

100 North Main

Downtown Memphis, Tennessee

Redevelopment Proposal

Prepared For:



**DOWNTOWN
MEMPHIS
COMMISSION**

BLOCK

REAL ESTATE SERVICES, LLC

SUNFLOWER[®]
— Development Group —

August 31, 2021

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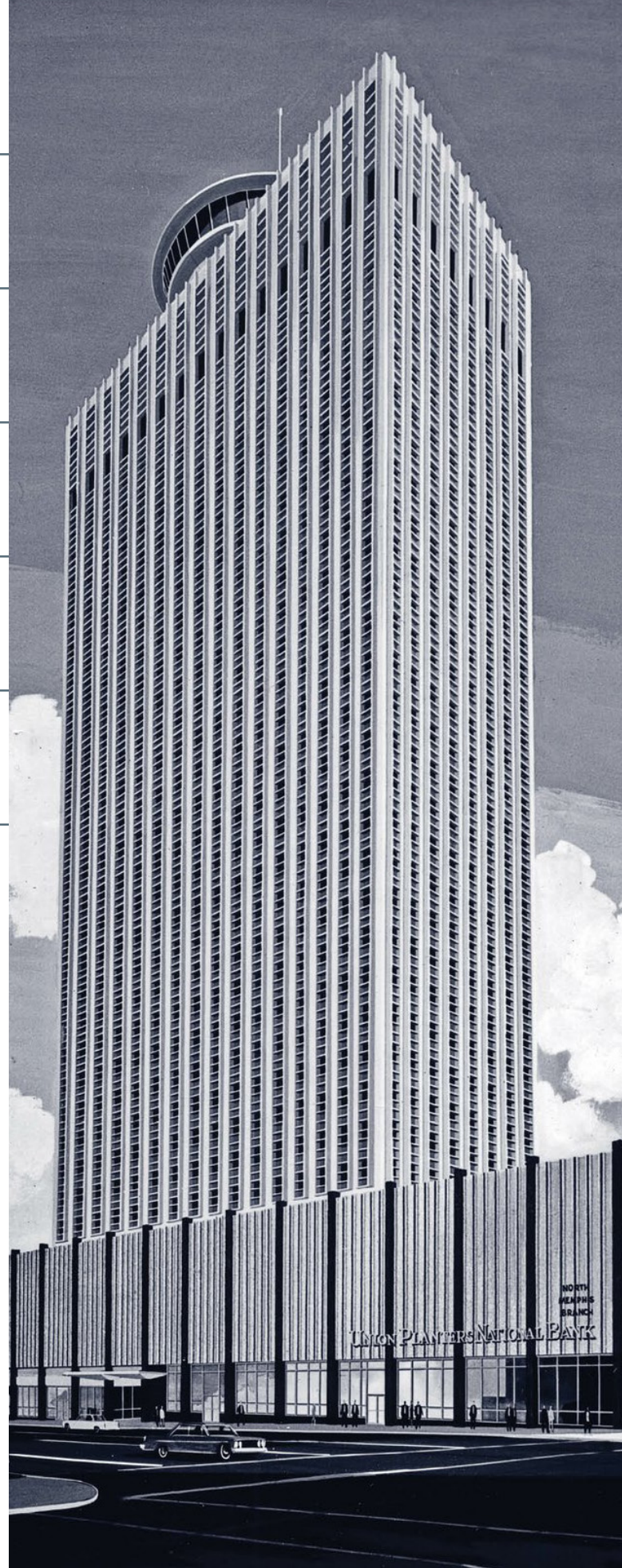
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COVER LETTER

August 31, 2021

Brett Roler
VP Planning & Development
Downtown Memphis Commission
1114 N. Main Street, Memphis, TN 38103

RE: Proposal for Redevelopment of The Historic 100 North Main Tower in Downtown Memphis, TN

Dear Brett:

Thank you for the opportunity to present the following Proposal for the exciting opportunity to lead the redevelopment of 100 North Main, a signature, historic asset that has long been a defining feature of the Memphis skyline.

Our team, Block Real Estate Services, LLC [BRES] and Sunflower Development Group, [SDG] is pleased to present the following detailed package with inspiring concepts, comprehensive development terms, firm qualifications, timelines, and an inclusive summary of our dual-experience in similar historic renovations across the country.

BRES and SDG, both individually and in Joint Venture form, have completed the historic renovation of numerous buildings through creative and successful partnerships with communities across the United States. BRES, a traditionally long-term owner of real estate assets, currently has over 43 million square feet of commercial space under ownership and management including 10,203 units of multifamily. Sunflower Development Group has completed the historic renovation of 16 structures, each utilizing the federal historic tax credit program, and have completed nearly half a billion dollars worth of real estate development in the past ten years. Our firms have proven experience achieving the modern-day, highest-and-best-use of historic assets in need of strong, strategic capital investment. Collectively, BRES and SDG have completed multiple creative redevelopments with an emphasis on historic renovations and P3 Public/Private Partnerships. Together, are uniquely qualified to navigate the full spectrum of putting together the right deal structure for 100 North Main. Our team is well-informed and qualified to navigate every element of the redevelopment process, including engaging the right architects, engineers, and consultants, defining the best debt/equity structure, working through the building design, forming the right partnerships, obtaining the needed incentives programs, and providing the capital and oversight to bring each venture through to the finish line. Our team would be happy to provide references from each City in which we have completed redevelopment projects that are featured throughout this proposal package.

We have truly enjoyed working with everyone involved in this one-of-a-kind project and were very impressed with the vision and effort put forth by the DMC in pursuing the restoration of 100 North Main to its former standing in Downtown Memphis. This building's considerable size, floor plates, and facade lend it to appeal to a wide variety of potential uses, including multifamily, hospitality, office, and retail. We're motivated and excited to start working together with your team to investigate the best way to revive this historic landmark back to its full potential and beauty.

Please feel free to reach out at any time via my contact information below, we look forward to future discussions.

Sincerely,



Aaron M. Mesmer
Senior Vice President, Development and Acquisitions
Block Real Estate Services, LLC



Jason Swords
Principal
Sunflower Development Group, LLC

DEVELOPMENT TEAM

The team of Block Real Estate Services, LLC and Sunflower Development Group are well suited for this project. The organizations along with the individual members of the organizations who will be directly involved in the redevelopment of 100 North Main are detailed below. There are no conflicts or current commitments that would impede our ability to complete this project.



Block Real Estate Services, LLC (BRES) is a full-service commercial real estate brokerage and development company managing over 43 million square feet of retail, office, industrial, and multifamily properties for equity partnerships and third party owners. Our development division has developed over 325 office, industrial, retail, and medical buildings totaling over \$4.0 billion.



Sunflower Development Group transforms overlooked real estate into thriving places of community and commerce. Our team of consultants and development partners work with our clients to build iconic spaces that blend past, present and future. We provide a wide range of design, consulting and management services that improve the urban experience in metropolitan areas across the country.



DEVELOPMENT TEAM

BLOCK

CONSTRUCTION SERVICES

A BLOCK REAL ESTATE SERVICE

Block Real Estate Services, LLC (BRES) is a full-service commercial real estate brokerage and development company managing over 43 million square feet of retail, office, industrial, and multifamily properties for equity partnerships and third party owners. Our development division has developed over 325 office, industrial, retail, and medical buildings totaling over \$4.0 billion.



BLOCK

MULTIFAMILY GROUP

A BLOCK REAL ESTATE SERVICE

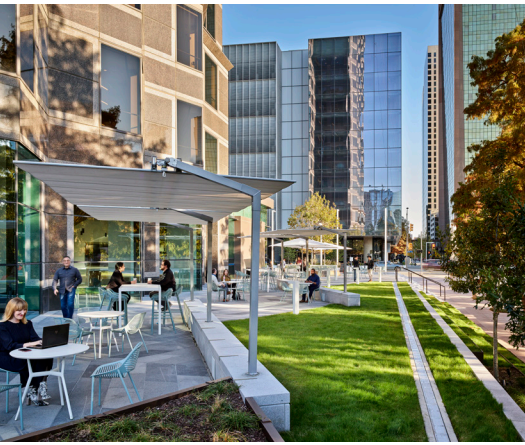
Block Multifamily Group (BMG) provides full-service multifamily management in a wide geographic area and to a wide range of assets, from Market Rate to Affordable Housing and HUD program sites. BMG's success is the result of our commitment to achieving a high level of ownership and resident satisfaction.



DEVELOPMENT TEAM



HOK is a global design, architecture, engineering and planning firm. We design buildings and spaces that respond to the needs of people and the environment. Our designers are rooted in technical excellence, driven by imagination and focused on a solitary goal: to deliver solutions that inspire clients and communities.



DEVELOPMENT TEAM: INDIVIDUALS



KENNETH G. BLOCK, SIOR, CCIM
SENIOR VICE PRESIDENT
DEVELOPMENT & ACQUISITIONS



Kenneth G. Block is the managing principal of Block Real Estate Services, LLC. He entered the real estate field in 1975.

Ken specializes in investment sales and the development of industrial, office, business park, and multifamily properties. To date, he has developed over 340 buildings with a total value of more than \$4.8 billion. Ken has also been heavily involved in the representation of REITs, pension funds advisors, and insurance companies in both acquisition and disposition of real estate properties. Over his career, he has been involved in more than \$5.3 billion of property sales and dispositions in all asset classes. He has also been involved as a consultant and/or developer in numerous build-to-suit projects for national companies, including General Electric, IBM, AT&T, Harte-Hanks Communications, Inc., Corporate Express, Xerox, Amazon.com, Kiewit Corporation, Teva Pharmaceuticals, WellSky, Mariner Wealth Advisors, and many others. In addition, Ken is currently the managing member of nearly \$1.9 billion of property including Pine Ridge Business Park, a \$150 million, 223-acre, mixed-use business park, CityPlace, a \$400 million mixed-use development, and Galleria a \$350 million mixed-use development. BRES also leases one of the premier office parks in the country, the 2.2 million square foot Corporate Woods Office Park.

Ken is thoroughly knowledgeable in all aspects of real estate brokerage, development, construction, financing, syndication, leasing and marketing. He has been quoted on numerous occasions in well-respected publications, including: The Wall Street Journal, The National Real Estate Investor, Forum, Midwest Real Estate News, Business Facilities, Commercial Property News, Real Estate Today, Corporate Report, Ingram's, Kansas City Business Journal, Kansas City Star and many others. He has also been a guest speaker at many prominent real estate symposiums for over four decades.

Ken currently is an active industrial member of SIOR and a member of CCIM. He recently served for years on the editorial advisory board of Midwest Real Estate News. He has served as Secretary, Vice Chairman, and Chairman of the Commercial Investment Branch of KCRAR, Director of the Metropolitan Kansas City Real Estate Board, Director of the Missouri Association of Realtors, President of the Kansas City Chapter of NAIOP, Regional Vice President of NAIOP and Secretary/Treasurer of the Western Missouri-Kansas SIOR Chapter. Ken is involved in the Kansas City, Missouri Chamber of Commerce, Kansas City, Kansas Chamber of Commerce, Lenexa Economic Development Council, Lenexa Chamber of Commerce, Overland Park Chamber of Commerce, the Kansas City Area Development Council, and a host of other economic and development organizations.

Ken is a supporter of many local and regional charitable enterprises including American Cancer Society, American Royal, Boys & Girls Club, Business Council – Nelson Atkins Museum, Children's Mercy Hospital, Children's TLC, Heart of America Boy Scouts Council, Hope House, Kansas City Art Institute, Kansas City Ballet, Kansas City Symphony, Kansas City Zoo, Kemper Museum, Nelson Atkins Museum Society of Fellows, New Reform Temple, University of Kansas Hospital and is a Board Member for the Allen J. Block Scholarship Fund at the Lewis White Real Estate Center at the UMKC Henry W. Bloch School of Management. Ken serves as a founding member of ReNew KC Neighborhoods, a 501(c)(3) with the mission of Renovating, Restoring, and Renewing blighted Kansas City Metro neighborhoods and working to relive the housing crisis that exists among the homeless veteran, impoverished, and elderly population in our community.

Ken's recent accomplishments include: in 2010, the first ever "Allen J. Block Realtor of the Year" Award by the Kansas City Regional Association of Realtors, the 2010 Commercial National Award from the National Association of Realtors, a Top

DEVELOPMENT TEAM: INDIVIDUALS

Sales Producer Rainmaker by Ingram's Magazine, in addition to being selected as an inaugural member of the Commercial Real Estate Hall of Fame by Midwest Real Estate News. Ken is a Life Member of the Kansas City Metropolitan and Missouri Multi-Million Dollar Clubs. He has been selected Realtor Associate of the Year for Metropolitan Kansas City Board of Realtors, nominated for Realtor Associate of the Year in the Missouri Association of Realtors, named to Who's Who in Real Estate in America and elected as an Outstanding Young Man in America. Additionally, he was selected as one of the top 31 Brokers in America by the Commercial Property News, and a commercial broker Allstar by Real Estate MidAmerica magazine.

In 2011, Ken received the first ever Jim Davis award by the Kansas City Business Journal, which was given in memory of former Kansas City Business Journal real estate/development reporter Jim Davis. Ken was selected because of his 39 years of leadership in the community and his passionate commitment to development throughout Metropolitan Kansas City. The award seeks to recognize those outstanding real estate leaders whose efforts made a significant difference in the community.

In 2013, Ken received the National Award from the National Association of Realtors for outstanding achievements in the real estate industry. In 2014, he was chosen as one of the Top Real Estate Dealmakers in Commercial Real Estate in the United States and has been selected from 2014 through 2020 as one of the Power 100 in Kansas City by the Kansas City Business Journal.

From 2015 through 2020, Ken has been named one of KC's 50 Most Powerful People by the Kansas City Business Journal.

In 2016, Ken was recognized as Big Brothers Big Sisters Man of the Year. Also in 2016, Ken accepted the first ever Founders Award from Mutual of Omaha Bank for outstanding service and dedication to the community.

Ken has been recognized by Ingram's as one of the 250 Most Powerful Business Leaders in the Kansas City Area in 2016 through 2020.

In 2019, Ken was listed on the Business Journals' Influencers: Commercial Real Estate, a national list that spotlights the top 100 notable executives making moves in the CRE space in cities throughout the country.

In 2020, Ken was awarded the first ever Power Player award by the Kansas City Business Journal.

In 2021, Ken was named as one of the 50 Kansans You Should Know by Ingram's Magazine.

Ken graduated with honors from the Honors College of Michigan State University. He resides in Mission Hills, Kansas, with his wife, Lisa, and has four children: Chandler, Andrew, Cameron and William.

DEVELOPMENT TEAM: INDIVIDUALS



AARON M. MESMER, CCIM
SENIOR VICE PRESIDENT
DEVELOPMENT & ACQUISITIONS



Aaron M. Mesmer joined Block Real Estate Services, LLC (BRES) in 2005 as an investment sales specialist focused on achieving maximum returns for his clients through the acquisition or disposition of real estate assets. Since joining BRES, Aaron has been involved in real estate transactions valued at more than \$1.3 billion. Aaron has also been involved in developments encompassing more than 575 acres with planned development including 3,100,000 square feet of industrial space, 1,200,000 square feet of office space and 4,100 units of multifamily and senior housing development.

Signature developments include:

- CityPlace, Overland Park, Kansas
95 Acre Mixed-Use Community at College Boulevard and 69 Hwy
- Galleria, Overland Park, Kansas
37 Acre Mixed-Use Community at Nall Avenue and 112th Street
- Avenue One, Omaha, Nebraska
200 Acre Mixed-Use Community at Dodge and 192nd Streets
- WaterCrest, EdgeWater and WaterSide Apartments, Lenexa, Kansas
956 Multifamily Units Combined
- The Grand, Kansas City, Missouri
Historic High-Rise Restoration, 2019 Capstone Award
- The Equitable Building, Des Moines, Iowa
Historic High-Rise Restoration, 2018 William J. Wagner Historic Preservation Award
- 531 Grand, Kansas City, Missouri
Mixed-Use Development, 2019 Capstone Award



WILLIAM A. BLOCK, CCIM
VICE PRESIDENT - DEVELOPMENT



William Block joined Block Real Estate Services (BRES) in 2018 as the assistant Manager of development. With a specialization in multifamily, industrial, and office development, financial analysis, and investment sales, William consults with individuals ranging from project managers, engineers, architects, designers, consultants, and city officials on new developments. He has been involved in developments, acquisitions, dispositions, and leasing activity with a total value in excess of \$1 billion USD. William has also contributed directly to developments encompassing more than 350 acres with planned development including >5 million square feet of industrial space and 3,500 multifamily units. Since joining Block, William has earned his Certified Commercial Investment Member (CCIM) designation as a recognized expert in the disciplines of commercial and investment real estate. He was also selected as a member of the 2020 Ingram's Magazine Twenty in their 20's class of honorees.

Signature developments include:

- The Villas at WaterSide, Overland Park, Kansas
296 Unit Multifamily Community
- 44 Washington North Plaza Residences and The Villas at 44 Washington, Kansas City, Missouri
196 and 8 Unit Multifamily Sister Properties North of the Country Club Plaza
- Lenexa Logistics Centre East, Lenexa, Kansas
1.2M SF Master-Planned Industrial Distribution and Logistics Park
- Lenexa Logistics Centre North Phase II, Lenexa, Kansas
1.7M SF Master-Planned Industrial Distribution and Logistics Park

DEVELOPMENT TEAM: INDIVIDUALS



JASON SWORDS
PRINCIPAL



Jason Swords has served as a Principal of Sunflower Development Group, LLC since it was founded in 2008. After graduating from the University of Kansas with degrees in Business and Psychology he started working in the Martini Corner entertainment district of midtown Kansas City. Eventually, following various rehab jobs, he found himself in charge of a number of local businesses housed in the rehabbed structures.

In 2005, Jason struck out on his own to pursue a career in real estate. After obtaining a real estate sales and mortgage license, and working for a broker for two years, he purchased his first commercial property. Around this time he undertook his first historic redevelopment, gaining a true education in National Historic Register and historic tax credit programs. He developed a strong passion for the work and sense of pride that comes with the preservation of a historic structure.

To date Jason has been involved in approximately \$500 million of new and historic commercial real estate development projects.

Jason currently serves on:

Kansas City Missouri Downtown Council Executive Board
Downtown Council Development Committee
Kansas City Streetcar Authority - Executive Board Member
Shepherd's Center of Kansas City - Board Member
Southtown Council - Board Member



MARK MOBERLY
DIRECTOR OF DEVELOPMENT



Mark Moberly joined Sunflower Development Group in November 2011, focusing on the firm's lending relationships and internal project budgeting. Today, he is intimately involved in business development and project management, often negotiating tax credit investors, soliciting loan proposals and securing private investors.

To date Mark has been involved in approximately \$350 million of new and historic commercial real estate development projects.

Mark started his career in banking in the Kansas City area. His role has grown to all areas of the company, now heavily involved in business development and overall project management.

Mark lives in downtown Kansas City and is active in a number of charitable groups and social activities, including the Kansas City Chamber of Commerce's Centurions program.

DEVELOPMENT TEAM: INDIVIDUALS



BRAD S. SIMMAR, CCIM
EXECUTIVE VICE PRESIDENT



Brad Simma joined Block Construction Services, LLC (BCS) in June, 2003. He is a graduate of Pittsburg State University's School of Engineering and worked in the Engineering field for three years prior to joining Block.

Brad received his designation as a Certified Commercial Investment Manager through the CCIM National Institute in 2010.

Awards Brad has received include Ingram's 40 Under Forty (2017) and the KC Business Magazine's Rising Stars (2011).

Since joining Block Construction Services, Brad Simma has managed construction and development projects totaling in excess of \$1B. Projects include office, industrial, distribution, multifamily, retail, medical office buildings, and mixed-use facilities. The ability to manage this depth of product stems from both the hard work that he is willing to put into a project and the knowledge that he has acquired working in the construction field. Because of his attention to detail, the company has been able to expand into handling all aspects of owner representation including site selection, entitlements, incentive negotiations, pre-construction services, contract negotiation, debt/equity, and contract administration.



JASON CHARCUT
PRESIDENT



Jason Charcut joined Block Multifamily Group (BMG) in 2018 as Asset Manager of Multifamily and became President in 2020. He is responsible for leading the strategic planning, implementation and operations of the multifamily management platform with a focus on achieving cash flow, occupancy, and the overall performance of the assets under his management. As a results-oriented property management professional for over (15) years, Jason possesses a wide knowledge base of management and operational experience in development, value add, student, mid-rise, high-rise, garden and townhome communities. He has developed and executed numerous efficiency programs to improve profitability and accountability within the organizations he has worked, which has led to a consistent track record of increasing the value of assets under his leadership. Jason is a graduate of The University of Kansas with a Bachelors of Science degree in Strategic Communications. He has received professional designations through the National Apartment Association including Certified Apartment Manager (CAM), and Certified Apartment Property Supervisor (CAPS).

DEVELOPMENT TEAM: INDIVIDUALS



PETER SLOAN, JR., AIA, IIDA
SENIOR PRINCIPAL, DIRECTOR OF DESIGN, INTERIORS

Peter Sloan is a Senior Principal at HOK with more than 30 years of experience leveraging the built environment to shape organizations, communities and districts. His humanistic, “inside-out” design philosophy has been integral to not only his clients, but the organizations and non-profits with which he works. His approach prioritizes immersion in the intricacies of an organization to provide long-term value and advance the client’s brand through design. This carries into Peter’s approach to his work with professional organizations and non-profits, including The Rabbit Hole, Brookside Soccer Club and as past president of the Kansas City chapter of the American Institute of Architects.



LYNN CARLTON, LEED AP
PRINCIPAL, REGIONAL DIRECTOR OF PLANNING

Lynn Carlton, Regional Leader of Planning for HOK’s Kansas City studio, is the 2021 Chair for the Downtown Council of KC and is a nationally recognized expert on urban design and development. She brings more than 20 years of experience in urban planning and design. Throughout her career, she has been involved in a variety of planning, design and urban landscape projects. She is well versed in comprehensive planning for downtown corridors, mixed-use developments, urban districts, health and wellness districts, urban campuses, and regional sustainability planning. Lynn works closely with all types of stakeholders to develop common ground, to resolve barriers to implementation, and to inspire concerted action toward a shared vision.



ERIC LINEBARGER, IIDA, LEED AP
SENIOR ASSOCIATE, SENIOR PROJECT DESIGNER

As a design leader in HOK’s Kansas City office, Eric Linebarger has successfully executed renovation and new construction projects ranging in size from 2,000 to 250,000 sq. ft. His portfolio of work includes civic, corporate, multi-family residential, and adaptive reuse projects. His portfolio of work reflects his ability to transform the business objectives of an organization into a tangible environment that celebrates their culture and brand heritage. Eric’s design acumen is complemented by his commitment to maximizing space efficiency and gaining the greatest value for his clients’ investment.



PETER SLOAN, JR., AIA, IIDA
SENIOR PRINCIPAL, DIRECTOR OF DESIGN, INTERIORS

As Senior Project Designer, Jake Baker uses his expertise in multi-faceted facility design to create innovative design solutions for mixed-use districts, residential, workplace, civic and cultural projects. Jake’s understanding of client goals and genuine sense of relationship throughout the process enables him to create memorable, responsive, and functional designs, while considering the existing architectural context and how the end product realizes the vision of the client.



ZACH O’KEEFE, PLA, ASLA
LANDSCAPE ARCHITECT

Zach O’Keefe’s portfolio of experience has largely centered on providing landscape design for commercial and multi-family residential projects. In addition to design coordination and documentation, Zach has experience coordinating across municipalities and other agencies to move projects through the public approval process. On every project he is committed to developing sustainable design strategies in support of functional requirements.

DEVELOPMENT TEAM: ORGANIZATIONAL CHART

100 N. MAIN

CO-DEVELOPERS



TECHNOLOGY



CONSTRUCTION MANAGEMENT



MULTIFAMILY LEASING



ARCHITECT



GENERAL CONTRACTOR

TO BE
SELECTED

CIVIL ENGINEER

TO BE
SELECTED

ENTITLEMENT AND LEGAL TEAM

TO BE
SELECTED

RELEVANT EXPERIENCE: THE EQUITABLE, DES MOINES, IOWA



Name	The Equitable
Location	604 Locust Street Des Moines, Iowa 50309
Built/Renovation Date	1924/2017
Owner	BRES Sponsored Entity
Project Size and Program	19-story gothic office building converted to 146 Multifamily Units and 26,000 SF Office and Retail Space
Total Development Budget	\$43,500,000
Financing Strategy and Capital Stack	Combined developer equity with historic tax credits and HVD22104 loan.
Incentives	10 Year property tax abatement and abatement of sales tax on construction materials.
Project Reference	Aaron Mesmer
Project Awards	2018 William J. Wagner Award <i>State Historic Preservation Office</i>



Timeline

DECEMBER 2014 - BRES Acquires Site and Closes Financing.

JULY 2015 - Construction Renovations Commenced.

MARCH 2016 - Pre-leasing Efforts Begin.

OCTOBER 2016 - Completion Amenities and First Residential Units.

DECEMBER 2016 - Building Placed In Service.

APRIL 2017 - Construction Completion.

AUGUST 2017 - Reached 95% Residential Occupancy.



RELEVANT EXPERIENCE: THE GRAND, KANSAS CITY, MISSOURI



Name	The Grand
Location	1125 Grand Boulevard Kansas City, Missouri 64106
Built/Renovation Date	1962/2018
Owner	BRES and SDG Sponsored JV (Similar setup being proposed for 100 North Main Redevelopment)
Project Size and Program	21-story, midcentury modern office building converted to 202 multifamily units and 11,000 SF of retail and office space with a 110-space parking garage
Total Development Budget	\$67,500,000
Financing Strategy and Capital Stack	Combined developer equity with historic tax credits and traditional bank financing
Incentives	25-year property tax abatements and abatement of sales tax on construction materials
Project Reference	Aaron Mesmer and Jason Swords
Project Awards	2019 Capstone Award Winner <i>Kansas City Business Journal</i>



Timeline

- AUGUST 2016** - Site Acquisition.
- APRIL 2017** - Close Financing and Begin Construction.
- AUGUST 2018** - Pre-leasing Efforts Begin.
- NOVEMBER 2018** - Building Placed In Service.
- OCTOBER 2019** - Lease Up and Stabilization.



RELEVANT EXPERIENCE: AMBASSADOR HOTEL



Name	Ambassador Hotel
Location	1111 Grand Boulevard Kansas City, Missouri 64106
Built/Renovation Date	1912/2010/2019
Owner	SDG Sponsored Entity
Project Size and Program	Conversion of historic bank building to 183 hotel rooms (after 70 Room addition in 2019), 6,000 SF of event space and The American Reserve restaurant.
Total Development Budget	\$8,000,000/\$13,000,000
Financing Strategy and Capital Stack	Developer equity, historic tax credits, brownfields tax credits and traditional bank financing
Incentives	25 year tax abatement and CID
Project Reference	Jason Swords
Project Awards	2012 Cornerstone Award Winner <i>Kansas City Business Journal</i> Marriott Four Diamond Award Winner



Timeline

APRIL 2011 - SDG acquires the building.

MAY 2011 - Construction begins.

AUGUST 2012 - Hotel opens.

NOVEMBER 2012 - Construction of new building begins.

FEBRUARY 2020 - New building opens for guests.



RELEVANT EXPERIENCE: 46 PENN CENTRE



Name	46 Penn Centre
Location	4622 Pennsylvania Avenue Kansas City, Missouri 64112
Completion Date	2020
Owner	BRES Sponsored Entity
Project Size and Program	Newly constructed 215,000 SF office and 14,000 SF Ocean Prime and Prime Social restaurants on an infill site in KC's Country Club Plaza.
Total Development Budget	\$115,000,000
Financing Strategy and Capital Stack	Developer equity and traditional bank financing
Incentives	20-year tax abatement
Project Reference	Aaron Mesmer
Project Awards	2021 Capstone Award Winner <i>Kansas City Business Journal</i>



Timeline

- MARCH 2011** - BRES Acquires Site.
- JULY 2017** - Existing Utilities Relocated.
- APRIL 2018** - Construction Begins, Building Permit Issued.
- JUNE 2019** - Precast concrete garage completed and erection of structural steel commences.
- JANUARY 2020** - Exterior Architectural Precast completed.
- APRIL 2018** - TOC Issued
- SEPTEMBER 2020** - Construction Completion.

RELEVANT EXPERIENCE: PERSHING LOFTS



Name	Pershing Lofts
Location	215 W Pershing Road Kansas City, Missouri 64108
Built/Completion Date	1917/2015
Owner	SDG Sponsored Entity
Project Size and Program	Mixed Use - Office and Residential 55 Apartments 55,000 SF Commercial Office Space 110,000 Square Feet 240 Parking Spaces
Total Development Budget	\$21,000,000
Financing Strategy and Capital Stack	\$5 million in equity \$10 million in debt \$6 million in tax credits
Incentives	City of KCMO TIF
Project Reference	Jason Swords
Project Awards	N/A



Timeline

OCTOBER 2012 - First tour of the building.

MARCH 2013 - Building under contract.

OCTOBER 2013 - SDG acquires building and closes financing.

NOVEMBER 2013 - Construction renovation commences.

JULY 2015 - Renovation complete and building Placed in Service.

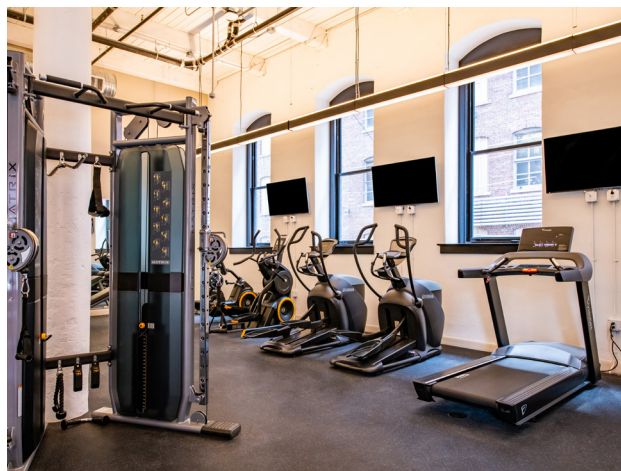
MARCH 2016 - Full occupancy achieved.



RELEVANT EXPERIENCE: AMERICAN ELECTRIC LOFTS



Name	American Electric Lofts
Location	302 N 3rd Street St. Joseph, Missouri 64501
Built/Renovation Date	1892/2021
Owner	SDG Sponsored Entity
Project Size and Program	140 market-rate apartment units
Total Development Budget	\$36,000,000
Financing Strategy and Capital Stack	\$15 million construction loan and \$12 million historic tax credit bridge loans. \$9 million private equity, \$6.5 million state historic tax credits (paid off bridge loan), \$5.5 million federal historic tax credits (paid off bridge loan)
Incentives	State and Federal tax credits Tax Increment Financing Chapter 100 Bond issuance by City of St. Joseph, MO for property tax abatement and sales tax exemption on construction materials Community Improvement District Utility Tax reimbursement
Project Reference	Jason Swords
Project Awards	2021 "Honor Award" <i>Missouri Preservation</i>



Timeline

- JANUARY 2017** - First tour of the building.
- MARCH 2017** - Building under contract.
- MARCH 2017 - DECEMBER 2017** - Historic tax credit process, public incentive process, design, bidding and financing.
- DECEMBER 2019** - Loan closing and construction start.
- FEBRUARY 2021** - Construction completion.
- MARCH 2021** - Occupancy.
- MARCH 2021** - Anticipated Full Occupancy.



DEVELOPMENT CONCEPT

1. Provide a general narrative of the proposed development concept and how it addresses the project goals and design principles. Describe any unique design elements or features of the development.

BRES and SDG have worked with HOK to design a vertically mixed-use urban community featuring retail, office, multifamily, and hospitality uses all under, and even on, one roof. Within this development plan, it is our team's intent to design, construct, and truly showcase a new, unique, and nationally recognized Class-A tower that revitalizes the surrounding area and overall community. We're confident that a building of this size will strongly support our intended and proposed elements, and 100 North Main will become a beacon of diverse use for Memphis.

Our current design features the following building sections and elements (detailed illustration on the following page):

Level 1-2 will be combined Retail/Office use with ample parking. This section of the project will fit the surrounding downtown Memphis context and improve the overall pedestrian experience of the community. In addition, on the site adjacent to the tower, we anticipate a Class A+ multifamily building with residential walk-up units and Main Street retail. This will provide a city-scale apartment experience that is separate from the tower and create additional living spaces for the urban population along with an active Main Street program.

Level 3-8 will be public parking that will support both the various uses within the tower and downtown growth in the area. On the Main Street side of the 8th Floor, we anticipate an active amenity area and pet park.

Levels 9-12 will feature Class-A office space in a highly desirable location with surrounding amenities and retail options at street level. It is anticipated that the City of Memphis would enter into a lease for this space.

Level 13-21 will be a hotel, which will restore an around the clock vibrancy to 100 North Main.

Level 22-33 is reserved for a residential use that will be a new beacon of community for the downtown area.

Level 34-36 will be an adaptive area set aside for multifamily residential penthouses creating an exclusive, upscale living destination.

Level 37 will feature hotel and residential amenities to ensure that residents and guests of the building have a truly Class A+ experience only an elevator ride away.

Finally, we're excited to restore the level 38 Rotating restaurant and revive an authentic landmark in Downtown Memphis.

2. Provide an overview of the market analysis and demand assumptions for the project.

Please see the market reports as generated by our team for analysis of these product types and uses at the below link. Upon request, our team can provide access to the full library of market data and internal analysis that strongly supports our intended uses for 100 N Main.

https://www.dropbox.com/sh/0gayce8xcwkm820/AAABYET8gxf0PoyV_X70F6Lqa?dl=0

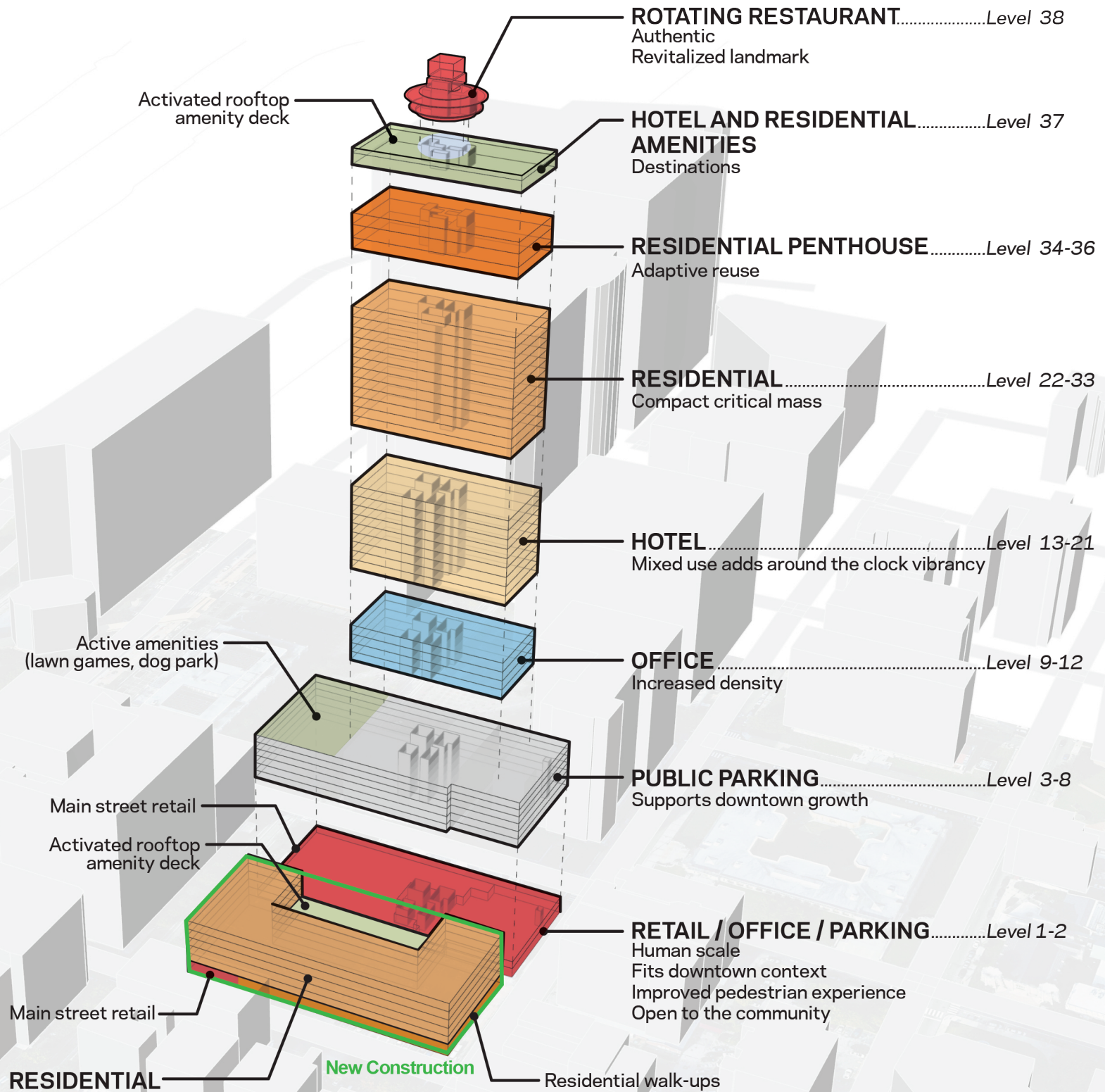
3. Indicate the estimated number of public parking spaces that will be included in the project.

This redevelopment will include the existing public parking spaces on Floors 1-8 that will serve the public and the building's various components as well as the newly constructed portion of the project upon completion.

4. Include any conceptual site plans, building elevations, floor plans, and project renderings as needed to communicate the development concept and design intent.

Please see page 21, 22 and 23

DEVELOPMENT CONCEPT



DEVELOPMENT CONCEPT

WALK-UP RESIDENTIAL



ACTIVATED STREETScape



AROUND THE CLOCK VIBRANCY



DESIGN EXCELLENCE



ENHANCE PUBLIC REALM



COMPACT CRITICAL MASS



*Not all images are HOK projects, to be used for representational purposes only.

DEVELOPMENT CONCEPT

UNIQUE EXPERIENCE



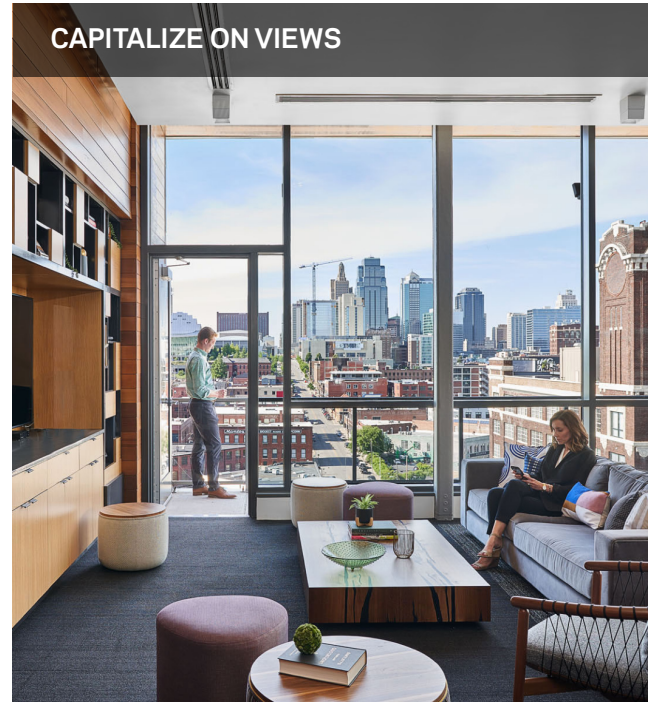
HUMAN SCALE



MIXED USE



CAPITALIZE ON VIEWS



INCREASED MOBILITY



SUSTAINABILITY FOCUS



*Not all images are HOK projects, to be used for representational purposes only.

DEVELOPMENT CONCEPT

5. Describe your strategy for meeting or exceeding the DMC's minimum 25% MWBE target for project hard and soft costs.

BRES and SDG have been successful in completing many projects that carried MWBE requirements. Our firms will take the time to assemble a strategically positioned team that will be best suited to meet these goals. We are confident that with the right people, we will be able to continue our successful development record with MWBE owners, consultants, vendors, and beyond. Our team will proactively take additional steps through the course of the project to maximize minority participation in each aspect of the redevelopment process.

6. Describe how the developer plans to pursue financing and equity investment for the redevelopment effort and leverage resources.

BRES and SDG have a long history of syndicating equity for hundreds of millions worth of projects and are excited to deploy existing investor pools to continue this success. Additionally, our team has established and tested relationships with institutional capital firms such as Carlyle, Nationwide, Hartford Life, Goldenrod, Family Offices, Pension Fund Advisors, REIT Funds, Life Insurance Companies and other potential equity providers.

BRES and SDG will leverage internal teams devoted to sourcing and planning of capital. Additionally, our firm's established relationship with lenders across the country will provide the opportunity to not only bid several options for financing, but to pursue creative structures that will be better suited to a unique project of this type.

7. Provide an estimated development budget indicating the likely costs of redevelopment of the entire site. This budget should include the purchase offer that will be made by the developer to the DMA/City as well as the estimated hard and soft costs. Provide a summary of the assumptions on which these estimates are based, such as previous comparable projects or estimates provided by contractors.

We anticipate the redevelopment budget for the existing tower to be approximately \$150,000,000. Of this total, approximately 75-80% would be hard costs and 20-25% would be soft costs. 100 North Main would be acquired by our team for \$0 as shown in the incentive Item 9 herein. Comparable projects will be made available upon request with the execution of a non-disclosure form. A Sources and Uses for the existing tower can be found on page 26.

We would also be glad to prepare a proposed Sources and Uses for the newly constructed residential and retail portion of the project as we continue to progress in the design and development of this building.

8. Explain the proposed capital stack and financing strategy. If possible, provide a Sources and Uses Statement estimating the amount of debt and equity by source.

This redevelopment will feature a standard capital stack, consisting of an equity component [cash] of about 30-35% of total costs and a traditional bank loan [debt] for the remainder. A Sources and Uses section can be found on page 26.

9. Provide a clear overview of identified/desired public incentives, if needed, in order to make the project viable.

After market research, financial analysis, and considerations of the project size, scope, BRES and SDG have determined the following Public Incentives will be conducive to a successful and strong redevelopment of 100 North Main:

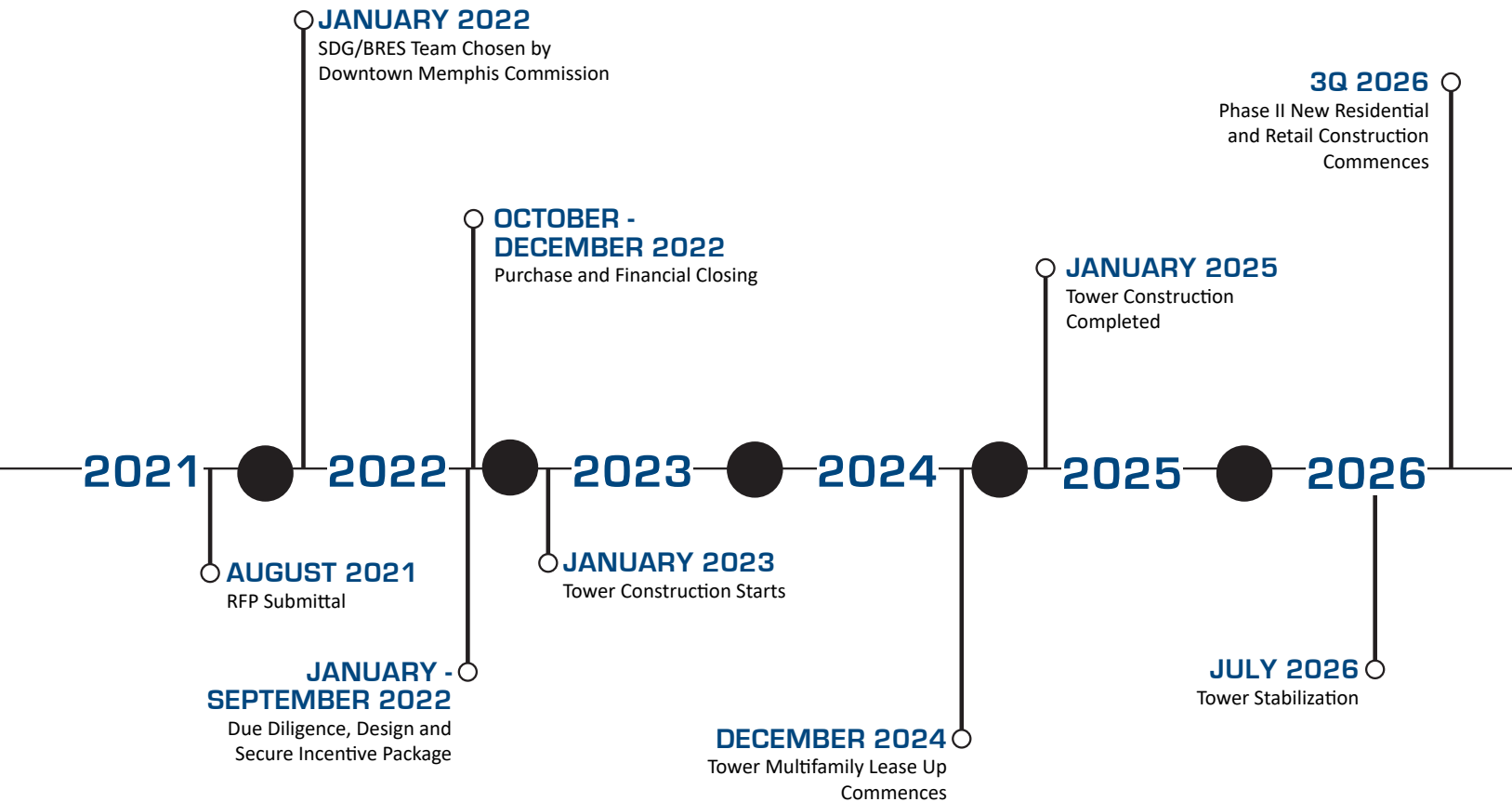
- 100% property tax abatement for 25 Years
- \$10,000,000 cash contribution from the City of Memphis
- 60,000 SF office lease under market terms with the City of Memphis
- City of Memphis, or the DMC, will repair, own and operate parking garage
- A Hotel/Occupancy Tax Recapture Program

We are glad to discuss possible incentive alternatives and believe that with the right Development Team and Community Incentive Program, 100 North Main can be properly restored to a truly world-class historic building.

DEVELOPMENT CONCEPT

10. Provide a project timeline with key milestones listed. Explain any project phasing, if planned.

We anticipate a 9-12 months of due-diligence prior to closing. The construction period will be about 2 years and the property will require 12-18 months upon completion of construction to reach full stabilization. At this time, and subject to due diligence, BRES and SDG do not expect to phase the construction process, but rather to complete the entire historic redevelopment of 100 North Main all at once. The construction of the new residential and retail building would likely be in a second phase.



11. Include an estimated value of the development when completed.

Once completed, we anticipate a stabilized value of approximately \$150,000,000 for the historic tower. The newly completed residential and retail building value remains to be determined depending on size, scope and market factors.

12. Provide an estimate of city and county property taxes that will be generated by the site following project completion.

Upon completion of the redevelopment of 100 North Main, the property is anticipated to be subject to a property tax abatement for 25 years. The structure will, however, house several hundred multifamily units and hotel rooms that will generate payroll taxes, sales taxes, and serve as a catalyst for additional economic growth in the Main Street corridor. Additionally, the street level retail will represent a source of sales taxes. Most importantly, the direct and economic benefit of this development on the surrounding residences and businesses will lead to a noteworthy increase in the taxable basis of properties in the area. This, in turn, will lead to even more activity, public and private investment, other local growth that will translate to taxable events. At the end of the 25 Year abatement term, 100 North Main will generate a significant property tax benefit that will be realized by the community.

DEVELOPMENT CONCEPT - PRELIMINARY TOWER BUDGET

Sources Detail

100 N. Main SOURCES	08/2021
Equity from the sale of Federal Historic Tax Credits	\$18,960,000
City of Memphis Cash Contribution	\$10,000,000
Traditional Loan Proceeds (70% of the remainder)	\$84,728,000
Cash Equity (30% of the remainder)	\$36,312,000
TOTAL	\$150,000,000

Project Costs Detail

100 N. Main SAMPLE & ESTIMATE PROJECT COST SHEET	08/2021	
LAND SF	87,120 SF	
ACRES	2.00 acres	
BLDG GSF	579,000 SF	
ACQUISITION COSTS:		
Land Purchase	\$0	
HARD COSTS:		
Shell Construction - Multifamily	<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div> <p>579,000 GSF</p> <p>X</p> <p>\$203.46 PSF</p> </div> <div style="margin-left: 20px;"> <p>\$117,805,450</p> </div> </div>	
Shell Construction - Office		
Shell Construction - Hotel		
Shell Construction - Retail		
Garage Renovation	To Be Paid by DMC	
SOFT COSTS:		
Land Closing Costs	\$375,000	
Construction Consultants	\$319,056	
Architectural	\$3,184,436	
Civil Engineering	\$476,488	
Interior Design	\$374,932	
FF&E	\$1,611,433	
Other [Historic Consultants, Certifications, Fees, Etc.]	\$639,173	
Legal	\$1,106,771	
BMG Start-up Fees / Marketing	\$1,893,845	
Taxes During Construction	\$952,367	
Construction Financing and Interest Costs	\$8,792,383	
Development Fee	4.00% of Total Project Costs	\$6,000,000
Construction Management Fee		\$468,665
Design and Construction Contingency	4.00% of Total Project Costs	\$6,000,000
SUB-TOTAL PROJECTED COSTS	\$150,000,000	
SUB-TOTAL PROJECTED COSTS PER GROSS BUILDING SF	GSF 579,000 SF \$179.65	

DIVERSITY AND INCLUSION

1. Describe your strategy for meeting or exceeding the DMC's minimum 25% MWBE target for project hard and soft costs. Identify the most likely opportunities for including Minority and Women-Owned Business Enterprise (MWBEs) in the project's ownership, design, and construction. Outline your proactive approach to identify qualified MWBE firms and solicit bids for all contracting and subcontracting opportunities.

It is the intention of BRES and SDG to share in this commitment to Diversity and Inclusion in order to increase the supply of opportunities to women-owned and minority businesses through the entirety of the redevelopment process. We stand committed to establish a diverse team of individuals to identify opportunities for this mission, through open and fair construction bidding, vendor selections, consultant interviews, etc. This team will proactively ensure the goals of our ownership, staff, and team members actively aligns with that of the Downtown Memphis commission and community. We will meet, or exceed, the DMC's minimum 25% MWBE target for hard and soft costs and dynamically present ownership opportunities to both our existing and potential future minority and female equity partners.

2. Indicate any additional steps that will be taken by the development team to maximize minority participation in the various stages of project ownership, development, operations, and employment when the project is completed. 3. Explain any MWBE ownership in the project. 4. Provide the name and contact information of the team member with primary responsibility for diversity, outreach, and inclusion.

Our team is committed to our goals of minority participation in each stage of project ownership, development, operations, and employment. We're excited to work with the Downtown Memphis Commission on the pursuit of inclusivity, hear the communities' goals for these requirements, and to remain dedicated to this mission through the entirety of this redevelopment project and beyond.

3. Explain any MWBE ownership in the project.

Currently, our existing investor pool features a large percentage of minority and women partners whom have participated with our team on previous projects. Additionally, many of our institutional investor partners place capital on behalf of pension funds which maintain a diverse portfolio of vested individuals.

4. Provide the name and contact information of the team member with primary responsibility for diversity, outreach, and inclusion

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