



March 11, 2021

Benjamin J. Naus
Naus Brewing LLC DBA Perspective Brewing Company
260 E Parkway Estates Dr
Oak Creek, WI 53154

Dear Benjamin J. and Daniel P. Naus:

Pursuant to your application and information provided by you regarding the purchase of the property at 7506-08 W. Greenfield Ave., the Common Council of the City of West Allis (“City”) hereby agrees to make a loan to you, in accordance with the federal Community Development Block Grant regulations and as a demonstration, under loan guidelines associated with the draft InStore Program the following specific terms and conditions:

1. Borrower. The Borrower shall be to Naus Brewing LLC DBA Perspective Brewing Company and/or Assigns with current business offices located at 7506-08 W. Greenfield Ave. West Allis, WI 53214.
2. Guarantors. Unlimited personal guarantees will be provided by Benjamin Jeffrey Naus and Ashley Alane Naus, married to each other, and Taryn Raine Naus and Daniel Paul Naus married to each other.
3. Project. Loan proceeds are to be used for purchase of equipment for the establishment of a brewery at 7506-08 W. Greenfield Ave., West Allis, WI 53214.
4. Loan Amount. The loan amount shall not exceed \$100,000 comprised of the following:
 - A. \$50,000 Forgivable Loan (“Loan A”) Instore Program that will be used for National Avenue Commercial Corridor. Funding source – CDBG. Disbursement of the aggregate principal will be at loan closing with proper paid invoices or purchase orders. The loan will be evidenced by a note payable by the Borrower to the City. The loan will have monthly interest payments with a pro-rated portion of principal forgiven at anniversary of occupancy.
 - B. \$50,000 Economic Development Assistance Loan (“Loan B”). Funding source - CDBG . Disbursement of the aggregate principal will be at loan closing with proper paid invoices or purchase orders. The loan will be evidenced by a note payable by the Borrower to the City.

5. Interest Rate. (To be computed on basis of 360-day year.) The interest rate shall be as follows:
 - A. On the \$50,000 InStore Loan Note (“Loan A”), interest shall be three and one quarter percent (3.25%) per annum.
 - B. On the \$50,000 Economic Development Assistance Loan (“Loan B”), interest shall be three and one quarter (3.25%) per annum.
 - C. In the event of default on either Note stated under A and B above, all unpaid principal and interest shall bear interest at the rate of eighteen percent (18.0 %) per annum until paid.

6. Term. The term of Loans:
 - A. Loan A shall be 5 years or 60 months.
 - B. Loan B shall be 10 years or 120 months.

7. Payments. Payments will be as follows:
 - A. Loan A:
 - Interest only payments on the InStore Program Note during term of the loan.
 - B. Loan B:
 - No interest and principal payments for the first 6 months following date of closing.
 - The Economic Development Assistance Loan shall be deferred principal and interest only payments for 6 months and upon the seven month have full principal and interest monthly installments thereafter.

8. Late Charge. A late charge not to exceed one percent (1%) on each dollar of each payment, which is more than ten (10) days in arrears may be collected provided that no such charge shall exceed the maximum amount which may be charged according to law.

9. Security. As security for the loan, the Borrower will deliver to the City:
 - A. A 2nd position Mortgage on the real estate of 7506-08 W. Greenfield Ave., West Allis, WI 53214
 - B. A 2nd position on the General Business Security Agreement on the assets purchased with City of West Allis funds for Perspective Brewery.
 - C. An unlimited Personal Guarantee from by Benjamin Jeffrey Naus and Ashley Alane Naus, married to each other, and Taryn Raine Naus and Daniel Paul Naus married to each other.

10. Loan Processing Fee. A non-refundable fee of One Thousand Dollars and zero cents (\$1000.00) to be paid upon acceptance and delivery of this Commitment. (Borrower may elect to include this fee in the terms of the note). The fee is compensation to the City for making the loan and shall be fully and completely earned upon acceptance of this Commitment by the Borrower.
11. Maturity Date. The loans shall mature on:
 - A. Loan A: May 1, 2016
 - B. Loan B: May 1, 2031
12. Closing Date. The loans shall close on or before April 30, 2021.
13. Prepayment Privilege. The loans may be prepaid, in whole or in part, at any time without penalty or restriction.
14. Duns Number. Borrower must provide a Duns number as proof of application by closing and provide a federal identification number to the City.
15. Job Creation/Retention. Borrower agrees to the following:

To create three (3) full-time equivalent permanent jobs over the next three (3) years, of which at least fifty-one percent (51%) are to be held by low-to- moderate income persons (at least 3 FTE).
16. General Conditions. All of the terms and conditions contained in the attached “General Conditions” (Exhibit B) for economic development loans and “Federal Requirements” (Attachment C) are incorporated into this Commitment.
17. Acceptance. Except as provided in the General Conditions, this Commitment shall be deemed binding upon the City if the City receives an unqualified acceptance by the Borrower of the terms and provisions contained herein, evidenced by the Borrower properly executing this document below and delivering it to the office of the undersigned on or before April 1, 2021, along with the non-refundable loan processing fee and the written guarantee of the loan by Daniel P. Naus and Benjamin J. Naus owners and members of Naus Brewing LLC DBA Perspective Brewing Company. If not so accepted, the City shall have no further obligation hereunder.
18. Provided that Borrowers have complied with the terms and conditions of this agreement and provided further that Borrowers have made the required interest payments during the previous twelve (12) months and provided further that Borrowers have operated the brewery located at 7506-08 W. Greenfield Ave, West Allis, Wisconsin, a portion of InStore Note will be forgiven or in default repaid, as prorated below:
 - Year 0-1: 100% of eligible loan funds
 - Year 1-2: 80% of eligible loan funds
 - Year 2-3: 60% of eligible loan funds
 - Year 3-4: 40% of eligible loan funds
 - Year 4-5: 20% of eligible loan funds

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CITY OF WEST ALLIS

By: _____
Patrick Schloss, Executive Director
Economic Development

ACCEPTANCE

The foregoing Commitment, as well as the terms and conditions referred to therein, are hereby accepted.

Perspective Brewery

Date: _____

By: _____
Daniel P. Naus
Managing Member

Date: _____

By: _____
Benjamin J. Naus
Member

Received Acceptance and Loan Processing Fee:

By: _____
Shaun Mueller, Development Project Manager
Economic Development

Date: _____

Attachments