



08/28/2019

## EVEN HOTEL ATLANTA

Special Communication

Dear Investor:

As you all are aware, we had an initial delay in the commencement of the construction as result of the finding of high voltage cables we found just days prior to the loan closing. We are now done with the issue and headed towards the closing of the loan to start construction. We are here providing a brief summary for your information and asking you to fund the final equity payment due before loan closing. A formal and complete report will follow.

### PROJECT STATUS

As result of a EDG meeting with all the local utilities companies on site as customary upon getting ready to start construction, we found underground high voltage electric lines going through our property slightly affecting two corners of the future building. During due diligence the title company nor our attorneys found any utility easement properly recorded. However, seems that according to Georgia law, after 1 year of any utilities going through a property without ownership raising complain, it becomes kind of a “silent” easement and therefore it becomes binding.

As a result of this situation we worked very hard and pulled the right contacts and key persons to produce a meeting at the highest level at Georgia Power to negotiate a solution. As a result of this, we could satisfactorily come up with a solution that allows Georgia Power not to move these heavy lines and agree on an utility easement with minimum impact to our project that will be fully explained on a separate comprehensive report to be sent out in the coming days.

We already obtained building permit and as we speak, we are expecting approval of the revisions to the building as required. We are ready to start construction as soon as we close the loan in the next 30 days.

### LOAN

The delay as explained above allowed enough time to pass where more favorable and competitive terms could be found in the market and as of August 20<sup>th</sup>, through various conversations with Hall Structured Finance, it was mutually agreed that Hall would allow us to transfer lenders to Peachtree via Stonehill, it's debt origination arm.

The approved Loan by Stonehill Strategic Capital is scheduled to close on or before September 30<sup>th</sup>, 2019 and groundbreaking will begin immediately after. No servicing fees.

## FINAL EQUITY INSTALLMENT

As per the Operating Agreement we need to collect the balance of the equity contribution at this time, so we kindly ask you to please proceed with the transfer of funds as we need these funds at this time in preparation to cover due diligence costs, close the loan and prepare for groundbreaking.

Funds must be wired to:

Account Holder: EDG Atlanta Equity, LLC  
Address: 20200 W Dixie Hwy Ste 908 Miami FL 33180  
Account Number: 287660382  
Routing Number: 267084131  
Bank: JP Morgan Chase

As always, should you have any questions or concerns, please do not hesitate to contact me.

**Stay updated with our projects and brand by visiting our website at**  
<http://www.epelboim.com>

**or following our social media channels**



A handwritten signature in black ink that reads "Noel Epelboim".

**Noel Epelboim / CEO**