



 SteamLogistics

 SteamLogistics



SECOND STORY  
REAL ESTATE MANAGEMENT

**2023 | Annual Report**



# Table of Contents

## WHO WE ARE

- 3 Letter From Our CEO
- 4 Mission & Core Values
- 5 Client Testimonials

## WHAT WE DO

- 6 Core Services
- 7 Property Management
- 8 Property Management Data
- 9 Brokerage
- 10 Brokerage Data
- 11 Company Culture

## 2023 BY THE NUMBERS

- 12 Projections & Trends
- 13 Notable Transactions
- 14 The SVN Difference
- 15 Shared Value Network
- 16 Get In Touch



## A Letter From Our CEO

As we reflect on 2023, I'm filled with pride by what our team at SVN | Second Story accomplished. In a dynamic industry and national economy, we navigated challenges and seized opportunities, solidifying our position as a leader in real estate brokerage and property management in the Southeast region.

### Building a Strong Foundation

This year, we achieved significant milestones in our commercial brokerage sector. We successfully leased the final free-standing parcel on Chattanooga's trendy North Shore to a national financial firm, giving them their first presence in the Scenic City. The 15-year lease represented a huge win for all parties - from the owners, to the new tenants, to the city of Chattanooga. This \$7 million project reflects our commitment to leveraging the Shared Value Network of SVN. When we cooperate within the global real estate community, we create the highest possible value for our clients.

On the property management side, we've seen impressive growth, nearly doubling the size of our business in 2023. We closed the year with 3.1 million square feet of property under management, including commercial, mixed-use, and multifamily. Our commitment to customer service on site builds the relationships that make owning property simpler and more profitable for our clients. To support that mission, our team grew by 31%, onboarding and training maintenance, accounting and customer service team members to keep up with the exploding demand. This client-centric focus continues to be a key differentiator for our team, and a key to our growth.

### Performance and Future Outlook

Our Chattanooga office was ranked 25th in sales among more than 200 SVN company offices internationally, a testament to our team's consistent performance and deep relationships. These results give us a bigger platform for marketing our services and growing our reach in Chattanooga and beyond.

Looking ahead, we're optimistic about the future of the real estate market across the Southeast region, with a particular focus on opportunities for growth in the commercial real estate sector in Chattanooga. The regional and local economy continue to grow, presenting exciting possibilities for office space, retail developments, and mixed-use projects. Our commitment to client service will guide our strategy as we expand our footprint around the region.

### In Conclusion

2023 was a year of exponential growth within our company. I want to express my sincere gratitude to our entire team at SVN | Second Story for their dedication, work ethic, and the ownership they show every day in ways large and small. Their unwavering commitment is what brings our success.

Thank you to our valued residents, partners, and investors for your continued trust and collaboration. We look forward to building a stronger future together.

- Tiffanie Robinson, President & CEO





A company's core values provide clarity on what is truly important for organizational success, personal and professional conduct, and what is to be expected from each other. At SVN | Second Story, our core values and mission contribute to the company culture we strive for and differentiate us from our competition.





## Client Testimonials



SVN | Second Story is a valued partner of Vision Hospitality Group, Inc. They have always provided prompt service, in-depth analysis and a willingness to go above and beyond. We look forward to many more years of working together.



**Representative**  
*Vision Hospitality*



I hired the SVN team a year ago to take over the property management of two large value-add apartment complexes. They immediately improved the properties' performance by implementing systems and processes. They have continued to daily, weekly and monthly add value. I am very happy I hired SVN and look forward to their continued diligence and discipline!"



**Representative**  
*Think Multifamily*



As new owners in Chattanooga, we have relied heavily on the SVN team and their knowledge of the market and the vendors. Even through growing pains, SVN has worked tirelessly to ensure our properties are well taken care of and they are always willing to learn and grow with us as we improve our properties and processes. Though there are a number of metrics that would prove SVN's value to our properties, perhaps the most evident is the reduction in delinquency since purchase in October 2023. At takeover, the property had over \$45,000 of delinquency. As of March 2024, there is less than \$5,000 of delinquency remaining.



**Representative**  
*Domaine Development*





### Property Management

#### ACCOUNTING & BOOKKEEPING

- Financial Reporting
- Property Budget Creation
- Accounts Receivable and Payable

#### LEASING MANAGEMENT

- Leasing Coordination
- Multifamily & Commercial Renewals
- Tenant Application & Screening
- Move-in/out Management

#### PROPERTY MAINTENANCE

- Emergency Communication
- Daily Maintenance Needs
- Build-Out Management
- Vendor Management
- Capital Project Oversight

#### FULL SERVICE MARKETING

- Online Marketing Strategy
- Google Services
- Search Engine Optimization
- Social Media Management
- Website Management

### Commercial Brokerage

LANDLORD REPRESENTATION  
LEASING / SALES  
TENANT REPRESENTATION  
ACQUISITION & DISPOSITION  
DUE DILIGENCE  
SITE SELECTION  
ASSET VALUATION  
CORPORATE SERVICES  
CAPITAL MARKETS  
MARKETING SERVICES

### Specialty Services

INDUSTRIAL  
HEALTHCARE  
LAND & DEVELOPMENT  
RETAIL / RESTAURANT  
SELF-STORAGE  
MULTIFAMILY  
OFFICE





# Setting new benchmarks for **multifamily in 2023.**

— “ —

*Property management expanded time and time again in 2023, pushing us to work twice as hard to keep up, and we swept past the 3 million square feet mark. This is where many companies become unresponsive, but we were determined to maintain the same level of service and excellence. We added and trained staff, improved processes, focused on our core values, and doubled our efforts. We keep and gain businesses on the property management side by being responsive to our clients and residents.*

— ” —



**Jill Allen | Chief Operating Officer**

### The Challenge:

In March of 2023, the multifamily property team took on two large properties, with a total of 309 units. Long mismanaged, one sat at 56% occupancy, and one had a backlog of 110 unacknowledged work orders.

### The Outcome:

Staff were added both at the properties and to the maintenance team. Though it was a tough job, we communicated, acknowledged the problems, and updated tenants as we made progress. We built trust with the tenants, quickly responded to problems, and improved marketing and branding for the property once improvements were complete.

The building with low occupancy is now steady at **91% occupancy**. The backlog of requests at the second building was not only addressed, but we worked with the owner, made recommendations for major repairs, and are now entrusted with **\$400k in capital improvement funds**. We are currently completing these projects, including installation of a new roof and new windows, resurfacing of the parking lot and completion of many extensive interior updates.

#### Team Growth

Added 6 staff to our multifamily team.

#### Work Orders

Managed more than 10,000 work orders and maintenance requests.

#### Maintained Ratings

Retained our high 4.9 star rating while growing and taking on new buildings.





## 2023 Property Management

**SVN | Second Story's Property Management** team works to make sure our clients' assets are thriving. Our leasing, accounting, and maintenance services help to make your ownership experience simpler, more productive, and more profitable. We address each client's individual needs and build a property-specific strategy, harnessing the value of strong customer service and focus on the tenant experience. We work to not only keep properties in immaculate shape, but also to provide the customer service needed to build relationships and enhance tenants' on-site experience.

We managed a total of **70 properties** throughout 2023. We welcomed several **new properties** into our care from 2022 to 2023, including multifamily and commercial properties.

**76**  
Properties  
Managed

We managed upwards of **3.1 million square feet**, composed of multifamily communities, commercial properties, and mixed-use properties, throughout the Greater Chattanooga Area.

**3.1 M**  
Square Feet  
Managed

We had **17 multifamily communities** in our care in 2023, increasing **70%** compared to the previous year. This included managing a new build/lease-up opportunity and overseeing a full property renovation.

**17**  
multifamily  
Properties

**892**  
multifamily  
Doors

As of December 2023, we managed **892 multifamily doors** and counting, increasing **98%** from the previous year. Our leasing team oversees the leasing and renewal process. We were able to average **90% stabilized occupancy** across our portfolio.

**59**  
Commercial  
Properties

In 2023, we had **59 commercial properties** in our portfolio, including **mixed-use properties**, office, and medical buildings.

**10,631**  
Maintenance  
Requests  
Fulfilled

This year, our amazing maintenance team completed **4,909 maintenance requests** at commercial properties and **5,722** at apartment communities.



### Brokerage team **expands**, focuses on **teamwork**.

— “

*The SVN Difference was on full display in 2023. Our team was able to support common goals, by connecting our networks and working together by bringing buyers, sellers, and investors to the table. We have an incredible team of collaborative brokers who are consistently striving to bring the highest value to our clients, which is on display in how they handle every one of their transactions- from small space leasing to larger acquisition and disposition transactions.*

” —



### Kelly Fitzgerald | VP of Commercial Brokerage

#### The Project: 306 Cherokee Blvd

This parcel is one of the last retail opportunities on Chattanooga's highly sought after Northshore due to its prime location and excellent visibility. We were able to identify strong credit tenants to bring the highest value to our client. In 2022, the team had successfully gained one tenant. We secured the second tenant, which was needed before the project was truly viable, in late 2023.

#### The Outcome:

In 2023, the commercial leasing team landed a 3500 sf, 15-year deal with a nationally recognized financial institution with no fiscal footprint in Chattanooga. The \$2.2 million lease was a success for all parties. This second lease gave the team the ability move the project to the disposition state, listing the fully lease project with SVN|Second Story. From start to finish, the project excelled because of the team's strong relationships with local, regional, and national business clients, brokers, and vendors.



#### Four Advisors reached award status!

Hunter Myers - President's  
Circle Award

#### Achiever Level Award:

Brian Chadwick  
Kelly Fitzgerald  
Matt McGauley





## 2023 Brokerage

Over the course of 2023, we closed deals in 13 different cities, spanning across several neighboring states and as far away as Texas.

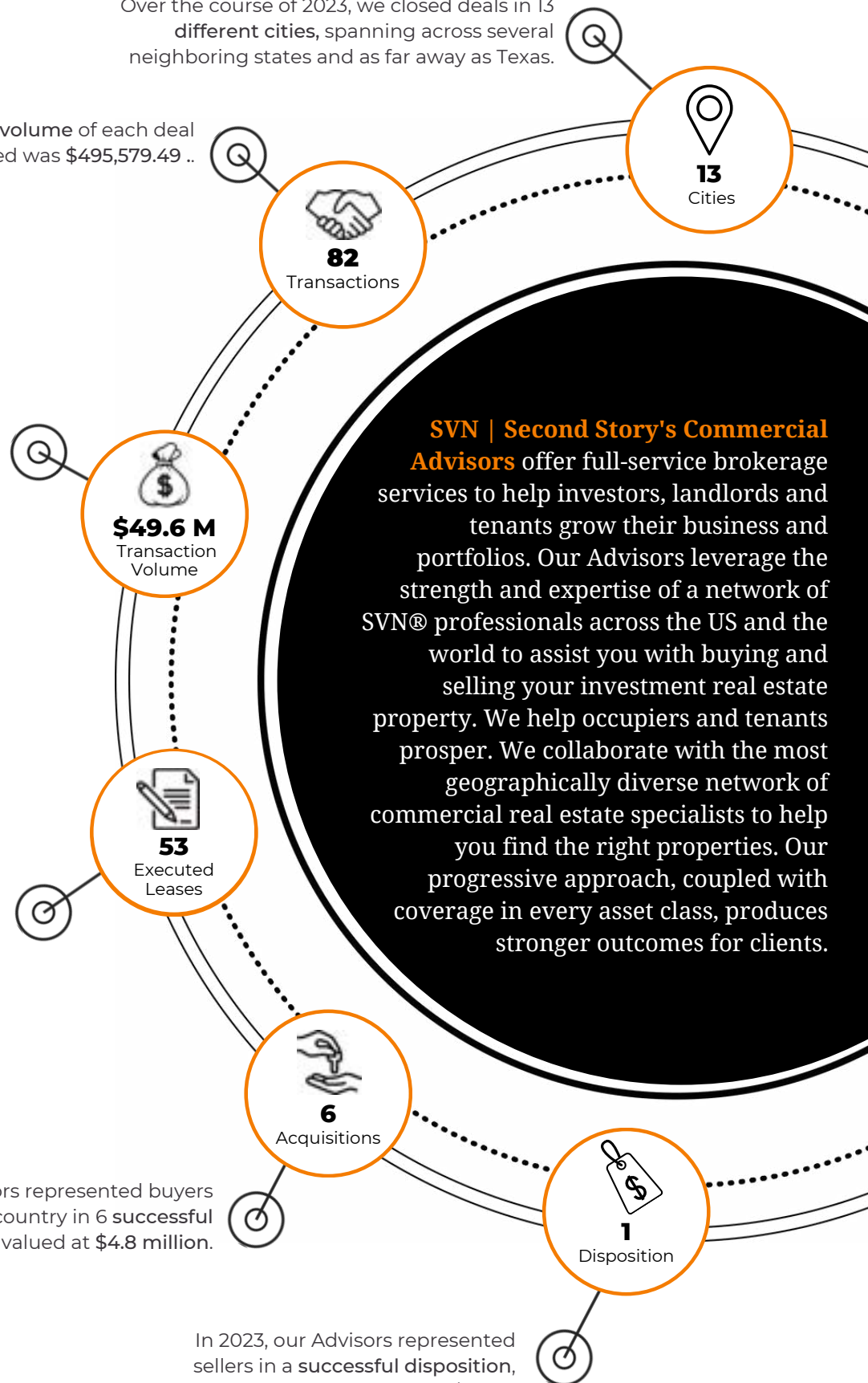
In 2023, the average volume of each deal reached was \$495,579.49 ..

Our transaction volume in 2023 was upwards of \$49.6 million.

Of our 82 transactions, our Advisors executed 53 leases valued at a total of more than \$18 million.

In 2023, our Advisors represented buyers across the country in 6 successful acquisitions, valued at \$4.8 million.

In 2023, our Advisors represented sellers in a successful disposition, valued at \$875k.





# Building our company culture and reputation in 2023.

— “ —

*In this industry, we are tasked with solving problems every single day, and we pride ourselves in bringing a level of passion and care that is not typical for this industry. We recognize that the work we do is hard, and in many cases reactive. But our team shows up every day ready to face whatever comes our way. It's part of my job to ensure operations and staffing keep up with the needs of the company - operations must align with company goals to set our employees up for success!*

— ” —



**Kristen Hodge | VP of Operations**

### The Challenge:

Online reviews didn't reflect the high level of service we provide. Not only did this harm business development, but it was discouraging for our staff. We set a "Wildly Important Goal" to earn over 100 Google Reviews, with a 4.9 average rating, in one year. We knew that this was an easy to understand "scoreboard" to measure how we are performing as a company. It is also publicly facing, and we wanted the results of our services to be something our team could track and be proud of all year long.

### The Outcome:

We engaged employees at every level to deliver the best service and request reviews when work was complete. We met our initial goal in the 1st quarter of 2023, and we kept going! Before the end of the year, we gained more than 200 new reviews and continue to maintain a high rating - no easy task for those in property management or commercial brokerage.

#### Team Growth

Added 12 staff across the company, surpassing 40 employees.

#### Wildly Important Goal

Met and exceeded our 2023 WIG by gaining 200 positive Google Reviews.

#### Maintained Ratings

Retained our high 4.9 star rating while growing and taking on clients.





## Retail

|                            | 12 mo  | Historical Avg |
|----------------------------|--------|----------------|
| Vacancy Rate               | 2.88%  | 4.97%          |
| 12 Mo Net Absorption in SF | 84.6k  | 290,188        |
| Deliveries SF              | 75.8K  | 272,703        |
| Rent Growth                | 4.9%   | 1.5%           |
| Sales Volume               | \$199M | \$142M         |



## Office

|                            | 12 mo   | Historical Avg |
|----------------------------|---------|----------------|
| Vacancy Rate               | 4.44%   | 6.77%          |
| 12 Mo Net Absorption in SF | -93.4k  | 106,628        |
| Deliveries SF              | -14.8K  | 128,793        |
| Rent Growth                | 2.9%    | 1.4%           |
| Sales Volume               | \$77.5M | \$67.2M        |



## Multi-Family

|                       | 12 mo  | Historical Avg |
|-----------------------|--------|----------------|
| Vacancy Rate          | 8.66%  | 8.25%          |
| 12Mo Absorption Units | 732    | 501            |
| Delivered Units       | 1,202  | 552            |
| Asking Rent Growth    | 0.2%   | 2.1%           |
| Sales Volume          | \$171M | \$166M         |



## Industrial

|                            | 12 mo  | Historical Avg |
|----------------------------|--------|----------------|
| Vacancy Rate               | 2.92%  | 9.59%          |
| 12 Mo Net Absorption in SF | 276k   | 849,813        |
| Deliveries SF              | 417K   | 477,809        |
| Rent Growth                | 8.4%   | 3.6%           |
| Sales Volume               | \$127M | \$80.1M        |



## Notable Transactions



## We Believe In Client Service



**Tuesday Morning**  
1001 Market St  
Dalton, GA  
\$1.46 Million - Lease  
Landlord Representation



**Alisha Armstrong**  
**Premier Medical Aesthetics**  
2104 Hamill Rd  
Hixson, TN  
\$1 Million - Sale  
Buyer Representation



**ProLogic ITS, LLC**  
231 W Main St  
Canton, GA  
\$1.36 Million - Lease  
Tenant Representation



**FreightBase**  
5708 Uptain Rd  
Chattanooga, TN  
\$212,652 - Lease  
Landlord Representation



**Crumbl Cookies**  
112 Battlefield Parkway  
Fort Oglethorpe, GA  
\$192,000 - Lease  
Tenant Representation



**Southeast Primary Care Partners**  
1504 N Thornton Ave, Ste 107  
Dalton, GA  
\$280,100 - Lease  
Tenant Representation



**First Bank**  
201 W Main St, Ste 105  
Chattanooga, TN  
\$160,000 - Lease  
Landlord Representation



**Apex Global Solutions**  
800 Market St., Suite 200  
Chattanooga, TN  
\$713,773 - Lease  
Landlord Representation



**C Cross Logistics**  
1645 S Holtzclaw Ave, Suite 113  
Chattanooga, TN  
\$95,188 - Lease  
Landlord Representation

**BKW Properties LLC**  
1409 Dietz Rd  
Fort Oglethorpe, GA  
\$3.95 Million - Sale  
Seller Representation

**Signal Crossing**  
1227 & 1207 Taft Hwy  
Signal Mountain, TN  
\$2.68 Million - Sale  
Buyer Representation

**Early Root Pediatric Dentistry**  
555 River Street  
Chattanooga, TN  
\$759,187 - Lease  
Landlord Representation

"I worked across the table from Kelly Fitzgerald and the commercial real estate team at SVN | Second Story on a complex master lease with several parties involved. A 20-year lease negotiation among so many is no easy task, and after our side requested modifications to the initial offer, Kelly's team made changes, renegotiated, and found solutions that worked for everyone involved. Not only were we able to sign off on an agreement that benefited our business, but we also helped the lessor meet their goals. SVN was the key to both parties reaching an agreement that accomplished both of those goals. The professionals at SVN | Second Story are a pleasure to work with, even at the negotiating table. They bring a deep understanding of leasing agreements and work hard for their clients. Most importantly, they operate ethically, listen to both sides, and build trust. They created a win for everyone."



**Representative**  
*Tennessee Aquarium*





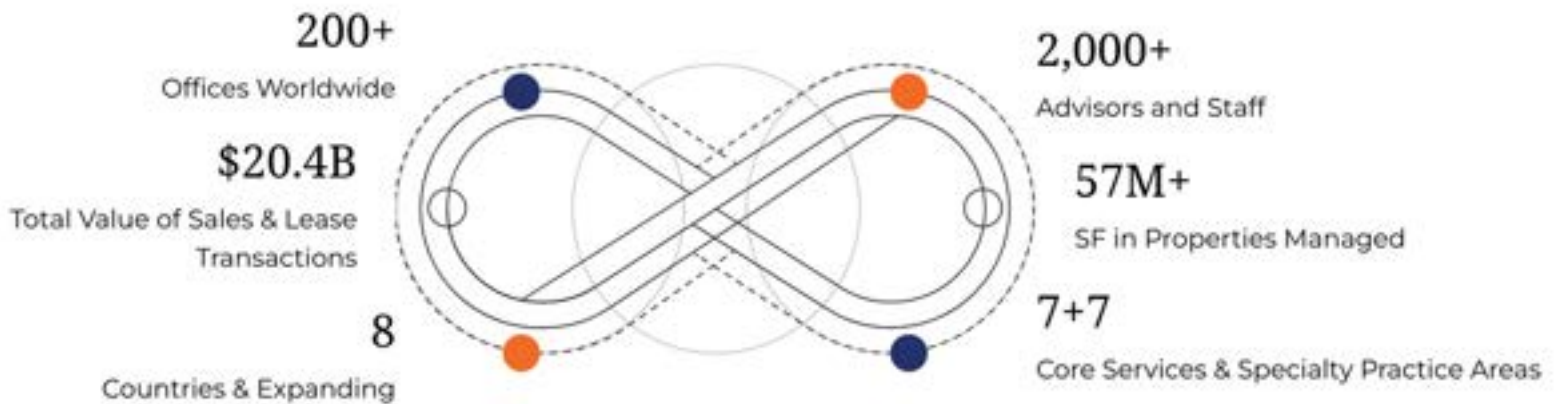
### Collective Strength. Accelerated Growth.

**THE SVN® BRAND** was founded in 1987 out of a desire to improve the commercial real estate industry for all stakeholders through cooperation and organized competition. SVN® is now a globally recognized commercial real estate brand **united by a shared vision of creating value with clients, colleagues and our communities**. When you choose SVN® you mobilize the entire SVN® organization of experts and all our trusted relationships to act on your behalf. This shared network is the SVN Difference.

We believe in the power of **COLLECTIVE STRENGTH** to accelerate growth in commercial real estate through the power of shared data, knowledge, and opportunities. Our global coverage and amplified outreach to traditional, cross-market, and emerging buyers and tenants allows us to drive outsized success for our clients, our colleagues, and our communities.

Our unique and progressive business model is **built on the power of collaboration and transparency, and supported by an open and inclusive culture**. We proactively promote properties and share fees with the entire industry, allowing us to build lasting connections, create superior wealth for our clients, and **prosper together**.

### SVN by the Numbers



#### Why Choose **SVN | Second Story?**

- We put our client's interests ahead of our own.
- We provide international representation with local expertise.
- We offer full-service commercial real estate and property management advisory.
- SVN consistently ranks as a top firm nationally.





### The Power of the Shared Value Network.

THE SVN ORGANIZATION is over 2,000 commercial real estate Advisors and staff strong. The Shared Value Network now has more offices in the United States than any other commercial real estate firm, with continuing expansion across the globe. Because of our reach we are able to harness the power of collaboration to achieve the highest possible value for our clients.

SVN® was founded on the belief that proactively cooperating with the global commercial real estate community is the right thing to do for our clients and the best way to ensure maximum value for a property. We've expanded this ideology to include a Shared Value Network® approach across all our service lines, offices, and the communities where our Advisors live and work. Together with our clients, colleagues, and communities, we create greater value through openness, inclusivity and innovation.



### Global Reach. Local Expertise.

Whether you own a single asset, or multiple assets spread out across multiple markets in multiple state, we can help. Our global network helps us harness our ability to provide expertise in primary, secondary and tertiary markets to manage, lease, and sell your asset.

40 Million +

Square feet of commercial properties under management

20,000 +

Units of multifamily communities under management

5,000 +

Beds of student housing under management

10th

Largest management firm in America





## Get In Touch

### SVN | Second Story Real Estate Management

800 Market Street | Suite 207  
Chattanooga, TN 37402  
(423) 682-8241  
[www.secondstory.properties](http://www.secondstory.properties)

## Follow Us On Social Media



SVN | Second Story Real Estate Management



@svnsecondstory



@svnsecondstory