

## TERM SHEET FOR LOAN AGREEMENT BETWEEN:

Austin Commons, LLC or an Agreed Upon Affiliate (“Borrower”) and  
Redevelopment Authority of the City of Milwaukee (“RACM”)

1. The Site: The Austin Commons, LLC or an agreed upon affiliate (“Borrower”) site is approximately 1.1 acres in size and consists of the properties located at 2318, 2324, and 2332 South Austin Street, Milwaukee, WI, (“Site”).
2. Loan Amount: Contingent upon satisfactory underwriting, confirmation in writing of all other loan and funding approvals by all other parties and for the amounts represented in the project sources document, and RACM approval of final proforma projections, RACM will provide a loan of up to \$500,000 (the “Loan”) to Borrower to support environmental cleanup activities at the Site. The loan funds will be provided from RACM’s EPA Brownfields Revolving Loan Fund (Cooperative Agreement 4B-00E03585).
3. Site Remediation: Owner will undertake environmental remediation activities at the site, in accordance with the Wisconsin Department of Natural Resources Ch. NR 700, Wis. Admin. Code.
4. Term of Loan: The Term of the Loan shall be 17 years from the execution of the BCRLF loan at a fixed interest rate of 4.39%. During the initial 2 years of the term of the Loan, annual interest-only payments would be made based on amounts drawn and disbursed to the Borrower. After completion of the interest-only period, Borrower shall make annual principal and interest payments based on a 15-year amortization schedule, subject to available cash flow after payment of debt service to first mortgage holder and the asset management fees as shown in the cash flow forecast, and before payment of the deferred developer fee. The annual payment will be due within thirty (30) days after the financial audit of the project (completed by an independent accounting firm) is finalized. The annual payments will be applied to accrued interest first and principal balance second. A final balloon payment of all remaining principal and any accrued but unpaid interest to be paid in full at maturity. All payments are required to be made through an automatic payment system. Borrower shall have the right to prepay all or a portion of the loan at any time.
5. Collateral: The loan shall be secured by a subordinate mortgage on the project real property located at the Site.
6. Equity: Borrower shall substantiate an equity contribution of approximately \$\$2,767,111 in Deferred Developer Fee and GP Equity towards the Project.

7. Guarantee: Corporate guarantees provided by Northernstar Companies and Commonwealth Development Corporation of America.
8. Disbursing: Funds will be disbursed based on draw requests on a reimbursement basis approved by RACM.
9. Expense Eligible for Use With Loan Funds: Loan funds shall be utilized for environmental cleanup activities associated with site redevelopment activities. All expenses will be reviewed and approved by RACM prior to disbursement.
10. Sunset Provision: If a loan agreement per the above terms is not fully executed within 9 months of RACM board approval, this term sheet approval will expire.