

ASSIGNMENT, ASSUMPTION
AND FIRST AMENDMENT
OF LEASE

Document Number

Document Title

Recording Area

This Document was drafted by and
should be returned to:
Kevin A. Martin, Esq.
Michael Best & Friedrich LLP
1 South Pinckney Street, Suite 700
Madison, WI 53703

Parcel Identification Number
392-1180-000

ASSIGNMENT, ASSUMPTION AND FIRST AMENDMENT OF LEASE

THIS ASSIGNMENT, ASSUMPTION AND FIRST AMENDMENT OF LEASE (“Agreement”) is made effective as of _____, 2024 (the “Effective Date”), by and among NORTH EDISON, LLC, a Wisconsin limited liability company (“Assignor”), THE EDISON SPE, LLC, a Delaware limited liability company (“Assignee”), and THE CITY OF MILWAUKEE (“City”).

RECITALS:

WHEREAS, Assignor, as tenant, and City, as landlord, entered into that certain Lease dated December 23, 2021, and recorded in the Register of Deeds Office for Milwaukee County on January 3, 2022, as Document No. 11204483 (the “Original Lease”), pursuant to which Assignor agreed to lease from City the City Parcel (also referred to as the Premises, as such terms are defined in the Original Lease) and commonly known as 1001 N. Edison Street, City of Milwaukee, Wisconsin, as more particularly described in **Exhibit A** attached hereto;

WHEREAS, in a transaction of even date herewith, Assignor is conveying to Assignee the Edison Parcel, as such term is defined in the Original Lease; and

WHEREAS, the parties now desire to modify and amend certain terms and provisions of the Original Lease and effectuate the assignment of the Assignor’s interest in the Original Lease to Assignee, all as more particularly hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the parties agree as follows:

1. **Definitions.** Unless otherwise defined herein, each capitalized term used herein shall have the meaning assigned thereto in the Original Lease. Effective as of the Effective Date, all references in the Original Lease or this Agreement to the “Lease” shall be deemed to refer to the Original Lease, as amended by this Agreement.

2. **Status of Lease.** The Lease is in full force and effect and there exists no default by Assignor under the Lease, nor any state of facts which with the passage of time or the giving of notice would constitute a default on the part of Assignor or Assignee.

3. **Termination for Convenience.** Section 5 of the Original Lease is hereby deleted and removed in its entirety and of no further force and effect.

4. **Assignment and Assumption of Assignor Interest.** Effective as of the Effective Date, Assignor hereby assigns to Assignee all of its right, title and interest in and to the Lease, including, without limitation, all of the rights, benefits, duties and obligations of Assignor as the tenant under the Lease. Effective as of the Effective Date, Assignee hereby assumes from Assignor all of all of its right, title and interest in and to the Lease, including, without limitation, all of the rights, benefits, duties and obligations of Assignor as the tenant under the Lease.

5. **Consent to Assignment and Assumption.** The City hereby consents to the foregoing assignment of the Lease from Assignor to Assignee and assumption of such Lease by Assignee, as such consent is required by Section 27 of the Lease; provided, however, said consent shall in no way be construed as the consent of City to any subsequent assignment of the Lease or subletting of the City Parcel or any part thereof except as otherwise set forth in this Section 5. Notwithstanding anything in Section 27 of the Lease to the contrary, City agrees that Assignee shall be permitted to assign the Lease to any subsequent purchaser of the Edison Parcel without City's prior written consent, provided that Assignee provides City with written notice of such assignment and a copy of the instrument pursuant to which such purchaser assumes the Lease and agrees to be bound by the terms of the Lease.

6. **Consent to Leasehold Mortgage.** The City hereby consents to the Assignee granting a mortgage against Assignee's leasehold interest in the City Parcel created pursuant to the Lease, in favor of Bank OZK, its successors and assigns (the "Mortgage Lender"), as such consent is required by Section 19 of the Lease, it being recognized that said mortgage also encumbers Assignee's fee interest in the Edison Parcel and certain additional land (the "Mortgage"); provided, however, said consent shall in no way be construed as the consent of City to any other leasehold mortgage in the City Parcel or any part thereof. The City further consents to Assignee executing and delivering to Mortgage Lender the following instruments, which instruments will be recorded against Assignee's leasehold interest in the City Parcel: (a) an Assignment of Rents and Revenues dated on or about the date hereof by Assignee in favor of Mortgage Lender (the "ALR"); and (b) a Pledge and Collateral Assignment of Economic Incentives dated on or about the date hereof by Assignee in favor of Mortgage Lender (the "Economic Incentive Pledge", and together with the ALR and Mortgage, the "Mortgage Loan Security Instruments"). No default or event of default under the Mortgage Loan Security Instruments will, in and of itself, constitute a default or event of default under the Lease.

7. **Acknowledgment of Mezzanine Loan.** The City acknowledges that (i) The Edison Holding SPE, LLC, a Delaware limited liability company ("Mezzanine Borrower"), is the sole member of Assignee, (ii) Mezzanine Borrower has obtained from PMRP VI Edison, L.L.C., a Delaware limited liability company (together with its successors and assigns, "Mezzanine Lender"), a mezzanine loan (the "Mezzanine Loan"), (iii) the Mezzanine Loan is secured by, among other things, all of Mezzanine Borrower's limited liability company interests in Assignee (the "Mezzanine Collateral"), (iv) if a default occurs under the Mezzanine Loan, Mezzanine Lender has the right, among other things, to foreclose on (or accept a transfer in lieu of foreclosure of) the Mezzanine Collateral and become the owner of the Mezzanine Collateral (a "Collateral Enforcement Action"), and (v) no default or event of default under the Mezzanine Loan will, in and of itself, constitute a default or event of default under the Lease. Notwithstanding anything to the contrary contained in the Lease, the City agrees that none of the following shall require notice to or consent of the City: (A) the pledge by Mezzanine Borrower of the Mezzanine Collateral to Mezzanine Lender, (B) a Collateral Enforcement Action or the exercise of any other remedy by Mezzanine Lender with respect to the Mezzanine Collateral, or (C) the sale or other transfer by Mezzanine Lender of the Mezzanine Loan.

8. **No Amendments without Lenders' Consent.** The City agrees that the Lease shall not be amended, modified or terminated without the prior written consent of Mortgage Lender and Mezzanine Lender.

9. **Notice/Cure Rights of Lenders.** The City shall deliver to Mortgage Lender and Mezzanine Lender copies of any default notice or demand from the City to Assignee simultaneously with transmittal of same to Assignee and the City agrees that each of Mortgage Lender and Mezzanine Lender may, but will not be obligated to, cure any default of Assignee within sixty (60) days after the later of (i) expiration of any cure period applicable to Assignee or (ii) Mortgage Lender's and Mezzanine Lender's (as applicable) receipt of notice stating such default, and the City agrees to accept such cure or performance by the applicable lender as though the same was performed by Assignee; provided, however, that if any non-monetary default cannot reasonably be cured within such sixty (60)-day period, each lender shall have such additional time period as may be reasonably necessary to cure such default with diligent prosecution.

10. **New Lease; Mortgage Foreclosure.** If the Lease is terminated for any reason prior to the expiration of the term thereof, or to the extent the Lease is rejected in bankruptcy by Assignee (or any trustee or other successor to Assignee), the City shall give prompt notice thereof to Mortgage Lender and, upon written request of Mortgage Lender, shall enter into a new lease (the "New Lease") with Mortgage Lender (or its designee) for the remainder of the term which was theretofore terminated or rejected at the same rent and having the same other provisions as the Lease (as amended hereby) and such New Lease shall maintain the same priority as the Lease. Such right may be exercised by written notice from Mortgage Lender to the City on or before the expiration of ninety (90) days after the receipt by Mortgage Lender of written notice from the City of such termination or rejection of the Lease. In addition, in the event that Mortgage Lender forecloses upon the Mortgage, City agrees to recognize Mortgage Lender or any party taking title to the leasehold interest in the Lease as a successor to Assignee's interest in the Lease and, if requested by Mortgage Lender or any such purchaser, execute a New Lease. No default or event of default under the Mortgage will, in and of itself, constitute a default or event of default under the Lease.

11. **Definition of Edison.** "Edison", as such term is defined in the Lease, shall mean the Assignee.

12. **Edison's Address.** Edison's address in Section 31 of the Lease is hereby deleted in its entirety, and the following is inserted in its place:

To Edison:

The Edison SPE, LLC
25 West Main St. Suite 500
Madison, WI 53703
Phone (608) 577-6108

Copy to:

Michael Best & Friedrich LLP
Attn: Kevin A. Martin
1 S. Pinckney Street, Suite 700
Madison, WI 53703
Phone (608) 257-7467

13. **Mortgage Lender Address.** Notices to Mortgage Lender shall be sent in accordance with the delivery methods set forth in Section 31 of the Lease to the following address (or such other address as Mortgage Lender may provide):

Bank OZK
8300 Douglas Avenue, Suite 900
Dallas, TX 75225
Attn: Clifton Hill

Copy to:

Bank OZK
6th and Commercial
P.O. Box 196
Ozark, Arkansas 72949
Attn: Regina Barker

14. **Mezzanine Lender Address.** Notices to Mezzanine Lender shall be sent in accordance with the delivery methods set forth in Section 31 of the Lease to the following address (or such other address as Mezzanine Lender may provide):

PMRP VI Edison, L.L.C.
200 West Madison Street, Suite 2800
Chicago, IL 60606
Attn: Douglas W. Lyons
Email: dlyons@pearlmark.com

Copy to:

PMRP VI Edison, L.L.C.
200 West Madison Street, Suite 2800
Chicago, IL 60606
Attn: Mark K. Witt
Email: mwitt@pearlmark.com

15. **Exhibit A.** City, Assignor, and Assignee acknowledge that the legal description of the City Parcel attached to the Lease was incorrect. In order to correct the same, the parties agree that **Exhibit A** of the Lease is hereby deleted in its entirety and replaced with **Exhibit A-1** attached hereto.

16. **Improvements.** Since the initial date of the Lease, the plans for the improvements to be constructed on the City Parcel have been updated. In order to reflect the updated plans for the improvements and the City's approval of the same pursuant to Section 18 of the Lease, the parties agree that **Exhibit C** of the Lease is hereby deleted in its entirety and replaced with **Exhibit C-1** attached hereto. In the event the Lease is terminated for any reason, the City shall provide Assignee (or its successors or assigns) with a temporary limited easement, license, or similar

limited rights as necessary for Assignee, and/or its successors or assigns, to complete construction of the improvements as necessary to comply with the Board of Zoning Appeals for the City of Milwaukee decision numbers BZZA-24-00060 and BZZA-24-00020.

17. **Estoppel Certificates.** At any time and from time to time, and within ten (10) days after written request by either party to the Lease, the other party shall execute, acknowledge and deliver to the requesting party, or to such other recipient as the notice shall direct, an estoppel certificate in form and substance reasonably satisfactory to the party requesting the estoppel certificate, certifying that the Lease is in full force and effect, is unmodified, that no notice of termination thereof has been provided by either party, as the case may be, stating the date to which the rent has been paid, stating whether there are any defaults thereunder and specifying the nature of such defaults.

18. **Casualty/Condemnation.** Notwithstanding Section 25(a) of the Lease to the contrary, following: (a) any casualty to the City Parcel; or (b) any condemnation or transfer in lieu of condemnation of less than the entire City Parcel, if necessary to avoid a default under any agreements with Mortgage Lender and/or Mezzanine Lender, Edison shall have the right to continue the Lease in effect provided that Edison agrees to restore the condition of the City Parcel to as near as the same condition as existed prior to the event of casualty or condemnation.

19. **Authority.** Each of the parties signing this Agreement hereby warrants and represents that it has the full legal power, authority and right to execute, deliver and perform the obligations under this Agreement, that this Agreement has been duly authorized by all requisite actions on the part of such warranting party, and that no remaining action or third-party action is required to make this Agreement binding upon such party.

20. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Wisconsin.

21. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when so executed and when delivered, shall together constitute but one and the same instrument.

22. **Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of Assignor and Assignee (including, without limitation, any successor of Assignee that is a purchaser through foreclosure or proceedings and transfer in lieu thereof) and their respective successors and assigns.

23. **Venue.** The parties agree that venue for any action arising out of or in any way related to this Agreement or the Original Lease shall be exclusively in the Milwaukee County Circuit Court for matters arising under state law and in federal district court in the Eastern District of Wisconsin for matters arising under federal jurisdiction.

24. **Miscellaneous.** Except as provided herein, all of the terms, covenants, and provisions of the Original Lease, including all default provisions not addressed herein, shall remain in full force and effect.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed effective as of the Effective Date written above.

ASSIGNOR:

NORTH EDISON, LLC,
a Wisconsin limited liability company

By: The Neutral Project LLC
Its: Manager

By: _____
Nathan Helbach, CEO

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
_____ COUNTY)

Personally came before me this ____ day of _____, 2024, the above-named Nathan Helbach, the CEO of The Neutral Project LLC, the Manager of North Edison, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

* _____

Notary Public, State of Wisconsin.
My Commission is permanent. (If not, state expiration date: _____, 20____.)
* *Print name*

(Signatures continue on following pages)

ASSIGNEE:

THE EDISON SPE, LLC,
a Delaware limited liability company

By: The Edison Holding SPE, LLC
Its: Sole Member

By: The Edison Project Holding, LLC
Its: Sole Member

By: _____
Nathan Helbach, CEO

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
_____ COUNTY)

Personally came before me this ____ day of _____, 2024, the above-named Nathan Helbach, the CEO of The Edison Project Holding, LLC, the Sole Member of The Edison Holding SPE, LLC, the Sole Member of The Edison SPE, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

* _____

Notary Public, State of Wisconsin.
My Commission is permanent. (If not, state expiration date: _____, 20____.)
* *Print name*

(Signatures continue on following page)

CITY:
CITY OF MILWAUKEE

By: _____
Cavalier Johnson, Mayor

By: _____
Jim Owczarski, City Clerk

By: _____
Bill Christianson, Comptroller

Milwaukee City Attorney Approval and Authentication

Jordan M. Schettle, as a member in good standing of the State Bar of Wisconsin, hereby approves the signatures of the Milwaukee representatives above, and also authenticates the signatures of each of the above Milwaukee representatives/signatories per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: _____
Name: Jordan M. Schettle
Title: Assistant City Attorney
State Bar No. 1104571
Date: _____

Exhibit A

Legal Description of the Premises

LOT EIGHT (8) EXCEPT THE NORTH TEN (10) FEET THEREOF, AND A PART OF LOT NINE (9) IN BLOCK FORTY-NINE (49) IN THE PLAT OF THE TOWN OF MILWAUKEE ON THE EAST SIDE OF THE RIVER, IN THE NORTHEAST ONE-QUARTER (1/4) OF SECTION TWENTY-NINE (29), IN TOWNSHIP SEVEN (7) NORTH, RANGE TWENTY-TWO (22) EAST, IN THE CITY OF MILWAUKEE, COUNTY OF MILWAUKEE, STATE OF WISCONSIN, LYING NORTH OF THE NORTH LINE OF EAST STATE STREET MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE INTERSECTION OF THE WEST LINE OF NORTH EDISON STREET AND THE SOUTH LINE OF THE NORTH TEN (10) FEET OF SAID LOT EIGHT (8); THENCE SOUTH ALONG THE WEST LINE OF NORTH EDISON STREET 21.92 FEET TO A POINT ON THE SOUTH LINE OF THE PARCEL DEEDED TO THE CITY OF MILWAUKEE IN DOCUMENT NUMBER 2080326 AND AS DESCRIBED IN SETTLEMENT AGREEMENT IN VOLUME 1653, PAGE 127, AS DOCUMENT NUMBER 2271577, SAID LINE ALSO BEING DESCRIBED AS THE NORTH LINE OF EAST STATE STREET; THENCE WESTERLY ALONG THE LAST DESCRIBED LINE 118.85 FEET TO A POINT IN THE ESTABLISHED DOCK LINE OF THE MILWAUKEE RIVER; THENCE NORTHERLY ALONG THE ESTABLISHED DOCK LINE OF THE MILWAUKEE RIVER 33.99 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH TEN (10) FEET OF SAID LOT EIGHT (8); THENCE EASTERLY ALONG LAST DESCRIBED LINE 117.61 FEET TO THE POINT OF BEGINNING.

Exhibit C-1

Revised Approved Initial Improvements

[See Attached]