



October 9, 2007

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DELIVERED BY MESSENGER

Madison Plan Commission
215 Martin Luther King Jr. Blvd.,
Room LL-100
P. O. Box 2985
Madison, WI 53701-2985

To Whom It May Concern:

Re: Revised Letter of Intent for 1015
Hillside Avenue, Madison, Wisconsin
(the "Property") – Land Use
Application for Demolition Permit

I represent Jim Bakke, who is the Buyer under an Offer to Purchase the Property which was accepted on August 10, 2007, by Margaret Stafford, Personal Representative of the Estate of Mary Ellen Stafford, Deceased, as Seller. His Offer is contingent upon issuance of the above-referenced demolition permit.

Attached are the following items which we are submitting pursuant to my meeting on October 2 with Tim Parks and Matt Tucker:

1. An additional eleven (11) copies of this Letter of Intent;
2. All site plans required by the City of Madison Zoning Department;
3. Legal Description of Property which is included on the site plans;
4. Filing fee of \$500 plus \$50 for purposes of the City notifying neighboring property owners;
5. Photographs of the exterior of the residence and shed to be demolished;

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6. Property inspection report, including photographs of the interior of the residence; and

7. Preliminary Certified Survey Map (the "CSM").

The Property contains a single-family residence and a shed, both of which are in such poor condition that the Seller has not been able to sell the Property except to my client for demolition. The only reason my client is buying the Property is to settle a lot-line dispute without having to resort to litigation. The last significant work on the house occurred about 50 years ago. The attached inspection report shows the outdated and deteriorating condition of the Property which will help you to understand why it would be more economical to demolish the buildings, as opposed to renovating them.

If the demolition permit is issued, then Jim plans to close on the subject transaction, demolish the buildings and fill and landscape the Property, all, of course, in accordance with City requirements. He would like to start the demolition process after issuance of the demolition permit and closing of the transaction, and the closing is to take place within 10 business days after the permit is issued. Assuming the permit would be issued in 2007 and depending on weather conditions, landscaping may not be completed until the Spring of 2008. Jim does intend to keep the existing trees and other vegetation on the Property.

The demolition permit must be contingent on the purchase and closing of the Property, since it is our understanding that if the transaction does not close, the Seller may not want to be obligated to demolish the buildings.

The contractor who will demolish the buildings and renovate the Property is Homburg Contractors, Inc. located at 5590 Monona Drive, Madison, Wisconsin (phone #222-6597), and your contact person at Homburg Contractors, Inc. is Chris Homburg.

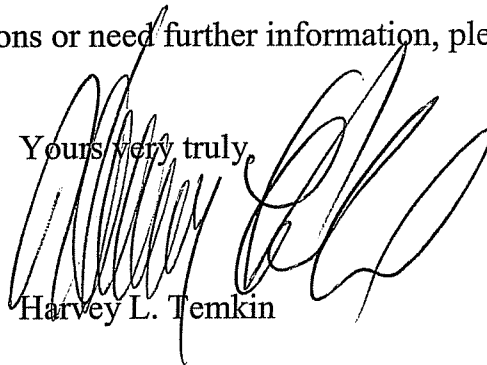
The entire Property is approximately 1.5 acres. The attached CSM divides the Property into two lots which is really just a lot line adjustment to add some additional square footage onto the adjacent property owned by Jim and to clean up the lot-line issue. If the demolition permit is issued and Jim closes on the Property, he intends to subsequently market the Property so that someone can buy the remainder of the

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Property and build a new residence. Jim does not, in any event, want to keep the current improvements since he feels they detract from the Property's value, and he does not want to be a landlord while trying to sell the Property. As you will note, the CSM includes a notation that any buyer would have to obtain Plan Commission approval based on standards that would have been considered if construction of a new home had been contemplated at the time of issuance of the permit.

If you have any additional questions or need further information, please feel free to call me at 608-229-2210.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Harvey L. Temkin', is written over the typed name. The signature is stylized with large, sweeping loops.

Harvey L. Temkin

MADISON\189028

Encs.

cc James Bakke
Janice Bensky
Margaret Stafford
Barbara Rule Osborn