



May 23, 2023

Downtown Memphis Commission
114 N. Main Street
Memphis, TN 38103

Re: PILOT Lease, 421 Monroe Ave, Cycle Shop & Tomorrow Building

Dear Downtown Memphis Commission Board & Staff:

This letter and its attachments are submitted in conjunction with a formal request for the inclusion of the Tomorrow Building development in the PILOT lease at 421 Monroe Ave.

The Cycle Shop building and its adjacent lot were acquired by Chestnut Cycle Shop QOZB, LLC in February 2020, as the initial investment by Chestnut Opportunity Zone Fund, LP. Chestnut Opportunity Zone Fund is managed by Chestnut Funds, a real estate fund management firm located in Chattanooga, Tennessee. Chestnut Funds, founded in 2012, is registered with the Securities & Exchange Commission as an investment advisor firm.

Chestnut's acquisition of Cycle Shop aligns well with the fund's investment thesis, which is best described as the development or redevelopment of middle market (defined as \$5M – 20M in total asset value) commercial real estate properties that are anticipated to meet the fund's financial return objectives and meet a local community's defined needs. In the case of Cycle Shop, during our underwriting process, we determined that restoring the property for productive commercial use is consistent with the vision for the Edge District and consistent with federal legislation's goal of incentivizing new private investment in census tracts locally designated as Opportunity Zones.

In 2023, Chestnut Funds entered a joint venture with Aslan Holdings for Chestnut Cycle Shop QOZB's development of a 108-micro unit apartment building, called the Tomorrow Building, on the former parking lot adjacent to Cycle Shop. Chestnut and Aslan believe the Tomorrow Building's residential use and innovative model is complementary to the historic preservation and restoration of the Cycle Shop building and also consistent with the vision for the Edge District.

Formal Request to Include the Tomorrow Building in PILOT Lease

We are submitting this amendment to approve the additional scope of adding a Tomorrow Building on the adjacent lot to the Cycle Shop Building. The Tomorrow Building is a multi-family development geared towards knowledge workers, newcomers, empty nesters, graduate students, and other individuals in need of fully furnished units offered with all-inclusive, flexible lease terms. The Tomorrow Building concept was initially developed and successfully launched in 2016 in downtown Chattanooga's "Innovation District," a densely populated, centrally located neighborhood not unlike the Memphis Medical District; a second Tomorrow Building recently opened on Chattanooga's North Shore. In both cases, the concept serves a vibrant and dynamic community of tenants who value urban living, flexibility, and community. Memphis' Tomorrow Building will consist of approximately 108 studio and one-bedroom units, occupying six stories of new construction that includes street level retail space, in all totaling approximately 81,089 square feet, and adding more than approximately 100 new full-time residents and their purchasing power to the Edge District.



This project is an approximately \$35 million investment in the heart of the Memphis Medical District, repurposing a beloved but once blighted building and underperforming vacant lot at one of the district's most high-profile intersections.

Immediate Activity Following Acquisition

Following Chestnut's acquisition of Cycle Shop, the firm initiated these activities:

- *February 2020 – Closing and Development Agreement* – Chestnut closed on the property in February 2020 and engaged Development Services Group (DSG) as the fee developer for the project to ensure continuity in the effort to realize a Live Work Play neighborhood vision that DSG had fostered for the Edge District under which the original PILOT was approved. Via this engagement, DSG maintained responsibility for developer activities for this project. Chestnut's asset management team began meeting with DSG's team monthly to understand and stay abreast of the construction scope, timeline, and budget.
- *February 2020 – Historic Preservation* – Chestnut engaged a consultant to lead the process to request Cycle Shop's recognition on the National Registry of Historic Places and pursue Historic Tax Credits to support the preservation of the property. Part I was submitted in May of 2020.
- *June 2020 – Leasing* – Chestnut engaged a local commercial leasing broker, Universal Commercial. Between June 2020 and November 2021, the broker provided 30 property tours and discussed the available space with well over 100 prospective tenants. Eight (8) LOIs were drafted and sent out but none moved ahead to lease negotiations.
- *September 2020 – Due Diligence* – Chestnut's design team performed a structural assessment of the building. This was required to ensure design and construction coordination and pricing. It was also required to support Part II application.
- *April 2021 – Part I Approved*, listing Cycle Shop on the National Register of Historic Places
- *May 2021 – Part II Submitted* to National Park Service (NPS) for review. Reviews are stated to take 30 days. This review took four months to receive comments.
- *September 2021 – Part II Comments Received*. Additional design details needed on the windows and storefront for resubmittal and response to comments.
- *November 2021 – Construction Budget* – Following the design updates, the construction budget was updated to reflect the new designs/details provided by our architect.
- *December 2021 – Jones Aur hired*
- *February 2022 – NPS Part II Resubmitted and Application for Building Permit*
- *March 2022 – Cycle Shop Building Permit Approved*
- *June 2022 – PILOT lease construction completion date extended to June 2023*
- *June 2022 – Cycle Shop - Phase I Construction Start*

- *May 2023 – Cycle Shop - Phase II Construction Complete*

Current Activity & Next Steps

Despite the significant pandemic impacts over the last two years, Chestnut has remained committed to the original investment strategy for the Cycle Shop building. Chestnut was pleased to create a partnership with Aslan for the development of the Tomorrow Building, which we believe can play a role in meeting the Memphis Medical District's housing demand. Chestnut Cycle Shop QOZB's current and future actions to ensure the successful redevelopment and activation of the historic and iconic Cycle Shop building and ground up development of the Tomorrow Building are reflected below:

Construction & Historic Preservation: The Cycle Shop Phase I construction was completed May 15, 2023. This scope included stabilization and preservation of historic architectural features of the building, demolition of exterior masonry, existing block infill at the storefront openings, existing interior restrooms, broiler and furnace, a new roof, parapet bracing, framing and trim replacement to replicate the original wood transoms, masonry restoration, little replacement, canopy restoration, and new storefront and windows throughout the building. Much of this work was very intricate to preserve the original historical features and we are very pleased with the outcome. We believe this first phase of work will significantly better position the Cycle Shop building to attract tenants. The next phase of construction will commence once we have a tenant(s) in place and proceed with tenant buildout.

Chestnut Cycle Shop QOZB exceeded all EBO / MWBE requirements through the first phase of construction, as outlined by the Downtown Memphis Commission MWBE policy. General Contractor Montgomery Martin has been a great partner on this project, bringing their extensive experience partnering with minority and woman-owned business enterprises who understand the technical challenges of restoring historic buildings. In the initial phase of the construction, masonry restoration was a substantial scope of work and was subcontracted to an MWBE partnership. As of our last minority tracking report submitted to DMC in April 2023, we are 95% paid to date on the total GC contract and have a 36% MWBE participation rate. The pilot amendment letter that was revised in April 2022, revised our commitment to 20% MWBE, but we continue to plan to exceed this amount, as internally we have a minimum goal of 25% MWBE participation.

Our Part II application for Historic Tax Credit has been reviewed by the state of Tennessee office and has received their recommendation for approval. This approval was sent to the National Park Service, and we were told to expect to hear from NPS in June 2023.

Leasing: Leasing has continued to be a challenge for this site. With the addition of more multifamily in the Edge District, we feel confident that retail and commercial tenants will be incentivized to commit to the Edge and will thrive as a result.

Financing: Chestnut Cycle Shop received a loan from First Bank to provide funding for the initial improvements intended to stabilize the Cycle Shop building. When new leasing activity occurs, additional proceeds are available under the First Bank loan to fund tenant improvement, leasing, and other capital costs.

For the Tomorrow Building, we intend to pursue financing from a local or regional bank in an amount equal to 75% of the development costs.

CHESTNUT FUNDS™

Next Steps:

- *June- September 2023 – Architecture and Engineering Commencing for Tomorrow Building*
- *Sept- December 2023 – Tomorrow Building Permitting*
- *Jan-March 2024 – Tomorrow Building Groundbreaking*
- *Est Fall 2025 – Tomorrow Building Completion*

We are eager to fully reactivate the Cycle Shop through commercial leasing and expand our investment in Memphis and the Edge District through development of the Tomorrow Building. We hope to have your continued support through an inclusion of the PILOT lease to the Tomorrow Building development. We appreciate the opportunity to further demonstrate our commitment to local partnership.

Sincerely,



Steen Watson
Chief Executive Officer



PILOT AMENDMENT REQUEST

To: Downtown Memphis Commission
From: Chestnut Cycle Shop QOZB, LLC
Date: May 2023
Subject: Cycle Shop Redevelopment



421 Monroe Avenue, Memphis, Tennessee 38103

Project Summary

Project Name	Cycle Shop
Owner	Chestnut Cycle Shop QOZB, LLC
Project Description	<p>Chestnut Cycle Shop QOZB is a joint venture between Chestnut Funds and Aslan Holdings.</p> <p>The proposed project brings together a unified vision for 421 Monroe Avenue through the redevelopment and activation of a historic building and new construction of an innovative approach to housing. Specifically, the project includes:</p> <p>Historic, adaptive redevelopment of a three-story 29,250 square foot building, which was originally constructed in 1916. The proposed use of the building is retail or office.</p> <p>Ground up development of a 108-Micro unit apartment building called the Tomorrow Building, which follows the model of Tomorrow Buildings successfully launched in Chattanooga in 2016 and 2023, respectively.</p>
Location	421 Monroe Ave Memphis, Tennessee
Square Footage	Cycle Shop: 29,250 Total Square Footage 25,789 Rentable Square Footage Tomorrow Building: Approx. 81,089 Square Feet
Project Intended Use	Office, Retail & Residential
Opportunity Zone	Yes
Timeline	Cycle Shop, Construction Commencement: June 2022 Cycle Shop, Substantial Completion: May 2023 Tomorrow Building, Construction Commencement: Estimated Q1 2024 Tomorrow Building, Substantial Completion: July 2025
Developer	<p>Chestnut Funds hired Development Services Group in 2020 as fee developer for the historic rehabilitation of the Cycle Shop Building project. DSG has developed and operated real estate assets in markets across America for over 30 years. They have received numerous awards for their thorough understanding of how to deliver a successful adaptive reuse project.</p> <p>Chestnut Funds and Aslan Holdings' joint venture was established in 2023 to align the firms' investment values and project objectives to achieve successful community impact through real estate endeavors. Chestnut Funds manages the day-to-day operations of investment. Aslan Holding's operating companies FTC Development and SVN Second Story Management will provide development and property management services, respectively. Also, Aslan Holding's Tomorrow Building brand and model will be leveraged for the micro-unit apartment building development. Aslan Holdings successfully developed and began operating the first Tomorrow Building in 2016 and the second in 2023.</p>
Brokerage	Cycle Shop: Jones Aur Commercial Real Estate, Local to Memphis Tomorrow Building: SVN Second Story Management

Sources + Uses	Previous Proforma		Current Proforma	
	Total \$	\$/SF	Total \$	\$/SF
Sources	\$6,369,402	\$218	\$34,566,660	\$295.13
Construction Loan	\$3,750,000	\$128	\$25,924,995	\$226.88
Equity Investment	\$1,749,954	\$60	\$6,472,217	\$58.32
Historic Tax Credits	\$869,448	\$30	\$869,448	\$7.42
TN Historic Development Grant			\$300,000	\$2.56
Land Equity			\$1,000,000	
Uses	\$6,369,402	\$218	\$34,566,660	\$295.13
Land & Predevelopment	\$847,000	\$29	\$1,872,000	\$15.98
Hard Construction Costs	\$4,611,694	\$158	\$25,047,402	\$213.85
Furniture, Fixtures & Equipment	\$20,000	\$0.68	\$791,000	\$6.75
Soft Costs	\$348,208	\$12	\$2,581,638	\$22.04
Financing Costs	\$87,500	\$3	\$3,816,220	\$3.91
Development & Other Costs	\$455,000	\$16	\$458,000	\$15.51

Section I: The Asset

In February 2020, Chestnut Cycle Shop QOZB acquired a vacant and historic building located at 421 Monroe Avenue in Memphis, TN. The 29,250 square foot historic building, built in 1917, is located in the Edge District of Memphis, TN and is known as the “Cycle Shop”. The building is comprised of 25,789 leasable square feet and three floors. Additionally, the vacant parking lot adjacent to the building provided an opportunity for development.

Prior to acquisition in December 2018, Development Services Group (DSG) applied for and received a PILOT tax abatement for the parcel as part of the Downtown Memphis Commission’s targeted initiative to redevelop blighted neighborhoods. In April 2022, this PILOT was amended to allow an extension of the construction timeline for Cycle Shop. This work was substantially completed in May 2023.

Section II: Development Plan and Investment Strategy

The Cycle Shop Building is located at the southwest corner of Monroe Avenue and Lauderdale Street, in the heart of the Memphis Edge District. The parcel includes the Cycle Shop building (29,250 square feet) and a 25,211 square foot vacant lot immediately adjacent to the west. Chestnut Cycle Shop QOZB’s plan for the property included a significant renovation of the exterior and interior of the existing Cycle Shop building, breathing life into what is now one of several remaining buildings in the Edge District in need of redevelopment. The development plan included the rehabilitation, historic preservation, and tenanting of the Cycle Shop building, as well as the opportunity for a ground up development on the vacant parking lot adjacent to the historic Cycle Shop building.

In 2022, we began conversations about expanding the project scope to include the lot development after receiving inquiries to partner on the development of a microunit apartment building. We are currently evaluating the opportunity to develop a multifamily project that will be branded **The Tomorrow Building**.

The Tomorrow Building is a multi-family, microunit apartment development geared towards knowledge workers, newcomers, empty nesters, graduate students, and other individuals in need of fully furnished units offered with all-inclusive, flexible lease terms. Memphis’ Tomorrow Building will consist of approximately 108 studio and one-bedroom units, occupying six stories of new construction that includes street level retail space, in all totaling approximately 81,089 square feet, and adding more than

approximately 100 new full-time residents and their purchasing power to the District. After building completion, the multi-family units are modeled to be at 75% occupancy after the first year, 85% after the second year, and stabilized in the third year. The development plan includes shared living facilities, kitchens, common areas, and laundry. The Tomorrow Building premise provides flexible lease terms and simple living blending connection, ease, and curated programming to create a unique living experience for its residents. The Tomorrow Building will have an on-site management team to assist in day-to-day operations and support for the potential 108 units planned for this project.

The Tomorrow Building concept was initially developed and successfully launched in 2016 in downtown Chattanooga's "Innovation District," a densely populated, centrally located neighborhood not unlike the Memphis Medical District; a second Tomorrow Building recently opened on Chattanooga's North Shore. In both cases, the concept serves a vibrant and dynamic community of tenants who value urban living, flexibility, and community.

The new combined project of the Cycle Shop and Tomorrow Building is an approximately \$35 million investment in the heart of the Memphis Medical District, repurposing a beloved but once blighted building and underperforming vacant lot at one of the district's most high-profile intersections. In addition to transforming these parcels, the project will have a catalytic effect, driving attention, foot traffic, and investment south along Lauderdale Avenue and connecting the Medical District proper with the Peabody-Vance neighborhood. The proposed usage concepts for these parcels have proven highly successful in several of Memphis' peer cities but are unique to this market. Upon completion, the project will bring additional activation and value to the neighborhood, further positioning the Medical District as one of the city's most vibrant and unique submarkets.

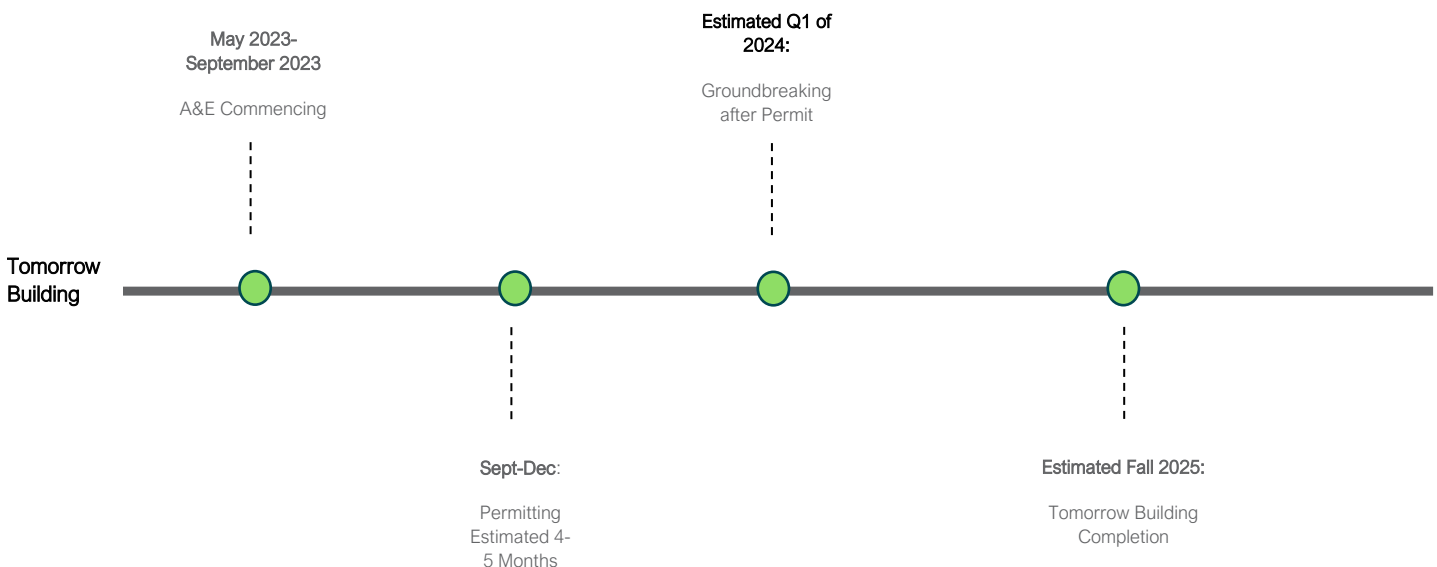
A housing assessment completed for MMDC in October 2022 identified the following opportunities:

- Pent-up and future demand for a variety of housing needs ranging from affordable to conventional housing.
- Lack of new, quality affordable or workforce housing options in multiple surrounding markets.
- Opportunities for additional projects throughout the Memphis Medical District.

Cycle Shop adds to the desired activation and vibrancy sought by MMDC partners, and the Tomorrow Building introduces new, quality housing that can meet the needs of Memphis Medical District employees seeking convenient and flexible housing.

The desired impacts for this project include job creation through construction and by tenants, productive reuse of the historic building, environmental stewardship through redevelopment, access to goods and services, access to housing, equity in opportunity, and further catalyzation of the Memphis Medical District participation.

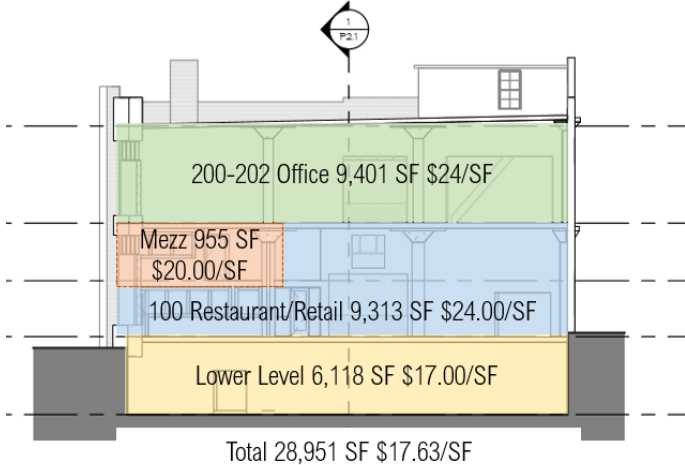
Section III. Development Timeline



Section IV. Revenue & Leasing Plan

Our goal for the Cycle Shop building is to attract tenants that can activate and enrich the neighborhood. Whether it be creative office space or a new, local restaurant concept, the intention of the development is to further activate the Edge District and bring access to additional goods and services.

We are focusing our efforts on securing tenants for the building who are looking to create quality jobs and provide living wages, provide goods and services, and attract tenants who have an overall interest and benefit to the Edge. Our goal is to further play off the existing artistic flair of the businesses and restaurants redefining the area today.



Jones Aur, a local Memphis brokerage firm, was brought on for brokerage services at the beginning of 2022. We received numerous inquiries from potential tenants but as the second year of the pandemic closed, we had yet to convert any office and retail inquiries to leases as the pandemic hit these two sectors most heavily.

Chestnut's leasing strategy includes office space on the second floor, ground floor retail or restaurant space to animate Monroe Ave, and more office or maker space or fitness use on the lower level.

The below chart outlines the weighted average leasing assumptions we would like to achieve.

CYCLE SHOP UNIT MIX SUMMARY						
Suite	Tenant	Level	% Of BLDG	Rentable Sq. Ft.	Full-Service Rate	Annual Rent
Lower Level	TBD	LL	23.7%	6,118	\$17.00	\$104,006
Restaurant	Restaurant	L1	13.8%	3,548	\$24.00	\$85,152
Mezzanine	Office	Mezz	3.7%	955	\$20.00	\$19,100
Office Tenant 2	Office	L1	22.4%	5,765	\$24.00	\$138,360
Office Tenant 1	Office	L2	36.5%	9,401	\$24.00	\$225,624
Total/Average				25,787	\$22.19	\$572,242

TOMORROW BUILDING UNIT MIX						
Unit Type	# Units	Unit Mix	SF	Rent	Rent/SF	Total/Month
Studio	24	0.22	400	\$ 1,700.00	\$ 4.25	\$ 40,800.00
Studio +	48	0.44	421	\$ 1,789.25	\$ 4.25	\$ 85,884.00
1 Bed	36	0.33	562	\$ 2,388.50	\$ 4.25	\$ 85,986.00
Totals / Avg	108	1	461	\$ 1,959.25	\$ 4.25	\$ 211,599.00

NOTES: Rents are all inclusive - units are furnished and all utilities and internet are provided. This does not account for affordable units that will be provided under the PILOT requirements.

Our research indicates that the Memphis Medical District is ideally suited to be served by this kind of unique housing product, as evidenced by the continuing population growth and densification in this submarket. We are aware that similar concepts will deliver several hundred units of varying sizes and price points to the District in the next few years. This further indicates strong and unmet demand for walkable urbanism and additional retail offerings in this neighborhood.

To engage prospective tenants, the Tomorrow Building team will execute a strategic marketing plan that utilizes a combination of paid marketing, earned media, and community engagement and includes the active use of social media, creative campaigns, open houses, and media coverage. The Tomorrow Building will have its own on-site team to handle leasing efforts and management of the building. The addition of the Tomorrow Building can attract approximately 100 residential tenants to the district. The concept is heavily focused on programming and getting residents connected in the neighborhood through various types of inclusive events. We expect networking and connection to support a live-work-play environment, communal connection, cross-generational mentorship, and job opportunities for residents. Located in the Edge, conveniently near the Memphis Medical District's partners, the Tomorrow Building will offer residents flexible lease terms. The Tomorrow Building projects in Chattanooga have proven to spur commercial and residential growth in their immediate area and catalyzed a large investment from the City of Chattanooga to revitalize surrounding areas, such as Patten Parkway. Similarly, we expect the third Tomorrow Building to also enhance and add value to the Memphis area and spur further growth.

The Chattanooga Tomorrow Building at Patten Parkway includes retail spaces, 50% of which are leased to minority owned and women-owned businesses.

Section V. Operating Costs and PILOT

The Cycle Shop will benefit from its inclusion in the PILOT or Payment In Lieu of Taxes program. As one of the five parcels included in the initial PILOT application by DSG, the redevelopment of Cycle Shop is possible through these additional economic supports. Through this program, real estate taxes will be significantly lower, providing the opportunity for more competitive leasing rates to spur leasing activity by keeping operating costs low. This is critical given the challenges the leasing team faces with significant and ongoing uncertainty from the pandemic, changing approaches to flexible/remote office work, and the transition of the neighborhood to attract credit-worthy tenants. Furthermore, given increased construction costs, additional historic preservation implications, and COVID impacts on potential tenants and leasing, the PILOT and this amendment is even more necessary to bring the building back to its original condition and attract new uses that will activate the neighborhood.

Adding the concept of a Tomorrow Building into the development, we are confident that the intended uses of our project will be well suited to the greater Memphis market and this district in particular. We believe that our development will catalyze new pedestrian traffic, purchasing power, and follow-on investment that will benefit the city's urban core. That said, at this time and given ongoing inflationary pressures, we are unable to derive sufficient revenues on a per-square-foot basis to justify an investment of this size without the assistance of this incentive. Absent a limited property tax abatement similar to what other mixed-use and/or adaptive reuse projects of this kind have received in this area, the project fails the "but-for" test and could not move forward. We have reached this conclusion despite extensive rescoping of the project's usage concepts and units, in consultation with our architect.

Section VI. Parking Plan

Cycle Shop and Tomorrow Building tenants will have access to a variety of parking options within a short, 300 ft walk from the front door. Metered, on-street parking along Monroe Ave ensures convenient space availability for short term visitors and future retail patrons. A 480-space structured parking deck located immediately north of the Cycle Shop, within the Rise Apartments, has approximately 200 spaces available to the public for lease. Two additional surface lots in the immediate vicinity provide additional capacity for approximately 75 vehicles at a lower cost. Several businesses (Enterprise Rent a Car, Made in Memphis Entertainment, Don's Upholstery) in the immediate vicinity have spare parking capacity, and future agreements may be implemented as parking demand increases in the neighborhood.

Section VII: Capitalization

Chestnut Funds and Aslan Partners intend to capitalize the redevelopment of Cycle Shop with a combination of equity capital from Chestnut Opportunity Zone Fund, equity from Aslan Holdings, equity from Historic Tax Credit monetization, and debt financing proceeds.

Sources + Uses	Previous Proforma		Current Proforma	
	Total \$	\$/SF	Total \$	\$/SF
Sources	\$6,369,402	\$218	\$34,566,660	\$295.13
Construction Loan	\$3,750,000	\$128	\$25,924,995	\$226.88
Equity Investment	\$1,749,954	\$60	\$6,472,217	\$58.32
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TN Historic Development Grant			\$300,000	\$2.56
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Financing Costs	\$87,500	\$3	\$3,816,220	\$3.91
Development & Other Costs	\$455,000	\$16	\$458,000	\$15.51

Debt Financing

Chestnut Cycle Shop received a loan from First Bank to provide funding for the initial improvements intended to stabilize the Cycle Shop building. When new leasing activity occurs, additional proceeds are available under the First Bank loan to fund tenant improvement, leasing, and other capital costs.

For the Tomorrow Building, we intend to pursue financing from a local or regional bank in an amount equal to 75% of the development costs.

Equity

Chestnut Opportunity Zone Fund has invested \$1,477,236 of equity capital thus far in acquisition, construction, and other soft pursuit costs including due diligence, building inspections, construction drawings, and Historic Tax Credit Consultant. The total costs incurred to date are \$2,984,428.

Historic Tax Credits

Chestnut intends to monetize the Historic Tax Credits that will be available as a result of the Cycle Shop building's historic designation and the redevelopment that will be in keeping with the original and historic elements of the architecture of the building.

Qualified Rehabilitation Expense	\$	5,114,402
HTC Rate		20%
Gross Value of HTC	\$	1,022,880
PV Discount to HTC for Liquidation		85%
Net Value of HTC at Close	\$	869,448

Tennessee Historic Development Grant

Chestnut Cycle Shop was awarded a \$300,000 Tennessee Historic Development Grant in January 2023. Developed by the Tennessee General Assembly in 2021, the first and second rounds of the program provided \$15 million for projects that aim to renovate and preserve the state's commercial historic buildings. The funds encourage communities and private developers to invest in buildings that have contributed to a community's history but now sit idle. These buildings can once again contribute to the economy through job creation and commercial opportunities.

PILOT Basis Sheet

PILOT Request	
Requested PILOT Term (years)	20.0
Project Type	New & Rehab
Located in the CBID?	Yes
Current Amounts	
Base Appraisal	\$2,400,000
Base Assessment	\$960,000
Annual City Tax on Base Assessment	\$25,936
Annual County Tax on Base Assessment	\$32,544
Annual RE Taxes on Base Assessment	\$58,480
Project Costs	
Acquisition Cost	\$1,872,000
Hard Costs	\$26,725,000
Soft Costs	\$10,730,000
Total Project Costs w/o PILOT fee	\$39,327,000
Hard Costs Investment Check - 68.0%	YES
Public grants eligible for PILOT fee basis reduction	\$0
PILOT fee basis	\$39,327,000
PILOT fee	\$589,905
Total Project Costs w/ PILOT fee	\$39,916,905
Valuation & CBID Assessment	
Base Appraisal	\$2,400,000
Percentage of Hard Costs	\$18,707,500
Estimated Appraisal after Improvements	\$21,107,500
Estimated Assessment after Improvements	\$8,443,000
Estimated Annual CBID Assessment after Improvements	\$54,815
Annual RE Taxes	
<i>Hypothetical annual taxes without PILOT*</i>	
Estimated Hypothetical Annual City Tax without PILOT*	\$228,099
Estimated Hypothetical Annual County Tax without PILOT*	\$286,218
Estimated Hypothetical Total Annual Taxes without PILOT*	\$514,317
<i>Estimated annual taxes with PILOT</i>	
Estimated Annual City Tax with PILOT	\$76,477
Estimated Annual County Tax with PILOT	\$95,962
Estimated Total Annual Taxes with PILOT	\$172,439

Estimated Annual Benefit	\$341,878
Cumulative RE Taxes	
<i>Hypothetical cumulative taxes without PILOT*</i>	
Estimated Hypothetical Cumulative City Tax without PILOT*	\$4,561,989
Estimated Hypothetical Cumulative County Tax without PILOT*	\$5,724,354
Estimated Hypothetical Total Cumulative Taxes without PILOT*	\$10,286,343
<i>Estimated cumulative taxes with PILOT</i>	
Estimated Cumulative City Tax with PILOT	\$1,529,533
Estimated Cumulative County Tax with PILOT	\$1,919,249
Estimated Total Cumulative Taxes with PILOT	\$3,448,782
Estimated Cumulative Benefit over 20-Year PILOT	\$6,837,561

Estimated Cumulative Increase in Taxes due to PILOT **\$2,279,187**

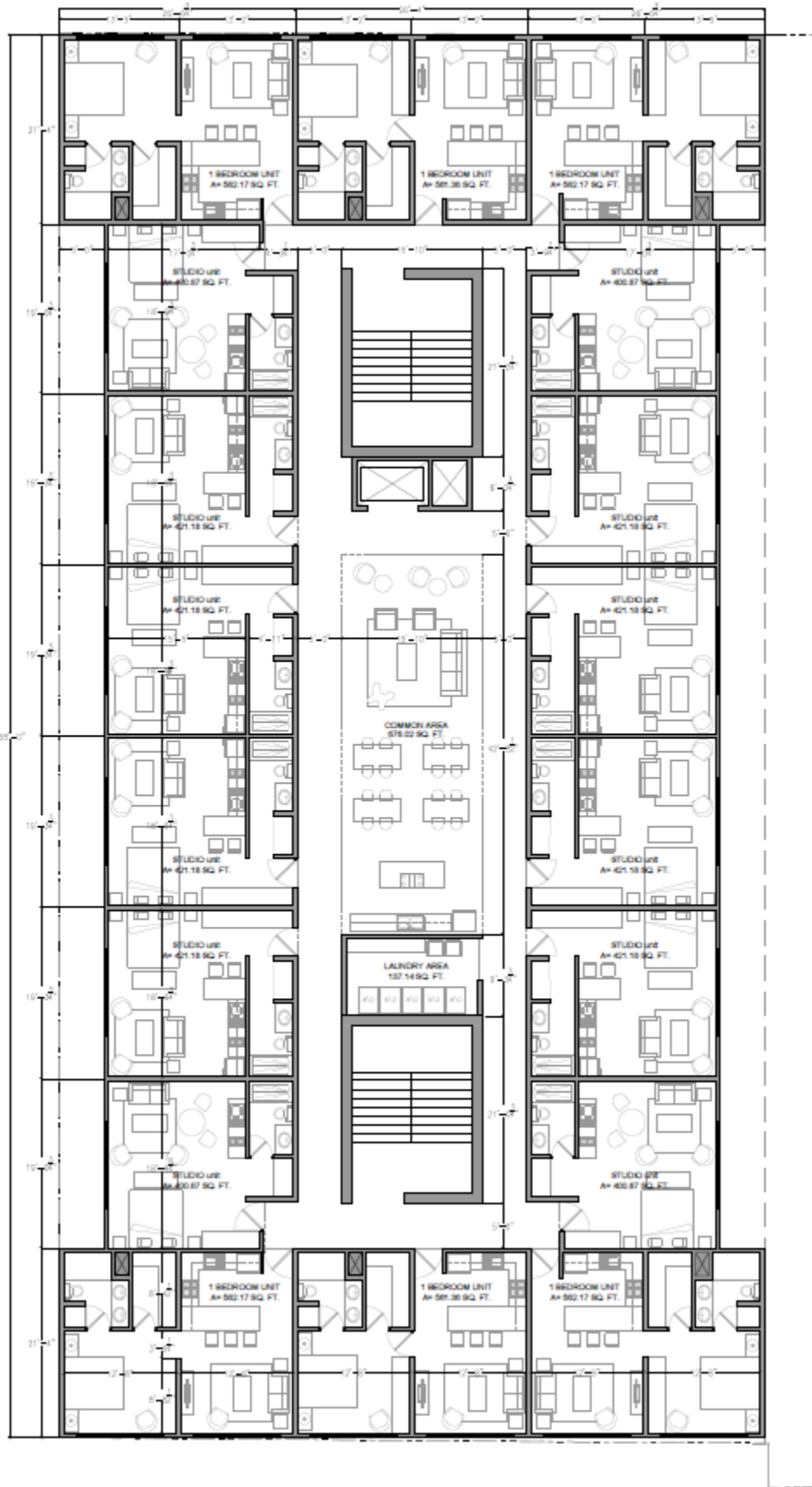
**Staff has concluded that this project would not go forward without a PILOT. Hence, the "Estimated Hypothetical" amounts are fictional/moot numbers used to calculate the benefit of the PILOT to the project. The benefit figure does not represent lost tax revenue to the City or County. Without the PILOT, the property would remain unimproved, and the tax assessment would continue to be based upon the unimproved value. With the PILOT, the amount listed above as "Estimated Cumulative Increase in Taxes due to PILOT" would be the approximate benefit over the PILOT term to the City and County from newly generated property tax revenue. That amount does not include any new sales taxes that will be generated by the construction and operation of the project. Furthermore, after the PILOT term has finished, it is expected that the annual taxes will be approximate to the amount listed as "Estimated Hypothetical Total Annual Taxes without PILOT".*

Appendix I: Photos, Architectural Renderings and Site Plans





Tomorrow Building Floor Plans



Appendix II: Pro Forma

Current Proforma without PILOT

Year	1	2	3	4	5	6	7	8	9	10
TB Occupancy	75%	85%	95%	95%	95%	95%	95%	95%	95%	95%
Income										
Rental Income	\$2,566,129	\$2,617,451	\$2,669,800	\$2,723,196	\$2,777,660	\$2,833,213	\$2,889,878	\$2,947,675	\$3,006,629	\$3,066,761
Parking Income	\$81,000	\$82,620	\$84,272	\$85,958	\$87,677	\$89,431	\$91,219	\$93,044	\$94,904	\$96,802
Other Income	\$127,234	\$129,778	\$132,374	\$135,021	\$137,722	\$140,476	\$143,286	\$146,151	\$149,074	\$152,056
Concessions	-\$18,750	-\$19,125	-\$19,508	-\$19,898	-\$20,296	-\$20,702	-\$21,116	-\$21,538	-\$21,969	-\$22,408
Vacancy	-\$638,340	-\$390,664	-\$132,826	-\$135,482	-\$138,192	-\$140,956	-\$143,775	-\$146,651	-\$149,584	-\$152,575
Total Income	\$2,117,272	\$2,420,060	\$2,734,113	\$2,788,795	\$2,844,571	\$2,901,463	\$2,959,492	\$3,018,682	\$3,079,056	\$3,140,637
Operating Expenses										
Operating Expenses	\$515,202	\$560,464	\$607,410	\$615,584	\$623,922	\$581,606	\$587,020	\$592,543	\$598,176	\$603,922
Partnership Expensees	\$5,000	\$5,715	\$6,457	\$6,586	\$6,718	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Wages	\$5,293	\$6,050	\$6,835	\$6,972	\$7,111	\$7,111	\$7,111	\$7,111	\$7,111	\$7,111
Insurance	\$72,800	\$83,211	\$94,009	\$95,890	\$97,807	\$27,500	\$28,000	\$28,500	\$29,000	\$29,001
Management Fee	\$117,862	\$134,718	\$152,200	\$155,244	\$158,349	\$161,516	\$164,746	\$168,041	\$171,402	\$174,830
Salaries	\$140,300	\$146,565	\$153,143	\$160,050	\$167,303	\$174,597	\$182,250	\$190,278	\$198,702	\$207,539
Taxes	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064
Pilot	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$1,305,522	\$1,385,787	\$1,469,119	\$1,489,390	\$1,510,274	\$1,406,394	\$1,423,191	\$1,440,538	\$1,458,455	\$1,476,468
TB NOI	\$811,750	\$1,034,273	\$1,264,994	\$1,299,405	\$1,334,297	\$1,495,069	\$1,536,301	\$1,578,144	\$1,620,601	\$1,664,168
Income from Retail/TBD	\$239,974	\$244,773	\$249,669	\$254,662	\$259,755	\$264,950	\$270,249	\$275,654	\$281,167	\$286,791
NNN Reimbursement Income	\$63,000	\$64,260	\$65,545	\$66,856	\$68,193	\$69,557	\$70,948	\$72,367	\$73,815	\$75,291
Cycle Shop NOI	\$0	\$334,000	\$366,957	\$393,093	\$406,852	\$421,091	\$435,830	\$451,084	\$466,872	\$483,212
Total NOI	\$1,114,724	\$1,677,306	\$1,947,165	\$2,014,016	\$2,069,098	\$2,250,667	\$2,313,328	\$2,377,250	\$2,442,455	\$2,509,462
<i>Return on Cost</i>	3.22%	4.85%	5.63%	5.83%	5.99%	6.06%	6.23%	6.41%	6.58%	6.77%
Debt Service Payment	\$1,814,750	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790
<i>DSCR</i>	0.61x	0.76x	0.89x	0.92x	0.94x	1.02x	1.05x	1.08x	1.11x	1.14x
Levered Cash Flow	-\$700,026	-\$521,483	-\$251,624	-\$184,773	-\$129,692	\$51,877	\$114,539	\$178,460	\$243,665	\$310,672
<i>ROE</i>	-9.37%	-6.98%	-3.37%	-2.47%	-1.74%	0.69%	1.53%	2.39%	3.26%	4.16%

Current Proforma with PILOT

Year	1	2	3	4	5	6	7	8	9	10
TB Occupancy	75%	85%	95%	95%	95%	95%	95%	95%	95%	95%
Income										
Rental Income	\$2,566,129	\$2,617,451	\$2,669,800	\$2,723,196	\$2,777,660	\$2,833,213	\$2,889,878	\$2,947,675	\$3,006,629	\$3,066,761
Parking Income	\$81,000	\$82,620	\$84,272	\$85,958	\$87,677	\$89,431	\$91,219	\$93,044	\$94,904	\$96,802
Other Income	\$127,234	\$129,778	\$132,374	\$135,021	\$137,722	\$140,476	\$143,286	\$146,151	\$149,074	\$152,056
Concessions	-\$18,750	-\$19,125	-\$19,508	-\$19,898	-\$20,296	-\$20,702	-\$21,116	-\$21,538	-\$21,969	-\$22,408
Vacancy	-\$638,340	-\$390,664	-\$132,826	-\$135,482	-\$138,192	-\$140,956	-\$143,775	-\$146,651	-\$149,584	-\$152,575
Total Income	\$2,117,272	\$2,420,060	\$2,734,113	\$2,788,795	\$2,844,571	\$2,901,463	\$2,959,492	\$3,018,682	\$3,079,056	\$3,140,637
Operating Expenses										
Operating Expenses	\$515,202	\$560,464	\$607,410	\$615,584	\$623,922	\$581,606	\$587,020	\$592,543	\$598,176	\$603,922
Partnership Expensees	\$5,000	\$5,715	\$6,457	\$6,586	\$6,718	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Wages	\$5,293	\$6,050	\$6,835	\$6,972	\$7,111	\$7,111	\$7,111	\$7,111	\$7,111	\$7,111
Insurance	\$40,000	\$45,720	\$51,654	\$52,687	\$53,740	\$27,500	\$28,000	\$28,500	\$29,000	\$29,001
Management Fee	\$117,862	\$134,718	\$152,200	\$155,244	\$158,349	\$161,516	\$164,746	\$168,041	\$171,402	\$174,830
Salaries	\$140,300	\$146,565	\$153,143	\$160,050	\$167,303	\$174,597	\$182,250	\$190,278	\$198,702	\$207,539
Taxes	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064	\$449,064
Pilot	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798	-\$336,798
Total Operating Expenses	\$935,924	\$1,011,499	\$1,089,965	\$1,109,389	\$1,129,409	\$1,069,596	\$1,086,393	\$1,103,740	\$1,121,657	\$1,139,670
TB NOI	\$1,181,348	\$1,408,562	\$1,644,148	\$1,679,406	\$1,715,162	\$1,831,867	\$1,873,099	\$1,914,942	\$1,957,399	\$2,000,966
Income from Retail/TBD	\$239,974	\$244,773	\$249,669	\$254,662	\$259,755	\$264,950	\$270,249	\$275,654	\$281,167	\$286,791
NNN Reimbursement Income	\$63,000	\$64,260	\$65,545	\$66,856	\$68,193	\$69,557	\$70,948	\$72,367	\$73,815	\$75,291
Cycle Shop NOI	\$0	\$334,000	\$366,957	\$393,093	\$406,852	\$421,091	\$435,830	\$451,084	\$466,872	\$483,212
Total NOI	\$1,484,322	\$2,051,595	\$2,326,319	\$2,394,017	\$2,449,963	\$2,587,465	\$2,650,126	\$2,714,048	\$2,779,253	\$2,846,260
<i>Return on Cost</i>	4.29%	5.94%	6.73%	6.93%	7.09%	7.03%	7.20%	7.38%	7.56%	7.74%
Debt Service Payment	\$1,814,750	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790	\$2,198,790
<i>DSCR</i>	0.82x	0.93x	1.06x	1.09x	1.11x	1.18x	1.21x	1.23x	1.26x	1.29x
Levered Cash Flow	-\$330,428	-\$147,195	\$127,529	\$195,228	\$251,173	\$388,675	\$451,337	\$515,258	\$580,463	\$647,470
<i>ROE</i>	-4.42%	-1.97%	1.71%	2.61%	3.36%	5.20%	6.04%	6.90%	7.77%	8.67%

Appendix III: Work Completed to Date



Chestnut Cycle Shop QOZB acquired the property in February 2020, just weeks prior to the COVID shutdowns. In May 2020, we filed for our Historic Preservation status. However, it was not until April 2021 that we were successfully awarded Historic preservation status by the State Historic Preservation Office and placed on the national register of Historic Places. Once Part 1 was approved in April 2021, we submitted our Part 2 application. Comments were received for Part 2 in late-2021. Because of the intricate detail of the building façade, much time was spent with our GC and design team to ensure our designs would be suitable to the National Park Service (NPS). Part 2 was submitted in February 2022. The review timelines of our pending historic applications have been much longer than we expected due to pandemic back logs. As a result, it has proved difficult to finalize

design documents and budgets. With our February 2022 re-submittal responding to Part 2 comments, we felt confident that we provided detail and designs that would be approved by NPS. As a result, we finalized plans, submitted for permit that was approved March 10, 2022, and started construction in June 2022. We are still awaiting formal approval of Part 2 but have received word from the state that they were forwarding their approval to NPS at the end of March 2023. Based on our conversation with the State of Tennessee Historic Commission, we expect to hear from NPS in two months.

Our leasing activities ran concurrently with the HTC submittal. In the spring of 2020, we hired a local Memphis leasing broker, Universal Commercial, which brought many leads to the building but unfortunately no commitments were obtained. We found it difficult to secure commitments with the pandemic presenting uncertainty for local business owners. Potential tenants were faced with trying to navigate staying in business, anticipate potential future space needs, and ensure employee health, all while Memphis' Safer at Home Executive Order, issued March 24, 2020, was in effect periodically throughout the pandemic. Despite the ongoing impacts from the pandemic, Universal Commercial led over 30 tours of the property, and sent out 8 LOIs. As the vaccine rolled out, interest spiked only to stall a bit as the omicron variant crossed over the country. At the end of 2021, with no advanced tenant interest, we brought on a new brokerage team, Jones Aur, another local Memphis team, to bring a fresh start to leasing. Currently, we have a few leads but no commitments. With construction wrapping up in May 2023, we are hopeful the work done to date will help drive new interest to the site.



Construction costs have been a considerable hurdle for this project in part because of COVID shutdowns, material and worker shortages, and supply chain challenges. Since closing, our budget increased by 40%. The historic status of the building has also increased construction costs, and while this was expected, the uptick was significantly more than expected.

Construction on the Core and Shell for the Cycle Shop building began in June 2022. The estimated cost for this first phase of work was \$2,105,270. The first phase of work was substantially completed in May 2023. The work completed to date includes minor demolition of exterior masonry, demolition of windows and storefront openings required for new storefront, asbestos abatement and lead paint removal, removal of boiler and furnace, concrete restoration, parapet bracing, framing and trim to replicate original wood transoms, masonry restoration and lintel replacement, new roof, and new storefront windows. DSG was hired as the fee developer for the rehabilitation and historic preservation of the Cycle Shop building and oversaw onsite

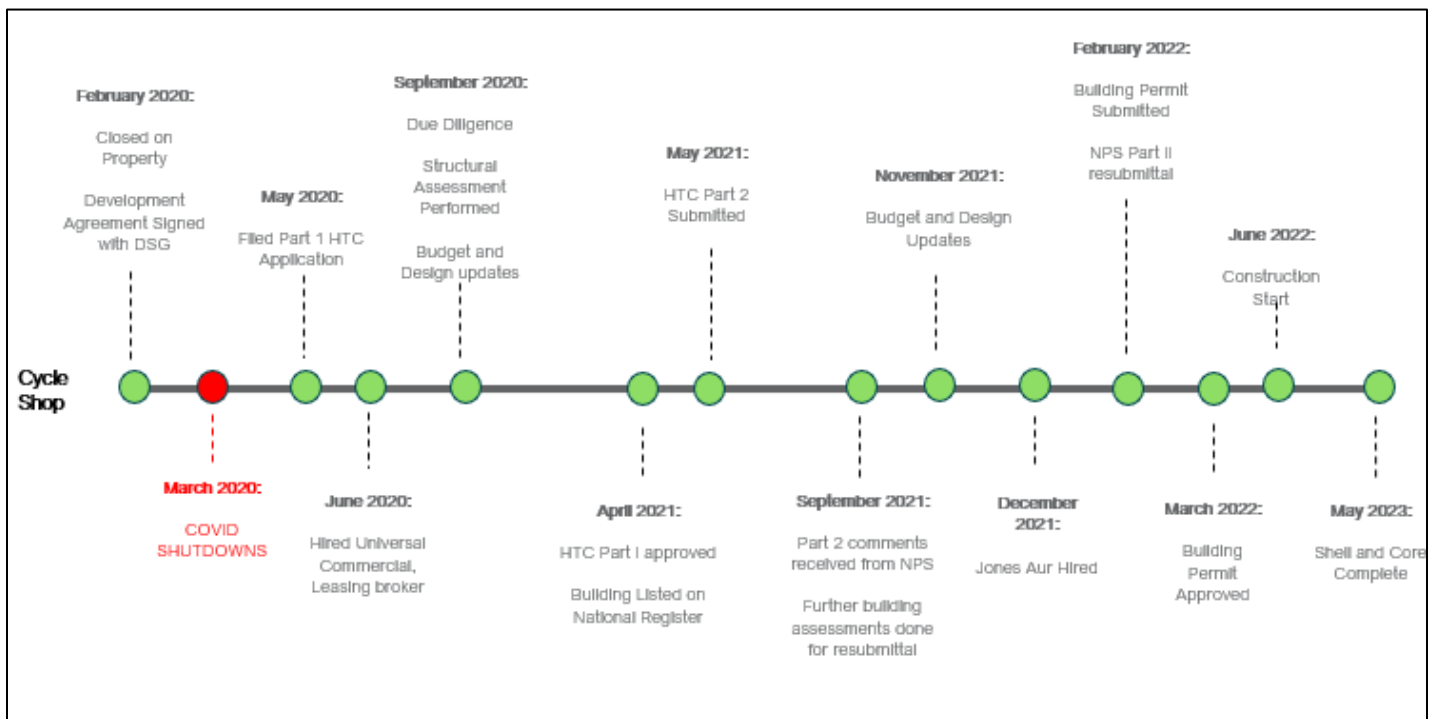
activities. Montgomery Martin was contracted for the renovation and preservation of the Cycle Shop building. Montgomery Martin is a well-known local Memphis contractor that has been heavily involved in the development of downtown Memphis, and especially the Edge District. They have a successful track record of delivering quality projects especially in historic renovation, green building, and with incorporation of WMBE partners in their scope of services. Montgomery Martin managed the submittal of all minority report tracking to date.

We believe this first phase of work will significantly better position the Cycle Shop building to attract tenants. Following the initial scope of work, the partnership intends to begin work on major systems and interior build out once tenancy is secured.

Chestnut Cycle Shop QOZB exceeded all EBO / MWBE requirements through the first phase of construction, as outlined by the Downtown Memphis Commission MWBE policy. General Contractor Montgomery Martin has been a great partner on this project, bringing their extensive experience partnering with minority and woman-owned business enterprises who understand the technical challenges of restoring historic buildings. In the initial phase of the construction, masonry restoration was a substantial scope of work and was subcontracted to an MWBE partnership.

As of our last minority tracking report submitted to DMC in April 2023, we are 95% paid to date on the total GC contract and have a 36% MWBE participation rate. The pilot amendment letter that was revised in April 2022, revised our commitment to 20% MWBE, but we continue to plan to exceed this amount, as internally we have a minimum goal of 25% MWBE participation.

Appendix IV. Development Timeline



Appendix V: About Chestnut Funds

Chestnut Funds was founded in 2012 to sponsor and manage funds that invest in smaller and middle market commercial real estate properties. Chestnut's funds make investments that are generally too small for institutional investors but too large for a sponsor to efficiently source capital.

Chestnut accesses investments and manages the day-to-day operations of properties utilizing operating partners. These partners possess significant expertise gained through a focus on a single property type or market. Leveraging this experience allows Chestnut Funds to make investments in multiple markets and product types.

Chestnut Opportunity Zone Fund is committed to making real estate investments that align with community need and optimize the value of financial and social returns. Impact priorities for the fund include Job Creation; Access to Goods & Services; Environmental Stewardship; Equity in Opportunity; and Catalytic Impact.

Members of the Chestnut Team include:

Steen Watson, Chief Executive Officer

Steen began his commercial real estate career in 2004 at Trammell Crow Company and CBRE in Washington, DC, with a focus on disposition and advisory efforts for commercial real estate assets in the District of Columbia, Northern Virginia, and Suburban Maryland on behalf of institutional clients. During his tenure, Steen participated in the disposition of approximately \$3.7 billion of commercial real estate assets.

In 2009, Steen joined Baker Storey McDonald Properties, Inc. as Vice President of Investments. During his tenure, the firm acquired over \$45 million of retail properties in the Southeast U.S, for which Steen was responsible for securing equity and debt financing along with structuring the acquiring partnerships. Additionally, Steen had asset management responsibilities for a \$60 million retail portfolio. In 2012, Steen co-founded Chestnut Real Estate Funds. Steen is primarily responsible for sourcing and executing investment opportunities for the funds, as well as overseeing asset and portfolio management. Steen holds an MBA from Vanderbilt University as well as a BS in Political Science from Vanderbilt University.

Liza Soydan, Chief Operating Officer

In addition to serving as the firm's Chief Operating Officer and Chief Compliance Officer, Liza is a partner in the Chestnut Opportunity Zone Fund. Liza guides the team's efforts to define and implement firm and fund strategies. She works to ensure alignment between the firm's priorities, fund commitments, and values. Liza draws upon a career spent in management consulting, strategic research, and impact measurement and reporting. Liza received a BBA in Marketing and an MBA from the University of West Georgia.

Courtney Watson, Fund Partner

Courtney is a partner in Chestnut Opportunity Zone Fund. She is a co-founder of Chestnut Catalyst Group, a woman-led firm that consults with capital groups, community organizations, non-profits, and businesses to drive social innovation across boundaries. Courtney is also a partner in the Chattanooga Renaissance Fund, a venture capital firm that has invested in early-stage, tech-enabled companies in the Southeast. She received a BS in Commerce from the University of Virginia and an MBA in Finance and Strategy from Vanderbilt University.

Jen Politano, Asset Manager

Jen serves as Chestnut's asset manager for Cycle Shop. Jen's primary responsibilities are interfacing with property managers and partners and managing development projects. Jen's background includes significant experience managing development projects at Hutton, a fully integrated commercial real estate firm. Jen attended Covenant College as an undergraduate and received a Master's in Public Administration, Government, and Nonprofit Management from the University of Tennessee at Chattanooga.

Tyler Mastey, Investment Associate

Tyler is a member of Chestnut's investments and investor relations teams, working collaboratively to underwrite and model new investments, perform portfolio analysis, and effectively convey fund investments to Chestnut's current and prospective investors. Tyler received a B.E. in Mechanical Engineering with a minor in Engineering Management from Vanderbilt University.

Laura Probasco, Finance Manager

Laura joined Chestnut in 2021 as Finance Manager. She began her career at KPMG, where she was a member of the Alternative Investments group, working primarily on tax compliance engagements for private equity clients before joining the firm's International Tax Desk in Paris, France. Laura later joined the Private Markets group at Invesco in Dallas, TX. At Invesco, she worked on financial reporting for various private equity funds. Laura received a BS in Business Administration from the University of Tennessee at Knoxville and a MS in Accounting from the University of Virginia. She is a Certified Public Accountant.

Hailey Johnston, Investor Relations Manager

Hailey manages investor communication and investment services for Chestnut. Additionally, she works with the funds' general partners on fundraising activities, capital management and marketing. Prior to joining Chestnut, Hailey served in the Peace Corps as a Health and Environmental Education Volunteer in Senegal, West Africa from 2011-2013. Hailey received a BS in Marketing and a minor in Art History from the University of Tennessee at Knoxville and an MBA from the University of Tennessee at Chattanooga.

Kennedy Griffin, Asset Manager

Kennedy's responsibilities include monitoring performance of fund assets to ensure investment strategies are implemented and coordinating leasing related matters. Kennedy received a BS in Political Science from Millsaps College and JD from Mississippi College School of Law.

About Aslan Holdings

Aslan Holdings is a highly regarded real estate holdings company headquartered in Chattanooga, TN, with a footprint throughout the southeastern United States. Aslan boasts one of the largest privately owned commercial real estate portfolios in southeastern Tennessee, and has a successful track record in commercial development, brokerage, property management, and capital deployment.

At Aslan, we believe that sustainability is a fundamental pillar to our success, and we are committed to creating a lasting legacy in the communities we serve while providing exceptional services to our clients and tenants, and delivering strong, reliable returns to our partners. With divisions that can manage every aspect of real estate development and investment management, we are supported by our operating companies, including SVN | Second Story Real Estate Management, FTC Development, Aslan Funds, and the Tomorrow Building brand.

Tiffany Robinson, Managing General Partner

Tiffany Robinson's unique background and expertise position her at the forefront of female entrepreneur leadership and purposeful real estate development in the Southeast. She is a founder, a CEO, and an angel investor. Most importantly, she is passionate about making the world a better place and brings that passion, energy, and curiosity to the boardroom with her colleagues and the playground with her family. Across three different leadership positions, her dedication to coaching her team, removing roadblocks so others can meet their goals, and amplifying women's voices, holds steadfast. Alongside her current leadership positions, Tiffany also assembles diverse groups of investors and sponsors real estate syndications of commercial and multifamily properties. Currently, she is working on a \$15 million-dollar mixed-use development combining a total renovation alongside new construction to rehab and expand a historic building that will become a co-live/co-workspace that transforms traditional apartment living. Tiffany's work and projects have been featured in the New York Times, Wall Street Journal, Fortune, INC., Vice, Bloomberg, and Chattanooga Times Free Press.

Matt McGauley, Managing General Partner

Matt McGauley is CEO of FTC Development and a Managing General Partner of ASLAN - the parent company of FTC, SVN | Second Story, Tomorrow Building and Aslan Funds. Matt began his commercial real estate career in 2003 as a licensed agent and began to shift into development and property ownership in 2007. Since that time, he has developed or redeveloped nearly a million square feet in the greater Chattanooga area. Matt developed and continues to own the first LEED-Certified building in Hamilton County and achieved a Gold Level certification. He believes that sustainability, being unique and always pushing for a higher standard is key to long term profitability and successful real estate development. Matt graduated from Baylor School

('98) and the George Washington University ('02) with a degree in Economics and then later completed CFA Level I and all core CCIM courses. In 2017, he was elected to the First Volunteer Bank (now Builtwell Bank) Board of Directors and was also appointed by Gov. Bill Lee to the Tennessee Housing Development Agency (THDA) Board of Directors in 2020. In 2022, the Governor appointed Matt as Chairman of the THDA. Matt is also a believer in investing in good people and diversifying capital; he holds investments in Builtwell Bancorp, Dynamo Ventures, Vision Hospitality, Alderman Enterprises and Brickyard.

Barry Large, General Partner

Barry Large is a Co-Founder & Managing Partner of Dynamo Ventures and General Partner of Aslan Holdings. Prior to Dynamo, Barry was a Co-Founder and former CFO of a \$500m logistics startup, Access America, that eventually merged with UPS subsidiary, Coyote Logistics. He also contributed to the founding and scaling of notable logistics companies Steam Logistics and Reliance Partners. Barry serves as Chairman of Chattanooga Whiskey, one of the premier craft whiskey brands in the country. Barry has a great passion for his hometown of Chattanooga. He serves on several local philanthropic and civic boards and remains engaged with the local entrepreneurial community, formerly through Lamp Post Group and now through Brickyard.

Allan Davis, General Partner

Allan's career began in logistics as a founder and operator, contributing to the creation of Access America, AAT Carriers, Reliance Partners, and Steam. This experience taught him the importance of each individual's role within an organization. Later, Allan transitioned to angel investing, collaborating with founders at Lamp Post, Dynamo, and Brickyard to focus on co-founder dynamics. A memorable interaction with Simon Sinek emphasized that Lamp Post is more than a venture capital firm—it's a place where passionate individuals come together for a shared adventure.

Ted Alling, General Partner

Ted Alling is a serial founder who uses his entrepreneurial achievements to create opportunities for others. The Chattanooga, Tennessee, resident is the co-founder and former CEO of the startup, Access America, which merged with UPS subsidiary Coyote Logistics. That initial success allowed Alling and his fellow Access America founders to create Lamp Post Group, a venture capital firm and tech-focused incubator located in Chattanooga, Tennessee. In 2016, Alling co-founded Dynamo, a venture capital fund aimed at revolutionizing the supply chain and logistics industries. In 2018, Alling focused on a new passion project: Chattanooga Preparatory School, an all-boys charter school he opened with his wife Kelly. Most recently, Alling became one of five partners in Brickyard, a venture fund and portfolio group that provides capital and focus for promising young companies. Ted and Kelly live with their three children on Lookout Mountain, Tennessee.

Brent Large, General Partner

Brent Large is a longtime businessman and entrepreneur in the Chattanooga community. From his beginning at Key-James Brick and Supply to being a founder, partner and president of Horizon Stone, LLC, and related companies. He is an investor and partner in several Chattanooga companies including Access America Transport, Reliance Partners, Inc., Steam Logistics, Chattanooga Whiskey, and Large Companies, LLC. Brent has a passion for Chattanooga and supporting and investing in a variety of business ventures.