

LEASE AGREEMENT

BY AND BETWEEN

THE CITY OF MILWAUKEE

AND

PRIME FINANCIAL CREDIT UNION

TABLE OF CONTENTS

1.	TERM.....	1
2.	RENT	1
3.	LESSOR PREPARATION OF SITE.....	1
4.	USE OF THE PREMISES	2
5.	IMPROVEMENTS	2
6.	FIXTURES.....	2
7.	MAINTENANCE	3
8.	UTILITIES	3
9.	DAMAGE TO THE PREMISES	3
10.	SECURITY	4
11.	INDEMNIFICATION OF LESSOR AND LESSEE INSURANCE.....	5
12.	PROPERTY INSURANCE, DAMAGE AND DESTRUCTION	4
13.	LAWS AND INSURANCE STANDARDS; WAIVER OF SUBROGATION....	6
14.	LIENS AND CLAIMS	7
15.	PERSONAL PROPERTY TAXES.....	7
16.	TERMINATION AND SURRENDER	7
17.	ATMs.....	7
18.	DEFAULT BY LESSEE.....	8
19.	ASSIGNMENT AND SUBLETTING	10
20.	NON-DISCRIMINATION	10
21.	EXHIBITS	11
22.	COMPLIANCE WITH LAWS AND ORDERS	11

23.	TIME OF THE ESSENCE.....	11
24.	WAIVER.....	11
25.	MODIFICATION	12
26.	GOVERNING LAW.....	12
27.	FORCE MAJEURE	12
28.	NOTICE.....	13
29.	CONSENTS.....	13

LEASE AGREEMENT

THIS AGREEMENT, made and entered into as of this ____ day of February, 2008, by and between the City of Milwaukee, a municipal corporation organized and existing under the laws of the State of Wisconsin, ("Lessor") and Prime Financial Credit Union, a state chartered community credit union, ("Lessee");

WITNESSETH:

Lessor does hereby lease, demise and let to Lessee the real property which is described on **EXHIBIT "A"**, attached hereto and by this reference incorporated herein, ("Premises") to be used as provided herein. This Agreement is made and entered into by the parties hereto upon the following terms and conditions:

1. Term. The term of this Agreement ("Lease Term") shall commence on the first of the month following the full and complete execution of this Lease Agreement by both parties (the "Commencement Date") and shall continue through the last day of the 120th month thereafter.

2. Rent. Lessee shall pay rent for its use of the Premises during the Lease Term as follows: Lessee shall pay Lessor a monthly rent equal to \$38,000 per year for the first year of the Lease Term, payable on the first day of each month of the Lease Term. On each anniversary of the Commencement Date, the amount of rent shall increase by 5% over the rent due and payable for and during the immediately preceding year of the Lease Term.

3. Lessor Preparation of Site. Prior to the Commencement Date, Lessor shall undertake preparation of the Premises by performing an abatement of any asbestos-containing materials located thereon.

4. Use of the Premises. Lessee shall use the Premises solely to construct and operate a full service branch office providing financial services. This branch office will be open for the transaction of business from at least 11:00 am until 4:30 pm Monday through Wednesday each

week and 7:00 am until 5:00 pm Thursday and Friday each week, excepting only those days which are holidays for City of Milwaukee employees and those days when other insured depository institutions are not open for business.

5. Improvements. Lessee agrees to improve and maintain the Premises, (the "Improvements"), subject to the following terms and conditions:

- a. Lessee shall not commence construction of the Improvements until the plans therefor have been approved by the Lessor, which approval shall not be unreasonably withheld, delayed, or conditioned.
- b. Lessee shall complete the construction of the Improvements in substantial compliance with the approved plans.
- c. Lessee shall consult with Lessor concerning the design and materials to be utilized in conjunction with the completion of the Improvements.
- d. The Improvements shall be consistent with that which is depicted in the drawings and plans set forth in EXHIBIT B.
- e. All signage on the exterior of the Premises is subject to the prior review and approval of Lessor.

6. Fixtures.

- a. Lessee May Install: Lessee may install and affix to the Premises such equipment and personal property, which are not part of the Improvements, as Lessee may deem desirable, all of which shall remain Lessee's sole property.

- b. Lessee May Remove: Lessee shall have the right, at any time during the Lease Term, to remove or change any equipment and personal property which are not part of the Improvements and which are installed by Lessee, at its sole expense, provided that if such removal damages any part of the Premises, Lessee shall promptly repair such damage.

7. Maintenance. Lessee shall keep and maintain the Premises in good order and repair and in a clean, sanitary and safe condition. Lessee shall furnish, at its own expense, maintenance custodial and janitorial service necessary to keep the Premises in a clean and neat condition and to maintain the Improvements in the same condition as of the date of their completion, ordinary wear and tear, as well as subsequent improvements, alterations, and additions excepted. Lessor shall supply the Premises with receptacles to collect and hold recyclable materials and shall collect and empty such receptacles on a regular basis.

8. Utilities.

- a. Access. Lessor shall construct and provide lines, pipes and other facilities to provide utility service to the edge of the Premises including facilities which provide heat, air conditioning, water, sewer, electrical, fiber and data services (the "Utilities"). The nature, quantity and quality of the Utilities provided will be consistent with that available throughout the building in which the Premises are located.

- b. Installation. Lessee shall cause to be installed, without expense to Lessor, all public utility installations within the Premises necessary for the operation of the Premises and the Improvements.
- c. Charges. Lessor shall be responsible for the cost of all Utilities used by Lessee in the ordinary course of operating its business as a small, retail branch office of a financial institution.

9. Damage to the Premises. In the event that the Improvements are damaged or destroyed, by any cause (other than pursuant to improvements, alterations, or additions approved by Lessor) during the Lease Term, Lessee shall promptly repair or replace the Improvements. Such repair or replacement shall be undertaken in substantial compliance with the original plans or such other plans as may be approved by Lessor in writing.

10. Security. Lessor shall have no obligation to provide any security for the Premises or for the benefit of Lessee's employees and customers. All such security measures shall be the sole responsibility of Lessee and at Lessee's sole cost.

11. Indemnification of Lessor and Lessee Insurance.

- a. Lessee agrees to indemnify and hold harmless Lessor and its agents and employees, from and against any and all liabilities, claims, demands, costs and expenses of every kind and nature (including reasonable attorneys' fees), including those arising from any injury or damage to any person (including death), property or business (1) sustained in or about the Premises; (2) resulting from the negligence or willful act of Lessee, its employees, agents, servants, invitees, licensees or subtenants, or (3) resulting from the failure of Lessee to

perform its obligations under this Agreement; provided, however, Lessee's obligations under this Paragraph shall not apply to injury or damage resulting from the negligence or willful act of Lessor or any one or more of its agents or employees.

- b. Lessee shall occupy the Premises at its own risk. During the term of this Agreement, Lessor and its agents and employees shall not be liable for, and Lessee hereby releases all claims for, bodily injury, death or property damage sustained by Lessee, or any person claiming through Lessee, and resulting from fire, accident, occurrence or condition in or upon the Premises.
- c. Lessee shall at all times during the term of this Agreement maintain in full force and effect the insurance, with an inflation rider, in substantially the form described in the certificate attached as **EXHIBIT "C"**. Prior to the commencement of Lessee's occupancy of the Premises, and thereafter not less than thirty (30) days prior to the expiration of any such policy, Lessee shall deliver to Lessor copies of such policies or certificates evidencing the same, together with satisfactory evidence of proof of payment of premiums.

12. Property Insurance, Damage and Destruction. At all times during the term of this Agreement, Lessee shall pay all premiums for and maintain in effect, with an insurance company or companies licensed to do business in the State of Wisconsin, policies of insurance for the benefit of Lessor and Lessee, as their interest may appear, with the coverages and in the amounts set forth in **EXHIBIT "C"**.

The policies of insurance required by this Paragraph:

- a. shall name Lessor as additional insured's; and
- b. contain an endorsement requiring thirty (30) days' written notice from the insurance company to all named insureds prior to cancellation of the policy or any material reduction in coverage, scope or amount of the policy.

Lessee shall deliver to Lessor, within thirty (30) days after completion of the Improvements, and annually thereafter, copies of policies or certificates of insurance evidencing coverages required by this paragraph.

13. Laws and Insurance Standards; Waiver of Subrogation. Lessee shall, during the term of this Agreement, at Lessee's sole cost and expense, promptly comply with all laws, ordinances, rules and regulations of all governmental entities, departments and agencies thereof having jurisdiction over the Premises. Lessee shall, at Lessee's sole cost and expense, make changes to the Premises which may be required in order to comply with the foregoing. Lessee expressly covenants and agrees to indemnify and save Lessor harmless from any penalties, damages or charges imposed for any violation of any of the covenants herein expressed, whether occasioned by Lessee or any person upon the Premises by virtue of a license or invitation of Lessee or holding or occupying the same or any part thereof under or by right of Lessee.

Lessee shall have no claim against Lessor for any damages should Lessee's use and occupancy of the Premises for the purposes set forth in this Agreement be prohibited or substantially impaired by reason of any law, ordinance or regulation of federal, state, county or municipal government or other public authority.

Neither Lessee nor Lessor shall be liable to the other for any loss arising out of damage or destruction of the Premises; or contents therein, if such damage or destruction is caused by a peril included in a standard form of fire insurance policy, with full extended coverage endorsement added, as from time to time issued in Wisconsin, to the extent that proceeds from such insurance are realized. Such absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Lessor or Lessee. It is the intention of the parties that each shall look solely to the insurer for reimbursement of any such loss and that such insurer shall have no subrogation rights against the other party.

14. Liens and Claims. Lessee shall not permit to be enforced against the Premises or any part thereof, any mechanic's, material supplier's, contractor's or subcontractor's lien arising from any work of construction, repair, restoration, replacement or improvement, any materials supplied and any other obligation incurred in respect of or to the Premises by or for Lessee. Lessee shall pay or otherwise cause the removal of any such lien, claim or demand before any action is brought to enforce it against the Premises (or promptly following the commencement of such an action). Lessee agrees to hold Lessor and the Premises harmless from all liability for all such liens, claims and demands, together with all costs in connection therewith.

15. Personal Property Taxes. Lessee shall pay all taxes levied on its personal property, including personal property owned by Lessee and its agents and kept on the Premises.

16. Termination and Surrender. Lessee further covenants and agrees to quit and surrender the Premises to Lessor at the end of the Lease in the same condition as at the date of the completion of the Improvements, ordinary wear and tear, as well as subsequent improvements, alterations, and additions approved by Lessor, excepted. Failure on the part of Lessee to comply

with the terms of its tenancy may give rise to action for damages or specific performance in the manner determined by Lessor at Lessor's election.

17. ATMs. Lessee shall place and maintain two automated teller machines (“ATMs”) for the dispensing of cash at the following locations: the Market Street lobby of the Zeidler Municipal Building, 841 N. Broadway (“ZMB”) near the Premises and the employee cafeteria in the basement of the ZMB. The parties will consult and cooperate with each other regarding the exact placement of the ATMs. Lessee shall pay Lessor the sum of \$200.00 per month (the “Monthly ATM Charge”) during the Lease Term for each of its ATMs located in the ZMB. Upon the request of either party, on or after the second anniversary of the Commencement Date, the parties shall engage in good faith negotiations in respect of a change in the Monthly ATM Charge.

18. Default by Lessee. The occurrence of one or more of the following events shall be an Event of Default under the terms of this Agreement:

- a. Lessee shall be adjudged a bankrupt, or a decree or order, approving as properly filed, a petition or answer asking reorganization of Lessee under Federal Bankruptcy Laws as now or hereafter amended, or under the laws of this State, shall be entered, and any such decree, judgment or order shall not have been vacated, stayed or set aside within sixty (60) days from the date of the entry or granting thereof; or
- b. Lessee shall file or admit the jurisdiction of the court and the material allegations contained in, any petition in bankruptcy, or any petition pursuant or purporting to be pursuant to the Federal Bankruptcy

Laws as now or hereafter amended, or Lessee shall institute any proceedings or shall give its consent to the institution of any proceedings for any relief of Lessee under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangements, composition of evidence; or

- c. Lessee shall make an assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Lessee; or
- d. Lessee shall be delinquent in any payments due under this Agreement required to be made by Lessee hereunder and such delinquency shall continue for ten (10) days after notice thereof in writing to Lessee; or
- e. Lessee shall default in any of the other covenants or agreements herein contained to be kept, observed and performed by Lessee, and such default shall continue for thirty (30) days (except as provided below) after notice thereof in writing to Lessee; or
- f. Lessee shall make any assignment, transfer, conveyance or other disposition of its interest in the Premises without the express written consent of Lessor; or
- g. Lessee shall dissolve or institute any proceeding for dissolution, merge into another entity or permit one or more other entities to consolidate or merge into it without the express written consent of Lessor; or

Upon occurrence of any one or more of such Events of Default, Lessor may, at its election in the manner and terms herein provided, declare this Agreement ended, and to recover possession of the Premises, either with or without process of law to re-enter and to expel, and remove Lessee and all agents, employees and representatives of Lessee engaged in operating the Premises or occupying the Premises, using such force as may be necessary in so doing. If default shall be made in any covenants, agreements, conditions or undertakings herein contained, to be observed and performed by Lessee, other than the payment of monthly rent due under this Agreement, which cannot with due diligence be cured within a period of thirty (30) days, and if notice thereof in writing shall have been given to Lessee, and if Lessee prior to the expiration of said thirty (30) days from and after the giving of such notice, commences to eliminate the cause of such default and proceeds diligently and with reasonable dispatch to take all steps and do all work required to cure such default and thereafter does so cure such default, then Lessor shall not have the right to declare the term of this Agreement as ended; provided, however, that the curing of any default in such manner shall not be construed to limit or restrict any rights of Lessor, including the right to declare this Agreement ended and terminated, and to enforce all of Lessor's rights and remedies hereunder for any other default not so cured.

19. Assignment and Subletting.

- a. No Transfer Without Lessor's Approval: Lessee shall not assign, sublet, sell or otherwise transfer any portion of the Premises, or Lessee's interest therein, including this Agreement, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

- b. Release of Lessee: In the event of any assignment permitted by this paragraph and Lessor's written consent to such assignment, Lessee shall be released from all rights and obligations under this Agreement.

20. Non-Discrimination. Lessee hereby agrees that in its use of the Premises and in its activities undertaken on the Premises it shall not discriminate or permit discrimination or restriction on the basis of race, sexual orientation, creed, ethnic origin or identity, color, gender, religion, marital status, age, handicap or national origin.

Lessee also agrees that it shall use all reasonable efforts to utilize certified disadvantaged business enterprises for eighteen percent (18%) of the total dollars expended on its construction activities in relation to the Premises. Disadvantaged business enterprises are defined in Chapter 360 of the Milwaukee Code of Ordinances and are certified by the Joint Certification Program. A list of certified disadvantaged business enterprises is maintained at:

Joint Certification Project Office
2323 North Dr. Martin Luther King Dr.
Milwaukee, WI 53212

21. Exhibits. The Exhibits attached to this Agreement are incorporated in full by this reference.

22. Compliance with Laws and Orders. Lessee will comply with all laws and orders of the United States and of the State of Wisconsin, all ordinances of the City of Milwaukee, and all rules and requirements of the police and fire departments or other municipal authorities of the City of Milwaukee, and will obtain and pay for all necessary permits and licenses, and will not do nor suffer to be done anything on the Premises during the term of this Agreement in violation of any such laws, ordinances, rules or requirements, and if notice is given to Lessee of any such

violation on the part of Lessee or of any person employed by or admitted to the said Premises by Lessee, Lessee will immediately desist from or correct such violation.

23. Time of the Essence. Time is of the essence with respect to each term and provision of this Agreement.

24. Waiver. One or more waivers by either party of any covenant or condition of this Agreement shall not be construed as a waiver of a subsequent breach of the same or of any other covenant or condition. The consent or approval given by either party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary further consent or approval of any subsequent similar act by such party. If either party brings an action for the recovery of any sum due hereunder, or because of the breach of any covenant in this Agreement, or for any other relief against the other party, declaratory or otherwise, arising out of this Agreement, the party in whose favor the judgment is entered shall be entitled to recover from the other party reasonable attorney's fees to be fixed by the court which rendered such judgment, as well as reasonable costs of suit.

25. Modification. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and may not be modified orally or in any other manner other than by agreement, in writing, signed by the both parties.

26. Governing Law. This Agreement shall be governed by the internal laws of the State of Wisconsin. If any term or provision of this Agreement or any Exhibits hereto, or the application thereof to any person or circumstances, shall to any extent be declared invalid or unenforceable, then the remainder of this Agreement and Exhibits, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable,

shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by applicable law.

27. Force Majeure. In the event performance of any of their respective covenants, agreements or obligations under this Agreement by either party is prevented, interrupted or delayed by causes beyond its control, including but not restricted to strike, lockout, action of labor unions, riots, storm, flood, explosion, acts of God or of any public enemy, acts of any court or other agency of government, acts of the other party prohibited by this Agreement, acts of others (including the other party) which are necessary for a party's performance hereunder, war, invasion, insurrection, mob violence, sabotage, malicious mischief, inability (notwithstanding good faith and diligent efforts) to procure, or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of power, failure of transportation, fires, epidemics, quarantine restrictions, freight embargoes, unusually severe weather for Milwaukee, Wisconsin, inability (notwithstanding good faith and diligent efforts) to obtain governmental permits or approvals, or delays of subcontractors due to such causes, and not caused by any act or failure to act by the party hereby delayed in such performance, the date or time or times for the performance of such covenant, agreement or obligations by Lessor or Lessee shall be extended for a period of time equal to the number of days the performance of such covenant, agreement or obligation by Lessor or Lessee is prevented, interrupted or delayed and, in such case, neither Lessor nor Lessee shall be liable for any costs, losses, damages, injuries or liabilities caused to or suffered or incurred by Lessor or Lessee in connection with, or as the result of, any such delay in, or non-performance of, such covenant, agreement or obligation. Except in the case where the proximate cause for such extension is the act or failure to act of the other party, the schedule for performance by such other party shall be extended, by an equal period.

28. Notice. In the event any notice is required to be delivered hereunder, it shall be given in writing, and shall be delivered personally or shall be deposited in the United States mail, postage prepaid, certified or registered, return receipt requested, in which latter even it shall be deemed given five days after the date mailed. If it is to be sent to Lessor, then it shall be addressed as follows:

City of Milwaukee
841 North Broadway
Milwaukee, WI 53202
Attention: Paul Fredrich, DPW

If it is to be sent to Lessee, then it shall be addressed as follows:

Prime Financial Credit Union
5656 South Packard
Cudahy, WI 53110
Attn: Steve Schultz, Executive Vice President

29. Consents. Whenever the consent or approval of any party is required under this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

PRIME FINANCIAL CREDIT UNION

By: _____

THE CITY OF MILWAUKEE

By: _____
Tom Barrett, Mayor

EXHIBIT "A"

Description of the Property

365 square feet of space inside the Zeidler Municipal Building located on the northeast corner of the Market Street lobby.

EXHIBIT "B"

Plans and Drawings depicting the Improvements

EXHIBIT "C"

(Exhibit "C" to the Lease Agreement consists of certificates of liability and property insurance.)