

REAL ESTATE SALES AGREEMENT

This Real Estate Sales Agreement ("Agreement") is made and entered into by and between the **CITY OF LINCOLN, NEBRASKA, a municipal corporation**, hereinafter called "City," and the **WILLARD COMMUNITY CENTER, A CORPORATION, a nonprofit corporation**, hereinafter called "Willard."

RECITALS

I. Seller City of Lincoln currently owns the building known as the Willard Community Center and underlying property located at 1245 S. Folsom Street, Lincoln, Nebraska, Block 6, on Lots 43-48, Highland Park Addition, Lincoln, Lancaster County, Nebraska. City acquired Willard Community Center and surrounding property by quitclaim deed from Lincoln Public Schools in 1974.

II. In 1984, an agreement was entered into between Willard and City, authorized by Ordinance No. 13903, regarding a lease of the Willard Community Center building that provides for automatic renewal on an annual basis. Pursuant to Neb. Rev. Stat. § 13-604, City also provided grant assistance to Willard to provide social service programs in the building as defined in Neb. Rev. Stat. § 68-1202 annually for more than twenty (20) years. In 2010, the Grant Funding Agreement, authorized by Directorial Order No. 4680, was conditioned upon Willard assuming all maintenance and operating expenses and utilizing the funds for those purposes, further stating that City was discontinuing its level of support due to budget constraints. Said agreement also discussed a prospective agreement regarding the future use of the Willard Community Center. City has eliminated the grant funding to Willard for the 2011-2012 fiscal year. Notwithstanding the lack of grant funding, Willard continues to operate such social service programs and events out of the building, which provides a public benefit to City and members of the public.

III. Due to the aged physical condition of the Willard Community Center and the need to discontinue the use of public resources to repair and maintain the property, City is desirous of relinquishing ownership of the Willard Community Center to Willard for its continued use of the Center for community related activities and those activities deemed appropriate by the Willard Board as long as they are within the 501(c)(3) designation.

IV. City has approached Willard regarding the sale of the Willard Community Center and a portion of accompanying land on Block 6, Lots 43-48, Highland Park Addition, Lincoln, Lancaster County, Nebraska, subject to City's retention of the east seven (7) feet of Lot 48 to match the Building Line District along South Folsom Street. Willard is also interested in purchasing the east sixty-six (66) feet of Ricketts Consolidation of Highland Park Block 6, Lot C, E250' to accommodate a future expansion and future parking. A map with a legal description of property proposed for purchase by Willard ("Property") is attached hereto as Attachment "A" and incorporated herein by this reference.

V. The Willard Community Center building and related land values have been estimated by the City of Lincoln Real Estate Division. The Division has determined that the building is a liability and anticipates a buyer might depreciate the value based on cost to demolish or rehabilitate the building. The estimated fair market value of the Property minus the cost of demolition is approximately Sixty-Six Thousand Five Hundred and Forty-Nine and no/100 Dollars (\$66,549.00). City recognizes that Willard incurred expenses for immediate and necessary repairs to the building from April 2011 to September 2012, totaling Eighteen Thousand Nine Hundred and Twenty-Five and 83/100 Dollars (\$18,925.83). In addition, City recognizes that replacing the roof on the building at an estimated cost of Forty-Five Thousand and no/100 Dollars (\$45,000.00) is an exigent, significant, and necessary need. City is willing to take these expenses into account in calculating the final purchase price.

VI. Willard desires to purchase and City is willing to sell the Property for the amount of Two Thousand Six Hundred and Twenty-Three and 17/100 Dollars (\$2,623.17) in recognition of the property value, recent significant repairs completed by Willard, the needed roof replacement, and Willard's agreement to continue to provide social service activities and events at the level it currently does for a period of ten (10) years.

NOW, THEREFORE, in consideration of the mutual covenants provided for herein, the parties do agree as follows:

1. Agreement and Purchase Price. City, in consideration of payment by Willard of Two Thousand Six Hundred and Twenty-Three and 17/100 Dollars (\$2,623.17) and any other conditions and terms set forth herein, shall sell and convey by quitclaim deed the Property as described in Attachment "A" to Willard, subject to retention of permanent utility easements.

2. Necessary Approvals. This Agreement is contingent upon City obtaining all necessary approvals under state law, municipal ordinances, or any other laws applicable to real estate purchases, prior to closing, including, but not limited to, the Lincoln-Lancaster County Planning Commission and the Lincoln City Council. In the event City does not obtain all necessary approvals by the closing date, the parties may agree to an extension of the closing date or either party may terminate the Agreement.

3. Closing. At the closing, the parties will execute and deliver all deeds and other documents reasonably necessary to consummate the sale and purchase of the Property pursuant to the terms of this Agreement and shall pay all monies called for hereunder. Closing shall occur within thirty (30) days of approval by City Council. Each party shall bear all its own expenses in the negotiation, execution, and performance of this Agreement. Each of the undersigned parties shall cooperate in good faith with the other and shall do any and all other acts and execute, acknowledge and deliver any and all documents so requested in order to satisfy the conditions set forth herein and carry out the intent and purposes of this Agreement. Possession of the Property shall be given to Willard at closing, and the risk of loss or damage to the Property shall rest with City until the time of delivery of possession.

4. As Is. Willard acknowledges that Willard has not been influenced to enter into this transaction, nor has Willard relied upon any warranties or representations not set forth or incorporated in this Agreement, or otherwise previously made in writing. City makes no

representation or warranties of any kind whatsoever, either express or implied, with respect to the use, title, condition, code or law compliance, or occupation of the Property. Except to the extent otherwise provided in this Agreement, the Property is sold and Willard accepts the Property as is, with all faults. From and after closing, City shall be released and indemnified from all responsibility and liability to Willard regarding the condition of the Property, including environmental conditions, valuation, salability or utility of the Property, or its suitability for any purpose whatsoever. The foregoing terms of this paragraph shall survive closing. This Agreement constitutes the entire understanding of the parties with respect to the Property and sale hereof and supersedes all prior representations, agreements, or understandings.

5. Special Permit. The services provided by Willard Community Center are pre-existing uses that are deemed to have received a special permit as required by the City of Lincoln Zoning Ordinance. Willard acknowledges that a future pre-school addition will require an amendment to the pre-existing special permit. It is estimated that Willard's pre-school addition, as currently planned, will require a minimum of four (4) additional parking spaces, and Willard shall use the Property conveyed to accommodate any planned expansion of the building and any necessary parking required by Lincoln Municipal Code or City standards or regulations should the need arise.

6. Zoning and Use. City has initiated a change of zone with the Lincoln-Lancaster County Planning Department. The Property currently has a zoning classification of P-Public. The surrounding property has a zoning classification of R-2 residential. City is proposing a change of zone for the Property from P to R-2. Willard consents to and agrees with the change of zone and intends to use the Property for only those purposes provided by the proposed zoning as provided in Lincoln Municipal Code or attendant standards or regulations. Willard and its successor agree to sign any petition to vacate West B Street in the future upon written demand by the City.

7. Adjacent Property Use. Willard may use the parking lot to the south of the Property on the B Street right-of-way at no cost to provide off-street parking for patrons, although the parties agree that Willard's use of the parking lot is non-exclusive and not guaranteed or indefinite. As additional consideration for the sale of the Property, City and Willard may enter into a separate agreement for Willard's non-exclusive daily use of the property immediately to the west of the Property on the remainder of Ricketts Consolidation of Highland Park Block 6, Lot C, East 250', in exchange for Willard's assumption of maintenance and liability for that property and whatever additional consideration agreed upon by the parties. City and Willard may also enter into a separate agreement regarding sale of a portion of said property to the west of the Property for additional parking spaces as may be needed with expansion of the building or development of programs by Willard. City is willing to enter into a separate agreement with Willard to provide professional consulting services and potential funding assistance for qualifying energy-efficiency upgrades through the reEnergize program that may include HVAC, building envelope, and/or lighting improvements.

8. Construction of Agreement. This Agreement, executed in multiple counterparts, is to be construed as a Nebraska contract, is to take effect as a sealed instrument, sets forth the entire agreement between the parties, is binding upon and inures to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns, and

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by Chris Beutler, Mayor of the City of Lincoln, Nebraska on behalf of the CITY OF LINCOLN, NEBRASKA.

Notary Public



1" = 80'

Sale of Willard Community Center and a Portion of Accompanying Land:

Legal Description: the east 66' of Ricketts Consolidation of Highland Park Block 6, Lot C, E250', and Highland Park, Block 6, Lots 43-48, except the east 7' of Lot 48, all located in the SW 1/4 of Section 27, Township 10N, Range 6E.



Area of Sale

Parcels

1/24/13

