

10/31/2017

Dear Economic Development Commission,

RE: Transfer from Stizo LLC to The Hub on 6th LLC and conversion to condominiums

We are requesting two items to be addressed by the Economic Development Commission. The items are transfer of ownership from Stizo LLC to The Hub on 6th LLC and conversion to condominiums.

The current owner of 415 North 6th is Stizo LLC. Stizo LLC members are Paul Borsheim and Marvin Wanders. Stizo LLC is used by its members as a "holding company" for assets until such time a development can move forward and a single purpose entity (SPE) is formed to own a specific asset. Now, we are requesting to transfer 415 North 6th from Stizo LLC to The Hub on 6th LLC. The Hub on 6th LLC will be a SPE which will own 415 North 6th Street. The members of The Hub on 6th LLC are the same members with the same ownership percentages. The creation of a SPE is a common practice for financing and long term holding of assets.

The second issue is a request to create condominiums. Eighteen of these residential condominiums will occupy the top two floors of The Hub on 6th LLC and will be sold. We have been in communication with the Planning Department on this request and this request has their support. The Hub on 6th has a restrictive covenant on the building, which is attached. We will include this covenant in the Condominium documents as a restrictive covenant to each of the for-sale condominiums. The overall guarantee in the development agreement per section 2.6.b will remain the same dollar amount. The guaranteed value will be the total value of all the condominiums in the total project.

Very Truly Yours,



Marvin Wanders

Member, Stizo LLC and The Hub on 6th LLC

Attachment: Restrictive Covenants and Development Agreement

