

Community Planning & Economic Development

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March 29, 2007

MEMO TO: Chuck Lutz, Deputy Director

FROM: Bob Lind, Acting Chair, Development Finance Committee

SUBJECT: Development Finance Committee Recommendation Regarding Proposed
\$350,000 Commercial Corridors Revitalization Loan to Master Development

On March 29, 2007, the Development Finance Committee considered a staff report regarding the proposed \$350,000 Commercial Corridors Revitalization loan to Master Development Services for acquisition of 201 West Broadway.

The Committee recommends that the loan be approved with the following conditions:

- a maximum loan to value ratio, including the first and second mortgages, of 100 percent;
- a loan guarantee from Master Development Services;
- subordination of the lease to the mortgage; and
- a 1 to 1 debt coverage requirement.

cc: Lee Sheehy
Mike Christenson
Tom Daniel
Erik Hansen