



June 12, 2020

McCall Village Investors Corp.
Attention: Mr. Jesse Wright
19 Silver Saddle Lane
Rolling Hills Estate, CA 90274

VIA EMAIL

RE: Refinance and improve the property known as the Titusville Mall

Dear Mr. Wright,

The following is an outline of the terms of a proposal to provide financing to your company. Please note that this proposal should not be considered a commitment on the part of Central Bank (CB) to lend and as a result should not be relied upon as such. Please note that in order to convert this proposal to a commitment, CB will require a full financial review of a complete financial package and upon successful completion of that review *and* approval by CB’s Loan Committee, would provide a separate document that will provide for more specific terms and conditions under which the loan would be closed.

Borrower: To Be Determined

Loan Amount: Up to \$7,000,000

Purpose: To refinance the existing private mortgage loan, provide funding to repair/replace the roof, and to demolish the Sears building, to pay closing costs. The approximate Sources and Uses of the loan are anticipated to be as follows:

	<i>Bank</i>	<i>Borrower</i>	
Refinance Seller Note	\$ 6,000,000	\$ -	
Roof Repair/Replacement	\$ 200,000	\$ -	(Estimated)
Parking Lot seal/Strip	\$ 150,000	\$ -	(Estimated)
Parking Lot LED lights	\$ 50,000	\$ -	(Estimated)
HVAC Replacement	\$ 100,000	\$ -	(Estimated - only a few)
Sears/Theater Demo	\$ 500,000	\$ -	(Estimated)
Origination Fee	\$ -	\$ 70,000	
USDA Fee	\$ -	\$ 147,000	
Est. Closing Costs	\$ -	\$ 88,621	
Total	\$ 7,000,000	\$ 305,621	

Term: The term will be 30 years and will be fully amortizing (no balloon payment).

Prepayment

Penalty: 7 year declining prepayment penalty 7%/6%/5%/4%/3%/2%/1%

Origination Fee: 1% of the loan amount

Interest Rate: Five year adjustable rate mortgage loan priced at closing at the 5 year treasury constant maturities index plus 4.25% with a floor of 5.125%. If closed and funded today, the effective interest rate would be 5.125% and the monthly principal and interest payment would be approximately \$38,114.08.

Collateral: First commercial real estate mortgage and assignment of rents and leases on the property known as the Titusville Mall located at 3550 S Washington Avenue, Titusville, FL 32780.

Guarantee(s): a) Unlimited, personal guarantee from Jesse Wright along with any other shareholders owning 20% or more of the Borrower.

b) Approval by the United States Department of Agriculture (USDA) of a loan guarantee of at least 70% under its B&I loan guarantee program.

Other Terms: a) An assignment of life insurance on the life of Jesse Wright in the amount of \$1,000,000.

b) Satisfactory "As Complete" real estate appraisal on the property located at 3550 S Washington Avenue, Titusville, FL, 32780.

c) Acceptable Phase 1 Environmental Site Assessment reporting no outstanding environmental concerns.

d) At closing the funds for the renovation work will be placed into an interest bearing, controlled disbursement account at Central Bank. These funds will be disbursed as requested upon receipt of fully executed AIA(s) or invoice(s), whichever applies. At each request and prior to disbursement, the bank will order a 3rd party inspection to confirm the work was acceptably completed.

Loan Fees**And Deposits:**

a) **Refundable Application Fee:** Borrower will pay a \$10,000.00 deposit to Central Bank for loan processing and estimated third party report costs at the time this proposal is accepted. This deposit will be used to pay for any appraisal and environmental reports required as part of the bank's due diligence efforts, as well as for any loan processing costs. Any deposit funds not utilized during the underwriting and approval process will be refunded if the loan is not approved under the general terms outlined in this proposal. The deposit will be retained and credited toward any loan closing costs if the loan is approved and accepted under these basic terms and conditions. If the application is withdrawn by the borrower

or if the borrower fails to accept the commitment, any remaining deposit funds will not be refundable.

b) **Third party report and expenses:** Borrower will be required to pay a Loan Commitment deposit due at the time of the issuance of Central Bank's Conditional Commitment of approximately \$20,000.00, less the credit for the application fee. This deposit will be used toward any additional lender's expenses, including any costs for loan packaging, appraisal(s), feasibility studies (if applicable), business evaluations, environmental assessments, lender's attorney's fees, UCC searches, credit reports, surveys, etc. Any balance remaining after payment of such third party expenses shall be credited to the Borrower at closing.

c) **Other Closing costs:** Remaining closing costs for fees, costs and out-of-pocket expenses relating to the closing, including, without limitation, transfer and recording fees, title insurance, lender's attorneys fee, etc. will be paid at closing. The closing costs will include a guarantee fee of approximately \$147,000.00 to be paid at closing to the United States Department of Agriculture (USDA).

Closing: Closing will be scheduled ten (10) business days after approval of USDA guarantee and receipt of all third party reports, insurance binders, collateral assignments and any and all other terms required by Lender.

Please indicate your acceptance of these terms and conditions by signing below. Upon signing, please return an executed copy of this proposal to our office along with a check for the application deposit in the amount of \$10,000.00 payable to Central Bank at your earliest convenience.

Should you have any questions, concerns, or if you need any clarification at all, please do not hesitate to contact me at the office (813) 803-75999 or on my mobile phone (727) 254-0891. I am looking forward to working with you on this project.

Sincerely,

Accepted:

David Newton
Senior Vice President, Central Bank

By: _____