

AMENDMENT TO OPTION AGREEMENT
1004 N. 10th St., Milwaukee, Wisconsin

This AMENDMENT TO OPTION AGREEMENT ("Amendment") is made and entered into as of _____, 2016, by and between Heartland Housing, Inc. ("Developer") and Milwaukee County (the "County"), for purposes of amending that certain Option Agreement made and entered into as of January 26, 2015, by and between Developer and County (the "Agreement"), by amending the Agreement as follows.

1. Amendment to Term. Paragraph 6 of the Option Agreement dated January 26, 2015 ("Agreement") is hereby amended to include the following:

The Developer may request extension of the Option Period for up to one (1) additional twelve (12) month period following the original Option Extension Period by delivering a written notice of request for such extension to the Economic Development Director for Milwaukee County ("Economic Development Director") before the end of the applicable Option Period.

2. Amendment to Rehabilitation Allocation. Paragraph 10(c)(i) of the Agreement is hereby deleted in its entirety and replaced with the following:

Rehabilitation Grant. If the Option is exercised, the County shall grant \$1,800,000 ("Rehabilitation Funds") and disburse said funds to Heartland Housing, Inc. or its affiliate pursuant to a Grant Agreement as approved by the Economic Development Director. The Grant Agreement shall include the following:

- (a) Rehabilitation Funds may be used by Developer to cover hard costs and soft costs of the Project;
- (b) All Rehabilitation Fund disbursements shall require approval of the Economic Development Director which shall not be unreasonably withheld.
- (c) If Rehabilitation Funds are not sufficient to cover the rehabilitation costs, any additional funds required shall be the responsibility of the Developer; and
- (d) Any remaining Rehabilitation Funds remaining in the account after twenty-four (24) months of the date the Developer takes title to the Property shall be returned to the County.

3. Amendment to Development Plans.

- a. Parking. Paragraph 10(c)(ii) of the Agreement is hereby deleted in its entirety and replaced with the following:

Parking Easement. If the Option is exercised, Developer and the County shall enter into an easement for the County's continued access, ingress, and egress for the "Surface Parking Area" identified on Exhibit C. The easement shall be at no

cost to the County with all operating and capital improvement costs to be the responsibility of the Developer.

- b. Day reporting center lease. Paragraph 10(c)(iii) of the Agreement is hereby amended in part to amend the description of the area to be leased by the County from “5,000 square feet” to “at least 5,000 square feet but no more than 6,300 square feet of” the Property. Paragraph 10(c)(iii)(a) of the Agreement is hereby amended in part to amend the description of the rent paid by the County from “\$15 per square foot annual rent” to “\$75,000 annual rent” of the Property.
 - c. Property description. Exhibit C is deleted and replaced with the attached “Exhibit C”.
 - d. Expanded target firms. Paragraph 10(c)(iv) of the Agreement is hereby amended in part to replace all mention of “DBE” with “Milwaukee County Targeted Firms as defined by Milwaukee County General Ordinance Chapter 42”.
4. Right to Audit. The Developer shall allow the County, the Milwaukee County Audit Services Division, or any other party the County may name, when and as they demand, to audit, examine, access and make copies of, excerpts or transcripts from any records, books, files, premises or other information in the Developer’s possession. The Developer shall maintain and make available to the County the above described information for no less than three years after conclusion of the obligations and responsibilities of the Developer described herein and required by this Agreement. The Developer understands and will abide by all provisions of Chapter 34 of the Code of Ordinances. These requirements shall apply to any and all contractors and subcontractors to the Developer under this Agreement.
5. Prior Agreements. Except as modified above, the parties ratify and affirm each and every provision of the Agreement, which is incorporated herein by reference. In the event any provision in this Amendment expressly modifies or contradicts any provision in the Agreement, then the provision in this Amendment shall control the interpretation of the Agreement and this Amendment; otherwise, the terms of the Agreement shall remain in full force and effect.

[EXECUTION PAGES FOLLOW]

SO AGREED effective as of the date first written above.

DEVELOPER
Heartland Housing, Inc.

By: _____ Date: _____

MILWAUKEE COUNTY

By: _____ Date: _____
James Tarantino, Economic Development Director