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City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Matter Summary

File Number	Title	Current Status
R-2003-0097	Resolution	In Committee
Resolution approving a Redevelopment Loan to Whitnall Summit Company, under the Wisconsin Department of Commerce Brownfield Grant Program, in an amount not to exceed \$300,000.		
Introduced: 03/04/2003		Controlling Body: Administration & Finance Committee

COMMITTEE RECOMMENDATION

MOVER: LAN+3+C AYES 4 NOES 0 *Bargal ETC*

SECONDER: MURPHY EXCUSED _____

COMMITTEE ACTION DATE 3-4-03

SIGNATURES OF COMMITTEE MEMBERS

Chair

Vice-Chair

COMMON COUNCIL ACTION adopted

FINAL ACTION DATE 3-4-03

MOVER:

Czaplewski

SECONDER:

Vitale

	AYE	NO
1. Barczak	<u>ex</u>	_____
2. Czaplewski	<u>✓</u>	_____
3. Kopplin	<u>✓</u>	_____
4. Lajsic	<u>✓</u>	_____
5. Murphy	<u>✓</u>	_____
6. Narlock	<u>ex</u>	_____
7. Reinke	<u>✓</u>	_____
8. Sengstock	<u>✓</u>	_____
9. Trudell	<u>✓</u>	_____
10. Vitale	<u>✓</u>	_____
TOTAL	<u>8</u>	_____



City of West Allis

Resolution

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number: R-2003-0097

Final Action:

Resolution approving a Redevelopment Loan to Whitnall Summit Company, under the Wisconsin Department of Commerce Brownfield Grant Program, in an amount not to exceed \$300,000.

WHEREAS, the Department of Development has offered Whitnall Summit Company a loan from the City of West Allis in the amount of Three Hundred Thousand Dollars (\$300,000), under the Wisconsin Department of Commerce Brownfield Grant Program for the purpose of redeveloping the property at 6737 W. Washington Street, West Allis; and,

WHEREAS, the Department of Development has determined that the renovation cost is eligible for funding under the Wisconsin Department of Commerce Brownfield Grant Program guidelines; and,

WHEREAS, the Department of Development has recommended approval of a loan for the purpose of an inducement to begin converting the former Allis-Chalmers Shop 7 Building into an office complex; and,

WHEREAS, the Community Development Authority met on October 24, 2002, to consider this loan and recommended approval, via Resolution No. 388.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that it hereby approves a Loan in an amount not to exceed Three Hundred Thousand Dollars (\$300,000) to Whitnall Summit Company in accordance with the Commitment Letter, which is attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the City Attorney is hereby authorized to prepare loan documents required by the aforesaid commitment and to make such technical, non-substantive changes as he deems necessary and appropriate.

BE IT FURTHER RESOLVED that the Director of Development is authorized, on behalf of the City, to execute the aforesaid loan documents.

Dev-R288\jmg-amd-3-4-03

cc: Department of Development
Chris Phinney, Grant Accounting Specialist

ADOPTED 03/04/2003

Dorothy E. Steinke
Dorothy E. Steinke, Deputy City Clerk/Treasurer

APPROVED March 6, 2003

Jeannette Bell
Jeannette Bell, Mayor



CITY OF WEST ALLIS

WISCONSIN



Department of Development

JOHN F. STIBAL
Director

March 5, 2003

Richard G. Carlson, President
Whitnall Summit Company, LLC
Suite S106B
1126 South 70th Street
West Allis, WI 53214

Dear Mr. Carlson:

Pursuant to your application and information provided by you or to be provided, the Common Council of the City of West Allis ("City") hereby agrees to make a loan to you, or a corporation to be formed by you, in accordance with the Loan Agreement and the following specific terms and conditions:

1. Borrower. The Borrower shall be Whitnall Summit Company, LLC, a Wisconsin Corporation.
2. Project. Loan proceeds are to be used for renovation costs relative to the redevelopment of the Shop 7 Building located at 6737 W. Washington Street, West Allis, Wisconsin. Any cost to the construction
3. Loan Amount. The loan amount shall not exceed Three Hundred Thousand Dollars (\$300,000.00). Disbursements up to the aggregate principal amount will be made until July 1, 2003. The loan will be evidenced by a note payable by the Borrower to the City.
4. Interest Rate. The interest rate shall be 5 %. Interest shall be computed on the outstanding principal balance for the actual number of days, which have elapsed from the date of each advance calculated on the basis of a 360-day year.
5. Term. (see "Maturity Date").
6. Payments. Payments on principal and accrued interest shall be deferred until the date of maturity, at which time all outstanding principal and accrued interest shall be due and payable in full.
7. Loan Processing Fee. The loan-processing fee is waived.
8. Maturity Date. This loan shall mature on July 1, 2005.
9. Closing Date. The loan shall close on or before July 1, 2003.
10. Security. Unsecured.

Richard G. Carlson, President
March 5, 2003
Page 2

11. Prepayment Privilege. The loan may be prepaid, in whole or in part, at any time without penalty or restriction.
12. Disbursement of Loan Funds. The City will disburse loan funds, in one principal amount of the loan at loan closing.
13. Other Special Conditions. The loan and all accumulated interest cost will be forgiven if the Borrower complies with all of the following conditions prior to the Maturity Date:
 - A. Borrower completes the renovation of 25,000 sq. ft. of office space within Shop 7 in a total amount of not less than 75 % of the currently estimated cost of One Million Seven Hundred Fifty Thousand Seven Hundred Eighty-Nine Dollars (\$1,750,789);
 - B. Borrower constructs 44,000 square foot new office immediately abutting Shop 7, in a total amount of not less than 75 % of the currently estimated cost of Four Million Five Hundred Thirty-Two Thousand two Hundred Forty-Two Dollars (\$4,532,242);
 - C. Borrower completes all the above noted renovation and new construction by July 1, 2005.
14. Survival. This commitment and all of its terms and provisions shall survive the closing and shall not be merged into any of the Loan Documents.
15. Entire Agreement. This commitment, with attachments, contains the entire agreement of Borrower and City with respect to the Loan and supercedes all other prior agreements of Borrower and City, whether oral or in writing. No change in the provisions of this commitment shall be binding unless in writing and executed by Borrower and City.
16. 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 July 1, 2003. If not so accepted, the City shall have no further obligation hereunder.

CITY OF WEST ALLIS

By: _____
John F. Stibal, Director
Department of Development

ACCEPTANCE

Richard G. Carlson, President
March 5, 2003
Page 3

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

Dated: _____

By: _____
Richard G. Carlson, President
Whitnall Summit Company, LLC

Received Acceptance:

By: _____
John F. Stibal
Director of Development

Date: _____

Attachments

m\\w-s\cl\jmg

LOAN AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2003, by and between **WHITNALL SUMMIT COMPANY, LLC** a Wisconsin Corporation, having its principal office at Whitnall Summit Company, Suite 600 1126 South 70th Street West Allis, WI 53214, **RICHARD G. CARLSON**, personally (collectively, "Borrowers"); and, the **CITY OF WEST ALLIS**, a Municipal Corporation, organized and existing under the laws of the State of Wisconsin ("City").

WITNESSETH:

WHEREAS, the City has implemented an Redevelopment Loan Program under the provisions of the State of Wisconsin Department of Commerce Brownfield Grant; and,

WHEREAS, the Department of Development has offered the Borrowers a Three Hundred Thousand Dollar (\$300,000.00) loan as an inducement to begin converting the former Allis Chalmers Shop 7 Building ("Shop 7"), more particularly described as . . . into an office complex with the funds only to be used for eligible renovation costs as noted in Exhibit "A" Column 3 Renovation; and,

WHEREAS, the City is willing to make the Loan and the Borrowers accept the Loan, in accordance with the following terms and conditions.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, assurances, covenants and agreements hereinafter set forth, the parties agree as follows:

1. The City shall loan to the Borrowers from its General Fund (which will be reimbursed from the State of Wisconsin Department of Commerce Brownfield Grant) the maximum sum of Three Hundred Thousand Dollars (\$300,000.00) pursuant to the terms and conditions of a Promissory Note (the "Note") in the form attached hereto as Exhibit "B", the terms of which are incorporated herein by reference.
2. The proceeds of the Loan will be disbursed by the City to the Borrowers to undertake the aforementioned renovation. Loan proceeds will be disbursed upon receipt of a fully executed Loan Agreement.
3. In order to induce the City to enter into this Agreement, the Borrowers makes the following representations, assurances, covenants and certifications:
 - A. Borrowers promises to completed the renovation of 25,000 sq. ft. of office space within Shop 7 in a total amount of not less then 75 % of the currently

estimated cost of One Million Seven Hundred Fifty Thousand Seven Hundred Eighty-Nine Dollars (\$1,750,789);

B. Borrowers promises further to construct a 44,000 square foot new office immediately abutting Shop 7, in a total amount of not less than 75 % of the currently estimated cost of Four Million Five Hundred Thirty-Two Thousand two Hundred Forty-Two Dollars (\$4,532,242);

C. Borrowers shall complete all renovation and new construction by July 1, 2005. For purposes of this agreement, completion shall mean issuance of a certificate of occupancy.

D. The Project would not be undertaken unless the public funding provided by the Loan becomes available, as the Borrowers can maximally raise only a portion of the debt and equity funds required to complete the Project.

E. This Agreement and Note are legal, valid, binding upon and enforceable against the Borrowers in accordance with their terms, except as such terms may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally and except as may be limited by general principles of equity.

F. During the term of the Loan the Borrowers will provide the City annually with true and correct copies of financial statements and a narrative statement of the state of construction of this entire project. All financial statements are to be prepared in accordance with generally accepted principles of auditing and accounting applied on a basis consistent with the Borrowers' accounting practices for the prior year.

G. Except as disclosed by the Borrowers to the City in writing prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Borrowers or any of their property which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Borrowers.

H. The Borrowers shall pay to the City, upon demand, all reasonable charges and expenses of every kind or description, including, but not limited to, attorney's fees and expenses of litigation and any and all expenses incurred by the City in seeking relief from the automatic stay or any other bankruptcy proceedings, and other expenses (of the type customarily charged by the City) incurred or expended by the City in connection with or in any way related to the City's relationship with the Borrowers, with respect to the transactions contemplated by this Agreement or any other Loan Document, whether hereunder or otherwise.

I. The Borrowers shall immediately notify the City in writing of the occurrence of any failure by them to observe or perform any covenant or agreement contained in any Loan Document or any other default hereunder or under any other Loan Document.

4. All statements contained in any certificate, instrument or document delivered by or on behalf of any of the parties pursuant to this Agreement and the transactions contemplated hereby shall be deemed representations and warranties by the respective parties hereunder unless otherwise expressly provided herein. The representations, assurances and covenants contained in this Agreement shall survive the closing and continue in full force and effect for the duration of the Loan. No examination or investigation by or on behalf of the City shall have the effect of estopping the City from asserting breach or failure of any such representation or warranty or constitute or operate as a waiver of any such representation or assurance in whole or in part.

5. The Loan shall be closed at the West Allis City Hall at a mutually agreeable time within thirty (30) days of the date of execution of this Agreement. The City's obligation to fund the Loan is conditioned upon the Borrowers providing to the City, prior to the date of closings the following documents:

A. Any preconditions for closing set forth in Attachment "3", the Loan Commitment Letter dated March 5, 2003.

B. All Loan Documents which the City shall deem necessary or required relative to the completion of the Loan.

C. Such policies or other evidence of coverage acceptable to the City of all insurance required under the Loan Documents.

In the event the Borrowers are unable to satisfy the conditions of this section, the City's obligation to fund the Loan shall terminate and be of no further force or effect.

6. In the event of a failure to observe or perform any of the covenants or agreements by the Borrowers to be kept and performed under the Loan Documents; or the breach of any representation, warranty or assurance made in the Loan Documents by Borrowers or in any document furnished under the terms of any Loan Document; then, in such case, the whole amount of principal due on the Note shall, at the option of the City, become immediately due and payable upon written notice, and the same, together with all sums of money which may be or have been paid by the City in connection therewith, plus interest thereon at the rate aforesaid, shall thereupon be collectible in a suit of law, in the same manner as if the whole of said principal sum had been made payable at the time when any such default shall occur; and, the Borrowers covenants and agrees that they will

pay to the City all expenses incurred therein, and in addition to the taxable costs in such suit, a reasonable sum of money as attorneys' fees, to be included with the expenses above mentioned in the judgment or decree.

7. Upon completion of each paragraph in Section 3 above, the loan and all accumulated interest cost will be forgiven and no amount will be due and owing from Borrowers to the City on this loan.

8. Each of the parties to this Agreement is entitled to all remedies in the event of default or breach provided at law or in equity. Any forbearance by the City in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. Any notices or other communications required or permitted hereunder shall be in writing and shall be sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, addressed as follows:

If to the Borrowers: Whitnall Summit Company, LLC
Suite 600
1126 South 70th Street
West Allis, WI 53214
Attn: Richard G. Carlson, President

Richard G. Carlson, Individually

If to the City: City of West Allis
7525 West Greenfield Avenue
West Allis, Wisconsin 53214
Attn: Director of Development

All such notices or other communications, if mailed, shall be deemed given three (3) days after having been posted.

10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned without the prior written consent of the other parties.

11. This Agreement and the performance of transactions contemplated hereby shall be governed by, construed and enforced under and in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date, month and year first above written.

By: _____
John F. Stibal,
Director of Development

Countersigned at West Allis, Wisconsin this ____ day of _____, 2003, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.

By: _____
Paul Ziehler, Comptroller

RICHARD G. CARLSON, Individually

By: _____
Richard G. Carlson

WHITNALL SUMMIT COMPANY, LLC
A Wisconsin limited Liability Corporation

By: _____
Richard G. Carlson, President

By: _____
Anthony Henika, Legal Counsel as Witness

Approved as to form this ____ day
of _____, 2003.

Scott E. Post, City Attorney

H/Loan Agree-Whitnal Summit Fin 3-4-03

EXHIBIT "A"

RENOVATION & NEW CONSTRUCTION COST ESTIMATE

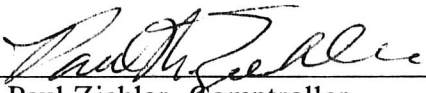
Column 1	Column 2		Column 3		Column 4
	New Construction New Office - 44, 000 sq ft		Renovation 7 Shop - 25,000 sq ft		TOTAL
Item Description	Area A		Area B		Total Investment \$
	\$/sq ft	Total \$	\$/sq ft	Total \$	
A. Building Improvements					
1 Elevators/Stairwells			\$5.00	\$125,000	
2 Windows			\$3.60	\$90,000	
3 Roof			\$7.00	\$175,000	
4 Internal Demolition			\$1.50	\$37,500	
5 Flooring			\$5.00	\$125,000	
6 Toilets			\$2.60	\$65,000	
7 Fire Protection/Sprinklers			\$1.25	\$31,250	
8 Electrical Power/Distribution			\$5.00	\$125,000	
9 Lighting			\$4.00	\$100,000	
10 Tenant Improvements			\$20.00	\$500,000	
Subtotal	\$80.00	\$3,520,000	\$54.95	\$1,373,750	\$4,893,750
B. Parking Lot Improvements					
1 Land	\$2.00	\$88,000	\$1.00	\$25,000	\$113,000
2 Asphalt	\$2.00	\$88,000	\$1.00	\$25,000	\$113,000
3 Parking Lighting/Landscape	\$0.50	\$22,000	\$0.50	\$12,500	\$34,500
Subtotal	\$84.50	\$3,718,000	\$57.45	\$1,436,250	\$5,154,250
C. Contingency (15%)	\$12.68	\$557,700	\$8.62	\$215,438	\$773,138
D. A&E Fees (6%)	\$5.83	\$256,542	\$3.96	\$99,101	\$355,643
Grand Total	\$103.01	\$4,532,242	\$70.03	\$1,750,789	\$6,283,031

11. This Agreement and the performance of transactions contemplated hereby shall be governed by, construed and enforced under and in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date, month and year first above written.

By: _____
John F. Stibal,
Director of Development

Countersigned at West Allis, Wisconsin this 13 day of March, 2003, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.

By: 
Paul Ziehler, Comptroller

RICHARD G. CARLSON, Individually

By: _____
Richard G. Carlson

WHITNALL SUMMIT COMPANY, LLC
A Wisconsin limited Liability Corporation

By: _____
Richard G. Carlson, President

By: _____
Anthony Henika, Legal Counsel as Witness

Approved as to form this _____ day
of _____, 2003.

Scott E. Post, City Attorney

H/Loan Agree-Whitnal Summit Fin 3-4-03

LOAN AGREEMENT

THIS AGREEMENT is made and entered into this 11th day of March, 2003, by and between **WHITNALL SUMMIT COMPANY, LLC** a Wisconsin limited liability corporation, having its principal office at Whitnall Summit Company, Suite 600 1126 South 70th Street West Allis, WI 53214, **RICHARD G. CARLSON**, personally (collectively, "Borrowers"); and, the **CITY OF WEST ALLIS**, a Municipal Corporation, organized and existing under the laws of the State of Wisconsin ("City").

WITNESSETH:

WHEREAS, the City has implemented an Redevelopment Loan Program under the provisions of the State of Wisconsin Department of Commerce Brownfield Grant; and,

WHEREAS, the Department of Development has offered the Borrowers a Three Hundred Thousand Dollar (\$300,000.00) loan as an inducement to begin converting the former Allis Chalmers Shop 7 Building ("Shop 7"), located at 6737 W. Washington Avenue, into an office complex with the funds only to be used for eligible renovation costs as noted in Exhibit "A" Column 3 Renovation; and,

WHEREAS, the City is willing to make the Loan and the Borrowers accept the Loan, in accordance with the following terms and conditions.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, assurances, covenants and agreements hereinafter set forth, the parties agree as follows:

1. The City shall loan to the Borrowers from its General Fund (which will be reimbursed from the State of Wisconsin Department of Commerce Brownfield Grant) the maximum sum of Three Hundred Thousand Dollars (\$300,000.00) pursuant to the terms and conditions set forth herein.
2. The proceeds of the Loan will be disbursed by the City to the Borrowers to undertake the aforementioned renovation. Loan proceeds will be disbursed upon receipt of a fully executed Loan Agreement.
3. In order to induce the City to enter into this Agreement, the Borrowers makes the following representations, assurances, covenants and certifications:
 - A. Borrowers promises to complete the renovation of 25,000 sq. ft. of office space within Shop 7 in a total amount of not less than 75 % of the currently estimated cost of One Million Seven Hundred Fifty Thousand Seven Hundred Eighty-Nine Dollars (\$1,750,789);

B. Borrowers promises further to construct a 44,000 square foot new office immediately abutting Shop 7, in a total amount of not less than 75 % of the currently estimated cost of Four Million Five Hundred Thirty-Two Thousand two Hundred Forty-Two Dollars (\$4,532,242);

C. Borrowers shall complete all renovation and new construction by July 1, 2005. For purposes of this agreement, completion shall mean issuance of a certificate of occupancy.

D. The Project would not be undertaken unless the public funding provided by the Loan becomes available, as the Borrowers can maximally raise only a portion of the debt and equity funds required to complete the Project.

E. This Agreement and Note are legal, valid, binding upon and enforceable against the Borrowers in accordance with their terms, except as such terms may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally and except as may be limited by general principles of equity.

F. During the term of the Loan the Borrowers will provide the City annually with true and correct copies of financial statements and a narrative statement of the state of construction of this entire project. All financial statements are to be prepared in accordance with generally accepted principles of auditing and accounting applied on a basis consistent with the Borrowers' accounting practices for the prior year.

G. Except as disclosed by the Borrowers to the City in writing prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Borrowers or any of their property which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Borrowers.

H. The Borrowers shall pay to the City, upon demand, all reasonable charges and expenses of every kind or description, including, but not limited to, attorney's fees and expenses of litigation and any and all expenses incurred by the City in seeking relief from the automatic stay or any other bankruptcy proceedings, and other expenses (of the type customarily charged by the City) incurred or expended by the City in connection with or in any way related to the City's relationship with the Borrowers, with respect to the transactions contemplated by this Agreement or any other Loan Document, whether hereunder or otherwise.

I. The Borrowers shall immediately notify the City in writing of the occurrence of any failure by them to observe or perform any covenant or agreement

contained in any Loan Document or any other default hereunder or under any other Loan Document.

4. All statements contained in any certificate, instrument or document delivered by or on behalf of any of the parties pursuant to this Agreement and the transactions contemplated hereby shall be deemed representations and warranties by the respective parties hereunder unless otherwise expressly provided herein. The representations, assurances and covenants contained in this Agreement shall survive the closing and continue in full force and effect for the duration of the Loan. No examination or investigation by or on behalf of the City shall have the effect of estopping the City from asserting breach or failure of any such representation or warranty or constitute or operate as a waiver of any such representation or assurance in whole or in part.

5. The Loan shall be closed at the West Allis City Hall at a mutually agreeable time within thirty (30) days of the date of execution of this Agreement. The City's obligation to fund the Loan is conditioned upon the Borrowers providing to the City, prior to the date of closings the following documents:

A. Any preconditions for closing set forth in Attachment "3", the Loan Commitment Letter dated March 11, 2003.

B. All Loan Documents which the City shall deem necessary or required relative to the completion of the Loan.

C. Such policies or other evidence of coverage acceptable to the City of all insurance required under the Loan Documents.

In the event the Borrowers are unable to satisfy the conditions of this section, the City's obligation to fund the Loan shall terminate and be of no further force or effect.

6. In the event of a failure to observe or perform any of the covenants or agreements by the Borrowers to be kept and performed under the Loan Documents; or the breach of any representation, warranty or assurance made in the Loan Documents by Borrowers or in any document furnished under the terms of any Loan Document; then, in such case, the whole amount of principal due on the Note shall, at the option of the City, become immediately due and payable upon written notice, and the same, together with all sums of money which may be or have been paid by the City in connection therewith, plus interest thereon at the rate aforesaid, shall thereupon be collectible in a suit of law, in the same manner as if the whole of said principal sum had been made payable at the time when any such default shall occur; and, the Borrowers covenants and agrees that they will pay to the City all expenses incurred therein, and in addition to the taxable costs in such

suit, a reasonable sum of money as attorneys' fees, to be included with the expenses above mentioned in the judgment or decree.

7. Upon completion of each paragraph in Section 3 above, the loan and all accumulated interest cost will be forgiven and no amount will be due and owing from Borrowers to the City on this loan.

8. Each of the parties to this Agreement is entitled to all remedies in the event of default or breach provided at law or in equity. Any forbearance by the City in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. Any notices or other communications required or permitted hereunder shall be in writing and shall be sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, addressed as follows:

If to the Borrowers: Whitnall Summit Company, LLC
Suite 600
1126 South 70th Street
West Allis, WI 53214
Attn: Richard G. Carlson, President

Richard G. Carlson, Individually

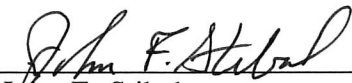
If to the City: City of West Allis
7525 West Greenfield Avenue
West Allis, Wisconsin 53214
Attn: Director of Development

All such notices or other communications, if mailed, shall be deemed given three (3) days after having been posted.

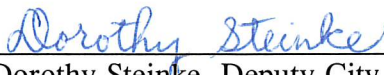
10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned without the prior written consent of the other parties.

11. This Agreement and the performance of transactions contemplated hereby shall be governed by, construed and enforced under and in accordance with the laws of the State of Wisconsin.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date, month and year first above written.

By: 
John F. Stibal,
Director of Development

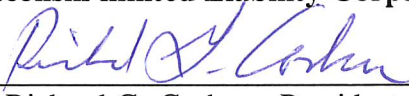
Countersigned at West Allis, Wisconsin this 11th day of March, 2003, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.


By: 
Dorothy Steinke, Deputy City Clerk/Treasurer

RICHARD G. CARLSON, Individually

By: 
Richard G. Carlson

WHITNALL SUMMIT COMPANY, LLC
A Wisconsin limited Liability Corporation

By: 
Richard G. Carlson, President

By: 
Anthony Henika, Legal Counsel as Witness

Approved as to form this 11 day
of March, 2003.


Scott E. Post, City Attorney

EXHIBIT "A"

RENOVATION & NEW CONSTRUCTION COST ESTIMATE

Column 1	Column 2		Column 3		Column 4
	New Construction		Renovation		TOTAL
	New Office - 44, 000 sq ft		7 Shop - 25,000 sq ft		
Item Description	Area A		Area B		Total Investment \$
	\$/sq ft	Total \$	\$/sq ft	Total \$	
A. Building Improvements					
1 Elevators/Stairwells			\$5.00	\$125,000	
2 Windows			\$3.60	\$90,000	
3 Roof			\$7.00	\$175,000	
4 Internal Demolition			\$1.50	\$37,500	
5 Flooring			\$5.00	\$125,000	
6 Toilets			\$2.60	\$65,000	
7 Fire Protection/Sprinklers			\$1.25	\$31,250	
8 Electrical Power/Distribution			\$5.00	\$125,000	
9 Lighting			\$4.00	\$100,000	
10 Tenant Improvements			\$20.00	\$500,000	
Subtotal	\$80.00	\$3,520,000	\$54.95	\$1,373,750	\$4,893,750
B. Parking Lot Improvements					
1 Land	\$2.00	\$88,000	\$1.00	\$25,000	\$113,000
2 Asphalt	\$2.00	\$88,000	\$1.00	\$25,000	\$113,000
3 Parking Lighting/Landscape	\$0.50	\$22,000	\$0.50	\$12,500	\$34,500
Subtotal	\$84.50	\$3,718,000	\$57.45	\$1,436,250	\$5,154,250
C. Contingency (15%)	\$12.68	\$557,700	\$8.62	\$215,438	\$773,138
D. A&E Fees (6%)	\$5.83	\$256,542	\$3.96	\$99,101	\$355,643
Grand Total	\$103.01	\$4,532,242	\$70.03	\$1,750,789	\$6,283,031

March 11, 2003

Richard G. Carlson, Individually, and
Richard G. Carlson, President
Whitnall Summit Company, LLC
Suite S106B
1126 South 70th Street
West Allis, WI 53214

Dear Mr. Carlson:

Pursuant to your application and information provided by you or to be provided, the Common Council of the City of West Allis ("City") hereby agrees to make a loan to you, or a corporation to be formed by you, in accordance with the Loan Agreement and the following specific terms and conditions:


1. Borrowers. The Borrowers shall be Richard G. Carlson and Whitnall Summit Company, LLC, a Wisconsin Corporation.
2. Project. Loan proceeds are to be used for renovation costs relative to the redevelopment of the Shop 7 Building located at 6737 W. Washington Street, West Allis, Wisconsin.
3. Loan Amount. The loan amount shall not exceed Three Hundred Thousand Dollars (\$300,000.00). The loan will be evidenced by a loan agreement payable by the Borrowers to the City. A copy of the loan agreement is attached hereto and incorporated herein.
4. Interest Rate. The interest rate shall be 5 %. Interest shall be computed on the outstanding principal balance for the actual number of days, which have elapsed from the date of each advance calculated on the basis of a 360-day year.
5. Term. (see "Maturity Date").
6. Payments. Payments on principal and accrued interest shall be deferred until the date of maturity, at which time all outstanding principal and accrued interest shall be due and payable in full.
7. Loan Processing Fee. The loan-processing fee is waived.
8. Maturity Date. This loan shall mature on July 1, 2005.
9. Closing Date. The loan shall close on or before July 1, 2003.
10. Security. Unsecured.

Richard G. Carlson, President
March 11, 2003
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11. Prepayment Privilege. The loan may be prepaid, in whole or in part, at any time without penalty or restriction.
12. Disbursement of Loan Funds. The City will disburse loan funds, in one principal amount of the loan at loan closing.
13. Other Special Conditions. The loan and all accumulated interest cost will be forgiven if the Borrowers comply with all of the following conditions prior to the Maturity Date:
 - A. Borrower completes the renovation of 25,000 sq. ft. of office space within Shop 7 in a total amount of not less than 75 % of the currently estimated cost of One Million Seven Hundred Fifty Thousand Seven Hundred Eighty-Nine Dollars (\$1,750,789);
 - B. Borrower constructs 44,000 square foot new office immediately abutting Shop 7, in a total amount of not less than 75 % of the currently estimated cost of Four Million Five Hundred Thirty-Two Thousand two Hundred Forty-Two Dollars (\$4,532,242);
 - C. Borrower completes all the above noted renovation and new construction by July 1, 2005.
14. Survival. This commitment and all of its terms and provisions shall survive the closing and shall not be merged into any of the Loan Documents.
15. Entire Agreement. This commitment, with attachments, contains the entire agreement of Borrower and City with respect to the Loan and supercedes all other prior agreements of Borrower and City, whether oral or in writing. No change in the provisions of this commitment shall be binding unless in writing and executed by Borrower and City.
16. 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 Borrowers of the terms and provisions contained herein, together with the Borrowers' execution of the Loan Agreement, evidenced by the Borrowers properly executing the documents and delivering them to the office of the undersigned on or before July 1, 2003. If not so accepted, the City shall have no further obligation hereunder.

CITY OF WEST ALLIS

By:


John F. Stibal, Director
Department of Development

Richard G. Carlson, President

March 11, 2003

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ACCEPTANCE

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

Dated: 3/11/03

By: Richard G. Carlson

Richard G. Carlson, President
Whitnall Summit Company, LLC

Dated: 3/11/03

By: Richard G. Carlson

Richard G. Carlson, Individually

Received Acceptance:

By: John F. Stibal
John F. Stibal
Director of Development

Date: 3-11-03

Attachments