (the "Bill of Sale") is executed as of the ____ day of _____, 2010, by _____, a _____ ("Seller"), in favor of _____, a _____ ("Buyer").

1. Premises. The "Premises" shall mean the land described on Schedule 1.
2. Personal Property. The "Personal Property" shall mean all tangible personal property at the Premises owned by Seller.
3. Sale. For One and 00/100 (\$1.00) Dollars and other good and valuable consideration received by Seller, the receipt and sufficiency of which are hereby acknowledged, Seller hereby sells, assigns and transfers the Personal Property to Buyer. No covenant or warranty on the part of Seller is made or implied to be made to Buyer with respect to the Personal Property. Without limiting the generality of the foregoing, Seller hereby expressly disclaims any warranties as to merchantability and fitness for a particular purpose and any other warranties or representations as to the condition of the Personal Property. Buyer acknowledges and agrees that it has inspected the Personal Property and accepts the same in its present condition, "AS IS, WHERE IS, WITH ALL FAULTS."

IN WITNESS WHEREOF, Seller has executed this Bill of Sale the day and year first above written.

SELLER:

_____, a _____

By: _____
Name: _____
Title: _____

EXHIBIT D

[EXCERPT FROM FIRST AMENDMENT TO LEASE BETWEEN SELLER AND R.R.
DONNELLEY & SONS COMPANY]

Notwithstanding anything to the contrary herein, Landlord agrees to accept surrender of the Waterloo Premises, including any and all tangible personal property remaining at the Waterloo Premises on the Closing Date ("Personal Property"), from Tenant in its "AS-IS" condition as of the Closing Date (for the avoidance of doubt, the Personal Property shall become property of Landlord as of the Closing Date).



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

RESOLUTION #2013-12

ENTERING INTO A SHORT-TERM LEASE AGREEMENT WITH TREK BICYCLE AT 207 SOUTH JACKSON STREET

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 Trek Bicycle Corporation have offered to lease 207 South Jackson Street on a month-to-month basis for \$2,100 per month with the lease obligation running no later than December 31, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the Waterloo City Council agrees to enter into a short-term lease agreement with Trek Bicycle Corporation and instructs the Clerk/Treasurer and the City Attorney to finalize the drafting of an agreement in the best interests of the City of Waterloo and directs the Clerk/Treasurer to sign all necessary documents.

Adopted: April 18, 2013

City of Waterloo

Signed: _____
Robert H. Thompson, Mayor

Attest:

Morton J. Hansen, Clerk/Treasurer

SPONSOR(S) – Clerk/Treasurer

Funding: none required