

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

DECADE COMPANIES INCOME PROPERTIES

CIK: **775840** | IRS No.: **391518732** | State of Incorporation: **WI** | Fiscal Year End: **1231**
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Mailing Address
250 PATRICK BLVD
STE 140
BROOKFIELD WI 53045

Business Address
250 PATRICK BLVD STE 140
BROOKFIELD WI 53045
4147929200

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

October 1, 1998
Date of Report (Date of earliest event reported)

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP
(Exact name of registrant as specified in its charter)

Wisconsin0-021455 39-1518732
(State of other jurisdiction(Commission File (IRS Employer
of incorporation) Number) Identification No.)

250 Patrick Blvd, Suite 140
Brookfield, WI 53045-5864
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (414) 792-9200

ITEM 5:Other Events

On October 1, 1998, Decade Companies Income Properties, A Limited Partnership, refinanced certain existing loans and entered into a new loan agreement secured by a mortgage, security agreements, and agreement of leases for The Meadows II.

ITEM 7:Financial Statements and Exhibits

(c)Exhibits. See "Exhibit Index" on the last page of this report, which is incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Decade Companies Income Properties,
A Limited Partnership

(Registrant)

By: Decade Companies
(General Partner of the Registrant)

Date: March 26, 1999 By: /s/ Jeffrey Keierleber
Jeffrey Keierleber, Principal Executive
Officer and Principal Financial and
Accounting Officer of the Registrant

Decade Companies Income Properties

Exhibit Index
to
Form 8-K Current Report
(Date of Event Reported: October 1, 1998)

Exhibit Filed
Number Description Herewith

- 10.14 Mortgage Note between Partnership
and Associated Bank MilwaukeeX
- 10.15 Mortgage, Security Agreement and
Fixture Financing Statement between
Partnership and Associated Bank MilwaukeeX
- 10.16 Assignment of Leases and Rents between
Partnership and Associated Bank MilwaukeeX
- 10.17 Collateral Assignment of Property
Management Contract between Partnership
and Associated Bank MilwaukeeX
- 10.18 Reserve Fund Agreement between Partnership
and Associated Bank MilwaukeeX

10.19 Payment Amount/Frequency Modification between
Partnership and Associated Bank MilwaukeeX

MORTGAGE NOTE

(Term Loan)
(Fixed Rate)

Borrower: DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP	Loan No.: 7403011-9001 Loan Amount: \$9,150,000.00 Loan Date: September 30 1998
First Payment Date: November 1, 1998	Maturity Date: September 30, 2005
Interest Rate: 7.25% per year	Monthly Payment: \$66,136.84

FOR VALUE RECEIVED, Borrower promises to pay to the order of ASSOCIATED BANK MILWAUKEE ("Lender"), at 401 East Kilbourn Avenue, Milwaukee, Wisconsin 53202, or at such place as Lender designates from time to time, the outstanding principal balance of the Loan Amount, together with interest as described in this Note.

1. Payments. On the Loan Date, interest will be paid on the Loan Amount at the Interest Rate for the period from the Loan Date through the last day of the month during which the Loan Date occurs. Principal and interest (at the Interest Rate) on the balance of the Loan Amount will be payable in installments in the amount of the Monthly Payment on the first day of each month commencing on the First Payment Date. A final payment of all amounts payable under this Note will be due and payable on the Maturity Date, whether occurring by acceleration or otherwise, TIME BEING OF THE ESSENCE.

2. Prepayment. Borrower may prepay the Loan, in whole or in part, provided Borrower gives 15 days' prior written notice to Lender of such prepayment. Unless the Loan Amount and all accrued interest are paid in full, no such prepayment will suspend required payments. Borrower may prepay any or all of the Loan without premium or penalty if prepayment is made (a) contemporaneously with the bona fide sale of the Property (as such term is defined in the Mortgage described below) to a buyer unaffiliated with Borrower; or (b) within one year before the Maturity Date (the "No Premium Period"). Otherwise, any prepayment must be accompanied by an additional amount equal to 2.00% of the amount being prepaid (the "Prepayment Premium") if made within four years after the Loan Date and 1% of the amount being prepaid if made later. Following the occurrence of any default by Borrower and acceleration of the maturity of this Note by Lender other than during the No Premium Period, a tender of payment of the amount necessary to satisfy the entire balance of principal will be deemed to constitute an attempt by Borrower to evade paying the Prepayment Premium. Therefore, such payment will be deemed to be a prepayment and must include the Prepayment Premium.

3. Security Documents. This Note is secured by (a) a first priority mortgage dated as of the Loan Date (the "Mortgage") which encumbers real estate and improvements on real estate, and (b) other related documents which

secure or provide evidence for this indebtedness (together, the "Security Documents"; together with the Note and the Mortgage, the "Loan Documents").

4. Default. The entire balance of principal and accrued interest, together with costs and reasonable attorneys' fees incurred by Lender in collecting or enforcing payment of such amounts, will be due and payable at the option of Lender, without further notice, which Borrower waives, upon the occurrence of (a) any default by Borrower in the payment of any principal or interest payment, or any other sums due to Lender under the Loan Documents, which is not cured within five days after written notice of default from Lender to Borrower; (b) any other default in the performance of the covenants or terms of this Note which is not cured within 30 days after written notice of default from Lender to Borrower provided that if the default would reasonably take longer than 30 days to cure, Borrower shall have such additional time as reasonably necessary to cure the default provided Borrower completes the cure with reasonable diligence; or (c) any Event of Default, as such term is defined in the Mortgage or in any of the other Security Documents.

5. Late Charge. If any payment of principal, interest or any other sums due to Lender under the Loan Documents is overdue for more than 15 days, including the payment due on the Maturity Date, Lender may charge a late charge of \$.05 for each \$1.00 so overdue for the purpose of defraying the expenses connected with handling such delinquent payment. This late payment charge will apply individually to all payments past due, and no daily pro rata adjustment will be made.

6. Default Rate of Interest. Notwithstanding the foregoing, after the occurrence of a default under the Loan Documents which is not cured within any expressly established cure period, or upon acceleration or maturity of this Note, interest will accrue on the entire unpaid balance of principal and accrued interest outstanding from time to time under this Note, until such default is cured to the reasonable satisfaction of Lender, at an annual rate equal to the rate of interest which would otherwise be in effect from time to time after such event plus 4.00%. Interest will be computed on the basis of 30-day months and a 360-day year.

7. Application of Payments. All payments will be applied, in the order and as determined by Lender in its sole discretion, to late charges and prepayment premiums, if any, to the repayment of advances by Lender (as described below) for the benefit of Borrower (plus interest on such advances), to interest on the principal of this Note and to principal. Advances by Lender for the benefit of Borrower will include advances resulting from the occurrence of a default under the terms of this Note or any instrument securing this Note. If any such default is not repaid on demand, Lender may, at its option, apply any money received to repay such advances plus interest on such advances.

8. [Intentionally omitted]

9. Waivers. Borrower, and any guarantors and endorsers, for themselves

and their legal representatives, successors and assigns, severally waive presentment for payment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note.

10. Maximum Rate of Interest. No provision of the Loan Documents will be deemed to require Borrower to pay or be liable for the payment of interest in excess of the maximum legal rate of interest (if there is any maximum) allowable under applicable law. If for any reason interest in excess of such amount will have been paid under this Note, as a result of acceleration or otherwise, any such excess will constitute and be treated as a payment of principal under this Note, and will reduce the principal balance of this Note by the amount of such excess, or if in excess of the principal balance, will be refunded.

11. Costs of Collection. Borrower agrees to pay all costs of collection, including reasonable attorneys' fees, and all fees and expenses incurred in endeavoring to protect, enforce and realize upon the Loan Documents.

12. [Intentionally omitted]

13. Applicable Law; Severability. This Note is governed by the laws of the State of Wisconsin. Invalidity of any provisions will not affect the validity of any other provision. Without affecting the liability of Borrower, or any guarantor or endorser, Lender may, without notice, renew or extend the time for payment, accept partial payments, release or impair any security for the payment of this Note, agree not to sue any party liable under this Note, or otherwise modify the terms of payment of all or any part of the indebtedness for which this Note provides evidence. Waiver of any default will not constitute a waiver of any subsequent default.

14. Transferability; Modification. Lender may freely transfer and assign this Note. This Note may only be modified (except as otherwise expressly permitted) or discharged by a written agreement executed by the party against whom enforcement of any modification or discharge is sought.

15. Nonrecourse Provisions. Except as provided below, Lender's sole and exclusive remedies for defaults under the Loan Documents shall be against the Property (as such term is defined in the Mortgage) and any other property in which Borrower specifically grants an interest to Lender. Borrower and its general and limited partners shall not be personally liable or accountable to Lender or its successors or assigns by reason of any default under the Loan Documents that is not cured within any applicable cure periods ("Uncured Default") , and Lender and its successors and assigns shall not seek or be entitled to any personal judgment or decree against Borrower or its general or limited partners by reason of any Uncured Default, except such judgments and decrees as may be necessary to realize upon or perfect title to collateral. The foregoing nonrecourse provisions notwithstanding, however, Borrower shall be liable to Lender to the same extent that Borrower would be liable absent such nonrecourse provisions for the following matters:

(a) Any loss, cost (including reasonable attorneys' fees), damage, claim,

liability, obligation, action or proceeding incurred or suffered by or asserted against Lender as a result of the commission by Borrower of any fraud or misrepresentation;

(b) All rents, issues, profits and other income arising with respect to the Property collected by or on behalf of Borrower after the Uncured Default less the ordinary, usual and verifiable costs and expenses of the Property actually paid by Borrower, to the full extent of the rents, issues, profits and other income collected by or on behalf of Borrower but not applied toward the payment of such costs and expenses of the Property, plus all security deposits for the Property;

(c) The fair market value of any personal property or fixtures comprising the Property in which Lender has a security interest and which are removed or disposed of by or on behalf of Borrower other than in accordance with the terms of the Loan Documents;

(d) Any loss, cost (including reasonable attorneys' fees), damage, claim, liability, obligation, action or proceeding which occurs as a result of all or any part of the Property being encumbered by a voluntary lien (other than liens in favor of Lender) granted by Borrower in violation of the Loan Documents;

(e) Any unpaid taxes which Borrower is required to pay pursuant to the Loan Documents;

(f) Any damage to the Property from waste committed or permitted by Borrower;

(g) Any insurance or condemnation proceeds received by or on behalf of Borrower which are used for any purposes other than as set forth in the Mortgage, or as otherwise approved in writing by Lender; and

Further, the restrictions and limitations contained in this Section shall not be construed to prevent Lender from asserting a claim of an interest in revenues, rents, issues, profits or other money held by a trustee, receiver or other person or entity appointed by a court of competent jurisdiction to preserve and protect the Property prior to a foreclosure sale or a conveyance in lieu of foreclosure to the extent of the difference between the proceeds of any foreclosure sale and any sums due and unpaid pursuant to the terms of this Section at the time of such of foreclosure sale.

Executed as of the Loan Date.

BORROWER:

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP

By: Decade Companies, a Wisconsin general partnership, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber

General Partner

By: Decade 80, Inc., a Wisconsin corporation, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber
President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me September 30, 1998 by Jeffrey Keierleber, as a General Partner of Decade Companies, a Wisconsin general partnership and as President of Decade 80, Inc. as the other General Partner of Decade Companies, the sole general partner of Decade Companies Income Properties, a Limited Partnership, on behalf of such limited partnership.

/s/ John C. Hoffman
John C. Hoffman
Notary Public, State of Wisconsin
My commission expires: 7-1-2001

Document Number
Name and Return Address

Douglas G. French
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

60-0710-032-1501-1
Parcel Identification Number (PIN)

Exhibit Number 10.15
MORTGAGE, SECURITY
AGREEMENT AND
FIXTURE FINANCING
STATEMENT

Recording Area

THIS MORTGAGE is given by DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP, which has its principal place of business at 250 Patrick Boulevard, Suite 140, Brookfield, Wisconsin 53045 ("Borrower"), to ASSOCIATED BANK MILWAUKEE, which has an office at 401 East Kilbourn Avenue, Milwaukee, Wisconsin 53202 ("Lender").

RECITALS

- A. Borrower has executed and delivered to Lender a Mortgage Note dated the date of this Mortgage which is made payable to the order of Lender in the stated principal amount of \$9,150,000 and which bears interest until paid (the "Note").
- B. Borrower owns the real estate described on the attached Exhibit A (the "Premises").
- C. THE PREMISES ARE NON-HOMESTEAD PROPERTY.

AGREEMENTS

In consideration for the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which Borrower acknowledges, BORROWER AGREES AS FOLLOWS:

1. Obligations. Borrower grants this Mortgage to secure the obligations, as defined below, which include but are not limited to the following:
 - (a) Payment of the amounts described in the Note as extended or modified from time to time;
 - (b) Payment of all other sums, together with interest, as they become due and payable to Lender under the "Loan Documents" which, for purposes of this mortgage, include this Mortgage, the Note and all other documents which, at any time, secure or provide evidence for Borrower's obligations under the Note or the Mortgage or which are executed or submitted by Borrower in connection with the loan for which the Note provides evidence, including all extensions, modifications and renewals of such documents;
 - (c) Performance and discharge of each and every of Borrower's obligations, covenants and agreements described in the Loan Documents; and

(d) All costs and expenses to collect and enforce any and all of the Obligations, including reasonable attorneys' fees and expenses.

2. Present and Future Advances. "Obligations," as used in this Mortgage, includes, without limitation, all of the debts, obligations and liabilities of whatever nature or amount, as extended, renewed or modified, arising out of credit or other financial accommodations previously granted, contemporaneously granted or granted in the future by Lender in connection with the Note to or at the request of Borrower, and all covenants, conditions and agreements contained in the Loan Documents and in all other documents which provide evidence for, secure or relate to any of the foregoing and, to the extent not prohibited by law, costs, and expenses to collect and enforce the Obligations, including actual attorneys' fees and costs. This Mortgage will continue to be a lien on the Property, as defined below, while any Obligation remains unpaid, regardless of when any Obligation arises, until such time as this Mortgage is released or satisfied of record. Because this mortgage secures all Obligations of Borrower to Lender, this Mortgage may secure Obligations in a greater dollar amount than the amount set forth above. The amount set forth above is not necessarily, at any time, the actual amount of the Obligations due to Lender and secured by this Mortgage.

3. Grant of Mortgage. Borrower gives, grants, bargains, sells, conveys, mortgages, warrants, pledges and confirms to Lender, to secure all of the obligations, all of Borrower's estate, right, title and interest in and to the following (collectively, the "Property"): (a) the Premises; (b) all privileges, hereditaments, appurtenances, rents, leases, issues and profits from and to the Premises; (c) all existing and future buildings, improvements, personal property, fixtures and equipment located at or on the Premises, including the Collateral, as defined below; and (d) all awards and payments to which Borrower is entitled at any time from insurance or the exercise of the right of eminent domain in connection with the Premises or the Collateral.

4. Security Agreement. This Mortgage constitutes a security agreement as defined in the Uniform Commercial Code (the "Code"). Borrower grants to Lender a security interest, as defined in the Code, in the property described on Exhibit C, and all replacements and substitutions for, additions and accessions to, and proceeds from such property (collectively, the "Collateral").

5. Financing Statement. THIS MORTGAGE IS AND WILL BE EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING for all of the Collateral that is, or that becomes, fixtures. The fixture filing will be effective from the date of the filing of this Mortgage in the real estate records of the county in which the Premises are situated. Information concerning the security interest created by this instrument may be obtained from Lender, as secured party, as that term is used in the Code, at its address set forth in the first Section of this Mortgage. The address of Borrower, as debtor, as that term is used in the Code, is also set forth in the first Section of this Mortgage.

6. Representations and Warranties - Property. Borrower represents and

warrants that Borrower has clear and marketable title to the Property except only for liens and security interests in favor of Lender and the items described on the attached Exhibit B (collectively, the "Permitted Encumbrances").

7. Representations and Warranties - Collateral. Borrower represents and warrants that (a) Borrower is the true and lawful owner of the Collateral, (b) no lien, charge, security interest or encumbrance, other than the Permitted Encumbrances, affects or has attached to the Collateral; and (c) no financing statement, other than financing statements in favor of Lender, which covers any of the Collateral, is on file in any public office.

8. Covenants Regarding Collateral. Borrower covenants that (a) borrower will not grant a security interest, or otherwise convey any interest, in any of the Collateral to any person or entity other than Lender; (b) Borrower will use the Collateral solely for business purposes, either for Borrower's own use or as the equipment and furnishings leased or furnished by Borrower, as landlord, to tenants of the Premises; (c) Borrower will keep the Collateral on the Premises and will not remove the Collateral from the Premises without the prior written consent of Lender; (d) Lender's remedies under this Mortgage are cumulative and separate, and Lender's exercise of any one or more of the remedies provided for in this Mortgage or under the Code will not be construed as a waiver of any of Lender's other rights; (e) Lender may have the Collateral deemed part of the Premises upon any foreclosure of the Premises; (f) if notice to any party of the intended disposition of the Collateral is required by law in a particular instance, such notice will be deemed commercially reasonable if given at least 10 days prior to such intended disposition, and Lender may give such notice by advertisement in a newspaper accepted for legal publications either separately or as part of a notice given to foreclose the Premises or by private notice if Lender knows of such parties; (g) Borrower will from time to time provide Lender on request with itemizations of all of the Collateral, and such itemizations will describe the location of the Collateral; (h) the Collateral will be regarded as part of the Premises at all times, for all purposes and in all proceedings (both legal and equitable), irrespective of whether such item is physically attached to the Premises or any such item is referred to or reflected in a financing statement; (i) Borrower will, on demand, deliver to Lender all financing statements and other documents which Lender requires from time to time to establish, perfect and continue perfection of Lender's security interest in the Collateral and to protect the priority of Lender's security interest; (j) Borrower will give advance written notice of any proposed change in Borrower's name, identity, principal place of business or structure and will execute and deliver to Lender prior to or concurrently with such change all additional financing statements and other documents which Lender requires in connection with such change; and (k) Borrower will pay all expenses of renewing the financing statements of record if any such financing statement will expire by reason of statutory law prior to the termination of this Mortgage, except to the extent caused by Lender's failure to renew any financing statement before it lapses.

9. Replacement Of Collateral. If Borrower, in Borrower's sound

discretion, determines that any item of the Collateral has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for the operation of the Property, Borrower may, at Borrower's expense, remove and dispose of it and substitute and install other items not necessarily having the same function, provided that such removal and substitution will not impair the operating utility and unity of the Premises. All substituted items will become a part of the Premises and subject to the lien of this mortgage. Any amounts received or allowed Borrower upon the sale or other disposition of the removed items of Collateral will be applied first against the cost of acquisition and installation of the substituted items.

10. Execution of Additional Documents. Borrower will from time to time execute and deliver to Lender all other conveyances and instruments as Lender reasonably requests to ensure that the Property is subject to the lien of this Mortgage on the public record.

11. Taxes and Other Charges. Borrower will pay, before they become due, all taxes, special and other assessments and other charges which are levied or assessed at any time by virtue of any law or assessment against (a) the Property; (b) Lender as a result of this Mortgage; (c) Lender's interest in the Property; or (d) the Obligations. Borrower will deliver to Lender receipts showing the timely payment of such taxes, assessments and charges within 30 days after payment.

12. Insurance. Borrower will keep the Collateral insured against direct loss or damage occasioned by fire, extended coverage perils and such other hazards as Lender reasonably requires from time to time by written notice to Borrower. Such insurance will be issued in an amount without co-insurance at least equal to the full value of the Property. Further, Borrower will maintain general public liability insurance with coverages and in amounts Lender reasonably requires from time to time in writing. Finally, Borrower will maintain rent loss insurance in an amount without co-insurance at least equal to one year's rental income from the Property. All insurance will be issued by insurers reasonably approved by Lender. Borrower will pay all premiums when due. The policies will contain a mortgagee loss payee clause in favor of Lender, in form and content reasonably acceptable to Lender, which will identify Lender as, "mortgagee loss payee." Each insurer is authorized and directed to make payments for loss directly to Lender unless Lender otherwise agrees in writing. Copies of all policies covering the Property and original, binding certificates of insurance will be deposited with Lender. Borrower will promptly give written notice of loss to all insurers and Lender. Except as provided in Section 14 below, all proceeds from such insurance will be applied, at Lender's option, to either the Obligations (without prepayment penalty or premium) or to the restoration of improvements on the Property. In the event of foreclosure of this Mortgage or other transfer of title to the Property, all right, title and interest of Borrower in and to any insurance then in force will pass to the purchaser or grantee; however, Lender's interest will not be affected by any such transfer.

13. Due on Sale. For the purpose of protecting Lender's security, and to keep the Premises free from subordinate financing liens, except for the

Permitted Encumbrances, Borrower will not voluntarily, involuntarily or by operation of law: (a) in any manner sell, transfer or convey, directly or indirectly, all or any part of Borrower's rights, title, or interest in and to the Premises, whether legal or equitable, except leases for tenant space made in the ordinary course of Borrower's business; (b) in any manner sell, transfer or convey, or allow any of its general partners to sell, transfer or convey, any general partnership interests in Borrower; (c) issue any general partnership interests to any person, persons, entity or entities so as to change the now existing proportionate ownership and control interests of the existing general partners of Borrower; or (d) obtain any financing which, or any part of which, will be secured by all or any part of the Property or by a lien against or assignment of any general partnership interest of Borrower. The occurrence of any such event without the prior written consent of Lender will be an Event of Default, as defined in Section 17. Borrower will reimburse Lender for all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Lender in connection with the review of Borrower's request for Lender's consent to a sale or other transfer or to encumber further all or any part of the Premises, any interest in this Mortgage or any general partnership interest in Borrower. Without limiting the generality of the foregoing, the occurrence at any time of any of the following events without the prior written consent of Lender will be an unpermitted transfer of title to the Premises and an Event of Default, as defined in Section 17:

(1) Sale, installment sale, conveyance, assignment or other transfer of, or the creation of a security interest in or encumbrance of, all or any part of the legal or equitable title to the Property;

(2) Sale, installment sale, conveyance, assignment, or transfer of, or the creation of a security interest in or encumbrance of, any general partnership interest in Borrower.

No consent by Lender to any action described in this Section, or waiver by Lender of any Event of Default, will constitute a consent to, or a waiver of, any right, default or power of Lender upon a subsequent default. Except as set forth in this Mortgage, Lender will not be required to consent to any transfer of any of the above interests, and Lender may require Borrower to pay the entire unpaid balance of the Obligations with accrued interest upon the occurrence of any such transfer.

14. Condemnation and Insurance Proceeds. In Lender's sole discretion, condemnation and insurance proceeds will be either applied to the outstanding principal balance of the Obligations or used to repair any damage to the Property. Notwithstanding the foregoing, if the cost of repairing the damage to the Property is less than 50% of the cost of replacement of all of the Property, or if less than one-third of the leasable area of the improvements on the Property are condemned or taken by eminent domain, Lender agrees to make the insurance proceeds or condemnation award available to the restoration or repair of the improvements on the Property, provided:

(a) The improvements can be rebuilt to be substantially similar to those

originally financed and can, with the restoration and repair, continue to be operated for the purpose utilized prior to such damage or taking;

(b) No Event of Default, as defined below, exists or would exist upon the giving of notice or the passage of time or both;

(c) The appraised value of the Property after such restoration or repair will not have been reduced from its appraised value as of the date of this Mortgage; and

(d) Tenants under leases of the Property are acceptable to Lender and provide for sufficient gross annual fixed rental income to cover all annual operating expenses of the Property, including payment of all principal and interest under the Note, and such tenants are obligated to occupy the Property without any abatement or adjustment of rental payments (other than temporary abatements during the period of restoration and repair).

Any restoration or repair will be done under the supervision of an architect, engineer or contractor reasonably acceptable to Lender and pursuant to specifications reasonably approved by Lender. Insurance proceeds and condemnation awards urged to repair or restore the Premises will be held by Lender for such purposes and will from time to time be disbursed to defray the costs of such restoration or repair under such safeguards and controls as Lender reasonably requires to assure completion in accordance with the approved plans and specifications and free of liens or claims. Borrower will, upon demand, deposit with Lender any sums necessary to makeup any deficiency between the actual costs of the work and the amount of proceeds and will provide such lien waivers as Lender reasonably requires.

15. Hazardous Materials. Any terms used in this Section which are defined in federal, state or local statutes or regulations will have the meanings ascribed to such terms in said statutes and regulations.

(a) Representations by Borrower. Except as disclosed in the environmental assessment report on the Property prepared by RMT, Inc. dated June, 1988, Borrower represents to Lender that:

(1) to Borrower's actual knowledge, the Property has never been used either by previous owners or occupants or by Borrower or current occupants to generate, manufacture, refine, transport, treat, store, handle or dispose of any toxic material, hazardous substance or hazardous waste and no such material, substance or waste currently exists on the Property or in its soil or groundwater in violation of applicable environmental laws;

(2) to Borrower's actual knowledge, no portion of the improvements on the Property has been constructed with asbestos, asbestos-containing materials, urea formaldehyde insulation or any other chemical or substance which has been determined to be a hazard to health or the environment;

(3) to Borrowers actual knowledge, there are no electrical transformers or other equipment which have dielectric fluid-containing polychlorinated

biphenyls (PCB's) located in, on or under the Property (the materials, substances and wastes described in Subsections (1), (2) and (3) are sometimes collectively referred to as "Hazardous Wastes and Substances");

(4) to Borrower's actual knowledge, the Property has never contained any underground storage tanks; and

(5) Borrower has neither received nor does it have any actual knowledge of any summons, citation, directive, letter or other communication, written or oral, from any federal, state or local governmental authority concerning the existence of Hazardous Wastes and Substances on the Premises or in the immediate vicinity of the Premises, or any intentional or unintentional action or omission on the part of Borrower or any occupant of the Property resulting in the disposal, releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Wastes or Substances onto the Property or into waters or other lands in violation of applicable environmental laws.

(b) Environmental Covenants. Borrower covenants to Lender that:

(1) Borrower will comply and will cause all occupants of the Property to comply in all material respects with all federal, state and local laws, rules, regulations and orders with respect to the use, discharge, generation, removal, transportation, storage and handling of Hazardous Wastes and Substances; immediately remove or remediate to the standards required by applicable environmental laws any Hazardous Wastes and Substances discovered on the Property in violation of applicable environmental laws; and pay or cause to be paid all costs associated with such removal;

(2) Borrower will keep the Property free of any lien imposed pursuant to any federal, state or local law, rule, regulation or order in connection with the existence of Hazardous Wastes and Substances on the Property;

(3) Borrower will not install or permit to be installed or to exist in violation of applicable environmental laws in or on the Property any asbestos, asbestos-containing materials, urea formaldehyde insulation or any other chemical or substance which has been determined to be a hazard to health or the environment; and

(4) Borrower will not cause or permit to exist, as a result of an intentional or unintentional act or omission on the part of Borrower or any occupant of the Property, a releasing, spilling, leaking, pumping, emitting, pouring, emptying or dumping of any Hazardous Wastes or Substances onto the Property or into waters or other lands in violation of applicable environmental laws.

(c) Events of Default and Remedies. As used in this Mortgage, any one or more of the following will constitute an "Event of Default" (in addition to Events of Default defined elsewhere in this Mortgage), and Lender will be entitled to exercise all remedies available to it under this Mortgage:

(1) Any of Borrower's representations contained in Section 15(a) prove to

be materially false, inaccurate or misleading.

(2) Borrower fails to comply with the covenants contained in Section 15(b) and Borrower fails to commence and diligently pursue such actions as are necessary to cure such failure.

(3) Any Hazardous Wastes or Substances are found at any time to exist on the Property or in its soil or groundwater in violation of applicable environmental laws, and Borrower fails to commence and diligently pursue such actions as are necessary to remove or remediate to the standards required by applicable environmental laws such Hazardous Wastes or Substances from the Property.

(4) Any summons, citation, directive, letter or other communication, written or oral, will be issued by any federal, state or local governmental authority concerning any matter described in Section 15 (a) (5), and Borrower fails to cure the cause of such communication during the lesser of the period described in Section 17 (d) or the period described in such communication.

Borrower grants Lender and Lender's employees and agents an irrevocable and nonexclusive license to enter the Property, subject to rights of tenants, in order to inspect, test and, if Borrower fails to do so, remove Hazardous Wastes and Substances. All costs of such inspections, tests and removal will immediately become due and payable to Lender, will be secured by this Mortgage and will constitute Obligations secured by this Mortgage.

(d) Indemnification. Borrower will defend, indemnify and hold harmless Lender and Lender's employees, agents, successors and assigns (the "Indemnified Parties") from and against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including, without limitation, reasonable attorneys' and consultants' fees and costs incurred in the investigation, defense and settlement of claims) incurred by the Indemnified Parties as a result of or in connection with the presence or removal of any Hazardous Wastes or Substances on the Property which are in violation of applicable environmental laws, or as a result of or in connection with activities prohibited under this Section. Borrower will bear, pay and discharge, as and when they become due and payable, any and all judgments or claims for damages, penalties or other amounts for which the Indemnified Parties become liable, will hold the Indemnified Parties harmless against all claims, losses, damages, liabilities, costs and expenses, and will assume the burden and expense of defending all suits, administrative proceedings, and negotiations of any description with any and all persons, political subdivisions or government agencies arising out of any of the events and occurrences described in this Section. This indemnification is a separate agreement of Borrower, which will survive any termination, satisfaction or foreclosure of this Mortgage or the acceptance of a deed in lieu of foreclosure.

16. Additional Covenants. Borrower covenants:

(a) Payment and Performance. To pay all sums due under the Loan Documents

when and as they become due and payable in accordance with the terms of the Loan Documents, and to comply with and carry out all of Borrower's covenants and agreements set forth the Loan Documents.

(b) [Intentionally omitted]

(c) Condition and Repair. To keep the Property in good usable condition and repair, to restore or replace damaged or destroyed improvements and fixtures, and to pay all bills for repairs and any and all expenses related to the Property so that no lien may be created against the Property, and to exhibit upon demand, at Lender's office, evidence of such payment.

(d) Liens. To keep the Property free from all liens and encumbrances except the lien of this Mortgage and any exceptions set forth in Exhibit B.

(e) Waste. Not to commit or permit waste upon the Property or do or permit any act which would weaken, diminish or impair the Property.

(f) Alteration or Removal. Not to remove, demolish, or materially alter any part of the Property without Lender's prior written consent, which consent will not be unreasonably withheld or delayed, except Borrower may, without prior consent, remove a fixture provided the fixture is promptly replaced with another fixture of at least equal utility and quality. Lender acknowledges Borrower's plan to divide the building or buildings on the Premises into individually leased tenant spaces.

(g) Condemnation. To pay Lender all compensation received for any taking by condemnation proceedings of (including payments in compromise) and damages for any injury to all or part of Property. Such compensation will be applied as Lender determines to rebuild the Property or to reduce Obligations (without prepayment penalty or premium), except as provided in Section 14.

(h) Ordinances and Inspection. To comply with all laws, ordinances and regulations that affect the Property. Borrower will permit Lender and Lender's authorized representatives to enter the Property at reasonable times to inspect the Property and, at Lender's option, but at Borrower's expense, to repair or restore the Property if Borrower fails to do so within 30 days after written notice from Lender, or such shorter period as will be required in the event of an emergency.

(i) Subrogation. That Lender is subrogated to all rights, remedies, claims and liens of any person or Obligor satisfied in whole or part from any portion of the proceeds of any Obligation. Lender is also subrogated to the lien of any mortgage, other lien or security interest discharged in whole or in part by any portion of the proceeds of any Obligation.

(j) Financial Reporting. Within 120 days after the end of each of Borrower's fiscal years during the Loan Term, Borrower, each guarantor of the Obligations (if any) and, if Borrower is a partnership, each of Borrower's general partners, will furnish to Lender certified financial statements (including a balance sheet and income statement) and certified copies of their federal income tax returns for the preceding year. Within 30 days after the

end of each calendar quarter, Borrower will provide to Lender (a) a certified rent roll for the improvements on the Premises and (b) certified operating statements for such improvements which include at least gross income (itemized as to source), operating expenses (itemized), depreciation charges and net income before and after federal taxes. Lender may require, in its reasonable discretion, Borrower to provide such rent rolls, financial statements and operating statements to Lender more frequently. If the financial statements and operating statements are not prepared in accordance with generally accepted accounting principles consistently applied, or if Lender is not provided with such documents or the rent rolls when required, Lender will have the right to audit the applicable books and records at Borrower's expense. Such documents shall be in form reasonably satisfactory to Lender. As used in this Subsection 16(j), a document is "certified" if Borrower (if Borrower is one or more individuals), a general partner, member or officer of Borrower (if Borrower is an entity), a certified public accounting firm engaged by Borrower or Borrower's property manager executes a statement that states that the document is true and correct and which is part of or appended to the document. If such statement is executed by a certified public accounting firm or Borrower's property manager, it shall be deemed to be made by Borrower.

17. Events of Default. As used in this Mortgage, any one or more of the following will constitute an "Event of Default" (in addition to Events of Default defined elsewhere in this Mortgage):

(a) A failure by an Obligor to make any payment Obligation when due which is not cured after any required notice and before the expiration of any applicable grace period described in any document which secures or provides for such Obligation.

(b) An Obligor makes a representation or warranty in the Loan Documents, or elsewhere, to Lender which is false or misleading in any material respect when made, or if any such representation or warranty made prior to or contemporaneously with the execution and delivery of this Mortgage proves untrue or misleading in any material respect.

(c) Any Obligor or a surety for any Obligation dies or ceases to exist.

(d) Borrower fails to observe or perform or breaches any of the covenants or agreements contained in this Mortgage and such failure or breach remains uncured for 30 days after written notice to Borrower, provided that if the nature of the failure or breach would reasonably take longer than 30 days to cure, Borrower shall have such additional time as reasonably necessary to cure the failure or breach, provided Borrower completes the cure with reasonable diligence.

(e) The breach of any term in any other of the Loan Documents or other agreement by an Obligor to Lender which is not cured within any applicable cure period specified in such agreement.

(f) A material default by Borrower, as landlord, under leases of a material part of the Property which is not cured within 30 days after written

notice from Lender to Borrower, provided that if the nature of the default would reasonably take longer than 30 days to cure, Borrower shall have such additional time as reasonably necessary to cure the default, provided Borrower completes the cure with reasonable diligence.

(g) Any Obligor (1) makes a general assignment for the benefit of creditors; (2) admits in writing its, his or her inability to pay debts as they become due; (3) files a petition by which it, he or she becomes the subject of bankruptcy or insolvency proceedings; (4) is adjudicated bankrupt or insolvent; (5) files a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation; (6) files an answer admitting or fails to contest the material allegations of a petition against it, him or her in any such proceeding; (7) seeks, consents to or acquiesces in the appointment of any trustee, receiver or liquidator for such Obligor or any material part of its, his or her properties; (8) discontinues its, his or her business as a going concern; (9) is charged with a felony or any serious crime; or (10) suspends its, his or her business.

(h) Any involuntary proceeding is filed against an Obligor which seeks any reorganization, bankruptcy, arrangement, composition, readjustments, liquidation, dissolution, receivership or similar relief under any present or future statute, law or regulation.

(i) Any breach of Section 13 of this Mortgage.

18. Acceleration and Remedies. Upon the occurrence of an Event of Default, all obligations secured by this Mortgage, including all amounts which may be or have been advanced by Lender to protect the security of this Mortgage ("Advances") will, at the option of Lender and without notice, which Borrower expressly waives, be immediately due and payable. Lender may enforce or collect such Obligations and Advances in any manner and by the exercise of any remedy available at law or equity now existing or existing at the time of the Event of Default or enforcement including, without limitation, through a suit at law or by a foreclosure of this Mortgage. The judgment or decree in any suit brought to foreclose this Mortgage may include, in the sole discretion of Lender, all of the Obligations, including default interest at the applicable default interest rates described in the Note or other documents which provide evidence for the Obligations.

Further, Lender will, with respect to any part of the Property which constitutes property of the type governed by the Code, have all rights, options and remedies of a secured party under the Code including, without limitation, the right to the possession of all or part of any such property, and the right to enter, without legal process, any premises where any such property may be found. Any requirement of the Code for reasonable notification will be met by mailing written notice to Borrower at Borrower's last known address at least 10 days prior to the sale or other event for which such notice is required. The expenses of retaking, selling and otherwise disposing of such property, including reasonable attorneys' fees and legal expenses, will constitute Obligations and will be payable upon demand with

interest at the interest rate applicable to the Note at the time the expense is incurred.

19. Authority of Lender to Perform for Borrower. If Borrower fails to perform any of the covenants or duties set forth in this Mortgage, Lender may, after written notice and expiration of the applicable cure period except in case of emergency, perform or cause them to be performed by, without limitation, signing Borrower's name; and any amounts paid by Lender pursuant to this Section will bear interest at the appropriate default interest rate computed from the date of Lender's expenditure to date of Borrower's repayment and be secured by this Mortgage. Borrower will repay on demand any such amounts paid by Lender. Lender has no duty to inquire as to the validity of any tax, assessment, or other claim or expense against Property, and a receipt for payment of any such amount will be conclusive of the validity and amount of such claim or expense, provided Lender acts as a reasonable mortgagee would act.

20. [Intentionally omitted]

21. Power of Sale. In the event of foreclosure, Lender may cause the Property to be sold at public sale and cause the execution and delivery to the purchaser of one or more deed of conveyance pursuant to applicable law.

22. Waiver. Lender may waive any default without waiving any other subsequent or prior default by Obligor. No failure or delay of Lender to exercise any right under this Mortgage will operate as a waiver of such right; and no single or partial exercise by Lender of any such right will preclude any other or further exercise of such right or the exercise of any other right. The remedies described in this Mortgage are cumulative and not exclusive of any remedies provided by law.

23. Receiver. Upon the commencement or during the pendency of an action to foreclose this Mortgage or enforce any other remedies of Lender, and without regard to the adequacy or inadequacy of the Property as security for the Obligations, whether or not waste is being committed or occurring, Lender may seek and the Court may appoint a receiver of the Property (including any homestead interest) to serve without bond and take possession of the Property and collect the Property's rents, issues and profits and all payments required to be made pursuant to or by virtue of any lease, to hold and apply such funds received as directed by the court, and to exercise such other powers as may be granted until the receivership will cease.

24. Assignment of and Entitlement to Rents and Leases. As additional security for the Obligations, Borrower assigns, sells, transfers, demises and sets over to Lender all rents, issues and profits arising from the Property (collectively, "Rents") now or hereafter due under or by virtue of any lease, whether written or verbal, or any letting of, or any agreement for the use or occupancy of any part of the Property (collectively, "Leases"). After the occurrence of an Event of Default, Lender may, at its sole option without any prior approval of Borrower, notify any or all tenants to pay all Rents directly to Lender. Lender may apply Rents, in its sole discretion and

without regard to priority of application, to payment of taxes, insurance premiums, operating expenses, attorneys' and accountant's fees and expenses, and on the principal and interest of the Obligations, after deduction of a reasonable fee for services rendered in collection of Rents and management of the Property. This assignment will continue until all Obligations secured by this Mortgage have been fully paid and satisfied. The foregoing assignment will be deemed a present and immediate assignment of Rents and rights under Leases, provided Borrower will have the right to collect Rents and the benefit of all rights under Leases until an Event of Default of this Mortgage occurs. Lender will be entitled to all Rents and Leases pertaining to the Property immediately upon any Event of Default by Borrower in complying with any term or requirement of this Mortgage. Lender is not required to take any action to be entitled to all Rents and Leases pertaining to the Property.

25. Foreclosure without Deficiency Judgment. If the Property is a one to four family residence that is owner occupied at the commencement of a foreclosure, a farm, a church, or owned by a tax exempt charitable organization, Borrower agrees to the provisions of Wisconsin Statutes Section 846.101, as amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of such real estate of 20 acres or less six months after a foreclosure judgment is entered. If the Property is not one of the types described in the preceding Section, Borrower agrees to the provisions of Wisconsin Statutes Section 846.103, as amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of such real estate three months after the entry of a foreclosure judgment. Lender is also entitled to all remedies, without limitation, permitted by law which exists either on the date of this Mortgage or at the time of the default.

26. Costs, Expenses and Attorneys' Fees. In case of a default, regardless whether such default is abated or cured, and except as otherwise provided in any document which provides evidence for any related Obligation, to the extent not prohibited by law, all of Lender's expenses for purposes of collection, including reasonable attorney's fees, and all costs and disbursements if legal action is necessary, and all reasonable expenses of Lender including, without limitation, title evidence, surveys, appraisals, travel expenses and insurance will be added to the Obligations, and will become due as incurred and be included in any judgment. If Lender is challenged in any manner or Lender is named in any action, proceeding or lawsuit for any reason involving Borrower, any Obligor or the Property, Borrower and the Obligors will immediately, upon request of Lender, pay to Lender all reasonable expenses of every kind that pertain to such matter including, without limitation, Lender's reasonable attorneys' fees, costs, disbursements and expenses. Such sums will be added to the Obligations and become due as incurred, and may be included in any judgment.

27. Consent to Jurisdiction; Waiver of Jury Trial. Borrower, for Borrower and for all Obligors, to the extent that each may do so, consents to the jurisdiction of the courts of the State of Wisconsin situated in the county in which the Premises are located and the United States District Court for the

Eastern District of Wisconsin for the purpose of any suit, action or other proceeding arising out of any of the Obligations or the terms or provisions of the Loan Documents, and expressly waives any and all objections that Borrower or any Obligor may have as to venue in any of such courts. TO THE EXTENT PERMITTED BY LAW, BORROWER, FOR BORROWER AND FOR ALL OBLIGORS, WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION BROUGHT WITH RESPECT TO ANY OR ALL OF THE LOAN DOCUMENTS, INCLUDING WITHOUT LIMITATION THIS MORTGAGE AND THE NOTE.

28. Additional Provisions.

(a) Word Form. Wherever the context of their usage permits, words in singular form will include the plural form and words in plural form will include the singular form with no distinction between gender.

(b) Severability and Cumulative Remedies. Invalidity or unenforceability of any provision of this Mortgage will not affect the validity or enforceability of any other provisions. The rights and remedies granted to Lender in this Mortgage are cumulative, and are in addition to the remedies granted by law.

(c) Obligors, Successors and Assigns. This Mortgage benefits Lender and Lender's successors and assigns, and binds Borrower and all Obligors and their respective heirs, personal representatives, successors, assigns, trustees and receivers.

(d) Applicable Law. This Mortgage will be governed and interpreted by the laws of the State of Wisconsin, except that the substantive law of the state in which the Property is located will govern the procedural aspects of a foreclosure of this Mortgage and attachment of the liens granted by this Mortgage.

(e) Captions. The captions will not be deemed to be fully inclusive of all provisions in any captioned Section, and are included for reference purposes only.

(f) Notices. All notices given to Borrower under this Mortgage will be deemed given upon receipt by Borrower, or any general partner of Borrower, or if mailed by registered or certified mail, return receipt requested, upon mailing, or if transmitted by a recognized courier service, upon delivery to such courier addressed to Borrower at Borrower's address set forth above.

(g) Exhibits. All exhibits attached to this Mortgage are incorporated in this Mortgage by reference.

(h) Nonrecourse Provisions. Borrower's obligations under this Mortgage are subject to certain nonrecourse provisions set forth in the Note, which provisions are incorporated in this Mortgage by reference.

Dated September 30, 1998.

BORROWER:

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP

By: Decade Companies, a Wisconsin general partnership, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber,
General Partner

By: Decade 80, Inc., a Wisconsin
Corporation, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber,
President

ACKNOWLEDGMENT

STATE OF WISCONSIN

ss

COUNTY OF MILWAUKEE

This instrument was acknowledged before me September 30, 1998 by Jeffrey Keierleber, as a General Partner of Decade Companies, a Wisconsin general partnership and as President of Decade 80, Inc. as the other General Partner of Decade Companies, the sole general partner of Decade Companies Income Properties, a Limited Partnership, on behalf of such limited partnership.

/s/ John C. Hoffman
John C. Hoffman
Notary Public, State of Wisconsin
My commission expires: 7-1-2001

Drafted by Douglas G. French
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

Attachments:

Exhibit A - Legal Description
Exhibit B - Permitted Encumbrances
Exhibit C - Personal Property

EXHIBIT A

LEGAL DESCRIPTION

PARCEL A:

Lot One (1) of Certified Survey Map No. 2982 recorded in the Dane County Register of Deeds Office in Volume 11 of Certified Survey Maps, page 399, as Document No. 1593404, in the City of Madison, Dane County, Wisconsin.

PARCEL B:

Lot Two (2) of Certified Survey Map No. 1872 recorded in the Dane County Register of Deeds Office in Volume 7 of Certified Survey Maps, page 312, as Document No. 1450832, in the City of Madison, Dane County, Wisconsin.

PARCEL C:

Lots Two (2) and Three (3) of Certified Survey Map No. 2982 recorded in the Dane County Register of Deeds Office in Volume 11 of Certified Survey maps, page 399, as Document No. 1593404, in the City of Madison, Dane County, Wisconsin.

EXHIBIT B

Permitted Encumbrances

1. General and special taxes for the year 1998 and subsequent years, not yet due or payable.
2. Lack of access to Highway 30 as set forth on Certified Survey Map No. 1872, recorded as Document No. 1450832.
3. Limitation on access across the captioned premises as set forth on Certified Survey Map No. 1872, recorded as Document No. 1450832.
4. Building setbacks across the captioned premises as shown on Survey prepared by Arnold and O'Sheridan, Inc., dated October 26, 1989, Job No. 89406-2-1.
5. Recreational easement agreement and conditions contained in instrument recorded on November 27, 1989, in Volume 13583 of Records, page 64, as Document No. 2173698.
6. 25 foot private ingress-egress easement as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.
7. 8 foot wide ingress egress easement to city as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.
- 8.42 foot building setback line across the captioned premises as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.
9. 15 foot public sanitary sewer easement across the captioned premises as

set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.

10. 15 foot private sanitary sewer easement across the captioned premises as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.

11.6 and 12 foot Utility easements across the captioned premises as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.

12. Conditions and Restrictions shown as "Notes" set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.

13. Access restriction as set forth on Certified Survey Map No. 2982, recorded as Document No. 1593404.

14. Easement Declaration recorded on September 26, 1978, in Volume 997 of Records, page 299, as Document No. 1593405, and re-recorded on April 14, 1980, in Volume 1850 of Records, page 4, as Document No. 1662733.

First Amendment to Easement Declaration recorded on November 27, 1989, in Volume 13583 of Records, page 62, as Document No. 2173697.

15. Right of Way Grant - Underground Electric to Madison Gas and Electric Co., recorded on December 19, 1978, in Volume 1024 of Records, page 15, as Document No. 1604565.

16. Right of Way Grant - Gas Main to Madison Gas and Electric Co., recorded on December 19, 1978, in Volume 1024 of Records, page 16, as Document No. 1604566.

17. Declaration of Covenants, Restrictions and Easements recorded on October 10, 1977, in volume 870 of Records, page 233, as Document No. 1542750; Restated Declaration of Covenants, Restrictions and Easements recorded on November 14, 1979, in Volume 1350 of Records, page 22, as Document No. 1648618.

18. Right of Way Grant - Gas Main to Madison Gas and Electric Co., recorded on August 1, 1979, in Volume 1084 of Records, page 31, as Document No. 1633047.

19. Right of Way Grant - Gas Main to Madison Gas and Electric Co., recorded on December 28, 1979, in Volume 1508 of Records, page 51, as Document No. 1653241.

20. Right of Way Grant - Underground Electric to Madison Gas and Electric Co., recorded on April 25, 1980, in Volume 1874 of Records, page 83, as Document No. 1663774.

21. Right of Way Grant - Underground Electric to Madison Gas and Electric Co., recorded on June 19, 1980, in Volume 1990 of Records, page 89, as Document No. 1668671.

22. Terms, conditions and provisions contained in Laundry Lease dated September 1, 1997, as disclosed in Memorandum of Laundry Room Lease by and between DECADE COMPANIES INCOME PROPERTIES, a Wisconsin Limited Partnership and COMMERCIAL LAUNDRY CORP., recorded on September 22, 1997, as Document No. 2890797.

23. Encroachment of timber retaining wall onto adjoining property as shown on Survey prepared by Warzyn Engineering, dated December 12, 1988, Job No. C13641.

24. Rights of existing tenants under unrecorded leases.

EXHIBIT C

PERSONAL PROPERTY

All of Borrower's equipment, goods, fixtures, improvements, building supplies, materials and personal property now or hereafter attached to, located in, or placed in the improvements on the real estate described in Exhibit A, including, but not limited to, (a) all machinery, fittings, fixtures, apparatus, equipment and articles used to supply heat, gas, electricity, air conditioning, water, light, waste disposal, power refrigeration, ventilation or fire or sprinkler protection, (b) elevators, escalators, overhead cranes, hoists and assists and similar machinery and equipment, (c) all furniture, furnishings, supplies, draperies, maintenance and repair equipment, floor coverings, screens, storm windows, blinds, awnings, appliances, maintenance equipment and supplies, shrubbery and plants, (d) all appliances, including refrigerators, stoves, microwave ovens, dishwashers, garbage disposals, trash compactors and similar appliances, (e) renewals, replacements, proceeds, additions, accessories, increases, parts, fittings, insurance payments, awards and substitutes for any of the above-described property, and (f) all interest of Borrower in any of the above-described property hereafter acquired; but excluding the trade fixtures, inventory and removable personal property of any tenant or licensee of the real estate. The enumeration of any specific articles of property will in no way be held to exclude any items of property not specifically enumerated. The Collateral also includes all rents, issues and profits and security deposits arising from the above-described real and personal property, and all accounts held by Lender including, but not limited to, all escrow accounts for the payment of: real estate taxes and assessments; insurance premiums; or repairs, replacements or improvements to the real or personal property.

Document Number

Name and Return Address

Douglas G. French
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street

Milwaukee, Wisconsin 53202

Exhibit Number 10.16
ASSIGNMENT OF LEASES

ASSIGNMENT OF LEASES
AND RENTS

60-0710-032-1501-1

Parcel Identification Number (PIN)

Recording Area

THIS ASSIGNMENT OF LEASES AND RENTS ("Assignment") is given by DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP, which has a post office address of 250 Patrick Boulevard, Brookfield, Wisconsin 53045 ("Borrower"), to ASSOCIATED BANK MILWAUKEE, which has an office at 401 East Kilbourn Avenue, Milwaukee, Wisconsin 53202 ("Lender").

RECITALS

A. Borrower has executed and delivered to Lender a Mortgage Note dated the date of this Assignment which is made payable to the order of Lender in the stated principal amount of \$9,150,000 and which bears interest until paid (the "Note").

B. Borrower owns the real property described on the attached Exhibit A (the "Premises").

C. Borrower has executed and delivered to Lender a Mortgage, Security Agreement and Fixture Financing Statement (the "Mortgage") dated as of the date of this Assignment which secures the obligations, as defined below.

AGREEMENTS

NOW, THEREFORE, in consideration for the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which Borrower acknowledges, for the purpose of securing the following (collectively, the "Obligations"):

A. Payment of the indebtedness evidenced by the Note, including any extensions, modifications or renewals of the Note;

B. Payment of all other sums, together with interest, as they become due and payable to Lender under the "Loan Documents" which, for purposes of this Assignment, include this Assignment, the Note, the Mortgage and all other documents which, at any time, secure or provide evidence for Borrower's obligations under the Note or the Mortgage;

C. Performance and discharge of each and every obligation, covenant and agreement of Borrower described in the Loan Documents; and

D. All costs and expenses to collect and enforce any and all of such obligations, covenants and agreements, including reasonable attorneys' fees and expenses;

Borrower grants, transfers and assigns to Lender all of Borrower's right, title and interest in and to any and all of the following: (1) all leases now or hereafter entered into, whether oral or written, which demise any portion of the Premises, together with any and all extensions and renewals of such Leases (collectively, the "Leases"); (2) all guarantees of the tenants' obligations under the Leases; (3) the immediate and continuing right to collect and receive all rents, income, payments and profits arising out of all or any part of the Leases and the Premises (the "Rents"); (4) the right to all proceeds payable to Borrower pursuant to any purchase options on the part of tenants under the Leases; and (5) all payments derived from any of the foregoing including, but not limited to, claims for and proceeds from (a) the recovery of damages done to the Premises or for the abatement of any nuisance existing on the Premises, (b) damages resulting from any default under the Leases, whether resulting from acts of insolvency or acts of bankruptcy or otherwise, (c) lump sum payments for the cancellation of any of the Leases or the waiver of any obligation or term of any of the Leases prior to any expiration date and (d) the return of any insurance premiums or ad valorem tax payments made in advance and subsequently refunded.

1. Performance of Leases. Borrower shall faithfully abide by, perform and discharge each and every material obligation, covenant and agreement of the landlord under the Leases and shall use reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement of the tenants under the Leases (the "Tenants"). Without the prior written consent of Lender, Borrower shall not (a) modify, extend, renew, or in any way alter the terms of the Leases except in the ordinary course of business, (b) borrow against, pledge, or assign any rentals due under the Leases, (c) consent to a subordination or assignment of the interest of the Tenants under the Leases to any party other than Lender, (d) anticipate the Rents for more than one month in advance, (e) waive, excuse, condone or in any manner release or discharge the Tenants of or from their obligations, covenants and agreements to be performed under the Lease except in the ordinary course of business, (f) enter into any additional Leases of all or any part of the Premises except in the ordinary course of business, or (g) terminate or accept a surrender of any Lease except in the ordinary course of business. As used in this section the phrase "in the ordinary course of business" means conduct which is commercially reasonable, in accordance with customary leasing practices in the community in which the Premises are located, and intended to enhance the value of the Premises.

2. Protect Security. At Borrower's sole cost and expense, Borrower shall appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the Leases or the obligations, duties or

liabilities of the landlord under the Leases, and, provided a reasonable assignee of leases and rents would appear in the action or proceeding, shall pay all costs and expenses of Lender, including reasonable attorneys' fees, in any such action or proceeding in which Lender decides to appear.

3. Representations. Borrower represents and warrants that (a) it is now the absolute owner of the lessor's rights under the Leases, with full right and title to assign the Leases and the Rents; (b) the Leases are valid, are in full force and effect; (c) there are no outstanding assignments or pledges of the Leases or the Rents by Borrower; (d) to Borrower's knowledge, there are no existing defaults in the payment of rents under the provisions of the Leases on the part of any party to the Leases, except as set forth in the certification of rent roll delivered contemporaneously with this Assignment; (e) none of the Rents have been waived, anticipated, discounted, compromised or released, except in the ordinary course of business; and (f) to Borrower's knowledge, none of the Tenants has any defenses, setoffs or counterclaims against Borrower.

4. Present Assignment. This Assignment shall constitute a perfect, absolute and present assignment, provided Borrower shall have the right to collect, but not prior to accrual, all of the Rents and to retain, use and enjoy the Rents unless and until the occurrence of an event of a default under any of the Loan Documents.

5. Remedies. At any time after an event of default under any of the Loan Documents, Lender may (a) declare all of the Obligations immediately due and payable; (b) revoke the privilege granted to Borrower under this Assignment to collect the Rents; and (c) at its option, without notice, either in person or by agent or a receiver to be appointed by a court, with or without taking possession of or entering the Premises or bringing any action or proceeding, (1) collect all of the Rents payable under the Leases; (2) enforce the payment of the Rents; (3) exercise all of the rights of the landlord under the Leases and all of the rights of Lender under this Assignment; (4) enter upon, take possession of, manage and operate all or any part of the Premises; (5) subject to the Tenants' rights, if any, cancel, enforce or modify the Leases, and fix or modify the Rents; (6) do any acts, with or without taking possession of the Premises, which Lender deems proper to protect Lender's rights under this Assignment and the security interest granted in this Assignment; and (7) apply the Rents to the costs and expenses of operation, management and collection, including reasonable attorneys' fees, to the payment of the expenses of any agent appointed by Lender, to the payment of taxes, assessments, insurance premiums and expenditures for the upkeep of the Premises, to the performance of the landlord's obligations under the Leases and to any of the Obligations, all in such order as Lender may determine. Lender's entering upon and taking possession of the Premises and the collection and application of the Rents shall not cure or waive any default or waive, modify or affect any notice of default under any of the Loan Documents or invalidate any act done pursuant to such notice or in any way operate to prevent Lender from pursuing any remedy which it now or hereafter may have under the terms or conditions of the Loan Documents. Any amounts incurred by Lender in connection with its rights under this Assignment, including costs, expenses and reasonable attorneys' fees,

bear interest at the rate stated in the Note, are secured by this Assignment and constitute part of the "Obligations." Borrower shall reimburse Lender for such amounts immediately upon demand. Lender's rights under this Assignment shall in no way be dependent upon, and shall apply without regard to, whether the Premises are in danger of being lost, materially injured or damaged or whether the Premises are adequate to discharge the Obligations.

6. No Liability for Lender. Lender shall not be obligated to perform or discharge, and does not by this Assignment undertake to perform or discharge, any obligation, duty or liability under the Leases. This Assignment shall not operate to make Lender responsible or liable for (a) the control, care, management or repair of the Premises; (b) the performance of any of the terms and conditions of the Leases; (c) any waste committed on the Premises; (d) any dangerous or defective condition of the Premises; (e) any negligence in the management, upkeep, repair or control of the Premises resulting in loss or injury or death to any tenant, licensee, employee or stranger; or (f) for laches or failure to collect the Rents or enforce the Leases. Lender shall be required to account only for money actually received by it.

7. Borrower Holds Lender Harmless. Except to the extent arising from Lender's failure to act as a reasonable assignee of leases and rents, Borrower shall indemnify and hold Lender harmless of and from (a) any and all liability, loss or damage which it incurs under the Leases or under or by reason of this Assignment; and (b) any and all claims and demands which are asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. The amount of all such liabilities, losses, damages, claims and demands, and the cost of defending against them, including costs, expenses and reasonable attorneys' fees, are secured by this Assignment and constitute part of the "Obligations." Borrower shall reimburse Lender for such amounts immediately upon demand.

8. Security Deposits. Upon an event of default and upon demand by Lender, Borrower agrees to transfer to Lender all security deposits held by Borrower in connection with the Leases and such deposits shall become the absolute property of Lender to be applied in accordance with the provisions of the Leases. Borrower agrees that Lender may hold such deposits without any allowance of interest. Until Lender makes such demand and the deposits are paid over to Lender, Lender assumes no responsibility to the Tenants for such deposits. After such deposits are paid over to Lender, Lender shall be responsible for the return of such deposits to the Tenants which paid such deposits in an amount not to exceed the amount of deposit received by Lender on the account of each of the Tenants.

9. Authorization to Tenants. Borrower irrevocably directs and authorizes the Tenants to pay to Lender or any receiver appointed under the Loan Documents all sums due under the Leases without any need for a judicial determination that Lender is entitled to exercise its rights under this Assignment or that an event of default has occurred under the Loan Documents. The Tenants are irrevocably authorized and directed to recognize the claims of

Lender or any such receiver without investigating (a) the reason for any action taken by Lender or such receiver; (b) the validity or the amount of indebtedness owing to Lender; (c) the existence of any event of default under the Loan Documents; or (d) the manner in which Lender or such receiver shall apply any money received. Borrower acknowledges that the Tenants shall have no further liability to Borrower for the Rents actually paid to Lender or such receiver. The signature of Lender or such receiver, without further signature or authorization, shall be sufficient for the exercise of any rights under this Assignment. The receipt by Lender or such receiver for any sums received shall be a full discharge and release for such sums to any of the Tenants or occupants of the Premises. Checks for all or any part of the Rent collected under this Assignment shall, upon notice from Lender or such receiver, be payable to the exclusive order of Lender or such receiver.

10. Satisfaction. Upon the recording of a satisfaction, executed by Lender, of the Mortgage, this Assignment shall become null and void, be of no further effect and be returned to Borrower without the need for any further satisfaction or release. Upon the request of Borrower, and provided all of the Obligations are satisfied, Lender shall execute and deliver a release in recordable form.

11. Lender as Creditor of Tenants. Upon or at any time during the continuance of an event of default under the Loan Documents, Borrower agrees that Lender, and not Borrower, shall be deemed to be the creditor of the Tenants with respect to assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such Tenants (without obligation on the part of Lender, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditor's rights in such proceedings, and reserving the right to Borrower to make such filing in such event) with an option to Lender to apply any money received by Lender as such creditor to reduce the Obligations.

12. Lender as Attorney-in-Fact. Borrower irrevocably appoints Lender as its agent and attorney-in-fact, which appointment is coupled with an interest to exercise any rights or remedies under this Assignment and to execute and deliver during the term of this Assignment such instruments as Lender may deem necessary to make this Assignment and any further assignment effective.

13. Subsequent Leases. Until the obligations have been paid in full, Borrower will deliver to Lender, upon request, executed copies of any and all other and future leases upon all or any part of the Premises and will make, execute and deliver to Lender upon demand, and at any time or times, any and all assignments and other instruments reasonably required by Lender to assign the Leases and the Rents or to carry out the purposes and intents of this Assignment. From time to time and as required by the Mortgage, Borrower shall furnish Lender with a rent roll of the Premises disclosing current tenancies, rents payable and such other matters as Lender may reasonably request.

14. General Assignment of Leases and Rents. The rights contained in this Assignment are in addition to, and shall be cumulative with, the rights given

and created in the Mortgage and shall in no way limit the rights created under the Mortgage. Borrower agrees to pay all costs of collection and all costs and expenses of Lender (including reasonable attorneys' fees) incurred in enforcing the rights of Lender under this Assignment, which costs are secured by this Assignment and constitute part of the "Obligations."

15. No Mortgagee in Possession. Nothing contained in this Assignment and no actions taken pursuant to this Assignment shall be construed as constituting Lender a "Mortgagee in Possession."

16. Continuing Rights. The rights and powers of Lender or any receiver under this Assignment shall continue and remain in full force and effect until all of the Obligations are paid in full, and shall continue after commencement of a foreclosure action and after foreclosure sale and until expiration of the equity of redemption if Lender is the purchaser at the foreclosure sale.

17. Successors and Assigns. Each and every covenant, agreement and provision of this Assignment shall bind Borrower and its successors and assigns, including, without limitation, each and every record owner of the Premises and any other person having an interest in the Premises, and shall inure to the benefit of Lender and its successors and assigns. As used in this Assignment, the words "successors and assigns" shall also mean the heirs, executors, representatives and administrators of any natural person who is a party to this Assignment.

18. Governing Law. This Assignment shall be governed and interpreted by the laws of the State of Wisconsin.

19. Validity Clause. This Assignment shall confer to Lender the rights and benefits described in this Assignment to the full extent allowable by law. The unenforceability or invalidity of any provisions of this Assignment shall not render any other provision or provisions unenforceable or invalid. Any provisions found to be unenforceable shall be severable from this Assignment.

20. Notices and Approvals. Any notice which either party may desire or may be required to give to any other party shall be in writing and shall be effective if delivered personally or upon its mailing by certified mail, personal delivery or upon its delivery by an overnight courier service to the respective party's address set forth above (or to such other address as such party may by notice in writing designate as its address).

21. Nonrecourse Provisions. Borrower's obligations under this Assignment are subject to certain nonrecourse provisions set forth in the Note, which provisions are incorporated in this Assignment by reference.

Dated September 30, 1998.

BORROWER:

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP

By: Decade Companies, a Wisconsin General Partnership, General Partner

/s/ Jeffrey Keierleber

By: Jeffrey Keierleber, General Partner

By: Decade 80 Inc., a Wisconsin corporation, General Partner

/s/ Jeffrey Keierleber

By: Jeffrey Keierleber, General Partner

ACKNOWLEDGMENT

STATE OF WISCONSIN

SS

COUNTY OF MILWAUKEE

This instrument was acknowledged before me September 30, 1998 by Jeffrey Keierleber, as a General Partner of Decade Companies, a Wisconsin general partnership and as President of Decade 80, Inc. as the other General Partner of Decade Companies, the sole general partner of Decade Companies Income Properties a Limited Partnership, on behalf of such limited partnership.

/s/ John Hoffman

John C. Hoffman

Notary Public, State of Wisconsin

My commission: 7-1-2001

Drafted by Douglas G. French

Mallery & Zimmerman, S.C.

Suite 900

731 North Jackson Street

Milwaukee, Wisconsin 53202

State of Wisconsin

Attachment:

Exhibit A - Legal Description

EXHIBIT A

LEGAL DESCRIPTION

PARCEL A:

Lot One (1) of Certified Survey Map No. 2982 recorded in the Dane County Register of Deeds Office in Volume 11 of Certified Survey Maps, page 399, as

Document No. 1593404, in the City of Madison, Dane County, Wisconsin.

PARCEL B:

Lot Two (2) of Certified Survey Map No. 1872 recorded in the Dane County Register of Deeds office in volume 7 of Certified Survey Maps, page 312, as Document No. 1450832, in the City of Madison, Dane County, Wisconsin.

PARCEL C:

Lots Two (2) and Three (3) of Certified Survey Map No. 2982 recorded in the Dane County Register of Deeds Office in Volume 11 of Certified Survey maps, page 399, as Document No. 1593404, in the City of Madison, Dane County, Wisconsin.

Exhibit Number 10.17
COLLATERAL ASSIGNMENT OF
PROPERTY MANAGEMENT CONTRACT

THIS ASSIGNMENT is given by DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP ("Borrower"), to ASSOCIATED BANK MILWAUKEE ("Lender").

RECITALS

- A. Borrower has executed and delivered to Lender a Mortgage Note dated the date of this Assignment and payable to the order of Lender in the stated principal amount of \$9,150,000 (the "Note").
- B. Borrower has executed and delivered to Lender a Mortgage, Security Agreement and Fixture Financing Statement (the "Mortgage") and other documents that secure or provide evidence for the mortgage loan evidenced by the Note, all dated as of the date of this Assignment (such documents being, collectively, with the Note and the Mortgage, the "Loan Documents").
- C. Borrower owns the real estate described in the Mortgage (the "Premises").
- D. As further security, Lender requires the assignment of the rights of Borrower described below.

AGREEMENTS

FOR VALUE RECEIVED, the receipt and sufficiency of which Borrower acknowledges, Borrower assigns, transfers and sets over to Lender all of its right, title and interest in and to that certain Property Management Contract by and between Borrower and Decade Properties, Inc. ("Manager") dated January 17, 1989 (the "Contract"), on and subject to the following terms and conditions:

1. Present Assignment. This Assignment constitutes a perfect, present and absolute assignment, provided Borrower may continue to receive and exercise all of the rights, benefits and privileges under the Contract so long as Borrower is not in default under the Loan Documents or this Assignment, after written notice and the expiration of any applicable cure period ("Event of Default").
2. Remedies. On the occurrence of an Event of Default under the Loan Documents or this Assignment, Lender may, at its option, on notice to Borrower and to Manager, exercise its rights under this Assignment and will have the right (but under no circumstances will be obligated) to take, in its name or in the name of Borrower or otherwise, such action as Lender may at any time or from time to time reasonably determine to be necessary to cure any default of Borrower under the Contract. Borrower irrevocably constitutes and appoints Lender as its true and lawful attorney-in-fact, in Borrower's name or in

Lender's name, or otherwise, to enforce all rights of Borrower under the Contract, and such power, being coupled with an interest, is irrevocable. This Assignment will constitute a direction to and full authority to Manager to act at Lender's direction and otherwise perform on Lender's behalf under the Contract, without proof of the default on which Lender relies. Borrower acknowledges and agrees that Manager is irrevocably authorized and directed to rely on and to comply with any request, notice or demand made by Lender with respect to the Contract, and to perform any undertaking under the contract and that the Manager will have no right or duty to inquire as to whether any Event of Default under the Loan Documents has actually occurred or is then existing. This Assignment will not constitute an assumption by Lender of any of the obligations of Borrower under the Contract unless and until Lender exercises its rights under this Assignment, but then only for the period Manager is retained to manage the Premises. Notwithstanding the foregoing, Borrower will continue to be primarily liable for all obligations under the Contract. Lender may remove Manager at any time after a default under any of the Loan Documents and expiration of any applicable cure period instead of assuming the Contract in full for the duration of the term of the Contract.

3. Borrower Holds Lender Harmless. Borrower will protect, defend, indemnify and hold Lender harmless from and against any and all loss, cost, liability or expense (including, but not limited to, reasonable attorneys, fees and expenses) resulting from any failure of Borrower to comply with each of the covenants, agreements and obligations of Borrower contained in the Contract, or resulting from Lender's exercise of its rights under this Assignment, except for Lender's failure to act as a reasonable lender.

4. Assignment of Permits. Borrower further assigns all of its right, title and interest in and to any and all permits, licenses, approvals, certificates and consents issued by any governmental or private authority or agency which relate to the Premises prior to, on or after the date of this Assignment, naming Borrower or in which Borrower has an interest, and all of Borrower's right, title and interest in and to any subcontracts or agreements for services, labor or materials pertaining to the Premises, and all claims and rights with respect to non-performance or breach of such contracts and agreements.

5. Representations of Borrower. Borrower represents and warrants that Borrower has full right, power and authority to make this Assignment, that the Contract is valid and in full force and effect, that no defaults, rights of setoff or claims for additional payments exist under the contract, and no event has occurred which, with notice or lapse of time or both, would constitute a default or give rise to a claim under the contract. Borrower covenants to make all required payments and otherwise perform its obligations under the Contract, to give immediate notice to Lender of any notice of default served on Borrower with respect to its obligations under the Contract, and, at the sole cost and expense of Borrower, to enforce or secure the performance of each and every obligation to be kept or performed under the Contract. Borrower represents and warrants that all necessary consents to this Assignment have been obtained, and that neither this Assignment nor the exercise by Lender of any of its rights under this Assignment will constitute a default or breach under the terms of the Contract. Borrower also covenants

that Borrower will not change or amend the Contract other than in the ordinary course of business, tender or accept a surrender or cancellation of the Contract, or further assign or encumber Borrower's interest under the Contract, without the prior written consent of Lender. Further, Borrower covenants that, if Borrower enters into a future property management contract (whether with Manager or another property manager), it will provide for the collateral assignment of such contract to Lender in accordance with the provisions of an assignment document reasonably approved by Lender, and any property management contract between Borrower and any of Borrower's affiliates (including the Contract if Manager is an affiliate) will at all times provide for the right of cancellation in the event of a default under any of the Loan Documents and expiration of any applicable cure period.

6. Binding Effect. This Assignment and the agreements and undertakings of Borrower under this Assignment will bind Borrower and its successors and assigns and will inure to the benefit of Lender and its successors and assigns and any purchaser of the Premises.

7. Further Assurances. Borrower agrees to make, execute and deliver all further or additional instruments as may be reasonably necessary to satisfy the intents and purposes of this Assignment and to perfect the assignment made in this Assignment.

Dated September 30, 1998.

BORROWER:

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP

By: Decade Companies, a Wisconsin general partnership,
General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber, General Partner

By: Decade 80, Inc., a Wisconsin corporation, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber, President

CONSENT OF MANAGER

Manager (1) consents to this Assignment; (2) certifies that no event of default on the part of Borrower or Manager has occurred or would occur on the giving of notice or the passage of time under the Contract; (3) certifies that Manager has no claims or right of offset against Borrower; and (4) agrees to be bound by the terms of the Assignment and this Consent. Manager further acknowledges that the Contract does not constitute a lien on or interest in the Premises, and Lender may remove Manager from its position as property manager of the Premises in the event of a default under any of the Loan Documents and expiration of any applicable cure period.

Dated September 30, 1998.

MANAGER:

DECADE PROPERTIES, INC.

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber, President

Exhibit Number 10.18
RESERVE FUND AGREEMENT

THIS AGREEMENT is made as of September 30, 1998 by ASSOCIATED BANK MILWAUKEE ("Lender") and DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP ("Borrower").

RECITALS

A. Lender has this day made a \$9,150,000.00 loan (the "Loan") to Borrower secured in part by a Mortgage, Security Agreement and Fixture Financing Statement of the same date (the "Mortgage") on the real estate located at 225 North Thompson Drive, Madison, Wisconsin (the "Property").

B. Lender has required Borrower to enter into this Agreement as a condition of making the Loan.

AGREEMENTS

In consideration of the foregoing recitals and for other value received, LENDER AND BORROWER AGREE AS FOLLOWS:

1. Reserve Account. Lender and Borrower have this day reserved \$45,000.00 from the proceeds of the Loan and deposited such funds in an account with Lender (the "Reserve Account"). On the first day of each month during the term of the Loan, Borrower shall pay Lender, in addition to the Loan's regularly scheduled monthly principal and interest payments, \$5,266.67 (each a "Reserve Account Payment") Reserve Account Payments shall be added to the Reserve Account. Lender shall hold the funds in the Reserve Account at interest for Borrower's benefit at the rate customarily paid by Lender from time to time on such accounts.

2. Advances. The funds in the Reserve Account shall be used for capital improvements to the Property other than painting, carpeting, and similar decorating work ("Reserve Account Work"). Borrower shall have the right to obtain advances from the Reserve Account to pay for Reserve Account Work from time to time on the following conditions: Lender shall advance funds to Borrower within 15 days of Lender's receipt of receipted invoices for Reserve Account Work and original, full and final lien waivers from any party with lien rights. Advances shall be in a minimum amount of \$5,000.00 and shall occur no more frequently than once per calendar quarter. After all of Borrower's obligations secured by the Mortgage have been paid and performed in full, Lender shall disburse any funds left in the Reserve Account to Borrower.

3. Default. Any Reserve Account Payment that is not made within 15 days after it is due shall be assessed a late payment charge at the time and rate

that late payment charges may be assessed for late principal and interest payments under the Mortgage Note provides evidence for the Loan (the "Note"). The late payment charge shall be payable to Lender as reasonable compensation for its costs in handling Borrower's failure to make the Reserve Account Payment on time and shall not be construed as a penalty. Further, Borrower's failure to make any Reserve Account Payment when due shall, after the notice and cure period required for payment defaults described in the Note, if any, constitute an Event of Default under the Mortgage. After any acceleration of the Loan, Borrower shall pay interest to Lender on any unpaid Reserve Account Payments at the default rate of interest described in the Note. Finally, if an Event of Default under the Mortgage occurs, Lender may, without notice to Borrower, apply any or all of Reserve Account to amounts due Lender under the documents providing evidence or security for the Loan.

LENDER:

ASSOCIATED BANK MILWAUKEE

By: /s/ John C. Hoffman
John C. Hoffman, Vice President

BORROWER:

DECADE COMPANIES INCOME PROPERTIES, A LIMITED PARTNERSHIP

By: Decade Companies, a Wisconsin general partnership,
General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber, General Partner

By: Decade 80, Inc., a Wisconsin corporation, General Partner

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber,
President

Exhibit Number 10.19

PAYMENT AMOUNT/FREQUENCY MODIFICATION

The undersigned ("Customer(s)") hereby requests, and Associated Bank ("Bank") agrees to modify note number - 7403011/9001 dated Sept. 30, 1998 as follows:

Despite the "Loan Amount" of \$9,150,000.00 shown on the face of the note, only \$6,589,201.24 was advanced at closing. The required payment on the note will be \$47,627.07, due on November 1, 1998, and every first day of month thereafter, until the note is (1) paid in full, (except when the final amount due is less than the required payment amount per this modification, in which case the amount due will be the required payment), or (2) a balloon payment is due, whichever occurs first. Bank shall upon 2 days prior notice from customer, advance any or all of the previously unadvanced portion of the Loan Amount. The monthly loan payment will be reviewed and adjusted quarterly as additional funds are disbursed under the loan. The new quarterly payment will amortize the new loan balance over the remaining months of the initial 25 year amortization at the then current note rate (7.25% fixed for 7 years).

ALL OTHER TERMS AND CONDITIONS, INCLUDING CREDIT LIFE AND ACCIDENT AND HEALTH INSURANCE COVERAGE, IF APPLICABLE, REMAIN UNCHANGED.

Dated: October 2, 1998

Decade Companies Income Properties, a Limited Partnership
By: Decade Companies, General Partner (Seal)

By: /s/ Jeffrey Keierleber
Jeffrey Keierleber
Customer

ACCEPTED BY:

/s/Clark Rasmussen
Bank Authorized Signature