

TERM SHEET FOR LOAN AGREEMENT BETWEEN:

Bronzeville Arts and Tech Hub, LLC or an Agreed Upon Affiliate (“Borrower”) and Redevelopment Authority of the City of Milwaukee (“RACM”)

1. The Site: The Bronzeville Arts and Tech Hub, LLC or an agreed upon affiliate (“Borrower”) site is approximately 1.12 acres in size and consists of the properties located at 606 and 616 West North Avenue, Milwaukee, WI, (“Site”).
2. Loan Amount: Contingent upon satisfactory underwriting, verification 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 to Borrower to support environmental cleanup activities at the Site. The loan funds will be provided from RACM’s Brownfield Cleanup Revolving Loan Fund (BCRLF).
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 16 years from the execution of the BCRLF loan at an interest rate of 4.0%. During the initial 24 months of the term of the loan, interest would accrue on amounts drawn and disbursed to the borrower and be capitalized to the note. After completion of the interest accrual period, borrower shall make ten years of annual payments to RACM of at least 50% of net available cash flow after payment of hard debt service and additional cash flow notes in the waterfall. After the 10 years of 50% net available cash flow payments, annual payment amount will increase to at least 75% of the net available cash flow after payment of hard debt service and additional cash flow notes in the waterfall. The annual payments will be applied to accrued interest first with any remainder amount being paid toward the principal balance of the loan. A final balloon payment of all accrued interest and remaining principal balance to be paid in full at maturity. All payments are required to be made through an automatic payment system.
5. Collateral: The loan shall be secured by a subordinate pledge of the leverage loan documents.
6. Equity: Borrower shall substantiate an equity contribution towards the project in an amount currently expected to be \$150,000 of Developer Equity.
7. Guarantee: Unlimited corporate guarantee of FIT Investment Group, LLC.

8. Disbursing: Funds will be disbursed based on draw requests on a reimbursement basis approved by RACM, or in full at closing if a mutually acceptable accounting process is agreed upon.
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, or as part of a mutually agreed upon accounting process.
10. Sunset Provision: If a loan agreement per the above terms is not fully executed within 6 months of RACM board approval, this term sheet approval will expire.