



January 27, 2017

Mr. John McDonald  
CEO/Managing Partner  
JWM Ventures, LLC  
376 E. Warms Spring Road  
Las Vegas, NV 89119

Dear John,

Community Bank & Trust – West Georgia (CB&T) is pleased to provide this Term Sheet for the loan subject to the following terms, provisions, and conditions. Please understand that this is not a commitment, but rather, a suggested credit facility structure that we believe is consistent with the SBA and the Lender's current policy guidelines.

As you and I have discussed, the \$21,500,000 million required to construct the proposed hotel and parking facility in Macon, GA is well beyond the lending limit of Community Bank & Trust. However, we would be interested in assisting you in facilitating the loan and possibly participating it at some level.

The proposed structure would appear to be some combination of New Market Tax Credit, New Town Macon Bonds, and an SBA 504 Loan. As you know, the 504 would require the participation of a CDC and a bank lender to hold the first mortgage. Tim Souther, with the CDC in Atlanta, GA, has also expressed his interest in working with you to complete your funding for the project.

**This loan is further subject to the approval of an SBA 504 loan. The borrower(s) and Guarantor(s) agree to provide any additional information as required pursuant to the program and have full knowledge that the loan cannot close without SBA approval.**

**Borrower:** JWM Ventures, LLC.

**Guarantors:** John McDonald

**Purpose:** To provide permanent financing for the construction of a full service Wyndham Hotel and Parking Facility in Macon GA, Bibb County.

**Loan Amount:** \$ 21,500,000

**Source of Funds:**

**Hotel**

Bank (50%)	\$7,500,000
SBA 504 (30%)	\$4,500,000
NewTown Macon Bond/Equity (20%)	<u>\$3,000,000</u>
Total Hotel	\$15,000,000

**Parking Deck**

Bank	\$3,250,000
NewTown Macon Bond/NMTC/Equity	<u>\$3,250,000</u>
Total Parking	\$6,500,000

**Total Project Cost** \$21,500,000

P.O. Box 1489 • LaGrange, Georgia 30241 • (706) 884-7999 • FAX (706) 845-0014

"A Community Bankshares Bank in Georgia"

- Collateral:**
- 1) First Security Interest evidenced by Deed to Secure Debt on real estate consisting of the land and improvements to be located at Martin Luther King Blvd at Walnut Streets, Macon, Bibb Co. GA.
  - 2) First Security Interest evidenced by a Security Agreement and UCC Financing Statement on all business assets of the borrower.
  - 3) Loan to Value will not exceed 80% of the appraised value of the assets.
  - 4) Assignment of lease for parking facility.
- Life Insurance:** Corresponding to the proposed loan, a life insurance policy in the amount of \$2,000,000 for guarantor to be determined that is to be assigned to the lender.
- Repayments:** Will be repayable in 300 monthly payments of principal and interest beginning on the 1<sup>st</sup> day of the 2<sup>nd</sup> month from the Note date, amortizing the principal balance over 25 years.
- Interest Rate:** Variable rate at Wall Street Journal Prime + 2.0%, adjusted quarterly. WSJ Prime shall be defined as that rate quoted daily in the WSJ as the rate may change from time to time.
- Insurance:** Evidence of adequate casualty and liability insurance with the Bank named as Mortgagee/Loss Payee, as appropriate for the circumstance of the credit(s).
- Expenses:** The Borrower(s) will be responsible for all the Bank's fees, including legal, appraisal, construction monitoring, and filing, title insurance and all normal customary out of pocket fees and expenses associated with closing this transaction. All out of pocket expenses of the Lender shall be paid by the Borrower(s) whether or not the transaction closes, for whatever reason.
- Other Items:** In preparation of the submission of applications to the SBA we will need the following items.
- 1) Executed contract for purchase of Real Estate
  - 2) A Feasibility study for the hotel/conference center.
  - 3) Plans, specifications, and cost estimates for property improvements.
  - 4) Property Appraisal – The appraisal should provide the value of the property as is and the value upon completion of the improvements.
  - 5) Draft of proposed lease with the city of Macon, GA.

Thank you for taking the time to meet with us to discuss the project and we look forward to working with you on it. Should you have any questions, please feel free to contact me at (706)884-7999 business or (706)594-2572 Cell.

Sincerely,

  
William R. Stump, Jr.  
President & CEO

The undersigned hereby accepts this proposal and agrees to the terms and conditions  
Here of this 21<sup>st</sup> day of February, 2016.

Borrower: JWM Ventures

  
John McDonald

CEO/Managing Partner

Guarantors:

John McDonald  
Guarantor

cc: Michael R. Thomas, Thomas USAF  
cc: Thomas Kimsey, Thomas USAF  
cc: Kathy Morris, Thomas USAF  
cc: Tim Souther, CDC