

THIRD AMENDMENT TO LEASE

This Third Amendment to Lease is made this ____ day of _____, 2016 (the “Third Amendment”) by and among the City of West Allis (the “City”), West Allis Memorial Hospital, Inc. (“Memorial”) and Aurora Health Care, Inc. (“Aurora”).

RECITALS:

The City and Memorial are parties to a lease dated May 29, 1963, and the City, Memorial and Aurora are parties to certain amendments to the lease dated April 18, 1997, January 5, 2001 and October 31, 2006 (the “Second Amendment”) (collectively, the “Lease”), pursuant to which the City leases to Memorial certain land, hospital property and related facilities more particularly described in the Lease (the “Leased Property”). West Allis Apartments 2014 LLC (“West Allis Apartments”), as agent for Aurora, owns certain property adjoining the Leased Property, as legally described on attached Exhibit A (the “Additional Property”). Following such time as Aurora has received all approvals required for the construction of the Project (the “Approvals”), Aurora will cause West Allis Apartments to convey the Additional Property to the City in accordance with the terms of this Third Amendment. Such conveyance will facilitate the construction of the Project and further Aurora’s charitable purpose by increasing access to health care services.

Effective upon the conveyance of the Additional Property to the City, the Additional Property shall be added to the Lease. As soon as reasonably possible following such conveyance, Memorial shall proceed to construct a parking structure and related infrastructure, including, without limitation, upgraded sewer and utility facilities, and other improvements on the Additional Property as generally described on attached Exhibit B (the “Project”). The City, Memorial and Aurora now desire to amend the Lease to reflect the foregoing and as otherwise set forth below.

ACCORDINGLY, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Memorial and Aurora agree that the Lease shall be and hereby is amended, effective the date hereof, as follows:

1. Conveyance of Additional Property. No later than fifteen (15) days after receipt of all Approvals, Aurora shall, or shall cause West Allis Apartments on Aurora’s behalf to, convey the Additional Property to the City. Such conveyance shall be on the following terms and conditions:

- (a) The purchase price for the Property shall be One Dollar (\$1.00);
- (b) The Property shall be conveyed to the City by special warranty deed free and clear of all liens and encumbrances other than as set forth on attached Exhibit C (the “Permitted Encumbrances”);
- (c) The Property will be conveyed to the City in its “AS-IS” condition and leased by Memorial in the same condition;

(d) At closing, the Property will be added to the Leased Property and become subject to the terms of the Lease;

(e) The City waives any claims against West Allis Apartments, Aurora and Memorial related to the Additional Property or based on its condition on the date of closing. The City will not assume or be responsible for any liabilities or other obligations with regard to the Additional Property and, following closing, Aurora will indemnify, defend and hold the City harmless from and against all loss, cost and expense incurred by the City based on any third party claims related to the Additional Property, other than as due to the negligence or misconduct of the City;

(f) At closing, Aurora, at its expense, shall deliver a title insurance policy or marked-up commitment of the same insuring the City's title to the Additional Property free and clear of all liens and encumbrances other than the Permitted Encumbrances; and

(g) Aurora shall be responsible for the payment of the Wisconsin real estate transfer fee, if any, and all closing costs, other than the City's legal fees.

2. Payment of 2016 Real Estate Taxes. Memorial shall be responsible for payment of the real estate taxes levied and assessed for 2016. Thereafter, the City shall ensure that the Additional Property is exempt from real property taxes and shall not contest the tax-exempt status of the Additional Property during the term of the Lease as long as Aurora and Memorial maintain their tax exempt status under Section 501(c)3 of the Internal Revenue Code, or any successor provision of such code.

3. Construction of the Project. As soon as reasonably possible following conveyance of the Additional Property to the City, Aurora shall proceed with the construction of the Project. Such construction shall be in accordance with normal development requirements of the City and subject to all required approvals from the City.

4. Maintenance Responsibilities. Memorial shall be responsible for maintaining, repairing and replacing the parking structure and the Additional Property, including, without limitation, any public streets or alleyways located on the Additional Property, at its sole cost and expense. Memorial agrees that the City shall have no maintenance or repair obligations in regard to the Additional Property.

5. Additional Lease Payment. Effective on the first day of January following such time as the Additional Property is determined to be exempt from real property taxes, and thereafter for the balance of the term of the Lease, Memorial shall make an additional lease payment to the City in the amount of Thirty-Seven Thousand One Hundred Ninety-One Dollars (\$37,191) per year, payable together with the annual payment under the Lease for the balance of the term of the Lease. In addition, the annual increase in the payment required under Section 9 of the Second Amendment shall be increased from Five Thousand Dollars (\$5,000) to Five Thousand Six Hundred Ten Dollars (\$5,610). Notwithstanding any other provisions of the Lease, including, without limitation, Paragraph 7 of the Second Amendment, or any other agreements, the foregoing payment shall be the only payment required to be made by Memorial in regard to the Additional Property.

6. Sublease. Memorial shall have the right at any time and from time to time to sublease the Additional Property to Aurora or an affiliated entity without the City's consent.

7. No Further Modification. Except as expressly amended by the terms of this Third Amendment, the Lease remains unmodified and in full force and effect. In the event of a conflict or ambiguity between the terms of the Lease and the terms of this Third Amendment, the terms of this Third Amendment shall control.

IN WITNESS WHEREOF, the undersigned have executed this Third Amendment as of the day and year first above written.

WEST ALLIS MEMORIAL HOSPITAL, INC.

By: _____
Name: _____
Title: _____

AURORA HEALTH CARE, INC.

By: _____
Name: _____
Title: _____

CITY OF WEST ALLIS

By: _____
Name: _____
Title: _____

EXHIBIT A

Additional Property

Legal Description

Lots One (1) through Twelve (12), in Block Two (2), in Woodlawn Manor, a Subdivision of part of the Northwest One-quarter (1/4) of Section Nine (9), in Township Six (6) North, Range Twenty-one (21) East, in the City of West Allis, Milwaukee County, Wisconsin, excepting therefrom that part of Lot Nine (9) in Block Two (2) conveyed to the City of West Allis for street purposes by Warranty Deed recorded July 27, 1965, as Document No. 4194548.

<u>Tax Key #</u>	<u>Property Address</u>
4870096000	2307 S. 90 th Street
4870097000	2320 S. 91 st Street
4870098000	2330 S. 91 st Street
4870099000	2331 S. 90 th Street
4870100000	2323 S. 90 th Street

EXHIBIT B

Project

Memorial and Aurora are to build a new parking ramp on the parcel of land located between 91st and 90th Streets and Lincoln Avenue. The new facility will be designed as an expansion to the existing parking structure located farther south on 90th Street. The proposed structure will provide parking for patients, visitors and employees who visit and work within the hospital. It is intended to relieve the current parking deficiency on campus and mitigate the need for both on-street parking and leased, off-campus parking. Approximately 684 new stalls will be created as part of the proposed expansion. Additionally, 16 spaces in the existing parking structure will be lost as a result the two structures adjoining. As a result, there will be an approximate total net gain of 668 parking spaces to the campus.

The proposed parking facility will have four levels to match the existing structure height. Due to the slope between 90th and 91st Streets, only three levels will be visible on the northwest corner of the structure on 91st and Lincoln Avenue. Four levels will be visible from 90th Street and Lincoln Avenue. AWAMC will incorporate building design elements, as well as trees and foliage along the façade, to provide an appearance similar to an office building or hospital rather than a parking structure. The finish materials of the structure are intended to replicate the external appearance of the upper floors of the Aurora Women's Pavilion. Designs and required changes to the site will be proposed through the required City of West Allis Planning Application.

Additionally, as part of the project approvals, the alleys within the Parcel shall be vacated. Within the rights of way to be vacated exist various City-owned utilities. The Project also includes relocation and upgrade of these existing City-owned water main, sanitary and storm sewer to locations outside the footprint of the new structure and within public right of way to locations as are to be agreed upon by the City and Memorial. Any required changes to the site utilities will be proposed as through the required City of West Allis Planning Application and Approval process.

EXHIBIT C

Permitted Encumbrances

Municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services and general taxes levied in the year of closing.