

**Jobs PILOT Term Sheet**  
**Aesthetic Management Partners, Inc.**  
**August 19, 2020**

Aesthetic Management Partners, Inc. ("Applicant") is seeking a 12-year Jobs PILOT to enable the company to create 26 Net New Jobs with an average wage of \$120,769 and invest \$2,900,000 at 9113 Macon Road in unincorporated Shelby County.

The total project investment includes purchase of the property for \$2,400,000 (\$301,100 land and \$2,098,900 building) and \$500,000 in new personal property.

Both real property improvements and new personal property will be included in the PILOT. Community Reinvestment Credit has been requested.

Parcel D0215 00466 (9113 Macon Road) is 4.309 acres and contains a 35,000 square foot office/warehouse building. The applicant is purchasing the entire property but will occupy only 27,500 square feet. Therefore, the investment tables following in this term sheet, the project analysis and the proportional benefit being extended for the real property are based on 78.57% of the occupied space.

Aesthetic Management Partners was launched two years ago in Tustin, California to provide comprehensive business support to medical device manufacturers and clinics. The company provides product distribution, branding, marketing and sales support for manufacturers. The company provides a catalog of products and equipment necessary for in-demand patient procedures. In a short time, Aesthetic Management Partners has grown to almost \$13 million in annual revenue.

While a great deal of the company's business is currently in California, Aesthetic Management Partners has been investigating relocation of its headquarters to a more central location in the United States and into a facility that can accommodate multiple business functions. 9113 Macon provides space for key administrative functions including the company's President, Vice President, Chief Operating Officer, Chief Financial Officer, four managers, 10 salespeople and the logistics customer service department. The property will also allow the company to bring more distribution in house as opposed to using third-party services. A small office will remain in California and a small number of other employees will work remotely around the country.

Estimated annual County property taxes will be \$11,092 during the PILOT term and \$31,763 after. The location produces \$27,011 today in property taxes. Staff projects \$1,721,437 in total local tax revenues to be received during the PILOT term of this project and a \$261,355 benefit to the Applicant.

The 12-year PILOT for the Applicant is based on the following terms:

SHELBY COUNTY TERMS	% PAID
Real Property Improvements	Year 1-12 25%
Personal Property	Year 1-12 25%

**PILOT Evaluation Matrix**

CATEGORY	DATA	POINTS	YEARS
Net New Jobs	26	5.2	
Wages	120,769	90.4	
Capital Investment (78.57% of Total for Real Property + 100% for Personal Property)	\$2,385,680	1.2	
<b>Sub-total</b>		<b>96.8</b>	<b>9</b>
Location: City of Memphis	No		0
Local Business Participation	Yes		1
New Markets Tax Credit Census Tract	No		0
MWBE Owned	No		0
Headquarters	Yes		2
<b>Sub-total</b>			<b>3</b>
<b>Total</b>	<b>12-Years</b>		

### Ramp-Up Period

The Applicant will have a two (2) year Ramp-Up Period within which to achieve its project commitments. This two (2) year period shall begin upon the date when any property, in whole or in part, is conveyed to EDGE, covered by a PILOT Lease, and begins to enjoy the benefits of the PILOT incentive.

### Project Budget Detail

REAL PROPERTY	
Purchase Price	\$1,885,680
Hard Construction and Site Work	\$0
Sub-Total	\$1,885,680
PERSONAL PROPERTY	
New	\$500,000
Transferred*	\$0
Sub-Total	\$500,000
<b>Total Investment in PILOT</b>	<b>\$2,385,680</b>

INVESTMENT NOT INCLUDED IN PILOT	
Other Real Property	\$514,320
Other Personal Property	\$0
Fees & Soft Costs	\$0
Sub-Total	\$0
<b>Total Capital Investment</b>	<b>\$2,900,000</b>

*\*Personal property relocated from a facility outside of Shelby County is considered at its depreciated, current value.*

### Local Business Participation

Spending with City of Memphis or Shelby County certified minority and women business enterprises (MWBEs) shall be an amount equal to or greater than:

				<b>*Minimum For Bonus Opportunity</b>	
		<b>Basis</b>	<b>\$ LBP</b>	<b>1 Added Year</b>	<b>2 Added Years</b>
	25%	Construction/Site Work	\$0	\$0	\$0
+	15%	Real & Personal Property Savings	\$39,203	\$70,784	\$106,720
=	<b>Total</b>		<b>\$39,203</b>	<b>\$70,784</b>	<b>\$106,720</b>

### Identified Labor Source

Per section X (C) (ii) of the Jobs PILOT Policies and Procedures, the PILOT Recipient is required to list all Net New Jobs with the Workforce Investment Network (WIN) and give due consideration to individuals referred by those organizations for open positions.

## Terms & Conditions

Award of a PILOT in accordance with the recommendations of the Economic Development Growth Engine (EDGE) Industrial Development Board of the City of Memphis and County of Shelby, Tennessee staff, as set forth herein, is subject to the following conditions.

1. The award of a PILOT to the real property used for Applicant's project is subject to Board Counsel's review and approval of the environmental impact study for said real property to be produced or procured by Applicant.
2. The award is subject to receipt of letters of approval from the mayors of both the City of Memphis and the County of Shelby.
3. The award of matrix points for headquarters is subject to Applicant's maintaining the project as a headquarters, as defined in the Jobs PILOT Policies and Procedures.
4. The EDGE Board of Directors (the "Board") reserves the right to assign the PILOT, or its rights with respect thereto, to the Memphis and Shelby County Industrial Development Board (the "IDB"), in accordance with the service agreement between the Board and the IDB, if the Board ultimately deems it beneficial.
5. Except as explicitly provided in this term sheet or in a resolution of the Board, the award of a PILOT is subject to the provisions of the Jobs PILOT Policies and Procedures. The term of the land lease must exceed the length of the PILOT benefit term.
6. The award is subject to execution of PILOT lease agreements requiring the payment of rent in the amount of \$100.00 per year, which agreements shall be in a form substantially similar to EDGE's standard form as approved by the Board at its meeting of March 21, 2018, and consistent with the provisions of this Term Sheet.
7. In the absence of an explicit written waiver of this condition, no conveyance will be deemed to have been accepted by EDGE, the IDB or any other affiliate or agent of EDGE unless and until all of the documents for the subject transaction, including the PILOT lease agreement, have been negotiated and delivered.
8. The Applicant has requested and shall receive Community Reinvestment Credit for the project.