

Sweet Water Organics Development Fund Loan

May 13, 2013

Loan summary

Amount lent	\$250,000.00
Amount expended	\$206,699.00
Amount forgiven	\$69,494.05
Principal balance as of 5/13/13	\$137,204.95

SWO facility



Factory facility



Status of Sweet Water Organics



- Company has ceased operation.
- Company insolvent.
- Corporate dissolution plan being written.
- Factory space listed for lease.

Collateral – Kioti tractor



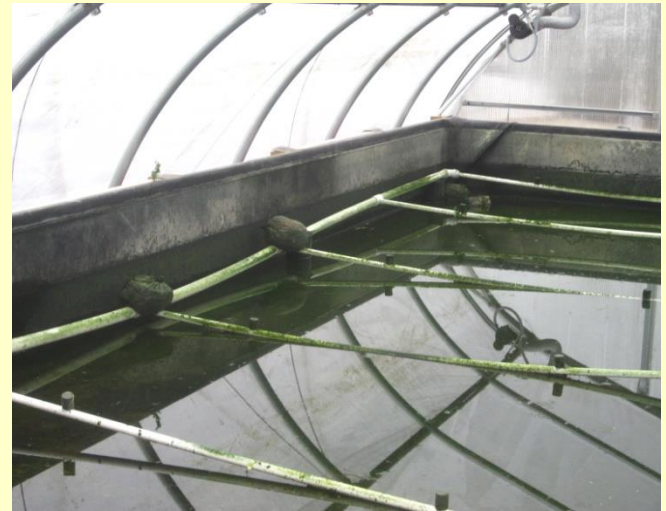
Collateral – Compost mixer



Collateral – 7 hoop houses



Collateral – New aquaponics system



Aquaponics system status

- System currently mothballed
- Construction incomplete
- Facility located on leased land
- No water, sewer, electrical hook-ups
- Additional capital investment required to fully operate system

Recommendation

- Accept collateral in full satisfaction of SWO's debt to City.
- Sell tractor and compost mixer.
- Sell or lease outdoor aquaponics system and hoop houses.
- Return all proceeds to Development Fund.