

ARENA CONNECTOR LEASE

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ARENA CONNECTOR LEASE

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| Name and Return Address   |
| Bruce T. Block, Esq.<br>Reinhart Boerner Van Deuren s.c.<br>1000 North Water Street,<br>Suite 1700<br>Milwaukee, WI 53202 |

This document was drafted by:

Bruce T. Block, Esq.  
Reinhart Boerner Van Deuren s.c.  
1000 North Water Street, Suite 1700  
Milwaukee, WI 53202

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## ARENA CONNECTOR LEASE

**THIS ARENA CONNECTOR LEASE** (this "Lease"), is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_ 2018, (the "Effective Date") by and among THE CITY OF MILWAUKEE ("City"), DEER DISTRICT LLC ("DD") and HEAD OF THE HERD LLC ("HOH") as lessors (collectively, the "Lessors" and individually as "Lessor") and the WISCONSIN CENTER DISTRICT ("WCD") as lessee.

### RECITALS

- A. City holds the public alley right-of-way which is legally described on **Exhibit A**, attached hereto (the "City Premises").
- B. DD holds title to the real property abutting the City Premises which is legally described on **Exhibit B**, attached hereto (the "DD Premises").
- C. HOH holds title to the real property which is legally described on **Exhibit C**, attached hereto ("Lot 2"). HOH intends to construct a building on Lot 2 that will contain ground floor bathroom areas which are depicted on **Exhibit D**, attached hereto (the "HOH Premises"). (The City Premises, the DD Premises and the HOH Premises are collectively referred to as the "Connector Premises").
- D. City, the Redevelopment Authority of the City of Milwaukee and DD entered into that certain Cooperation, Contribution and Development Agreement dated as of December 22, 2015 as amended by the First Amendment to Cooperation, Contribution and Development Agreement dated September 20, 2016 (collectively, the "Development Agreement"), regarding the implementation of the Greater Arena Project, as that term is defined in the Development Agreement. Any capitalized terms used in this Lease shall have the definition provided in the Development Agreement, unless otherwise defined herein.
- E. WCD is a local exposition district created and existing pursuant to Subchapter II of Chapter 229 of the Wisconsin Statutes and is the owner of the Arena Parcel that will be the location of the Bucks Arena, as those terms are defined below. WCD is also the owner of the real property that abuts Lot 2 and that is legally described on **Exhibit E**, attached hereto ("Outlot 1") and the lessee of the "North 4th Street Pedestrian Mall," as such term is described in that certain Pedestrian Mall Lease dated as of May 16, 2016 between City and WCD. (Outlot 1 and the North Street Pedestrian Mall are collectively referred to as the "WCD Property").
- F. The City Premises were designated as a pedestrian mall by City's Common Council adopting File No. 171429, which created Sec. 113-22 of the Milwaukee Code of Ordinances, on \_\_\_\_\_, 2018, which designation was conditioned upon the parties hereto entering into this Lease and City approval of design plans for the City Premises.

- G. Pursuant to 2015 Wisconsin Act 60, enacted by the State of Wisconsin, WCD will lease the Bucks Arena, the Arena Parcel and the Live Block Plaza to DD, for use by the Milwaukee Bucks National Basketball Association basketball franchise (the "Team").
- H. The parties hereto desire that the City Premises and the DD Premises be collectively designed, improved and made available to the public so as to create an attractive and activated public pedestrian thoroughfare through and across the City Premises and the DD Premises linking North Old World Third Street to the WCD Property and the Bucks Arena (the "Connector"). The parties further desire that the HOH Premises be made available to the public to service the Connector. (The City Premises, the DD Premises and the HOH Premises are collectively referred to as the "Connector Premises").
- I. Lessors are willing to lease their respective interests in the Connector Premises to WCD on the terms and conditions set forth herein with the understanding that the Connector Premises will in turn be subleased to ArenaCo (as hereafter defined) by an amendment to the Arena Lease, Management and Operations Agreement by and between WCD and ArenaCo pursuant to Sec. 229.461, Wis. Stats., and dated \_\_\_\_\_, 2016 (the "Sublease") and be developed, maintained and used by ArenaCo pursuant thereto for no additional charge as a public thoroughfare and meeting area located between North Old World Third Street and the Live Block Plaza.
- J. City authorized the execution of this Lease by City Common Council Resolution File No. 171430, passed \_\_\_\_\_, 2018.

**NOW THEREFORE**, for and in consideration of the mutual promises and covenants contained herein including the recitals above, which are agreed to and incorporated herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**1. Definitions.**

- A. "Approved Connector Plans" means the design plans for the Connector that are approved by the City of Milwaukee Common Council (the "City's Common Council") in conjunction with the approval of this Lease and shown on **Exhibits G, H and I** attached hereto.
- B. "ArenaCo" means DD or its Affiliate, as that term is defined in the Development Agreement, pursuant to a sublease agreement entered into by WCD as sublessor and such entity, as sublessee.
- C. "Arena Parcel" means land bounded by West Juneau Avenue on the north, North 6th Street on the west, West Highland Avenue on the south and North 4th Street on the east where the Bucks Arena is being constructed.
- D. "Bucks Arena" means the new basketball arena that is being constructed by ArenaCo on the Arena Parcel for use by the Team (or such other National Basketball Association basketball franchise as may be applicable from time to time) and other uses and purposes set forth in the Sublease.

- E. "Connector Premises" means the City Premises, the DD Premises and the HOH Premises, collectively.
  - F. "Development Agreement" has the definition provided in Recital D above.
  - G. "Leasehold Mortgagee" means the holder of a mortgage, deed of trust, security deed, deed to secure debt or any similar other instrument or agreement constituting a lien upon, or similarly encumbering a leasehold or sub-leasehold estate, as renewed, restated, modified, consolidated, amended, extended or assigned (absolutely or collaterally) from time to time (including any trustee, servicer or administrative agent acting on behalf of the holder or holders thereof).
  - H. "Live Block Plaza" means a pedestrian plaza area to be designed and constructed by ArenaCo on the parcel more particularly identified and described in the Development Agreement.
  - I. "NBA" means the National Basketball Association.
  - J. "Connector Improvements" means improvements, hardscape and softscape installed by WCD or ArenaCo on the Connector Premises that are consistent with the use of the Connector Premises as a public pedestrian thoroughfare and gathering area or such other use as agreed to between WCD and the City, including, without limitation, bike share stations, canopies, sculptures, seating areas and installations, bar and food service amenities, gazebos, kiosks, decorative paving, light posts, signage, landscaping and similar facilities and amenities, and all in accordance with the requirements of Section 4A of this Lease.
  - K. "Sublease" has the definition provided in Recital I above.
  - L. "Special Events" means WCD-Controlled Activities, as defined below, or activities organized, controlled and supervised by third parties on a portion of the Connector Premises that are not open to the general public, as allowed pursuant to Section 8 of this Lease. Special Events shall be limited to lawful uses as allowed by Section 6 of this Lease.
  - M. "Term" means the term of this Lease as described in Section 3 below.
  - N. "WCD-Controlled Activities" means activities undertaken at the Connector Premises that are organized, controlled and supervised by WCD, ArenaCo or others authorized by WCD. WCD-Controlled Activities may include concerts and theatrical performances, sports-related activities or tournaments, rallies or other assemblies, festivals or convention-related activities and may include exclusive use of the entire Connector Premises by WCD for a temporary period, pursuant to Section 8 of this Lease.
2. **Leased Premises.** Subject to the terms hereof, the Lessors do hereby lease the Connector Premises to WCD.

- A. Recording of Lease. Lessors shall record this Lease (or a memorandum or other evidence thereof) in the Milwaukee County Register of Deeds Office.
- B. The Leases to WCD. Subject to all the terms and conditions in this Lease, the Lessors hereby lease to WCD their respective interests in the Connector Premises to WCD and WCD hereby leases from the Lessors their respective interests in the Connector Premises. The DD Premises and the City Premises are leased to WCD on an **AS-IS, WHERE-IS BASIS** with all faults, encumbrances and defects, known or unknown, discovered or to be discovered. HOH covenants to build, deliver and lease the HOH Premises to WCD in the condition set forth on **Exhibit F**.
- C. Sublease to ArenaCo. In the event that the Connector Premises are subleased to ArenaCo as permitted herein, the Sublease shall incorporate all of the terms of this Lease in respect of the Connector Premises only and, as a condition of such sublease, ArenaCo shall take on all obligations, responsibilities, rights and liabilities of WCD under this Lease solely with respect to the Connector Premises; provided, however, ArenaCo shall have no liability for matters caused by the affirmative actions of WCD, including acts of negligence, bad faith or willful misconduct. In the event of inconsistencies between this Lease and the Sublease, as it relates to the Connector Premises, the terms of this Lease shall apply.

**3. Term.**

- A. The Term of this Lease shall commence on the Effective Date and, unless sooner terminated as herein provided, shall expire immediately after the expiration of the Sublease on (i) the first June 30 following the thirtieth (30th) anniversary of the of the Team's first regular season NBA game in the Bucks Arena, if the Team's first regular season game in the Bucks Arena occurs before the NBA's All Star Game for that season, and (ii) the second June 30 following the thirtieth (30th) anniversary of the of the Team's first regular season NBA game in the Bucks Arena, if the Team's first regular season game in the Bucks Arena occurs after the NBA's All Star Game for that season.
- B. WCD shall have the option, to extend the Term for three additional periods of five (5) years each by written notice to the Lessors given no later than eighteen (18) months prior to the then-current scheduled expiration date of this Lease. The Lessors shall give effect to any notice of extension made by WCD, ArenaCo or a Leasehold Mortgagee.

**4. Development of Connector Premises.** As part of the consideration being provided by WCD to the Lessors and a material provision of this Lease without which the Lessors would not have entered into this Lease, WCD shall, or shall cause ArenaCo to, design, construct, maintain, repair and operate during the Term hereof the Connector Improvements on the Connector Premises at no cost to City. The development of the Connector Premises by WCD (or ArenaCo) shall meet the following requirements and be subject to the following limitations:

- A. Plan Approval. WCD shall, or shall cause ArenaCo to, design and improve the Connector Premises to be consistent with the Detailed Plan Development Zoning approved by the City for the DD Premises as set forth on Exhibit G attached hereto, with the plans for the City Premises attached hereto as Exhibit H and (subject to timely delivery of the HOH Premises by HOH in the condition set forth on Exhibit F) with the build-out plans for the HOH Premises attached hereto as Exhibit I (collectively, the "Approved Connector Plans").
- B. Public Access. The Connector Premises shall be accessible by the general public as provided below:
- (1) WCD shall operate the Connector Premises in a manner that keeps it open to the general public in accordance with all applicable federal, state and local laws, statutes, ordinances, codes and regulations provided, however, that public use shall be limited to normal and customary pedestrian and related uses and otherwise in accordance with the terms of this Lease and provided further that the public access and rights granted herein shall exclude any commercial activities or operations by members of the public not expressly allowed by WCD. Further, access to and use of the HOH Premises by the general public may be limited to the following hours:  
\_\_\_\_\_.
  - (2) The right of the public to use the Connector Premises shall not extend to loitering, unauthorized vendor or commercial activities or other types of uses that may constitute a public or private nuisance.
  - (3) Except as expressly provided herein, including Special Events permitted pursuant to Section 8 of this Lease, WCD shall, at all times, make the Connector Premises available for use by members of the public, except at such times as the Connector Premises, or any portion thereof, must be closed for construction, maintenance or repair of the Connector Improvements or any utility facilities; to protect against unsafe conditions; or to avoid the acquisition of adverse or prescriptive rights.
- C. Connector Improvements. Subject to compliance with applicable laws and the public access rights granted herein, WCD shall have the right, from time to time and at any time, to place or install Connector Improvements on the Connector Premises consistent with the Approved Connector Plans. Any material changes to the Connector Improvements at any time during the Term that are materially inconsistent with or substantially different from the Approved Connector Plans shall first be approved by City's Common Council. Any Connector Improvements that are not consistent in all material respects with the Approved Connector Plans and have not been approved by City's Common Council shall be removed at WCD's sole cost upon written request from City to WCD.



D. Utilities.

- (1) WCD acknowledges that the owners of utility facilities located within the City Premises have rights to access their facilities for repairs and replacement as deemed necessary by the owner of the utility facilities, subject to City permitting requirements, Wisconsin Public Service Commission rules and regulations and applicable Wisconsin Statutes including, but not limited to Sections 55.0831 and 182.017, Wis. Stats. Such access rights may interfere with WCD's use of the City Premises from time to time.
- (2) City shall, unless an emergency situation prohibits it, use its best efforts to notify WCD at least 30 days before City needs to repair, replace or do any work on its utility facilities that require excavation of any portion of the City Premises. In the event the City needs to excavate any portion of the City Premises to access its utility facilities, City shall be obligated to only restore such disturbed area of the City Premises to standard pavement with WCD obligated to restore any decorative paving or other Connector Improvements located in the area disturbed. In all circumstances, City should exercise reasonable efforts to schedule any required repair, replacement or work from July 1 until November 1.

5. **Rent/Consideration.** WCD shall pay no monetary rent to the Lessors under this Lease. As consideration for Lessors' lease of the Connector Premises to WCD, WCD agrees it shall develop the Connector Premises into the Connector, as required herein, and shall assume other obligations and responsibilities as described in Section 7, below.

6. **Use of the Premises.** WCD's use of the Connector Premises must, at all times, be lawful and in compliance with all applicable federal, state and local laws, regulations and ordinances (including laws, regulations or ordinances requiring permits and/or licenses), and must be conducted so as not to unreasonably interfere with (i) immediately adjacent parcels and (ii) pedestrian-friendly uses. Subject to the limits described above and shared use with the general public as described herein, the Connector Premises may be used for any purpose permitted by law, including:

- A. WCD may operate food and beverage establishments within the Connector Premises, provided that an unimpeded pedestrian thoroughfare at least twenty (20) feet in width shall be maintained at all times, except during Special Events.
- B. The Premises may be used for WCD-Controlled Activities.
- C. WCD may, pursuant and subject to applicable state and local laws, apply for any licenses necessary to allow for the sale and consumption of alcoholic beverages on the Connector Premises.

In addition, WCD shall have the exclusive right to allow commercial vending and similar activities, including, without limitation, the right to place kiosks, food trucks, push carts and similar temporary structures, carts and other similar items within the Connector Premises and to

charge reasonable user or license fees or similar charges to operators of such items, so long as such structures, carts and other items do not unreasonably interfere with the general public's use of the Connector Premises for public access purposes and so long as such structures, carts and other items comply with any applicable state laws and City ordinances. No permanent structures not included within the Approved Connector Plans may be erected or installed without the approval of the City's Common Council.

**7. Maintenance of Connector Premises; Operating Costs; Security.**

A. Maintenance of Connector Premises by WCD. WCD shall be solely responsible for the maintenance and repair of the Connector Premises in a manner consistent with the maintenance obligations imposed upon WCD for the "Public Plaza" as set forth in that certain Pedestrian Mall Lease between the City and WCD dated as of May 16, 2016. WCD shall be responsible, at its expense, for all routine or non-routine, capital or non-capital, repair, maintenance and landscaping of the Connector Premises and the Connector Improvements. The foregoing includes, but is not limited to, WCD being responsible for:

- (1) Picking up and removing litter, trash and rubbish at the Connector Premises on a routine basis so as to keep the same clean and litter-free. Following any WCD-Controlled Activity or Special Event, WCD's responsibility for removing litter shall be expanded to include the public rights-of-way within a 2 block radius surrounding the Connector Premises. Such expanded litter removal shall be completed within 12 hours following a WCD-Controlled Activity or Special Event.
- (2) Removing snow and ice from the entire Connector Premises in accordance with the same requirements in Milwaukee Code of Ordinances §§ 116-8 and 116-16 for sidewalks.
- (3) Promptly removing graffiti from the Connector Premises and the Connector Improvements.
- (4) Removing weeds and pruning or trimming trees, bushes, grass and other vegetation at the Connector Premises and fertilizing, on an as-needed basis.
- (5) Repairing and restoring any damage to the Connector Premises or Connector Improvements as practicable and within a reasonable time.
- (6) Properly preparing Connector Improvements for winterization, weather and change of seasons.
- (7) Keeping the Connector Premises and Connector Improvements in good, working and clean condition.

B. Failure to Maintain. If WCD fails to maintain any portion of the Connector Premises or the Connector Improvements in the condition required by this Lease

as determined by any Lessor (and with respect to the City Premises, such determination shall be made by City's Commissioner of Public Works), Lessors shall provide WCD with a written notice setting forth the maintenance or repair work that such Lessor reasonably determines has not been done. If WCD does not complete such maintenance or repair work within 30 days from the date of receipt of the aforesaid written notice, and such failure to complete such maintenance or repair work is not as a result of causes beyond WCD's reasonable control ("Force Majeure Delay"), then a Lessor may perform such work and shall be reimbursed by WCD for all reasonable costs incurred in performing such work. Should WCD fail to reimburse City for any such work performed by City within 30 days after written demand therefor, WCD hereby agrees that City shall have the right to assess the costs for such work as a special charge against property owned by WCD adjacent to the Connector Premises under the provisions of Sec. 66.0627, Wis. Stats., and as the same may be renumbered or amended from time to time. Should City need to proceed with such special charges under the provisions of Sec. 66.0627, Wis. Stats., WCD hereby waives notice and hearing on such charges. The Sublease shall contain language whereby ArenaCo agrees to the same waiver of notice and hearing as described above and that special charges may be assessed against the Live Block and ArenaCo's leasehold estate in the Bucks Arena.

- C. Operating Costs. WCD shall pay for all maintenance and operating costs for the Connector Premises, including, but not limited to, all electricity, water and other utilities used for lighting, cleaning and watering of grass and other plant materials on the Connector Premises, if any, and any other utility costs associated with operating and maintaining the Connector Premises and the Connector Improvements.
  - D. Security. City shall provide police and fire protection to the Connector Premises to the same extent and on the same basis it provides police and fire protection to other properties in the City of Milwaukee. WCD shall be responsible for any additional security, including crowd-control, on the Connector Premises required as a result of WCD's development and use of the Connector Premises, including for any WCD-Controlled Activities and Special Events. WCD shall work with City's Police Department to determine the appropriate level of security necessary for WCD-Controlled Activities and Special Events. Notwithstanding, the public access rights granted in this Lease, City's Police Department or WCD's security forces may, subject to federal, state and local legal requirements, remove members of the public from the Connector Premises or prohibit their entry onto the Connector Premises if such person is acting in a disorderly manner, creating a public or private nuisance, posing safety concerns to persons or causing damage to property within the Connector Premises.
8. Special Events. WCD may close portions of the Connector Premises, for Special Events, but only on a temporary basis, as permitted herein,

- A. Permit Required. In the event that WCD desires to have Special Events or if WCD desires to allow a third-party to use the Connector Premises for an event, WCD or such third-party shall apply for a special event permit pursuant to Section 105-55.5 of the Milwaukee Code of Ordinances and pay the necessary fees pursuant to Section 81-114.6 of the Milwaukee Code of Ordinances. City agrees that no special event permits will be granted for use of the Connector Premises by third-parties without the written consent of WCD, which consent may be withheld by WCD in its sole discretion.
- B. Admission Fees. WCD may charge a reasonable admission fee to people attending Special Events at the Connector Premises. Information regarding the amount of such fees shall be included in the WCD's permit application required by subsection 8.A., above. WCD may charge fees to vendors who participate in the Special Event in accordance with Section 6., above. This Lease does not restrict admission fees for events in the Bucks Arena where the admission to the Connector Premises is not charged separately.

**9. Compliance with Laws and Regulations; Environmental; Nondiscrimination,**

- A. WCD shall, at its sole cost and expense, comply with any and all laws, statutes, ordinances and regulations, federal, state, county, or municipal, now or hereafter enforced, or applicable to its existence at, or use, occupancy or improvement (including repair or maintenance) of, any part of the Connector Premises.
- B. WCD shall not store, use, discharge or dispose of any hazardous or toxic substances, pollutants or contaminants ("Contaminants") on any part of the Connector Premises other than conventional landscaping and maintenance items such as cleaning materials which must nonetheless be stored, used, discharged and disposed of in strict compliance with all applicable federal, state and local laws, rules and regulations.
- C. To the extent required by any applicable governmental authority, WCD shall be responsible (i) for remediating any Contaminants or environmental pollution on any part of the Connector Premises to the extent caused by WCD or its employees, agents or permittees, and (ii) for repairing any damage (environmental, physical, structural or otherwise) to the Connector Premises to the extent caused by WCD or its employees, agents or permittees.
- D. WCD shall not, with respect to its use and occupancy of the Connector Premises, discriminate against any person on the basis of race, sex, sexual orientation, creed, national origin or identity, color, religion, marital status, age or handicap.

**10. Insurance.** WCD shall obtain and maintain in place during the entire Term, at its expense, insurance as described in strict compliance herewith:

- A. General Liability, Property and Other Coverage. General liability insurance that protects against exposures associated with the operations of WCD and its use, maintenance and operation of the Connector Premises including, but not limited

to liability for WCD-Controlled Activities at the Connector Premises, contractual liability protection for the risks assumed by WCD in this Lease and property insurance for WCD-owned property and the Connector Improvements. WCD shall also obtain and maintain in place during the entire Term workers compensation insurance, employers liability insurance and other insurance coverage in the types and amounts set forth in **Exhibit J** attached hereto.

- B. **Policies.** All policies shall be endorsed to protect the Lessors and WCD (and any lender holding a mortgage on WCD's or ArenaCo's interest under the Lease or the Sublease, as applicable) as their interests may appear. All policies shall be obtained by WCD under valid and enforceable standard form policies issued by responsible insurance companies licensed to do business in the State of Wisconsin. Certificates and actual policies evidencing insurance coverage shall be provided to Lessors. WCD shall use reasonable efforts to cause the insurance company to provide Lessors with 30-day written notice of any cancellation, non-renewal or material change in the coverage required or provided hereunder.
- C. **Lessors Must Be Named As Additional Insured On All Contractor and Subcontractor Policies.** WCD shall require and any contractor or subcontractor providing work or materials to the Connector Premises shall provide the minimum types and limits of insurance set forth on **Exhibit I** and shall name each of the Lessors as an additional insured on said policies.

## **11. Termination of Lease as to City Premises.**

- A. **Triggering Event.** Upon occurrence of any of the following (a "Triggering Event") and the continuation of such Triggering Event for a period of 90 days (or such other time frame as established below) following City providing notice to WCD of the existence of such Triggering Event, City may, except as provided herein, terminate this Lease as it applies to the City Premises only:
  - (1) Failure to use the Bucks Arena as the home arena of a National Basketball Association franchise, National Hockey League franchise, or similar sports franchise for a period of for 24 consecutive months.
  - (2) Bucks, or its Affiliate, fail to develop the Bucks Arena, Live Block and the Live Block Plaza in compliance with the Development Agreement.
  - (3) WCD fails to develop the Connector Improvements within the Connector Premises pursuant to the terms of this Lease.
  - (4) WCD and City voluntarily agree in writing to terminate this Lease (as it applies to the City Premises).

In the event of a Triggering Event pursuant to subsection (1) above, City may not terminate the Lease as to the City Premises without first attempting to renegotiate this Lease to address the concerns of both the City and WCD. City and WCD shall use good faith and commercially reasonable efforts to come to an agreement

on a reasonable amendment of the Lease under such a scenario. In the event that City and WCD cannot agree to terms for an amendment to this Lease, City may terminate this Lease with respect to the City Premises only, but on the condition that City shall be required to keep the City Premises open exclusively for pedestrians during times when there are events scheduled at the Bucks Arena, including the two hours prior to the beginning of such event and the two hours after the completion of such event.

- B. Early Termination. This Lease is subject to early termination upon a default by WCD pursuant to Section 19, below, or as a result of condemnation or damage as described in Section 20.A, below.
- C. Obligations Upon Termination or Expiration.
  - (1) Upon the expiration or earlier termination of this Lease, WCD shall peaceably and quietly deliver, yield up and surrender possession of the Connector Premises to the Lessors. At the request of any of the Lessors, WCD shall remove from the City Premises or the DD Premises (as the case may be) upon expiration or termination any Connector Improvements situated thereon or placed there by WCD that the City or DD requests be removed. With respect to the City Premises, WCD shall restore the City Premises to a condition consistent with City's then current public alley specifications to allow the City Premises to be re-opened as public alley right-of-way. (City may partially or entirely waive these requirements at its sole discretion.) In the event WCD fails to restore the City Premises to public alley condition, City may perform such restoration and assess the costs of such restoration to WCD as a special charge as described in Section 7.B. above.

**12. Indemnification; Waiver of Subrogation.** In addition to any liability WCD may have to Lessors as a result of WCD's breach of any of its duties hereunder, notwithstanding anything to the contrary contained herein, WCD also agrees to indemnify and save the Lessors harmless from and against any and all loss or claims or damage or injury to persons (including death), property or business, sustained in, on or about the Connector Premises, and resulting from or attributable to:

- A. The intentional or grossly negligent acts or omissions of WCD, its officers, directors, employees, agents, or contractors; and/or
- B. WCD-Controlled Activities,

except to the extent any such loss, claim, damage or injury results from any of the Lessors' breach of this Lease or the negligent or willful misconduct of any of the Lessors. Each of the Lessors hereby waive, however, any and all rights of recovery against WCD for any loss or damage to the extent, and only to the extent, such Lessor actually receives payment from WCD's insurer toward the particular loss or damage. If the amount a

Lessor collects from WCD's insurer is less than the total loss or damage to the Lessor, then Lessor's waiver shall only be a partial one.

13. **Annual Report to City.** On or before each April 1 during the Term of this Lease, WCD shall make available a written report to City concerning WCD's use and activities at the Connector Premises during the preceding calendar year (the "Report"). The Report shall identify WCD-Controlled Activities and Special Events that occurred during the preceding calendar year. At the request of City's Commissioner of Public Works, WCD shall also present the Report in person to City's Public Works Committee of the Common Council.
14. **Public Records.** WCD acknowledges that City is bound by the Wisconsin Public Records Law, and as such, all of the terms of this Lease are subject to and conditioned on the provisions of Wis. Stat. §19.21, et seq. WCD further acknowledges that it is obligated to assist City in retaining and producing records that are subject to the Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of this Lease. WCD agrees that it will assist City in complying with the Wisconsin Public Records Law and in defending actions under that law, including, without limitation, the legal defense of a public records request, mandamus actions or lawsuits. Notwithstanding anything to the contrary set forth above, WCD or ArenaCo may seek (A) a protective order from or (B) to narrow or limit the scope of, any records request. Except as otherwise authorized under Wisconsin's Public Records Law, WCD records regarding this Lease and administration of the Lease shall be retained by WCD for seven years.
15. **Possible Restrictions/Encumbrances.**
  - A. **No Title Report.** Lessors have not obtained or provided to WCD any title insurance commitment or title insurance policy with respect to the Connector Premises. If WCD wants such, it can acquire such at its own expense.
  - B. **Encumbrances.** City retains the right to devote portions of the City Premises for utilities as described herein, and other easements necessary for public welfare and convenience, as determined by City on the condition that the exercise of the same does not unreasonably interfere with WCD's rights under this Lease.
16. **Liens.**
  - A. **Leasehold Mortgages; Construction Liens.** WCD may pledge, mortgage, grant a security interest in, encumber, or collaterally assign its interest in this Lease to secure indebtedness for borrowed money of WCD; additionally, ArenaCo shall have the right to pledge, mortgage, grant a security interest in, encumber, or collaterally assign its interest in the Sublease to secure indebtedness for borrowed money of ArenaCo or the equity interests in ArenaCo and the same shall not constitute or be deemed to be a violation of this Lease. WCD shall take all actions and precautions required to ensure that the Lessors' interests in the Connector Premises do not become attached by, or with, any lien, including, but

not limited to, any construction lien, or lien of or by any laborer, contractor, subcontractor, materialman or supplier (including any lien under Subch. I of Wis. Stat. Ch. 779) relating directly or indirectly to any work that WCD (or anyone claiming by, through or under WCD) may perform or have done at the Connector Premises. WCD shall indemnify, defend and hold harmless Lessors and the Connector Premises of, from and against, any such lien (excluding any mortgage lien contemplated by the first sentence of this Section) which may attach or be asserted against the Connector Premises, together with all costs in connection therewith.

B. Recognition and Protection Leasehold Mortgagees.

- (1) Recognition Agreement. Lessors hereby agree to enter into a recognition agreement in the form attached hereto as **Exhibit K** at the request of ArenaCo and any Leasehold Mortgagee, recognizing the rights and protections of such Leasehold Mortgagee under the Sublease and incorporating such rights and protections into this Lease to the same extent as if the same were set forth herein, but subject to Section 2.C. of this Lease, including without limitation, the right of the Leasehold Mortgagee to obtain a New Agreement (as such term is defined in the Sublease).
- (2) Copies of Notices. If Lessors shall give any notice to WCD under this Lease, then Lessors shall at the same time and by the same means give a copy of such notice to ArenaCo and to any Leasehold Mortgagee holding a mortgage encumbering ArenaCo's interest under the Sublease. No notice to WCD shall be effective unless and until such notice has been duly given to Leasehold Mortgagee, if any. No exercise of City's rights and remedies under or termination of this Lease shall be deemed to have occurred or arisen or be effective unless Lessors have given like notice to each Leasehold Mortgagee, if any, as required herein. Any such notice shall describe in reasonable detail the alleged WCD default or other event allegedly entitling Lessors to exercise such rights or remedies.
- (3) Leasehold Mortgagee's Right to Cure WCD Default. Upon execution of the Recognition Agreement, all notice and cure rights running in favor of Leasehold Mortgagee with respect to a default of ArenaCo under the Sublease shall be equally applicable hereunder to any and all defaults of WCD under this Lease. Any Leasehold Mortgagee shall have the right, but not the obligation, to perform any obligation of WCD under this Lease and to remedy any default by WCD. Lessors shall accept performance by or at the instigation of a Leasehold Mortgagee in fulfillment of WCD's obligations, for the account of WCD, and with the same force and effect as if performed by WCD. No performance by or on behalf of such Leasehold Mortgagee shall cause it to become a "mortgagee in possession" or otherwise cause it to be deemed to be in possession of the Premises or bound by or liable under this Lease.



- C. Lessor Mortgages. Lessors shall not mortgage or otherwise encumber their respective interests in the Connector Premises with any mortgage, deed of trust, security deed, deed to secure debt, or any other similar instrument or agreement constituting a lien upon, or similarly encumbering, the Lessors' interests.

**17. Property Taxes; Assessments; Fees and Charges.**

- A. Because the City Premises are held by City as public right-of-way, the City Premises are property-tax exempt under Sec, 70.11(2), Wis. Stats. See, especially, the last sentence of Sec. 70.11(2), Wis. Stats., which reads, "Leasing the property exempt under this subsection, regardless of the lessee and the use of the leasehold income, does not render that property taxable." If the City Premises subsequently become, under state law, in the City Assessor's opinion, subject to general property taxes during the Term hereof, however, WCD shall be responsible for, and shall timely pay, such taxes, with the understanding that WCD may dispute such by following the procedure set forth in Sec. 74.35(2m), Wis. Stats.
- B. Unless otherwise entitled to lawful exemption, WCD shall pay, or cause to be paid, all taxes, assessments, charges and fees levied or assessed upon the Connector Premises or its own personal property and its own trade fixtures on or at the Connector Premises.
- C. WCD shall timely pay or cause to be paid any special charge that may be levied pursuant to the terms of this Lease.

- 18. Lessor Entry Rights.** Each Lessor (and its contractors) shall have the right, to be on their respective portion of the Connector Premises at any time, subject to the notice provisions of Section 4.E.(2) of this Lease, to inspect, maintain, repair, replace or reconstruct any improvements (and, with respect to the City, any utilities) now or hereafter at the Connector Premises. Each Lessor's entry shall be conducted in such a way so as to minimize interference or disruption of WCD's (or anyone claiming by, through, or under WCD) lawful use and occupancy of the Connector Premises. In addition to the foregoing, City also expressly retains (and does not waive) all rights available to it at law to enter and inspect the City Premises including, but not limited to, all legal rights of City's building inspectors, health inspectors, fire inspectors, electrical inspectors, assessors, fire and police personnel, etc. to enter and inspect. WCD shall bear no responsibility for damage or liabilities that result from City's exercise of such rights.

- 19. Records Retention; City Inspection Rights.** WCD shall keep accurate and complete books, records and accounts with respect to its development, operation, maintenance and repair of the City Premises and the Connector Improvements located on the City Premises under this Lease. Those books, records and accounts (except books, records and accounts regarding revenues, expenses, profits and loss for Special Events and WCD Controlled Activities) shall be made available to City for its review and inspection upon City's request. WCD shall provide to City, at WCD's expense, and promptly upon City's written demand, copies of any:

- A. of the above-referenced books, records and accounts;
- B. agreement, permit, or license with respect to WCD-Controlled Activities;
- C. invoices or contracts relating to WCD repair or maintenance work at the City Premises; or
- D. any insurance policy WCD has or had in place hereunder.

**20. Defaults and Remedies.** WCD shall be in default hereunder if:

WCD fails to perform any of its covenants or duties under this Lease in any material respect and such failure is not cured by WCD (i) with all due dispatch after written notice from any Lessor to WCD if the failure jeopardizes health, safety or welfare and poses a substantial immediate threat of danger or injury; and (ii) in all other cases, within 30 days after written notice from Lessors to WCD (or if such failure is not of a type that can reasonably be corrected within 30 days, then if WCD fails to commence promptly and proceed with due diligence to correct such failure);

- A. WCD is adjudged bankrupt, or if WCD files a petition or answer seeking bankruptcy, insolvency status, or reorganization of WCD under federal or state bankruptcy or insolvency law, or if WCD consents to the appointment of a receiver to administer WCD or its affairs, or if WCD dissolves or institutes any proceeding for dissolution or termination; or
- B. WCD makes any sublease, assignment, transfer, hypothecation, conveyance, or other disposition of its interest in the Connector Premises (or any part thereof), other than the Sublease to ArenaCo, an assignment of this Lease to ArenaCo, and the pledge, mortgage, grant of security interest and collateral assignment of the Lease and Sublease, as allowed herein, without Lessors' prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

In the event of any default by WCD hereunder, subject in all respects to the right of each Leasehold Mortgagee, if any, to cure any such WCD default, WCD hereby authorizes and empowers Lessors to exercise any right or remedy available to Lessors under Wisconsin law, or in equity, or hereunder, including, without limitation, (i) the right to terminate this Lease or take possession of the Connector Premises (or any part of it) without terminating this Lease (in the case of a material failure to perform by WCD as described in Section 19.A.), (ii) the right to have a receiver appointed by a court of law to manage the Connector Premises (or parts of it), (iii) the right to evict WCD and anyone claiming by, through, or under WCD, from the Connector Premises (or parts of it) (in the case of a material failure to perform by WCD as described in Section 19.A.), and (iv) the right, if Lessors evict or remove WCD (or anyone claiming by, through, or under WCD) from the Connector Premises (or any part of it), to store personal property, including the Connector Improvements, of WCD (or anyone claiming by, through, or under WCD) in a storage facility or public warehouse at the sole cost of WCD. In the event a default occurs while the Connector Premises are subleased to ArenaCo, Lessors shall provide to

ArenaCo and any Leasehold Mortgagee a copy of all notices delivered to WCD and allow WCD, ArenaCo and/or Leasehold Mortgagee to cure such default.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall the Lessors have any right to terminate the Lease during any period in which a Leasehold Mortgagee holding a mortgage encumbering ArenaCo's subleasehold interest in the Premises is actively attempting to cure any existing default within the cure period afforded pursuant to this Lease or the 60-day period immediately following such cure period.

**21. Condemnation or Damage of Premises.**

A. Condemnation or Damage That Terminates Lease. The City hereby agrees not to pursue a condemnation of all or any portion of the Connector Premises during the Term of the Lease. If (1) the Connector Premises (or a significant part thereof) are at any time during the Term condemned by any public authority other than the City or any of its agencies or authorities with the power of eminent domain (or are voluntarily transferred in lieu of, or under threat of, condemnation), or if the Connector Premises are damaged by fire or some other cause so as to render in Lessors' reasonable opinion (which shall be reached and delivered in writing by the Lessors to WCD within 100 days of the condemnation, transfer or damage, and after consultation with WCD) all or any significant portion of the Connector Premises untenable or unfit for the continued use and purpose of WCD and for the carrying out of WCD's operations and use of the Connector Premises and (2) WCD fails to provide the Lessors written notice within 90 days after it receives the Lessors' written opinion that it will repair the same as soon as reasonably practicable, this Lease shall be deemed terminated as of the date of the condemnation or transfer or loss. In such event, the proceeds from any condemnation award or insurance shall be payable to Lessors, as their interests may appear, providing, however, that WCD shall be entitled, subject to the rights of any Leasehold Mortgagee pursuant to the terms of its applicable mortgage, to any award or insurance directly relating to WCD's personal property (including the Connector Improvements), to WCD's leasehold interest, and/or to any tenant-relocation award or benefit that the condemning authority or insurer may award or pay to WCD. If WCD delivers to the Lessors written notice that it will repair the same, WCD will promptly commence and diligently pursue the same to completion or cause the same to be promptly commenced and diligently pursued to completion.

B. Waiver; Participation. In the event of any condemnation or damage pursuant to subsection A. above, WCD waives any claim for damage or compensation from Lessors. WCD shall have the right, to the extent of its tenant-interest or insurable interest, as the case may be, to participate in any condemnation proceedings or the settlement of any insurance claim.

**22. No Beneficial Interest.** No provision herein calling for sharing in insurance or condemnation proceeds and no other provision of this Lease shall constitute or be

deemed to be evidence of WCD having any beneficial ownership of the Connector Premises (or any part thereof) other than its leasehold interest in the Connector Premises under this Lease or any partnership or agency relationship between WCD and Lessors. The sole relationship hereunder between WCD and Lessors is merely that of lessee (WCD) and lessors (City, DD and HOH).

23. **Third Party Beneficiaries**. ArenaCo is a third party beneficiary of, and may enforce any of the Lessors' obligations under this Lease. Except for ArenaCo's third party beneficiary rights, the rights of a Leasehold Mortgagee provided herein, and as otherwise specifically provided in this Lease, this Lease is solely for the benefit of the Parties and their successors and assigns permitted under this Lease and no provision of this Lease shall be deemed to confer upon any other third party any remedy, claim, liability, reimbursement, cause of action or right.
24. **Waiver**. No delay, waiver, omission or forbearance on the part of any party to exercise any right, option, duty or power arising out of any breach or default by any other party of any of the terms, provisions or covenants contained herein, shall be deemed a waiver by that party of such right, option or power, as against the other party for any subsequent breach or default by that party.
25. **Governing Law**. This Lease shall be construed according to the laws of the State of Wisconsin.
26. **Notices**. Any notice required or permitted under this Lease may be personally served or given and shall be deemed sufficiently given or served if sent by United States mail, with postage prepaid thereon, to the respective addresses set forth below or if sent by or e-mail to the respective e-mail address set forth below. If notice is sent via email, sender shall request a delivery or read receipt. Any party may, by like notice at any time, and from time to time, designate a different address or e-mail to which notices shall be sent. Notices given in accordance with these provisions shall be deemed given and received (a) when personally served or (b) if e-mailed, when sender receives a delivery or read receipt from the recipient or (c) if mailed, three days after the postmark on such notice, in accordance with this Section.

To WCD:

Wisconsin Center District  
400 W. Wisconsin Avenue  
Milwaukee, WI 53707  
Attn: President/CEO  
[Email: \_\_\_\_\_]

With a copy to:

Attorney Danielle Bergner  
Michael Best & Friedrich LLP  
100 East Wisconsin Avenue, Suite 3300  
Milwaukee, WI 53202-4124  
Email: [dbergner@michaelbest.com](mailto:dbergner@michaelbest.com)

To City:

Commissioner of Public Works  
City of Milwaukee  
841 North Broadway, 5th Floor  
Milwaukee, WI 53202  
Email: [gkorba@milwaukee.gov](mailto:gkorba@milwaukee.gov)

With a copy to:

Office of City Attorney  
800 City Hall  
200 East Wells Street  
Milwaukee, WI 53202  
Attn: Mary L. Schanning  
Email: [mschan@milwaukee.gov](mailto:mschan@milwaukee.gov)

To DD:

Deer District LLC  
1543 North Second Street, 6th Floor  
Milwaukee, WI 53212  
Attn: Peter Feigin, President

With a copy to:

Bruce T. Block, Esq.  
Reinhart Boerner Van Deuren s.c.  
1000 North Water Street, Suite 1700  
Milwaukee, WI 53202  
Email: [bblock@reinhartlaw.com](mailto:bblock@reinhartlaw.com)

To HOH:

Head of the Herd  
1543 North Second Street, 6th Floor  
Milwaukee, WI 53212  
Attn: Peter Feigin, President

With a copy to:

Bruce T. Block, Esq.  
Reinhart Boerner Van Deuren s.c.  
1000 North Water Street, Suite 1700  
Milwaukee, WI 53202  
Email: [bblock@reinhartlaw.com](mailto:bblock@reinhartlaw.com)

27. **Severability of Provisions**. If any of the terms or provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions and conditions of this Lease, or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby, and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.
28. **Captions**. The captions in this Lease are for convenience and reference and in no way define or limit the scope or intent of the various provisions, terms or conditions hereof.
29. **Entire Agreement**. This Lease constitutes the entire agreement related to the Connector Premises between the parties hereto and may not be amended or altered in any manner except in writing signed by all parties or as provided herein.

**SIGNATURE PAGES FOLLOW**

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the day and year first above written.

CITY OF MILWAUKEE

---

Tom Barrett, Mayor

---

James R. Owczarski, City Clerk

COUNTERSIGNED:

---

Martin Matson, Comptroller

Milwaukee City Attorney  
Approval and Authentication

Mary L. Schanning, 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: \_\_\_\_\_  
MARY L. SCHANNING  
Deputy City Attorney  
State Bar No. 1029016

WISCONSIN CENTER DISTRICT

\_\_\_\_\_  
By: Scott Neitzel, Board Chairman

\_\_\_\_\_  
By: \_\_\_\_\_, President/CEO

STATE OF WISCONSIN            )  
  )ss.  
COUNTY OF MILWAUKEE        )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above named \_\_\_\_\_, President/CEO of the Wisconsin Center District, to me, known to be such person who executed the foregoing instrument and acknowledged the same in such capacity.

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

STATE OF WISCONSIN            )  
  )ss.  
COUNTY OF MILWAUKEE        )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above named Scott Neitzel, Board Chairman of the Wisconsin Center District, to me, known to be such person who executed the foregoing instrument and acknowledged the same in such capacity.

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public, State or Wisconsin  
My Commission: \_\_\_\_\_



DEER DISTRICT LLC

\_\_\_\_\_  
By: Peter Feigin, President

STATE OF WISCONSIN            )  
  )ss.  
COUNTY OF MILWAUKEE        )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above named Peter Feigin of Deer District LLC, to me, known to be such person who executed the foregoing instrument and acknowledged the same in such capacity.

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

HEAD OF THE HERD LLC

\_\_\_\_\_  
By: Peter Feigin, President

STATE OF WISCONSIN            )  
  )ss.  
COUNTY OF MILWAUKEE        )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above named Peter Feigin of Head of the Herd LLC, to me, known to be such person who executed the foregoing instrument and acknowledged the same in such capacity.

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

1050-2014-2970:246106

## **EXHIBIT A**

### **City Premises**

The east-west 20-foot wide alley and a portion of the north-south 20-foot wide alley as platted in Block 42 of Plat of the Town of Milwaukee on the West Side of the River, a recorded subdivision, in the Northeast 1/4 of Section 29, Township 7 North, Range 22 East, described as follows: Commencing at the northeast corner of Lot 9 in said Block 42; thence Westerly, along the north line of Lot 9, to the northwest corner of Lot 9; thence Southerly, along the west line of Lot 9, to a point in the south line of the north 8.00 feet of Lot 9; thence Westerly, along the westerly extension of said south line, to a point in the east line of Certified Survey Map No. 8878, thence Northerly, along said east line, to a point in the westerly extension of the north line of the south 8.00 feet of Lot 5 in said Block 42; thence Easterly, along said westerly extension, to a point in the west line of Lot 5; thence Southerly, along the west line of Lot 5 and Lot 8 in said Block 42, to the southwest corner of Lot 8; thence Easterly, along the south line of Lot 8 to the southeast corner of Lot 8; thence Southerly to the point of commencement.

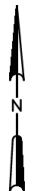
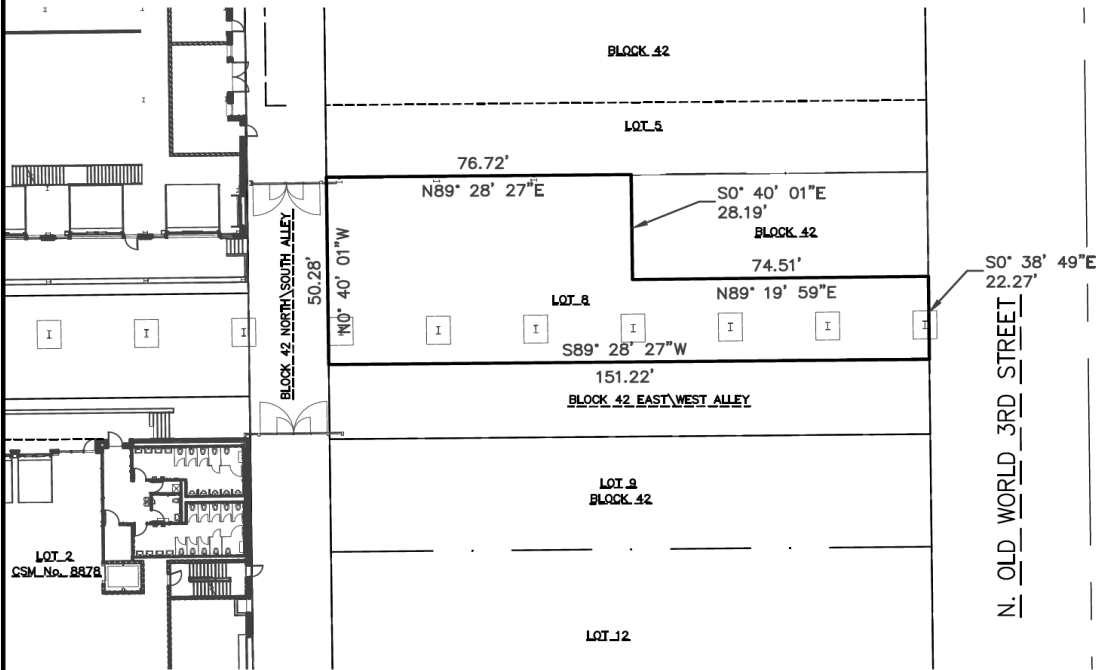
# EXHIBIT B

## EXHIBIT - B DD PREMISES

**Legal Description:**

Part of Lot 8 in Block 42, in the Plat of the Town of Milwaukee on the West Side of the River, in the Northeast 1/4 of Section 29, Township 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin, more particularly described as:

Commencing at the northwest corner of said Lot 8, also being the point of beginning; thence N.89°28'27"E. coincident with the north line of said Lot 8, 76.72 feet; thence S.0°40'01"E. 28.19 feet; thence N.89°19'59"E. 74.51 feet to the west Right of Way Line for North Old World 3rd Street; thence S.0°38'49"W. coincident with said west line 22.27 feet to the southeast corner of said Lot 8; thence S.89°28'27"W. coincident with the south line of said Lot 8, 151.22 feet to the southwest corner of said Lot 8, thence N.0°40'01"W. coincident with the west line of said Lot 8, 50.28 feet to the northwest corner of said Lot 8 and the point of beginning. Said described parcel contains 5,510 square feet or 0.126 acres of land.



NOTE: BEARINGS BASED UPON  
GRID NORTH OF THE WISCONSIN  
STATE PLANE COORDINATE  
SYSTEM SOUTH ZONE GRID  
NAD 27.



Milwaukee Bucks Entertainment Block  
N. 3rd Street Connector

DRAWN: BS

|            |                  |
|------------|------------------|
| REVISIONS: | DATE: 12-29-2017 |
|            | SCALE: 1" = 40'  |
|            | SHEET NUMBER:    |
|            | 1 of 1           |

**EXHIBIT C**

**Lot 2**

**EXHIBIT D**  
**HOH Premises**

**EXHIBIT E**

**Outlot 1**

**EXHIBIT F**

**Condition of HOH Premises**

## **EXHIBIT G**

### **Detailed Plan Development Zoning for DD Premises**

City of Milwaukee Common Council File No. 170900 affecting the properties located at 1117-1119, 1121-1123 and 1129-1135 North Old World Third Street, located on the west side of North Old World Third Street, South of West Juneau Avenue, and the First Amendment to the DPD known as Block 4-Arena Master Plan, approved November 28, 2017.



**EXHIBIT H**

**Approved Plans for City Premises**

**EXHIBIT I**

**Build-Out Plans for HOH Premises**

**EXHIBIT J**

**Insurance Requirements**

Insurance certificates must be sent for inspection and approval prior to the lessee's occupancy of the Connector Premises and prior to any work being performed at the Connector Premises by contractors or subcontractors of the tenant. Certificates should be sent to: Manager of Real Estate Services, City of Milwaukee, 809 North Broadway, Milwaukee, WI 53202-3617 or by facsimile to (414) 286-0395 and to Peter Feigin, 1543 North Second Street, 6th Floor, Milwaukee, WI 53212.

TYPE OF INSURANCE

LIMITS

Worker's Compensation

Statutory limits

Employers Liability

- Bodily Injury by Accident
- Bodily Injury by Disease

Each Accident: \$1,000,000  
Each Employee: \$1,000,000

Public Liability

A Comprehensive General or Commercial General Policy  
Insuring Tenant's Use of the Premises that provides:

- Premises/Operations Protection
- Products/Completed Operations Protection
- Independent Contractor Protection (owners, contractors protective coverage)
- Contractual Liability Coverage
- Non-owned Automobile Liability Coverage
- Bodily Injury/Property Damage

Each Occurrence: \$1,000,000  
General Aggregate: \$2,000,000  
Products/Comp. Operations  
aggregate: \$2,000,000

**NOTE:** If claims made coverage is provided, the policy must be amended so all protected occurrences are covered regardless of when the claim is made.

**THE CITY OF MILWAUKEE DEER DISTRICT LLC AND HEAD OF THE HERD LLC MUST BE NAMED AS ADDITIONAL INSURED PARTIES ON WCD'S POLICY AND ANY CONTRACTOR OR SUBCONTRACTOR POLICIES OF INSURANCE.**

**EXHIBIT K**

**Recognition Agreement**

Recording Requested By

When Recorded Mail To:

Space Above For Recorder's Use

**RECOGNITION AGREEMENT**

THIS RECOGNITION AGREEMENT ("Agreement"), dated as of [\_\_\_\_\_, 2018], is among [LENDER] ("Bank"), DEER DISTRICT LLC ("Sublessee"), WISCONSIN CENTER DISTRICT ("Ground Lessee"), and the CITY OF MILWAUKEE, DEER DISTRICT LLC and HEAD OF THE HERD LLC (collectively, "Ground Lessors"), with reference to the following

**RECITALS:**

A. Ground Lessors and Ground Lessee entered into that certain Connector Lease dated [\_\_\_\_\_, 2018] ("Ground Lease"), relating to the real property located in the City of Milwaukee, County of Milwaukee, State of Wisconsin, which is more particularly described on Exhibit A attached hereto ("Property"). Ground Lessee's leasehold interest under the Ground Lease was subleased to Sublessee by that certain Amendment to Arena Lease, Management and Operations Agreement between Ground Lessee, as sublessor, and Sublessee dated [\_\_\_\_\_, 2018] ("Sublease").

B. Bank has made a loan to Sublessee in the amount of [\_\_\_\_\_] Dollars (\$[\_\_\_\_\_] ("Loan"). The Loan is secured, in part, by a mortgage in favor of Bank as beneficiary ("Leasehold Mortgage"), which encumbers Sublessee's subleasehold estate in the Property. The Leasehold Mortgage will be recorded in the Office of the Register of Deeds of Milwaukee County, Wisconsin, concurrently with the recordation of this Agreement.

C. Bank, Sublessee and Ground Lessee engaged in substantial negotiations regarding the rights and protections running in favor of Bank as contained in the Sublease. Bank is concerned that it would lose the Leasehold Mortgage should the Ground Lease be terminated while the Loan is outstanding, either consensually by agreement between Ground Lessors and Ground Lessee or by Ground Lessors unilaterally upon the default: of Ground Lessee under the Ground Lease. To address Bank's concerns, the parties wish to provide that while the Leasehold

Mortgage is outstanding, Ground Lessors, shall recognize all rights and protections running in favor of Bank contained in the Sublease as if the same were set forth in the Ground Lease.

D. Ground Lessors and Bank desire to establish certain rights, safeguards, obligations and priorities with regard to their respective interests by means of this Agreement.

## **TERMS OF THE AGREEMENT**

IN CONSIDERATION of the mutual covenants of the parties and other good and valuable consideration, Bank and Ground Lessors agree as follows:

1. Ground Lessors Recognition of Bank. Ground Lessors consent to the encumbrance of Sublessee's subleasehold estate by the Leasehold Mortgage, recognizes Bank as the secured party thereunder, and agree to afford Bank all of the rights and protections set forth in this Agreement to the same extent as if such provisions were contained in the Ground Lease. In the event that Bank or any other person acquires Sublessee's interest in the Property pursuant to the exercise of any remedy provided for in the Leasehold Mortgage, or by conveyance in lieu of foreclosure, neither the Ground Lease nor the Sublease shall be terminated or affected by the foreclosure, conveyance or sale in any such proceeding, and Ground Lessors shall recognize the purchaser or transferee as the new subtenant under the Sublease, with all the rights and obligations of Sublessee thereunder and all rights of Sublessee to receive notice of and cure any default of Ground Lessee under the Ground Lease. Except as expressly stated herein to the contrary, this section shall not limit nor impair Ground Lessors' rights under the Ground Lease.

2. Notice of Breach Under Lease. Notwithstanding anything to the contrary set forth in the Ground Lease, Ground Lessors agree that while the Loan is outstanding, Ground Lessors will not exercise any of their termination remedies unless and until (i) Ground Lessors have delivered to Bank a written notice, describing with reasonable specificity each breach or Triggering Event, as that term is defined in the Ground Lease, claimed by Ground Lessors to exist, and (ii) the breach or Triggering Event has not been cured within the period as would be available to Ground Lessee for cure after delivery of the written notice as set forth in the Ground Lease.

3. No Consensual Termination. Ground Lessors and Ground Lessee agree that while the Loan is outstanding, they will not terminate or materially amend the Ground Lease without the prior written consent of Bank, which will not be unreasonably withheld or delayed. This section does not apply to a termination by reason of a Ground Lessee event of default or a Triggering Event under the Ground Lease.

4. No Mortgages. Ground Lessors represent and warrant that there is no current mortgage or deed of trust encumbering Ground Lessors' interest in the Property, and agree that they shall not have the right to impose any such mortgage or deed of trust on Ground Lessors' interest.

5. Bank's Security Interest in Personal Property and Fixtures. Ground Lessors acknowledge that pursuant to the Leasehold Mortgage, Sublessee has granted Bank a security interest in all of Sublessee's tangible and intangible personal property and fixtures, as well as Sublessee's accounts receivable, inventory and other personal property ("Collateral"). Ground

Lessors consent to such grant of security interests. Ground Lessors and Bank agree that Bank's security interest does not impair any rights, if any, which Ground Lessors may have in the Collateral upon a termination of the Ground Lease.

6. Other Provisions.

(a) All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and shall be given by any of the following means: (i) personal service; (ii.) electronic communication by facsimile (if confirmed in writing sent by certified first class mail, return receipt requested); or (iii) certified first class mail, return receipt requested. Such addresses may be changed by notice to the other parties given in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (i) or clause (ii) hereof shall be deemed received upon such personal service or upon delivery by electronic means, and if sent pursuant to clause (iii) shall be deemed received three (3) days following deposit in the mail.

To Bank: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

To Ground Lessors:  
Commissioner of Public Works  
City of Milwaukee  
841 North Broadway, Fifth Floor  
Milwaukee, WI 53202

With a copy to:

Office of City Attorney  
800 City Hall  
200 East Wells Street  
Milwaukee, WI 53202  
Attn: Mary L. Schanning

Deer District LLC  
1543 North Second Street, Sixth Floor  
Milwaukee, WI 53212  
Attn: Peter Feigin, President

Head of the Herd  
1543 North Second Street, Sixth Floor  
Milwaukee, WI 53212  
Attn: Peter Feigin, President

To Ground Lessee:

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

To Sublessee:

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

(b) This Agreement shall be binding upon and shall inure to the benefit of the successors, assignees and transferees of the parties hereto whether by license, sale, gift, operation of law or otherwise.

(c) This Agreement shall be construed in accordance with the laws of the State of Wisconsin. None of the parties shall have the right to rely upon any representation or warranty not expressly set forth herein. No provision of this Agreement may be amended or added to except by an agreement in writing signed by each of the parties hereto.

(d) This Agreement shall be construed as a whole and in accordance with its fair meaning and intent, which is to ensure that Bank has the right to protect its rights under the Leasehold Mortgage.

(e) Time is of the essence of each and every one of the provisions herein contained.

(f) Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

(h) This Agreement contains the entire agreement between the parties relating to the subject matter hereof. Any oral representations or modifications concerning this instrument shall be of no force or effect. Any subsequent modification must be in writing signed by the party to be charged.

(i) Captions and organizations are for convenience and shall not be used in construing meaning.

(j) A termination of the Leasehold Mortgage shall automatically, without necessity of any other action by the parties, terminate and extinguish this Agreement. Notwithstanding the foregoing, if requested by any party hereto (following a termination of the Leasehold Mortgage), the other parties shall promptly execute a written agreement, in recordable form, sufficient to establish that this Agreement has been fully terminated and extinguished.

To indicate their agreement to the above, the parties or their authorized representatives or officers have signed this document.

[Signatures, acknowledgments & legal description]