

ITEM	DESCRIPTION	SCHEDULED VALUED	%
SOFT COST			
1	Initial Expenses	\$579,477.23	17.84%
1.1	Legal due diligence	\$14,003.70	0.43%
1.2	Architecture & MEP	\$133,133.81	4.10%
1.3	Structural Project, building	\$87,769.70	2.70%
1.4	Construction system projects	\$111,832.40	3.44%
1.5	Paving, dreening, water & sewer	\$65,087.64	2.00%
1.6	Certificates, taxes site plan, DRC Approval	\$88,755.87	2.73%
1.7	Administrative expenses	\$78,894.11	2.43%
2	Marketing and Promotion	\$100,984.46	3.11%
2.1	Sales office	\$14,003.70	0.43%
2.2	Advertising	\$29,585.29	0.91%
2.3	Website and social networks	\$15,384.35	0.47%
2.4	Advertising in the press	\$7,001.85	0.22%
2.5	Street and other advertising	\$21,005.56	0.65%
2.6	Decoration and various expenses	\$14,003.70	0.43%
3	Other Expenses	\$433,753.47	13.35%
3.1	City & County Fees ans Taxes	\$345,480.34	10.64%
3.2	FPL	\$88,273.13	2.72%
4	Real Estate Commissions	\$134,077.31	4.13%
4.1	Real Estate Commissions	\$134,077.31	4.13%
5	Land Acquisition	\$2,000,000.00	61.57%
5.1	Land Acquisition	\$2,000,000.00	61.57%
Total SOFT COST		\$3,248,292.47	100.00%
HARD COST			
1	Initial Construction Cost	\$646,989.74	5.41%
1.1	Mobilization	\$478,293.59	4.00%
1.2	Machinery and tools (concrete mixer, pump, crane, etc)	\$14,023.70	0.12%
1.3	Protection devices, signs, safety	\$14,023.70	0.12%
1.4	Quality control	\$14,023.70	0.12%
1.5	Set Formworks	\$98,617.64	0.82%
1.6	Temporary facilities (fence, shed, water, electricity, etc)	\$28,007.41	0.23%
2	Construction Cost	\$11,307,423.83	94.59%
2.1	Demolition	\$237,308.26	1.99%
2.2	Concrete	\$3,165,419.25	26.48%
2.3	Structural Steel - Building	\$568,258.27	4.75%
2.4	Facade Finishing & Art Work	\$1,293,684.09	10.82%
2.5	Steel & Metals	\$100,962.39	0.84%
2.6	Rough Carpentry	\$168,270.65	1.41%
2.7	Millwork	\$67,308.26	0.56%
2.8	Thermal & Moisture Protection	\$92,548.86	0.77%
2.9	Fireproofing & Insulation	\$126,202.99	1.06%
2.10	Roofing	\$479,571.36	4.01%
2.11	Doors	\$112,548.86	0.94%
2.12	Exterior Wall & Glazing	\$670,599.93	5.61%
2.13	Drywall	\$434,193.46	3.63%
2.14	Painting	\$124,135.33	1.04%
2.15	Specialties	\$31,971.42	0.27%
2.16	Elevators & Escalators	\$496,398.43	4.15%
2.17	Fire Protection	\$319,714.24	2.67%
2.18	Plumbing	\$673,082.61	5.63%
2.19	HAVC	\$374,540.13	3.13%
2.20	Electrical	\$886,869.10	7.42%
2.21	Fire Alarm System	\$132,548.86	1.11%
2.22	Earthwork, Utilities & Landscape - Site Work	\$294,473.64	2.46%
2.23	General Conditions	\$456,813.44	3.82%
Total HARD COST		\$11,954,413.58	100.00%
1	Permitting (2%)	\$275,226.19	
2	Insurances (1%)	\$137,613.09	
3	Contingency (2%)	\$275,226.19	
4	Contractor Overhead & Profit (5%)	\$688,065.47	
PROJECT GRAND TOTAL		\$16,578,836.99	



Term Sheet
May 19, 2021

I am pleased to provide the following terms and conditions under which Valley National Bank would consider assisting in the refinance of commercial real estate. The following information is not a commitment but rather an outline of terms for your consideration. The following terms are presented to facilitate discussion of potential financing and are not intended to and do not create a legally binding commitment or obligation to lend on the part of Valley National Bank. The contents or existence of this memorandum are *CONFIDENTIAL* and shall not be disclosed to any third party without the prior written consent of Writer, except by the Borrower to its partners, legal counsel, financial advisors and accountants on a confidential basis, and as required by law. The confidentiality agreement set forth in the preceding shall be effective regardless of whether this letter is accepted by the recipient.

Borrower: 909 NW 6th St, LLC LLC; managed and controlled by Shimon Elkabetz and Eyal Peretz

Loan Request: up to \$6,000,000 per the below limitations:
Maximum as-complete LTV of 55% ; Debt yield of 9.50%; DSCR of 1.50x based on 4% interest rate and 25 year amortization.

Maturity: 3 year construction term + 5 year extension option

Interest Rate: Floating rate of WSJ Prime + 0.75%, with a floor rate of 4.00%

Structure/Terms: Interest only for the construction term followed by 25-year amortization.

Collateral: 1st real estate mortgage and assignment of rents, development plans, sale contracts, and pledge of all easements and common area.

Property collateral shall consist of a to be constructed mixed use retail / office building located at 909 NW 6th Street, Fort Lauderdale, FL 33311.

Bank Fee: 0.40% origination fee + 0.25% extension fee

Prepayment Penalty: Open

Guarantors: Shimon Elkabetz and Eyal Peretz shall provide a performance and completion guaranty.

Upon a T12 1.50x dscr of actual property performance, the guaranty shall be reduced to a carveout only guaranty.

Banking Relationship: Borrower shall maintain all accounts for the property at Valley National Bank.

Conditions

1. Certification of personal and corporate financial statement(s) if not on a Valley National Bank Form or signed Valley National Bank personal financial statement(s).
2. Updated Financial Statements and Tax Returns for Borrower and Guarantor

3. Receipt and review of applicable real estate insurance [hazard, wind, liability & flood – if in a flood zone]
4. Receipt and review of an affidavit from the borrower and guarantors confirming there are no pending lawsuits. If any lawsuits are disclosed they are to be reviewed and approved by the Bank.
5. Receipt and review of a satisfactory Phase I environmental report and property condition report on the collateral property. Valley will review an existing Phase I environmental report if it is dated within 12 months of loan closing and is provided a reliance letter for such report. If the existing report is older than 12 months, Borrower shall update their most recent Phase I report and submit to Valley for review and acceptance.
6. Receipt and review of a current appraisal
7. Receipt and review of all current lease agreements that are acceptable to Valley National Bank.
8. Receipt of acceptable estoppels
9. Receipt and review of verification of liquidity from the borrower & corporation.
10. verification of grant/forgivable loan from CRA for an amount of \$4,000,000.00
11. Additional conditions may apply as identified during the underwriting process.
12. Receipt and review of a GMP construction contract
13. Receipt and review of construction bond if applicable
14. Receipt and review of plan and cost review
15. Construction draws shall be processed through Valley Bank's construction loan administration
16. It is understood by all parties that a final commitment cannot be issued until full permit set is approved by the proper municipality as well as a final GC agreement along with final budget in accordance to plans.

These terms are for discussion purposes only. This is not a formal commitment or a promise to lend at a future date. A formal commitment will be issued upon final credit approval by the bank. Should these terms be satisfactory, please sign below and return to the bank by May 25, 2021 along with a \$25,000 good faith deposit. The good faith deposit will be credited towards the costs associated with closing this facility – in the event the subject transaction does not close the deposit will be returned [less any third-party costs]. Further, said funds will be returned in the event that Valley National Bank is unable to issue a commitment for the proposed loan facility [less any third-party costs].

Agreed and Accepted,

Shimon Elkabetz

Eyal Peretz

Valley National Bank appreciates the opportunity to earn your business.

Sincerely,

Kevin Miliffe

Kevin Miliffe
Senior Vice President
Valley National Bank
301 East Las Olas Blvd. Suite 250
Fort Lauderdale, FL 33301
P: 954-646-1034
kmiliffe@valley.com



Fuse Group

INVESTMENT COMPANIES

Jonathan K. Winer, Esq.
General Counsel

Admitted in Florida and New York

July 19, 2021

VIA EMAIL PDF

Hon. Dean J. Trantalis, Mayor
City Commission
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Hon. Robert L. McKinzie, Commissioner, Dist. 3
City Commission
City of Fort Lauderdale
100 N. Andrews Avenue
Ft. Lauderdale, FL 33301

Hon. Heather Moraitis, Vice Mayor
City Commission
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Hon. Ben Sorensen, Commissioner, Dist. 4
City Commission
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Hon. Steven Glassman, Commissioner Dist. 2
City Commission
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

RE: Letter of intent for Ft. Lauderdale CRA to provide a forgivable loan in an amount not to exceed Four Million and No/100 Dollars (\$4,000,000) to 909 NW 6th ST, LLC, a Delaware limited liability company ("Borrower") to be secured by a mortgage on real property located at 909 Sistrunk Blvd, Fort Lauderdale, Florida 33311 (the "Property") to partially fund hard costs of construction of a mixed-use development on the Property (the "Project")

Dear Mayor Trantalis, Vice Mayor Moraitis, and Commissioners Glassman, McKinzie and Sorensen:

Please allow this letter to confirm that 909 NW 6th ST LLC, the owner of the above-referenced Property and its developer, has available for use in its discretion, the sum of Four Million Seven Hundred Fifty Thousand Dollars (\$4,750,000.00) in uncalled committed capital with the Company's investor(s), which can be called at any time to fund hard or soft costs toward completing its plan of development respecting the above-referenced Property. In other words, the Developer has "iron-clad" contractual capital commitments from its investor(s) in the amount of \$4,750,000.00 such that if we wanted and needed all this money within days to fund hard costs and soft costs for this development, we are very confident that this money could and would be wire transferred to us within days upon our written demand.

Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,


Jonathan K. Winer, Esq.
General Counsel

JKW/bs

cc: Eyal Peretz
Thomas McGrath

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