



Carlisle

7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

Carlisle
DEVELOPMENT COMPANY

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Exhibits:

- Exhibit A — Architectural Plans and Renderings
- Exhibit B — Structural Integrity – Architect’s Letter
- Exhibit C — Project Costs – Sources and Uses Statement
- Exhibit D — Financial Projections
- Exhibits E — Guarantor Financial Statements
- Exhibits F — Financial Statements of 7V Devco, LLC
- Exhibit G — Disclosures

**7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION**

Applicant Background:

- Applicant:
7V Devco, LLC
1 Dr. ML King Jr, Ave, Suite 130
Memphis, TN 38103
901-526-5000

- Financial Guarantor
Carlisle Development Company, LLC
1 Dr. ML King Jr, Ave, Suite 130
Memphis, TN 38103
901-526-5000

- Representatives:
 - Chance Carlisle, President – 7V Devco, LLC and Carlisle Development Company, LLC
 - Don Campbell, Executive Vice President – 7V Devco, LLC and Carlisle Development Company, LLC
 - Eric Lucka, Sr. Vice President – 7V Devco, LLC and Carlisle Development Company, LLC
 - David Lewis, Sr. Vice President – Carlisle Development Company, LLC

Carlisle Development Company is a real estate developer and construction management firm that specializes in master-planned commercial developments and build-to-suit quick service restaurants. Its parent company, Carlisle LLC owns and operates over 160 Wendy’s restaurants throughout the southeastern United States employing approximately 7,000 people with annual sales of \$320 million. Carlisle Development Company, LLC past and current developments in Downtown Memphis include the redevelopment of the historic Hotel Chisca, the Hyatt Centric Beale St. Memphis, The Landing Residences at One Beale, and the Caption by Hyatt. Since 2014, Carlisle Development Company, LLC has developed and invested approximately \$221 million in the Downtown Core.

Proposed Project:

Site Address and Legal Description:

Phase I: 7 Vance Avenue, Memphis, TN 38103

Land situated in Shelby County, Tennessee:

Beginning at an existing building corner at the northwest intersection of Talbot Avenue (60’ Wide) and a 20’ wide public alley (Wagner Street); Thence with the north line of Talbot

Avenue, North 56 Degrees 55 Minutes 44 Seconds West for 180.00 feet to a chisel mark in the east line of Tennessee Street (60' wide); Thence with Tennessee Street, North 33 Degrees 06 Minutes 34 Seconds East for 300.00 feet to a chisel mark in the south line of Vance Avenue (66' wide); Thence with the south line of Vance Avenue, South 56 Degrees 55 Minutes 44 Seconds East for 180.00 feet to a building corner in said south line and the west line of a 20' wide public alley (Wagner Street); Thence South 33 Degrees 06 Minutes 34 Seconds West for 300.00 feet to the point of beginning.

Also being described on survey prepared by The Reaves Firm Incorporated, dated June 24, 2020, Job No. 20-0074, as follows:

BEING A SURVEY OF THE DRAPAC GROUP 49, LLC PROPERTY AS RECORDED IN INSTRUMENT 15095282 AT THE SHELBY COUNTY REGISTER'S OFFICE, BEING LOCATED IN MEMPHIS, SHELBY COUNTY, TENNESSEE AND

BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF WAGNER PLACE (20 FOOT WIDE PUBLIC ALLEY) WITH THE SOUTH RIGHT-OF-WAY LINE OF VANCE AVENUE (66 FOOT WIDE PUBLIC RIGHT OF-WAY) (N 318119.57 – E 755149.89); THENCE S33°03'59"W ALONG THE WEST RIGHT-OF-WAY LINE OF SAID WAGNER PLACE A DISTANCE OF 300.00 FEET TO THE INTERSECTION OF THE WEST RIGHT-OF-WAY LINE OF SAID WAGNER PLACE WITH THE NORTH RIGHT-OF-WAY LINE OF TALBOT AVENUE (60 FOOT WIDE PUBLIC RIGHT-OF-WAY); THENCE N56°56'01"W ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID TALBOT AVENUE A DISTANCE OF 180.00 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF THE CN RAILROAD RIGHT-OF-WAY (RIGHT-OF-WAY WIDTH VARIES); THENCE N33°03'59"E ALONG THE EAST RIGHT-OF-WAY LINE OF SAID RAILROAD A DISTANCE OF 300.00 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SAID VANCE AVENUE; THENCE S56°56'01"E ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID VANCE AVENUE A DISTANCE OF 180.00 FEET TO THE POINT OF BEGINNING.

Phase II: 339 S Front Street, Memphis, TN 38103

Also being described on survey prepared by The Reaves Firm Incorporated, dated May 19, 2022, Job No. 20-0074-03, as follows:

BEING A SURVEY OF THE FRONT STREET DEVCO, LLC PROPERTY AS RECORDED IN INSTRUMENT 20021094 AT THE SHELBY COUNTY REGISTER'S OFFICE, LOCATED IN MEMPHIS, SHELBY COUNTY, TENNESSEE AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING THE NORTH 75 FEET OF LOTS 6, 7, AND 8 OF BLOCK 11, PLAN OF SOUTH MEMPHIS. BEGINNING AT THE INTERSECTION OF THE WEST RIGHT-OF-WAY LINE OF SOUTH FRONT STREET (60.00 FOOT WIDE PUBLIC RIGHT-OF-WAY) WITH THE SOUTH RIGHT OF WAY LINE OF VANCE STREET (66.00 FOOT WIDE PUBLIC RIGHT-OF-WAY), SAID POINT HAVING A TENNESSEE STATE PLANE COORDINATE OF NORTH 317999.54 – EAST 755334.26; THENCE S33°03'59"W ALONG

THE WEST RIGHT-OF-WAY LING OF SOUTH FRONT STREET A DISTANCE OF 75.00 FEET TO A POINT ON THE NORTH LINE OF THE MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION PROPERTY AS RECORDED IN INSTRUMENT 14055462; THENCE N56°56'01"W ALONG THE NORTH LINE OF THE SAID MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION PROPERTY A DISTANCE OF 200.00 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF WAGNER PLACE (20.00 FOOT WIDE PUBLIC ALLEY); THENCEN33°03'59"E ALONG THE EAST RIGHT-OF-WAY LINE OF WAGNER PLACE A DISTANCE OF 75.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF VANCE AVENUE; THENCE S56°56'01"E ALONG THE SOUTH RIGHT-OF-WAY LINE OF VANCE AVENUE A DISTANCE OF 200.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 15,000 SQUARE FEET OR 0.344 ACRES.

Intended Usage:

The project to be developed at 7 Vance Avenue and 339 S Front Street (the “subject properties”) will be a Class A multifamily residential development with five stories of wood frame construction on top of concrete podium parking. The project will be developed in two phases, and, when completed will contain 273 multifamily residential units, 310 parking spaces in two levels of concrete podium parking and related Class A amenities for its residents.

The architecture will draw influence from the industrial and warehouse roots of the South Main district, and more specifically the previous structures. The intent includes reconstructing the base of the existing building, borrowing the patterns and detailing that occur below the precast cornice line. What occurs above this reconstructed historic base is an extension of the detailing, with the introduction of additional materials (fiber cement siding, metal paneling) that will be detailed in such a way as to emulate proverbial factory/warehouse/industrial buildings of the past.

In summary, the end result strives to be a blend of the historic roots of the area with modern detailing that accommodates today’s uses, needs, and regulations. Particular homage is paid to the existing structure by way of reconstituting the pedestal base and reimagining the chimney stack. Street activation will be introduced at all street-facing sides, thereby enhancing the vitality of the area, all of which contributes to restoring the legacy of down-town Memphis.

Phase I of the development includes 210 multifamily residential units, a 262-car parking garage and related Class A amenities. The building itself is a combination of two levels of parking with liner leasing office and resident amenities along Vance Avenue with five levels of residential above the parking. The pool courtyard will with additional resident amenity space will be located on the first elevated residential level.

Phase II will be constructed at 339 S Front Street and will contain 63 Class A multifamily residential units on five levels of wood frame construction over two levels of concrete podium parking providing parking for 64 cars. The architectural themes described above will be carried through the Phase II development, which, in addition to the 63 additional residential units, will include approximately 1,800 square feet of elevated amenity space.

Economic & Environmental Impact

Located at 7 Vance Avenue and 339 S Front Street, the project builds upon the recent momentum created by the neighboring One Beale development one block north. A part of the Memphis skyline since the early 1900s, the former Oliver Finnie factory (or more recently known as the Nylon Net building) is long overdue for its own transformation.

Consisting of 186,000 SF, the former grocer's supply company thrived during the early twentieth century taking advantage of the site's unique access to the Mississippi River and direct rail access to the Main Line of Mid-America run by the Illinois Central Railroad.

Originally constructed in 1920, the three-story masonry and timber building at 339 S Front Street served as industrial warehouse and shop space through the early 1980s. After some years of vacancy, the building housed an antiques shop; however, the building fell into a state of disrepair and suffered long-term vacancy. As a result, the building was neglected by its owners and continued to deteriorate both cosmetically and structurally.

In a 21st century downtown, the subject properties have retained their strategic geographic location but lost their core purpose.

The DMC has repeatedly recognized economic and environmental impact of 7 Vance by listing it as one of its highest redevelopment priorities. Unfortunately, many have tried unsuccessfully to redevelop the property, partly due to the state of its physical condition created by years of vacancy, squatters and environmental damage. The cost of the lead paint and asbestos removal alone for 7 Vance was estimated to be over \$400,000 dollars though the true scope remains difficult to define due to safety concerns simply navigating the structure.

Due to their location, economic impact and current physical and environmental condition, the subject properties can only be redeveloped by following the public/private development model used by other successful projects including the Landing Residences, the Brewery, the Wonder Bread Factory and the recently announced Snuff District redevelopment.

At the February 9, 2021 meeting of Memphis Center City Revenue Finance Corporation ("CCRFC") the Board approved applicant's request for a PILOT tax incentive of 19.5 years in length to support the development of Phase I of the project located at 7 Vance Avenue. As a result of this approval, the property located at 7 Vance Avenue was conveyed to CCRFC, and the property is leased to 7V Devco, LLC under a PILOT Lease Agreement dated October 27, 2021 (the "Existing PILOT Lease"), which has an original term of 19.5 years. Because of the project's size, timeline, economic contributions, significance to the community, applicant now requests that CCRFC approve applicant's request to amend the Existing PILOT Lease to add the Phase II property located at 339 S Front Street to the Existing PILOT Lease for the remainder of its original 19.5 year term.

Applicant intends to apply to the CCDC to ask for assistance in removing environmental blight and providing site and street improvements to Vance, Front, Wagner and Talbot to improve the neighborhood's walkability, pedestrian safety and overall aesthetic, all of which would be expenses that typically would fall outside of a development's scope of responsibility. However, we feel

compelled not to miss the opportunity to enhance the Grand Entrance to the Carlisle Bluff, as part of the redesign of Tom Lee Park, and build upon the City’s Comprehensive 3.0 plan by adding additional elements to make the surrounding neighborhood pedestrian and bike friendly.

Current Ownership

Memphis Center City Revenue Finance Corporation (“CCRFC”) is the current property owner of Phase I located at 7 Vance Avenue. As stated above, this property is leased to 7V Devco, LLC under the “Existing PILOT Lease”, which has an original term of 19.5 years. Applicant acquired the property on November 2, 2020.

Front Street Devco, LLC, an affiliate of 7V Devco, LLC and Carlisle Development Company, LLC, is current property owner of Phase II located at 339 S Front Street. If its request is approved, at the closing, the Applicant intends to transfer this property to CCRFC and amend the Existing PILOT Lease to include the Phase II property.

Architectural Plans and Renderings

See Exhibit A

Structural Integrity – Architect’s Letter

- Phase I – See Exhibit B
- Phase II – When it was acquired, the building at 339 S Front had suffered substantial deterioration, both cosmetic and structural. The building was the subject of an environmental court case, and the previous owners were cited by the City of Memphis Division of Public Works, with the inspector noting the structure was a “dangerous neglected building” in his report. Roof openings and separation from the party wall had allowed significant amounts of rainwater over time into the building, causing extensive floor system damage and several column/beam failures. Thus, it was not possible to repair and restore the building to a structure that would enable development of the intended residential use.

Project Costs – Sources and Uses Statement:

See – See Exhibit C

Changes to the Public Space around the Project

- Phase I:
The Design Review Board approved the comprehensive site plan, architectural renderings, landscape, lighting, and signage plans for Phase I submitted to the Design Review Board by applicant.

- Phase II:
Applicant will submit a comprehensive site plan, architectural renderings, landscape, lighting, and signage plans for Phase II of the project to the Design Review Board for its approval. The submittal for Phase II will be consistent with the submittal for Phase I and will incorporate architectural lighting and public art.

Project Timeline:

- Loan closing and equity contributions:
 - The Phase I construction loan and equity contributions closed in October 2021
 - The Phase II construction loan and equity contributions are estimated to close in July 2023
- First expenditure of funds
 - Phase I development expenditures started in July 2020
 - Phase II development expenditures started in May 2022
- Construction commencement:
 - Phase I construction commenced in September 2021
 - Phase II construction is expected to commence in July 2023
- Anticipated construction completion:
 - Phase I – certificates of occupancy for the initial units are expected in May 2024, and final completion is expected in October 2024.
 - Phase II – certificates of occupancy are expected in December 2024, and final completion is expected in January 2025.

Financial Background:

- The most recent audited financial statements of the guarantor are attached at Exhibit E.
- The unaudited financial statements of 7V Devco, LLC are attached at Exhibit F.
- Carlisle LLC and its subsidiaries and affiliates have utilized CBIZ for outside accounting and tax consulting needs since 2014. 7V Devco, LLC and Carlisle Development Company, LLC are direct or indirect subsidiary and affiliates of Carlisle LLC and will use CBIZ for outside accounting and tax consulting.

Project Team:

- **Legal:**
Butler Snow LLP
6075 Poplar Ave., Suite 500
Memphis, TN 38119
Attention: Geoffrey M. Hirsch
(901) 680-7315

- **Architect & Engineer:**
Studio Architects
1000 Marietta St NW
Atlanta, GA 30318
- **General Contractor:**
Linkous Construction Company, Inc.
1661 Aaron Brenner Drive, Suite 207
Memphis, TN 38120
901-754-0700
- **Civil Engineer:**
The Reaves Firm, Inc.
6800 Poplar Ave
Memphis, TN 38138
901-761-2016
- **Environmental Consultant:**
Tioga Environmental Consultants, Inc.
357 North Main Street
Memphis, TN 38103
901-791-2432

Financial References:

- Robert Macyauski
Director of Commercial Real Estate
Fifth Third Bank
424 Church Street
Nashville, TN 37219
- Kevin Briske
Relationship Manager, Commercial Real Estate
First Horizon Bank
165 Madison Avenue
Memphis, TN 38103
901-523-4105
- Louise Barden
Regional Director Commercial Banking and President of Memphis Region
Trustmark National Bank
Trustmark Centre
5350 Poplar Avenue, Suite 210
Memphis, TN 38119

Disclosures:

- Except as set forth on *Exhibit G* neither applicant nor any guarantor is engaged in any civil or criminal proceeding.
- No individual involved with the project has ever been charged, indicted or convicted of any felony.
- Neither the applicant nor any guarantor has ever filed for bankruptcy.

Board Relationships:

Neither the applicant or any guarantor has any previous or ongoing relationship any member of the CCRFC Board member or legal counsel of the Board.

Tax Parcel Number and Assessed Value of the Property:

- Phase I: 7 Vance Avenue, Memphis, TN 38103
Parcel ID: 002075 00001C
Land Appraisal: \$504,100
Building Appraisal: \$0
Total Appraisal: \$564,100
- Phase II: 339 S Front Street, Memphis, TN 38103
Parcel ID: 002096 00001
Land Appraisal: \$225,500
Building Appraisal: \$174,900
Total Appraisal: \$400,400
- No assessments are under appeal.
- No subdivision of the property is anticipated.

Project Loan Information:

- **Phase I:**
Phase I is financed by a conventional construction loan from Fifth Third Bank in the principal amount of \$42,087,500 (the “Phase I Loan”). The among other things, the approval of the Phase I Loan was conditioned on CCRFC’s approval of borrower’s application for PILOT tax incentive for 19.5 years. The Phase I loan is secured by a leasehold deed of trust and other security documents that encumber the interest of 7V Devco, LLC in the property and improvements thereon. In addition, Carlisle LLC has provided a payment guaranty, a completion guaranty and certain other indemnities with respect to the Phase I loan. The Phase I loan bears interest at a floating Rate equal to 2.35% over the one-month LIBOR, and interest only is payable monthly during the 42 month initial term. The Phase I Loan may be extended for two additional 12 month periods upon satisfaction of certain conditions. During the extension periods, monthly amortization payments based on a 30-year amortization are required.

- **Phase II:**

Applicant expects that Phase II will be financed by a conventional construction loan from Fifth Third Bank or another national bank with local or regional offices in Memphis. As with Phase I, applicant expects that the financing for Phase II will be conditioned on CCRFC's approval of Applicant's request to amend the Existing PILOT Lease to add the property located at 339 S. Front Street.

Project Financial Projections:

- A Sources and Uses of Funds Statement is attached at Exhibit C.
- Financial Projections are attached at Exhibit D.

[Signature Page Follows]

Signature Page to Amended and Restated PILOT Application

This application is made in order to induce the Memphis Center City Revenue Finance Corporation (CCRFC) to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCRFC in its consideration of the application is included. The applicant expressly consents to the CCRFC's investigation of its credit in connection with this application. The applicant acknowledges that it has reviewed the descriptions of the CCRFC financial program for which it is applying and agrees to comply with those policies. That applicant shall also be required to show a good faith effort with regard to the employment of MWBE contractors. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCRFC whether or not the incentive is granted or project completed.

7V DEVCO, LLC

By: 

L. Don Campbell, Jr.
Executive Vice President

Date: 02/28/2023

CARLISLE DEVELOPMENT COMPANY,
LLC

By: 

L. Don Campbell, Jr.
Executive Vice President

Date: 02/28/2023

EXHIBIT A
Architectural Plans and Renderings

– See attachments –

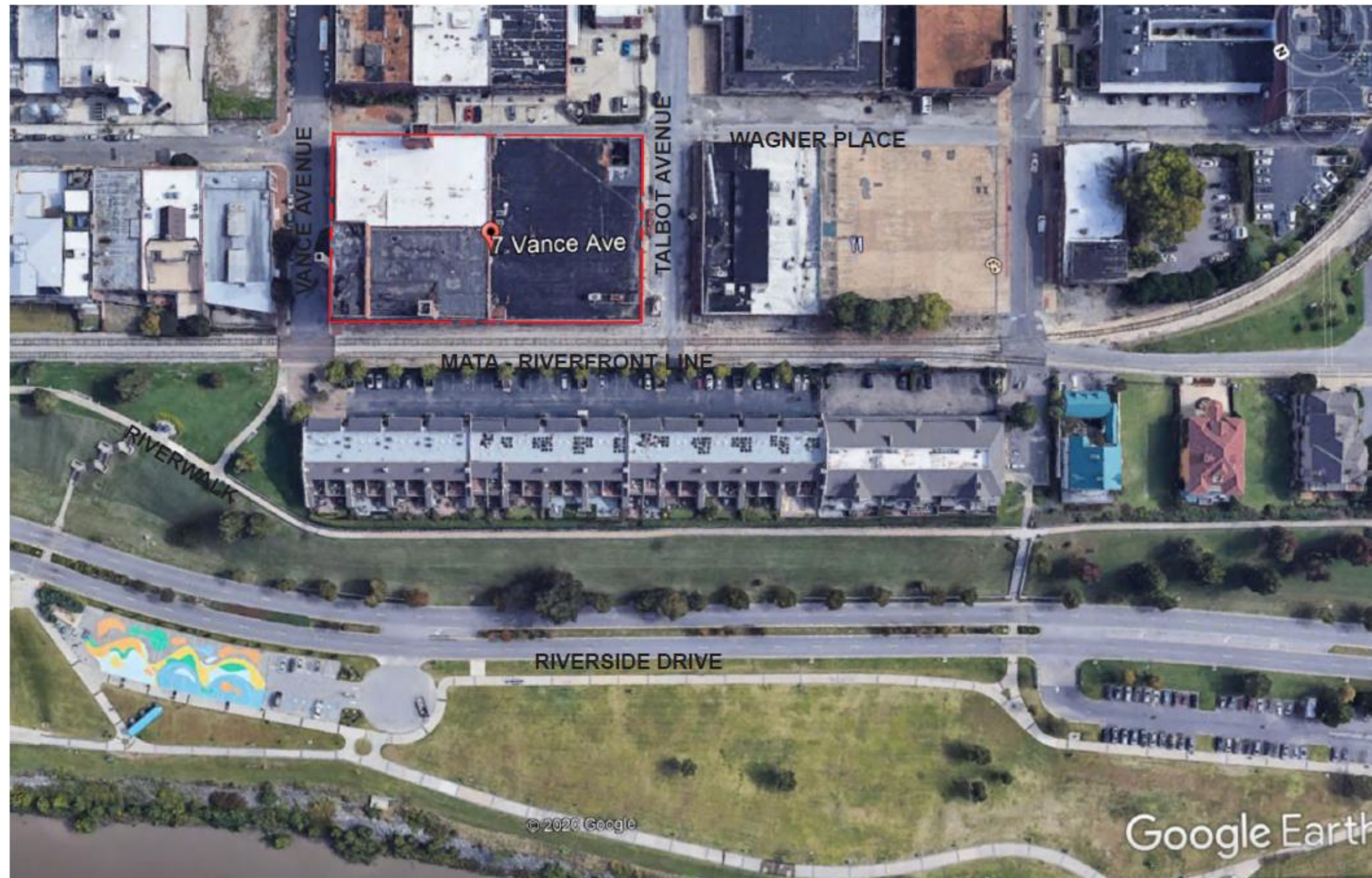


Carlisle

7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

Carlisle
DEVELOPMENT COMPANY

VICINITY PLAN



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



EXISTING CONDITIONS



MATA RAIL LINE FACADE, FROM VANCE



TALBOT FACADE



WAGNER FACADE, FROM VANCE



VANCE FACADE



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



EXISTING AERIAL - VANCE AVENUE



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7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

Carlisle
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SITE PLAN



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



EXTERIOR PERSPECTIVE



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7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

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EXTERIOR PERSPECTIVE



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



NORTH EXTERIOR ELEVATIONS



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



SOUTH EXTERIOR ELEVATIONS



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



EAST EXTERIOR ELEVATIONS



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7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

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WEST EXTERIOR ELEVATIONS

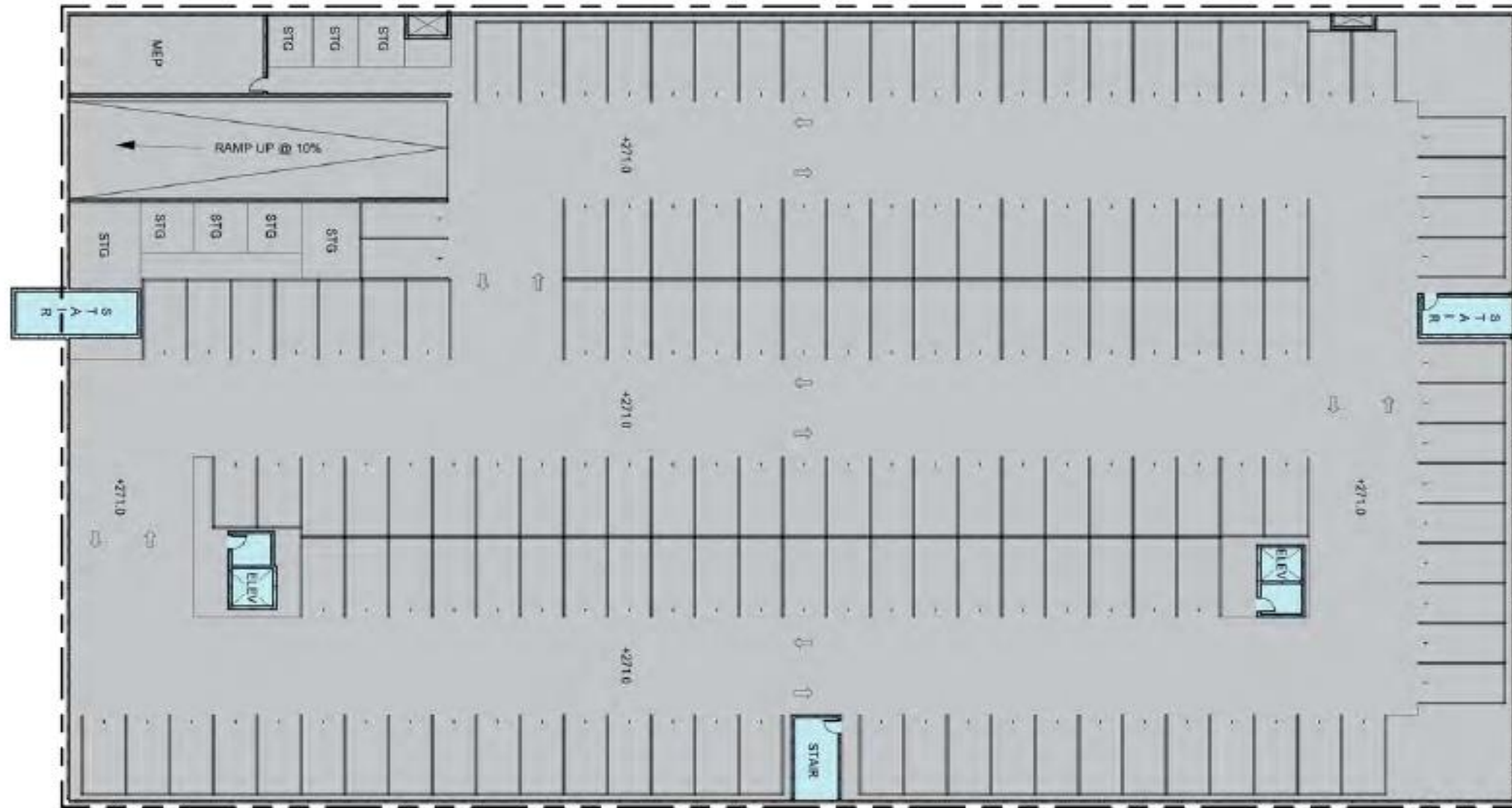


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7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

Carlisle
DEVELOPMENT COMPANY

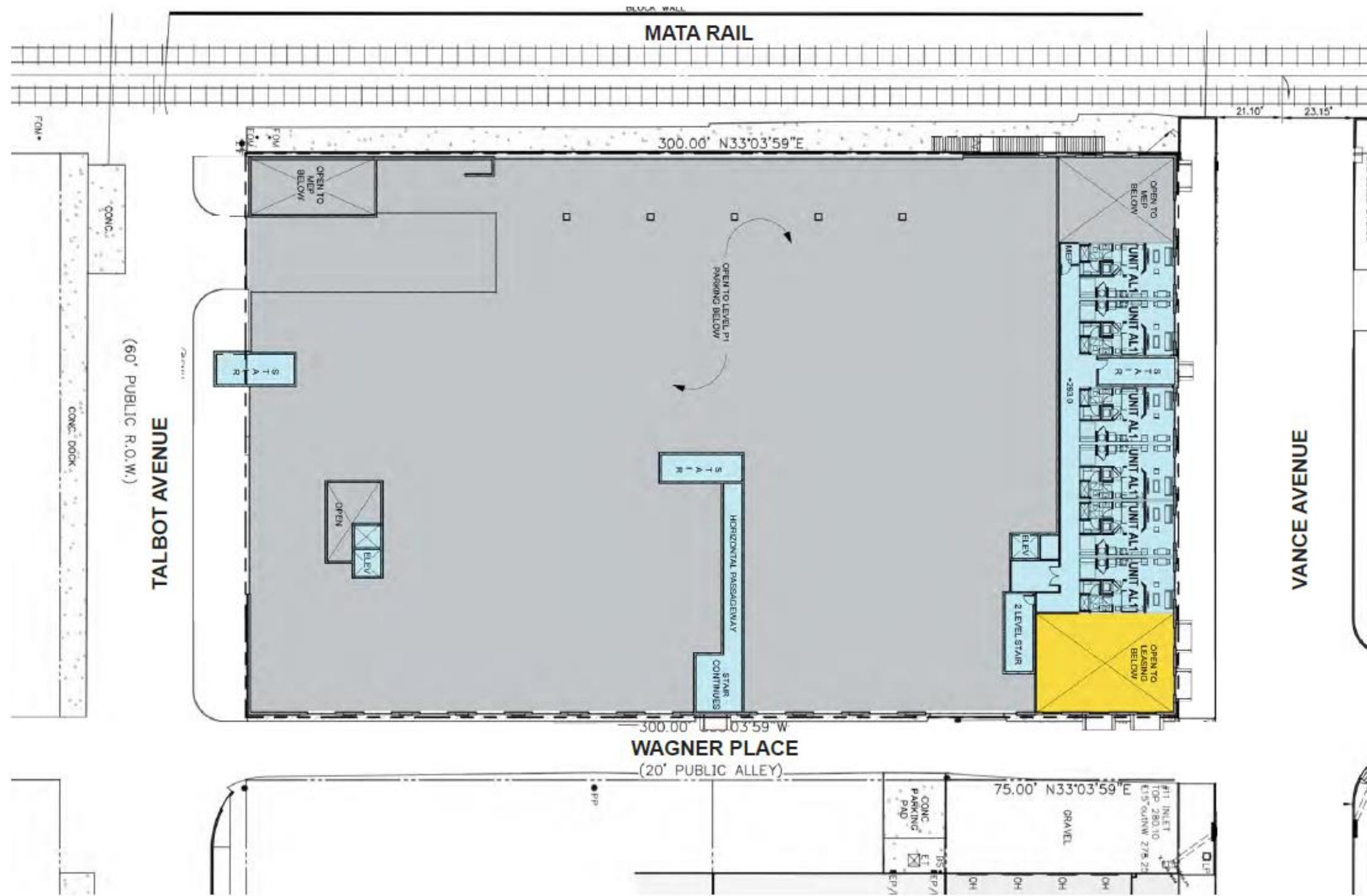
FLOOR PLAN - BASEMENT LEVEL PARKING



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION



FLOOR PLAN - LEVEL P1 PARKING

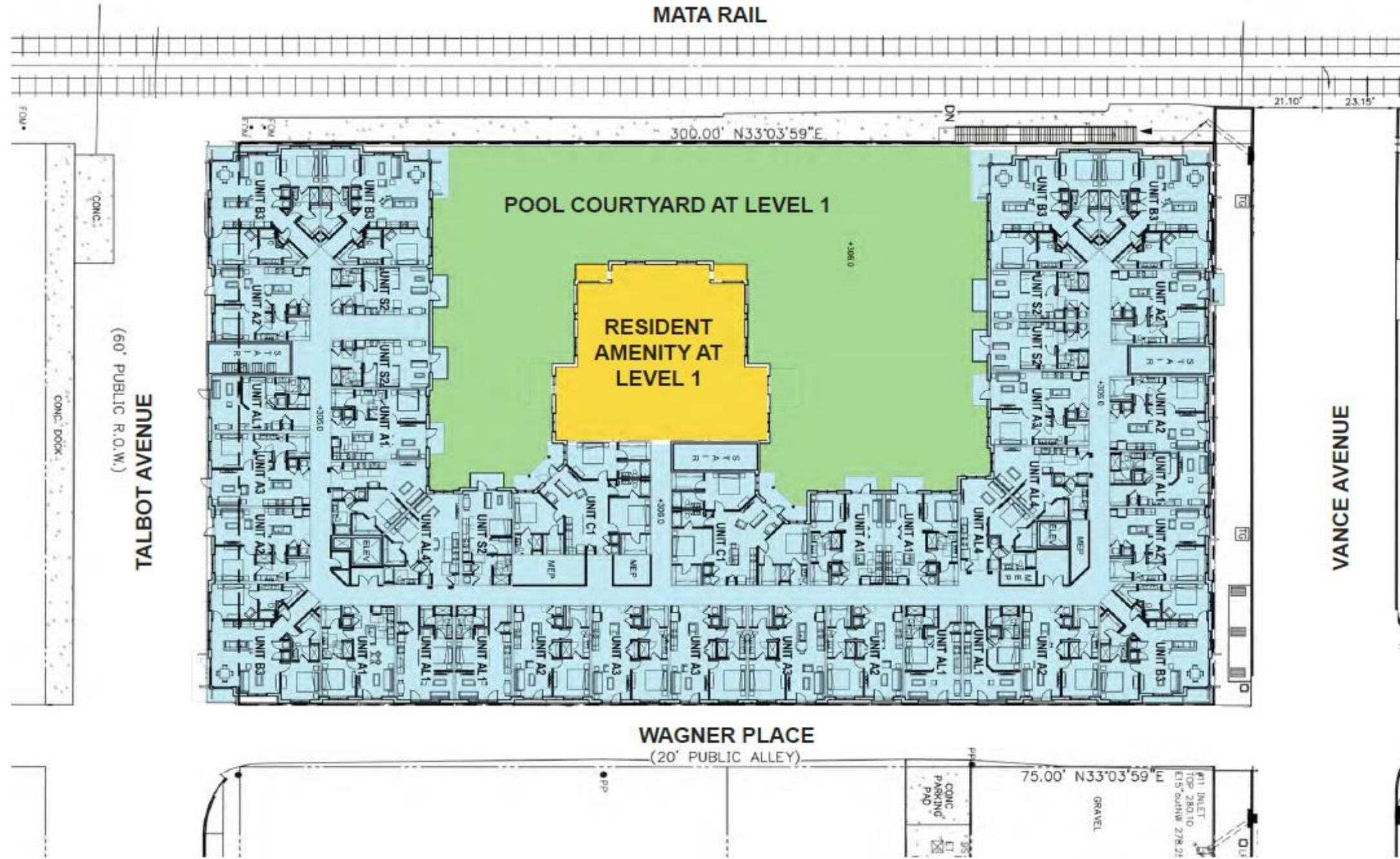


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7 VANCE AVENUE – THE OLIVER APARTMENTS
 AMENDED AND RESTATED PILOT APPLICATION

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FLOOR PLAN - TYPICAL RESIDENTIAL LEVEL



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7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION

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DEVELOPMENT COMPANY

MATERIAL BOARD

BRICK TO MATCH EXISTING
CONDITION



BOARD & BATTEN



SW 9171 - FELTED WOOL



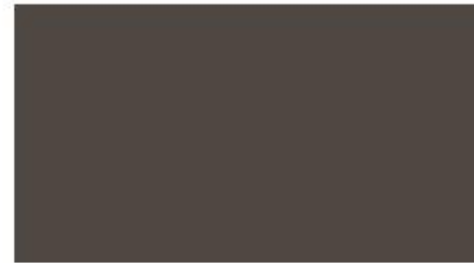
WINDOW - BLACK



LAP SIDING



SW 7020 - BLACK FOX



DOOR - BLACK

EXISTING CONDITION



METAL PANEL



SW 7069 - IRON ORE



7 VANCE AVENUE – THE OLIVER APARTMENTS
AMENDED AND RESTATED PILOT APPLICATION





DESIGN REVIEW BOARD APPLICATION

**Administered by:
Design Review Board**

Property Address*: 339 S Front Street

Applicant Name & Mailing Address: Front Street Devco, LLC

Applicant Phone Number: 901-494-7154 Applicant Fax Number: _____

Property Owner's Name & Mailing Address: 1 Dr MLK Jr Ave Suite 130, Memphis, 38103

Property Owner's Phone Number: 901-526-5000

The proposed work consists of the following (check all that apply):

Sign Renovation
New Building Other Exterior Alteration

Project Description: New 63 unit multifamily residential development with on-site podium parking. The project is intended to serve as a second phase of The Oliver at 7 Vance. See attached narrative.

Status of Project: Design Development

A complete application must be submitted to the Development Department no later than two weeks before a regularly scheduled meeting of the Design Review Board. Please contact Abe Lueders at (901)575-0565 or alueders@downtownmemphis.com with any questions and to submit an application.

Owner/Applicant Signature: 

Date: February 15, 2023

*Applications for properties that are located within a Landmarks Historic District may require additional approval from the Landmarks Commission. Please contact the Shelby County Division of Planning & Development at (901) 576-6601 for more information.

339 SOUTH FRONT ST. APARTMENTS

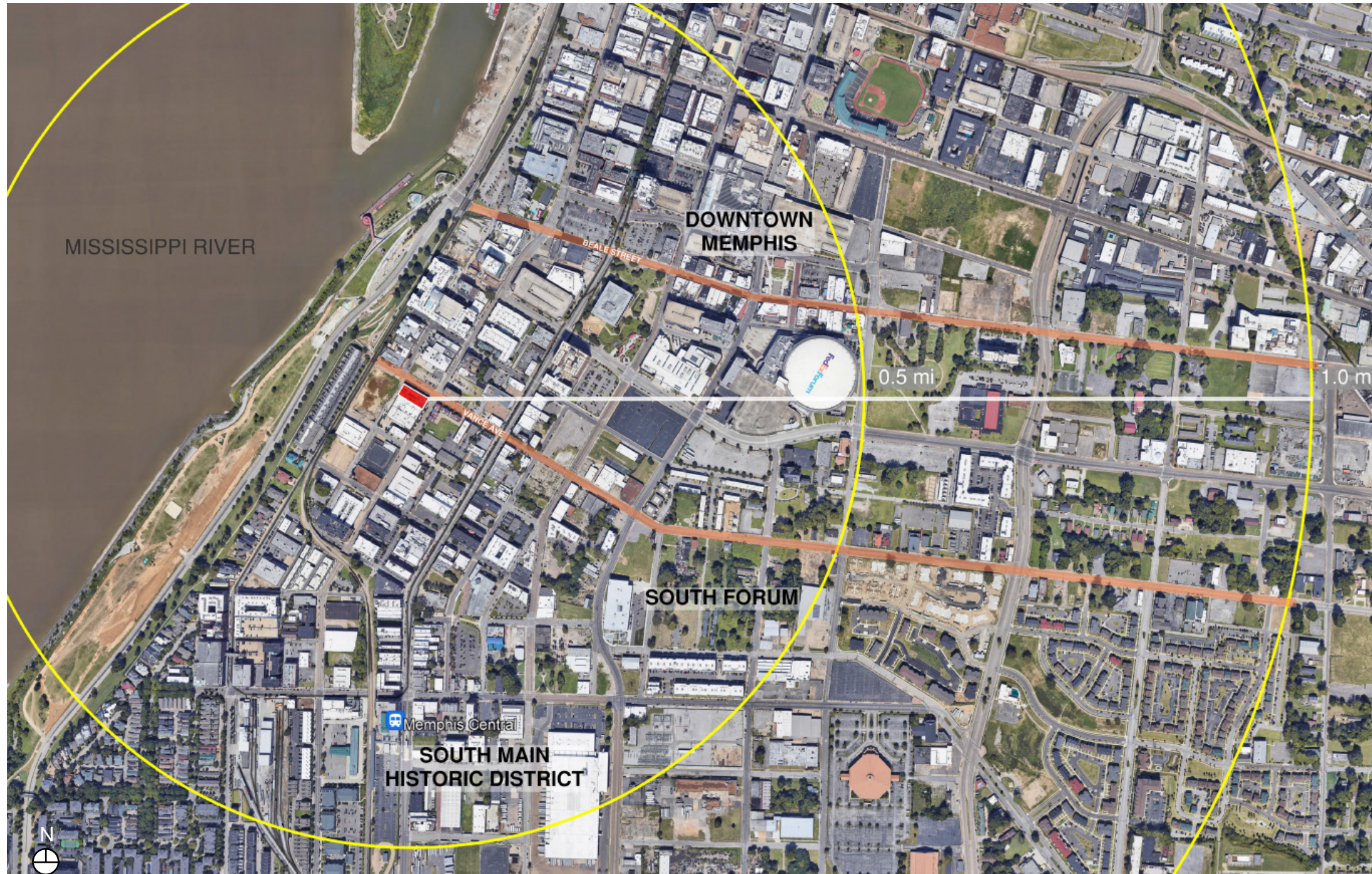
DESIGN REVIEW BOARD SUBMITTAL

MEMPHIS, TN

MARCH 1, 2023



SITE LOCATION



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

VICINITY PLAN



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

PROJECT NARRATIVE

The 339 South Front Street Apartment Development is a proposed multifamily building located in the South Main District of Memphis. The owner, Carlisle Development Company, LLC, is proposing this development on approximately 0.344 acres within 1 parcel of land situated on South Front Street, along Vance Avenue. This area falls within the jurisdiction of the Downtown Memphis Commission, and more specifically within Central Business Improvement District, South Main design context.

The project includes 63 residential dwelling units, structured parking, along with ground level amenity spaces for resident use, within approximately 15,000 square feet of gross area. The development has an estimated 24 month construction schedule. The building itself is a combination of structured parking with 5 levels of residential above.

The project is yet another piece in the restoration of the downtown fabric of the South Main District, and Downtown Memphis at large by introducing class A institutional-quality multifamily housing, while being respectful of the historic context of the neighborhood and existing structures surrounding the site. It is important to note that the project intends to be a companion structure to 7 Vance Avenue (The Oliver) in both scale and material. This means that the exterior detailing will follow the same format, which restored the detailed masonry work of the previous historic warehouse structure. Together the structures introduce a more cohesive vocabulary for the block.

What occurs above this reconstructed historic base is an extension of the detailing, with the introduction of additional materials (fiber cement siding and trim) that will be detailed in such a way as to emulate proverbial factory/warehouse/industrial buildings of the past.

In summary, the builds on the historic roots of the area while introducing modern building systems and detailing that accommodates today's uses, needs, and regulations. Street activation occurs at all three street-facing sides, all of which contributes to restoring the vitality of downtown Memphis.



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD
MEMPHIS, TN
MARCH 1, 2023



SITE PLAN

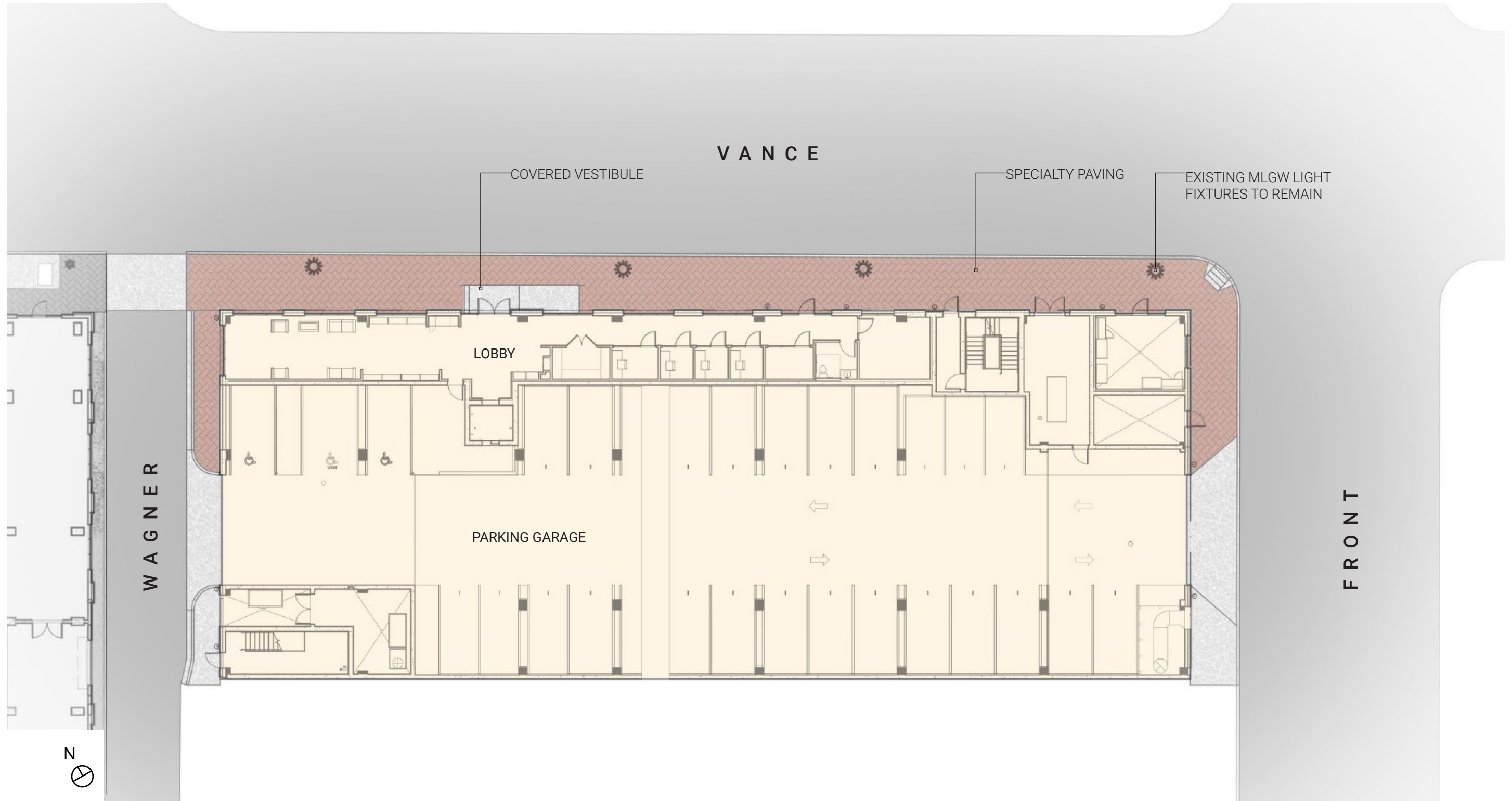


339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023



STREETSCAPE PLAN

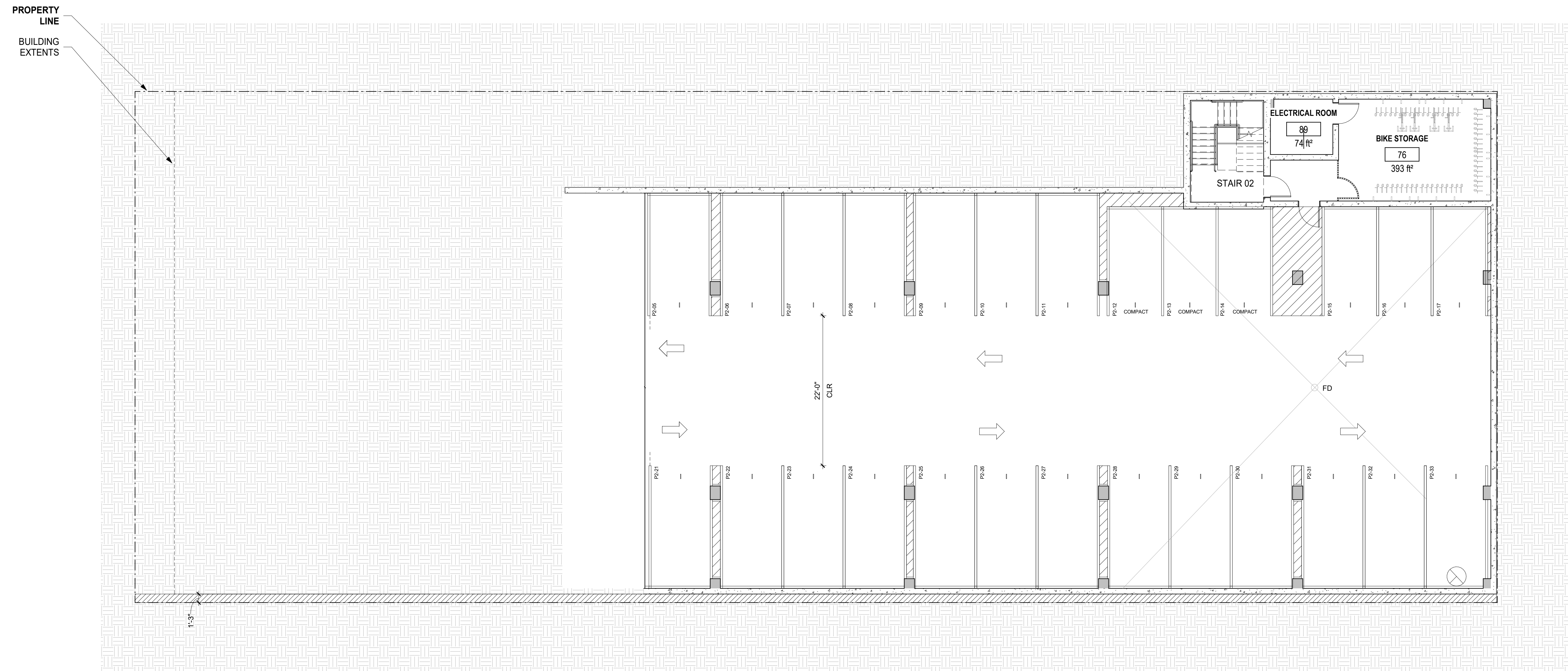


339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

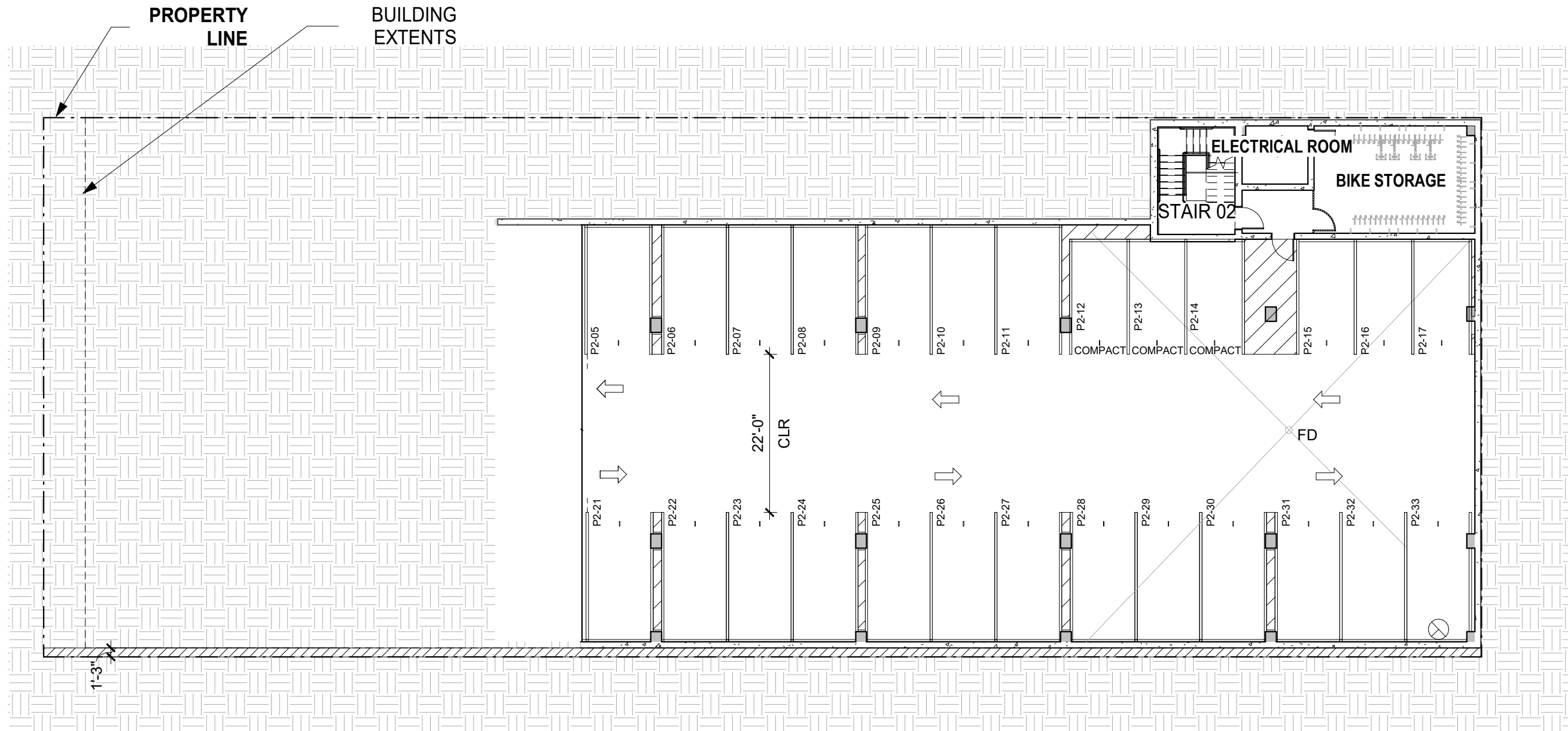


FLOOR PLAN - BASEMENT LEVEL PARKING 1-8TH SCALE



1 1/8" = 1'-0" DRB - LEVEL P1 BASEMENT PLAN

FLOOR PLAN - BASEMENT LEVEL PARKING

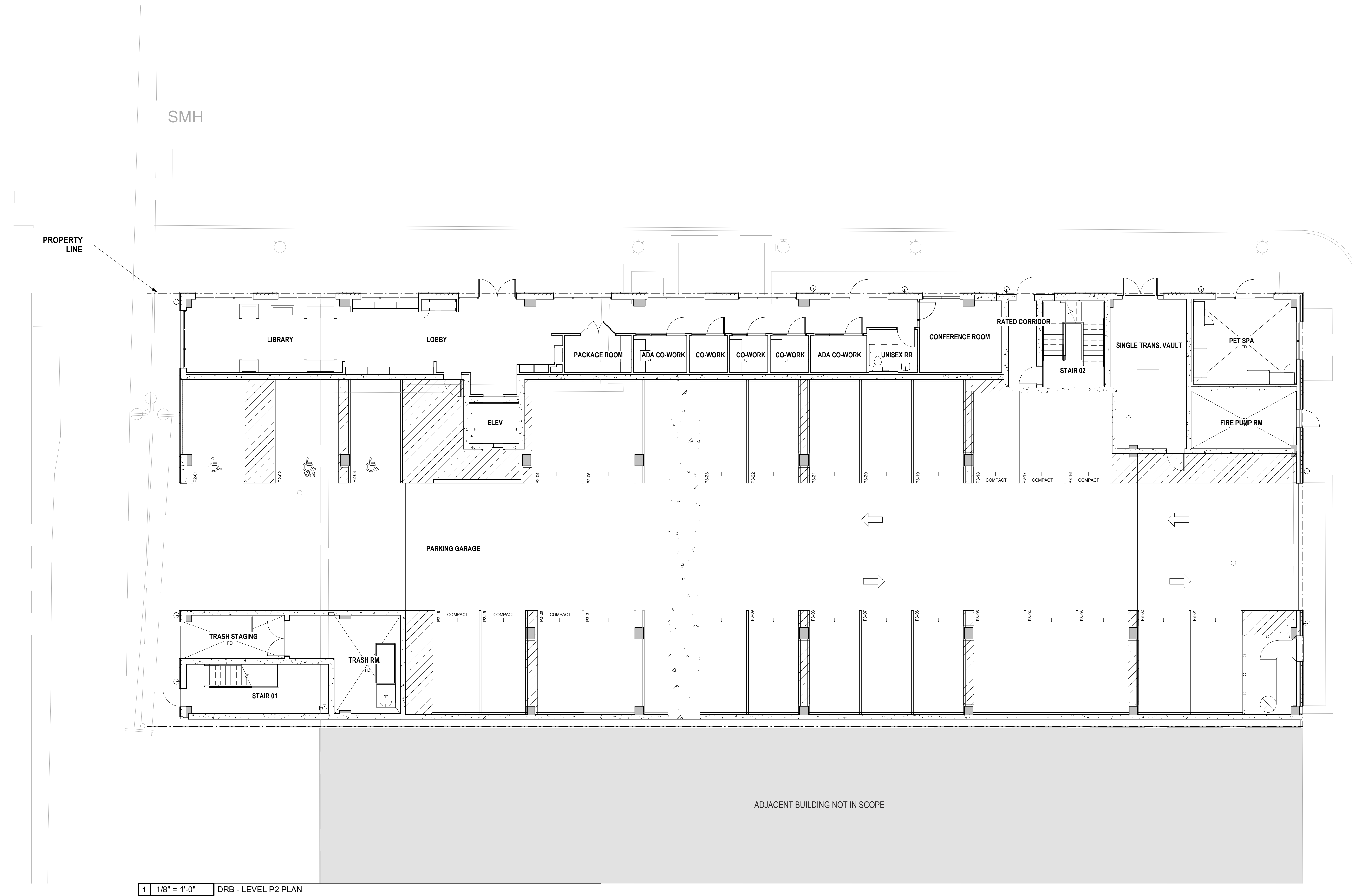


1 | 1/16" = 1'-0" | DRB - LEVEL P1 BASEMENT PLAN SMALL SCALE

339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD
MEMPHIS, TN
MARCH 1, 2023

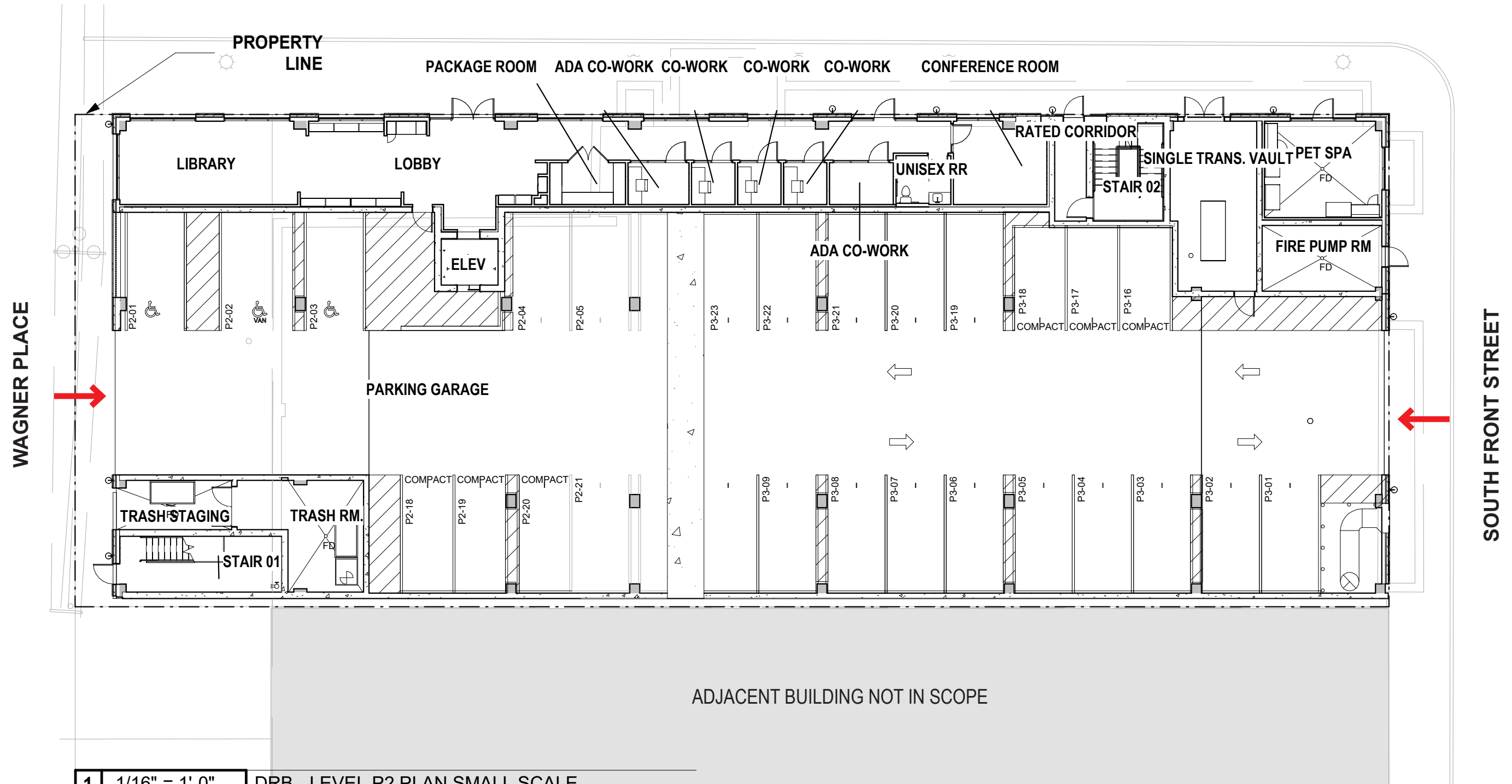


FLOOR PLAN - GROUND LEVEL PARKING 1-8TH SCALE



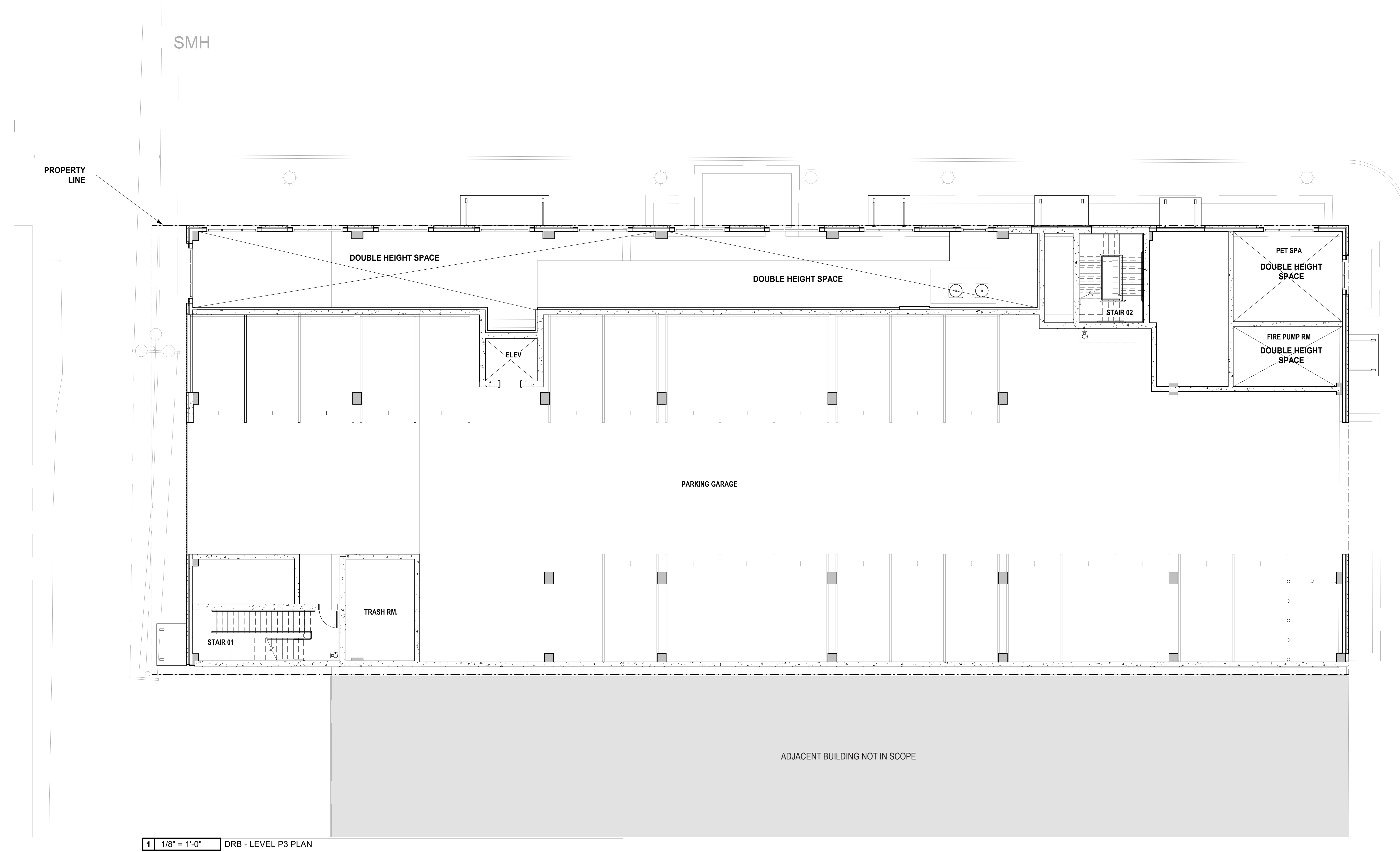
FLOOR PLAN - GROUND LEVEL PARKING

VANCE AVENUE

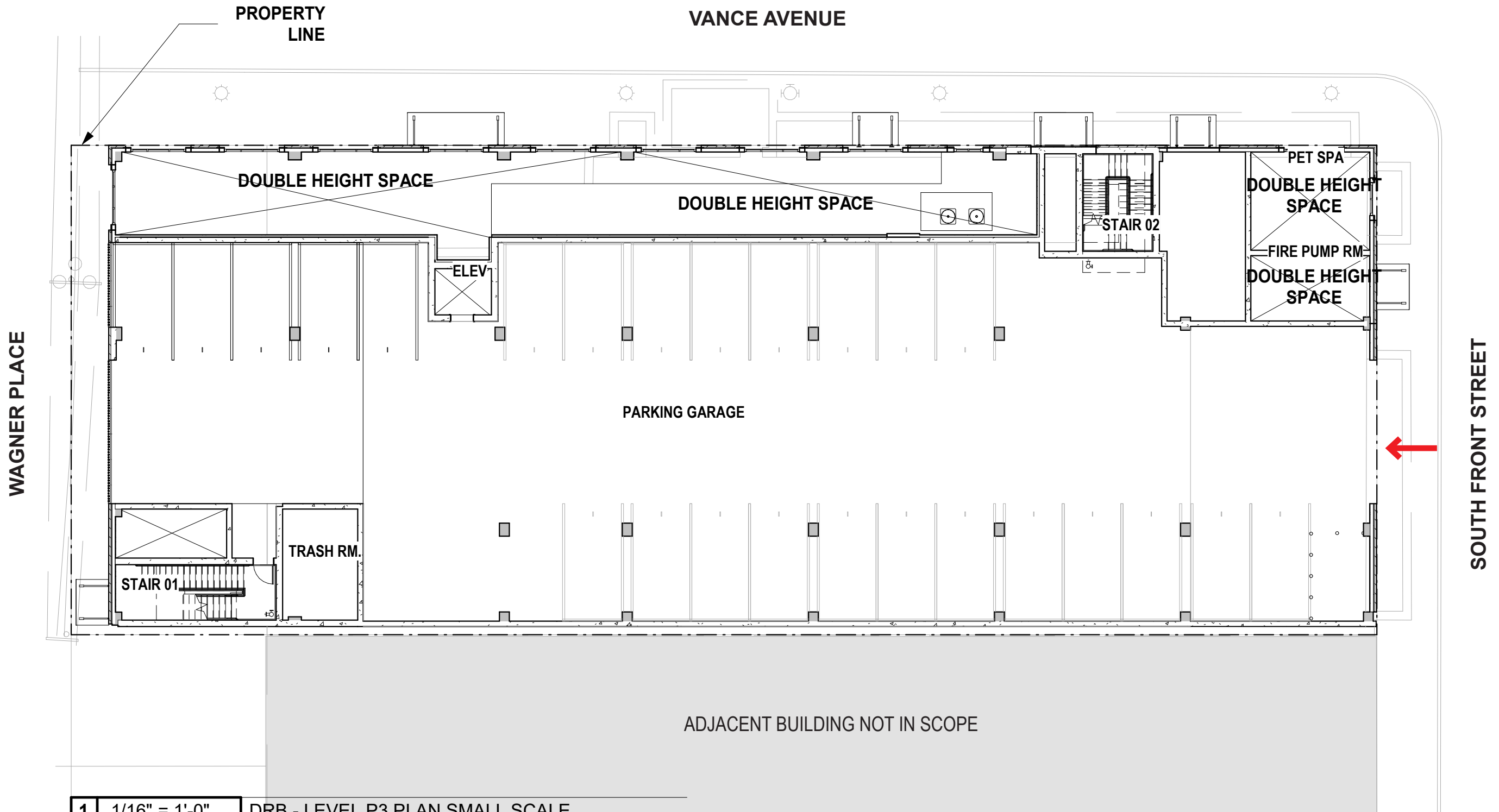


339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD
 MEMPHIS, TN
 MARCH 1, 2023

FLOOR PLAN - LEVEL P3 PARKING 1-8TH SCALE



FLOOR PLAN - LEVEL P3 PARKING



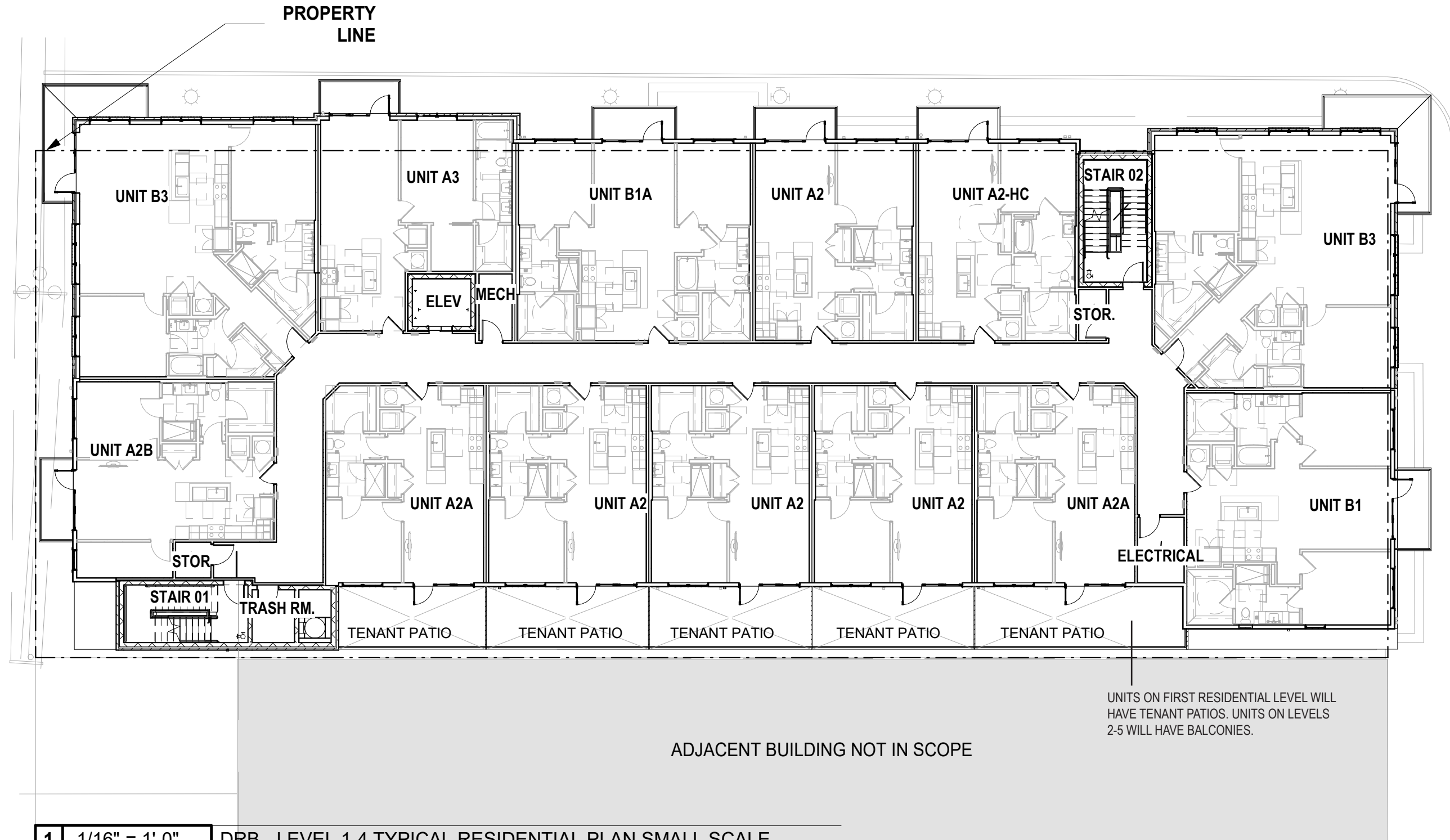
339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

FLOOR PLAN - TYPICAL RESIDENTIAL LEVEL 1-8TH SCALE



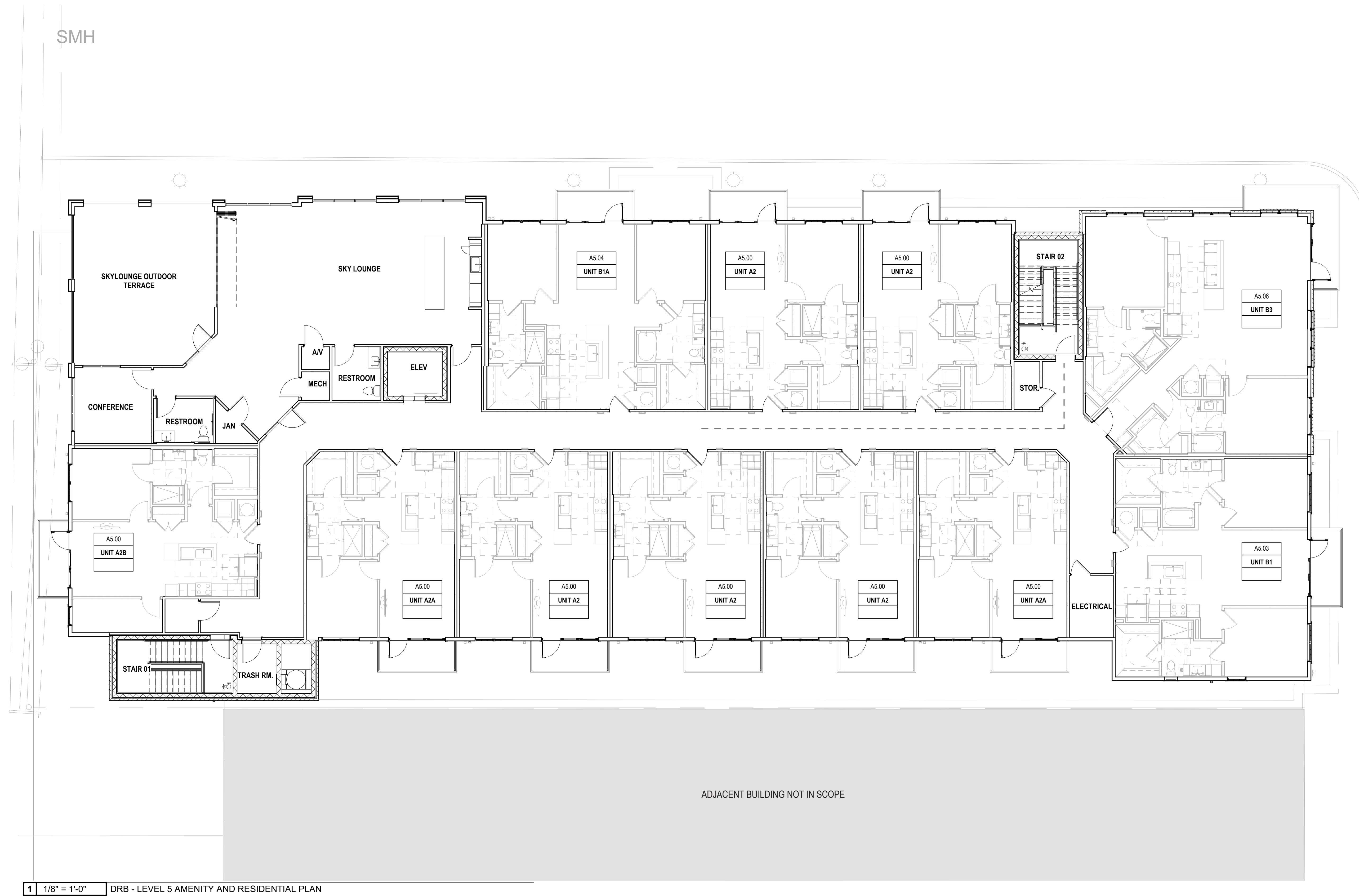
FLOOR PLAN - TYPICAL RESIDENTIAL LEVEL



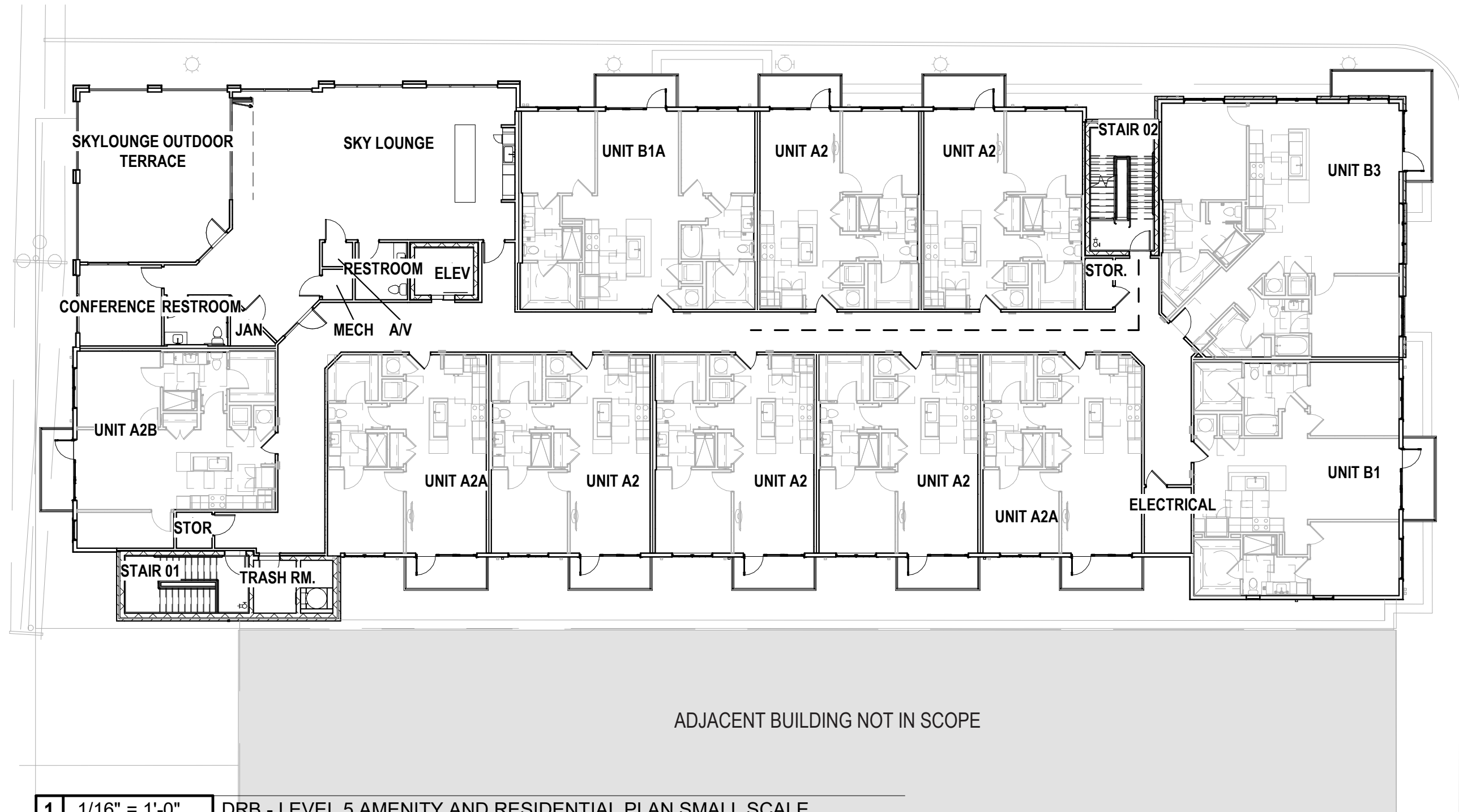
339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

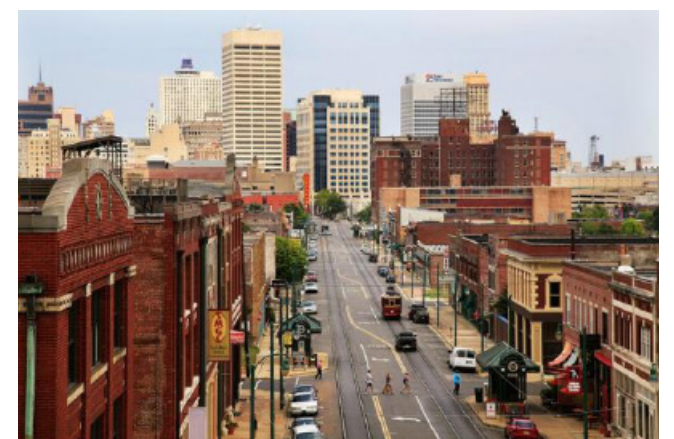
FLOOR PLAN - LEVEL 5 AMENITY AND RESIDENTIAL 1-8TH SCALE



FLOOR PLAN - LEVEL 5 AMENITY AND RESIDENTIAL



WATERFRONT VOCABULARY

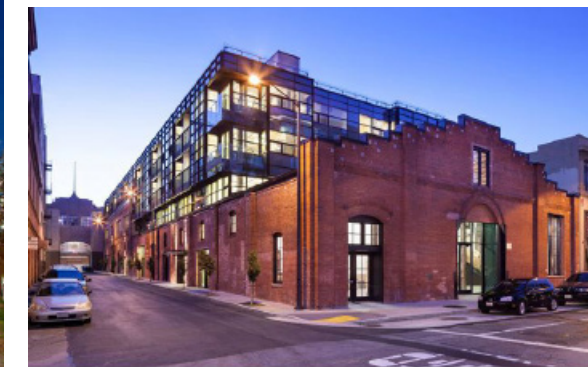


339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023



CHARACTER IMAGERY



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023



NORTH EXTERIOR ELEVATION - VANCE AVENUE



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

SOUTH EXTERIOR ELEVATION



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

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MARCH 1, 2023

EAST EXTERIOR ELEVATION - SOUTH FRONT ST.



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MARCH 1, 2023



VANCE AVENUE AND SOUTH FRONT ST. PERSPECTIVE



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
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WAGNER PL. AND VANCE AVENUE PERSPECTIVE



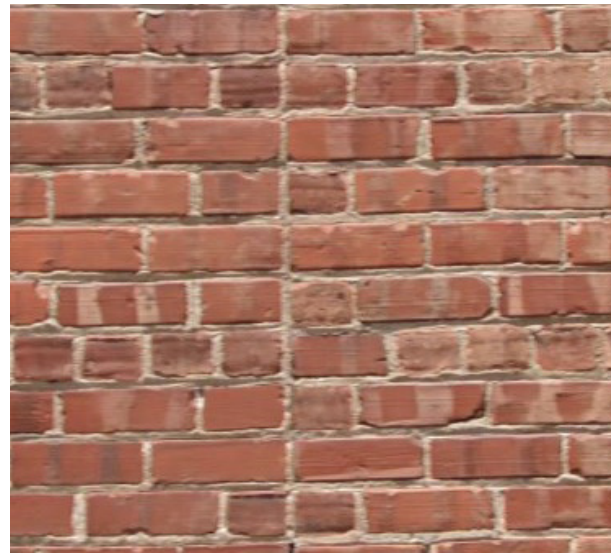
339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023



MATERIAL BOARD

BRICK TO MATCH EXISTING
CONDITION



BOARD & BATTEN



SW 7068 - GRIZZLE GRAY



WINDOW - BLACK



EXISTING CONDITION



PAINTED PANEL & TRIM



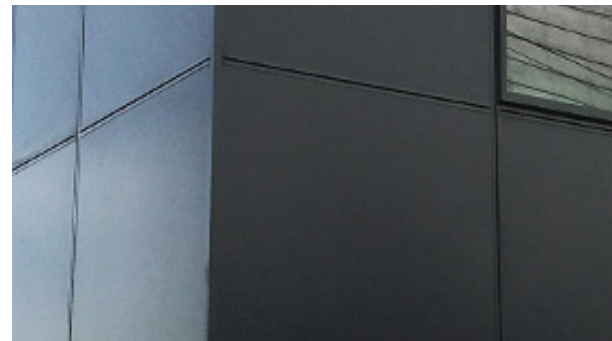
SW 7069 - IRON ORE



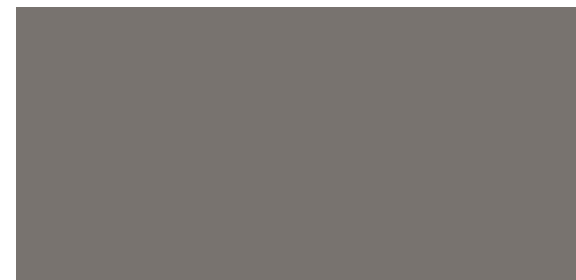
DOOR - BLACK



METAL PANEL



SW 7019 - GAUNTLET GRAY



339 SOUTH FRONT ST. APARTMENTS - DESIGN REVIEW BOARD

MEMPHIS, TN
MARCH 1, 2023

EXHIBIT B
Structural Integrity – Architect’s Letter

– See attachment –



1000 Marietta Street NW
Suite 244
Atlanta, GA 30318
678.705.7904
studioarchitects.us

MEMORANDUM

DATE: September 28, 2020

TO: Chance Carlisle
Carlisle Development

FROM: Chris Kacena, AIA, LEED AP, Studio Architects

RE:
7 Vance Apartments
Memphis, TN
Studio Architects Project # 20-143

Chance,

Pursuant to the consideration of how best to utilize the existing historic structure located on the subject site, we have considered several scenarios by which we may renovate, salvage, or reconstruct the existing building. Our conclusion is that reconstructing the base level of the building aligns best with the program set forth for the development. While there are several attributes of the existing structure that hold historic value, there are many other factors that inhibit it from being a habitable structure that supports the development program. Namely, the following conditions pose difficulties to redevelopment-

1. The existing walls of the historic portion of the structure have differential settlement cracks in multiple locations, indicating structural instability and posing life safety issues.
2. The construction methods used in the existing structure do not meet current code requirements.
3. Demolition of any portion of the structure for adaptive reuse purposes compromises the integrity of portions of the structure to remain.
4. The dimensions of the lower section of the structure are not conducive to the proposed new residential use.

Our assessment is that the most effective method for maintaining the character of the historic structure would be to carefully document the proportions and details of the existing building, salvage the brick and precast materials during demolition, and reconstruct the exterior in a way that replicates the original base of the structure, paying tribute to and reviving its past.

Sincerely,
Chris Kacena, AIA, LEED AP

STUDIO ARCHITECTS

EXHIBIT C
Project Costs

– See attachments –

7 Vance All Uses		339 S Front Street All Uses		The Oliver Phases I & II All Uses	
Sources and Uses of Cash 2.27.2023		Sources and Uses of Cash 2.27.2023		Sources and Uses of Cash 2.27.2023	
Sources of Funds:		Sources of Funds:		Sources of Funds:	
Project Debt	\$ 42,087,500	Project Debt	\$ 12,074,226	Project Debt	\$ 54,161,726
Equity - Land Contribution	3,210,650	Equity - Land Contribution	1,100,000	Equity - Land Contribution	\$ 4,310,650
Equity - Cash	19,905,469	Equity - Cash	8,778,912	Equity - Cash	\$ 28,684,381
Total Sources of Funds	\$ 65,203,619	Total Sources of Funds	\$ 21,953,138	Total Sources of Funds	\$ 87,156,757
Uses of Funds:		Uses of Funds:		Uses of Funds:	
Land	\$ 3,210,651	Land	\$ 1,100,000	Land	\$ 4,310,651
Construction Costs	53,728,531	Construction Costs	16,042,735	Construction Costs	\$ 69,771,266
Professional Fees & Soft Costs	6,167,737	Professional Fees & Soft Costs	3,748,797	Professional Fees & Soft Costs	\$ 9,916,534
Financing & Working Capital	2,096,700	Financing & Working Capital	1,061,606	Financing & Working Capital	\$ 3,158,306
Total Uses of Cash	\$ 65,203,619	Total Uses of Cash	\$ 21,953,138	Total Uses of Cash	\$ 87,156,757

EXHIBIT D
Financial Projections

– See attachments –

7 Vance Residential 1st Full Stabilized Year - 2024

	Pro Forma	% of Street
Potential Gross Revenue		
Scheduled Base Rental Revenue	\$ 4,117,176	100%
Less: Vacancy	(247,031)	6%
Collection Loss & Concessions	(19,351)	0.50%
Apartment Rent Income	\$ 3,850,795	94%
Commercial & Other Revenue		
Plus: Parking Income	\$ 284,256	
Other Income	252,000	
Commercial Rents	115,060	
Less: Vacancy, Loss & Concessions	\$0	0%
Effective Gross Revenue	\$ 4,502,111	
Expenses		
		Per Unit
Operations		
On-Site Administrative	\$ 50,000	\$238
Payroll	315,000	\$1,500
Advertising	50,000	\$238
Maintenance	168,000	\$800
Total Operation Expense	\$ 583,000	\$2,776
Management Fee	101,297	\$482
Utilities	178,500	\$850
Property Insurance	100,000	\$500
Replacement Reserves	63,000	\$300
FF&E Taxes	130,550	\$621
Total Expenses	\$ 1,156,347	\$7,051
Subtotal	\$ 3,345,763	\$20,401
Property Taxes without PILOT	983,281	NOI %Y
Net Operating Income without PILOT	\$ 2,362,482	4.52%
Expense Ratio	47.5%	
Property Taxes with PILOT	\$ 210,000	NOI %Y
Net Operating Income with PILOT	\$ 3,135,763	6.00%
Expense Ratio	-30.3%	
Debt Service:		
Principal	\$ 624,140	Year 1 Principal
Interest	1,262,214	Year 1 Interest
Total Debt Service	\$ 1,886,354	
Cash Available After Debt Service		
without PILOT	\$ 476,128	
with PILOT	\$ 1,249,409	

7 Vance Development

Stabilized

	7 Vance Apartments
Revenue	\$ 4,502,111
Operating Expenses	1,156,347
NOI Before Taxes	\$ 3,345,763
Property Taxes without PILOT	983,281
Adjusted NOI without PILOT	\$ 2,362,482
Property Taxes with PILOT	210,000
Adjusted NOI with PILOT	\$ 3,135,763
Debt Service	
Principal	\$ 624,140
Interest	1,262,214
Total Debt Service	\$ 1,886,354
Cash Available After Debt Service	
without PILOT	476,128
with PILOT	1,249,409
Equity Required:	17,542,097
Cash Return after Debt Service:	7.12%
Cash Return after Debt Service:	2.71%

7 Vance Combined Projects

7 Vance Residential	
Effective Gross Rev	\$ 4,502,111
- Subtotal Expenses	\$ (1,156,347)
Property Taxes without PILOT	\$ (983,281)
Adjusted NOI without PILOT	<u>\$ 2,362,482</u> \$ 6,641,739
Property Taxes with PILOT	\$ (210,000)
Adjusted NOI with PILOT	<u>\$ 3,135,763</u> \$ 5,868,458

	2022	2023	2024	2025	2026
Effective Gross Rev	\$ 4,502,111	\$ 4,592,153	\$ 4,683,996	\$ 4,777,676	\$ 4,873,229
Less Operating Expenses	\$ (1,156,347)	\$ (1,179,474)	\$ (1,203,064)	\$ (1,227,125)	\$ (1,251,668)
Property Taxes without PILOT	\$ (983,281)	\$ (993,114)	\$ (1,003,045)	\$ (1,013,075)	\$ (1,023,206)
Estimated NOI W/O PILOT:	\$ 2,362,482	\$ 2,419,565	\$ 2,477,887	\$ 2,537,475	\$ 2,598,355
Property Taxes with PILOT	\$ (210,000)	\$ (212,100)	\$ (214,221)	\$ (214,221)	\$ (214,221)
Estimated NOI W/PILOT:	\$ 3,135,763	\$ 3,200,578	\$ 3,266,711	\$ 3,336,330	\$ 3,407,341
Less Annual Debt Service	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)
Without PILOT					
Cash Available for Distribution	\$ 476,128	\$ 533,211	\$ 591,533	\$ 651,121	\$ 712,002
DSC	1.25	1.28	1.31	1.35	1.38
Cash flow Return on Equity	3%	3%	3%	4%	4%
With PILOT					
Cash Available for Distribution	\$ 1,249,409	\$ 1,314,225	\$ 1,380,357	\$ 1,449,976	\$ 1,520,987
DSC	1.66	1.70	1.73	1.77	1.81
Cash flow Return on Equity	7%	7%	8%	8%	9%

	2027	2028	2029	2030	2031
Proj. Net Annual Revenues	\$ 4,970,694	\$ 5,070,108	\$ 5,171,510	\$ 5,274,940	\$ 5,380,439
Less Operating Expenses	\$ (1,276,701)	\$ (1,302,235)	\$ (1,328,280)	\$ (1,354,845)	\$ (1,381,942)
Property Taxes without PILOT	\$ (1,033,438)	\$ (1,043,773)	\$ (1,054,210)	\$ (1,064,752)	\$ (1,075,400)
Estimated NOI W/O PILOT:	\$ 2,660,555	\$ 2,724,100	\$ 2,789,020	\$ 2,855,342	\$ 2,923,097
Property Taxes with PILOT	\$ (214,221)	\$ (214,221)	\$ (214,221)	\$ (214,221)	\$ (214,221)
Estimated NOI W/PILOT:	\$ 3,479,772	\$ 3,553,652	\$ 3,629,009	\$ 3,705,874	\$ 3,784,276
Less Annual Debt Service	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)
Without PILOT					
Cash Available for Distribution	\$ 774,201	\$ 837,746	\$ 902,666	\$ 968,988	\$ 1,036,743
DSC	1.41	1.44	1.48	1.51	1.55
Cash flow Return on Equity	4%	5%	5%	6%	6%
With PILOT					
Cash Available for Distribution	\$ 1,593,418	\$ 1,667,298	\$ 1,742,655	\$ 1,819,520	\$ 1,897,922
DSC	1.84	1.88	1.92	1.96	2.01

Cash flow Return on Equity	9%	10%	10%	10%	11%
	2032	2033	2034	2035	2036
Proj. Net Annual Revenues	\$ 5,488,048	\$ 5,597,809	\$ 5,709,765	\$ 5,823,960	\$ 5,940,439
Less Operating Expenses	\$ (1,409,581)	\$ (1,437,773)	\$ (1,466,528)	\$ (1,495,859)	\$ (1,525,776)
Property Taxes without PILOT	\$ (1,086,154)	\$ (1,097,016)	\$ (1,107,986)	\$ (1,119,066)	\$ (1,130,256)
Estimated NOI W/O PILOT:	\$ 2,992,313	\$ 3,063,020	\$ 3,135,251	\$ 3,209,036	\$ 3,284,407
Property Taxes with PILOT	\$ (214,221)	\$ (214,221)	\$ (442,981)	\$ (442,981)	\$ (442,981)
Estimated NOI W/PILOT:	\$ 3,864,246	\$ 3,945,815	\$ 3,800,256	\$ 3,885,120	\$ 3,971,682
Less Annual Debt Service	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)
Without PILOT					
Cash Available for Distribution	\$ 1,105,959	\$ 1,176,667	\$ 1,248,897	\$ 1,322,682	\$ 1,398,053
DSC	1.59	1.62	1.66	1.70	1.74
Cash flow Return on Equity	6%	7%	7%	8%	8%
With PILOT					
Cash Available for Distribution	\$ 1,977,892	\$ 2,059,461	\$ 1,913,902	\$ 1,998,766	\$ 2,085,329
DSC	2.05	2.09	2.01	2.06	2.11
Cash flow Return on Equity	11%	12%	11%	11%	12%
	2037	2038	2039	2040	2041
Proj. Net Annual Revenues	\$ 6,059,248	\$ 6,180,433	\$ 6,304,042	\$ 6,430,123	\$ 6,558,725
Less Operating Expenses	\$ (1,556,291)	\$ (1,587,417)	\$ (1,619,166)	\$ (1,651,549)	\$ (1,684,580)
Property Taxes without PILOT	\$ (1,141,559)	\$ (1,152,974)	\$ (1,164,504)	\$ (1,176,149)	\$ (1,187,911)
Estimated NOI W/O PILOT:	\$ 3,361,398	\$ 3,440,042	\$ 3,520,372	\$ 3,602,425	\$ 3,686,235
Property Taxes with PILOT	\$ (442,981)	\$ (442,981)	\$ (442,981)	\$ (442,981)	\$ (442,981)
Estimated NOI W/PILOT:	\$ 4,059,976	\$ 4,150,035	\$ 4,241,895	\$ 4,335,593	\$ 4,431,164
Less Annual Debt Service	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)	\$ (1,886,354)
Without PILOT					
Cash Available for Distribution	\$ 1,475,044	\$ 1,553,688	\$ 1,634,018	\$ 1,716,071	\$ 1,799,881
DSC	1.78	1.82	1.87	1.91	1.95
Cash flow Return on Equity	8%	9%	9%	10%	10%
With PILOT					
Cash Available for Distribution	\$ 2,173,622	\$ 2,263,681	\$ 2,355,541	\$ 2,449,239	\$ 2,544,810
DSC	2.15	2.20	2.25	2.30	2.35
Cash flow Return on Equity	12%	13%	13%	14%	15%

* - Stabilized & Perm Loan

** - PILOT Year 16

***- 20 Yr PILOT Expires

Assumptions	
Assumed Interest Rate	3.8%
Assumed Amortization Period	30 Yrs
Inflation Rate:	
Income	2.0%
Expenses	2.0%
Non-PILOT Taxes	1.0%
Equity	17,542,097

PILOT Request	
Requested PILOT Term (years)	19.5
Project Type	New Construction
Located in the CBID?	Yes
Current Amounts	
Base Appraisal	\$564,700
Base Assessment	\$225,880
Annual City Tax on Base Assessment	\$7,219
Annual County Tax on Base Assessment	\$9,148
Annual RE Taxes on Base Assessment	\$16,367
Project Costs	
Acquisition Cost	\$3,150,000
Hard Costs	\$38,840,500
Soft Costs	\$8,401,306
Total Project Costs w/o PILOT fee	\$50,391,806
Hard Costs Investment Check - 77.1%	YES
Public grants eligible for PILOT fee basis reduction	\$0
PILOT fee basis	\$50,391,806
PILOT fee	\$755,877
Total Project Costs w/ PILOT fee	\$51,147,683
Valuation & CBID Assessment	
Base Appraisal	\$564,700
Percentage of Hard Costs	\$31,072,400
Estimated Appraisal after Improvements	\$31,637,100
Estimated Assessment after Improvements	\$12,654,840
Estimated Annual CBID Assessment after Improvements	\$82,191
Annual RE Taxes	
<i>Hypothetical annual taxes without PILOT*</i>	
Estimated Hypothetical Annual City Tax without PILOT*	\$404,447
Estimated Hypothetical Annual County Tax without PILOT*	\$512,521
Estimated Hypothetical Total Annual Taxes without PILOT*	\$916,968
<i>Estimated annual taxes with PILOT</i>	
Estimated Annual City Tax with PILOT	\$106,526
Estimated Annual County Tax with PILOT	\$134,991
Estimated Total Annual Taxes with PILOT	\$241,517
Estimated Annual Benefit	\$675,451
Cumulative RE Taxes	
<i>Hypothetical cumulative taxes without PILOT*</i>	
Estimated Hypothetical Cumulative City Tax without PILOT*	\$7,886,715
Estimated Hypothetical Cumulative County Tax without PILOT*	\$9,994,160
Estimated Hypothetical Total Cumulative Taxes without PILOT*	\$17,880,875
<i>Estimated cumulative taxes with PILOT</i>	
Estimated Cumulative City Tax with PILOT	\$2,077,258
Estimated Cumulative County Tax with PILOT	\$2,632,332
Estimated Total Cumulative Taxes with PILOT	\$4,709,589
Estimated Cumulative Benefit over 19.5-Year PILOT	\$13,171,285
Estimated Cumulative Increase in Taxes due to PILOT	\$4,390,428

*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".

Amortization

Perm Loan Amortization

Initial Loan Amount \$ 33,943,180
 Interest Rate 3.75%
 Amortization 30

5.56%
 \$1,886,354

Month	Beginning Balance	Payment	Interest	Principal	Ending Balance
1	\$ 33,943,180	\$157,196	\$ 106,072	\$51,124	\$ 33,892,057
13	\$ 33,319,041	\$157,196	\$ 104,122	\$53,074	\$ 33,265,967
25	\$ 32,671,090	\$157,196	\$ 102,097	\$55,099	\$ 32,615,991
37	\$ 31,998,418	\$157,196	\$ 99,995	\$57,201	\$ 31,941,217
49	\$ 31,300,083	\$157,196	\$ 97,813	\$59,383	\$ 31,240,700
61	\$ 30,575,106	\$157,196	\$ 95,547	\$61,649	\$ 30,513,457
73	\$ 29,822,470	\$157,196	\$ 93,195	\$64,001	\$ 29,758,469
85	\$ 29,041,120	\$157,196	\$ 90,754	\$66,443	\$ 28,974,678
97	\$ 28,229,961	\$157,196	\$ 88,219	\$68,978	\$ 28,160,983
109	\$ 27,387,855	\$157,196	\$ 85,587	\$71,609	\$ 27,316,246
121	\$ 26,513,621	\$157,196	\$ 82,855	\$74,341	\$ 26,439,280
133	\$ 25,606,034	\$157,196	\$ 80,019	\$77,177	\$ 25,528,857
145	\$ 24,663,822	\$157,196	\$ 77,074	\$80,122	\$ 24,583,700
157	\$ 23,685,663	\$157,196	\$ 74,018	\$83,178	\$ 23,602,484
169	\$ 22,670,186	\$157,196	\$ 70,844	\$86,352	\$ 22,583,834
181	\$ 21,615,967	\$157,196	\$ 67,550	\$89,646	\$ 21,526,320
193	\$ 20,521,528	\$157,196	\$ 64,130	\$93,066	\$ 20,428,462
205	\$ 19,385,335	\$157,196	\$ 60,579	\$96,617	\$ 19,288,718
217	\$ 18,205,795	\$157,196	\$ 56,893	\$100,303	\$ 18,105,492
229	\$ 16,981,254	\$157,196	\$ 53,066	\$104,130	\$ 16,877,124
241	\$ 15,709,995	\$157,196	\$ 49,094	\$108,102	\$ 15,601,892
253	\$ 14,390,236	\$157,196	\$ 44,969	\$112,227	\$ 14,278,009
265	\$ 13,020,126	\$157,196	\$ 40,688	\$116,508	\$ 12,903,618
277	\$ 11,597,745	\$157,196	\$ 36,243	\$120,953	\$ 11,476,792
289	\$ 10,121,098	\$157,196	\$ 31,628	\$125,568	\$ 9,995,530
301	\$ 8,588,115	\$157,196	\$ 26,838	\$130,358	\$ 8,457,757
313	\$ 6,996,647	\$157,196	\$ 21,865	\$135,332	\$ 6,861,316
325	\$ 5,344,463	\$157,196	\$ 16,701	\$140,495	\$ 5,203,968
337	\$ 3,629,245	\$157,196	\$ 11,341	\$145,855	\$ 3,483,390
349	\$ 1,848,590	\$157,196	\$ 5,777	\$151,419	\$ 1,697,170
361	\$ 0	\$157,196	\$ 0	\$157,196	\$ (157,196)

339 S Front Street 1st Full Stabilized Year - 2027

	Pro Forma	% of Street
Potential Gross Revenue		
Scheduled Base Rental Revenue	\$ 1,726,200	100%
Less: Vacancy	(103,572)	6%
Concessions	-	0.00%
Apartment Rent Income	\$ 1,622,628	94%
Less: Bad Debt	\$ (4,057)	0.25%
Commercial & Other Revenue		
Other Income	75,600	
Effective Gross Revenue	\$ 1,694,171	
Expenses		Per Unit
Operations		
On-Site Administrative	\$ 20,000	\$220
Payroll	63,000	\$1,500
Advertising	20,000	\$273
Maintenance	50,400	\$800
Total Operation Expense	\$ 153,400	\$2,793
Management Fee	38,119	\$454
Utilities	53,550	\$850
Property Insurance	26,775	\$425
F&E Taxes - Not accounted for at asset level		
Total Expenses	\$ 271,844	\$1,658
Subtotal	\$ 1,422,328	\$8,673
Property Taxes without PILOT	412,077	
Net Operating Income without PILOT	\$ 1,010,251	
Expense Ratio	40.4%	
Property Taxes with PILOT	\$ 68,635	
Net Operating Income with PILOT	\$ 1,353,693	
Expense Ratio	20.1%	
Debt Service:		
Principal	\$ 183,755	Year 1 Principal
Interest	892,820	Year 1 Interest
Total Debt Service	\$ 1,076,575	
Cash Available After Debt Service		
without PILOT	\$ (66,324)	
with PILOT	\$ 277,118	

Perm Loan Amortization

Initial Loan Amount \$ 14,963,640
 Interest Rate 6.00%
 Amortization 30

7.19%
 \$1,076,575

Month	Beginning Balance	Payment	Interest	Principal	Ending Balance
1	\$ 14,963,640	\$89,715	\$ 74,818	\$14,896	\$ 14,948,743
13	\$ 14,779,884	\$89,715	\$ 73,899	\$15,815	\$ 14,764,069
25	\$ 14,584,796	\$89,715	\$ 72,924	\$16,791	\$ 14,568,005
37	\$ 14,377,674	\$89,715	\$ 71,888	\$17,826	\$ 14,359,848
49	\$ 14,157,778	\$89,715	\$ 70,789	\$18,926	\$ 14,138,852
61	\$ 13,924,319	\$89,715	\$ 69,622	\$20,093	\$ 13,904,226
73	\$ 13,676,460	\$89,715	\$ 68,382	\$21,332	\$ 13,655,128
85	\$ 13,413,315	\$89,715	\$ 67,067	\$22,648	\$ 13,390,667
97	\$ 13,133,939	\$89,715	\$ 65,670	\$24,045	\$ 13,109,894
109	\$ 12,837,332	\$89,715	\$ 64,187	\$25,528	\$ 12,811,804
121	\$ 12,522,430	\$89,715	\$ 62,612	\$27,102	\$ 12,495,328
133	\$ 12,188,107	\$89,715	\$ 60,941	\$28,774	\$ 12,159,333
145	\$ 11,833,163	\$89,715	\$ 59,166	\$30,549	\$ 11,802,614
157	\$ 11,456,326	\$89,715	\$ 57,282	\$32,433	\$ 11,423,893
169	\$ 11,056,248	\$89,715	\$ 55,281	\$34,433	\$ 11,021,814
181	\$ 10,631,493	\$89,715	\$ 53,157	\$36,557	\$ 10,594,936
193	\$ 10,180,541	\$89,715	\$ 50,903	\$38,812	\$ 10,141,729
205	\$ 9,701,774	\$89,715	\$ 48,509	\$41,206	\$ 9,660,568
217	\$ 9,193,479	\$89,715	\$ 45,967	\$43,747	\$ 9,149,731
229	\$ 8,653,832	\$89,715	\$ 43,269	\$46,445	\$ 8,607,387
241	\$ 8,080,902	\$89,715	\$ 40,405	\$49,310	\$ 8,031,592
253	\$ 7,472,635	\$89,715	\$ 37,363	\$52,351	\$ 7,420,283
265	\$ 6,826,851	\$89,715	\$ 34,134	\$55,580	\$ 6,771,270
277	\$ 6,141,236	\$89,715	\$ 30,706	\$59,008	\$ 6,082,228
289	\$ 5,413,334	\$89,715	\$ 27,067	\$62,648	\$ 5,350,686
301	\$ 4,640,537	\$89,715	\$ 23,203	\$66,512	\$ 4,574,025
312	\$ 3,890,338	\$89,715	\$ 19,452	\$70,263	\$ 3,820,075
325	\$ 2,949,009	\$89,715	\$ 14,745	\$74,970	\$ 2,874,040
337	\$ 2,024,218	\$89,715	\$ 10,121	\$79,593	\$ 1,944,625
349	\$ 1,042,388	\$89,715	\$ 5,212	\$84,503	\$ 957,885
360	\$ 89,268	\$89,715	\$ 446	\$89,268	\$ 0

339 S Front Street

Rent Roll

	Number	Mix	Size	Rent	Total SF	\$/sf	Total \$
A2 1/1	35	55.6%	720	\$ 1,900.00	25,200	\$ 2.64	\$ 66,500.00
A2B 1/1	5	7.9%	806	\$ 2,100.00	4,030	\$ 2.61	\$ 10,500.00
A3 1/1	4	6.3%	792	\$ 2,000.00	3,168	\$ 2.53	\$ 8,000.00
B1 2/2	5	7.9%	1085	\$ 2,550.00	5,425	\$ 2.35	\$ 12,750.00
B1A 2/2	5	7.9%	1050	\$ 2,450.00	5,250	\$ 2.33	\$ 12,250.00
B3 2/2	9	14.3%	1342	\$ 3,000.00	12,078	\$ 2.24	\$ 27,000.00
Totals	63	100.0%			55,151		\$ 137,000.00
Averages					875.41		\$ 2,174.60
Rent per square foot							\$ 2.48
Floor and view premiums							\$ 0.12
Total Rent per square foot							\$ 2.61

339 S Front Street

339 S Front Residential	
Effective Gross Rev	\$ 1,694,171
- Subtotal Expenses	\$ (271,844)
Property Taxes without PILOT	\$ (412,077)
Adjusted NOI without PILOT	<u>\$ 1,010,251</u>
Property Taxes with PILOT	\$ (68,635)
Adjusted NOI with PILOT	<u>\$ 1,353,693</u>

	2025		2026		Stabilized 2027		2028		2029	
Effective Gross Revenue	\$	1,082,954	\$	1,524,754	\$	1,694,171	\$	1,728,055	\$	1,762,616
Less Operating Expenses		(261,079)	\$	(266,407)		(271,844)		(277,281)		(282,826)
Property Taxes without PILOT		(412,077)		(416,198)		(420,360)		(424,563)		(428,809)
Estimated NOI W/O PILOT:		409,799		842,150		1,001,968		1,026,211		1,050,981
Property Taxes with PILOT	\$	(68,635)	\$	(68,806)	\$	(68,978)	\$	(69,151)	\$	(69,324)
Estimated NOI W/PILOT:		753,241		1,189,541		1,353,349		1,381,623		1,410,466
Less Annual Debt Service		(941,790)		(1,076,575)		(1,076,575)		(1,076,575)		(1,076,575)
Without PILOT										
Cash Available for Distribution		(531,991)		(234,425)		(74,607)		(50,364)		(25,594)
DSC		0.44		0.78		0.93		0.95		0.98
Cash flow Return on Equity		-5%		-2%		-1%		-1%		0%
With PILOT										
Cash Available for Distribution		(188,549)		112,966		276,774		305,048		333,891
DSC		0.80		1.10		1.26		1.28		1.31
Cash flow Return on Equity		-2%		1%		3%		3%		3%
Proj. Net Annual Revenues	\$	1,797,868	\$	1,833,826	\$	1,870,502	\$	1,907,912	\$	1,946,070
Less Operating Expenses		(288,483)		(294,253)		(300,138)		(306,140)		(312,263)
Property Taxes without PILOT		(433,097)		(437,428)		(441,802)		(446,220)		(450,682)
Estimated NOI W/O PILOT:	\$	1,076,288	\$	1,102,145	\$	1,128,562	\$	1,155,552	\$	1,183,125
Property Taxes with PILOT	\$	(69,497)	\$	(69,671)	\$	(69,845)	\$	(70,019)	\$	(70,195)
Estimated NOI W/PILOT:	\$	1,439,888	\$	1,469,902	\$	1,500,520	\$	1,531,752	\$	1,563,613
Less Annual Debt Service		(1,076,575)		(1,076,575)		(1,076,575)		(1,076,575)		(1,076,575)
Without PILOT										
Cash Available for Distribution		(287)		25,570		51,987		78,977		106,550
DSC		1.00		1.02		1.05		1.07		1.10
Cash flow Return on Equity		0%		0%		1%		1%		1%
With PILOT										
Cash Available for Distribution		363,313		393,327		423,945		455,177		487,038
DSC		1.34		1.37		1.39		1.42		1.45
Cash flow Return on Equity		4%		4%		4%		5%		5%

	2035	2036	2037	2038	2039
Proj. Net Annual Revenues	\$ 1,984,992	\$ 2,024,692	\$ 2,065,186	\$ 2,106,489	\$ 2,148,619
Less Operating Expenses	(318,508)	(324,879)	(331,376)	(338,004)	(344,764)
Property Taxes without PILOT	\$ (455,189)	\$ (459,741)	\$ (464,339)	\$ (468,982)	\$ (473,672)
Estimated NOI W/O PILOT:	1,211,294	1,240,072	1,269,471	1,299,504	1,330,183
Property Taxes with PILOT	\$ (70,370)	\$ (70,546)	\$ (70,722)	\$ (70,899)	\$ (71,076)
Estimated NOI W/PILOT:	1,596,113	1,629,267	1,663,087	1,697,586	1,732,779
Less Annual Debt Service	(1,076,575)	(1,076,575)	(1,076,575)	(1,076,575)	(1,076,575)
Without PILOT					
Cash Available for Distribution	134,719	163,497	192,896	222,929	253,609
DSC	1.13	1.15	1.18	1.21	1.24
Cash flow Return on Equity	1%	2%	2%	2%	3%
With PILOT					
Cash Available for Distribution	519,538	552,692	586,512	621,011	656,204
DSC	1.48	1.51	1.54	1.58	1.61
Cash flow Return on Equity	5%	6%	6%	6%	7%
	2040	2041*	2042	2043	2044
Proj. Net Annual Revenues	\$ 2,191,591	\$ 2,235,423	\$ 2,280,132	\$ 2,325,734	\$ 2,372,249
Less Operating Expenses	(351,659)	(358,692)	(365,866)	(373,183)	(380,647)
Property Taxes without PILOT	\$ (478,408)	\$ (483,193)	\$ (488,025)	\$ (492,905)	\$ (497,834)
Estimated NOI W/O PILOT:	1,361,524	1,393,538	1,426,241	1,459,646	1,493,768
Property Taxes with PILOT	\$ (71,254)	\$ (347,312)	\$ (488,025)	\$ (492,905)	\$ (497,834)
Estimated NOI W/PILOT:	1,768,678	1,529,419	1,426,241	1,459,646	1,493,768
Less Annual Debt Service	(1,076,575)	(1,076,575)	(1,076,575)	(1,076,575)	(1,076,575)
Without PILOT					
Cash Available for Distribution	284,949	316,963	349,666	383,071	417,193
DSC	1.26	1.29	1.32	1.36	1.39
Cash flow Return on Equity	3%	3%	4%	4%	4%
With PILOT					
Cash Available for Distribution	692,103	452,844	349,666	383,071	417,193
DSC	1.64	1.42	1.32	1.36	1.39
Cash flow Return on Equity	7%	5%	4%	4%	4%

*- 19.5 Yr PILOT Expires

Assumptions	
Assumed Interest Rate	6.0%
Assumed Amortization Period	30 Yrs
Inflation Rate:	
Income	2.0%
Expenses	2.0%
Non-PILOT Taxes	1.0%
Equity	9,878,912

EXHIBIT E
Guarantor Financial Statements

– See attachments –

CARLISLE DEVELOPMENT COMPANY, LLC

Balance Sheet
December 31, 2021

CARLISLE DEVELOPMENT COMPANY, LLC

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Independent Auditors' Report

To the Member
Carlisle Development Company, LLC
Memphis, Tennessee

Opinion

We have audited the balance sheet of Carlisle Development Company, LLC, which comprise the balance sheet as of December 31, 2021, and the related notes to the balance sheet.

In our opinion, the accompanying balance sheet presents fairly, in all material respects, the financial position of Carlisle Development Company, LLC as of December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Balance Sheet section of our report. We are required to be independent of Carlisle Development Company, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Balance Sheet

Management is responsible for the preparation and fair presentation of the balance sheet in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the balance sheet, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Carlisle Development Company, LLC's ability to continue as a going concern for one year after the date that the balance sheet is available to be issued.

Auditors' Responsibilities for the Audit of the Balance Sheet

Our objectives are to obtain reasonable assurance about whether the balance sheet is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the balance sheet.

In performing an audit in accordance with GAAS, we:

- * Exercise professional judgment and maintain professional skepticism throughout the audit.
- * Identify and assess the risks of material misstatement of the balance sheet, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the balance sheet.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carlisle Development Company, LLC's internal control. Accordingly, no such opinion is expressed.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the balance sheet.
- * Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carlisle Development Company, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Mayer Hoffman McCann P.C.

Memphis, Tennessee
March 21, 2022

CARLISLE DEVELOPMENT COMPANY, LLC

Balance Sheet
December 31, 2021

Assets

Current asset	
Cash	\$ 2,053,342
Receivables and contract assets	592,581
Prepaid expenses	<u>59,186</u>
Total current assets	2,705,109
Property and equipment, net	<u>55,495</u>
	<u>\$ 2,760,604</u>

Liabilities and Member's Equity

Current liability	
Accounts payable	\$ 479,068
Construction retainage	32,383
Accrued expenses and other liabilities	128,606
Due to affiliates, net	<u>193,001</u>
Total current liabilities	833,058
Member's equity	<u>1,927,546</u>
	<u>\$ 2,760,604</u>

The accompanying notes are an integral part of the balance sheet.

CARLISLE DEVELOPMENT COMPANY, LLC

Notes to Balance Sheet
December 31, 2021

Note 1 - Summary of significant accounting policies

Organization and nature of operations

Carlisle Development Company, LLC (the "Company") is a captive construction company serving as a general contractor for projects and properties owned and operated by Carlisle LLC or its affiliates. The Company is a limited liability company formed in 2014 under the laws of the state of Tennessee.

Basis of statement of preparation

The Company is a wholly-owned subsidiary of Carlisle LLC. The balance sheet of the Company has been prepared on a separate company basis and does not give effect to adjustments or eliminations which may be made in consolidation with its parent company.

Cash

Cash consists of cash in banks.

Property and equipment

Property and equipment is recorded at cost less accumulated depreciation. Expenditures that materially add to productive capacity or extend the useful life of an asset are capitalized. Expenditures for repairs and general maintenance which do not improve or extend the lives of the respective assets are charged to expense as incurred.

Depreciation is computed principally by the straight-line method over the estimated useful lives of the assets, which is generally five to fifteen years.

Contract assets

Contract assets are amounts due under retainage provisions. Contract retainage represents amounts withheld from billings by customers pursuant to the contract and are not payable until completion of specific tasks or the project. Contract retainages may also be subject to restrictive conditions such as performance guarantees. See note 3.

Income taxes

The Company follows the asset and liability method for deferred state income taxes. Under the asset and liability method, deferred state income taxes, if any, are recognized for the tax consequences of "temporary differences" by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities.

CARLISLE DEVELOPMENT COMPANY, LLC

Notes to Balance Sheet (Continued)
December 31, 2021

Note 1 - Summary of significant accounting policies (continued)

Income taxes (continued)

The Company is a limited liability company whose sole member is Carlisle LLC. Accordingly, the Company is a disregarded entity for federal income taxes and passes federal income through to its parent and such income is taxed at the parent level. The Company also files returns in certain state jurisdictions in which it conducts business. Such state franchise and excise taxes are not material to the Company's balance sheet as of December 31, 2021.

Events occurring after reporting date

Management has evaluated events and transactions that have occurred between December 31, 2021 and March 21, 2022, which is the date that the balance sheet was available to be issued, for possible recognition or disclosure in the balance sheet.

Use of estimates

Management uses estimates and assumptions in preparing the balance sheet in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

Note 2 - Property and equipment

Property and equipment as of December 31, 2021 consists of the following:

Automobiles	\$	143,935
Furniture and fixtures		16,020
Computer equipment		1,690
Building improvements		<u>706</u>
		162,351
Less accumulated depreciation		<u>106,856</u>
Net property and equipment	\$	<u>55,495</u>

Note 3 - Related party transactions

Amounts due to and from affiliates primarily consist of advances to and from affiliates, related through common ownership, including loans and funds for operational purposes. Such advances are non-interest bearing, unsecured, and due on demand. Net amounts due (to) from affiliates of the Company as of December 31, 2021 are as follows:

CARLISLE DEVELOPMENT COMPANY, LLC

Notes to Balance Sheet (Continued)
December 31, 2021

Note 3 - Related party transactions (continued)

Due to Carlisle LLC	\$ (59,698)
Due to Wendelta, Inc.	(135,382)
Due from Wendelta Property Holdings, LLC	1,844
Due from 33 Beale Street Hotel Company, LLC	<u>235</u>
	<u>\$ (193,001)</u>

Carlisle LLC obtains insurance coverage for medical, workers compensation, property and general liability on behalf of its subsidiaries. These expenses are allocated on a per covered employee and per location basis. The amount of benefits accrued and due to Carlisle LLC as of December 31, 2021 totaled \$2,407 and are included in accrued expenses and other liabilities in the accompanying balance sheet.

The Company has amounts due from affiliates for developer fees. These fees are billed monthly to the affiliates. The amount of developer fees due to Company as of December 31, 2021 totaled \$518,337 and are included in receivables and contract assets in the accompanying balance sheet.

The Company has contract retainage due from an affiliate from a construction contract. The amount of contract retainage due to the Company as of December 31, 2021 totaled \$65,850 and is included receivables and contract assets in the accompanying balance sheet.

The Company has an amount due to an affiliate due to an overpayment of subcontractor fees. The amount of the overpayment due from the Company as of December 31, 2021 totaled \$60,560 and is included in accounts payable in the accompanying balance sheet.

Note 4 - Contingencies

The Company is involved in lawsuits arising in the ordinary course of business. The ultimate settlement of these matters are contingent upon proceedings and judgments in the various jurisdictions in which these matters are heard. At this time, the Company's legal counsel and management are not able to determine the probability of unfavorable outcomes or an estimate of any obligation for settlement because of the ongoing nature of the underlying matters. Legal proceedings have not yet advanced to the stage where a reasonable estimate of any potential loss to the Company can be made.

CARLISLE DEVELOPMENT COMPANY, LLC

Notes to Balance Sheet (Continued)
December 31, 2021

Note 5 - Risks and uncertainties

The Company has concentrated its credit risk for cash by maintaining deposits in a financial institution which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts and management believes the Company is not exposed to significant credit risk to cash.

In March 2020, the World Health Organization declared the outbreak of COVID-19 as a global pandemic. This global pandemic has resulted in significant changes in global supply and demand of certain goods and services, including an economic downturn. Additionally, certain businesses have had to temporarily or permanently suspend operations. While the outbreak of COVID-19 has not resulted in material, adverse effects on the Company's financial position, the long-term effects of the pandemic, including direct or indirect negative effects to the Company, cannot be determined, but they could have a material prospective impact. Management does not believe the outbreak of COVID-19 will significantly affect the ability of the Company to continue as a going concern.

EXHIBIT F
Financial Statements of 7V Devco

– See attachments –

7V Devco, LLC
As of & For the Year Ending December 31, 2022
(Unaudited)

	<u>7V Devco, LLC</u>
Assets	
Current Assets	
Cash and cash equivalents	4,332,367
Accounts receivable, net	-
Inventory	-
Prepays	-
Total Current Assets	<u>4,332,367</u>
Property & Equipment	
Land, Building & Equipment	3,207,738
Construction in progress	11,343,687
Accumulated Depreciation	-
Total Property & Equipment, net	<u>14,551,424</u>
Other Assets	
Due (to) from affiliates	
Other	-
Total Other Assets	<u>-</u>
Total Assets	<u><u>18,883,792</u></u>
Liabilities and Equity	
Current Liabilities	
Accounts payable	\$ 305,815
Accrued expenses	103,609
Due from affiliates	8,150
Total Current Liabilities	<u>417,574</u>
Equity - 7V Devco Investors, LLC	18,478,265
Retained Earnings	(12,048)
Total Equity	<u>18,466,217</u>
Total Liabilities and Equity	<u><u>18,883,792</u></u>
	-
Revenue	-
Operating expenses	
General & Administrative	8,610
Total Operating expenses	<u>8,610</u>
Operating Loss	<u>8,610</u>
Other Income (Expense)	
Other Income, net	-

Gain/(Loss) on Interest Rate Swap	-
State Taxes	-
Amortization of Financing Costs	-
Total Other Income (Expense)	-
Net Loss	<u>\$ 8,610</u>

EXHIBIT G

Disclosures

On October 27, 2021, James Maclin d/b/a M&M Enterprises, LLC filed suit in the Chancery Court of Shelby County, Tennessee against Carlisle Development Company, LLC (“Carlisle Development”), Carlisle, LLC (“Carlisle Co.”), 7V Devco, LLC and One Beale, LLC (Case No. CH-21-1485). In his lawsuit, Maclin asks the court to declare that an implied partnership existed between him and Carlisle Development, for monetary damages for an alleged breach of fiduciary duty and in the alternative monetary damages for alleged unjust enrichment. In essence, Maclin claims that he was entitled to compensation for work performed in connection with the 7 Vance project and the Grand Hyatt project. Carlisle Development, Carlisle Co., 7V Devco and One Beale have filed an answer denying the allegations of Maclin’s complaint. Carlisle Co, 7V Devco and One Beale are not proper defendants and should not have been sued as all of Maclin’s dealings were with Carlisle Development. In its answer, Carlisle Development acknowledges that Maclin is entitled to some compensation for the work he did perform for the 7 Vance Project. Indeed, Carlisle Development has never denied that Maclin is entitled to some level of compensation. The dispute is really a simple one that centers on how much compensation Maclin is entitled to for the limited work he did perform. On June 15, 2021, Maclin sent Carlisle Development an email saying, “I’m sorry guys, after further thinking about it, I just can’t do a deal without upside on the back end.” Thus, Maclin’s own words show that Carlisle Development offered Maclin a proposal and Maclin rejected it. Carlisle Development is ready willing and able to resolve this dispute with Maclin on reasonable terms but is not willing to pay Maclin the unreasonable level of compensation demanded by Maclin when he rejected the proposal sent to him and did not provide services or contributions that would justify such compensation.