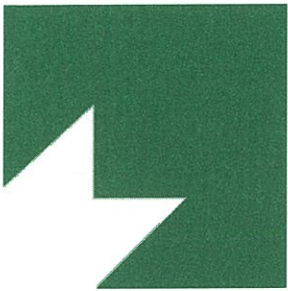


December 22, 2016



**Milwaukee
Development
Corporation**

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✓ The Honorable Theodore Lipscomb, Sr.
Chair, Milwaukee County Board of Supervisors
The Honorable Steve F. Taylor
Chair, Committee on Economic and Community Development
Milwaukee County Courthouse
901 North 9th Street
Room 201
Milwaukee, WI 53233

Dear Chairman Lipscomb and Chairman Taylor:

**RE: East Pointe Commons Project Agreement
Annual Status Report**

Under the provisions of the amendments to the East Pointe Commons Project Agreement, the Milwaukee Development Corporation and Mandel Group Inc., as the developers of the nine block Park East corridor, are to report annually to the Milwaukee County Board of Supervisors specifically on the status of Burns Commons and the north portion of "Block 9" of the former Park East freeway corridor.

Burns Commons

As you know, pursuant to a three-party agreement between MDC/Mandel, the City of Milwaukee, and Milwaukee County, funds for the improvements to Burns Commons come from the City through a Tax Incremental Financing District, the land is contributed by the County and MDC/Mandel, and the entire park will be conveyed to and operated by Milwaukee County. In the meantime, the park is being privately maintained at no cost to the County.

Block 9 North

This approximately 1.7 acre parcel is situated on the east side of North Prospect Avenue, immediately north of the Lake Bluff Apartments.

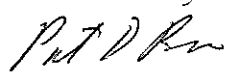
We have spent considerable time and investment planning for a high-rise luxury "apartment community" on this parcel. We have designed a high-rise

25 floors above grade apartment development for this site. We have bid the preliminary design drawings and are seeking debt/equity for the development. At the same time, we are currently evaluating the depth of the market for high-rise luxury apartments given the robust number of announced apartment developments downtown at the very highest end of the rental continuum.

We wish you a Happy Holiday Season and a Happy New Year.

Very truly yours,

MILWAUKEE DEVELOPMENT
CORPORATION



Pat O'Brien
President

MANDEL GROUP INC.



Barry R. Mandel
President

cc: Sheldon A. Wasserman, Supervisor-3rd District
John Dargle, Jr., Milwaukee County Parks Director
James Tarantino, Economic Development Director