

Dear Ms. Oswalt,

I am writing on behalf of November 6 Investments, LLC in order to petition for an exception to our agreement on for the Development Loan.

In short, we are requesting for access to our development loan in order to close on our construction loan as soon as possible and begin construction with in weeks.

We are aware that this is an unorthodox request and do not make it lightly. We are just looking for effective and efficient solutions to honor our commitment to you guys in a timely fashion. We could have closed on our loan today Tuesday, April 9, 2019; but pushed it to next week in order to try and find the cash we need to close.

Although our projections were accurate, conservative, and well founded, we could not have anticipated the issue we are currently facing. The issue arises as a direct consequence of a peculiarity in the calculation of "As is Value" of our building by the Bank's Appraiser:

Although we were optimistic of it appraising around \$60/sqft (>\$660k), our projections worked with a \$51/sqft (570k).

The appraiser valued our building at \$61/sqft

The problem is that the appraiser's method disregards basement space, he used only 2/3 (7430 sq.ft) of our 11,145 square feet! Bringing our value from \$670k down to \$440k.

A reduced \$/sqft could possibly be justified for regular basements destined for storage, that don't have elevator access or street access, etc.

Disregarding the small uninhabitable, short ceiling, crawlspace basements could also be justified.

Our "basement" however is not a typical basement. It has 13ft ceilings, elevator access, direct street access to November 6 (6 steps), two egresses, climate control, sprinklers, and is 100% destined for occupation.

As a consequence, we now find ourselves, postponing the loan closing that we have been fighting for, for months, in order to try and find any viable way to bridge the cash flow gap so that we have the equity that is required to close on this loan!

We believe that access to our DMC Development loan is the most viable and timely potential solution out of all the strategies that we have formulated. We are very willing to make concessions, guarantees, provide any information, etc., in order to make this work. We are anxious to get to building.

Thank you so much for your time, consideration, and support; they have been invaluable in this process.

Sincerely,

Gabe Velasquez