

AMERICAN SOUTH REAL ESTATE FUND LAUNCHES WITH PROJECT IN NORTH CAROLINA

FIRST INVESTMENT WILL FUND PHASE II REDEVELOPMENT OF WINSTON-SALEM'S CHATHAM MILL

Winston-Salem, NC – October 15, 2018 -- Financing has closed and construction is underway on Phase II redevelopment of the former Chatham Mill in Winston-Salem. Phase II continues revitalization of the mill's long-abandoned buildings.

New meeting and gathering space will be added, along with office space to support a range of community services provided by the new tenant. These services will be in addition to the workforce and affordable housing that was created in Phase I.

The three-phase community development project is proving to be transformative for the north and northwest wards of Winston-Salem, as formerly obsolete structures on the nine-acre site are restored and put back into use by Chatham Mill Ventures.

"The Chatham Mill complex continues to transform a forgotten industrial site into a vibrant place to attract our next generation of Winston-Salem residents," said Northwest Ward Councilmember Jeff Macintosh. "This is the type of project that puts us in the race for high-quality jobs as we compete for talent and innovation."

Phase I, completed in 2016, redeveloped several dilapidated mill buildings (totaling 250,000 square feet) into 170 workforce housing units. The current \$2.8 million Phase II is focused on redeveloping two industrial buildings at 854 and 870 Northwest into office and gathering space, as well as a central worship and community initiatives hub for Two Cities Church.

Phase III, which is expected to commence shortly, will convert the site's two remaining historic buildings into 46 apartments.

Financing for Phase II was provided by First Community Bank (FCB) and American South Real Estate Fund (ASREF) – a new impact fund launched to invest in projects across the South that benefit communities struggling with high levels of poverty and disinvestment. FCB provided a \$1.2 million loan for acquiring the property, while ASREF provided \$1 million in financing for redevelopment.

"We are excited to see a new source of capital for projects such as Chatham Mill," said Kenneth Reiter, managing partner of Chatham Mill Ventures. "The American South Real Estate Fund is a great financial tool for these types of challenging redevelopments in communities that need revitalization."

ASREF CEO Deborah La Franchi added, "This newest phase of Chatham Mill's redevelopment continues to transform the site's abandoned and deteriorating buildings. The workforce and affordable housing that has been built, coupled with the future community services to be provided, are aligned directly with ASREF's mission to positively impact the communities where we invest."

News Facts:

- The history of Chatham Manufacturing Company starts in 1907 with the construction of the main mill buildings and continued with the additional buildings built over the course of several decades. Chatham Manufacturing Company operated one of the largest wool production and blanket manufacturing facilities, but also served as an engineering and design center during WWII and later as a research center for the burgeoning computer and telecommunications industry during the 1960s. The complex is also significant architecturally, as it contains one of Winston-Salem's oldest mills.
- The Chatham Mill redevelopment is a joint effort between Belmont Sayre and Jerry Deakle & Associates, Inc. (JDA). Belmont Sayre and JDA acquired the site and adjacent property over the course of the past eight years in an effort to revitalize the neighborhood.
- Belmont Sayre (www.belmontsayre.com) specializes in the development of mixed-use investments in downtowns and urban neighborhoods and is a leader in the adaptive reuse of historic, environmentally-challenged buildings.
- Jerry Deakle & Associates (JDA) is a services and consulting firm specializing in the redevelopment of environmentally impaired real estate.
- The American South Real Estate Fund (ASREF) is an impact real estate fund focused on 10 states in the South (www.asref.com). It is a joint venture between Strategic Development Solutions (www.sdsgroup.com) and Vintage Realty Company (www.vintagerealty.com). ASREF provides equity, preferred equity and mezzanine debt for third-party real estate developers. As an impact fund, ASREF seeks to finance projects that will make meaningful impacts on low- and moderate- income communities needing economic and community development.
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- Two Cities Church was launched in fall 2016 and has grown to 600 in weekly attendance. The church is comprised of community groups that work with local nonprofits, schools, and faith-based organizations to help with efforts underway or needed in the community.
www.twocitieschurch.net

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