

BAKER DONELSON
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CHAD M. WILGENBUSCH, SHAREHOLDER
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August 5, 2019

VIA HAND DELIVERY

John Lawrence
EDGE
100 Peabody Place, Suite 1100
Memphis, TN 38103

Re: PILOT Application- Cherry Tree International Corp.

Dear John:

Please find enclosed a Payment in Lieu of Tax Application for Cherry Tree International Corp. and a check for the \$3,000.00 Application Fee. I will also email you a PDF of the Application. If you have any questions, please feel free to contact me.

Sincerely,



Chad Wilgenbusch

PAYMENT-IN-LIEU-OF-TAX APPLICATION



**ECONOMIC DEVELOPMENT
GROWTH ENGINE
FOR MEMPHIS & SHELBY COUNTY**

**100 Peabody Place, Suite 1100
Memphis, TN 38103
(901) 341-2100**

Please submit your application online at www.growth-engine.org

APPLICATION FOR PILOT**ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF
CITY OF MEMPHIS AND SHELBY COUNTY, TENNESSEE****Applicant**

Company Name: Cherry Tree International Corp.
 Company Contact: Simon Xiao
 Mailing Address: 10700 Business Drive, Suite 200
 City: Fontana State: CA Zip: 92337
 Telephone: 909-217-3949 Fax: _____
 Federal Employer Identification Number: [REDACTED]
 Applicant's Legal Structure: Corporation

If any outside consultants will be representing the applicant (accounting firm, law firm or site consultant) in applying for this PILOT, please provide the following:

Company Name CC Drayton and Chad Wilgenbusch
 Contact Name: Baker Donelson
 Mailing Address: 165 Madison Avenue, Suite 2000
 City: Memphis State: TN Zip: 38103
 Telephone: 901-526-2000 Fax: _____

Project Location

- A. Address: 3955 E. Holmes Road
 B. Tax Parcel Numbers: 094100 00155 and 094100 00153
 C. City of Memphis: Yes No
 D. New Market Tax Credit Eligible Site: Yes No

Project Description

Briefly describe the applicant's principal business activities to be conducted at the Project Site: _____
Cherry Tree International Corp., is a U.S. based subsidiary of Shanghai Lowen Group, a leading
Chinese-based E-commerce company. Shanghai Lowen Group., focuses on providing high-
quality, low-priced products direct from the manufacturer to U.S. based consumers through
online marketplaces such as Amazon, Ebay, and Walmart. The proposed Memphis distribution
facility would be the third for the Shanghai Lowen Group in the U.S. The other facilities are
located in California and Delaware. By leveraging the logistical strength of Memphis, the
Memphis facility would allow the Shanghai Lowen Group to better serve the South-Central U.S.
and work to expand its free 2-day shipping to 95% of the U.S. population.

Project - Real Property Investment

- Building a new _____ sq. ft. facility
 Purchasing an existing facility, and Making renovations or additions
 Leasing 220,000 sq. ft. of an existing facility and Making renovations or additions

Category	Capital Investment
Purchase Price of Land	\$
Purchase Price of Building	\$
New Construction/Site Improvements	\$
Renovation of Existing Structure	\$220,000
Soft Costs	\$
TOTAL	\$

Project - Personal Property Investment

Group	New	Relocated ²
1 – Furniture, Fixtures, General Equipment & All Other Property Not Listed in Another Group	\$800,000	\$
2 – Computers, Copiers, Fax Machines, Peripherals & Tools	\$100,000	\$
3 – Molds, Dies & Jigs	\$	\$
4 – Aircraft, Towers & Boats ¹	\$	\$
5 – Manufacturing Machinery	\$	\$
6 – Billboards, Tanks & Pipelines	\$	\$
7 – Scrap Property ¹	\$	\$
8 – Raw Material & Supplies ¹	\$	\$
9 – Vehicles ¹	\$	\$
TOTAL	\$900,000	\$

¹Vehicles, towers, scrap and inventory are not eligible for a PILOT agreement, but the value of these items may be included in the determination of the PILOT benefit. ²Depreciated value.

Items to be submitted with this application

N/A Tax Compliance – Provide documentation demonstrating payment of all municipal, county, state, and federal taxes due for all properties owned by the Applicant located within Shelby County.

X Application Fee (\$3,000.00)

Other

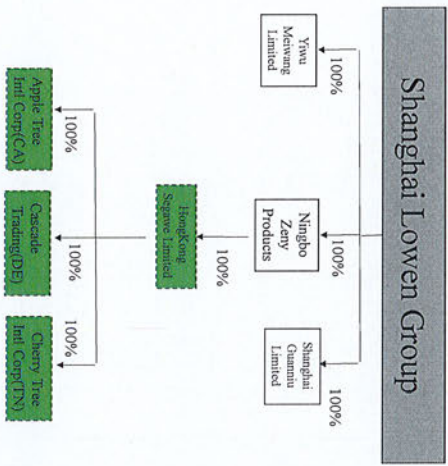
X Applicant Financial Information – Staff will need to review audited financial statements for the most recent three fiscal years.

Separate Signature Page Attached

PROJECT EMPLOYMENT

Position	# of Full-time Jobs ¹	Average Annual Base Pay ²		Annual Overtime/ Incentive Pay ³		Annual Benefits ⁴		Annual Total Compensation	
		Each	Total	Each	Total	Each	Total	Each	Total
Manager	2	50,000	100,000			5,000	10,000	55,000	110,000
Warehouse Associate	23	27,040	621,920			2,600	59,800	29,640	681,720
Total	25		721,920				69,800		791,720
Average			28,876.80				2,792		31,668.80

Definitions:
¹Permanent jobs or combination of permanent positions that provide employment of 1,600 hours or more within a year that is employed directly by the Applicant or employed by a contract employer on behalf of the Applicant.
²Annual base wage must exceed \$12 per hour to be included, please show payments as annual average wages.
³Include paid overtime, paid holidays and vacation pay. Do not include discretionary bonus or stock options.
⁴Include health insurance, dental insurance, 401K plans, paid sick leave, bonus compensation, etc.



MELVIN BURGESS

Assessor of Property

Property Location and Owner Information	2019 Appraisal and Assessment Information
Parcel ID: 094100 00153	Class: INDUSTRIAL
Property Address: 3955 E HOLMES RD	Land Appraisal: \$ 1,078,400
Municipal Jurisdiction: MEMPHIS	Building Appraisal: \$ 18,976,300
Neighborhood Number: 00914B57	Total Appraisal: \$ 20,054,700
Tax Map Page:	Total Assessment: \$ 8,021,880
Land Square Footage:	Greenbelt Land Appraisal: \$ 0
Acres: 32.0700	Homesite Land Appraisal: \$ 0
Lot Dimensions: 760.15 X 1781.45 (IRR)	Homesite Building Appraisal: \$ 0
Subdivision Name: WEISE COMMERCIAL-INDUSTRIAL PD PH 3	Greenbelt Appraisal: \$ 0
Subdivision Lot Number:	Greenbelt Assessment: \$ 0
Plat Book and Page: 253-001	Click Here for 2018 Values
Number of Improvements: 1	View: Assessor's GIS Map
Owner Name: BIG BOX PROPERTY OWNER C LLC	
In Care Of: EXETER PROPERTY GROUP	
Owner Address: 101 W ELM ST STE 600	
Owner City/State/Zip: CONSHOHOCKEN, PA 19428 2075	

Commercial Structure Information

Land Use:	- WHS STORAGE
Total Living Units:	
Structure Type:	WAREHOUSE
Year Built:	2000
Investment Grade:	A
Building Square Footage:	703800

Other Buildings on Site for this Property

[See Permits Filed for this Property](#)

[See Sales Data for this Property](#)

[See Property Building Sketch](#)

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.

MELVIN BURGESS

Assessor of Property

Property Location and Owner Information	2019 Appraisal and Assessment Information
<p>Parcel ID: 094100 00155</p> <p>Property Address: 3955 HOLMES RD</p> <p>Municipal Jurisdiction: MEMPHIS</p> <p>Neighborhood Number: 00914B57</p> <p>Tax Map Page:</p> <p>Land Square Footage:</p> <p>Acres: 16.8200</p> <p>Lot Dimensions: 792.41 X 400 IRR</p> <p>Subdivision Name: WIESE COMM INDUS PD AMENDED PH 4 AREA A</p> <p>Subdivision Lot Number:</p> <p>Plat Book and Page: 219-039</p> <p>Number of 1</p> <p>Improvements:</p> <p>Owner Name: EXETER 3955 HOLMES LLC</p> <p>In Care Of: TIMOTHY WEBER</p> <p>Owner Address: 101 W ELM ST STE 600</p> <p>Owner City/State/Zip: CONSHOHOCKEN, PA 19428 2075</p>	<p>Class: INDUSTRIAL</p> <p>Land Appraisal: \$ 1,215,300</p> <p>Building Appraisal: \$ 16,881,000</p> <p>Total Appraisal: \$ 18,096,300</p> <p>Total Assessment: \$ 7,238,520</p> <p>Greenbelt Land Appraisal: \$ 0</p> <p>Homesite Land Appraisal: \$ 0</p> <p>Homesite Building Appraisal: \$ 0</p> <p>Greenbelt Appraisal: \$ 0</p> <p>Greenbelt Assessment: \$ 0</p> <p>Click Here for 2018 Values</p> <p>View: Assessor's GIS Map</p>

Commercial Structure Information	
Land Use:	- WHS STORAGE
Total Living Units:	
Structure Type:	WAREHOUSE
Year Built:	2006
Investment Grade:	A
Building Square Footage:	329120

Other Buildings on Site for this Property
[See Permits Filed for this Property](#)
[See Sales Data for this Property](#)
[See Property Building Sketch](#)

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