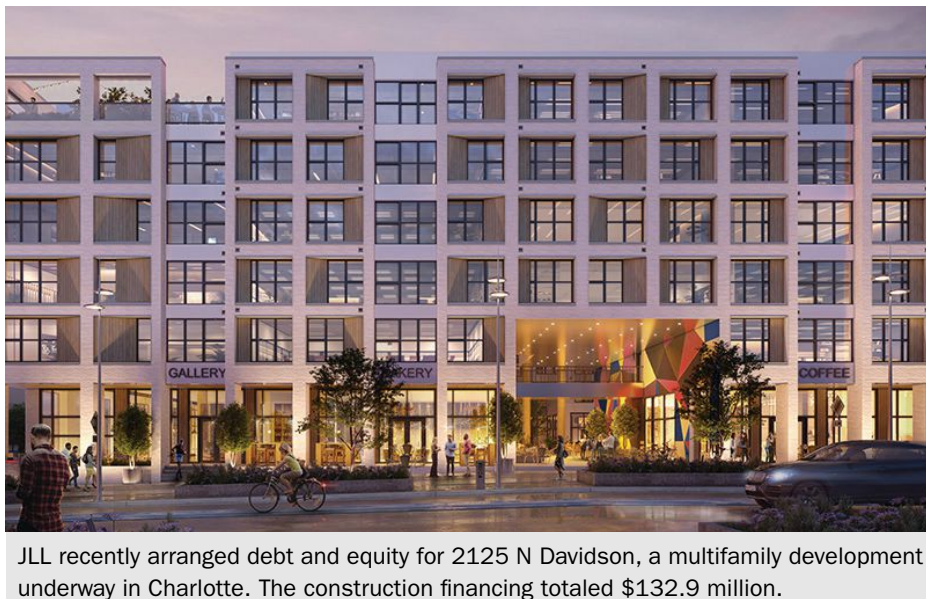


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JLL recently arranged debt and equity for 2125 N Davidson, a multifamily development underway in Charlotte. The construction financing totaled \$132.9 million.

DEBT MARKET TO HIT THE 'RESET' BUTTON

Lenders and financial intermediaries are anticipating a recalibration in rates, yields and valuations to get deal volume back on track.

By Taylor Williams

At its mid-December 2023 meeting, the Federal Reserve delivered the news that investors of all types were waiting for: the cycle of interest rate hikes had concluded and that as many as three rate cuts could be forthcoming in 2024.

But the first rate cut by the Fed won't occur until at least March. That's when the Federal Open Market Committee (FOMC) is scheduled to meet again. In January, the FOMC opted to hold interest rates steady, keeping the target range for the federal funds rate at 5.25 to 5.5 percent.

The January jobs report, which showed total nonfarm payroll employment rose by 353,000 — nearly double many economists' forecasts — has clouded the issue of when rate

cuts may be forthcoming. A robust job market argues against the need for immediate rate cuts.

The Fed's every move is tracked closely by the stock market, which responded with a furious rally in December 2023 on expectations for rate cuts in 2024. The Dow Jones Industrial Average closed above 37,000 on Dec. 13, a record high at the time, within hours of the Fed indicating the possibility of three rate cuts of a quarter percentage point each in 2024. Conversely, the Dow closed down 317 points on Wednesday, Jan. 31, after Fed Chairman Jerome Powell indicated that the central bank may not cut interest rates in March.

see *CAPITAL MARKETS*, page 26

FIVE LEVELS, FIVE DESTINATIONS

Reed Cordish of The Cordish Companies gives a peek behind the curtain at Nashville Live!, the company's newest attraction.

Interview by John Nelson

The Cordish Companies owns and operates many entertainment districts surrounding professional sports arenas around the country, including Texas Live! in Arlington, Xfinity Live! in Philadelphia and Bally Sports Live! in St. Louis. The latest entry for the company is Nashville Live!, which will feature five levels of entertainment and dining at completion, as well as a floor dedicated to private events.

In 2022, The Cordish Companies purchased the historic George Jones building on Second Avenue in downtown Nashville, which had most recently operated as a museum celebrating the life and music of country music singer/songwriter George Jones. The venue also included an eatery and rooftop bar.

Reed Cordish, principal of The Cordish Companies, says the Baltimore-based company had long been attracted to Nashville for its entertainment industry and demand generators of jobs and population growth, but it was the adaptive reuse aspect of the museum that made the owner-operator's eyes light up.

"When we were able to find this really special, unique historic building, that put it over the top for us," says Cordish.

Cordish also points out that Nashville is coming into its own as a sports hub. In addition to Vanderbilt University, the city is home to three professional sports teams: the NHL's Nashville Predators, who play at nearby

see *NASHVILLE LIVE!*, page 29



The ground level of Nashville Live! is home to DraftKings Sports & Social, a dining establishment that incorporates live sports betting.

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FIVE LEVELS, FIVE DESTINATIONS

NASHVILLE LIVE! from page 1

Bridgestone Arena; the NFL's Tennessee Titans, who play at the nearby Nissan Stadium; and the Nashville SC of the MLS, whose stadium, Geodis Park, opened in 2022.

The Cordish Companies also has an established branding partnership with the Professional Bull Riders (PBR) league. The local bull riding team, the Nashville Stampede, competes at Bridgestone Arena and will be an events sponsor at the newly opened PBR Cowboy Bar at Nashville Live!

"With our DraftKings Sports & Social and Professional Bull Riders partnerships, being in close proximity to the Tennessee Titans and Nashville Predators was a compelling opportunity for us," says Cordish.

At full build-out, Nashville Live! will feature five levels, with each floor offering its own attraction. The first two levels are open for business,

with the ground level housing the DraftKings Sports & Social restaurant and bar. The PBR Cowboy Bar is open on the second level. The third level comprises a 10,000-square-foot private event space that can host up to 450 people.

Topping off Nashville Live! is the AVA Rooftop Bar, which will include a full bar, lounge seating and a Mediterranean-inspired menu of shareable plates and cocktails. Lastly, the basement level will house The Possum, an exclusive speakeasy bar that is named after George Jones' nickname.

"When it's complete, Nashville Live! will be a 50,000-square-foot, multi-level dining and entertainment experience," says Cordish.

It's worth noting that Cordish is no stranger to the Middle Tennessee market. The company recently opened an 8,900-square-foot Sports & Social location at The Mall at Green Hills, about eight miles southwest of the downtown area in the city's Green Hills submarket. The dining and entertainment venue sits near a RH store and features indoor space and an outdoor patio. The Sports & Social is situated among other dining and entertainment concepts, including a Regal movie theater, The Cheesecake Factory and North Italia.

"The Mall of Green Hills is a world-class property — it's one of the premier malls in the entire country," says Cordish about the mall, which is co-owned by Simon and the Taubman family. "Cordish has the hub of Nashville Live! downtown that branches

out to Sports & Social. The idea of being able to branch off to other potential opportunities in Middle Tennessee makes a lot of sense to us."

Southeast Real Estate Business recently caught up with Cordish to discuss the ins and outs of Nashville Live!, which is currently opening in phases. The following is an edited Q&A:

Southeast Real Estate Business:
For starters, where does the overall

Nashville Live! project stand today in terms of its multi-phased opening?

Reed Cordish: We have completed and opened the first phase, which is two levels of the building. The first level, which is our DraftKings Sports & Social concept, goes from Second Avenue all the way to First Avenue. The building is an entire city block, and the First Avenue side has incredible views of the Cumberland River and Nissan Stadium beyond the river.

The second level is complete and open — our PBR Cowboy Bar concept. Nashville represents our 14th location in our collaboration with that brand.

Our next phases are underway now and will open throughout this year. We just had our soft opening and now we're about to have our grand opening of the private event space called The Gallery, which occupies the entire third floor of the building.



Reed Cordish
The Cordish Companies

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The Cordish Companies has partnered with DraftKings at three separate establishments, including Nashville Live! The dining and entertainment venue offers views of nearby Nissan Stadium, the home arena of the NFL's Tennessee Titans.

Then we'll have two additional openings during 2024. In the spring-time, we're going to open the rooftop, AVA Rooftop Bar, which is both an indoor/outdoor space. This will be the second location for AVA, the first of which is in Cary, North Carolina, which has been an incredible success and gave us great confidence to add AVA to the Nashville Live! property. That rooftop, even when it was the George Jones Museum prior to our involvement, was always an incredibly popular gathering spot for the local community. We've had so many people ask us to bring that back so we're bringing it back in a great way.

And then later this year, we don't have a date certain yet, we're going to open a unique concept in the basement. It'll be a speakeasy called The Possum, slated to open later this year.

SREB: Each level of Nashville Live! features its own unique venue. What was the philosophy behind the mix behind the various offerings?

Cordish: Our experience with the Live! brand is to create best-in-class entertainment districts where people can have multiple experiences in one evening. We wanted to bring that sense of discovery and excitement to Nashville Live! When you first come off Second Avenue into the entrance, you come into a very large welcome space where you're greeted by our team members. From there, you can travel down to visit The Possum speakeasy, or you can go forward into DraftKings Sports & Social. There's a large staircase on your left that will take you to the PBR Cowboy Bar or an elevator on your right that will take you up to The Gallery if you have a private event, or up to the AVA rooftop.

SREB: The project involved the redevelopment of the historic George Jones building. Anecdotally, were there any interesting occurrences or

obstacles that Cordish faced during the repositioning?

Cordish: No question about it. If you look at our original plans of how we were going to redevelop the building, we had no plan for a speakeasy concept. The basement level was just going to be our back-of-house operations. However, once we got into the building and started pulling away some of the layers that had built up over the time, we realized that we had almost catacombs in this basement. It has incredible stone walls — it's just architecturally fascinating and interesting.

Once we saw that, we had to change our plans and decided to add this speakeasy concept to take advantage of this historic building. It was one of the really cool surprises that we didn't expect going in.

SREB: Who are the member firms in the design-build team for the redevelopment?

Cordish: It takes a great team. First, we have in-house professionals who work for the Cordish Companies and work with our Live! brand wherever it goes across the country. Our head of architecture Rich Burns and Dave Zelman are both incredible pros who know what it takes to create these dynamic districts. For our third-party consultants, PIVOT was our architect of record. We've worked on multiple projects with PIVOT and they're excellent. Shine Stone was our designer and did a wonderful job. Selbert Perkins Design does all our environmental graphics and executed impressive art murals throughout the space and signage.

We have one surprise up on the rooftop that people will get to experience when we open AVA. A massive, 30-foot-tall illuminated tree is being placed on the rooftop. We worked with a great consultant, Illuminated Trees, on that. It's going to become a must-see part of people's visits to

downtown Nashville.

SREB: Cordish partnered with DraftKings for the Sports & Social level. How did this partnership come about?

Cordish: DraftKings is one of the premier brands and operators in the sports betting sector. They were looking for an ability to make that brand come to life on a 365-day basis. They wanted somewhere where they could do great events, have a placed headquarters to bring some of their best members and customers to, as well as a place to introduce their brand and hopefully attract new customers.

Executives at DraftKings had been to some of our Live! districts and asked if we think that we could create a concept that would allow them to do so. That's when the idea of marrying DraftKings with our Sports & Social brand came about. It's been an incredible partnership. We started with one location in Troy, Michigan, and it was a great success. That's what led to Nashville Live! and now we're under construction with our third location with DraftKings Sports & Social in Columbus, Ohio at Easton Town Center, right by Ohio State University.

SREB: How has the public reception been to the live-betting aspect of the DraftKings Sports & Social venue?

Cordish: It's a great component that people can partake in if they if they choose to. It adds another fun entertainment element to the overall Live! experience. We've got the DraftKings odds boards prominently displayed. Our team members are well-versed and able to talk about it. Our master of ceremonies will introduce different wagers that people can make. It's a fun atmosphere and another element that we can bring to entertain our guests while they're at Nashville Live!

SREB: Nashville Live! will rep-

resent the 14th venue between PBR and Cordish. What are some aspects of PBR Cowboy Bar that guests can anticipate?

Cordish: PBR now has their team competition, which is something they only introduced in the past few years. One of their marquee teams, the Nashville Stampede, is right down the road at the Bridgestone Arena. We're thrilled to partner with the team for this location. Stampede team members are always making appearances with us and hanging out. We're doing special events with them inside of the PBR Cowboy Bar, and then also able to activate when they have their events at Bridgestone Arena. It's a great collaboration and partnership that we're proud of.

One of the cool things that people have appreciated about our PBR brand is we've chosen not to have a prototype. Each one is a little bit different as far as the design elements and layouts. We're able to take advantage of this historic space and showcase the brick walls that frame the building with dramatic lighting. A lot of our PBRs are heavy wood, and this one has our PBR wood, but also this incredible brick wall.

In the back of the space, we have a bar that basically goes the entire width of the back wall. But instead of having a back-bar element, there's open-shelf glass that you look through down to Nissan Stadium. Even when you're on the mechanical bull inside PBR, or in this back-bar element, you're looking through it to toward the stadium on the First Avenue side. On the Second Avenue side, our whole storefront opens up, so the music and energy of PBR spills out and down to Second Avenue.

We don't do this at all PBRs, but this is downtown Nashville, so we have a very large stage for live music right in the heart of it. We feature live music there several nights a week.

SREB: Is there anything else you'd like our readers to know about Nashville Live! or Cordish?

Cordish: We spend an enormous amount of time curating a marketing and events calendar with our in-house team. We are planning activations year-round, from festivals to live music concerts to watch parties for sporting events. We've been hearing nothing but great feedback.

Lastly, because of the size of the building and quality, we're getting approached by a lot of private events that are interested in renting out the entire building. Major corporate convention events are coming to town with thousands of people, and for them to be able to take over an entertainment building of this quality and hold their event there is really compelling. The amount of inquiries we are getting about major buyouts is significant. ■