

TERM SHEET FOR LOAN AGREEMENT BETWEEN:

Historic Patterson Place, LLC (“Borrower”) and Redevelopment Authority of the City of Milwaukee (“RACM”)

1. The Site: The Historic Patterson Place, LLC (“Borrower”) site is approximately 3.64 acres in size and consists of the property located at 4116 West Silver Spring Drive, 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 \$1,250,000 (the “Loan”) to Borrower to support environmental cleanup activities at the Site. The loan funds will be provided from RACM’s EPA Brownfield Cleanup Revolving Loan Fund (Cooperative Agreement 4B-00E03585-1).
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 18 years from the execution of the BCRLF loan at an interest rate of 3.25%. 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 annual payments of 50% of net available cash flow to the Loan after payment of hard debt service and the investor asset management fee, investor adjustment fees and any other amounts owed to the investor and before payment of sponsor loan and deferred developer fee. After sponsor loan and deferred developer fee has been repaid in full, 100% of net available cash flow will be paid on the Loan on an annual basis until maturity. 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 mortgage on the project real property located at the Site.
6. Equity: Borrower shall substantiate an equity and/or loan contribution towards the project in an amount currently expected to be up to \$689,277 of Deferred Developer Fee, Sponsor Loan and/or and Managing Member Equity.
7. Guarantee: Unlimited corporate guarantee of AndersonWebb, LLC and Wisconsin Redevelopment, LLC, if approved by Investor. If unlimited corporate guarantee is not approved by Investor, parties will mutually agree to an alternate guarantee.

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 6 months of RACM board approval, this term sheet approval will expire.