

**COLLATERAL ASSIGNMENT OF
LEASE AND ESTOPPEL
CERTIFICATE**

Document Number

Document Title

Legal Description of Property Being Affected:

SEE EXHIBITS A & B FOR LEGAL DESCRIPTION

Recording Area

Name and Return Address

17-20016-015

Parcel Identification Number

Drafted By:

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COLLATERAL ASSIGNMENT OF LEASE AND ESTOPPEL CERTIFICATE

THIS COLLATERAL ASSIGNMENT OF LEASE AND ESTOPPEL CERTIFICATE (this "Agreement"), is made and entered into as of the ____ day of March, 2015, by and among the City of La Crosse, Wisconsin, a Wisconsin municipal corporation (the "LANDLORD"), PEARL STREET ENTERPRISE, INC., a Wisconsin corporation (the "TENANT"), and CITIZENS STATE BANK OF LA CROSSE, a financial institution (the "LENDER"); and

WITNESSETH:

WHEREAS, the LANDLORD holds fee title to certain real estate located in the City of La Crosse, County of La Crosse, State of Wisconsin, as legally described on Exhibit A attached hereto and hereby made u part hereof (the "Premises"); and

WHEREAS, pursuant to that certain Lease dated November 13, 1997 (the "Parking Lease"), between the LANDLORD and Great Lakes Hospitality Corp., a Wisconsin corporation (which Lease has been assigned to the TENANT by Great Lakes Hospitality Corp.), the LANDLORD leases a portion of the Premises, which is a Parking Ramp, to the TENANT for TENANT's exclusive use of up to 100 parking spaces within the Parking Ramp located on the Premises and pursuant to that certain Lease dated February 12, 1998 (the "Skywalk Lease"), between the LANDLORD and La Crosse Hotel LLC, a Wisconsin corporation (which Lease has been or will be assigned to the TENANT by La Crosse Hotel LLC), the LANDLORD leases a portion of the Premises for TENANT's use for a skywalk to the Parking Ramp located on the Premises (the Parking Lease and Skywalk Lease are collectively referred to hereinafter as the "Leases"); and

WHEREAS, the LENDER intends to make a loan to the TENANT in the amount of \$8,800,000 (the "Note") pursuant to, among other things, that certain Business Note dated as of March ____, 2015, by and between the TENANT and the LENDER; and

WHEREAS, the Note shall be secured by, among other things, that certain Real Estate Mortgage, dated as of March ____, 2015 (the "Mortgage"), executed by the TENANT In favor of the LENDER, pursuant to which the TENANT has granted to the LENDER a first priority security interest in the TENANT's interest in its real property and improvements located at 200 Pearl Street, La Crosse, Wisconsin and commonly known as the Holiday Inn and Suites, which is located adjacent to the Premises and legally described on Exhibit B attached hereto and hereby made a part hereof (the "Collateral"); and

WHEREAS, the Note and Mortgage, and all other documents ancillary thereto or executed in connection therewith shall collectively constitute the "Loan" and shall be collectively referred to herein as the "Loan Documents"; and

WHEREAS, the LENDER shall only make the Loan upon, among other things, execution and delivery of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto and hereby agree as follows:

1. The TENANT hereby assigns to the LENDER, to secure the TENANT's obligations to the LENDER under the Note, all of the TENANT's right, title and interest in and to the leasehold estate created by the Leases, effective as of the date hereof. The foregoing assignment shall constitute a perfected, absolute and present assignment, provided that the LENDER shall have no right under this Agreement to enforce the provisions of the Leases or exercise any rights or remedies under this Agreement until an event of default under the Loan Documents shall occur and be continuing.

2. The LANDLORD hereby acknowledges and consents to (a) the making of the Loan to the TENANT (b) the foregoing assignment and (c) the execution, delivery and recording of any instruments evidencing and/or securing the Loan, and agrees that neither the making of the Loan nor the foregoing assignment will cause a default or a breach of any covenant under the Leases.

3. The LANDLORD and the TENANT hereby represent, covenant, warrant agree as follows:

(a) All of the conditions precedent to the Leases taking effect have been satisfied in full.

(b) The Leases are in full force and effect and have not been modified, amended, supplemented, terminated or previously assigned.

(c) All rents and other sums and charges which are due and payable by the TENANT under the Leases through the date hereof have been paid in full.

(d) There is no default on the part of the TENANT under the Leases, and no event has occurred or condition exists that with the passage of time or giving of notice or both would constitute a default on the part of the TENANT under the Leases.

(e) There is no default on the part of the LANDLORD under the Leases, and no event has occurred or condition exists that with the passage of time or giving of notice or both would constitute a default on the part of the LANDLORD under the Leases.

(f) Any restrictions as to the use of the Premises as set forth in the Leases are being fully complied with by the TENANT.

(g) As long as the Loan remains outstanding:

- i. Neither the LANDLORD nor the TENANT shall enter into, agree or consent to, or acknowledge or approve, any amendment to the Leases which shortens the term of the Leases, increases the rent payable under the Leases or changes the description of the Premises, or any other amendment to the Leases which materially alter the rights or obligations of the TENANT or

LANDLORD under the Leases, without the prior written consent of the LENDER;

- ii. no voluntary agreement by either the LANDLORD or the TENANT for the cancellation, surrender and/or termination of the Leases shall be effective without the prior written consent of the LENDER;
- iii. the LANDLORD shall not accept the exercise by the holder of the leasehold interest under the Leases of any right or option contained in the Leases to cancel or terminate the Leases without the prior written consent of the LENDER; and
- iv. LANDLORD shall not subordinate its interest in the Leases or subject its interest in the Premises to any mortgage, deed of trust or other lien on the LANDLORD's interest in the Premises or the Leases unless the holder of such mortgage, deed of trust or other lien agrees not to disturb the rights of the TENANT, its successors and assigns, to possess the Premises as long as there are no uncured defaults on the part of the TENANT under the Leases.

4. The LANDLORD hereby acknowledges and agrees that, by executing and delivering this Agreement, it has received notice of the name and address of the LENDER as required by the Leases.

5. The LANDLORD hereby acknowledges and agrees that, pursuant to Section 10 of the Leases, the LANDLORD will mail or deliver to the LENDER a duplicate copy of all notices in writing which the LANDLORD may, from time to time, give to or serve on the TENANT under and pursuant to the terms and provisions of the Leases. Furthermore, in the event of default by the TENANT under the terms of the Leases, the lessor shall first give the LENDER notice of the default and the right to cure such default, and during the cure period, the lessor will take no action to enforce its claim, if any, arising from such default without the consent of the LENDER. The LENDER shall have sixty (60) days in addition to the time allowed the TENANT to cure any default which can be cured by the payment of a sum of money, and one hundred fifty (150) days in addition to the time allowed the TENANT within which to cure any default which cannot be cured by the payment of money.

6. In the event the LENDER acquires possession of the Collateral in any lawful manner, the LANDLORD agrees (i) to recognize the LENDER and any successor in interest as the successor lessee under the Leases; (ii) to recognize that title to all Collateral must automatically vest in the LENDER as the successor lessee under the Leases; and (iii) that the LENDER shall have the right to assign such interest to a successor in accordance with Section 10 of the Leases and provided that such notices of assignment are to be sent to LANDLORD within ten (10) days of any such assignment.

7. The LANDLORD acknowledges that in connection with the LENDER making the Loan to the TENANT, the TENANT has executed the Mortgage, and that upon the occurrence of certain events and without the payment of further consideration, the LENDER may, among other things, take possession of the Collateral.

8. All notices, consents, requests, demands and other communications hereunder shall be given to or made upon the respective parties hereto at their respective addresses specified below or, as to any party, at such other address as may be designated by it in a written notice to the other party. All notices, requests, consents and demands hereunder shall be effective when personally delivered or deposited in the United States Mail, certified or registered, postage prepaid, addressed as aforesaid:

If to the LANDLORD:

City of La Crosse
Attn: City Attorney
400 La Crosse Street
La Crosse, WI 54601-3396
Facsimile: (608) 789-7390

If to the TENANT:

Pearl Street Enterprises, Inc.
Attn: Ron Brown
200 Pearl Street
La Crosse, WI 54601
Facsimile: (608) 784-4480

If to the LENDER:

Citizens State Bank of La Crosse
620 Main Street
La Crosse, WI 54601
Attn: Dennis J. Vogel
Facsimile: (608) 785-2275

9. This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors and assigns.

10. Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

11. This Agreement may be executed in counterparts, each of which shall be deemed an original and delivered as of the day and year first above written.

EXHIBIT A
(Legal Description of the Premises)

PARKING PARCEL

A parcel located in the northeast quarter of the northeast quarter of Section 6, T15N, R7W, City of La Crosse, La Crosse County, Wisconsin, also being Lot 3, Lot 4, Lot 5 and Lot 6, and part of Lot 2 and part of Lot 1 of Block 7 of Dunn, Dousman and Cameron Addition to the City of La Crosse.

A section of the parking ramp which includes 80 to 100 spaces located on the second tier of the parking ramp as shown on attached copy of the original ramp construction drawing and areas indicated as follows:

Area 1 - Section A to B from Section 2 to 17

Area 2- Section A4 to C6 from Section 1 to 2

Area 3 -Section C to D from Section 2 to 11

SKYWALK PARCEL

An easement for the purpose of constructing and maintaining a skywalk corridor, approximately 12 ½ feet in height, the bottom of which is at rut elevation of approximately 11 feet over an existing alley, over a strip of land 14 feet in width, 7 feet either side of the following described centerline:

Part of Lot 4, and Part of Lot 5 of Block 21 of the Original Plat of the Town of La Crosse, and Part of Lot 1 of Dunn, Dousman & Cameron Addition, located in the City of La Crosse, La Crosse County, Wisconsin: To wit:

Commencing at the Northwest corner of Lot 1 of said Original Plat, being also the Northwest corner of the parcel described in Volume 1212; Page 589; thence along the West line of said parcel, and along the East right of way line of Second Street, S26° 55' 09"W 187.39 feet to the beginning of a 350 foot radius curve, concave to the East; thence continuing along said West line, and along said East right of way line, 72.04 feet along the arc of said curve, the chord of which bears S21° 11' 32.5"W 71.91 feet to the Southwest Corner of said parcel (1212/589); thence along the South line thereof, N89° 49' 46"E 64.42 feet to the point of beginning; thence S00° 10' 14"E 25 feet more or less to the face of the North wall of the existing parking garage and there terminating. Also included in easement are areas required for all of the supporting fixtures or structures, such as the two vertical girders supporting the skywalk at or near the north wall of the ramp generally as delineated in the building plans dated December 31, 1997, prepared by Design II Architects, Ltd. Project number 96125, sheets A-1 and A-2. The plans are incorporated by reference.

EXHIBIT B
(Legal Description of the Collateral)

Parcel I

Lots One (1), Two (2) and Three (3) and part of Lots Four (4) and Five (5), all in Block Twenty-one (21) of the Original Plat of the Town of La Crosse, now City of La Crosse, described as follows: Commencing at the Northwest corner of said Lot 1 and the point of beginning of this description; thence South 26° 55' 09" West, along the East right of way line of Second Street, 187.39 feet to the beginning of a 350 foot radius curve, concave to the East; thence continue along said East line, 72.04 feet along the arc of said curve, the chord of which bears South 21° 11' 32.5" West 71.91 feet; thence North 89° 49' 46" East 161.30 feet the East line of said Lot 4; thence North 26° 59' 47" East along the East line of said Lots 4, 3, 2, and 1, a distance of 188.19 feet to the South right of way line of Pearl Street; thence North 64° 06' 26" West along said South right of way line 151.06 feet to the point of beginning.

Parcel II

Part of the Southwest quarter of the Southeast quarter (SW 1/4-SE 1/4) of Section 31, Township 16 North, Range 7 West, being a portion of vacated Pearl Street, described as follows: Commencing at the Northwest corner of Lot 1 in Block 21 of the Original Plat of the Town of La Crosse, now City of La Crosse; thence Easterly along the South right of way line of Pearl Street, 151.06 feet; thence continue along said line, 0.52 feet to the front face of a concrete curb and the point of beginning of this description; thence Northerly, along said concrete curb; thence Westerly along the concrete curb face, 1.03 feet to the Northeast corner of said concrete curb face, 35.0 feet more or less to the Northwest corner of said concrete curb; thence Southerly along the concrete curve, 0.85 feet to the South right of way line of Pearl Street; thence Easterly along said right of way line 35.0 feet more or less to the point of beginning.

That part of the vacated alley in Block Twenty-one (21) of the Original Plat of the Town of La Crosse, now City of La Crosse, also located in the Southwest quarter of the Southeast quarter (SW 1/4-SE 1/4) of Section 31, Township 16 North, Range 7 West described as follows: Commencing at the Northeast corner of Lot 1 in Block 21 of the Original Plat of the Town of La Crosse, now City of La Crosse; thence Easterly along the South right of way line of Pearl Street, 0.52 feet to the face of a concrete curb; thence Southwesterly, along said face of curb and continuing along a building wall and brick wall, 191.0 feet more or less to the Southeast corner of said brick wall; thence Northwesterly along the face of said brick wall, 0.44 feet, more or less to the West line of said alley; thence Northeasterly along said West line 191.0 feet more or less to the point of beginning.

Part of the Southwest quarter of the Southeast quarter (SW 1/4-SE 1/4) of Section 31, Township 16 North, Range 7 West, being a portion of vacated 2nd Street between Pearl Street and Jay Street, described as follows: Commencing at the Northwest corner of Lot 1 in Block 21 of the Original Plat of the Town of La Crosse, now City of La Crosse; thence Southwesterly along the East right of way line of 2nd Street, 259.43 feet, more or less to the North line of a public way;

thence Easterly along said North line (and a building wall) to the Southeast corner of the building and the point of beginning of this description; thence continue Easterly along said North line to the West line of a platted alley in Block 21 of the Original Plat of the Town of La Crosse, now City of La Crosse; thence Southwesterly along said West line of the alley, 3.0 feet more or less to the Southern end of a brick wall; thence Northwesterly 5.0 feet more or less to the Southeast corner of the building and the point of beginning.

Tax Key No. 17-20016-15

Property Address: 200 PEARL STREET, LA CROSSE, WI

"Address, as provided with application for title insurance and shown here only for reference"

IN WITNESS WHEREOF, this Agreement has been made and entered into as of the day and year first above written.

LANDLORD:

CITY OF LA CROSSE

By: _____

Its: _____

STATE OF _____)
) ss.
_____ COUNTY)

Personally came before me on _____, the person(s) named on the previous page, _____ to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

* _____
My Commission (is permanent)(expires: _____)

TENANT

PEARL STREET ENTERPRISES, INC.

By: _____

Name: Beverly J. Brown

Its: President

STATE OF _____)
) ss.
_____ COUNTY)

Personally came before me on _____, the person(s) named on the previous page, _____ to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

* _____
My Commission (is permanent)(expires: _____)

