



AUTOZONE PARK

January 7, 2014

AUTOZONE PARK

January 7, 2014

Vision
Context/Asset Valuation
Sources of Revenues
Deal Performance
Major Deal Points
Marketing
Economic Impact/Forecast
Legal
Community Benefits

Mayor A C Wharton, Jr.
Robert Lipscomb
Trey Watkins (Watkins Uiberall)
David Waddell (Waddell & Associates)
John Pontius (Redbirds Foundation)
John Mozeliak (St. Louis Cardinals)
Jeff Wallace (U of M Sparks Center)
Marcus Ward (City Attorney's Office)
Ray Pohlman (AutoZone)



AUTOZONE PARK

January 7, 2014

Vision:

To protect the future of Triple-A baseball which produces \$24 million in economic impact a year, to mitigate risk to Memphis taxpayers, and to expand inner city baseball.



AUTOZONE PARK

January 7, 2014

Topline Summary

- A new foundation will raise funds (\$500,000 annual goal) to expand existing inner city baseball from 1,200 to 4,000 youths.
- City of Memphis enters partnership with best-in-class U.S. pro sports franchise to manage the ballpark and to pay all operating costs (including any deficits) and capital costs in the future.
- Revenue, inflation, and growth projections show that the project is financially self-supporting. As proof of their confidence in the projections, Cardinals will back stop revenues by \$100,000 a year and AutoZone will back stop revenues by \$100,000 a year (up to \$1 million over 10 years). The revenue bonds for the purchase do not add to City of Memphis' bonded indebtedness.
- The agreement protects \$24 million economic impact and \$1.8 million in sales taxes produced by the team and ballpark (over 500,000 visitors per year).
- City of Memphis, like most cities (96%), will own its ballpark and control future of key downtown location.
- City of Memphis purchases asset at significant discount with purchase price of \$19.5 million, taking \$11.8 million equity position (ballpark appraised at \$31.3 million appraised value and built for \$67 million).



AUTOZONE PARK

January 7, 2014

Asset Valuation

- **Ballpark Construction** **\$67.0 million**
- **Ballpark Appraised Value** **\$31.3 million**
- **Ballpark Purchase Price** **\$19.5 million**
- **Value to Appraisal ratio** **38% discount**

* The \$4.5 million in capital improvements by City will increase revenues through the rebranding of the ballpark and maximizing fan expenditures.



AUTOZONE PARK

January 7, 2014

Sources of Revenue

- **\$24 million total - \$19.5 million for purchase of ballpark and and \$4.5 million in capital improvements**

Revenue Streams -

1) Sales tax rebate -- \$1,038,079.21 (2013)

- **10-year inflation rate: 2.4%**
- **Growth rate: 1.2%**

2) Moore Building and Garage PILOT: \$462,253.37

3) Cardinals Annual Rent -- \$300,000

Backup Pledges -

1) Additional rent of up to \$100,000 by Cardinals if sales tax projections are not reached

2) AutoZone pledge of \$100,000 a year up to \$1 million in 10 years if sales tax projections are not reached

AUTOZONE PARK

January 7, 2014

Deal Performance

Fundamental Advisors Acquisition Cost:

Purchases Bonds in 2010	-- \$24,000,000
Funded AutoZone Park Capital Expenditures	-- \$ 3,000,000
<u>Interest Payments Received</u>	<u>-- \$(2,600,000)</u>
Net Cash Outflow	-- \$24,400,000

Fundamental Advisors Sales Proceeds:

Franchise purchase by Cardinals	-- \$13,200,000
Sale of ballpark to City	-- \$19,500,000
Redbirds Debts Paid	-- \$(1,500,000)
<u>Transaction Costs</u>	<u>-- \$(1,000,000)</u>
Net Cash Inflow	-- \$30,200,000

Fundamental Advisors Profit	-- \$ 5,800,000
Holding Period – 3.5 years	
Approximate Annual Return	-- \$ 6.08%

Benchmark Comparisons:

Barclays High Yield Bond Index, 20.33%	
Russell 2000 Small Cap Index, 20.46%;	

AUTOZONE PARK

January 7, 2014

Marketing

- **Proven track record to increase attendance and revenues: Cardinals #2 in MLB attendance: emphasis on gameday experience, community involvement, and outreach.**
- **Better marketing increases attendance which increases sales tax revenues.**
- **Focused rebranding and reselling of an improved ballpark.**
- **Cardinals gameday experience has been copied extensively by other pro teams: it's about unique entertainment that convinces public they are missing too much if they stay home.**



AUTOZONE PARK

January 7, 2014

Economic Impact

- **\$24 million in 2012**
- **\$1.9 million in state and local sales taxes**
- **Attendance: 500,000**

“The importance of the Redbirds and AutoZone Park cannot be overstated. Their positive impact on the economy, the level of energy in the downtown core of the city, the quality of life in Memphis and the focus on Memphis as a regional sports center makes this project very important to the community. If the Redbirds were to leave the city and vacate AutoZone Park, it would be devastating to the community’s efforts to grow and prosper.”

-- Sparks Center, University of Memphis



AUTOZONE PARK

January 7, 2014

Proposed Lease Terms

- **Term: 17 years, ending October 31, 2030, with two 5-year options**
- **Rent: \$300,000 per year, plus up to \$100,000 if needed to meet revenue projections - Redbirds manage ballpark and pay all operating costs and ordinary maintenance**
- **Early termination: Actual damages - Remainder of rent through the end of initial lease term, plus prior year's debt service; Cardinals would have one year from date of lease termination to assist City in finding a replacement tenant, that would qualify City to continue to receive sales tax rebate. Early termination fee in the amount of up to 5 times prior year debt service in the event a replacement tenant cannot be found, in the event Lease is terminated in the first 5 years of the initial term. City may recover additional actual damages to cover any losses or liabilities to third parties, including bond holders that may occur as result of early termination.**

AUTOZONE PARK

January 7, 2014

Lease Terms

- **Term: 17 years, ending October 31, 2030, with two 5-year options**
- **Rent: \$300,000 per year, plus up to \$100,000 if needed to meet revenue projections - Redbirds manage ballpark and pay all operating costs and ordinary maintenance**
- **Early termination: Actual damages - Remainder of rent through the end of initial lease term, plus prior year's debt service; Cardinals would have one year from date of lease termination to assist City in finding a replacement tenant, that would qualify City to continue to receive sales tax rebate. Early termination fee in the amount of up to 5 times prior year debt service in the event a replacement tenant cannot be found, in the event Lease is terminated in the first 5 years of the initial term. City may recover additional actual damages to cover any losses or liabilities to third parties, including bond holders that may occur as result of early termination.**

AUTOZONE PARK

January 7, 2014

Community Benefits

- **A newly-formed foundation will enter into an MOU to raise a yearly goal of \$500,000 to expand inner city baseball. Meeting already held with RBI and community baseball groups. Major support from Cardinals and Memphian Tim McCarver.**
- **Purchase of suites by Redbirds and donation of tickets to nonprofits.**
- **Annual game with Cardinals (first game March 28, 2014).**
- **Cardinals' charitable, youth-focused philanthropic support (Cardinals Cares Grants) supports Memphis nonprofits.**
- **Appearance by former Cardinals and Hall of Fame members at select games/events.**

CITY OF MEMPHIS, TENNESSEE

EXAMINATION REPORT

December 31, 2013



Watkins Uiberall, PLLC
Certified Public Accountants & Financial Advisors
Independent Member of BKR International

TABLE OF CONTENTS

	Page
INDEPENDENT ACCOUNTANT'S REPORT	1
Summary of Sales Tax Rebates	2
Summary of the PILOT and Additional Rent	3
Appendices	
Appendix A	5
Appendix B	16



Watkins Uiberall, PLLC
Certified Public Accountants & Financial Advisors
Independent Member of BKR International

1661 Aaron Brenner Drive • Suite 300
Memphis, Tennessee 38120
901.761.2720 • Fax: 901.683.1120

210 East Main Street • Suite 2C
Tupelo, Mississippi 38804
662.269.4014 • Fax: 662.269.4016

1941 Citrona Drive
Fernandina Beach, Florida 32034
904.432.2028 • Fax: 901.683.1120

www.wucpas.com

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Memphis, Tennessee

We have examined the accompanying summary of sales tax rebates for the three years ended September 30, 2013 and the summary of the PILOT and additional rent ("the Summaries"). The City of Memphis, Tennessee's management is responsible for the Summaries. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and accordingly, included examining, on a test basis, evidence supporting the Summaries and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Summaries referred to above present, in all material respects, the sales tax rebates for the three years ended September 30, 2013 and the PILOT and additional rent on the Moore Office Building and Moore Parking Garage to be collected in 2014 based on the 2013 property assessment and millage rates.

This report is intended solely for the information and use of the City of Memphis, Tennessee and is not intended to be and should not be used by anyone other than those specified parties.

Watkins Uiberall, PLLC

Memphis, Tennessee
December 20, 2013

Memphis Redbirds Baseball Foundation
 Summary of Sales Tax Rebates
 Fiscal Years ending September 30, 2011 through 2013

	State Fiscal Year Ended		
	2011	2012	2013
Per State			
October	120,092.50	80,556.87	104,375.96
November	49,093.80	48,549.30	49,017.52
December	233.35	623.87	3,540.47
January	191.81	821.87	196.42
February	4,333.59	-	2,707.31
March	230.23	-	610.56
April	600.58	-	803.78
May	3,314.13	6,972.92	2,702.93
June	85,331.80	79,131.47	103,066.91
July	89,477.15	182,746.91	119,433.33
August	92,304.25	100,992.00	141,122.15
September	94,574.96	110,377.95	189,581.06
Total	539,778.15	610,773.16	717,158.40

	County Fiscal Year Ended		
	2011	2012	2013
Per County			
October	53,001.97	35,761.81	46,512.99
November	21,958.91	21,978.31	22,172.97
December	104.08	277.13	1,584.86
January	85.26	365.36	87.44
February	1,993.73	536.06	1,257.72
March	103.85	361.63	274.93
April	267.16	968.38	365.54
May	1,510.43	1,268.71	1,223.90
June	38,387.48	35,319.73	46,135.80
July	39,699.98	81,705.48	53,022.98
August	40,528.84	45,469.21	63,689.99
September	43,211.16	48,820.67	84,591.69
Total	240,852.85	272,832.48	320,920.81

	Total Fiscal Year Ended		
	2011	2012	2013
October	173,094.47	116,318.68	150,888.95
November	71,052.71	70,527.61	71,190.49
December	337.43	901.00	5,125.33
January	277.07	1,187.23	283.86
February	6,327.32	536.06	3,965.03
March	334.08	361.63	885.49
April	867.74	968.38	1,169.32
May	4,824.56	8,241.63	3,926.83
June	123,719.28	114,451.20	149,202.71
July	129,177.13	264,452.39	172,456.31
August	132,833.09	146,461.21	204,812.14
September	137,786.12	159,198.62	274,172.75
Total	780,631.00	883,605.64	1,038,079.21

Note - These dates represent the disbursement date from the State of Tennessee and the Shelby County Trustee.

Moore Building and Parking Garage
 Summary of the PILOT and Additional Rent
 For the Year Ended 12/31/2014

Moore Building
 Parcel 002063 00001C

Total Assessed Value per Shelby County Assessor 11,836,300.00

Total tax as calculated on subsequent page

Shelby County	207,371.98	
City of Memphis	<u>160,973.68</u>	
		368,345.66

Less PILOT

Shelby County (rate is now 4.38)	(9,010.54)	
City of Memphis	<u>(6,994.48)</u>	
		<u>(16,005.02)</u>

Total Additional Rent 352,340.64

Garage
 Parcel 002060 00002C

Total Assessed Value per Shelby County Assessor 3,951,600.00

Total tax as calculated on subsequent page

Shelby County	69,232.03	
City of Memphis	<u>53,741.76</u>	
		122,973.79

Less PILOT

Shelby County (rate is now 4.38)	(7,353.14)	
City of Memphis	<u>(5,707.92)</u>	
		<u>(13,061.06)</u>

Total Additional Rent 109,912.73

Total Additional Rent Building and Garage 462,253.37

Total PILOT money to receive 29,066.08

APPENDICES

State Shared Revenues (2008 FYE)**VENDOR NAME:** Memphis Redbirds Baseball Foundation**RECORD #:** 7002

Sales Tax

<i>DATE</i>	<i>AMOUNT</i>
7/20/07	\$102,404.46
8/20/07	\$122,376.68
9/20/07	\$49,867.69
10/20/07	\$24,295.09
11/20/07	\$16,417.41
12/20/07	\$2,134.11
1/20/08	\$6,012.46
2/20/08	\$970.27
3/20/08	\$331.60
4/20/08	\$59,908.68
5/20/08	\$66,231.87
6/20/08	\$173,632.72
Total for Sales Tax	\$624,583.04

State Shared Revenues (2009 FYE)**VENDOR NAME:** Memphis Redbirds Baseball Foundation**RECORD #:** 7002

Sales Tax

<i>DATE</i>	<i>AMOUNT</i>
7/20/08	\$95,046.30
8/20/08	\$115,769.44
9/20/08	\$92,981.52
10/20/08	\$156,433.30
11/20/08	\$16,588.75
12/20/08	\$626.96
1/20/09	\$433.68
2/20/09	\$495.78
3/20/09	\$290.70
4/20/09	\$282.09
5/20/09	\$527.28
6/20/09	\$81,026.08
Total for Sales Tax	\$560,501.88

State Shared Revenues (2010 FYE)

VENDOR NAME: Memphis Redbirds Baseball Foundation

RECORD #: 7002

Sales Tax

	<i>DATE</i>	<i>AMOUNT</i>
	7/20/09	\$101,332.00
	8/20/09	\$28,882.05
	9/20/09	\$95,227.97
	Total for Sales Tax	\$225,442.02

Sports Authority

	<i>DATE</i>	<i>AMOUNT</i>
	10/8/09	\$81,757.52
	11/9/09	\$91,701.84
	12/8/09	\$3,828.07
	1/8/10	\$49.50
	2/8/10	\$1,931.78
	3/8/10	\$227.03
	4/9/10	\$143.11
	5/10/10	\$227.12
	6/8/10	\$59,557.23
	Total for Sports Authority	\$239,423.20

State Shared Revenues (2011 FYE)**VENDOR NAME:** Memphis Redbirds Baseball Foundation**RECORD #:** 7002

Sports Authority

<i>DATE</i>	<i>AMOUNT</i>
7/9/10	\$86,019.29
8/9/10	\$98,312.43
9/9/10	\$107,634.60
10/8/10	\$120,092.50
11/9/10	\$49,093.80
12/6/10	\$233.35
1/10/11	\$191.81
2/7/11	\$4,333.59
3/7/11	\$230.23
4/7/11	\$600.58
5/6/11	\$3,314.13
6/9/11	\$85,331.80
Total for Sports Authority	\$555,388.11

State Shared Revenues (2012 FYE)**VENDOR NAME:** Memphis Redbirds Baseball Foundation**RECORD #:** 7002

Sports Authority

<i>DATE</i>	<i>AMOUNT</i>
7/11/11	\$89,477.15
8/8/11	\$92,304.25
9/9/11	\$94,574.96
10/7/11	\$80,556.87
11/7/11	\$48,549.30
12/7/11	\$623.87
1/6/12	\$821.87
5/9/12	\$6,972.92
6/13/12	\$79,131.47
Total for Sports Authority	\$493,012.66

State Shared Revenues (2013 FYE)**VENDOR NAME: Memphis Redbirds Baseball Foundation****RECORD #: 7002**

Sports Authority

<i>DATE</i>	<i>AMOUNT</i>
7/12/12	\$182,746.91
8/9/12	\$100,992.00
9/14/12	\$110,377.95
10/12/12	\$104,375.96
11/13/12	\$49,017.52
12/12/12	\$3,540.47
1/12/13	\$196.42
2/12/13	\$2,707.31
3/12/13	\$610.56
4/12/13	\$803.78
5/13/13	\$2,702.93
6/12/13	\$103,066.91
Total for Sports Authority	\$661,138.72

Trey Watkins

From: Iris Haby <Iris.Haby@cot.tn.gov>
Sent: Friday, December 13, 2013 4:04 PM
To: Trey Watkins
Cc: Justin Wilson; David Sturtevant
Subject: State Shared Revenue - Memphis 2013-2014 FY
Attachments: memphis - redbirds.xlsx; memphis.xlsx

Per your request.

Iris Haby

Iris R. Haby, CPA, Auditor
TN Comptroller of the Treasury
Division of Local Government Audit
James K. Polk Building, Suite 1500
Nashville, TN 37243-1402
Phone 615-401-7878
Alternate Phone 270-235-5795
Email: Iris.Haby@cot.tn.gov
Web Address: <http://comptroller.tn.gov/la/>

For reporting and audit guidance please visit:

Local Government Audit – Resources

www.comptroller.tn.gov/la/LGSlocalGovernment.asp

Appendix A

Invoice	Invoice Date	Vendor ID	Vendor Location	Voucher	Line Line	Voucher Line Descr	Voucher Line Dist Amount	Voucher Line Dist Acctg Date
S Authority- Jul 2013_002	7/15/2013	0000003997	MAIN	00288716	1	Redbirds Spts Authority	119,433.33	7/15/2013
S Authority- Aug 2013_002	8/9/2013	0000003997	MAIN	00293776	1	Redbirds Spts Authority	141,122.15	8/9/2013
S Authority- Sept 2013_002	9/17/2013	0000003997	MAIN	00300464	1	Redbirds Spts Authority	189,581.06	9/17/2013
S Authority- Oct 2013_002	10/15/2013	0000003997	MAIN	00304904	1	Redbirds Spts Authority	113,316.54	10/15/2013
S Authority- Nov 2013_002	11/12/2013	0000003997	MAIN	00316700	1	Redbirds Spts Authority	613.64	11/12/2013
S Authority- Dec 2013_002	12/10/2013	0000003997	MAIN	00322142	1	Redbirds Spts Authority	1,536.87	12/10/2013

Trey Watkins

From: Jennifer Collins
Sent: Tuesday, December 10, 2013 3:31 PM
To: Trey Watkins
Subject: FW: Redbirds remittances
Attachments: Redbirds History.xlsx

Jennifer G. Collins, CPA | Audit Manager

Watkins Uiberall, PLLC | Certified Public Accountants

Independent Member of BKR International
1661 Aaron Brenner Drive, Suite 300
Memphis, Tennessee 38120
901.761.2720 phone
901.683.1120 fax
icollins@wucpas.com | www.wucpas.com



From: Ruppel, John [<mailto:JRuppel@ShelbyCountyTrustee.com>]
Sent: Tuesday, December 10, 2013 3:29 PM
To: Jennifer Collins
Subject: Redbirds remittances

Hi Jennifer,
I think this is what you want.

John Ruppel

Manager - Banking Services & Accounting
Office of the Shelby County Trustee
Phone: 901.432.4899
Fax: 901.432.4790
E-mail: jruppel@shelbycountytrustee.com

The Trustee's Office strives to provide excellent customer service.
Please let us know how we are doing by an email to: compliance@shelbycountytrustee.com.
No advice or communication from the Trustee's office to a taxpayer via electronic mail or telephone should be considered to be legal advice or legally binding on this office or Shelby County. If you feel you need legal advice, please contact an attorney.

2007-2008		Redbirds
July		44,800.83
August		54,370.72
September		21,903.62
October		10,671.27
November		7,358.00
December		945.09
January		2,633.58
February		439.94
March		147.21
April		26,590.43
May		29,690.74
June		76,938.51
Totals		<u>276,489.94</u>

2008-2009		Redbirds
July		41,858.01
August		51,894.36
September		40,962.56
October		69,149.28
November		7,553.11
December		276.97
January		190.91
February		226.48
March		128.83
April		128.38
May		234.67
June		35,502.28
Totals		<u>248,105.84</u>

2009-2010		Redbirds
July		44,017.92
August		12,943.55
September		41,947.01
October		36,438.14
November		40,867.19
December		1,678.00
January		21.52
February		871.83
March		100.48
April		66.40
May		101.96
June		26,410.86
Totals		<u>205,464.86</u>

2010-2011		Redbirds
July		37,680.33
August		44,021.88
September		47,286.91
October		53,001.97
November		21,958.91
December		104.08

January	85.26
February	1,993.73
March	103.85
April	267.16
May	1,510.43
June	38,387.48
Totals	<u>246,401.99</u>

2011-2012	Redbirds
July	39,699.98
August	40,528.84
September	43,211.16
October	35,761.81
November	21,978.31
December	277.13
January	365.36
February	536.06
March	361.63
April	968.38
May	1,268.71
June	35,319.73
Totals	<u>220,277.10</u>

2012-2013	Redbirds
July	81,705.48
August	45,469.21
September	48,820.67
October	46,512.99
November	22,172.97
December	1,584.86
January	87.44
February	1,257.72
March	274.93
April	365.54
May	1,223.90
June	46,135.80
Totals	<u>295,611.51</u>

2013-2014	Redbirds
July	53,022.98
August	63,689.99
September	84,591.69
October	50,333.86
November	277.56
December	
January	
February	
March	
April	
May	
June	
Totals	<u>251,916.08</u>

JA 3442

cooperate with Lessee, at Lessee's expense, in connection with obtaining the use of any such utilities and other facilities and services.

(d) The reasonable expenses of the Lessor which are incurred in connection with administering the Project or performing any act which it is required to do or deems necessary under this Lease.

(e) Payments to Lenders. Lessor shall pay to any party entitled thereto any and all payments required under any indebtedness secured by Lessee's rights under this Lease.

Lessee covenants to furnish to Lessor, promptly upon request, proof of the payment of any amount or charge required to be paid by Lessee hereunder.

Section 6.02. Payments in Lieu of Taxes. Each year during the Term hereof, Lessee shall make payments as Additional Rent, in lieu of Memphis and Shelby County ad valorem taxes, in amounts computed as indicated below or (where applicable) equal to the following proportions of such taxes that otherwise would have been due and payable with regard to the Demised Premises, which consists of tax parcel number 002-063-00001 were it owned by a tax-paying entity and subject to such taxation:

<u>Period</u>	<u>Basis of Computation/ Proportion of Taxes Otherwise Due and Payable</u>
Until December 31 2028,	Tax assessment of \$205,720.00, times the then current millage rate.
In the event of a holdover beyond December 31, 2028	Then current tax assessment (determined as though the Demised Premises were owned by a tax-paying entity) times then current millage rate.

In no event shall such payments in lieu of taxes be less than the amount of ad valorem taxes that were due and payable on the Demised Premises for the period immediately preceding the date of its acquisition by the Lessor, i.e., 1998 city and county taxes. These payments in lieu of taxes shall be paid in the same manner and to the same tax collectors as are ad valorem taxes paid in the City of Memphis and Shelby County. In the event Lessee is required to pay any ad valorem taxes during the Term of this Lease, Lessee shall be entitled to a credit for such amount so paid against its obligation for payment in lieu of taxes under this Lease. In the event the Demised Premises should legally be placed on the ad valorem tax rolls of either the City of Memphis or Shelby County or both, the payment in lieu of taxes shall terminate without any liability of Lessor to Lessee and Lessee

JA 3442

(b) Beginning on the fifteenth (15th) anniversary hereof (December 31, 2013) and lasting until and including the thirtieth (30th) anniversary hereof (December 31, 2028), Lessee shall pay to the Trustee without notice or demand as absolute net basic rent an amount equal to the current tax assessment of the property described on Exhibit A hereto on the fifteenth (15th) anniversary hereof times the then current millage rate less payments in lieu of taxes due during such calendar year pursuant to Section 6.02 of this Lease. Payments under the previous sentence shall be made prior to the respective dates such payments would become delinquent if $\frac{1}{2}$ of such payments were considered City tax payments and $\frac{1}{2}$ were considered County tax payments. For the first and last partial calendar years lying within the period set forth in this subsection, payments shall be prorated based upon a fraction, the numerator of which shall be the number of calendar days in said year lying within such period and the denominator of which shall be the number of calendar days within such year.

(c) In the event the Lessee's leasehold interest, but not the Lessor's fee interest, shall become subject to ad valorem taxation, the rent called for in this Section 4.01 shall continue, but shall be reduced on a cumulative basis by the amount of ad valorem taxes paid by the Lessee with regard to its leasehold estate in the Demised Premises.

(d) The amount of rent set forth in (a) - (b) above is hereinafter called the "Basic Rent."

Section 4.02. Additional Rent. Lessee shall also pay, as Additional Rent, those amounts set out in Article VI hereof and all other sums which Lessee shall be obligated to pay hereunder, whether or not such sums are specifically designated as Additional Rent. Lessee shall also pay, as Additional Rent, all sums advanced by Lessor for or on behalf of Lessee hereunder. Lessor agrees to give Lessee ten (10) days written notice prior to making any expenditure on Lessee's behalf hereunder. The Additional Rent shall be due by Lessee upon demand of Lessor or the person advancing such sums, or in accordance with the applicable provisions of this Lease. Any sums advanced by Lessor for or on behalf of Lessee after a default of Lessee shall bear interest at the highest lawful rate existing on the date of advance.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION OF LESSOR

Section 5.01. Acceptance of Project; No Warranties. Lessee acknowledges and agrees that it examined and is fully familiar with the Real Property and recognizes that, because the Plans and Specifications for the construction of the same have been prepared at its direction and the Project is to be constructed under its supervision, the Lessor, except as otherwise expressly set forth in this Lease, makes no representation or warranty,



DAVID LENOIR SHELBY COUNTY TRUSTEE TENNESSEE



[ABOUT US](#)

[INFORMATION](#)

[PAYMENTS](#)

[SENIORS](#)

[HOW DO I](#)

SEARCH

[Home](#) > [Information](#) > [Tax Look-Up](#)

Tax Look-Up

- [Address Change](#)
- [Appeals](#)
- [Calculate Taxes](#)
- [Investment Management](#)
- [Main Calendar](#)
- [Print a Bill](#)
- [Print a Receipt](#)
- [Quarterly Pay](#)
- [Related Links](#)
- [Reports](#)
- [Shelby County Land Bank](#)
- [Taxes](#)
- [Tax Look-Up](#)
- [Tax Freeze](#)
- [Tax Rates](#)
- [Tax Relief](#)
- [Tax Sale](#)
- [Unclaimed Shares](#)
- [Wheel Tax Rebate](#)

Tax Year: 2012

Parcel ID: ICC03250000000

Location: 185 MONROE, Memphis TN

Taxing Authority: Shelby County

This information is as Monday, December 16, 2013 10:56:07 AM
of:

Transaction Details

Print Receipt	Transaction#	Date	Type	Amount
	2012 - 904174.0001	2/27/2013	Tax Paid	\$8,269.94
	2013 - 1280954.0001	8/1/2013	Tax Decrease	(\$29,429.62)
	2013 - 1280955.0001	8/1/2013	Tax Increase	\$29,429.62

ONLINE SERVICES

[PAY TAXES](#)

[SEARCH TAXES](#)

[PRINT YOUR BILL](#)

[PRINT RECEIPT](#)

City of Memphis
Property Tax Receipt

Receipt Date: 12/16/2013
Parcel Number: 002063 00001C
Property Owner: MOORE BUILDING ASS. L.P
Property Address: IN-LIEU OF TAX BILL

Year	Type	Tax Bill Number	Tax Assessed	Interest / Penalty	Other Charges	Payment Date	Amount
2013	REAL	5000143	\$6,994.48	\$0.00	\$0.00	8/22/2013	\$6,994.48

Balance Due for 2013: \$0.00
Total Outstanding Balance: \$0.00

Note: This is an internet receipt.
Printed Date: 12/16/2013 at 5:24 PM CST

[[Print](#) | [Close Window](#)]

CHEYENNE JOHNSON

Assessor of Property

PROPERTY TAX CALCULATOR

The Shelby County Board of Commissioners has established two different tax rates for 2013 depending on your property's location within the county. Property owners who have questions regarding the establishment of these tax rates should contact the Commissioners by calling 222-2300.

To estimate your 2013 Shelby County property tax, please select your property's location and classification and insert your property's 2013 appraised value and click "Calculate."

Property Location:	Memphis Resident ▼
Property Classification:	Commercial/Industrial ▼
County Tax Rate:	4.38
Appraisal Value:	11836300
Estimated Property Tax:	207371.98
	Calculate

To estimate your 2013 City property tax, please select the Municipality where your property is located and insert your 2013 appraisal and classification and click "Calculate."

Municipality:	Memphis ▼
Property Classification:	Commercial/Industrial ▼
City Tax Rate:	3.40
Appraisal Value:	11836300
Estimated Property Tax:	160973.68
	Calculate

CHEYENNE JOHNSON

Assessor of Property

Property Location and Owner Information	2013 Appraisal and Assessment Information
Parcel ID: 002063 00001C	Class: EXEMPT
Property Address: 185 MONROE AVE	Land Appraisal: \$ 529,000
Municipal Jurisdiction: MEMPHIS	Building Appraisal: \$ 11,307,300
Neighborhood Number: 00708B83	Total Appraisal: \$ 11,836,300
Tax Map Page: 132K	Total Assessment: \$ 0
Land Square Footage:	Greenbelt Land: \$ 0
Acres: 0.6940	Homesite Land: \$ 0
Lot Dimensions: 30231 SF	Homesite Building: \$ 0
Subdivision Name:	Greenbelt Appraisal: \$ 0
Subdivision Lot	Greenbelt Assessment: \$ 0
Number:	
Plat Book and Page:	
Number of 1	
Improvements:	
Owner Name: MEMPHIS CENTER CITY REVENUE FINANCE CORP	Click Here for 2012 Values
In Care Of: HERTZ MEMPHIS TWO, LLC, ATTN: IRENE THOMAS	View: Assessor's GIS Map
Owner Address: 1522 2ND ST	View: GIS Parcel Map
Owner City/State/Zip: SANTA MONICA, CA 90401 2303	

Commercial Structure Information	
Land Use:	- OFFICE HIGH
Total Living Units:	
Structure Type:	OFFICE BLDG H-R 5ST
Year Built:	1917
Investment Grade:	A
Building Square Footage:	205280

Other Buildings on Site for this Property
 See Permits Filed for this Property
 See Sales Data for this Property

Disclaimer: The information presented on this web site is based on the inventory of real property found within the jurisdiction of the county of Shelby in the State of Tennessee. Shelby County assumes no legal responsibility for the information contained within this web site. This is not a bill and does not serve as a notice or invoice for payment of taxes nor does it replace scheduled notices mailed to property owners.

CHEYENNE JOHNSON

Assessor of Property

Property Location and Owner Information	2012 Appraisal and Assessment Information
Parcel ID: 002063 00001C Property Address: 185 MONROE AVE Municipal Jurisdiction: MEMPHIS Neighborhood Number: 00708B83 Tax Map Page: 132K Land Square Footage: Acres: 0.6940 Lot Dimensions: 30231 SF Subdivision Name: Subdivision Lot Number: Plat Book and Page: Number of 1 Improvements: Owner Name: MEMPHIS CENTER CITY REVENUE FINANCE CORP In Care Of: HERTZ MEMPHIS TWO, LLC, ATTN: IRENE THOMAS Owner Address: 1522 2ND ST Owner City/State/Zip: SANTA MONICA, CA 90401 2303	Class: EXEMPT Land Appraisal: \$ 423,200 Building Appraisal: \$ 13,356,500 Total Appraisal: \$ 13,779,700 Total Assessment: \$ 0 Greenbelt Land: \$ 0 Homesite Land: \$ 0 Homesite Building: \$ 0 Greenbelt Appraisal: \$ 0 Greenbelt Assessment: \$ 0 Click Here for 2013 Values View: Assessor's GIS Map View: GIS Parcel Map

Commercial Structure Information	
Land Use:	- OFFICE HIGH
Total Living Units:	
Structure Type:	OFFICE BLDG H-R 5ST
Year Built:	1917
Investment Grade:	A
Building Square Footage:	205280

Other Buildings on Site for this Property
 See Permits Filed for this Property
 See Sales Data for this Property

Disclaimer: The information presented on this web site is based on the inventory of real property found within the jurisdiction of the county of Shelby in the State of Tennessee. Shelby County assumes no legal responsibility for the information contained within this web site. This is not a bill and does not serve as a notice or invoice for payment of taxes nor does it replace scheduled notices mailed to property owners.

JC 6680

JA 3444

Lessee covenants to furnish to Lessor, promptly upon request, proof of the payment of any amount or charge required to be paid by Lessee hereunder.

Section 6.02. Payments in Lieu of Taxes. Each year during the Term hereof, Lessee shall make payments as Additional Rent, in lieu of Memphis and Shelby County ad valorem taxes, in amounts computed as indicated below or (where applicable) equal to the following proportions of such taxes that otherwise would have been due and payable with regard to the Demised Premises, which consists of tax parcel number(s) 002-060-00014 and 002-060-00002, were it owned by a tax-paying entity and subject to such taxation:

<u>Period</u>	<u>Basis of Computation/ Proportion of Taxes Otherwise Due and Payable</u>
Until December 31 2028,	Tax assessment \$167,880 times then current millage rate.
In the event of a holdover beyond December 31, 2028	Then current tax assessment (determined as though the Demised Premises were owned by a tax-paying entity) times then current millage rate.

In no event shall such payments in lieu of taxes be less than the amount of ad valorem taxes that were due and payable on the Demised Premises for the period immediately preceding the date of its acquisition by the Lessor, i.e., 1998 city and county taxes. These payments in lieu of taxes shall be paid in the same manner and to the same tax collectors as are ad valorem taxes paid in the City of Memphis and Shelby County. In the event Lessee is required to pay any ad valorem taxes during the Term of this Lease, Lessee shall be entitled to a credit for such amount so paid against its obligation for payment in lieu of taxes under this Lease. In the event the Demised Premises should legally be placed on the ad valorem tax rolls of either the City of Memphis or Shelby County or both, the payment in lieu of taxes shall terminate without any liability of Lessor to Lessee and Lessee shall pay ad valorem taxes as required of a tax-paying entity, provided that, in the event the Lessee's leasehold interest, but not the Lessor's fee interest, shall become subject to ad valorem taxation, the payment in lieu of taxes called for hereunder shall continue, but shall be reduced on a cumulative basis by the amount of ad valorem taxes paid by the Lessee with regard to its leasehold estate in the Demised Premises. In the event the payment in lieu of taxes obligation terminates, Lessee shall be obligated to exercise its option set forth in Section 11.01

JC 6680
JA 3444

and privileges of any and all sublessees of Lessee under the terms and provisions of their respective subleases so long as the lessees under such subleases shall keep and perform all of the covenants and provisions of their respective subleases, and shall agree to attorn to the Lessor as landlord under such leases; provided, however, that the rights of all sublessees shall be subject and subordinate, in all respects, to the lien of the Deed of Trust and to the prior rights of the Lender and the leasehold mortgage lenders under Section 3.05, and all subleases shall specifically so provide.

ARTICLE IV

RENT

Section 4.01. Basic Rent. (a) Until December 31, 2013, Lessee shall pay to SunTrust Bank, Central Florida, National Association, as Trustee, under the terms of that certain Indenture of Trust, dated as of December 1, 1998, by and between Memphis Center City Revenue Finance Corporation and SunTrust Bank, Central Florida, National Association, as Trustee, or to the successor or assigns of such Trustee, ("Lessor's Trustee") without notice or demand as absolutely net basic rent the sum of One Hundred and No/100 Dollars (\$100.00) per annum.

(b) Beginning on the fifteenth (15th) anniversary hereof (December 31, 2013) and lasting until and including the thirtieth (30th) anniversary hereof (December 31, 2028), Lessee shall pay to the Trustee without notice or demand as absolute net basic rent an amount equal to the current tax assessment of the property described on Exhibit A hereto on the fifteenth (15th) anniversary hereof times the then current millage rate less payments in lieu of taxes due during such calendar year pursuant to Section 6.02 of this Lease. Payments under the previous sentence shall be made prior to the respective dates such payments would become delinquent if $\frac{1}{2}$ of such payments were considered City tax payments and $\frac{1}{2}$ were considered County tax payments. For the first and last partial calendar years lying within the period set forth in this subsection, payments shall be prorated based upon a fraction, the numerator of which shall be the number of calendar days in said year lying within such period and the denominator of which shall be the number of calendar days within such year.

(c) In the event the Lessee's leasehold interest, but not the Lessor's fee interest, shall become subject to ad valorem taxation, the rent called for in this Section 4.01 shall continue, but shall be reduced on a cumulative basis by the amount of ad valorem taxes paid by the Lessee with regard to its leasehold estate in the Demised Premises.

(d) The amount of rent set forth in (a) - (b) above is hereinafter called the "Basic Rent."

JC 6680

JA 3444

Section 4.02. Additional Rent. Lessee shall also pay, as Additional Rent, those amounts set out in Article VI hereof and all other sums which Lessee shall be obligated to pay hereunder, whether or not such sums are specifically designated as Additional Rent. Lessee shall also pay, as Additional Rent, all sums advanced by Lessor for or on behalf of Lessee hereunder. Lessor agrees to give Lessee ten (10) days written notice prior to making any expenditure on Lessee's behalf hereunder. The Additional Rent shall be due by Lessee upon demand of Lessor or the person advancing such sums, or in accordance with the applicable provisions of this Lease. Any sums advanced by Lessor for or on behalf of Lessee after a default of Lessee shall bear interest at the highest lawful rate existing on the date of advance.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION OF LESSOR

Section 5.01. Acceptance of Project; No Warranties. Lessee acknowledges and agrees that it examined and is fully familiar with the Real Property and recognizes that, because the Plans and Specifications for the construction of the same have been prepared at its direction and the Project is to be constructed under its supervision, the Lessor, except as otherwise expressly set forth in this Lease, makes no representation or warranty, either express or implied, and offers no assurance to anyone as to the condition or title of the Demised Premises, that the Demised Premises will be suitable for Lessee's purposes or needs or that the funds presently available for the Project will be sufficient to pay in full the cost of the Project. Lessee accepts the Real Property in its condition as of the date of the commencement of the Term of this Lease, and assumes all risks, if any, resulting from the failure of the Project to be completed or to comply with all legal requirements applicable thereto.

Section 5.02. Failure or Defect in Title. Lessor shall not be liable to Lessee or to anyone for any damages resulting from failure of or any defect in Lessor's title or the rights granted Lessee pursuant to this Lease (including without limitation any taxes or payments in lieu thereof owing from Lessee in excess of those payments provided in Section 6.02 of this Lease) which interferes with, prevents, or renders burdensome the use or occupancy of the Demised Premises or the compliance by the Lessee with any of the terms of this Lease, or from delay in obtaining possession of all or any part thereof, from any cause whatsoever. No such failure of or defect in the Lessor's title or delay in possession shall terminate this Lease or entitle Lessee to any abatement, in whole or in part, of Basic Rent, Additional Rent, or any other sums provided to be paid by Lessee pursuant to any of the terms of this Lease.



DAVID LENOIR SHELBY COUNTY TRUSTEE TENNESSEE



[ABOUT US](#)

[INFORMATION](#)

[PAYMENTS](#)

[SENIORS](#)

[HOW DO I](#)

SEARCH

[Home](#) > [Information](#) > [Tax Look-Up](#)

Tax Look-Up

- [Address Change](#)
- [Appeals](#)
- [Calculate Taxes](#)
- [Investment Management](#)
- [Main Calendar](#)
- [Print a Bill](#)
- [Print a Receipt](#)
- [Quarterly Pay](#)
- [Related Links](#)
- [Reports](#)
- [Shelby County Land Bank](#)
- [Taxes](#)
- [Tax Look-Up](#)
- [Tax Freeze](#)
- [Tax Rates](#)
- [Tax Relief](#)
- [Tax Sale](#)
- [Unclaimed Shares](#)
- [Wheel Tax Rebate](#)

Tax Year: 2012

Parcel ID: ICC03260000000

Location: 185 MONROE AVE, Memphis TN

Taxing Authority: Shelby County

This Information is as Monday, December 16, 2013 11:00:54 AM
of:

Transaction Details

Print Receipt	Transaction#	Date	Type	Amount
	2012 - 904173.0001	2/27/2013	Tax Paid	\$6,748.78

ONLINE SERVICES

[PAY TAXES](#)

[SEARCH TAXES](#)

[PRINT YOUR BILL](#)

[PRINT RECEIPT](#)

City of Memphis
Property Tax Receipt

Receipt Date: 12/16/2013
Parcel Number: 002060 00002C
Property Owner: MOORE GARAGE LLC
Property Address: IN-LIEU OF TAX BILL

Year	Type	Tax Bill Number	Tax Assessed	Interest / Penalty	Other Charges	Payment Date	Amount
2013	REAL	5000137	\$5,707.92	\$0.00	\$0.00	8/22/2013	\$5,707.92

Balance Due for 2013: \$0.00

Total Outstanding Balance: \$0.00

Note: This is an internet receipt.

Printed Date: 12/16/2013 at 5:25 PM CST

[[Print](#) | [Close Window](#)]

CHEYENNE JOHNSON

Assessor of Property

PROPERTY TAX CALCULATOR

The Shelby County Board of Commissioners has established two different tax rates for 2013 depending on your property's location within the county. Property owners who have questions regarding the establishment of these tax rates should contact the Commissioners by calling 222-2300.

To estimate your 2013 Shelby County property tax, please select your property's location and classification and insert your property's 2013 appraised value and click "Calculate."

Property Location:	Memphis Resident ▼
Property Classification:	Commercial/Industrial ▼
County Tax Rate:	4.38
Appraisal Value:	3951600
Estimated Property Tax:	69232.03
	Calculate

To estimate your 2013 City property tax, please select the Municipality where your property is located and insert your 2013 appraisal and classification and click "Calculate."

Municipality:	Memphis ▼
Property Classification:	Commercial/Industrial ▼
City Tax Rate:	3.40
Appraisal Value:	3951600
Estimated Property Tax:	53741.76
	Calculate

CHEYENNE JOHNSON

Assessor of Property

Property Location and Owner Information	2013 Appraisal and Assessment Information
Parcel ID: 002060 00002C	Class: EXEMPT
Property Address: 195 MADISON AVE	Land Appraisal: \$ 757,000
Municipal Jurisdiction: MEMPHIS	Building Appraisal: \$ 3,194,600
Neighborhood Number: 00708B83	Total Appraisal: \$ 3,951,600
Tax Map Page: 132K	Total Assessment: \$ 0
Land Square Footage:	Greenbelt Land: \$ 0
Acres: 0.9930	Homesite Land: \$ 0
Lot Dimensions: 43255 SF	Homesite Building: \$ 0
Subdivision Name:	Greenbelt Appraisal: \$ 0
Subdivision Lot	Greenbelt Assessment: \$ 0
Number:	
Plat Book and Page:	
Number of 1	
Improvements:	
Owner Name: MEMPHIS CENTER CITY REVENUE CORP	Click Here for 2012 Values
In Care Of: HERTZ MEMPHIS THREE, LLC ATTN: IRENE THOMAS	View: Assessor's GIS Map
Owner Address: 1522 2ND ST	View: GIS Parcel Map
Owner City/State/Zip: SANTA MONICA, CA 90401 2303	

Commercial Structure Information	
Land Use:	- PARKING GARAGE
Total Living Units:	
Structure Type:	PARKING GARAGE/DECK
Year Built:	1999
Investment Grade:	
Building Square Footage:	222312

Other Buildings on Site for this Property
 See Permits Filed for this Property
 See Sales Data for this Property

Disclaimer: The information presented on this web site is based on the inventory of real property found within the jurisdiction of the county of Shelby in the State of Tennessee. Shelby County assumes no legal responsibility for the information contained within this web site. This is not a bill and does not serve as a notice or invoice for payment of taxes nor does it replace scheduled notices mailed to property owners.

CHEYENNE JOHNSON

Assessor of Property

Property Location and Owner Information	2012 Appraisal and Assessment Information
<p>Parcel ID: 002060 00002C</p> <p>Property Address: 195 MADISON AVE</p> <p>Municipal Jurisdiction: MEMPHIS</p> <p>Neighborhood Number: 00708B83</p> <p>Tax Map Page: 132K</p> <p>Land Square Footage:</p> <p>Acres: 0.9930</p> <p>Lot Dimensions: 43255 SF</p> <p>Subdivision Name:</p> <p>Subdivision Lot Number:</p> <p>Plat Book and Page:</p> <p>Number of 1</p> <p>Improvements:</p> <p>Owner Name: MEMPHIS CENTER CITY REVENUE CORP</p> <p>In Care Of: HERTZ MEMPHIS THREE, LLC ATTN: IRENE THOMAS</p> <p>Owner Address: 1522 2ND ST</p> <p>Owner City/State/Zip: SANTA MONICA, CA 90401 2303</p>	<p>Class: EXEMPT</p> <p>Land Appraisal: \$ 757,000</p> <p>Building Appraisal: \$ 3,363,100</p> <p>Total Appraisal: \$ 4,120,100</p> <p>Total Assessment: \$ 0</p> <p>Greenbelt Land: \$ 0</p> <p>Homesite Land: \$ 0</p> <p>Homesite Building: \$ 0</p> <p>Greenbelt Appraisal: \$ 0</p> <p>Greenbelt Assessment: \$ 0</p> <p>Click Here for 2013 Values</p> <p>View: Assessor's GIS Map</p> <p>View: GIS Parcel Map</p>

Commercial Structure Information	
Land Use:	- PARKING GARAGE
Total Living Units:	
Structure Type:	PARKING GARAGE/DECK
Year Built:	1999
Investment Grade:	
Building Square Footage:	222312

Other Buildings on Site for this Property
 See Permits Filed for this Property
 See Sales Data for this Property

Disclaimer: The information presented on this web site is based on the inventory of real property found within the jurisdiction of the county of Shelby in the State of Tennessee. Shelby County assumes no legal responsibility for the information contained within this web site. This is not a bill and does not serve as a notice or invoice for payment of taxes nor does it replace scheduled notices mailed to property owners.