

# **STRONG ROOTS. SMART BUSINESS.**

Summer Newsletter



**Adding economic value to Morgan County: Historic  
Brushy Mountain State Penitentiary**

Three Roots Capital is supporting a unique project in one of the most economically challenged regions of East Tennessee. Central to Three Roots' mission is creating real economic impact by supporting companies and projects that help people who need a hand up.

Brushy Mountain State Penitentiary in Morgan County, Tennessee, opened in 1896 and operated until 2009, housing notable criminals like James Earl Ray and Byron “Low Tax” Looper. For more than a century, it provided a stable base of jobs and positive economic impact in several rural counties. With the help of Three Roots and other partners, today, the prison is a popular tourist attraction, featuring a museum, restaurant, music venue, moonshine distillery and gift shop for curious visitors travelling to the Morgan County facility.

Operating Partner Pete Waddington first became interested in the prison during a visit to the location six years ago on a charity motorcycle ride from Chattanooga.

“My wheels just started spinning,” Waddington explained. “It seemed kind of strange that this place, with this much history, was just sitting here falling apart.”

Over the next few years, he worked with state and local agencies to repurpose the space but faced challenging financing hurdles. Despite spending years as a business developer, Waddington said Brushy Mountain was his hardest project to finance.

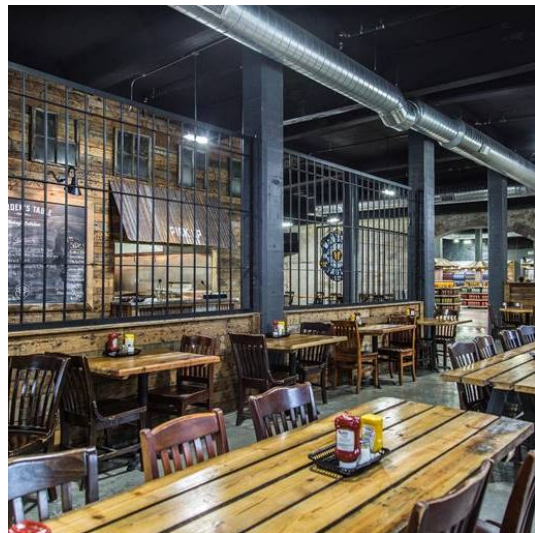
This struggle led Waddington to get in touch with Three Roots Capital's Business Development and Community Relationships Manager, Dennis Corley, through a mutual friend in Chattanooga. Immediately, Corley admired Waddington's work ethic and vision for the prison.

Looking forward, Waddington remarked he is most excited about the potential Brushy Mountain has to offer the surrounding community. From adding more than 50 jobs to Morgan County to expanding the site's distillery production, Waddington wants to keep growing his operations and providing economic value to the region.

And who would he reach out to first to get started on these projects? Three Roots.

"I don't think we would be open without the help of Three Roots," Waddington said. "I can't say enough great things about those guys. I will absolutely work with them again."

You can read more about Historic Brushy Mountain State Penitentiary [here](#).



Read more about Brushy Mountain State Penitentiary at their [site](#).

**See Our Success Stories**

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## **Three Roots Spotlight: Dennis Corley, Business Development and Community Relationships Manager**

Business Development and Community Relationships Manager Dennis Corley found his way into the financial sector in an unconventional way. Graduating with a degree in computer science and a minor in physics, the first half of his career was spent at IBM and SAIC in highly technical roles, ranging from software development to network application tuning.

Later, he served as the Chief Technology Officer of Technology 2020 and as founder and CEO of Digital Crossing Networks. It was through his work at Technology 2020 almost eighteen years ago that he first met Grady Vanderhoofven, who eventually would become the founder, president, and chief executive officer of Three Roots Capital.

Years after their initial meeting, Grady called Dennis to discuss joining the Three Roots team. Corley described the call as “great timing” because he was looking for a new opportunity. He also knew he wanted to work at Three Roots because he felt a strong alignment with the company’s model, mission, strategy

and team members. Interestingly, Dennis has previously run a company that was funded by a Community Development Financial Institution like Three Roots.

Once he joined Three Roots, Corley said Vanderhoofven and Chief Financial Officer Chris Miller were “good mentors” and helped him transition easily into an entirely new industry.

While he admitted he’s still learning new things from time to time, Corley believes his computer and technology skills apply very well in the financial world because he’s “using the same skill sets.”

“You’re solving problems. You’re just doing it with finance instead of computers,” Corley explained. “I was excited to have the opportunity to get into the financial space. It’s been a great fit. I’m excited to be at Three Roots.”

Corley jokingly described himself as the “utility man” of the office, who does “a little bit of everything.” On any given day, he may find himself looking for deals, managing deals, conducting technical assistance or managing grants.

Most importantly, he referred to the benefits of being at Three Roots as a “two-sided coin.”

“On one hand, we’re helping finance companies and projects that impact the community in a positive way,” Corley remarked. “But at the same time, we’re growing our own company. To be part of the team that’s having early and strong success, while having positive community impact, it’s great.”

Speaking about his work, Corley discussed leading the Brushy Mountain State Penitentiary project at Three Roots, where he coordinated direct financing by

Three Roots and helped the borrower secure capital from a Three Roots partner bank to turn the abandoned prison into a tourism attraction in Morgan County.

“People up there lost a lot of jobs when it closed,” Corley said. “To be a small part of repurposing that unused asset to the benefit of the community has been incredibly rewarding.”

### Meet Our Staff

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### Generating Returns and Creating Jobs



As of December 31, 2018, Three Roots has loaned more than \$28 million, which has created and retained over 704 jobs and constructed or renovated over 232,271 square feet of commercial, industrial, and retail space.

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**Innov865 Investor Series, Powered by Three Roots Capital, Featuring Brandon Bruce (Cirrus Insight) and Terry Edwards (PerfectServe)**

**Happy Hour, 5-7PM, August 22, 2019**

**The Square Room**

The first of several Investor Series events focusing on recent successful exits of start-up companies in our region. These will be fireside chats with the founders and investors that explore the journey of financing and growing a start-up company to exit.

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865.220.1710 • melissa@3rootscapital.org • 12640 Kingston Pike, Knoxville, TN 37934

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