

MEMORANDUM OF UNDERSTANDING

In consideration of the mutual promises and covenants contained in this Memorandum of Understanding, BV/CJUF MIDTOWN VENTURES, LLC (The "Landlord") and CITY OF MILWAUKEE (The "Tenant") agree to the following Memorandum as follows:

1. **PREMISES:** Landlord hereby makes available to the Tenant the office space at 4115 North 56th Street, Suite #501, Milwaukee, WI 53216
2. **SHOPPING CENTER:** The land and improvements currently known as the Midtown CenterSM located in Milwaukee, Wisconsin.
3. **COMMON AREAS:** Tenant and its employees, customers and invitees shall have the reasonable non-exclusive right to use, in common with Landlord and the other tenants and occupants of the Shopping Center and their respective employees, customers and invitees and all others to whom Landlord has or may hereafter grant rights to use the same, the public portion of the Common Areas as may from time to time exist in the Shopping Center. Landlord shall have the right to close any or all portions of the Common Areas to such extent as may, in Landlord's opinion, be necessary to prevent a dedication thereof or the accrual of any rights to any person or the public therein or to discourage non-customer parking. Landlord shall at all times have full control, management and direction of the Common Areas. Tenant shall not cause or allow any storage of materials or equipment outside of the Premises on any of the Common Areas and may arrange for delivery of its goods and merchandise over and across the access and delivery alleys of the Common Areas only in vehicles of a size appropriate for such access and delivery alleys. The Landlord reserves the right at any time and from time to time to reduce, increase, enclose or otherwise change the size, number, location, layout and nature of the Shopping Center and its Common Areas; to construct additional buildings and stories; to create additional rentable areas through use and/or enclosure of Common Areas; to close portions of the Common Areas for security reasons, to perform maintenance, repairs, replacement and alterations and to discourage non-customer parking; to place signs in the Common Areas and on the Shopping Center; to change the name of the Shopping Center; to change the nature of the use of any portion of the Shopping Center; and to perform such other acts as Landlord in the exercise of its good business judgment shall determine to be necessary or appropriate for the Shopping Center.
4. **COMMENCEMENT DATE:** The day on which Landlord delivers the Premises to Tenant.
5. **ACCEPTANCE AND DELIVERY OF PREMISES:** The Landlord shall construct the Premises in accordance with previously agreed upon plans and specifications and shall complete such construction no later than 120 days following receipt of permits.

EXHIBIT A

6. **TERM:** The term of this Memorandum shall be for a period of five (5) years commencing on the date Landlord delivers the Premises to Tenant.
7. **RENT:** Landlord hereby waives any rental charges for the Premises and further agrees to be responsible for any and all property taxes and special assessments levied against the Premises during the term of this Memorandum.
8. **UTILITIES AND SERVICES:** Landlord shall be responsible for paying when due all charges for any and all utilities and services used in connection with the Premises including, without limitation, charges for sewer, water, heat, gas and electricity.
9. **USE:** The Premises shall be occupied only as the Milwaukee Police Department Midtown Station and shall be used for police operations, the temporary holding, booking, and interviewing of prisoners, and all incidental uses thereto. Tenant agrees to staff the Premises for two shifts per day.
10. **MAINTENANCE AND REPAIR:** Landlord shall, at its expense, maintain in good condition and repair the structural portions of the Premises. Tenant shall, at its expense maintain in good condition and repair all interior portions of the Premises and the fixtures and equipment therein, including, but not limited to, the doors, door checks, door hardware, windows, ceiling tile, store front, fixtures, and the electrical and plumbing facilities servicing the Premises to the point of entry to a common line. Notwithstanding the foregoing, Landlord shall, at its expenses maintain in good condition and repair the heating, ventilating and air conditioning facilities. The Landlord also shall be responsible for the removal of all snow and ice from the sidewalks and parking areas serving the Premises. Should Landlord make any repairs to the Common Area or Premises as a result of any misuse or neglect by the Tenant or any of its officers, agents, employees, contractors, licensees or invitees, Tenant shall promptly reimburse Landlord for the cost of such repairs. Tenant shall keep the Premises in a clean, tenantable condition and shall not permit any garbage, rubbish, refuse or dirt of any kind to accumulate in or about the Premises or the Shopping Center. Landlord may designate specific dumpsters within the Shopping Center for Tenant's waste disposal.

11. **ADDITIONAL COVENANTS OF TENANT:**

- (A.) Signs-The tenant agrees to purchase and display signs upon the Premises as approved by the Landlord and the City of Milwaukee. All exterior signage design, size, location and lettering must meet with the approval of the Landlord and the City of Milwaukee, including parking signs. All signage fabrication, materials, installation, and electrical to be paid for by Tenant.
- (B.) Surrender- Tenant agrees, upon the termination of this agreement for any reason, to remove Tenant's property and other fixtures and those of any other persons claiming under Tenant, to quit and deliver up the Premises to the

Landlord peaceably and quietly in as good order and condition as upon the inception of this agreement, reasonable use and wear excepted.

(C.) Hazardous Substances- Tenant agrees not to use, dispose or store or permit the use, disposal or storage of any Hazardous Substances (as defined under Wisconsin Statutes section 144.01(4m)) at the Premises.

12. **INSURANCE**- During the term of this agreement Landlord or Tenant may, in their respective discretion, keep in full force and effect, at their respective expense, insurance against fire, vandalism, malicious mischief, and such other perils as are from time to time included in a standard coverage endorsement, insuring the Premises, and any personal property located on or within the Premises, in an amount equal to their full replacement value. All policies of insurance to be carried shall name the other party as an additional insured. Notwithstanding whether either party maintains any insurance on the Premises, Tenant shall be responsible for, and shall promptly reimburse Landlord for, any damage to the Premises which is the result of negligence or willful act of the Tenant, its agents, employees, customers, or prisoners.

13. **WAIVER OF SUBROGATION**- Notwithstanding anything in this agreement to the contrary, neither Landlord or Tenant shall be liable to the other for loss arising out of damage or destruction of the Premises or personal property or contents therein if such damage or destruction is caused by a peril included within 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. Each party shall advise its insurance company of this release and shall ensure that the insurance policy contains a waiver of any right of subrogation by the insurer against the other party.

14. **DAMAGE, DESTRUCTION, OR EMINENT DOMAIN**-If the Premises are materially damaged by fire, vandalism, malicious mischief, or any other casualty, Landlord or Tenant may elect to terminate this Memorandum upon 30 days prior written notice to the other party unless Landlord, within 30 days after such damage and destruction, notifies Tenant that it shall restore the Premises (excluding any property of tenant or improvements installed by Tenant) to substantially the same condition in which they existed immediately prior to such destruction or damage (which restoration Landlord shall complete in a reasonable time period subject to any delays beyond Landlord's control). If the Premises are lawfully condemned or taken in any manner for any public or quasi-public use or sold in lieu of condemnation, Landlord or Tenant may terminate this agreement upon 30 days prior written notice to the other party.

15. **INDEMNIFICATION**-

(A.) Tenant's Indemnification- Tenant agrees to indemnify and hold harmless Landlord 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 (including any damages to the Premises of every type or nature) or business sustained in or about the Premises occurring during the term of this agreement, or resulting from the failure of the Tenant to perform its obligations under this agreement; provided, however, Tenant's obligations under this paragraph shall not apply to injury or damage resulting from the negligence or willful act of Landlord or its agents or employees.

(B.) Landlord's's Indemnification- Landlord agrees to indemnify and hold harmless Tenant 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 (including any damages to the Premises of every type or nature) or business sustained in or about the Premises occurring during the term of this agreement, or resulting from the failure of the Landlord to perform its obligations under this agreement; provided, however, Landlord's obligations under this paragraph shall not apply to injury or damage resulting from the negligence or willful act of Tenant or its agents, employees, customers, or prisoners.

16. IMPROVEMENTS AND ALTERATIONS- Tenant may not make alterations or improvements to the Premises without the prior written consent of the Landlord. All such alterations and improvements shall be made in accordance with terms and conditions satisfactory to the Landlord.
17. ASSIGNMENT AND SUBLETTING- Tenant shall not voluntarily, involuntarily or by operation of law assign, transfer, mortgage or encumber this Agreement, nor sublet the whole or any part of the Premises without first obtaining Landlord's written consent.
18. PARKING- Landlord will designate two parking stalls on 56th Street for the placement of Tenant's parking signs for Tenant's squad cars. Landlord reserves the right to eliminate or relocate Tenant's parking location. Tenant shall use all reasonable efforts to load and unload prisoners in the rear of the Premises
19. RIGHT OF ENTRY. Landlord and its agents shall at all reasonable times have the right to enter the Premises to inspect the condition thereof, to show the Premises, and to improve or repair the Premises and any portion of the Shopping Center, and to make such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon the Premises that may be required therefore without the same constituting an eviction of Tenant in whole or in part, and the rent reserved shall not abate while said repairs, alterations, improvements or additions are being made. In case of emergency (the existence of which shall be determined by Landlord), if Tenant shall not be present to permit entry, Landlord or its representatives may enter the same forcibly without rendering Landlord or its representatives liable therefore or affecting

Tenant's obligations under this Memorandum. During the twelve (12) months prior to the expiration of the Term, Landlord may exhibit the Premises to prospective tenants and place upon the Premises the usual notices "To Let" or "For Rent," which notices Tenant shall permit to remain therein without molestation.

20. **TRANSFER BY LANDLORD.** In the event of a sale or conveyance by Landlord of the Shopping Center, the same shall operate to release Landlord from any future liability upon any of the covenants or conditions herein contained, and in such event Tenant agrees to look solely to the successor in interest of Landlord in and to this Memorandum. This Memorandum shall not be affected by any such sale or conveyance, and Tenant agrees to attorn to the purchaser or grantee, which shall be obligated on this Memorandum only so long as it is the owner of Landlord's interest in and to this Memorandum. In the event of the sale or other transfer of Landlord's interest in the Shopping Center, or in the event of any proceedings brought for the foreclosure thereof, or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Shopping Center, Tenant shall attorn to the purchaser and recognize such purchaser as Landlord under this Memorandum.
21. **RELOCATION.** Notwithstanding any provision of this Memorandum to the contrary, upon not less than sixty (60) days prior written notice to Tenant, Landlord shall have the right to relocate Tenant to substitute premises of comparable floor area within the Shopping Center. In the event of any such relocation by Landlord pursuant to the provisions hereof, the substitute premises identified by Landlord shall be improved at Landlord's cost and expense to a condition comparable to that of the Premises originally leased to Tenant, and Landlord shall bear the expense of relocating Tenant's furniture, equipment, and personal property to the substitute premises. Notwithstanding, in the event of any such relocation, Landlord shall be responsible for the installation of Tenant's telephone lines and shall make them available for Tenant's use. Upon such relocation the substitute premises shall become the Premises for all intents and purposes under this Memorandum.
22. **CONSTRUCTION ON ADJACENT PREMISES OR BUILDINGS.** Landlord reserves the right at any time and from time to time to cause land adjoining the Shopping Center to be incorporated within the Shopping Center so as to enlarge the same, including, but not limited to, constructing buildings and improvements on such land, making alterations or additions to the building of which the Premises are a part, and relocating the driveways, entrances and exits, parking areas, easement areas and other Common Areas. If any excavation or other building operation shall be about to be made or shall be made on any premises adjoining or above or below the Premises or on any other portion of the Shopping Center, Tenant shall permit Landlord, or the adjoining owner and their respective agents, employees, licensees and contractors, to enter the Premises and to shore the foundations and/or walls thereof, and to erect scaffolding and/or protective barricades around and about the Premises (but not so as to preclude entry thereto) and to do any act or thing necessary for the safety or preservation of the Premises. Tenant's obligations under this Memorandum shall not be affected by any such construction or excavation work, shoring-up, scaffolding or barricading. Landlord shall not be liable in any such case for any inconvenience,

disturbance, loss of business or any other annoyance arising from any such construction excavation, shoring-up, scaffolding or barricades, but Landlord shall use reasonable efforts to cause as little inconvenience, annoyance and disturbance to Tenant as possible consistent with accepted construction practice in the vicinity so that such work shall be expeditiously completed.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

LANDLORD:

BV/CJUF MIDTOWN VENTURES LLC

By: _____
Title: _____

TENANT:

In the Presence of

CITY OF MILWAUKEE

BY:

John O. Norquist, Mayor

Ronald D. Leonhardt, City Clerk

COUNTERSIGNED:

W. Martin Morics, Comptroller