



Mr. Krishan R. Patel Principal
Foster Holdings Lithia, LLC
13421 Parker Commons Blvd., Suite 102 Fort Myers, FL 33912

2020-08-19 07:15:39

750 Lexington Avenue, 9th Floor New York, NY 10022

Summary of Proposed Terms & Conditions

Thank you for presenting to us the financing opportunity for **The Spring House at Lithia Springs**, 930 Bob Amold BlvdLithia springGA30122. Based upon our initial underwriting, we are pleased to issue you this Conditional Term Sheet with the terms summarized below. This Summary of Proposed Terms & Conditions does not represent a commitment on the part of AlphaRock Asset Management, LLC or any affiliate thereof (collectively "AlphaRock" or "Lender") but is being presented to you at your request for discussion purposes only. These terms have not received approval from our internal committee, nor have we proceeded with the necessary due diligence that would allow us to seek approval. Only after receipt of internal credit approval and significant additional due diligence and execution of definitive documentation acceptable to Lender in Lender's sole discretion could such a commitment be given. These summary terms and conditions are not complete, and as such, during the underwriting and documentation process, they may change, potentially materially. The purpose of this document currently is only to provide the basis of further discussion. Please review the information in detail and let us know if you have any questions. Additionally, please confirm that you would like to proceed to the next step of engagement and further underwriting prior to the issuance of loan documents.

Property Address: 930 Bob Amold BlvdLithia springGA30122

Borrower : Foster Holdong AAA

Estimated Value of Asset: 15700000 As Stabilized (to be verified after new appraisal) Loan Amount: 7000000

Use of Funds: Refinance of

Maximum LTV: 1

Term: 1

Interest Rate: 7%

Loan Extension Option: 1

Yield Maintenance: 13 months

Structure: 1

Origination Fee: 1

Exit Fee: 1 Loan Amount, paid to the Lender

Broker Fee: 11

Due Diligence Fee: 1 Due Diligence Fee shall be fully refundable should the terms of this Agreement materially change or if the Lender decides not to proceed with the Loan for any reason.

FINAL APPROVAL IS CONTINGENT UPON COMPLETE UNDERWRITING, WHICH IS DEPENDENT UPON PROVISION OF FULL DOCUMENTATION:

Signed loan application (attached)

Articles of organization and operating agreement for the holding entity

Principal's (s) current financial statement(s) (PFS)

12 months of bank statements

YTD financials of the subject property

Proforma financials of subject property until stabilization

Working capital budget

Copy of signed management agreement with Canopy Lifestyles, LLC

Operating history of Canopy Lifestyles, LLC, including other properties they currently manage

New appraisal report (to be ordered by Lender unless requirement is waived at Lender's sole discretion after review)

and acceptance of current existing appraisal; must be updated and reassigned to Lender)

Phase 1 environmental report (to be ordered by Lender, unless requirement is waived at Lender's sole discretion after review and acceptance of any current existing reports)

Principal's (s) most recent two years signed, complete personal federal tax returns, including all schedules, statements and K-1s (along with those of any related business entities)

Clearly defined and documented exit strategy

Copy of principal's (s) driver's license

* Loan to be non-recourse, subject to "bad-boy" and other standard carve-outs

** A figure to be determined by the Lender, shall be held back in an Interest Reserve account to be drawn down to pay interest payments over a maximum of six (6) months. Each month, the equivalent of one month's interest payment shall be drawn from this Interest Reserve account, subject to Lender's standard drawdown requirements. See attached Sources and Uses which includes a six (6) month interest reserve.

*** \$200,000.00 or a figure to be determined by the Lender after review of working capital budget shall be held back in a Working Capital Reserve account, subject to Lender's standard drawdown requirements. See attached Sources and Uses Lease-Up/Operating Expense.

**** Due Diligence Fee shall be held in a third party escrow account only to be used for site visit ex- penses, if any, appraisal fees, preliminary legal expenses, loan documents, credit and background checks and any other underwriting fees associated with and applicable to this loan transaction. Any additional expenses to be paid by borrower and any unused fees to be refunded if transaction does not close. Any expenses will be preapproved in writing from the borrower prior to being disbursed. (Unused Fees to be returned within 10 business days of receipt of return request).

Sources & Uses

| Sources | Amount | Per Unit | % of Total |
|----------------------|--------------------|-----------------|---------------|
| Proposed Loan | \$8,000,000 | \$95,238 | 100.0% |
| Total Sources | \$8,000,000 | \$95,238 | 100.0% |

| Uses | Amount | Per Unit | % of Total |
|--------------------------|--------------------|-----------------|---------------|
| Refinance Existing Loan | \$6,912,900 | \$82,296 | 86.4% |
| Loan Fee (1%) | 1.50% \$120,000 | \$1,429 | 1.5% |
| Broker Fee (1%) | 1.25% \$100,000 | \$1,190 | 1.3% |
| Interest Reserve (6 mo.) | 7.50% \$300,000 | \$3,571 | 3.8% |
| Lease-up/Operating | \$200,000 | \$2,381 | 2.5% |
| Closing Costs/Other | \$367,100 | \$4,370 | 4.6% |
| Total Uses | \$8,000,000 | \$95,238 | 100.0% |

We look forward to working with you on this transaction in a smooth, efficient, and timely manner.

Best Regards,

Maxim Shishlyannikov, CEO

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7/23/2020

X Date:

"APPROVED AND AGREED"

Krishan R. Patel

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X Date:

INCOMING WIRE INSTRUCTIONS FOR EAST WEST BANK:

Beneficiary Name: **AlphaRock Holding Company, LLC**

Beneficiary Account Number: **8 6 0 8 0 0 9 4 3 0**

Bank Routing Number (domestic wires): **3 2 2 0 7 0 3 8 1**

Bank Routing/ Swift Code (international wires): **EWBKUS66XXX**

Receiving Bank Name: **East West Bank**

Receiving Bank Address (branch address): **9300 Flair Drive, 4th Fl., El Monte, CA 91731**

Note:

The beneficiary name and beneficiary account number must match for funds to be credited

All Domestic wires for East West bank should be wired to bank routing number: **3 2 2 0 7 0 3 8 1**

All International wires for East West bank should be wired to Swift code: **EWBKUS66XXX**