

February 20, 2020

Mr. Bryan Gadow
City Administrator/ Economic Development Director
City of Monona
5211 Schluter Road
Monona, WI 53716-2598

Re: San Damiano Friary - 4123 Monona Drive

Dear Bryan,

Per our phone call this morning, I am sending this letter to confirm the intentions of St. Norbert Abbey to agree to the City's request to hold off on selling the above-mentioned property in order to allow the City adequate time to prepare an option or options for the property. As discussed, the terms to this agreement would be as follows:

1. The Abbey will allow the City a four-month window of time to prepare an option or options on the property from the time we receive signed acceptance of this letter.
2. After two months the Abbey would request a meeting with the City to get an update on progress and the direction that City is looking at taking with the property.
3. It is requested that only realistic offers be brought forward for consideration. Partial copies of two appraisals are included with this letter. Offers should not be below the appraised valuation of the property.
4. The current brokerage firms that were being considered will be put on hold to honor the time request with the City stated above. If there doesn't appear to be any significant progress after the two-month meeting, the decision on the brokerage firms will be re-evaluated.

The Abbey is very much interested in being a good neighbor by agreeing to this time extension with the City before any other entity has the same opportunity. It is the Abbey's hopes that this will allow the City adequate time to bring qualified options to the table for consideration by the end of the four-month period.

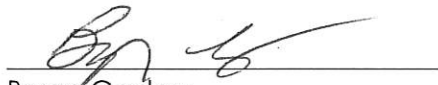
If you should have any questions, please feel free to give me a call.

Sincerely,



Terry Ellenbecker
Vice President of Field Operations
Hoffman Planning, Design & Construction, Inc.

I have read and agree to the terms and conditions stated above



Date: 3/3/2020

Bryan Gadow
City Administrator/ Economic Development Director

APPRAISAL REPORT

PARCEL 6 NORBERTINE NOVITIATE PROPERTY

*Project 5994-00-00-2
Monona Drive, City of Monona
(Winnequah Road - Cottage Grove Road)
CTH BB
Dane County*

As of:

March 4, 2011

For:

City of Monona
5211 Schluter Road
Monona, WI 53716

Prepared By:

Quality Valuation Service
5 Clarendon Court
Madison, WI 53704

PARCEL DESCRIPTION

PROPERTY OWNER: Norbertine Novitiate

PROPERTY ADDRESS: 4123 Monona Drive
Monona, WI 53716

OWNER CONTACT: Rev. John Kastenholz
1016 N. Broadway
DePere, WI 54115
(920) 337-4398

SIZE AND TYPE OF PROPERTY: 9.88 acre parcel improved with a former dwelling that houses the San Damiano Friary

SALE/TRANSFER HISTORY

DOC. TYPE AND NUMBER	GRANTOR	GRANTEE	SALE/TRANSFER DATE	SALE PRICE
No sales or transfers within the past 5 years.				

PRESENT USE: San Damiano Friary

ZONING: CDD - Community Design District

HIGHEST AND BEST USE

BEFORE: Multi-family development

AFTER: Multi-family development

AREA AND INTEREST TO BE ACQUIRED

ACQUISITION TYPE: Full Partial

LAND-FEE: 0.07 acre (0.7% of total site area)

EXISTING RIGHT-OF-WAY EASEMENT: None (Non-compensable)

IMPROVEMENTS: Lawn area and asphalt driveway area

OTHER INTERESTS: Temporary Limited Easement – 0.32 acre (3.2% of total site area)

THE ABOVE INTERESTS ARE INDICATED ON R/W SHEET (S): 4.5 and 4.6

PLAT DATE: 2/2/2011

after value" of the subject's improvements is calculated as follows:

"Implied Before Value" of Subject's Improvements -	\$300,000
-Contributory Value of Lawn Area Acquired	-\$ 3,750
-Contributory Value of Asphalt Drive Area Acquired	<u>-\$ 200</u>
"Implied After Value" of Subject's Improvements -	\$296,050

CONCLUSION OF TOTAL VALUE OF SUBJECT – AFTER ACQUISITION:

Land	\$10,043,200
Improvements	<u>\$ 296,050</u>
Total After Value	\$10,339,250

ADDITIONAL DAMAGES: TEMPORARY LIMITED EASEMENT: A 0.32 acre temporary limited easement area is needed for slope construction purposes. This 0.32 acre temporary limited easement area will temporarily encumber 3.2% of the subject's total site area. (0.32 acre temporary limited easement area ÷ 9.88 acre size of subject = 3.2% rounded).

The temporary limited easement area will provide the construction contractor the right to operate necessary equipment within the temporary limited easement area, the right of ingress and egress, as long as required for such public purpose, including the right to preserve, protect, remove, or plant any vegetation that the highway authorities may deem necessary or desirable. Grading, blending and restoration work will also occur within the temporary limited easement area. All temporary limited easements for this project are to terminate on the date the construction of this project is completed. Construction is scheduled for the 2012 construction season; therefore the temporary limited easement will realistically be in effect from the date of acquisition to the date of the completion of the project, which is roughly 20 months (April 2011 to November 2012).

Damages that result from temporary limited easements are usually based on an economic return on investment. This can be done by extracting a rental rate from the market or by comparing land to a monetary asset through the principal of substitution.

There is a lack of rental data for residential land in this area due to the fact that vacant residential sites are generally not rented as income producing properties. For this reason, rental data from improved small residential income properties will be allocated to estimate the land rental rate for the temporary limited easements needed within the project area. Data was analyzed for 6 two family homes that sold or that are currently listed for sale in the area bounded on the north by Olbrich Park, on the west by Lake Monona, on the south by Broadway Avenue and on the east by S. Stoughton Road from 1/1/2005 to the date of the appraisal. This data indicated that they had an average annual gross rent multiplier of 9.9%. This rental rate gives the tenants of these properties the use and occupancy of the entire property (the land and improvements) for the length of the lease which is typically 1 year. The assessed values of these properties were analyzed for the years of their sales and they indicated that the land value assessment was an average of 24.6% of the total

AN APPRAISAL REPORT OF A WATERFRONT LAND

LOCATED AT

**4123 MONONA DRIVE
MONONA, WISCONSIN 53716**

OWNED BY

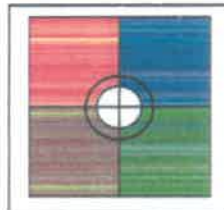
NORBERTINE NOVITIATE

PREPARED FOR

**ST. NORBERT ABBEY
1016 N. BROADWAY
DE PERE, WI 54115**

PREPARED BY

**LANDRETTI & COMPANY, LLC
44 EAST MIFFLIN STREET, SUITE 801
MADISON, WISCONSIN 53703**



**EFFECTIVE VALUE DATE
APRIL 5, 2016**

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Address and Identification:	The subject property is located at 4123 Monona Drive, Monona, Wisconsin 53716. The parcel number is 0710-093-9230-8.
Owner:	Norbertine Novitiate
Location:	The subject property is located in Section 9, Town 7N, Range 10E in the City of Monona, Dane County, Wisconsin. The site is situated on the north side of the City of Monona just south of Cottage Grove Road in a mix of commercial and residential properties.
Land:	The site is 9.82 acres and has about 1,000 feet of lake frontage. The site overlooks downtown Madison. The site has access to natural gas, electricity, telephone, and municipal water and sewer and is about 75% wooded.
Existing Improvement:	The site is improved with a large older residence and a detached garage. The improvements are in poor condition and do not contribute material value to the property.
Zoning:	Community Design District controlled by the City of Monona.
Current Land Use:	Institutional
Highest and Best Use:	Mixed Use
Date of Report:	April 25, 2016
Effective Value Date:	April 5, 2016
Date of Inspection:	April 5, 2016
Property Rights Appraised:	Fee Simple Estate
Value Opined:	Market Value

Final Opinion of the Market Value of the Fee Simple Estate

\$ 8,600,000