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September 17, 2021

VIA E-MAIL

Downtown Memphis Commission  
114 North Main Street  
Memphis, Tennessee 38103  
Attention: Paul A. Young, President and CEO  
E-mail: young@downtownmemphis.com

Re: Lease Agreement dated March 11, 2020, between Memphis Center City Revenue Finance Corporation (“Lessor”) and Poplar Arts Lofts, LLC of record at Instrument 20026555 in the Register’s Office for Shelby County, Tennessee (the “PILOT Lease”)

Dear Mr. Young:

This firm represents Lexington East Memphis Properties LLC, a Delaware limited liability company (“LEMP”), and a to-be-formed wholly owned subsidiary of LEMP (“Proposed Assignee”). Poplar Arts Lofts, LLC, a Tennessee limited liability company (“Proposed Assignor”), has contracted to sell its interest in the property located at 1939, 1951, and 1957 Polar Avenue, Memphis, Tennessee and commonly known as the Poplar Arts Lofts (the “Property”) to Proposed Assignee (the “Proposed Assignment”). Pursuant to Section 3.06 of the PILOT Lease, Proposed Assignor and Proposed Assignee are hereby requesting Lessor’s consent to an assignment of the PILOT Lease from Proposed Assignor to Proposed Assignee. Proposed Assignee intends to continue to use the Property as a multifamily project after the approval of the Proposed Assignment. We understand that Proposed Assignee is required to have a financial worth and experience level satisfactory the Lessor. For your review, we are providing the following information.

Ownership and Control of Proposed Assignee

Proposed Assignee will be a wholly owned subsidiary of LEMP, which is managed by its Managing Member, Poplar Arts Partners, LLC, a Delaware limited liability company (“Manager”). Manager is owned by Eric Clauson, John Planchon, and Christian Brodin. Manager will control the business and affairs of Proposed Assignee, subject to certain major decisions that require the consent of the other partners of LEMP.

Mr. Clauson is the CEO of Lexington Asset Management (TN), LLC (“Lexington”), and John Planchon is the COO of Lexington. Mr. Clauson and Mr. Planchon will be responsible for the operations of the Property following closing.

Financial Worth of Proposed Assignee

Mr. Clauson, Mr. Planchon, Mr. Brodin, and other affiliates of Lexington have invested in thirty-eight properties throughout the country with an aggregate value of approximately \$500,000,000,

including the following properties in the Memphis area: Central Gardens Apartments (1437 Central Avenue), Hawthorne Park Apartments (203 Hawthorne Street), Park Terrace Apartments (1899 Poplar Avenue), Stonewall Park Apartments (142 Stonewall Street), The Alma Apartments (190 N. Auburndale Street), and The Avalon Apartments (1610 Poplar Avenue). Lexington also owns the former police station at 189 Barksdale Street and is the midst of a multimillion-dollar renovation of the property. For additional information on Lexington's properties, see <https://lex-asset-mgmt.com/>.

Experience Level of Proposed Assignee

Lexington and its affiliates have been investing in and managing properties since 2006. Lexington currently manages 1,500 apartments units. For additional information, see <https://lex-asset-mgmt.com/>.

Proposed Assignee is scheduled to close on the Property in November or early December of 2021. Please let me know if you have any questions or need any additional information. We appreciate your assistance with this request.

Sincerely,



Justin Starling

cc: Eric Clauson (*via e-mail* at [eclauson@lexington-jp.com](mailto:eclauson@lexington-jp.com))  
Lexington Asset Management (TN), LLC

John Planchon (*via e-mail* at [jplanchon@lexingtonam.com](mailto:jplanchon@lexingtonam.com))  
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Vincent D. Smith, Jr. (*via e-mail* at [kakivs@gmail.com](mailto:kakivs@gmail.com))  
Poplar Arts Lofts, LLC

Will Pierce, Jr. (*via e-mail* at [wpierce@Glankler.com](mailto:wpierce@Glankler.com))  
Glankler Brown, PLLC