

2018-09-011

DOCUMENT NO.

**Collateral Assignment
of Redevelopment Agreement
(City of La Crosse, Wisconsin)**

**THIS SPACE RESERVED
FOR RECORDING DATA**

**NAME AND RETURN
ADDRESS**

**Winthrop & Weinstine, P.A.
(HAS)
225 South Sixth Street, Suite
3500
Minneapolis, Minnesota
55402-4629**

Parcel Identification Numbers:

17-10068-100
17-10069-30

**COLLATERAL ASSIGNMENT
OF REDEVELOPMENT AGREEMENT**

THIS COLLATERAL ASSIGNMENT OF REDEVELOPMENT AGREEMENT (this "Assignment") is made and entered into as of the 15th day of October, 2018, by and among **IMPACT LA CROSSE, LLC**, a Wisconsin limited liability company ("Borrower"), **CITY OF LA CROSSE, WISCONSIN**, a Wisconsin municipal corporation (the "City"), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association ("Lender").

Recitals

WHEREAS, Borrower and Lender have entered into that certain Building Loan Agreement of even date herewith (the "Loan Agreement"), pursuant to which Lender has agreed to make a construction loan to Borrower in the amount of up to \$4,517,773 (the "Loan") for the purpose of financing the construction of an affordable housing project with 50-affordable units on property legally described on Exhibit A attached hereto and hereby made a part hereof (the "Project"); and

WHEREAS, obligations of Borrower under the Loan is evidenced by that certain Promissory Note Secured by Mortgage of even date herewith (the "Note"), executed by Borrower and made payable to Lender in the original principal amount of up to \$4,517,773; and

WHEREAS, the Note is secured by that certain Construction Mortgage With Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing of even date herewith (the "Mortgage") executed by Borrower in favor of Lender and encumbering the Project; and

WHEREAS, Borrower and the City have entered into that certain Garden Terrace Development Agreement dated as of August 20, 2018 (the "Development Agreement"), in connection with the development of the Project; and

WHEREAS, Lender has required, as an express condition to entering into the Loan Agreement, that Borrower assigns its rights under the Development Agreement to Lender to secure the obligations of Borrower under the Note, the Loan Agreement and the Mortgage.

NOW, THEREFORE, in consideration of the recitals set forth above and incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby agrees as follows:

1. Capitalized terms used herein but not otherwise defined herein shall have the meaning set forth in the Loan Agreement.
2. Borrower hereby assigns to Lender all of its right, title and interest in and to the Development Agreement, together with all documents and agreements attached as exhibits thereto, and all amendments, addenda and modifications thereof, whether made now or hereafter, to secure the obligations of Borrower under the Note, the Loan Agreement and the Mortgage.
3. Borrower hereby represents and warrants that there have been no prior assignments of its rights under the Development Agreement, except to Cinnaire Lending

Corporation, that the Development Agreement is a valid and enforceable agreement, that neither the City nor Borrower is in default thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not to be performed until after the date hereof. Borrower agrees not to sell, assign, pledge, mortgage or otherwise transfer or encumber its interest in the Development Agreement, except to Cinnaire Lending Corporation, as long as this Assignment is in effect. After an Event of Default, Borrower hereby irrevocably constitutes and appoints Lender as its attorney-in-fact to demand, receive and enforce Borrower's rights under the Development Agreement for and on behalf of and in the name of Borrower or, at the option of Lender, in the name of Lender, with the same force effect as Borrower could do if this Assignment had not been made.

4. This Assignment shall constitute a perfected, absolute and present assignment, provided that Lender shall have no right under this Assignment to enforce the provisions of the Development Agreement or exercise any rights or remedies under this Assignment until a Default shall occur and be continuing after all applicable notice and cure periods.

5. Upon the occurrence of a Default after all applicable notice and cure periods, without affecting any of Lender's rights or remedies against Borrower under any other instrument, Borrower shall be deemed to have irrevocably appointed Lender as Borrower's attorney-in-fact to exercise any or all of Borrower's rights in, to and under this Assignment and to give appropriate receipts, releases and satisfactions on behalf of Borrower in connection with the performance by any party to the Development Agreement and to do any or all other acts in Borrower's name or in Lender's own name that Borrower could do under the Development Agreement with the same force and effect as if this Assignment had not been made. In addition, Lender shall have the right to exercise and enforce any and all rights and remedies available after a default to a secured party under the Uniform Commercial Code as adopted in the State of Wisconsin. If notice to Borrower of any intended disposition of collateral or of any intended action as required by law in any particular instance, such notice shall be deemed commercially reasonable if given in writing at least ten (10) days prior to the intended disposition or other action. Borrower hereby authorizes Lender to deliver a copy of this Assignment to any other party to the Development Agreement to verify the rights granted to Lender hereunder. All other parties under the Development Agreement are authorized and directed by Borrower to tender performance of its obligations under the Development Agreement to Lender upon presentation of a copy of this Assignment.

6. The City hereby consents and agrees to the terms and conditions of this Assignment. The party executing this Agreement on behalf of the City further represents and warrants to Lender that, as of the date hereof, the Development Agreement is a valid agreement enforceable in accordance with its terms, that, as of the date hereof, neither the City nor Borrower is in default hereunder and that all covenants, conditions and agreements have been performed as required therein, except those not to be performed until after the date thereof.

7. The City agrees to provide Lender with copies of any notice of default given under the Development Agreement, and that Lender shall have the right, but not the obligation, to cure such default within the time period set forth in the Development Agreement. All notices to Lender shall be to the address set forth herein and the City has no further duty to provide notice

to any other address, unless any such party provides City with written notice of any change in address.

8. The parties agree that no material change or amendment shall be made to terms of the Development Agreement without the prior written consent of Lender, which consent shall not be unreasonably withheld, and Lender shall deliver such consent or disapproval within 30 days of Lender's receipt of notice of such change or amendment. If Lender does not deliver its consent or disapproval within 30 days of receipt of such notice, such material change or amendment shall be deemed consented to by Lender.

9. This Assignment can be waived, modified, amended, terminated or discharged only explicitly in a writing signed by Lender and Borrower. A waiver by Lender shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Lender's rights or remedies hereunder. All rights and remedies of Lender shall be cumulative and shall be exercised singularly or concurrently, at Lender's option, and any exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other.

10. No provision of this Assignment shall be deemed or construed to alter, amend or modify, in any way, the rights and obligations of the City contained in the Development Agreement.

11. Any notice, request, demand or other communication hereunder shall be deemed duly given if delivered or postage prepaid, certified or registered, addressed to the party as set forth below:

If to the City:

City Clerk
The City of La Crosse
400 La Crosse Street
La Crosse, Wisconsin 54601

If to Borrower:

Impact La Crosse, LLC
2961 Decker Drive
Rice Lake, Wisconsin 54868
Attention: Kristine Giormalista

If to Lender:

Wells Fargo Bank, National Association
Community Lending & Investment
Attention: Rochelle Dotzenrod
MAC #N9353-020
3030 Nicollet Avenue, Suite 200
Minneapolis, Minnesota 55408

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

IN WITNESS WHEREOF, Borrower has caused this Assignment to be duly executed as of October 15, 2018.

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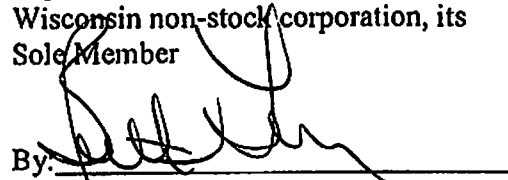
BORROWER:

IMPACT LA CROSSE, LLC, a Wisconsin limited liability company

By: Impact La Crosse MM, LLC, a Wisconsin limited liability company, its Managing Member

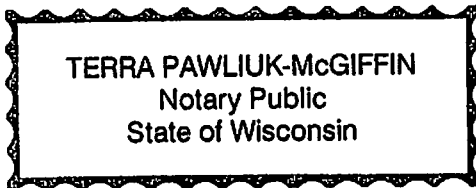
By: Impact Wisconsin, LLC, a Wisconsin limited liability company, its Sole Member


By: Impact Seven, Incorporated, a Wisconsin non-stock corporation, its Sole Member

By: 
Brett Gerber
Its President and Chief Executive Officer

STATE OF WISCONSIN)
)
COUNTY OF BARRON)

The foregoing instrument was acknowledged before me this 8th day of October, 2018, by Brett Gerber, the President and Chief Executive Officer of Impact Seven, Incorporated, a Wisconsin non-stock corporation, the Sole Member of Impact Wisconsin, LLC, a Wisconsin limited liability company, the Sole Member of Impact La Crosse MM, LLC, a Wisconsin limited liability company, the Managing Member of Impact La Crosse, LLC, a Wisconsin limited liability company, for and on behalf of said limited liability company.




Notary Public
My commission expires February 22, 2020

CITY:

CITY OF LA CROSSE, WISCONSIN, a
Wisconsin municipal corporation

By: Timothy Kabat
Mayor Timothy Kabat

By: Teri Lehrke
Teri Lehrke, Clerk


STATE OF WISCONSIN)
)
COUNTY OF LA CROSSE)

The foregoing instrument was acknowledged before me this 8th day of October, 2018, by Timothy Kabat, Mayor of the City of La Crosse, Wisconsin, and Teri Lehrke, Clerk of the City of LaCrosse, Wisconsin, a Wisconsin municipal corporation, for and on behalf of said municipal corporation.

Nikki M Eisen
Notary Public NIKKI M Eisen
my commission exp 6/23/2021

LENDER:

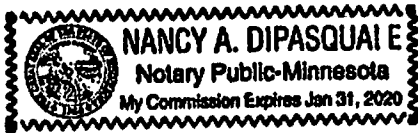
WELLS FARGO BANK, NATIONAL
ASSOCIATION, a national banking
association


By: 

Rochelle Dotzenrod
Its Senior Vice President

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 10th day of October, 2018, by Rochelle Dotzenrod, a Senior Vice President of Wells Fargo Bank, National Association, a national banking association, for and on behalf of said national banking association.





Notary Public

EXHIBIT A

LEGAL DESCRIPTION

The Land referred to herein below is situated in the County of La Crosse, State of Wisconsin, and is described as follows:

PARCEL A:

PART OF LOTS EIGHT (8), NINE (9), TEN (10), ELEVEN (11), AND ALL OF LOTS TWELVE (12), THIRTEEN (13), AND FOURTEEN (14), IN BLOCK TEN (10) OF MCCONNELL AND WHITTLESEY'S ADDITION TO THE VILLAGE OF NORTH LA CROSSE, CITY OF LA CROSSE, AND PART OF VACATED ST. CLOUD STREET, MORE FULLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID BLOCK 10 OF MCCONNELL AND WHITTLESEY'S ADDITION; THENCE NORTHERLY ALONG THE RIGHT OF WAY OF KANE STREET 15 FEET TO THE POINT OF BEGINNING; THENCE SOUTH $85^{\circ} 07' 58''$ WEST 153.53 FEET TO THE EAST LINE OF THE ALLEY; THENCE NORTH $0^{\circ} 43' 32''$ EAST 150 FEET MORE OR LESS TO THE NORTHWEST CORNER OF LOT 12; THENCE NORTH $06^{\circ} 27' 10''$ EAST 202.6 FEET TO A POINT ON THE SOUTH LINE OF ST. CLOUD STREET; THENCE NORTH $83^{\circ} 11' 31''$ EAST 130.44 FEET; THENCE SOUTH ALONG THE WEST LINE OF KANE STREET EXTENDED 19.79 FEET TO THE NORTHEAST CORNER OF BLOCK 10; THENCE CONTINUE SOUTH $0^{\circ} 49' 37''$ WEST 336.11 FEET ALONG SAID WEST LINE TO THE POINT OF BEGINNING.

TAX PARCEL NO. 17-10068-100

PROPERTY ADDRESS: 733 KANE STREET, LA CROSSE, WI

PARCEL B:

LOT TWO (2), CERTIFIED SURVEY MAP NO. 116, RECORDED IN VOLUME 17, PAGE 116 OF CERTIFIED SURVEY MAPS AS DOCUMENT NO. 1712685, CITY OF LA CROSSE, LA CROSSE COUNTY, WISCONSIN.

TAX PARCEL NO. 17-10069-30

PROPERTY ADDRESS: 833 KANE STREET, LA CROSSE, WISCONSIN