

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (this "Third Amendment") is made and entered into as of the ____ day of July, 2021 by and between West Quarter West, LLC ("WQW") and West Quarter East, LLC ("WQE", and collectively with WQW, the "Developer"), and the City of West Allis, a Wisconsin municipal corporation (the "City").

RECITALS

City and Developer acknowledge the following:

- A. City and Developer entered into that certain Development Agreement dated as of March 22, 2019 (the "Development Agreement") for development of the Project within the District.
- B. City and Developer desire to amend the Development Agreement as set forth herein.
- C. City, pursuant to Common Council action dated April 29, 2020, has approved a Second Amendment and the execution by the proper City officials on the City's behalf.
- D. Developer has approved this First and Second Amendments and authorized its execution by the appropriate representatives on its behalf.

AGREEMENTS

In consideration of the Recitals and the promises and undertakings set forth herein, the parties do hereby amend the Development Agreement effective as of the date hereof as follows:

1. The City of West Allis, subject to Common Council approve dated July 13, 2021, approved a Limited Guaranty offered to Waukesha State Bank (the "Lender"), the lender to Cobalt Partners LLC and/or affiliate leverage lender for the development of a Home 2 Suites franchised hotel located at 12** S. 70th Street (Tax Key No. 439-9001-000) within the Allis-Yards Development area.
 - a. The Guaranty is hereby attached as **Exhibit A –Limited Guaranty by the City of West Allis** to the Third Amendment to the Development Agreement.
 - b. The Guaranty provided by the City to Lender is limited to Four Million Dollars.
 - c. The Guaranty will require a one-time four percent (4.00%) fee paid to the City at Closing for providing the Guaranty.
 - d. As part of the Guaranty, the City requires that from affiliate leverage lender and 70th Street Hotel Associates, LLC, the hotel operator, to provide financial statements on a semi-annual basis to City or the City's financial consultant to monitor the performance of the hotel.
2. Section 4 of the Second Amendment to the Development Agreement is amended to change to June 30, 2021 date and replacing said date with December 30, 2021 for the commencement of construction of the hotel component Preliminary Development Plan outlined in the Development Agreement and subsequent amendments.
3. The parties to this Agreement, other than the City, are jointly and severally liable to the City for any amount of money paid by the City to Waukesha State Bank under the Guaranty.

IN WITNESS WHEREOF, this Third Amendment is executed as of the date first above written.

WEST QUARTER WEST, LLC
By: Cobalt Partners, LLC, Manager

By: _____
Scott J. Yauck, Sole Member and Manager

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

Personally appeared before me this ____ day of July, 2021, the above-named Scott J. Yauck, as the Sole Member and Manager of Cobalt Partners, LLC, the Manager of West Quarter West, LLC, and, to me known to be the person who executed the foregoing agreement on behalf of said limited liability company and by its authority and acknowledged the same.

Name: _____
Notary Public, State of Wisconsin
My commission expires: _____

[Signatures Continue on Following Pages]

WEST QUARTER EAST, LLC
By: Cobalt Partners, LLC, Manager

By: _____
Scott J. Yauck, Sole Member and Manager

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

Personally appeared before me this ____ day of July, 2021, the above-named Scott J. Yauck, as the Sole Member and Manager of Cobalt Partners, LLC, the Manager of West Quarter East, LLC, and, to me known to be the person who executed the foregoing agreement on behalf of said limited liability company and by its authority and acknowledged the same.

Name: _____
Notary Public, State of Wisconsin
My commission expires: _____

[Signatures Continue on Next Page]

CITY OF WEST ALLIS

By: _____
Dan Devine, Mayor

By: _____
Rebecca Grill, City Clerk

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

Personally appeared before me this ____ day of July, 2021, the above-named Dan Devine and Rebecca Grill, the Mayor and City Clerk of the City of West Allis, and to me known to be the persons who executed the foregoing amendment on behalf of the City and by its authority and acknowledged the same.

Name: _____
Notary Public, State of Wisconsin
My commission expires: _____

COMPTROLLER'S CERTIFICATE

Countersigned this ____ day of July, 2021, and I certify that the necessary funds have been provided to pay the liability that may be incurred by the City of West Allis under this Agreement.

Jason Kaczmarek, Finance Director

This instrument was drafted by and upon
Recording, return to:

Kail Decker, City Attorney
City of West Allis
7525 West Greenfield Avenue, Room 232
West Allis, WI 53214