
EDC meeting follow-up re: PT & 3-acre lot development

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Hope this finds you both rested and recovered after a great Thanksgiving holiday! I wanted to catch you up on what we've learned before the upcoming December EDC meeting.

Our last conversation concluded with us needing to meet with lenders to determine verbiage for the grant or lease agreement for the FM-1565 3-acre lot development. After meetings with multiple commercial lenders, the consistent message from them is that we would need to own the land that we are borrowing funds for construction, which the bank would then use as a lien for the loan. Both lenders suggested the portion of land needed for the phase 1 building be deeded to us so we would qualify for the commercial loan. They suggested the remaining ~2.4 acres be included in a grant or lease agreement for the future development phases. Moving forward with development, they suggested we repeat this process for remaining sections until all buildings are completed.

Sectioning the 3 acres would ensure each piece of property would be deeded only when a new commercial building is ready to be constructed. As long as the contract or lease agreement between us and the EDC is limited to the remaining unimproved land, we should be able to word the agreement to the liking of both parties. (ie. no additional deed until completed development of prior phase, timeframes for either the individual deeded sections or development of the entire 3 acres, etc)

Just so you know, I've requested a bid from CR Fabrication (our builder) to extend the initial building to accommodate a second tenant to share the building with PT (physical therapy will open immediately upon receiving the CO). This would assist with additional income to expedite phase 2 build, conserve the amount of land needed in the initial deed compared to building a completely separate building, and have us set up to bring another business to Caddo asap. I'd appreciate your thoughts and happy to answer any questions. Happy to jump on a call or feel free to reply to this email if that's easier.

Looking forward to hearing back from you!

Greg Johnson