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March 3, 2020

VIA E-MAIL

Downtown Memphis Commission
114 North Main Street
Memphis, Tennessee 38103
Attention: Jennifer Oswald, President
E-mail: oswalt@downtownmemphis.com

Re: Lease Agreement between Memphis Center City Revenue Finance Corporation (“Lessor”), to Downtown Developers, LLC, of record in Instrument 08135783 in the Register’s Office of Shelby County, Tennessee (the “Register’s Office”), as assigned by Assignment and Assumption of Lease by and between Downtown Developers, LLC, as assignor, Washburn Partners, LLC, as assignee, and Lessor, of record in Instrument 16035403 and re-recorded in Instrument 16047935 in the Register’s Office, and as assigned by Assignment and Assumption of Lease by and between Washburn Partners, LLC, as assignor, Alpha Washburn Properties, LLC, as assignee, and Lessor, of record in Instrument Number 16127890, in the Register's Office (as assigned, the “PILOT Lease”)

Dear Ms. Oswald:

This firm represents 60 South Main Street LLC, a Delaware limited liability company (“Proposed Assignee”). Alpha Washburn Properties, LLC, a Tennessee limited liability company (“Proposed Assignor”), has contracted to sell its interest in the property located at 60 South Main Street, Memphis, Tennessee and commonly known as the Washburn Building (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 is a wholly owned subsidiary of DOIT City Heights Los Angeles, LP (“DOIT”), which is an affiliate of Eric Clauson. Mr. Clauson is the manager of Proposed Assignee and will control the business and affairs of Proposed Assignee, subject to certain major decisions that require the consent of the other partners of DOIT.

Mr. Clauson is the CEO of Lexington Asset Management (TN), LLC (“Lexington”), which will be the property manager for the Property following the Proposed Assignment. John Planchon is

the COO of Lexington. Mr. Clauson and Mr. Planchon will be responsible for the operations of the Property.

Financial Worth of Proposed Assignee

DOIT owns eleven multifamily properties throughout the country with an aggregate value of approximately \$70,000,000. In addition to the DOIT properties, Mr. Clauson, Mr. Planchon, and other affiliates of Lexington have invested in twenty properties throughout the country with an aggregate value of approximately \$20,000,000, including the following properties in the Memphis area: Central Gardens Apartments (1437 Central Avenue), Hawthorne Park Apartments (203 Hawthorne Street), High Point Apartments (491 N. Highland Street), Mendenhall Gardens Apartments (543 N. Mendenhall Road), 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

DOIT has been investing in multifamily properties since 2000. In addition, Lexington and its affiliates have been investing in and managing properties since 2006. Lexington currently manages 1,508 apartment units. For additional information, see <https://lex-asset-mgmt.com/>.

Proposed Assignee is scheduled to close on the Property on April 13, 2020. 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)
Lexington Asset Management (TN), LLC

John Planchon (via e-mail at jplanchon@lexingtonam.com)
Lexington Asset Management (TN), LLC

James McLaren (via e-mail at james.mcclaren@arlaw.com)
Adams and Reese LLP

Maxwell Baker (via e-mail at max.baker@alphacapitalpartners.com)
Alpha Capital Partners