

PURCHASE, SALE AND DEVELOPMENT AGREEMENT

by and between

CITY OF MASON CITY, IOWA

AND

MASON CITY FOUNDATION

_____, 2017

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PURCHASE, SALE AND DEVELOPMENT AGREEMENT

THIS PURCHASE, SALE AND DEVELOPMENT AGREEMENT ("Agreement"), is made on or as of the ____ day of _____, 2017, by and among the CITY OF MASON CITY, IOWA, a municipality ("City"), established pursuant to the Code of Iowa of the State of Iowa and acting under the authorization of Chapters 15A and 403 of the Code of Iowa, 2017, as amended ("Urban Renewal Act") and MASON CITY FOUNDATION, an Iowa nonprofit corporation, having offices for the transaction of business at 308 S. Pennsylvania Ave., Mason City, IA 50401 ("Foundation").

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the City has undertaken a program for the development of an economic development and blight area in the City and, in this connection, is engaged in carrying out urban renewal project activities in an area known as the Mason City Downtown Reinvestment Urban Renewal Area (the "Urban Renewal Area"), which is described in the Mason City Downtown Reinvestment Urban Renewal Plan approved for such Urban Renewal Area by Resolution No. 15-238 on October 20, 2015 which has been amended one time, lastly by Amendment No. 1 as approved by Resolution No. 17-88 on May 11, 2017 (the "Urban Renewal Plan"); and

WHEREAS, a copy of the foregoing Urban Renewal Plan, as amended, has been or will be recorded among the land records in the office of the Recorder of Cerro Gordo County, Iowa; and

WHEREAS, the City is the owner of certain real property located within the Urban Renewal Area as described in Exhibit A-1 attached hereto and made a part hereof (the "Museum Property"); and

WHEREAS, due to the ownership and type of use the Museum Property has been subjected to, the City believes that the Museum Property has been underutilized and is in jeopardy of becoming a blighting influence on the community; and

WHEREAS, the City has been presented with a proposal to be undertaken by the Foundation to develop the Museum Property into a Meredith Willson museum, renovate the current Music Man Square, and require certain other improvements to be undertaken by the Foundation; and

WHEREAS, the Foundation is willing to cause a New Museum to be constructed on the Museum Property and Convention Center Improvements to be constructed on the Convention Center Property and the Foundation will thereafter cause the same to be operated in accordance with this Agreement; and

WHEREAS, Gatehouse and the Foundation have entered into a memorandum of understanding as a precursor to the final agreement for the renovation, management and operation of the Convention Center Property (the "Convention Center Agreement"); and

WHEREAS, the City is willing to provide certain incentives in consideration for the Foundation's obligations all pursuant to the terms and conditions of this Agreement; and

WHEREAS, the City anticipates issuing one or more municipal bonds or notes to finance construction of the Convention Center Improvements, Museum Improvements and Skywalk Improvements (see definition of City Bonds); and

WHEREAS, the City believes that the development of the Museum Property and Convention Center Property pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the foregoing project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. DEFINITIONS

Section 1.1. Definitions. In addition to other definitions set forth in this Agreement, all capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Purchase, Sale and Development Agreement and all exhibits and appendices hereto, as the same may be from time to time modified, amended or supplemented.

Area or Urban Renewal Area means the area known as the Mason City Downtown Reinvestment Urban Renewal Area (as amended).

Assessor means the assessor for the City of Mason City, Iowa.

Award Agreement means the Agreement entered into between the City and the State with respect to the award of the Reinvestment District Funds.

City means the City of Mason City, Iowa, or any successor to its functions.

City Bonds means the general obligation bonds or notes issued by the City to fund construction of the Convention Center Improvements, Museum Improvements and Skywalk Improvements, and other projects in an amount not to exceed \$14,000,000.

Code means the Code of Iowa, 2017, as amended.

Commence Convention Center Construction means to commence construction of the Convention Center Improvements on the Convention Center Property after entry into a valid and binding construction contract (including, at a minimum, renovation and/or erection of interior framing or other structural improvements), which shall be after the construction of the New Museum anticipated to be on or about December 8, 2018.

Commence Museum Construction means to commence construction of the New Museum on the Museum Property after entry into a valid and binding construction contract (including, at a minimum, construction of underground facilities such as utilities, footings and foundation), which shall be within three (3) months after the Museum Closing.

Commencement Date means the date of this Agreement.

Convention Center Agreement means that certain agreement by and between Gatehouse and the Foundation dated September 15, 2017 for the renovation, management and operation of the Convention Center Property and Convention Center Improvements.

Convention Center Certificate of Completion means a certification in the form of the certificate attached hereto as Exhibit D-2 and hereby made a part of this Agreement.

Convention Center Construction Plans means the plans, specifications, drawings and related documents reflecting the construction work to be performed by, or at the direction of, the Foundation on the Convention Center Property; the Convention Center Construction Plans shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the building inspector of the City as required by applicable City codes.

Convention Center Grant means the economic development grant as disbursed by the City to the Foundation as provided in Article XII of this Agreement.

Convention Center Improvements means renovation of the Convention Center Property as further described in Article VI and Exhibit B-2 and depicted in Exhibit B-3.

Convention Center Project Costs means the costs and expenses related to the design and construction of the Convention Center Improvements.

Convention Center Property means that portion of the Mason City Downtown Reinvestment Urban Renewal Area described in Exhibit B-1.

Event of Default means any of the events described in Section 15.1 of this Agreement.

Foundation means Mason City Foundation, and its permitted successors and assigns.

Full-Time Equivalent Employment Unit means the employment by the Foundation of the equivalent of one person for 2,000 hours per year, assuming eight hours per day for a five-day, forty-hour work week for fifty weeks per year.

Gatehouse means Gatehouse Mason City L.L.C., and its permitted successors and assigns.

Mason City Downtown Reinvestment Urban Renewal Tax Increment Revenue Fund means the special fund of the City created under the authority of Section 403.19(2) of the Code and the Ordinance, which fund was created in order to pay the principal of and interest on loans, monies advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds or other obligations issued under the authority of Chapters 15A, 403 or 384 of the Code, incurred by the City to finance or refinance in whole or in part projects undertaken pursuant to the Urban Renewal Plan for the Urban Renewal Area.

Mortgage means any mortgage or security agreement in which the Foundation has granted a mortgage or other security interest in the Museum Property, Convention Center Property, or any portion or parcel thereof, or any improvements constructed thereon.

Museum Certificate of Completion means a certification in the form of the certificate attached hereto as Exhibit D-1 and hereby made a part of this Agreement.

Museum Closing means the closing of the real estate transfer of the Museum Property to the Foundation as further defined in Article IV which shall be within six (6) months after the Commencement Date if all of the conditions precedent are satisfied.

Museum Construction Plans means the plans, specifications, drawings and related documents reflecting the construction work to be performed by, or at the direction of, the Foundation on the Museum Property; the Museum Construction Plans shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the building inspector of the City as required by applicable City codes.

Museum Deed means the Quit Claim Deed given by the City to the Foundation for the Museum Property in the form attached hereto as Exhibit F.

Museum Grant means the economic development grant as disbursed by the City to the Foundation as provided in Article XI of this Agreement.

Museum Improvements or New Museum means construction of the Meredith Willson museum on the Museum Property as further described in Exhibit A-2 and depicted in Exhibit A-3.

Museum Project Costs means the costs and expenses related to the design and construction of the Museum Improvements.

Museum Property means that portion of the Mason City Downtown Reinvestment Urban Renewal Area described in Exhibit A-1.

Museum Property Purchase Price means the price for the purchase and sale of the Museum Property set forth in Article IV hereof.

Ordinance means the Ordinance(s) of the City, under which the taxes levied on the taxable property in the Urban Renewal Area shall be divided and a portion paid into the Mason City Downtown Reinvestment Urban Renewal Tax Increment Revenue Fund.

Project means the construction and operation of the New Museum on the Museum Property, renovation and operation of the Convention Center Improvements on the Convention Center Property, and the retention of jobs, as described in this Agreement.

Reinvestment District means that certain Our River City Renaissance Downtown Mason City Reinvestment District established by the City under Iowa Code Chapter 15J, pursuant to the application filed by the City with the Iowa Economic Development Authority.

Reinvestment District Funds means the applicable portion of the State sales and use tax and State hotel and motel tax revenues generated by the improvements constructed and/or reconstructed in the Reinvestment District, that are granted to the City under the Award Agreement.

Skywalk Improvements means construction of the skywalk on the Skywalk Property as further described in Article XIII and Exhibit C-2 and depicted in Exhibit C-3.

Skywalk Property means that portion of the Mason City Downtown Reinvestment Urban Renewal Area described in Exhibit C-1.

State means the State of Iowa.

Termination Date means the date of termination of this Agreement, as established in Section 16.8 of this Agreement.

Unavoidable Delays means delays resulting from acts or occurrences outside the reasonable control of the party claiming the delay including but not limited to storms, floods, fires, explosions or other casualty losses, unusual weather conditions, strikes, boycotts, lockouts or other labor disputes, delays in transportation or delivery of material or equipment, litigation commenced by third parties, or the acts of any federal, State or local governmental unit (other than the City).

Urban Renewal Plan means the Mason City Downtown Reinvestment Urban Renewal Plan, as amended, approved with respect to the Urban Renewal Area, described in the preambles hereof.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City. The City makes the following representations and warranties:

- a. The City is a municipal corporation and municipality organized under the provisions of the Constitution and the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.
- b. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the City is now a party or by which it is bound, nor do they constitute a default under any of the foregoing.
- c. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City only, and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

Section 2.2. Representations and Warranties of the Foundation. The Foundation makes the following representations and warranties:

- a. Mason City Foundation is an Iowa nonprofit corporation duly organized and validly existing under the laws of the State of Iowa, and has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under this Agreement.
- b. This Agreement has been duly and validly authorized, executed and delivered by the Foundation and, assuming due authorization, execution and delivery by the City, is in full force and effect and is a valid and legally binding instrument of the Foundation enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting creditors' rights generally.
- c. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions or provisions of the governing documents of the Foundation or of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Foundation is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

d. There are no actions, suits or proceedings pending or threatened against or affecting the Foundation in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position or results of operations of the Foundation or which in any manner raises any questions affecting the validity of the Agreement or the Foundation's ability to perform its obligations under this Agreement.

e. The Foundation will cause the Museum Improvements and Convention Center Improvements to be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, and all local, State, and federal laws and regulations.

f. The Foundation will use its best efforts to obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Museum Improvements and Convention Center Improvements may be lawfully constructed.

g. The acquisition of the Museum Property and construction of the New Museum will require a total investment of approximately \$1,500,000. The construction of the Convention Center Improvements will require a total investment of approximately \$3,000,000.

h. The Foundation has not received any notice from any local, State or federal official that the activities of the Foundation with respect to the Museum Property and Convention Center Property may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has previously been notified in writing). The Foundation is not currently aware of any State or federal claim filed or planned to be filed by any party relating to any violation of any local, State or federal environmental law, regulation or review procedure applicable to the Museum Property or Convention Center Property, and Foundation is not currently aware of any violation of any local, State or federal environmental law, regulation or review procedure which would give any person a valid claim under any State or federal environmental statute with respect thereto.

i. The Foundation has firm commitments for construction or acquisition and permanent financing for the Museum Improvements and Convention Center Improvements in an amount sufficient, together with equity commitments, to successfully complete the New Museum and Convention Center Improvements in accordance with the Museum Construction Plans and Convention Center Construction Plans contemplated in this Agreement.

j. The Foundation will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the New Museum and Convention Center Improvements.

k. The Foundation expects that, barring Unavoidable Delays, the New Museum will be completed by December 31, 2018 and Convention Center Improvements will be completed by December 31, 2019.

l. The Foundation would not undertake its obligations under this Agreement without the payment by the City of the Museum Grant and Convention Center Grant being made to the Foundation pursuant to this Agreement.

m. The Foundation will not seek to change the current land assessment category, or the zoning classification, of the Museum Property, Convention Center Property, Museum Improvements, or Convention Center Improvements during the term of this Agreement.

n. The Foundation has entered into the Convention Center Agreement and such agreement is a valid and binding commitment of the Foundation that shall run until at least the Termination Date of this Agreement.

ARTICLE III. CONDITIONS PRECEDENT TO AGREEMENT

Section 3.1. Conditions Precedent. It is recognized and agreed that the ability of the City to perform the obligations described in this Agreement, is subject to, among other things, completion and satisfaction of certain separate City Council actions and required legal proceedings relating to the issuance of the City Bonds. Specifically, all obligations of the City to issue the City Bonds whose proceeds shall be used to design and construct the Convention Center Improvements, New Museum, and Skywalk Improvements are subject to each of the following conditions precedent:

- a. The representations and warranties made by the foundation in Section 2.2 shall be true and correct as of the issue date of the City Bonds and with the same force and effect as if made at such date;
- b. The completion and satisfaction of certain separate City Council actions and all required legal proceedings relating to the issuance of the City Bonds (in the judgment of bond counsel for the City);
- c. The City shall have completed the sale of all or a portion of the City Bonds on such terms and conditions as it shall deem necessary or desirable in its sole discretion;
- d. Results from the November 7, 2017 election in favor of and authorizing the City to issue the City Bonds and enter into a lease for a multi-use arena;
- e. The City shall have approved all applicable zoning, subdivision, or platting of the Museum Property necessary for development and construction of the New Museum;
- f. The City shall have amended the Urban Renewal Plan, if necessary, to include the Museum Grant, Convention Center Grant, Skywalk Improvements and this Agreement as urban renewal projects;
- g. The Foundation is in material compliance with all of the terms of this Agreement;
- h. There has not been a substantial change for the worse in the financial resources and ability of the Foundation, or a substantial decrease in the financing commitments secured by the Foundation for construction of the New Museum or Convention Center Improvements, which change(s) make it likely, in the reasonable judgment of the City, that the Foundation will be unable to fulfill its covenants and obligations under this Agreement;
- i. The City shall have completed all applicable public bidding requirements for the Skywalk Improvements and shall have awarded a contract for the Skywalk Improvements acceptable to the City in its sole discretion;

j. The Foundation shall have furnished the City with evidence, in a form satisfactory to the City, that the Foundation has firm contractual commitments for construction of the New Museum and Convention Center Improvements.

ARTICLE IV. TRANSFER OF MUSEUM PROPERTY TO THE FOUNDATION

Section 4.1. Conditions Precedent to Transfer. The City's obligation to transfer title and possession of the Museum Property to the Foundation at the Museum Closing, and the Foundation's obligation to pay the Museum Property Purchase Price, shall be subject to satisfaction of the following conditions precedent:

- a. The ability of the City to meet its commitments under this Agreement is subject in all respects to completion of all required proceedings under Chapter 403 of the Code to effect adoption of the Urban Renewal Plan to authorize this project as an urban renewal project; and
- b. The Foundation negotiating in good faith with the City to provide all necessary public utility easements over and through the Museum Property without compensation to the Foundation; and
- c. The Foundation is in material compliance with all of the terms of this Agreement.

Section 4.2. Transfer of Museum Property. For One Dollar (\$1.00) or similar and other consideration including the obligations being assumed by the Foundation hereunder and in furtherance of the Urban Renewal Plan and the Urban Renewal Act, the City agrees to sell, and the Foundation agrees to purchase, the Museum Property, together with all improvements thereon, subject to easements and appurtenant servient estates and any zoning and other ordinances. Such transfer shall occur under the terms and conditions of this Agreement and following all process required by the City pursuant to Section 403.8 of the Iowa Code.

Section 4.3. Museum Property Purchase Price. The purchase price for the Museum Property shall be One Dollar (\$1.00) or similar and other consideration (the "Museum Property Purchase Price"). The Foundation shall pay the Museum Property Purchase Price to the City by check or wire transfer at the Museum Closing (subject to prorations, reductions and credits as provided below).

Section 4.4. Real Estate Taxes and Special Assessments.

- a. The Museum Property is currently tax-exempt while owned by the City. The Foundation shall be responsible for all taxes post-Museum Closing, if any; and
- b. All special assessments, if any, assessed post-Museum Closing shall be paid by the Foundation.

Section 4.5. Right of Reversion. Notwithstanding anything herein to the contrary, and as additional security for the Foundation's obligation to Commence Museum Construction, the Museum

Deed conveying the Museum Property to the Foundation shall contain a right of reversion in all of the Museum Property ("City's Reversionary Right (Museum)" or "Reversionary Right (Museum)"), which may be exercised by the City, in its reasonable discretion, if the following conditions occur:

- a. The Foundation does not Commence Museum Construction within three (3) months after the Museum Closing;
- b. An Event of Default has occurred by the Foundation, which is not cured within the time period allowed by Section 15.2.

If any of the above conditions occur, then the City shall automatically have the City's Reversionary Right (Museum) to reacquire title to the Museum Property. The Foundation shall allow no mortgages or liens to encumber the Museum Property while the City holds its Reversionary Right (Museum). To exercise the City's Reversionary Right (Museum) described herein, the City must provide written notice to the Foundation (or its permitted successors, assigns or transferees) within sixty (60) days of the Foundation's failure under this Agreement, and record such notice with the County Recorder of deeds, in which case the title to the Museum Property shall automatically revert to the City as of the date of the recording of the notice. Upon request from the City, the Foundation shall take all reasonable steps to ensure the City acquires marketable title to the Museum Property through its exercise of its rights under this Section within thirty (30) days of the City's demand, including without limitation, the execution of appropriate deeds and other documents. This Section shall survive the Museum Closing.

Notwithstanding anything to the contrary herein, the City's Reversionary Right (Museum) with respect to the Museum Property shall terminate and be of no further force and effect if and when the Foundation (or its permitted successors, assigns or transferees) has Commenced Museum Construction on the Museum Property. The City agrees to execute any documents reasonably requested by the Foundation or its lender to evidence any whole or partial termination of the City's Reversionary Right (Museum) as set forth herein.

Section 4.6. Risk of Loss and Insurance – Museum Property. The City shall bear the risk of loss or damage to the Museum Property prior to the Museum Closing. The City agrees to maintain existing insurance, if any, and the Foundation may purchase additional insurance. In the event of substantial damage or destruction prior to the Museum Closing, the City shall have the option of using insurance proceeds to rebuild the Museum Property such that this Agreement shall continue and the Foundation shall complete the Museum Closing regardless of the extent of damages. The Foundation shall bear the risk of loss or damage to the Museum Property after the Museum Closing.

Section 4.7. Condition of Museum Property; Care and Maintenance. As of the Museum Closing, the Foundation agrees to take the Museum Property "As Is." Except as specifically set forth in this Agreement, the City makes no warranties or representations as to the condition of the Museum Property. Notwithstanding anything herein to the contrary, the Foundation hereby waives all claims against the City as to the condition of the Museum Property.

Section 4.8. Possession; Museum Closing. Upon the obligations of each party hereunder being met, including the execution of all documents required hereunder, the Museum Closing shall take place within six (6) months after the Commencement Date. This purchase shall be considered "Closed" upon the delivery to the Foundation of a duly executed quit claim deed for the Museum Property in the form of deed attached hereto as Exhibit F. All parties and individual signatories hereto further agree to make, execute and deliver such further and additional documents as may be reasonably requested by the other party for the purpose of accomplishing the transfer herein contemplated.

Section 4.9. Fixtures. Included with the Museum Property shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached.

Section 4.10. Abstract and Title. The City shall provide an abstract for the Museum Property, continued through a date no more than forty-five (45) days prior to the Museum Closing, and deliver it to the Foundation for examination, which shall become the property of the Foundation upon the Museum Closing. It shall show marketable title in the City in conformity with this Agreement, Iowa law, and the title standards of the Iowa State Bar Association. The City shall make reasonable efforts to promptly perfect title.

Section 4.11. Survey and Platting. The City shall be responsible for any survey or platting work necessary to perfect a title defect or convey the Museum Property to the Foundation. The Foundation shall be responsible for all other survey and platting of the Museum Property, if any. The City authorizes the Foundation and/or its agents and contractors reasonable access to the Museum Property for survey and platting purposes prior to the Museum Closing.

Section 4.12. Environmental Matters. At the Museum Closing, the City will file with the County Recorder's office a properly executed Groundwater Hazard Statement as required by law reflecting that to the best of the City's knowledge, without inquiry or investigation, there are no known (1) wells; (2) solid waste disposal sites; (3) hazardous waste; (4) underground storage tanks; or (5) private sewage disposal systems located on the Museum Property. The Foundation takes the property "As Is" with regard to any environmental matters. The City makes no warranties or representations as to the environmental condition of the Museum Property. The Foundation agrees to indemnify, release, defend and hold harmless the City for all claims, damages or costs relating to the Museum Property that arise after the date of the Museum Closing. This Section shall survive the Museum Closing.

Section 4.13. Certification. Foundation and City each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

Section 4.14. Restriction. The Foundation acknowledges and agrees that until the Termination Date, the Museum Property shall be used solely and exclusively for the Meredith Willson museum as described in Exhibit A-2 and depicted in Exhibit A-3. The Foundation further acknowledges and agrees that until the Termination Date, the Convention Center Property shall be used solely and exclusively for a convention center or event/conference center as described in Exhibit B-2 and depicted in Exhibit B-3. This Section shall survive the Museum Closing.

ARTICLE V. CONSTRUCTION OF MUSEUM IMPROVEMENTS

Section 5.1. Construction of Museum Improvements. The Foundation agrees that it will cause the New Museum to be constructed on the Museum Property in conformance with the Museum Construction Plans submitted to the City. The Foundation agrees that the scope and scale of the New Museum to be constructed shall not be significantly less than the scope and scale of the New Museum as detailed and outlined in the Museum Construction Plans, and shall require a total project investment of approximately \$1,500,000 for construction costs.

Section 5.2. Museum Construction Plans. The Foundation shall cause the Museum Construction Plans to be provided for the New Museum, which shall be subject to approval by the City as provided in this Section 5.2. The Museum Construction Plans shall be in conformity with the Urban Renewal Plan, this Agreement, and all applicable federal, State and local laws and regulations. The City shall approve the Museum Construction Plans in writing if: (i) the Museum Construction Plans conform to the terms and conditions of this Agreement; (ii) the Museum Construction Plans conform to the terms and conditions of the Urban Renewal Plan; (iii) the Museum Construction Plans conform to all applicable federal, State and local laws, ordinances, rules and regulations, and City permit requirements; (iv) the Museum Construction Plans are adequate for purposes of this Agreement to provide for the construction of the New Museum; and (v) no Event of Default under the terms of this Agreement has occurred; provided, however, that any such approval of the Museum Construction Plans pursuant to this Section 5.2 shall constitute approval for the purposes of this Agreement only and shall not be deemed to constitute approval or waiver by the City with respect to any building, fire, zoning or other ordinances or regulations of the City, and shall not be deemed to be sufficient plans to serve as the basis for the issuance of a building permit if the Museum Construction Plans are not as detailed or complete as the plans otherwise required for the issuance of a building permit. The site plans submitted to the building official of the City for the Museum Property and the surrounding areas where the New Museum are to be constructed shall be adequate to serve as the Museum Construction Plans, if such site plans are approved by the building official.

Approval of the Museum Construction Plans by the City shall not relieve the Foundation of any obligation to comply with the terms and provisions of this Agreement, or the provision of applicable federal, State and local laws, ordinances and regulations, nor shall approval of the Museum Construction Plans by the City be deemed to constitute a waiver of any Event of Default.

Approval of the Museum Construction Plans hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Museum Improvements as constructed.

Section 5.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Foundation shall cause construction of the New Museum to be undertaken and completed: (i) by no later than December 31, 2018; or (ii) by such other date as the parties shall mutually agree upon in writing. Time lost as a result of Unavoidable Delays shall be added to extend this date by a number of days equal to the number of days lost as a result of Unavoidable Delays. All work with respect to the New Museum shall be in conformity with the Museum Construction Plans approved by the building official or any amendments thereto as may be approved by the building official.

The Foundation agrees that it shall permit designated representatives of the City, upon reasonable notice (which does not have to be written), to enter upon the Museum Property during the construction of the New Museum to inspect such construction and the progress thereof.

Section 5.4. Museum Certificate of Completion. Upon written request of the Foundation after issuance of an occupancy permit for the New Museum, the City will furnish the Foundation with a Museum Certificate of Completion for the New Museum in recordable form, in substantially the form set forth in Exhibit D-1 attached hereto. Such Museum Certificate of Completion shall be a conclusive determination of satisfactory termination of the covenants and conditions of this Agreement solely with respect to the obligations of the Foundation to construct the New Museum.

The Museum Certificate of Completion may be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Museum Property at the Foundation's sole expense. If the City shall refuse or fail to provide a Museum Certificate of Completion in accordance with the provisions of this Section 5.4, the City shall, within twenty (20) calendar days after written request by the Foundation, provide the Foundation with a written statement indicating in adequate detail in what respects the Foundation has failed to complete the applicable portion of the New Museum in accordance with the provisions of this Agreement, or is otherwise in default under the terms of this Agreement, and what measures or acts will be necessary, in the reasonable opinion of the City, for the Foundation to take or perform in order to obtain such Museum Certificate of Completion.

Issuance by the City of the Museum Certificate of Completion pursuant to this Section 5.4 is solely for the purposes of this Agreement, and shall not constitute approval for any other City purpose nor shall it subject the City to any liability for the Museum Property or the New Museum as constructed.

ARTICLE VI. CONSTRUCTION OF CONVENTION CENTER IMPROVEMENTS

Section 6.1. Construction of Convention Center Improvements. The Foundation agrees that it will cause the Convention Center Improvements to be constructed on the Convention Center Property in conformance with the Convention Center Construction Plans submitted to the City. The Foundation

agrees that the scope and scale of the Convention Center Improvements to be constructed shall not be significantly less than the scope and scale of the Convention Center Improvements as detailed and outlined in the Convention Center Construction Plans, and shall require a total project investment of approximately \$3,000,000 for construction costs.

Section 6.2. Convention Center Construction Plans. The Foundation shall cause the Convention Center Construction Plans to be provided for the Convention Center Improvements, which shall be subject to approval by the City as provided in this Section 6.2. The Convention Center Construction Plans shall be in conformity with the Urban Renewal Plan, this Agreement, and all applicable federal, State and local laws and regulations. The City shall approve the Convention Center Construction Plans in writing if: (i) the Convention Center Construction Plans conform to the terms and conditions of this Agreement; (ii) the Convention Center Construction Plans conform to the terms and conditions of the Urban Renewal Plan; (iii) the Convention Center Construction Plans conform to all applicable federal, State and local laws, ordinances, rules and regulations, and City permit requirements; (iv) the Convention Center Construction Plans are adequate for purposes of this Agreement to provide for the construction of the Convention Center Improvements; and (v) no Event of Default under the terms of this Agreement has occurred; provided, however, that any such approval of the Convention Center Construction Plans pursuant to this Section 6.2 shall constitute approval for the purposes of this Agreement only and shall not be deemed to constitute approval or waiver by the City with respect to any building, fire, zoning or other ordinances or regulations of the City, and shall not be deemed to be sufficient plans to serve as the basis for the issuance of a building permit if the Convention Center Construction Plans are not as detailed or complete as the plans otherwise required for the issuance of a building permit. The site plans submitted to the building official of the City for the Convention Center Property and the surrounding areas where the Convention Center Improvements are to be constructed shall be adequate to serve as the Convention Center Construction Plans, if such site plans are approved by the building official.

Approval of the Convention Center Construction Plans by the City shall not relieve the Foundation of any obligation to comply with the terms and provisions of this Agreement, or the provision of applicable federal, State and local laws, ordinances and regulations, nor shall approval of the Convention Center Construction Plans by the City be deemed to constitute a waiver of any Event of Default.

Approval of the Convention Center Construction Plans hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Convention Center Improvements as constructed.

Section 6.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Foundation shall cause construction of the Convention Center Improvements to be undertaken and completed: (i) by no later than December 31, 2019; or (ii) by such other date as the parties shall mutually agree upon in writing. Time lost as a result of Unavoidable Delays shall be added to extend this date by a number of days equal to the number of days lost as a result of Unavoidable Delays. All work with respect to the Convention Center Improvements shall be in conformity with the Convention

Center Construction Plans approved by the building official or any amendments thereto as may be approved by the building official.

The Foundation agrees that it shall permit designated representatives of the City, upon reasonable notice (which does not have to be written), to enter upon the Convention Center Property during the construction of the Convention Center Improvements to inspect such construction and the progress thereof.

Section 6.4. Convention Center Certificate of Completion. Upon written request of the Foundation after issuance of an occupancy permit for the Convention Center Improvements, the City will furnish the Foundation with a Convention Center Certificate of Completion for the Convention Center Improvements in recordable form, in substantially the form set forth in Exhibit D-2 attached hereto. Such Convention Center Certificate of Completion shall be a conclusive determination of satisfactory termination of the covenants and conditions of this Agreement solely with respect to the obligations of the Foundation to construct the Convention Center Improvements.

The Convention Center Certificate of Completion may be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Convention Center Property at the Foundation's sole expense. If the City shall refuse or fail to provide a Convention Center Certificate of Completion in accordance with the provisions of this Section 6.4, the City shall, within twenty (20) calendar days after written request by the Foundation, provide the Foundation with a written statement indicating in adequate detail in what respects the Foundation has failed to complete the applicable portion of the Convention Center Improvements in accordance with the provisions of this Agreement, or is otherwise in default under the terms of this Agreement, and what measures or acts will be necessary, in the reasonable opinion of the City, for the Foundation to take or perform in order to obtain such Convention Center Certificate of Completion.

Issuance by the City of the Convention Center Certificate of Completion pursuant to this Section 6.4 is solely for the purposes of this Agreement, and shall not constitute approval for any other City purpose nor shall it subject the City to any liability for the Convention Center Property or the Convention Center Improvements as constructed.

ARTICLE VII. INSURANCE ON MUSEUM IMPROVEMENTS

Section 7.1. Insurance Requirements. The Foundation agrees that during the construction of the Museum Improvements and thereafter until the Termination Date to maintain builders risk, property damage, and liability insurance coverages with respect to the Museum Improvements in such amounts as are customarily carried by like organizations engaged in activities of comparable size and liability exposure with insurance companies reasonably satisfactory to the City, together with such additional coverages as the City may reasonably request, and shall provide evidence of such coverages to the City upon request.

ARTICLE VIII. INSURANCE ON CONVENTION CENTER IMPROVEMENTS

Section 8.1. Insurance Requirements. The Foundation agrees that during the construction of the Convention Center Improvements and thereafter until the Termination Date to maintain builders risk, property damage, and liability insurance coverages with respect to the Convention Center Improvements in such amounts as are customarily carried by like organizations engaged in activities of comparable size and liability exposure with insurance companies reasonably satisfactory to the City, together with such additional coverages as the City may reasonably request, and shall provide evidence of such coverages to the City upon request.

ARTICLE IX. FURTHER COVENANTS

Section 9.1. Maintenance of Properties.

a. The Foundation will maintain, preserve, and keep its properties within the City (whether owned in fee or a leasehold interest), including but not limited to the New Museum and Convention Center Improvements, in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions pursuant to applicable law and in its reasonable discretion.

Section 9.2. Maintenance of Records.

a. The Foundation will keep at all times proper books of record and account in which full, true, and correct entries will be made of all dealings and transactions of or in relation to the business and affairs of the Foundation and relating to the New Museum and Convention Center Improvements in accordance with generally accepted accounting principles, consistently applied throughout the period involved, and the Foundation will provide reasonable protection against loss or damage to such books of record and account.

Section 9.3. Compliance with Laws.

a. The Foundation will comply with all State, federal and local laws, rules and regulations relating to the Museum Property, New Museum, Convention Center Property and Convention Center Improvements.

Section 9.4. Non-Discrimination.

a. In the construction and operation of the New Museum and Convention Center Improvements, the Foundation shall not discriminate against any applicant, employee or tenant because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status. The Foundation shall ensure that applicants, employees, and tenants are considered and are treated without regard to their age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status.

Section 9.5. Available Information. Upon request, the Foundation shall promptly provide the City with copies of information requested by City that are related to this Agreement so that City can determine compliance with this Agreement.

Section 9.6. Employment. The Foundation currently employs one Full-Time Equivalent Employment Units at the Convention Center Property. The Foundation shall retain all one Full-Time Equivalent Employment Units at the Convention Center Property and Museum Property until the Termination Date of this Agreement. The Foundation's Annual Certifications, due beginning on October

15, 2019, shall show that a Monthly Average of at least two Full-Time Equivalent Employment Units has been maintained over each twelve (12) month period from November 1 through the next October 1.

"Monthly Average" means the average number of Full-Time Equivalent Employment Units employed as of October 1 of each year and as of the first day of each of the preceding eleven (11) months, as shown in the Foundation's Annual Certification in Section 9.7. The Foundation shall provide information as requested by the City to determine compliance with the foregoing employment obligation.

Section 9.7. Annual Certification. To assist the City in monitoring this Agreement and the performance of the Foundation hereunder, a duly authorized officer of the Foundation shall annually provide to the City: (i) certification of the number of Full-Time Equivalent Employment Units employed by the Foundation as of October 1 and as of the first day of each of the preceding eleven (11) months; and (ii) certification that such officer has re-examined the terms and provisions of this Agreement and that at the date of such certificate, and during the preceding twelve (12) months, the Foundation is not, or was not, in default in the fulfillment of any of the terms and conditions of this Agreement and that no Event of Default (or event which, with the lapse of time or the giving of notice, or both, would become an Event of Default) is occurring or has occurred as of the date of such certificate or during such period, or if the signer is aware of any such default, event or Event of Default, said officer shall disclose in such statement the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto. Such statement, proof and certificate shall be provided not later than October 15 of each year, commencing October 15, 2019 and ending on October 15, 2038, both dates inclusive. The Foundation shall provide supporting information for its Annual Certifications upon request of the City. See Exhibit I for form required for the Foundation's Annual Certification.

Section 9.8. Term of Operation. The Foundation shall maintain its operations at the Museum Improvements on the Museum Property and shall maintain its operations at the Convention Center Improvements on the Convention Center Property, including the employee obligations in Section 9.6, until the Termination Date of this Agreement.

Section 9.9. Foundation Completion Guarantee.

a. By signing this Agreement, the Foundation hereby guarantees to the City performance by the Foundation of all the terms and provisions of this Agreement pertaining to the Foundation's obligations with respect to the construction of the Museum Improvements. Without limiting the generality of the foregoing, the Foundation guarantees that: (a) construction of the New Museum shall commence and be completed within the time limits set forth herein; (b) the New Museum shall be constructed and completed in accordance with the Museum Construction Plans; (c) the New Museum shall be constructed and completed free and clear of any mechanic's liens, materialman's liens and equitable liens; and (d) all costs of constructing the New Museum shall be paid when due.

b. By signing this Agreement, the Foundation hereby guarantees to the City performance by the Foundation of all the terms and provisions of this Agreement pertaining to the Foundation's obligations with respect to the construction of the Convention Center Improvements. Without limiting the generality of the foregoing, the Foundation guarantees that: (a) construction of the Convention Center Improvements shall commence and be completed within the time limits set forth herein; (b) the Convention Center Improvements shall be constructed and completed in accordance with the Convention Center Construction Plans; (c) the Convention Center Improvements shall be constructed and completed free and clear of any mechanic's liens, materialman's liens and equitable liens; and (d) all costs of constructing the Convention Center Improvements shall be paid when due.

ARTICLE X. PROHIBITION AGAINST ASSIGNMENT AND TRANSFER

Section 10.1. Status of the Foundation; Transfer of Substantially All Assets; Assignment. As security for the obligations of the Foundation under this Agreement, the Foundation represents and agrees that, prior to the Termination Date, the Foundation will maintain existence as a company and will not wind up or otherwise dispose of all or substantially all of its assets or transfer, convey, or assign its interest in the Museum Property, New Museum, Convention Center Property, Convention Center Improvements or this Agreement to any other party unless: (i) the transferee partnership, corporation, limited liability company or individual assumes in writing all of the obligations of Gatehouse under this Agreement; and (ii) the City consents thereto in writing in advance thereof, which consent shall not be unreasonably withheld or delayed.

In the event that the Foundation wishes to assign this Agreement, including its rights and duties hereunder, the Foundation and transferee individual or entity shall request that the City and the Foundation consent to an amendment or assignment of this Agreement to accommodate the assignment and to provide for the assumption of all Foundation obligations under this Agreement. Such assignment shall not be effective unless and until the City and the Foundation consent in writing to an amendment or assignment of this Agreement authorizing the assignment, which consent shall not be unreasonably withheld or delayed.

ARTICLE XI. MUSEUM GRANT

Section 11.1. Museum Grant Commitment; Disbursement to the Foundation.

a. The Museum Grant. Subject to the terms and conditions hereof, the City shall make the Museum Grant to the Foundation in a maximum amount of One Million Five Hundred Thousand Dollars (\$1,500,000) if all of the following conditions are satisfied:

i. The City shall have received final approval of its Reinvestment District application and the City and State shall have entered into an Award Agreement;

ii. Gatehouse has executed and delivered all documents, deemed necessary and prudent in the sole discretion of the City, for the construction of a hotel in the Urban Renewal Area;

iii. Each of the conditions precedent have been satisfied; and

iv. The Foundation remains in compliance with all terms and conditions of this Agreement.

b. Disbursements to the Foundation. Subject to and conditioned on Gatehouse and the Foundation being and remaining in compliance with the terms of this Agreement and the satisfaction of all of the preconditions set forth in Section 11.1.a. above, the City shall disburse Three Hundred Thousand Dollars (\$300,000) of the Museum Grant to the Foundation within three (3) month(s) of the Museum Closing and the City shall disburse the remainder of the Museum Grant as reimbursement for the Museum Project Costs incurred by the Foundation in constructing the Museum Improvements, subject to the following:

i. For clarification purposes, the initial disbursement will be retained by the Foundation until the final construction payment is made. Any remaining funds will be returned to the City of Mason City.

ii. The Foundation shall certify to the City the amount of the incurred Museum Project Costs in the form attached as Exhibit G with accompanying proof of payment and lien waivers;

iii. The Museum Project Costs are subject to review and approval by the City; which shall review and approve the certified Museum Project Costs, if it determines, in good faith but in its sole discretion, that the Museum Project Costs were incurred for the Museum Improvements, were fully paid by the Foundation, and are free and clear of any liens; and

iv. The City shall reimburse the certified and approved Museum Project Costs as a disbursement of the Museum Grant pursuant to this Agreement (but said reimbursement by the City shall not exceed the total Museum Grant amount of \$1,500,000 including the initial \$300,000 disbursement).

ARTICLE XII. CONVENTION CENTER GRANT

Section 12.1. Convention Center Grant Commitment; Disbursement to the Foundation.

a. The Convention Center Grant. Subject to the terms and conditions hereof, the City shall make the Convention Center Grant to the Foundation in the amount of Three Million Dollars (\$3,000,000) if all of the following conditions are satisfied:

i. The City shall have received final approval of its Reinvestment District

proceedings relating to the issuance of the City Bonds. Specifically, all obligations of the City to issue the City Bonds whose proceeds shall be used to design and construct the Skywalk Improvements are subject to each of the following conditions precedent:

- a. The completion and satisfaction of certain separate City Council actions and all required legal proceedings relating to the issuance of the City Bonds (in the judgment of bond counsel for the City);
- b. The City shall have completed the sale of all or a portion of the City Bonds on such terms and conditions as it shall deem necessary or desirable in its sole discretion;
- c. Results from the November 7, 2017 election in favor of and authorizing the City to issue the City Bonds and enter into a lease for a multi-use arena;
- d. The City shall have amended the Urban Renewal Plan, if necessary, to include the Museum Grant, Convention Center Grant, Skywalk Improvements and this Agreement as urban renewal projects;
- e. The Foundation is in material compliance with all of the terms of this Agreement;
- f. There has not been a substantial change for the worse in the financial resources and ability of the Foundation, or a substantial decrease in the financing commitments secured by the Foundation for construction of the New Museum and Convention Center Improvements, which change(s) make it likely, in the reasonable judgment of the City, that the Foundation will be unable to fulfill its covenants and obligations under this Agreement;
- g. The City shall have completed all applicable public bidding requirements for the Skywalk Improvements and shall have awarded a contract for the Skywalk Improvements acceptable to the City in its sole discretion.

Section 13.2. Construction of the Skywalk Improvements. Contingent on the Foundation being and remaining in compliance with the terms of this Agreement and contingent upon satisfaction of the conditions precedent in this Agreement, the City intends to issue City Bonds to (among other things) fund, and then construct, the Skywalk Improvements on the Skywalk Property. The City's obligation to issue the City Bonds to construct the Skywalk Improvements as described in this Article shall be subject in all respects to Unavoidable Delays, the provisions of this Article, and to the satisfaction of all conditions and procedures required (in the judgment of bond counsel for the City) by Chapters 384 and 403 of the Code with respect to issuance of the City Bonds, including the holding of all required public hearings relating to the same.

Section 13.3. Completion of the Skywalk Improvements. Subject to Unavoidable Delays, the City shall cause construction of the Skywalk Improvements to be undertaken and completed by no later than April 30, 2019. Time lost as a result of Unavoidable Delays shall be added to extend this date by a

number of days equal to the number of days lost as a result of Unavoidable Delays. Construction of the Skywalk Improvements shall not materially interfere with or delay the Foundation in the construction of the New Museum or Convention Center Improvements. Construction of the New Museum on the Museum Property and Convention Center Improvements on the Convention Center Property shall not materially interfere with or delay City in the construction of the Skywalk Improvements.

Section 13.4. Authority to Design, Engineer and Construct. The City shall design, engineer and construct the Skywalk Improvements in accordance with current City standards and design guidelines, other applicable design standards, the terms of this Agreement, and in accordance with the provisions of the Iowa Code. At the request of the Foundation, the City shall provide a copy of the construction plans for the Skywalk Improvements for review and comment, but the Foundation shall have no approval authority over said construction plans.

ARTICLE XIV. INDEMNIFICATION

Section 14.1. Foundation Release and Indemnification Covenants.

a. Except for the obligations of City as set forth in this Agreement, the Foundation releases the City and the governing body members, officers, agents, servants and employees thereof (hereinafter, for purposes of this Article XIV, the "Indemnified Parties") from, covenants and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify, defend, and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Museum Improvements, Museum Property, Convention Center Improvements or Convention Center Property.

b. Except for any willful misrepresentation or any willful or wanton misconduct or any unlawful act of the Indemnified Parties, the Foundation agrees to protect and defend the Indemnified Parties, now or forever, and further agrees to hold the Indemnified Parties harmless, from any claim, demand, suit, action or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from: (i) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by the Foundation against the City to enforce its rights under this Agreement); (ii) the acquisition and condition of the Museum Property and Convention Center Property and the construction, installation, ownership, and operation of the New Museum and Convention Center Improvements; or (iii) any hazardous substance or environmental contamination located in or on the Museum Property or Convention Center Property.

c. The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Foundation or its officers, agents, servants or employees or any other person who may be about the New Museum, Museum Property, Convention Center Improvements or Convention Center Property due to any act of negligence of any person, other than any act of negligence on the part of any such Indemnified Party or its officers, agents, servants or employees.

d. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City, and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

ARTICLE XV. DEFAULT AND REMEDIES

Section 15.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events during the Term of this Agreement:

- a. Failure by the Foundation to Commence Museum Construction or Commence Convention Center Construction;
- b. Failure by the Foundation to cause the construction of the New Museum or Convention Center Improvements to be completed and the operations to continue pursuant to the terms and conditions of this Agreement;
- c. Transfer of the Foundation's interest in the Museum Property, New Museum, Convention Center Property, Convention Center Improvements, or this Agreement or the assets of the Foundation in violation of the provisions of this Agreement;
- d. Failure by the Foundation to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement;
- e. The holder of any Mortgage on the Museum Property, Convention Center Property, or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable Mortgage documents;
- f. The Foundation:
 - i. files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or
 - ii. makes an assignment for the benefit of its creditors; or
 - iii. admits in writing its inability to pay its debts generally as they become due; or
 - iv. is adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Foundation as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer

shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of the Foundation or the New Museum or Convention Center Improvements, or part thereof, shall be appointed in any proceedings brought against the Foundation, and shall not be discharged within ninety (90) days after such appointment, or if the Foundation shall consent to or acquiesce in such appointment; or

g. Any representation or warranty made by the Foundation in this Agreement or in any written statement or certificate furnished by the Foundation pursuant to this Agreement, shall prove to have been incorrect, incomplete or misleading in any material respect on or as of the date of the issuance or making thereof.

Section 15.2. Remedies on Default. Whenever any Event of Default referred to in Section 15.1 of this Agreement occurs and is continuing, the City may take any one or more of the following actions after giving thirty (30) days' written notice to the Foundation of the Event of Default, but only if the Event of Default has not been cured to the reasonable satisfaction of the City within said sixty (60) days, or if the Event of Default cannot reasonably be cured within sixty (60) days and the Foundation does not provide assurances reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible:

a. The City may suspend its performance under this Agreement until it receives assurances from the Foundation, deemed adequate by the City, that the Foundation will cure the default and continue its performance under this Agreement;

b. The City may terminate this Agreement;

c. The City may withhold the Museum Certificate of Completion and/or the Convention Center Certificate of Completion;

d. The City may take any action, including legal, equitable or administrative action, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Foundation, as the case may be, under this Agreement;

f. The City shall have no obligation to make payment of the Museum Grant or Convention Center Grant (or any disbursements thereof) to the Foundation subsequent to an Event of Default and shall be entitled to recover from the Foundation, and the Foundation shall repay to the City, an amount equal to the full amount of the Museum Grant and Convention Center Grant previously made to the Foundation, with interest thereon at the highest rate permitted by State law. The City may take any action, including any legal action it deems necessary, to recover such amount from the Foundation. The City may demand such payment at any time following its determination that the Foundation is in default under this Agreement.

Section 15.3. No Remedy Exclusive. No remedy herein is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to

every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 15.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 15.5. Agreement to Pay Attorneys' Fees and Expenses.

a. Each party hereto shall pay for their respective legal, administrative, and other costs incurred in connection with the negotiation, drafting, and authorization of this Agreement; and

b. Whenever any Event of Default occurs and the City employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of Gatehouse herein contained, Gatehouse agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses as may be reasonably and appropriately incurred by the City in connection therewith.

ARTICLE XVI. MISCELLANEOUS

Section 16.1. Conflict of Interest. The Foundation represents and warrants that, to their best knowledge and belief after due inquiry, no officer or employee of the City, or their designees or agents, nor any consultant or member of the governing body of the City, and no other public official of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work or services to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

Section 16.2. Notices and Demands. A notice, demand or other communication under this Agreement by any party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

a. In the case of the Foundation, is addressed or delivered personally to Mason City Foundation at 308 S. Pennsylvania Ave., Mason City, IA 50401, Attn: John Barron, President;

- b. In the case of the City, is addressed to or delivered personally to the City at 10 1st St. NW, Mason City, IA 50401, Attn: Brent Trout, City Administrator;

or to such other designated individual or officer or to such other address as any party shall have furnished to the other in writing in accordance herewith.

Section 16.3. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 16.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 16.5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Iowa.

Section 16.6. Entire Agreement. This Agreement and the exhibits hereto reflect the entire agreement among the parties regarding the subject matter hereof, and supersedes and replaces all prior agreements, negotiations or discussions, whether oral or written. This Agreement may not be amended except by a subsequent writing signed by all parties hereto.

Section 16.7. Successors and Assigns. This Agreement is intended to and shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

Section 16.8. Termination Date. This Agreement shall terminate and be of no further force or effect on and after December 31, 2038, unless terminated earlier under the provisions of this Agreement.

Section 16.9. Memorandum of Agreement. The parties agree to execute and record a Memorandum of Agreement, in substantially the form attached as Exhibit E, to serve as notice to the public of the existence and provisions of this Agreement, and the rights and interests held by the parties by virtue hereof. The City shall pay for all costs of recording.

Section 16.10. No Third-Party Beneficiaries. No rights or privileges of either party hereto shall inure to the benefit of any landowner, contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, landowner, subcontractor, material supplier, or any other person or entity shall be deemed to be a third-party beneficiary of any of the provisions contained in this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, Foundation has caused this Agreement to be duly executed in its name and behalf by its authorized representatives, all on or as of the day first above written.

[Remainder of page intentionally left blank; signature pages follow]

(SEAL)

CITY OF MASON CITY, IOWA

By: _____
Eric Bookmeyer, Mayor

ATTEST:

By: _____
Brent Trout, City Administrator

STATE OF IOWA)
) ss
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me a Notary Public in and for said State, personally appeared Eric Bookmeyer and Brent Trout, to me personally known, who being duly sworn, did say that they are the Mayor and City Administrator, respectively, of the City of Mason City, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Administrator acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Purchase, Sale and Development Agreement – City of Mason City]

MASON CITY FOUNDATION,
an Iowa nonprofit corporation

By: _____
John Barron, President

STATE OF IOWA)
) SS
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me the undersigned, a Notary Public in and for said State, personally appeared John Barron, to me personally known, who, being by me duly sworn, did say that he is the President of the Mason City Foundation, and that said instrument was signed on behalf of said nonprofit corporation; and that the said John Barron, as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said nonprofit corporation, by him voluntarily executed.

Notary Public in and for said State

[Signature page to Purchase, Sale and Development Agreement – Mason City Foundation]

SCHEDULE OF EXHIBITS

EXHIBIT A-1.....	Legal Description of Museum Property
EXHIBIT A-2.....	Description of Museum Improvements
EXHIBIT A-3.....	Site Plans, Floor Plans and Renderings of Museum Improvements
EXHIBIT B-1.....	Legal Description of Convention Center Property
EXHIBIT B-2.....	Description of Convention Center Improvements
EXHIBIT B-3.....	Site Plans, Floor Plans and Renderings of Convention Center Improvements
EXHIBIT C-1.....	Legal Description of Skywalk Property
EXHIBIT C-2.....	Description of Skywalk Improvements
EXHIBIT C-3.....	Site Plans, Floor Plans and Renderings of Skywalk Improvements
EXHIBIT D-1.....	Museum Certificate of Completion
EXHIBIT D-2.....	Convention Center Certificate of Completion
EXHIBIT E.....	Memorandum of Agreement
EXHIBIT F.....	Quit Claim Deed Museum Property
EXHIBIT G.....	Certification of Museum Project Costs
EXHIBIT H.....	Certification of Convention Center Project Costs
EXHIBIT I.....	Annual Certification

EXHIBIT A-1
LEGAL DESCRIPTION OF MUSEUM PROPERTY

The Museum Property is legally described as follows:

LOTS ONE (1) AND TWO (2) OF AUDITOR'S PLAT OF LOTS TEN (10) AND ELEVEN (11) IN AUDITOR'S PLAT OF THE SOUTH ONE-HALF (1/2) OF THE SOUTHWEST ONE-QUARTER (1/4) OF THE NORTHWEST ONE-QUARTER (1/4) AND THE NORTH ONE-HALF (1/2) OF THE NORTHWEST ONE QUARTER (1/4) OF THE SOUTHWEST ONE QUARTER (1/4) IN SECTION 10-96-20, MASON CITY, IOWA; EXCEPTING THEREFROM THAT PORTION OF THE SOUTHEAST CORNER OF LOT TWO LYING EASTERLY OF THE WESTERLY RIGHT-OF-WAY LINE OF US HIGHWAY 65.

EXHIBIT A-2
DESCRIPTION OF MUSEUM IMPROVEMENTS

Museum Improvements or New Museum means the construction of an approximately 5,000 square foot building to house the Meredith Willson museum on the Museum Property. All construction shall be in accordance with City zoning and building requirements. The design of the New Museum shall be in character with the other architecture in the Mason City Downtown Reinvestment Urban Renewal Area. The construction of the New Museum will be completed by December 31, 2018. Construction costs are expected to be approximately \$1,500,000.

EXHIBIT A-3
SITE PLANS, FLOOR PLANS, AND RENDERINGS OF MUSEUM IMPROVEMENTS
(Representative only; see Museum Construction Plans for specifics)

EXHIBIT B-1
LEGAL DESCRIPTION OF CONVENTION CENTER PROPERTY

The Convention Center Property is legally described as follows:

LOT TWENTY-TWO (22) IN CHARLES D. WILSON'S REPLAT OF THE EAST EIGHT (8) RODS OF LOT SIX (6) IN THE AUDITOR'S PLAT OF LOT SEVEN (7) IN THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION TEN (10) IN TOWNSHIP NINETY-SIX (96) NORTH, RANGE TWENTY (20) WEST OF THE 5TH P.M., AND LOTS ONE (1), TWO (2), THREE (3), TWENTY (20), TWENTY-ONE (21), TWENTY-TWO (22) AND TWENTY-THREE (23) IN M.M. BURNS' ADDITION TO MASON CITY, IOWA (PARCEL 07-10-161-014-00)

LOT TWENTY-ONE (21) IN CHARLES D. WILSON'S REPLAT OF THE EAST EIGHT (8) RODS OF LOT SIX (6) IN LOT SEVEN (7) IN THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION TEN (10) IN TOWNSHIP NINETY-SIX (96) NORTH, RANGE TWENTY (20) WEST OF THE 5TH P.M., AND LOTS ONE (1), TWO (2), THREE (3) TWENTY (20), TWENTY-ONE (21), TWENTY-TWO (22) AND TWENTY-THREE (23) IN M.M. BURNS' ADDITION TO MASON CITY, IOWA (PARCEL 07-10-161-015)

THE SOUTH 82.5 FEET OF LOT FIVE (5) AND THE SOUTH THIRTY (30) FEET OF LOT THREE (3) IN THE SUBDIVISION OF LOT SEVEN (7) IN THE SUBDIVISION OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION 10-96-20 (PARCEL 07-10-161-020-00)

LOTS ONE (1) AND TWO (2) IN LOT 13 IN THE AUDITOR'S PLAT OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) OF THE SOUTHWEST QUARTER (SW1/4) AND LOT EIGHT (8) IN AUDITOR'S SUBDIVISION OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (nw1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 10-96-20, EXCLUDING THE FOLLOWING TRACT: BEGINNING AT THE NORTHWEST CORNER OF LOT NINE (9), THENCE NORTH 90 DEGREES 00'00" EAST 132.53 FEET ALONG THE NORTHERLY LINE OF LOT NINE (9) AND LOT EIGHT (8) TO THE NORTHEAST CORNER OF LOT EIGHT (8), THENCE SOUTH 00 DEGREES 31'14" WEST 126.39 FEET ALONG THE EASTERLY LINE OF LOT EIGHT (8), THENCE NORTH 89 DEGREES 47'21" WEST 1.2 FEET, THENCE SOUTH 00 DEGREES 12'39" WEST 6 FEET, THENCE NORTH 89 DEGREES 47'21" WEST 131.2 FEET TO THE POINT ON THE

WESTERLY LINE OF LOT NINE (9), THENCE NORTH 00 DEGREES 27'05" EAST 131.9 FEET ALONG THE WESTERLY LINE OF LOT NINE (9) TO THE POINT OF BEGINNING, CONTAINING 17495 SQUARE FEET AS IN THE SURVEY BOOK OF 2006 PAGE 3853 (PARCEL 07-10-161-023-00)

THE WEST 50.75 FEET OF THE NORTH 24.75' OF LOT FIVE (5) AND LOT FOUR (4), EXCLUDING THE EAST 7 FEET, OF AUDITOR'S PLAT OF LOT SEVEN (7) IN THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) IN THE SOUTHWEST QUARTER (SW1/4) OF SECTION 10-96-20 (PARCEL 07-10-161-010-00)

EXHIBIT B-2
DESCRIPTION OF CONVENTION CENTER IMPROVEMENTS

Convention Center Improvements means the renovation of the Music Man Square building(s) on the Convention Center Property that shall include, among other amenities typically found at such a convention center, a conference facility capable of accommodating at least 600 persons, with pre-function and breakout spaces, and a commercial grade functioning kitchen. All construction shall be in accordance with City zoning and building requirements. The design of the Conference Center Improvements shall be in character with the other architecture in the Mason City Downtown Reinvestment Urban Renewal Area. The construction of the Convention Center Improvements will be completed by December 31, 2019. Construction costs are expected to be approximately \$3,000,000.

EXHIBIT B-3
SITE PLANS, FLOOR PLANS, AND RENDERINGS OF CONVENTION CENTER
IMPROVEMENTS

(Representative only; see Convention Center Construction Plans for specifics)

EXHIBIT C-1
LEGAL DESCRIPTION OF SKYWALK PROPERTY

The Skywalk Property is legally described as follows:

THAT PORTION OF SOUTH DELAWARE AVENUE (US 65 NORTHBOUND) IN THE AUDTOR'S PLAT OF THE SOUTH ONE-HALF (1/2) OF THE SOUTHWEST ONE-QUARTER (1/4) OF THE NORTHWEST ONE QUARTER LYING IMMEDIATELY EAST OF AND ADJACENT TO LOT TWO (2) OF AUDITOR'S PLAT OF LOTS TEN (10) AND ELEVEN (11) IN AUDITOR'S PLAT OF THE SOUTH ONE-HALF (1/2) OF THE SOUTHWEST ONE-QUARTER (1/4) OF THE NORTHWEST ONE-QUARTER (1/4) AND THE NORTH ONE-HALF (1/2) OF THE NORTHWEST ONE QUARTER (1/4) OF THE SOUTHWEST ONE QUARTER (1/4) IN SECTION 10-96-20, MASON CITY, IOWA

EXHIBIT C-2
DESCRIPTION OF SKYWALK IMPROVEMENTS

Skywalk Improvements means the construction of a pedestrian skywalk over Delaware Avenue that connects the Convention Center Improvements on the east side of Delaware Avenue with the Museum Improvements and Minimum Improvements on the west side of Delaware Avenue. The design of the Skywalk Improvements shall be in character with the other architecture in the Mason City Downtown Reinvestment Urban Renewal Area. The construction of the Skywalk Improvements will be completed by April 30, 2019. Construction costs are expected to be approximately \$1,500,000.

EXHIBIT C-3
SITE PLANS AND RENDERINGS OF SKYWALK IMPROVEMENTS
(Representative only; see Skywalk construction plans for specifics)

EXHIBIT D-1
MUSEUM CERTIFICATE OF COMPLETION

WHEREAS, the City of Mason City, Iowa, (the "City") and the Mason City Foundation, an Iowa nonprofit corporation, ("Foundation"), did on or about the _____ day of _____, 2017, make, execute and deliver, each to the other, a Purchase, Sale and Development Agreement (the "Agreement"), wherein and whereby the Foundation agreed, in accordance with the terms of the Agreement, to develop and maintain certain real property located within the City and as more particularly described as follows:

LOTS ONE (1) AND TWO (2) OF AUDITOR'S PLAT OF LOTS TEN (10) AND ELEVEN (11) IN AUDITOR'S PLAT OF THE SOUTH ONE-HALF (1/2) OF THE SOUTHWEST ONE-QUARTER (1/4) OF THE NORTHWEST ONE-QUARTER (1/4) AND THE NORTH ONE-HALF (1/2) OF THE NORTHWEST ONE QUARTER (1/4) OF THE SOUTHWEST ONE QUARTER (1/4) IN SECTION 10-96-20, MASON CITY, IOWA; EXCEPTING THEREFROM THAT PORTION OF THE SOUTHEAST CORNER OF LOT TWO LYING EASTERLY OF THE WESTERLY RIGHT-OF-WAY LINE OF US HIGHWAY 65.

(the "Museum Property"); and

WHEREAS, the Agreement incorporated and contained certain covenants and restrictions with respect to the development of the Museum Property, and obligated the Foundation to construct certain Museum Improvements in accordance with the Agreement (as defined therein); and

WHEREAS, the Foundation has to the present date performed said covenants and conditions insofar as they relate to the construction of said Museum Improvements in a manner deemed by the City to be in conformance with the Agreement to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all covenants and conditions of the Agreement with respect to the obligations of the Foundation and its successors and assigns, to construct the Museum Improvements on the Museum Property have been completed and performed by the Foundation and are hereby released absolutely and forever terminated insofar as they apply to the land described herein. The County Recorder of Cerro Gordo County is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of said Agreement with respect to the construction of the Museum Improvements on the Museum Property.

All other provisions of the Agreement shall otherwise remain in full force and effect until termination as provided therein.

[Remainder of page intentionally left blank; signature page follows]

(SEAL)

CITY OF MASON CITY, IOWA

By: _____
Eric Bookmeyer, Mayor

ATTEST:

By: _____
Brent Trout, City Administrator

STATE OF IOWA)
) ss
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me a Notary Public in and for said State, personally appeared Eric Bookmeyer and Brent Trout, to me personally known, who being duly sworn, did say that they are the Mayor and City Administrator, respectively, of the City of Mason City, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Administrator acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Museum Certificate of Completion – City of Mason City]

(SEAL)

CITY OF MASON CITY, IOWA

By: _____
Eric Bookmeyer, Mayor

ATTEST:

By: _____
Brent Trout, City Administrator

STATE OF IOWA)
) ss
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me a Notary Public in and for said State, personally appeared Eric Bookmeyer and Brent Trout, to me personally known, who being duly sworn, did say that they are the Mayor and City Administrator, respectively, of the City of Mason City, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Administrator acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Convention Center Certificate of Completion – City of Mason City]

WEST OF THE 5TH P.M., AND LOTS ONE (1), TWO (2), THREE (3) TWENTY (20), TWENTY-ONE (21), TWENTY-TWO (22) AND TWENTY-THREE (23) IN M.M. BURNS' ADDITION TO MASON CITY, IOWA (PARCEL 07-10-161-015)

THE SOUTH 82.5 FEET OF LOT FIVE (5) AND THE SOUTH THIRTY (30) FEET OF LOT THREE (3) IN THE SUBDIVISION OF LOT SEVEN (7) IN THE SUBDIVISION OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION 10-96-20 (PARCEL 07-10-161-020-00)

LOTS ONE (1) AND TWO (2) IN LOT 13 IN THE AUDITOR'S PLAT OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) OF THE SOUTHWEST QUARTER (SW1/4) AND LOT EIGHT (8) IN AUDITOR'S SUBDIVISION OF THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (nw1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 10-96-20, EXCLUDING THE FOLLOWING TRACT: BEGINNING AT THE NORTHWEST CORNER OF LOT NINE (9), THENCE NORTH 90 DEGREES 00'00" EAST 132.53 FEET ALONG THE NORTHERLY LINE OF LOT NINE (9) AND LOT EIGHT (8) TO THE NORTHEAST CORNER OF LOT EIGHT (8), THENCE SOUTH 00 DEGREES 31'14" WEST 126.39 FEET ALONG THE EASTERLY LINE OF LOT EIGHT (8), THENCE NORTH 89 DEGREES 47'21" WEST 1.2 FEET, THENCE SOUTH 00 DEGREES 12'39" WEST 6 FEET, THENCE NORTH 89 DEGREES 47'21" WEST 131.2 FEET TO THE POINT ON THE WESTERLY LINE OF LOT NINE (9), THENCE NORTH 00 DEGREES 27'05" EAST 131.9 FEET ALONG THE WESTERLY LINE OF LOT NINE (9) TO THE POINT OF BEGINNING, CONTAINING 17495 SQUARE FEET AS IN THE SURVEY BOOK OF 2006 PAGE 3853 (PARCEL 07-10-161-023-00)

THE WEST 50.75 FEET OF THE NORTH 24.75' OF LOT FIVE (5) AND LOT FOUR (4), EXCLUDING THE EAST 7 FEET, OF AUDITOR'S PLAT OF LOT SEVEN (7) IN THE SOUTH HALF (S1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) AND THE NORTH HALF (N1/2) OF THE NORTHWEST QUARTER (NW1/4) IN THE SOUTHWEST QUARTER (SW1/4) OF SECTION 10-96-20 (PARCEL 07-10-161-010-00)

(the "Convention Center Property"); and

WHEREAS, the term of the Agreement commenced on the ____ day of _____, 2017 and terminates on December 31, 2038, unless otherwise terminated as set forth in the Agreement; and

WHEREAS, the City and the Foundation desire to record a Memorandum of Agreement referring to the Museum Property, Convention Center Property and their respective interests therein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. That the recording of this Memorandum of Agreement shall serve as notice to the public that the Agreement contains provisions restricting development and use of the Museum Property and Convention Center Property and the improvements located and operated on such Museum Property and Convention Center Property.

2. That all of the provisions of the Agreement and any subsequent amendments thereto, if any, even though not set forth herein, are by the filing of this Memorandum of Agreement made a part hereof by reference, and that anyone making any claim against any of said Museum Property, or Convention Center Property in any manner whatsoever shall be fully advised as to all of the terms and conditions of the Agreement, and any amendments thereto, as if the same were fully set forth herein.

3. That a copy of the Agreement and any subsequent amendments thereto, if any, shall be maintained on file for public inspection during ordinary business hours in the office of the City Clerk, Mason City, Iowa.

IN WITNESS WHEREOF, the City and the Foundation have executed this Memorandum of Agreement on the _____ day of _____, 2017.

[Remainder of page intentionally left blank; signature page follows]

(SEAL)

CITY OF MASON CITY, IOWA

By: _____
Eric Bookmeyer, Mayor

ATTEST:

By: _____
Brent Trout, City Administrator

STATE OF IOWA)
) ss
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me a Notary Public in and for said State, personally appeared Eric Bookmeyer and Brent Trout, to me personally known, who being duly sworn, did say that they are the Mayor and City Administrator, respectively, of the City of Mason City, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Administrator acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Memorandum of Agreement – City of Mason City]

MASON CITY FOUNDATION,
an Iowa nonprofit corporation

By: _____
John Barron, President

STATE OF IOWA)
) SS
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me the undersigned, a Notary Public in and for said State, personally appeared John Barron, to me personally known, who, being by me duly sworn, did say that he is the President of the Mason City Foundation, and that said instrument was signed on behalf of said nonprofit corporation; and that the said John Barron, as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said nonprofit corporation, by him voluntarily executed.

Notary Public in and for said State

[Signature page to Memorandum of Agreement – Mason City Foundation]

EXHIBIT F
QUIT CLAIM DEED FOR MUSEUM PROPERTY

See following pages.

QUIT CLAIM DEED

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

Jason L. Comisky
Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, IA 50309
(515) 243-7611

Taxpayer Information:

Mason City Foundation
308 S. Pennsylvania Ave.
Mason City, IA 50401

Return Document To:

Mason City Foundation
308 S. Pennsylvania Ave.
Mason City, IA 50401

Grantors: City of Mason City, Iowa

Grantees: Mason City Foundation

Legal Description: See Page 2

Document or instrument number of previously recorded documents:

Dated: _____

(SEAL)

CITY OF MASON CITY, IOWA

By: _____
Eric Bookmeyer, Mayor

ATTEST:

By: _____
Brent Trout, City Administrator

STATE OF IOWA)
) ss
COUNTY OF CERRO GORDO)

On this _____ day of _____, 2017, before me a Notary Public in and for said State, personally appeared Eric Bookmeyer and Brent Trout, to me personally known, who being duly sworn, did say that they are the Mayor and City Administrator, respectively, of the City of Mason City, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Administrator acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Quit Claim Deed for Museum Property – City of Mason City]

EXHIBIT G
CERTIFICATION OF MUSEUM PROJECT COSTS

Mason City Foundation ("Foundation") certifies that the expenses shown on the table below were/are the actual expenses incurred by the Foundation for the Museum Improvements as defined in the Purchase, Sale and Development Agreement entered into the _____ day of _____, 2017 between the City of Mason City, Iowa and Mason City Foundation (the "Agreement"). The Foundation certifies that no expenses claimed or shown on this table relate to personal or unallowable expenses.

In the event of an overpayment by the City for expenses not actually incurred, or if payment was received from another source for any portion of the expenses claimed, Foundation assumes responsibility for repaying the City in full for those expenses.

<u>Certification of Costs and Expenses for Completed Museum Project Costs</u>						
Project Cost Category	Invoice Description and Cost	Invoice Description and Cost	Invoice Description and Cost	Invoice Description and Cost	Invoice Description n and Cost	Total Cost
Construction Costs						

If you need additional space please attach another table.

Attach actual receipts and invoices and lien waivers

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct to the best of my knowledge and belief.

Mason City Foundation, an Iowa
nonprofit corporation

By: _____
John Barron, President