

STRONG ROOTS. SMART BUSINESS.

Late Summer Newsletter



Revitalizing a community and creating jobs with the help of valued partners: Cherokee Crossing

Three Roots Capital is proud of its partnerships with high-quality developers and financial institutions that also support its mission to have lasting, valuable economic impact in the East Tennessee region.

Chief Financial Officer Chris Miller explained that everyone on the Three Roots team has a mix of relationship and business management responsibilities. It is this collaborative work environment that led Miller to bring the Cherokee Crossing project to everyone's attention.

“I knew people involved in this deal,” Miller said. “We began talking about how Three Roots is focused on helping projects in low-income communities. Their project lined up very nicely with what we were trying to do, while we offered capital in a way that was supportive of their goals and objectives.”

Crossing, LLC to fund the development of the 15-acre property in Morristown, Tennessee. The initial site plan involved a grocery store, a financial institution, and additional space for mixed-use retail development. The following January, Three Roots provided additional financing to build out a 17,000-square foot, mixed-use retail space. To date, the restaurants and retail tenants in the space have created 140 jobs for the community.

Hamblen County – where the Cherokee Crossing development is located – is predominantly low income and rural. According to the Appalachian Regional Commission, Hamblen is categorized as an economically “at-risk” county in the greater Appalachian region. Tennessee categorizes Hamblen County as a “Tier 3 enhancement county,” which means the state has prioritized job creation within the county as a result of lagging economic performance within the county.

“Being able to fund a project that puts a grocery store, a provider of financial services, and restaurant and retail locations in a low-income area is not only creating jobs, it’s also providing goods and services to that community,” Miller explained. He went on to emphasize the importance of working with quality partners like Southeast Bank, as well as David Fiser and the other principals in Cherokee Crossing, LLC.

Three Roots worked closely with Josiah Glafenhein and other members of the development team to understand the capital needs of the project. Three Roots then collaborated with Southeast Bank to provide capital for the project.

“Three Roots has been very helpful on this project, at the beginning and on an ongoing basis.” Glafenhein remarked. “Three Roots understood what we were doing, and they put together an attractive financing package. We appreciate the value Three Roots brings to our projects and to our community.”

“We want to work with the best developers and banks in our market for many years to

exceptional partners on impactful projects is one of the things I enjoy most about working at Three Roots.”

See Our Success Stories



Three Roots Valued Partner Spotlight: Bob Cantler, President and CEO of Johnson City Chamber of Commerce

Bob Cantler is the new president and CEO of the Johnson City Chamber of Commerce, and a valued partner of Three Roots Capital. With his extensive background working in the hospitality and tourism industry and business development sector, he was a natural fit to assume his role at the Johnson City Chamber and to promote innovation and entrepreneurship throughout the region.

As the Chamber’s new leader, Cantler is focused on business development. The Chamber is focused on enhancing the community’s ecosystem to help startups, small businesses, and entrepreneurs thrive. He said Three Roots has been a great partner for the Chamber with this goal.

“There has been a lot of growth in East Tennessee recently,” Cantler said. “The community has great momentum in terms of economic development opportunities. It is a great time to

Cantler is a Johnson City native who returned to the area with his family in 2001 to work for Meadowview Marriott Resort. In 2005, he became vice president and general manager of the General Morgan Inn, where he began working in business development for the Niswonger Group.

It was during his tenure at the Niswonger Group that he got to know Grady Vanderhoofven, who eventually would launch Three Roots Capital and today is Three Roots' president and chief executive officer. In 2016, Cantler founded his freelance consulting business, Internity Development, and began exploring opportunities to work with Vanderhoofven and Three Roots.

Currently, Three Roots and Cantler are working on a high-impact, business-development, community-improvement project in Johnson City

"Their knowledge and experience has been phenomenal," Cantler explained. "They have been a unique resource for how do you look at venture capital, in terms of the value community development financial institutions (CDFI) bring to our lenders and projects. They bring different resources, ideas, and concepts to the table, which is important if you want to be progressive in today's world."

In addition to the current project, Cantler has connected Three Roots with several organizations that are looking to move to the region and may require funding or support. Three Roots has also supported established organizations in the area.

"Three Roots has helped some of our larger employers in the area who are looking to branch into innovation, such as what questions do you need to ask and how do you vet a project," Cantler said. "They've been an instrumental partner and a resource not only for myself but for several of my stakeholders."

Generating Returns and Creating Jobs



\$34.6M

Capital Deployed



925

Jobs Created/Retained



245,571

Sq. Ft Developed

As of June 30, 2019, Three Roots has loaned more than \$34.6 million, which has financed the creation and retention of more than 925 jobs and the construction or renovation of more than 245,571 square feet of commercial, industrial, and retail space.



Innov865 Investor Series, Powered by Three Roots Capital, Featuring Bill Malkes (GRIDSMART)

Thursday, September 26, 2019 -- beginning at 6:00 p.m. ET

The Square Room -- 4 Market Square, Knoxville, TN 37902

Join us for an engaging discussion with Bill Malkes, co-founder and former CEO of GRIDSMART

Technologies, Inc. and Grady Vanderhoofven, CEO of Three Roots Capital and Managing Partner of Meritus Capital, the lead investor in GRIDSMART. and Managing Partner of Meritus Capital, the lead investor in GRIDSMART.

Bill and Grady will have a “fireside chat” as they discuss the founding, growth and evolution of GRIDSMART, and the acquisition of the company by a \$2 billion publicly-traded corporation.

The discussion will be relevant for entrepreneurs and investors alike and will address community and social impact in addition to the financial impact of a successful business.

The session will include time for Q&A from the audience.

RSVP

865.220.1710 • 12640 Kingston Pike, Knoxville, TN 37934

Want to change how you receive these emails?
You can update your preferences or unsubscribe from this list.

Copyright © 3 Roots Capital, All rights reserved.