

**FIRST AMENDMENT TO
COLLATERAL ASSIGNMENT OF
CONSTRUCTION CONTRACTS AND PERMITS AND LICENSES**

THIS FIRST AMENDMENT TO COLLATERAL ASSIGNMENT OF CONSTRUCTION CONTRACTS AND PERMITS AND LICENSES (the “Amendment”) is made as of October ___, 2018, by and between 304 NORTH ADAMS GREEN BAY, LLC, a Delaware limited liability company (“304 NAGB”) and THE CITY OF GREEN BAY (the “Lender”), a Wisconsin municipality.

RECITALS

A. Lender entered into a Loan Agreement with Hotel Northland, LLC (“Debtor”) on December 14, 2015 (the “Original Loan”) in the original principal amount of \$4.7 Million.

B. The Original Loan was secured by a Collateral Assignment of Construction Contracts and Permits and Licenses dated December 14, 2015 (the “Original Collateral Assignment”), a copy of which is attached hereto as Exhibit A.

C. On August 23, 2017, Debtor was placed into a receivership by the filing of a court action by Octagon Credit Partners, LP, by Octagon Finance, LLC (“Bridge Lender”), Case No. 17-CV-1133 (the “Receivership”). On October 9, 2017, the Court appointed Paul G. Swanson, as receiver (“Receiver”), over all the assets of Debtor.

D. On October 30, 2017, the Receiver entered into a Standard Short Form Agreement between Owner and Constructor (the “General Contract”) with Ganther Construction/Architecture Inc. (“Ganther”) to complete construction and remodeling of the hotel building and real estate (the “Project”), and the Receiver entered into several subcontractor agreements for the Project.

E. On April 16, 2018, the Receiver entered into that certain Asset Purchase Agreement with 304 NAGB (the “Purchase Agreement”), whereby 304 NAGB agreed to assume certain outstanding liabilities and contracts of the Debtor, as consideration for purchasing substantially all of the Debtor’s assets.

F. On May 24, 2018, the Court approved the purchase and sale of the hotel building, real estate located at 304 N. Adams and 330 N. Adams, and all assets of Debtor by 304 NAGB. As part of this sale, the Court also approved the purchase and assignment of the Original Loan, the Original Collateral Assignment, and other collateral documents, the General Contract and all other subcontracts relating to the Project.

G. 304 NAGB desires to assume the obligations of Debtor under the Original Collateral Assignment.

H. 304 NAGB also desires to assign the General Contract with Ganther regarding the Project, all permits and licenses, upon the same terms and conditions as set forth in the Original Collateral Assignment and herein (“Second Collateral Assignment”).

NOW, THEREFORE, for good and valuable consideration, in the form of the assumption of existing debt by 304 NAGB to the City, and assignment of collateral as set forth herein, the receipt and sufficiency of which are acknowledged, 304 NAGB and the City agree as follows:

AGREEMENTS

1. Recitals True. The foregoing recitals are true and correct and are a material part of this Amendment.

2. Asset Purchase. This Amendment is made in contemplation of the transactions set forth in that certain Purchase Agreement. The assignment and assumption of the obligations of the Debtor under the Original Loan and Original Collateral Assignment to 304 NAGB is a substantial part of the consideration for the assignments made hereunder and the transactions under the Purchase Agreement.

3. Assignment. In partial consideration of the transactions contemplated in the Purchase Agreement, 304 NAGB hereby transfers and assigns to the City, and the City hereby assumes, the Second Collateral Assignment and all rights pertaining thereto. The Assignor of the Second Collateral Assignment shall now be 304 NAGB. The General Contract assigned to the City as collateral shall be the contract with Ganther and subcontractors, as noted above.

4. Amendment. Except as set forth in this Amendment, the Original Collateral Assignment remains as executed and is in full force and effect.

5. Counterparts. This Amendment may be executed in counterparts, each of which shall be considered an original and together shall constitute one and the same agreement.

6. Facsimile and Electronic Signatures. Facsimile and electronic signatures shall have the same force and effect of original signatures.

7. Due Authority. The persons signing this Amendment on behalf of the respective parties have full authority to do so and to bind their respective parties to the terms of this Amendment.

8. Further Assurances. Assignor shall make, execute and deliver all such further or additional instruments as may be necessary to satisfy the intents and purposes hereof and to perfect the assignment made hereby.

[Signature page follows.]

IN WITNESS WHEREOF, Assignor has executed this First Amendment to Collateral Assignment of Construction Contracts and Permits and Licenses on September ___, 2018.

ASSIGNOR:

304 NORTH ADAMS GREEN BAY, LLC,
a Delaware limited liability company

By: Greenwood Hospitality GB, LLC

By: _____
Thomas Conran, Manager

ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

Personally came before me this _____ day of October 2018, the above named Thomas Conran, a Manager of Greenwood Hospitality GB, LLC, the managing member of 304 North Adams Green Bay, LLC, a Delaware limited liability company, to me known to be the person who executed the foregoing instrument and acknowledged the same.

*

Notary Public, _____ County, _____

My Commission Expires _____

**COUNTERPART SIGNATURE PAGE
COLLATERAL ASSIGNMENT OF CONSTRUCTION CONTRACTS**

**ASSIGNEE:
THE CITY OF GREEN BAY**

By: _____
James J. Schmitt, Mayor

By: _____
Kris Teske, Clerk

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS
COUNTY OF BROWN)

Personally came before me this _____ day of October 2018, the above named _____ and _____, on behalf of the City of Green Bay, a Wisconsin municipal corporation, to me known to be the person who executed the foregoing instrument and acknowledged the same.

*

Notary Public, _____ County, Wisconsin

My Commission Expires _____

CONSENT OF CONTRACTOR

This First Amendment to Collateral Assignment of the Contracts and Permits and Licenses has been reviewed and approved by, which (i) consents to such assignment; (ii) certifies that no Event of Default on the part of the Assignor exists under the Contracts; (iii) certifies that Contractor has no claims or right of offset against the Assignor; and (iv) hereby agrees to be bound by the terms of the Collateral Assignment.

Dated the ____ day of September, 2018.

CONTRACTOR:
GANTHER CONSTRUCTION/ARCHITECTURE, INC.

By: _____
Kelly Schleif, Executive Vice President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS
COUNTY OF BROWN)

Personally came before me this _____ day of October 2018, Kelly Schleif, Executive Vice President of Ganther Construction/Architecture, Inc., a Wisconsin corporation, to me known to be the person who executed the foregoing instrument and acknowledged the same.

*

Notary Public, _____ County, Wisconsin
My Commission Expires _____