Res 460

Contract Cover Sheet

Note: Shaded areas are for County Executive review.

Department Administration	Contract/Addendum #: 12725
1. This contract, grant or addendum: x AWARDS ☐ ACCEPTS	**Contract** / **Addendum**
2. This contract is discretionary x Yes ☐ No	If Addendum, please include original contract number
3. Term of Contract or Addendum: 20 Years	☐ POS ☐
4. Amount of Contract or Addendum:	☐ Grant ☐
5. Purpose: To lease a 4 unit apartment building located at 4357 Britta Drive to Housing Initiatives, Inc.	☐ Co Lease ☐
	x Co Lessor ☐
	☐ Intergovernmental ☐
	☐ Purchase of Property ☐
	☐ Property Sale ☐
	☐ Other ☐

6. Vendor or Funding Source: Housing Initiatives, Inc.
7. MUNIS Vendor Code:3354
8. Bid/RFP Number:115052
9. Requisition Number: n/a
10. If grant: Funds Positions? ☐ Yes ☐ No Will require on-going or matching funds? ☐ Yes ☐ No
11. Are funds included in the budget? ☐ Yes ☐ No
12. Account No. & Amount, Org & Obj. _____ Amount $_____
    Account No. & Amount, Org & Obj. _____ Amount $_____
    Account No. & Amount, Org & Obj. _____ Amount $_____
13. If this contract awards funds, a purchase requisition is necessary. Enter requisition # & year _____
14. Is a resolution needed? x Yes ☐ No If yes, please attach a copy of the Resolution.
    If Resolution has already been approved by the County Board, Resolution No. & date of adoption _____
15. Does Domestic Partner equal benefits requirement apply? ☐ Yes x No
16. Director's Approval: [signature]

Contract Review/Approvals

Initials		Ftnt	Date In	Date Out
MG	Received		3-3-16	
AB	Controller			3/3/16
[signature]	Corporation Counsel		3-3-16	3/4/16
[signature]	Risk Management		3/4/16	3/4/16
AB	Purchasing			3/3/16
	County Executive			

Vendor

Vendor Name

Housing Initiatives, Inc.

Contact Person

Dean Loumos

Phone No.

608-332-2095

E-mail Address

Footnotes:

1.
2.

Return to:	Name/Title: Chuck Hicklin Phone: 266-4109 E-mail Address:	Dept.:Administration Mail Address:

Certification

The attached contract: *[check as many as apply]*

- ☐ conforms to Dane County's standard Purchase of Services Agreement form in all respects
- ☐ conforms to Dane County's standard Purchase of Services Agreement form with modifications and is accompanied by a revision copy[1]
- ☐ is a non-standard contract which has been reviewed or developed by corporation counsel and which has not been changed since that review/development
- ☑ is a non-standard contract previously review or developed by corporation counsel which has been changed since that review/development; it is accompanied by a revision copy[1]
- ☐ is a non-standard contract not previously reviewed by corporation counsel; it is accompanied by a revision copy
- ☐ contains non-standard/indemnification language which has been reviewed or developed by risk management and which has not been changed since that review/development
- ☐ contains non-standard insurance/indemnification language which has been changed since review/development or which has not been previously seen by risk management; it is accompanied by a revision copy
- ☐ contains non-standard affirmative action/equal opportunity language which has been reviewed or developed by contract compliance and which has not been changed since that review/development
- ☐ contains non-standard affirmative action/equal opportunity language which has been changed since the earlier review/development by contract compliance or which has not been previously seen by contract compliance; it is accompanied by a revision copy[1]

Date: 3/3/18 Signed: _____

Telephone Number 6-4109 Print Name: Chuck Hicklin

Major Contracts Review (DCO Sect. 25.20) This review applies only to contracts which both exceed $100,000 in disbursements or receipts and which require county board review and approval.

Executive Summary (attach additional pages, if needed).

1. ***Department Head*** ☐ Contract is in the best interest of the County.
   Describe any deviations from the standard contracting process and any changes to the standard Purchase of Services Form Agreement.

   Date: _____ Signature: _____

2. ***Director of Administration*** ☐ Contract is in the best interest of the County.
   Comments:

   Date: _____ Signature: _____

3. ***Corporation Counsel*** ☐ Contract is in the best interest of the County.
   Comments:

   Date: _____ Signature: _____

[1] A revision copy is a copy of the contract which shows the changes from the standard contract or previously revised/developed contract by means of overstrikes (indicating deletions from the standard language) and underlining (showing additions to the standard language).

12725

LEASE FOR 4357 BRITTA DRIVE

THIS LEASE ("Lease") is entered into by and between the County of Dane ("LANDLORD"), a Wisconsin county and body corporate pursuant to Chapter 59 of the Wisconsin Statutes, and Housing Initiatives, Inc., ("TENANT"), a Wisconsin non-stock corporation incorporated under Chapter 181 of the Wisconsin Statutes.

1. PREMISES. LANDLORD leases to TENANT, and TENANT leases from LANDLORD, the Premises located at 4357 Britta Drive, in the City of Madison, County of Dane, State of Wisconsin (the "Premises"), which consists of a 4 unit, multi-family apartment building and the land on which it sits, and is further described as follows:

   LOT TWENTY-THREE (23), BLOCK TEN (10), SECOND ADDITION TO CRAWFORD HEIGHTS, IN THE CITY OF MADISON, DANE COUNTY, WISCONSIN.

2. PURPOSE. The purpose of this Lease is to facilitate the availability of affordable housing units to low-income renters (hereinafter, "Subtenants").

3. LEASE TERM. The term of this Lease shall be for a period of ten (10) years, commencing on _____, 2016 **[DATE OF CLOSING]** ("Commencement Date") and terminating on _____, 2026 ("Initial Term"). As used herein, the Initial Term and each Option Term shall be referred to collectively as the "Term."

4. OPTION TO EXTEND.

   a. Tenant shall have two (2) options (each, an "Extension Option," and collectively, the "Extension Options") to extend the term of this Lease with respect to all (but not less than all) of the Premises for five (5) years each ("Option Term"), provided that Landlord receives written notice from Tenant of its election to exercise an Extension Option not later than 120 days prior to the expiration of the original term or an Option Term. In addition, Landlord at its sole discretion shall have the right to declare Tenant's exercise of an Extension Option null and void if Tenant is in material default (beyond any applicable cure periods) under the Lease on the date Tenant exercises an Extension Option or at any time thereafter until the commencement of an Option Term.

   b. If Tenant exercises an Extension Option, this Lease shall continue in full force and effect during the Option Term, without the necessity for execution of any future lease, amendment, instrument or agreement, pursuant to all of the terms and conditions set forth in this Lease, including, but not limited to the annual rent as set forth in Section 7.

   c. An Extension Option shall automatically terminate and become null and void upon the earlier to occur of (i) the termination of this Lease; (ii) the termination of Tenant's

right to possession of the Premises; (iii) the assignment of this Lease, in whole or in part, other than as expressly permitted under Section 32 herein; or (iv) the failure by Tenant to timely or properly exercise the Extension Option.

5. OPTION TO PURCHASE/RIGHT OF FIRST REFUSAL.

   a. In the event that Landlord desires to offer the Premises or any part thereof for sale, Landlord shall notify Tenant in writing of Landlord's intention to sell the Premises and state a price and terms thereof.

   b. Within 30 days of the receipt said notice, Tenant shall inform Landlord of its intent to pursue purchase of the Premises by written notice in the form of a Letter of Intent to Purchase. Tenant shall then commission an appraisal to be provided to Landlord with an Offer to Purchase within sixty (60) days of receipt of Landlord's notice of intent to sell.

   c. Upon receipt of Tenant's offer, Landlord may elect to sell the Premises at the price offered, or if said price is not acceptable to Landlord, Landlord shall within ninety (90) days of Tenant's offer obtain an appraisal of the Premises and provide a copy to Tenant for review. Landlord and Tenant shall, with thirty (30) days from the date of delivery of said second appraisal to Tenant, attempt to agree on a purchase price for the Premises. If after said thirty-day period Landlord and Tenant are unable to agree upon a price, Landlord may sell the Premises subject to subsection "d" herein.

   d. Sale to Match Offer. In the event that Landlord receives a bona-fide Offer to Purchase the Premises or any part thereof, Landlord shall notify Tenant in writing by certified mail, and include a copy of the bona-fide offer with the notice. After receipt of such notice, Tenant shall have ninety (90) days in which to exercise its right to purchase the Premises, except that if the Offer to Purchase by the third party follows an attempt to sell the Premises to Tenant under subsections a – c above, then Tenant shall have twenty-one (21) days to tender an matching offer or to decline purchase.

   e. Tenant's determination to exercise its Right-of-First-Refusal to purchase the Premises shall be evidenced by written notice in the form of an Offer to Purchase which shall provide the same terms and conditions as set forth in the third party Offer to Purchase previously obtained by Landlord.

6. USE OF PREMISES. Tenant covenants and agrees that it shall continuously and without interruption use and occupy the entire Premises (and not less than one hundred percent (100%) of the Premises) solely for residential housing for Low Income residents as described herein. An individual or family qualifies as "Low Income" if their annual adjusted income, as defined by 24 CFR § 92.203 (or any successor provision), is equal to or less than fifty percent (50%) of the Area Median Income for Madison, Wisconsin, as articulated by the U.S. Department of Housing and Urban Development. Further, all units must be affirmatively marketed to individuals who are homeless, a veteran of United States military service, and diagnosed with a mental illness.

7. RENT. Tenant shall pay as rent Twenty-Five and 00/100 Dollars ($25.00) per year for the term of this Lease and any extension thereof.

8. RENTAL PAYMENTS. Tenant shall pay rent in annual installments, with payment due on the first anniversary of the Commencement Date and thereafter annually on each subsequent anniversary date.

9. REPORTING REQUIREMENTS. Tenant shall provide to Landlord an annual written report which shall, at a minimum, include the following information: number of subtenants, criteria used to select each subtenant, annual revenues, annual accounting of maintenance expenses, and any other information that may affect the status of the Premises. This report shall be due on the same date as the annual rental payment.

10. CAPITAL EXPENDITURE ACCOUNT. The Dane County Board of Supervisors approved Five Hundred Thousand and 00/100 Dollars ($500,000.00) of capital costs for the Premises and a second property located at 5721 Raymond Road, Madison, Wisconsin. Any funds remaining after the purchase by Landlord of the Premises and the second property shall be available to Tenant for repairs and replacements to the two properties that would be considered capital improvements according to generally accepted accounting principles ("Capital Expenditure Funds"). Within the first year of the original Lease term, Tenant may request Capital Expenditure Funds for capital improvements to the Premises or the second property once a lease has been executed. Tenant shall obtain written approval of Landlord for all capital improvements prior to incurring the expense for release of any Capital Expenditure Funds, except that Landlord agrees that no prior written approval shall be required for the repair and/or replacement of the roof and all windows of the Premises or second property. Landlord shall not be obligated to consider any Capital Expenditure Fund requests for expenditures that were not pre-approved by Landlord. No Capital Expenditure Funds shall be available after the first anniversary date of this Lease.

11. EXISTING LEASES. Tenant shall continue leases with current subtenant occupants of the Premises until expiration or termination as per lease provisions. All new leases, including those which may be contemplated with current occupants, shall be consistent with the purpose of this Lease.

12. SURRENDER. On the last day of the term of this Lease or any extension thereof, or on any sooner termination, Tenant shall surrender the Premises in the same condition as the Premises existed on the Commencement Date, broom clean, reasonable wear and tear, loss or damage by fire or other insured casualty, damage resulting from the act of Landlord and/or its employees or agents, Tenant improvements and Landlord's Work excepted.

13. RIGHT OF ENTRY. Landlord and its authorized representatives shall have the right to enter the Premises at all reasonable times, upon not less than twenty-four (24) hours' prior written notice to Tenant (or without notice for an emergency), to inspect the

Premises, to show the Premises to prospective purchasers or tenants, to abate nuisances, to cure dangerous conditions or repair waste, and to make repairs, alterations, improvements or additions to the Premises or to the Building as Landlord may reasonably deem necessary, without the same constituting an eviction of Tenant in whole or in part, and rent shall not abate as a result of such entry.

14. SECURITY DEPOSIT. There shall be no security deposit payable by Tenant for this Lease.

15. ALTERATIONS. Except as otherwise provided in Section 10 above, Tenant shall make no alterations, decorations, additions or improvements to the Premises without prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, except for minor, non-structural alterations.

16. ENVIRONMENTAL.

    a. Hazardous Substances: Indemnification. Tenant represents and warrants that its use of the Premises will not generate any hazardous substance, and it will not store or dispose on the Premises nor transport to or over the Premises any hazardous substance in violation of any applicable Environmental Laws [as hereinafter defined]. Tenant further agrees to hold Landlord harmless from and indemnify Landlord against any release by Tenant of such hazardous substance and any damage, loss, or expense or liability resulting from such release, including reasonable attorneys' fees, costs and penalties incurred as a result thereof, except any release caused by the negligence or intentional acts of Landlord, its employees and/or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.

    b. Definitions. As used herein, "Environmental Laws" shall mean any federal, state and local laws including statutes, regulations, rulings, orders, administrative interpretations, guidance documents or memoranda and other governmental restrictions and requirements relating to the creation or discharge of solid waste, hazardous substances, hazardous waste, air pollutants, water pollutants or process wastewater or otherwise relating to the environment or hazardous substances including, but not limited to, applicable Wisconsin Statutes, the Federal Toxic Substances Control Act, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource and Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, regulations of the Federal Environmental Protection

Agency or state environmental protection agency or Department of Natural Resources or Environmental Quality now or at any time hereafter in effect.

c. Without limiting the generality of Section 16(a) above, during the term of this Lease, Tenant shall:

i. Provide Landlord, immediately upon receipt thereof, with copies of any correspondence, notice, pleading, citation, notice of noncompliance, notice of violation, indictment, complaint, order, decree or other document from any source asserting or alleging violation upon the Premises by Tenant or Subtenants of any Environmental Laws, or asserting or alleging a circumstance or condition upon the Premises which may require a financial contribution by Tenant or a cleanup, remedial action or other response, including investigation, by or on the part of Tenant under any Environmental Laws;

ii. Permit Landlord, in the event Landlord has reasonable cause to believe that there exists a condition or circumstance created by Tenant, Subtenants, employees, or invitees during the term of this Lease warranting an environmental inspection or audit, and upon written notice to Tenant, to retain an architect, environmental consultant or professional engineer selected by Landlord to perform an environmental inspection and/or audit of the Premises to evaluate Tenant's compliance with Environmental Laws, and to test for hazardous substances on the Premises, and for risks associated with exposure to hazardous substances. Tenant shall permit Landlord and its employees and agents access to the Premises and the books and records of Tenant as necessary for the performance of the environmental inspection and/or audit. If the condition or circumstance warranting the inspection, audit or testing arose in whole or part from the acts or omissions of Tenant, its employees or invitees, Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord in performing any inspection, audit, testing, and evaluations and in retaining professionals for such purposes; and

iii. At its expense, remove or contain any hazardous substances on the Premises that were brought onto the Premises by Tenant, Subtenants, employees or invitees during the term of this Lease, or perform other investigation or remediation or corrective action as required by Landlord in its sole discretion, if at any time it is determined that such hazardous substances present a health hazard on the Premises or are required to be investigated, removed, contained or remediated or other corrective action is required by any Environmental Laws or regulatory authority.

17. CONSTRUCTION LIENS. Tenant shall pay when due, and indemnify, defend and hold Landlord harmless from, all claims for labor or materials furnished or alleged to have been furnished to Tenant for use in the Premises, which claims are or may be secured by any construction lien against the Premises or any interest therein. Tenant shall not permit

any liens under the construction lien law to be filed against the Premises or any interest therein and shall immediately obtain a release from any lien so filed.

18. REMOVAL OF IMPROVEMENTS. All heating and air-conditioning equipment and all alterations and other improvements by Tenant shall become the property of Landlord and shall not be removed from the Premises, unless request is made by Landlord to Tenant to remove the same. All trade fixtures, furniture, furnishings and signs installed in the Premises by Tenant and paid for by Tenant shall remain the property of Tenant and may be removed upon the expiration or termination of this Lease; provided that any of such items as are affixed to the Premises and require severance may be removed only if Tenant repairs any damage caused by such removal and that Tenant shall have fully performed all of the terms, conditions and covenants to be performed by Tenant under this Lease. If Tenant fails to remove such items from the Premises by the expiration or earlier termination of this Lease, all such trade fixtures, furniture, furnishings and signs shall become the property of Landlord, unless Landlord elects to require their removal, in which case Tenant shall, at its sole cost and expense, promptly remove the same and restore the Premises to their prior condition. The covenants contained in this Section shall survive the expiration or termination of this Lease.

19. REPAIRS AND MAINTENANCE.

    Tenant shall be responsible for all routine and non-routine, indoor and outdoor maintenance and repairs of the Premises. Tenant shall keep the Premises and every part thereof and any fixtures, facilities or equipment contained within or serving the Premises, in good condition and repair, including, but not limited to heating and cooling, electrical, lighting, plumbing and sewer systems. Except as provided in Section 10, Tenant shall also be responsible for maintenance and replacement of the roof. Tenant shall keep the Premises clean, attractive in appearance and in good repair at all times. Tenant will remove snow from any driveway or sidewalks within the timeframe dictated by City of Madison Ordinances. Tenant will be responsible for all other outdoor maintenance, including lawn care.

20. UTILITIES. Tenant shall be solely responsible and shall pay when due all charges for sewer, water, electricity and gas utility services used in or supplied to the Premises, beginning on the Commencement Date. Tenant shall be solely responsible for all other utility charges, including, but not limited to, telephone and data connection and service.

21. TAXES. Tenant covenants and agrees that it shall pay, before delinquency, all municipal, county and state or federal taxes assessed against any leasehold interest of Tenant or any fixtures, furnishings, equipment, merchandise, improvements, alterations, stock-in-trade or other personal property of any kind owned, installed or upon the Premises.

22. COMPLIANCE WITH LAWS. Tenant shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of Landlord, the City of Madison, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having

jurisdiction over the Premises. Tenant may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. Tenant agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold Landlord harmless with respect to any actions taken by any lawful governmental authority with respect thereto.

23. INSURANCE AND INDEMNIFICATION.

a. Except to the extent covered by insurance, Tenant shall indemnify, hold harmless and defend Landlord, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss (including, but not limited to, property damage, bodily injury and loss of life), damages, costs or expenses which Landlord, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of any act, omission or negligence of Tenant or its Subtenants, officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors in or about the Premises, or arising from any breach or default under this Lease by Tenant; provided, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from any act, omission or negligence of Landlord, its agencies, boards, commissions, officers, employees or representatives. The obligations of Landlord and Tenant under this paragraph shall survive the expiration or termination of this Lease.

b. In order to protect itself, its officers, boards, commissions, agencies, agents, volunteers, employees and representatives under the indemnity provisions of the subparagraph above, Tenant shall, at Tenant's own expense, obtain and at all times during the term of this Lease keep in full force and effect the insurance coverages, limits, and endorsements listed below. When obtaining required insurance under this Lease and otherwise, Tenant agrees to preserve Landlord's subrogation rights in all such matters that may arise that are covered by Tenant's insurance. Neither these requirements nor Landlord's review or acceptance of Tenant's certificates of insurance is intended to limit or qualify the liabilities or obligations assumed by the Tenant under this Lease. Landlord expressly reserves the right to require higher or lower insurance limits where Landlord deems necessary, any increase being requested only if reasonably necessary.

Tenant agrees to maintain Commercial General Liability insurance at a limit of not less than $1,000,000 per occurrence. Coverage shall include, but not be limited to, Bodily Injury and Property Damage to Third Parties, Contractual Liability, Personal Injury Liability, Premises-Operations and Fire Liability. The policy shall list DANE COUNTY as an Additional Insured. Landlord agrees to insure the Premises through the Local Government Property Insurance Fund (policy available here: http://oci.wi.gov/lgpif/policies.htm).

c. Upon execution of this Lease, Tenant shall furnish Landlord with a Certificate of Insurance listing DANE COUNTY as an additional insured and, upon request, certified copies of the required insurance policies. If Tenant's insurance is underwritten on a Claims-Made basis, the Retroactive Date shall be prior to or coincide with the date of this Lease, the Certificate of Insurance shall state that professional malpractice or errors and omissions coverage, if the services being provided are professional services coverage is Claims-Made and indicate the Retroactive Date, Tenant shall maintain coverage for the duration of this Lease and for six (6) years following the completion of this Lease. Tenant shall furnish Landlord, annually on the policy renewal date, a Certificate of Insurance as evidence of coverage. It is further agreed that Tenant shall furnish Landlord with a 30-day notice of aggregate erosion, in advance of the Retroactive Date, cancellation, or renewal. It is also agreed that on Claims-Made policies, either Tenant or Landlord may invoke the tail option on behalf of the other party and that the Extended Reporting Period premium shall be paid by Tenant. In the event any action, suit or other proceeding is brought against Landlord upon any matter herein indemnified against, Landlord shall give reasonable notice thereof to Tenant and shall cooperate with Tenant's attorneys in the defense of the action, suit or other proceeding.

d. The parties do hereby expressly agree that Landlord, acting at its sole option and through its Risk Manager, may waive any and all requirements contained in this Lease, such waiver to be in writing only. Such waiver may include or be limited to a reduction in the amount of coverage required above. The extent of waiver shall be determined solely by Landlord's Risk Manager.

24. DAMAGE OR DESTRUCTION. In the event that the Premises, or any portion thereof, is damaged or destroyed during the term of this Lease or any extensions, Landlord, in its sole discretion, may elect to either (a) terminate the Lease or (b) promptly repair or replace the affected portion of the Premises to substantially the same condition in which they existed immediately prior to such damage or destruction. Tenant shall not be entitled to any insurance proceeds that may be available. Tenant shall have the right to terminate this Lease by delivery of written notice to Landlord delivered within two hundred seventy (270) days of the casualty if all repair and replacement has not been completed within two hundred forty (240) days of the casualty.

25. TENANT WAIVERS OF EMINENT DOMAIN BENEFITS AND AWARD.

a. In the event of the Tenant's vacation of the Premises or if Landlord terminates this Lease pursuant to the provisions of this Lease, Tenant hereby waives any rights against Landlord that may be construed to accrue to Tenant, its successors and assigns, by provisions of Section 32.19 of the Wisconsin Statutes, as amended.

b. In the event the Premises or any part thereof shall be needed either permanently or temporarily for any public or quasi-public use or purposes by any authority, other than Landlord, in appropriation proceedings or by any right of eminent domain, the entire compensation award therefor, including, but not limited to, all damages and compensation for diminution of value of the leasehold, reversion and fee, shall belong

to Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all of its right, title and interest to any such award. However, Tenant shall have the right to recover from any condemning authority, other than Landlord, such compensation as may be separately awarded to the Tenant for moving and relocation expenses.

26. DEFAULTS. The occurrence of any one or more of the following events shall constitute default and breach of this Lease by Tenant:

(a) The filing by Tenant of a voluntary petition in bankruptcy;

(b) The institution of proceedings in bankruptcy against Tenant and the adjudication of Tenant as bankrupt pursuant to such proceedings;

(c) The taking by a court of competent jurisdiction of Tenant's assets pursuant to proceedings brought under the provisions of any federal or state reorganization act;

(d) The appointment of a receiver of Tenant's assets;

(e) The divestiture of Tenant's estate herein by other operation of law;

(f) The abandonment by Tenant of the Premises. Abandonment shall not be deemed to occur while rental payments are current;

(g) The use of the Premises for an illegal purpose;

(h) The failure of Tenant to pay when due any rent or any other monetary sums due pursuant to the terms of this Lease;

(i) The failure of Tenant to use the Premises for the purpose identified in Section 1 herein; and

(j) The failure by Tenant to repair any waste or to observe or perform any of the terms, covenants or conditions of this Lease to be observed or performed by Tenant.

27. LANDLORD'S REMEDIES. If any default by Tenant shall continue uncured after thirty (30) days' written notice of default from Landlord to Tenant , Landlord has the following remedies, in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

a. Termination of Lease. Landlord may at Landlord's election terminate this Lease by giving Tenant written notice of termination. On the giving of the notice, all further obligations of Landlord under this Lease shall terminate, Tenant shall surrender and vacate the Premises in a broom clean condition, and Landlord may reenter and take possession of the Premises and eject all parties in possession or eject some and not others or eject none. Termination under this paragraph shall not relieve Tenant from the payment of any sum then due to Landlord or from any claim for damages previously accrued or then accruing against Tenant. Should Tenant abandon the

Premises and Landlord elect to reenter as herein provided, or if Tenant's right to possession is terminated by Landlord because of a breach of the Lease by Tenant, this Lease shall, at Landlord's written election, terminate and Landlord shall be entitled to recover from the Tenant (i) unpaid rent which has been earned at the time of termination, and (ii) as liquidated damages and not as a penalty a sum of money equal to the rent and rental loss to be paid by Tenant to Landlord for the remainder of the term of this Lease, subject to any rent collected as provided in subparagraph (d) below. In the event of termination under this Subparagraph, any prepaid rent shall be retained by Landlord.

b. Termination of Possession. Landlord may at Landlord's election terminate Tenant's right to possession only, without terminating the Lease, following a breach of the Lease by Tenant. Upon termination of Tenant's right to possession without termination of the Lease, Tenant shall surrender possession and vacate the Premises immediately and possession thereof to Landlord, and Tenant hereby grants to Landlord the immediate right to enter into the Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession thereof with process of law, and to repossess the Premises as Landlord's former estate and to expel or remove Tenant and any others who may be occupying or within the Premises, if so determined by a court of law, without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom, without such entry and possession terminating the Lease or releasing Tenant from Tenant's obligation to pay the rent and to fulfill all other of Tenant's obligations under this lease for the full term of this Lease. Landlord shall be entitled to recover from Tenant (i) unpaid rent which has been earned at the time of termination, and (ii) as liquidated damages and not as a penalty a sum of money equal to the rent and rental loss to be paid by Tenant to Landlord for the remainder of the term of this Lease, subject to any rent collected as provided in subparagraph (d) below. Notwithstanding any remedial action taken hereunder by Landlord short of termination, including reletting the Premises to a substitute Tenant, Landlord may at any time thereafter elect to terminate this Lease for any previous default.

c. Storage. Landlord may, at Landlord's election, store Tenant's personal property and trade fixtures for the account and at the cost of Tenant.

d. Reletting of Premises. Landlord shall make every effort to relet all or any part of the Premises for such rent and upon such terms as shall be satisfactory to Landlord. For the purpose of such reletting, Landlord may decorate or may make any repairs, changes, alterations or additions in or to the Premises that may be necessary or convenient. If the Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the expenses of such decorations, repairs, changes, alterations and additions, the expenses of such reletting and the collection of the rent accruing therefrom (including, but not limited to, attorneys' fees and brokers' commissions), to satisfy the rent and other charges herein provided to be paid for the remainder of the term of this Lease, Tenant shall pay to Landlord promptly any deficiency, and Tenant agrees that Landlord may file suit to recover any sum falling due under the terms of this paragraph from time to time.

e. Rent. The terms "rent" or "rental" as used in this Lease shall be deemed to be and to mean the Rent and such other sums, if any, required to be paid by Tenant pursuant to the terms of this Lease. The term "rental loss" as used in this Lease shall be deemed to include, but shall not be limited by implication, all repossession costs, brokerage commissions, legal expenses, reasonable attorneys' fees, alteration costs and expenses of preparation of the Premises or parts thereof for reletting.

f. Diligent Efforts. Notwithstanding anything to the contrary in this Section, in the event of Tenant's default, if such default is not a health or safety violation and cannot, because of the nature of the default, be cured within the thirty (30) days after Landlord's notice thereof, then Tenant shall be deemed to be complying with such notice if, promptly upon receipt of such notice, Tenant immediately takes steps to cure the default as soon as reasonably possible and proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable. In the event of termination under this Subparagraph, any prepaid rent shall be retained by Landlord.

g. Mitigation of Damages. Notwithstanding anything to the contrary contained in this Lease, Landlord shall be obligated to make reasonable efforts to re-rent the Premises and otherwise mitigate any damages incurred by Landlord in connection with any Tenant default.

28. TENANT REMEDIES. If Landlord shall fail to perform any covenant, term or condition of this Lease required to be performed by Landlord, as a consequence of such default, Tenant may exercise any and all rights and remedies available to Tenant under law or in equity, and if successful in such claim shall also be entitled to have Tenant's attorneys' fees and court costs paid by the Landlord.

29. LANDLORD MAY PERFORM. Landlord shall have the right at any time, after ten (10) days' written notice to Tenant (or in case of emergency or a hazardous condition or in case any fine, penalty, interest or cost may otherwise be imposed or incurred), to make any payment or perform any act required of Tenant under any provision in this Lease, and in exercising such right, to incur necessary and incidental costs and expenses, including reasonable attorneys' fees. Nothing herein shall obligate Landlord to make any payment or perform any act required of the Tenant, and this exercise of the right to so do shall not constitute a release of any obligation or a waiver of any default. All payments made and all costs and expenses incurred in connection with any exercise of such right shall be reimbursed to Landlord by Tenant.

30. ASSIGNMENT AND SUBLEASE BY TENANT. Tenant shall not voluntarily or by operation of law assign, transfer, mortgage, lease, sublet, grant license or rights to a concessionaire or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises, or permit the use or occupancy of the Premises or any part thereof by anyone other than Tenant, without Landlord's prior written consent. Notwithstanding these terms, Tenant is permitted, without seeking any additional permission from Landlord, to sublease residential units in the ordinary course of business within the Premises to Subtenants.

31. NO RELEASE OF TENANT. Notwithstanding anything to the contrary contained in this Lease, and regardless of Landlord's consent, no such assignment, encumbrance, subletting, transfer, lease or other permission for the use or occupancy of all or any part of the Premises shall release Tenant of Tenant's obligation to pay the rent and to perform all other obligations to be performed by Tenant under this Lease. Tenant and each such assignor further agree that Landlord may deal with the tenant in possession without notice to, and without the consent of, Tenant or any such assignor, and any and all extensions of time, modifications, or waivers shall be deemed to be made with the consent of Tenant and any such assignor. "Tenant in Possession" shall not ever be taken to include the resident sublessees contemplated by the terms of sections 1 and 4 above. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Consent to one assignment shall not be deemed consent to any subsequent assignment.

32. NOTICES. All notices to be given under the terms of this Lease shall be signed by the person sending the same, and shall be sent by certified mail, return receipt requested and postage prepaid, to the address of the parties specified below:

For Landlord: The County of Dane
Land & Water Resources Department
Lyman F. Anderson Agriculture & Conservation Center
5201 Fen Oak Court, Room 234
Madison, WI 53718-8812
Attn: Real Estate Coordinator

For Tenant: Housing Initiative, Inc.
c/o Dean Loumos, Executive Director
1110 Ruskin St.
Madison, WI 53704

Any party hereto may, by giving five (5) days' written notice to the other party in the manner herein stated, designate any other address in substitution of the address shown above to which notices shall be given.

33. WAIVERS. No waiver by Landlord of any provision of this Lease shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant. The acceptance of rent hereunder by Landlord shall not constitute a waiver of any breach by Tenant even if Landlord knows of such breach at the time of acceptance of such rent.

34. HOLDING OVER. Tenant shall surrender the Premises upon the expiration or termination of the term of this Lease. Any holdover not consented to by Landlord in writing shall not result in a new tenancy or interest and, in such case, Landlord may treat Tenant as a trespasser.

35. CUMULATIVE REMEDIES. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

36. COVENANTS AND CONDITIONS. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

37. BINDING EFFECT; CHOICE OF LAW. This Lease shall bind the parties, their heirs, personal representatives, successors and assigns. This Lease shall be governed by and be construed and interpreted in accordance with the laws of the State of Wisconsin.

38. AUTHORITY. Tenant executes this Lease as a corporation and represents and warrants that Tenant is a duly authorized and existing corporation that Tenant has and is qualified to transact business in Wisconsin, that the corporation has full right, authority and power to enter into this Lease and to perform its obligations under this Lease, that each person signing this Lease on behalf of the corporation is authorized to do so and that this Lease is binding upon the corporation in accordance with its terms.

39. NON-DISCRIMINATION. Tenant agrees not to discriminate against any employee, subtenant or applicant because of race, religion, marital status, age, color, sex, disability, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, political beliefs or student status. Tenant further agrees not to discriminate against any contractor, subcontractor or person who offers to contract or subcontract for services under this Lease.

40. SEVERABILITY. If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SIGNATURE PAGE TO FOLLOW

In Witness Whereof, the undersigned Landlord and Tenant execute this Lease to be effective as of the day and date set forth above.

LANDLORD:

COUNTY OF DANE:

By: _____

Printed Name and Title

By: _____

Printed Name and Title

TENANT:

By: Dean Loumos Ex Director

Printed Name and Title

By: Dean Loumos Ex Director

Printed Name and Title