

**AMENDMENT NO. 3 TO  
COOPERATION AGREEMENT FOR  
TAX INCREMENTAL DISTRICT – 24**

**THIS AMENDMENT TO COOPERATION AGREEMENT** (hereafter referred to as “Amendment”) is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by and between the City of Milwaukee, Wisconsin, a municipal corporation, (the “City”), the Redevelopment Authority of the City of Milwaukee, a public body, corporate and politic organized and existing under the laws of the State of Wisconsin (the “Authority”), and the Milwaukee Economic Development Corporation, a Wisconsin non-profit corporation (“MEDC”).

**WITNESSETH THAT:**

**WHEREAS**, The City, MEDC, and the Authority entered into a Cooperation Agreement for Tax Incremental District –24 (the “TID 24 ”) dated the 30<sup>th</sup> day of December, 1994, in order to provide for implementation of the TID Project Plan (the “Cooperation Agreement”), and specifically to provide “gap” financing for commercial and residential developments proposed in TID 24; and

**WHEREAS**, A copy of the Cooperation Agreement is attached hereto as Exhibit “A”; and

**WHEREAS**, The parties hereto wish to provide for a loan to finance a project at 3700 North Fratney Street, in TID 24;

**NOW, THEREFORE**, In consideration of the undertakings set forth herein and

for other good and valuable consideration, the parties agree as follows:

1. Loan Terms: The Loan, as set forth in Exhibit B to this Amendment No. 3 Cooperation Agreement is hereby approved.
2. All terms and Conditions of the Cooperation Agreement are incorporated herein and hereby modified to conform with this Amendment but, in all other respects, shall continue in full force and effect.

**IN WITNESS WHEREOF**, The parties have caused this agreement to be duly executed the day and year as hereinafter set forth.

**IN THE PRESENCE OF:**

**CITY OF MILWAUKEE**

\_\_\_\_\_

\_\_\_\_\_  
JOHN O. NORQUIST, Mayor  
Date: \_\_\_\_\_

**IN THE PRESENCE OF:**

\_\_\_\_\_  
RONALD D. LEONHARDT, City Clerk  
Date: \_\_\_\_\_

**IN THE PRESENCE OF:**

**COUNTERSIGNED:**

\_\_\_\_\_

\_\_\_\_\_  
W. MARTIN MORICS, Comptroller  
Date: \_\_\_\_\_

**IN THE PRESENCE OF:**

**REDEVELOPMENT AUTHORITY OF  
THE CITY OF MILWAUKEE**

\_\_\_\_\_

\_\_\_\_\_  
TOM MELLENCAMP, Chair

Date: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
JULIE A PENMAN, Exec. Director

Date: \_\_\_\_\_

Approved as to content  
this \_\_\_\_\_ day of \_\_\_\_\_, 2002

**MILWAUKEE ECONOMIC  
DEVELOPMENT CORPORATION**

\_\_\_\_\_  
THOMAS O. GARTNER  
Assistant City Attorney

Approved as to form and execution  
this \_\_\_\_\_ day of \_\_\_\_\_, 2002

\_\_\_\_\_  
PATRICK WALSH, President

Date: \_\_\_\_\_

\_\_\_\_\_  
THOMAS O. GARTNER  
Assistant City Attorney

EXHIBIT B

LOAN TERMS FOR FRATNEY & ASSOCIATES, LLC  
IN TID NO. 24

**BORROWER:** Fratney & Associates, L.L.C.

**DEVELOPMENT:** Project includes the acquisition and renovation of property located at 3700 N. Fratney Street. Building will be used as a two-story office/warehouse building containing approximately 21,700 square feet of leasable space.

**LENDER:** Milwaukee Economic Development Corporation with funding provided through Tax Incremental District No. 24. Pursuant to a Cooperation Agreement with the City and the Redevelopment Authority.

**LOAN AMOUNT:** \$160,000.

**INTEREST RATE:** 6.0%.

**PAYMENT:** Monthly payments of principal and interest of \$1,350.17 shall be made based on a 15-year amortization.

**TERM:** 5 years.

**COLLATERAL:** The Loan shall be secured by a second mortgage on the Project, subordinate to a first mortgage loan in the maximum amount of \$182,000, having a minimum term of 5 years.  
Assignment of leases and rents.  
Security Agreement for appliances and equipment in the building.

**GUARANTEES:** Unlimited personal guarantee of Steve J. Balistreri.

**EQUITY:** Borrower's equity contribution to the Project shall be not less than \$58,000.

**DUE ON SALE OR TAX-EXEMPTION:** The full amount of the Loan and any accrued interest thereon shall immediately be due and payable upon the sale of the Project, or in the event the Project, or any part thereof, becomes exempt from general real estate taxation by the City of Milwaukee.

FINANCIAL  
STATEMENTS:

Borrower shall provide quarterly financial statements and an annual financial statement for the project, no later than 120 days following the end of the Project's fiscal year; all statements to be certified by the Chief Financial Officer of Borrower.

FEES:

Borrower shall be responsible for any out-of-pocket closing costs, including legal fees, and the cost of an updated appraisal report.

DISBURSEMENTS: No funds shall be disbursed until Borrower's equity is fully disbursed.

GENERAL:

The Loan documentation will carry such other terms and conditions as are customary provisions for loans of this sort, as determined by RACM. This term sheet is not to be construed as a formal commitment.

DCD:krm  
12/05/01