

## Charles Everhardt

### President of Lockwood Development Partners

For over two and a half decades, Charles Everhardt has been active in many aspects of real estate, brokerage, development, construction, lending, banking, and purchasing of distressed assets.

1992: Under the direction of Oppenheimer & Co., NYC for Oppenheimer's gaming clients, Charles sourced and pre-developed certain gaming projects in Mississippi and Alabama. In this capacity, he was the primary point person with responsibilities that included acquisition, entitlement and pre-development services. The projects at the time were located in Tunica, Natchez, Gulfport, and Biloxi, Mississippi, and the 'to-be-considered-gaming-jurisdiction' of the Mobile Alabama market. Today, Charles continues his efforts to source and raise capital for, and provide development services for select gaming projects throughout the U.S.

#### Real Estate Advisory:

1998: Chicago, Illinois: Worked at GMAC Commercial Real Estate, where he successfully managed the commercial real estate division that specialized in advising publicly traded Real Estate Investment Trusts (REITS) with certain acquisitions.

#### Commercial Real Estate Development:

- 2000: Charles started developing commercial real estate projects in the Midwest – Chicago marketplace primarily. Below are some highlighted projects:
- 2001: Charles created a joint venture with Lehman Brothers. Under this JV relationship, Charles purchased 54 operating Speedway Super America gas stations from U.S. Steel. The gas stations were located in Illinois, Wisconsin, Indiana, and Michigan. Charles re-branded them to Marathon, then, sold all 54 stations to independent dealers with the total deal size, \$50.0 +/- mil.
- 2001: Charles became a preferred build-to-suit developer for Shell Oil, Citgo, and BP/Amoco; he developed, built, and delivered about \$20.0 +/- mil of build-to-suit projects as a merchant builder, for these clients.
- 2002: Charles became a franchisee with celebrity chef, Wolfgang Puck developing and opening a new food concept restaurant "Wolfgang Puck Gourmet Express" in Warrenville, Illinois. Charles hired Levy Restaurants as the restaurant management company.
- 2002: Charles purchased the area development rights from Allied Domeq, to develop and operate 50 Dunkin' Donuts, Baskin Robbins, Togo's Great Sandwich franchise operations in multiple counties in Wisconsin. After building and operating securing a number of locations, Charles company sold the franchise.

- 2003: Illinois: Naperville, West Dundee, Gurnee Mills Mall, East Elgin are cities where Charles developed and operated Dunkin Donut, Baskin Robbins locations (all but Gurnee Mills Mall, with Togo's Great Sandwiches).
- 2004: Charles developed multiple retail real estate locations throughout the Midwest.
- 2004: Charles converted multiple residential rental properties in Chicago to condo, i.e.; Foster Avenue, Wrigleyville, Andersonville.
- 2005: Charles purchased over 1.0 +/- mil, square feet of Class C office buildings in downtown Chicago and converted about 400,000 +/- GSF to luxury apartments and luxury condos, as follows:
  - 188 West Randolph Street, Chicago, Illinois: Current Project Value: \$300.0 +/- mil. In 2005, Charles purchased the Randolph Tower (located at 188 W. Randolph Street, Chicago) for \$10.0 +/- mil through a successful, strategized "stalking horse bankruptcy bid process" out of Bankruptcy court. The 47-story concrete and masonry office building, with first floor retail, built in 1929 and renovated in 1982 originally included a private, Gentleman's Club on the top floors that catered to the elite businessmen of the day. The present amenities include a Health club with indoor pool on the 27th floor. The building is approx. 370,000, SF – with a great price of about \$35 a gross square foot – located on the northeast corner of Randolph and Wells St. (adjacent to public transportation lines and two blocks from Wacker Drive and the river) in the Theater District of downtown Chicago. Charles' efforts successfully secured City of Chicago \$30.0 +/- mil, of Tax Increment Financing "T.I.F." as well as Tax Historical Credits, of about \$20.0 mil, to support the project, so that the overall cost of the project will be significantly reduced below current market costs. As well, Charles secured \$44.0 +/- mil in Municipal Bond Funding @ 4 ¼%. Bank of America supplied acquisition financing. Charles' and his group of investors received an offer to purchase their interest, which they accepted. The Randolph Towers (346 residential rental units), today, is considered one of Chicago's most prestigious and successful multi-family buildings with occupancy in the high 90 percentage with a valuation of about \$300.0 +/- mil.
  - The Plymouth Building, 417 S. Dearborn St. Chicago PROJECT SIZE: \$7.0 +/- mil. Charles Everhardt acquired this attractive 11 story landmark Office Building, with first floor retail, built in 1927, renovated in 1989, and strategically located in downtown Chicago to convert it to residential condos. The Plymouth Building was the work of architect Simeon B. Eisendrath, who was in the employ of architectural deity, Louis Sullivan's firm. Charles sold the project to a joint venture partner, upon completion of the construction loan financing.
  - 407 South Dearborn Street, Chicago (upgraded, and remains as office, Charles sold in 2006).
  - 401 South LaSalle Street, Chicago (upgraded, and remains as office, Charles sold in 2006).

- 330 South Wells Street, Chicago (upgraded, and remains as office, Charles sold in 2006).
- 1140 North LaSalle Street, Chicago, Illinois PROJECT SIZE: \$30.0 +/- mil. Charles Everhardt acquired 1140 North LaSalle Street, located in the Gold Coast, a fully renovated, fully rented, vintage eight-story elevator building. Its 250 Units consisting of 222 Studios and 28, 1-Bedroom Units have been converted to 250 Condo Units. Each Condo Unit was being sold "AS IS", for an approximate total value of \$30.0 mil. The advantage of this Project was that there is no construction risk as the Condo Units were being sold "As Is". 1140 North LaSalle Street Apartment Complex was purchased by Charles for \$19.7 mil. Financing was provided by the First Bank; and approximately \$3.65 mil of equity was provided by Weyerhaeuser Realty Investors ("WRI"). WRI is a conglomerate headquartered in Seattle, Washington.
- Rainbo Village Development PROJECT SIZE: \$50.0 +/- mil. 2005, Charles, as lead developer and primary owner, developed one of Chicago's highest profile Award Winning residential and retail use developments, the Rainbo Village, at 4836 N. Clark (Clark & Lawrence Ave.). The Rainbo Village is an over two acre \$50.0 +/- million development, of 127 condos and townhouses and 15,000 +/- square feet of retail space. Construction commenced September 2005. Rainbo Village has three-phase construction financing in the amount of a \$20.0 Million revolving loan provided by OHIO SAVINGS BANK; and approximately a \$5.0 million mezzanine loan, provided by IRP Mezzanine Lender, an affiliate of ING Realty Partners II Acquisition Company. New Homes publication, in its June 2004 edition, chose Rainbo Village as the best mid-rise condo: "In the category of best mid-rise condo, New Homes chose ...Rainbo Village as much for the scope of the two-acre development and its likely impact on the neighborhood as for the forward-looking design of its new construction "loft" and condo buildings."
- 2007, City of Las Vegas, Oscar Goodman: Charles was personally solicited by the Oscar Goodman (then Mayor of Las Vegas) to develop a stadium in downtown Las Vegas and negotiate the purchase of an NBA team and relocate that team to Las Vegas, and raise money for the project through EB5 visa program in China. With Charles' successful effort to attract NBA superstar Shaq O'Neil to become part of the stadium and team, and with Shaq's presence to attract EB5 investors in China, Charles developed a full plan for the City of Las Vegas. Final result: After the NBA All-star fiasco in Las Vegas, the NBA decided that Las Vegas was not ready to approve an NBA team.
- 2007: Las Vegas: Charles financed, and developed multiple Checkers Restaurants.
- 2008: Las Vegas: Charles advised on the purchase of the Hooters Hotel Casino note sale, & the financing for Binion's Hotel Casino.
- 2009: Las Vegas: Purchased 14 houses from a distressed home builder with Cypress Equities. Rehabbed and sold off.
- 2009: Las Vegas: Created Netco Title Insurance (Las Vegas office). Initiated title business program with the City of Las Vegas.

- 2010-2011: Chicago, Illinois: Established a video lottery/video poker, licensed, gaming route in Illinois with partner, David Hanlon. Charles raised millions of dollars of investment capital from Alpine Capital Partners & its subsidiary American Gaming Systems (AGS) to purchase existing routes and place video gaming machines into their related locations. Charles was President of Sierra Gaming Services, an Illinois based gaming company, that acquired a number of ATM machine routes, in Illinois, which ultimately was responsible for the placement of about 1,000 video gaming machines (each liquor license in Illinois can host up to 5 video gaming machines). Charles created procedures, protocols, hired and managed the staff, and created value for the Sierra Gaming Services with the continued growth of new acquisitions. Charles & Dave sold the Company in 2011.
- 2011-2012: Chicago: Charles became a principal of Acer Capital Group (ACG) Chicago Office, initiating commercial mortgages. ACG is headquartered out of Newport Beach, California.
- 2012-2013 Charles created and became a partner with Infinity Cards & founded Spindletop Ventures:
  - Infinity Payroll Cards: Created and managed a number of custom made card programs, i.e.; payroll cards with direct deposit from employer.
  - Spindletop Ventures LLC: Charles, as President, raised millions of dollars of equity for Spindletop Ventures (a start-up), for its affinity prepaid debt cards: (i) Michael Jackson Legacy of the Legend: Created a global, social marketing plan with more than 50 million Michael Jackson fans, (ii) the Alzheimer's Foundation of America, Affinity Card, with country music singer, Glenn Campbell, (iii) A Major League Baseball, MLB (500 homerun club card) with Baseball, Hall of Famer, Ernie Banks, (iv) NBA retired players, pre-paid debit card, together with the establishing of a financial literacy program for the retired NBA Players Association.
  - MasterCard: Established a world-wide relationship to brand all affinity card programs with Spindletop Ventures.
  - Google Wallet: Analyzed, negotiated & configured a merger between Unicache and Google. In 2012, Unicache owned a global, Bank Identification Number ("BIN") which is similar to Blockchain technology today, with global payments. Google Wallet decided to partner with Discover Card, rather than Unicache.
  - Catella Bank Group: Sweden/Luxembourg: Charles negotiated and secured the Catella Bank Group & MasterCard to sponsor, distribute and fund the Michael Jackson affinity card partnership which launched LIVE, in eight European countries.
  - Green Dot: Established a platform distribution relationship for the Spindletop Ventures Affinity Card Programs throughout the U.S.
  - Blackhawk Network: Established a platform distribution network in UK, Ireland and a number of European countries for the Spindletop Ventures Affinity Card Programs.

- NCR: Charles and the NCR design team custom-designed an ATM machine that included (i) “geo-fencing technology” (ii) “push technology” with customer couponing and (iii) customer acquisition and retention. This custom-made ATM/Coupon (proto-type) was being designed for Family Dollar Stores (with about 8,000 U.S. retail locations). The Family Dollar customer was, and is still considered, underbanked, or un-bankable.
- 2015 – Current: Lockwood Development Partners.
- 2017: Alabama: Equity Interests in the Four Alabama Hilton Hotels. One Hampton Inn, Mobile Alabama, One Hampton Inn, Daphne Alabama, (a high-end suburb of Mobile), One Hilton Garden Inn, Daphne and One Homewood Suites, Daphne: Total Capitalization: \$46.0 mil. On March 9, 2017, Charles raised \$14.0 mil of cash equity and purchased these four hotels in a partnership with a number of equity partners. Charles secured, sponsored, and closed a senior loan of \$32.0 mil for the four Hilton Hotels. Lockwood is an equity owner, and co-asset manager for the 4 Hilton Hotels and Commonwealth Hotels is the day to day hotel manager.
- 2017: Kentucky: 18,000 +/- acres of vacant land: A Lockwood investor ‘vended-in’ 18,000 +/- acres of vacant land to a Lockwood related entity. Lockwood is in the process of converting the natural resources of this property into conservation tax easements credit deductions.
- 2018 Deal Flow: Lockwood is currently pursuing (i) hotel acquisitions (ii) hotel, ground-up development opportunities (iii) adaptive use, retail mall developments, and (iv) other real estate related projects throughout the U.S. Charles current, “deals-in-the pipeline”, exceeds \$100.0 mil.

#### Other:

Blockchain Technology Newsletter: Charles distributes a daily newsletter (to over 100 investors) educating them on how Blockchain technology will impact the fusion and evolution of real estate, with global payment systems & banking, and cryptocurrency. Over the past three years, or so, Charles has established a working relationship with Ron Schreiber (Soft Bank Capital founder) to assist with the advising of these emerging market initiatives.