


APPENDIX I: DEVELOPMENT LOAN APPLICATION

Date of Application:	10/15/2021
Building/Property Address:	1400 Madison Avenue, Memphis, TN 38104
Applicant's Name:	Kinsey Joel Thompson
Ownership Status:	<input checked="" type="checkbox"/> I own the property <input type="checkbox"/> I am purchasing the property <input type="checkbox"/> Other _____
Primary Project Contact:	Name: Kinsey Thompson
	Phone: 901-305-3408 Email: KinseyThompson@gmail.com
	Mailing Address: 1951 Westbriar Dr, Cordova, TN 38016
Describe the existing condition of the property.	See photos
Describe the proposed future use of the property.	The property will be used for social events (i.e. weddings, networking events, presentations and business parties).
What improvements do you plan to make to the property?	See renderings
Square Footage of Building / Land Area To Be Improved:	7,229 sqft
Architect (if applicable)	Name: Christopher Speltz Phone: 901-277-8600 Company: Renaissance Group, 9700 Village Circle - Ste 100, Lakeland, TN 38002
Total Project Budget:	\$661,695
Total Loan Requested:	\$200,000
Property Owner: (If not the applicant)	Name:
	Phone: Email:
	Mailing Address:

Legal Disclosure:	<p><i>Disclose in writing whether any applicant, guarantor, or any other person involved with the project is currently engaged in any civil or criminal proceeding or ever filed for bankruptcy. Also, disclose whether any individual involved with the project has ever been charged or convicted of any felony or currently is under indictment:</i></p> <p>N/A</p>
Board Relationship Disclosure:	<p><i>Disclose in writing whether the applicant or any guarantor has any previous or ongoing relationship with any Board member or legal counsel of the Board.</i></p> <p>N/A</p>
Applicant's Certification:	<p>This application is made in order to induce the CCDC to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show best faith efforts with regard to the employment of minority and/or women contractors and subcontractors in the project development. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted or project completed.</p> <p></p> <p>Signature: _____ Date: 10.20.21</p>

- **List all team members involved in the project at this point**

All team members involved in the project include Renaissance Group, Kinsey Thompson, Dr. Delita Johnson.

- **Description of applicant's development experience**

Kinsey Thompson has 20 years of development and rehab experience.

- **Explanation of corporate or partnership structure, if applicable**

N/A

- **Summary of marketing plans describing the market potential and targeted market**

Krosstown Venue is a historic building, uniquely located in Mid-town (Memphis). Coupled with the massive growth and development in Mid-Town (Memphis), social event organizers try to find and utilize event venues with a unique milieu and sites, for example, museums, sports venues, and historic buildings. It is predicted that there will be a 5-10% rise in demand for meetings and events, thereby, increasing revenue, demand, and utilization for an event venue. Studies show that popularity and usage of event centers continually grows in the industry because of in-house innovation and creativity, along with the advancement of technology. Our target market is every newly engaged couple, wedding planner, and business leader who hold outside company meetings and/or activities. Through print, digital, social, and outdoor media, we will attract men and women between the ages of 19 – 70. We will have one of the most unique and largest event venue centers in Memphis. Our building will also include living quarters. We will rent 5 studio apartments on the top level of the building.

- **If the project is speculative, describe how long full occupancy is expected to take and who will manage the project**

N/A

- **Project Timeline**

The anticipated start date is November 15, 2021, with a completion date of August 15, 2022.

- **List three credits references**

Janice Kilborn / Pinnacle Bank (901-493-4325)

Lindsey / Regions Bank (901-896-3340)

Joe Thompson / Cannon Ball Express (731-293-2237)

Attachment A

Pro Forma Capitalization				
Sources of Fund:	Amount	% Total	Uses of Fund:	Amount
Equity:			Construction	\$661,69
	\$115,00		Costs	5
Owner's Equity	0	15%	Furniture,	
			Fixtures	\$40,000
Investor's Equity	\$0	0%	Working	
	<u>\$115,00</u>		Capital	\$20,000
Total Equity	0		Soft Costs	\$10,000
			Financing Fees	\$12,348
			Professional	
			Fees	\$3,000
Debt:				
	\$432,04			
Bank Financing	3	58%		
	\$200,00			
Development Loan	0	27%		
	<u>\$632,04</u>			
Total Debt	3			
	<u>\$747,04</u>		Total Uses of	<u>\$747,04</u>
Total Sources of Fund	<u>3</u>	<u>100%</u>	Fund	<u>3</u>

1400 Masdison Ave
 Memphis, TN
 Concept Design Budget Pricing

Concept Design Budget Amount: \$ 661,695.00

Concept Design Budget Breakdown	Amount
General Conditions	\$ 66,286.00
Permit	\$ 5,250.00
General Liability & WC Insurance	\$ 1,125.00
Contractor's Fee	\$ 31,130.00
Building Concrete	\$ 12,500.00
Gypcrete	\$ 12,109.00
Masonry - Building	\$ 34,500.00
Steel Handrails	\$ 2,750.00
Rough Carpentry & Framing (material & sub)	\$ 58,197.00
Cabinets & Counters on 2nd Level	\$ 15,000.00
Interior Wood Trim	\$ 5,857.00
1st Floor Bar & Cabinets	\$ 10,000.00
TPO Roofing	\$ 22,500.00
Insulation in Walls	\$ 4,250.00
Clean & Seal Exterior Walls	\$ 4,500.00
Doors, Frames & Hardware	\$ 12,593.00
Rebuild Existing Windows Allowance	\$ 6,250.00
Drywall Sub	\$ 35,950.00
Painting	\$ 20,145.00
Flooring	\$ 36,555.00
Toilet Accessories	\$ 221.00
Window Blinds and Shelving	\$ 3,592.00
Plumbing	\$ 43,374.00
HVAC	\$ 96,706.00
Electrical	\$ 62,500.00
TOTAL BUILDING PRELIMINARY BUDGET	\$ 600,248.00
Total building square footage	7,229
Building Cost per SF	\$ 83.03

Site Work	
Exterior Demo	\$ 5,850.00
Exterior Concrete (Parking Pad, Courtyard, Sidwalk)	\$ 8,792.00
Iron Fencing	\$ 1,875.00
Landscaping & Irrigation	\$ 17,500.00
Exterior Masonry Wall, Fireplace, Columns	\$ 13,000.00
Roof Deck and Guardrails	\$ 14,430.00
Total Site Work & Fencing	\$ 61,447.00
Grand Total Concept Design Budget	\$ 661,695.00
Grand Total Cost per SF	\$ 91.53

Krosstown Venue, LLC

1400 Madison Ave., Memphis, TN 38104

	YR 1	YR2	YR 3	YR4	YR5
<u>REVENUE:</u>					
<u>Commercial Space (event space) Revenue</u>					
Total event space sq. ft.	5,272	5,272	5,272	5,272	5,272
Vacancy Assumptions	0%	0%	5%	5%	5%
Revenue per sq. ft.	\$80.71	\$83.86	\$87.13	\$90.53	\$94.06
<u>Studios Revenue</u>					
Total studio space sq. ft.	1957	1957	1957	1957	1957
Total number of studios	5	5	5	5	5
Vacancy Assumptions	0%	0%	5%	5%	5%
Revenue per sq. ft.	\$2.32	\$2.41	\$2.50	\$2.60	\$2.70
Other Revenue (if any)	N/A	N/A	N/A	N/A	N/A
<u>Total Projected Revenue</u>	<u>\$295,740.00</u>	<u>\$369,675.00</u>	<u>\$480,578.00</u>	<u>\$624,751.00</u>	<u>\$812,176.00</u>

Annual Expenses:Operating Expenses

Utilities	\$9,600.00	\$9,888.00	\$10,185.00	\$10,485.00	\$10,785.00
Legal/Accounting	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
Property Taxes (County & City)	\$3,390.00	\$3,390.00	\$3,390.00	\$3,390.00	\$3,390.00
Dumpster	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00
LLC	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
Advertising	\$18,000.00	\$18,500.00	\$19,000.00	\$20,000.00	\$21,000.00
Car and Truck Expenses	\$6,000.00	\$6,180.00	\$6,400.00	\$6,400.00	\$6,400.00
Contract Labor (Not included in payroll)	\$18,000.00	\$18,540.00	\$20,000.00	\$20,000.00	\$20,000.00
Insurance (other than health)	\$9,600.00	\$9,888.00	\$10,185.00	\$10,485.00	\$10,785.00
Legal and Professional Services	\$7,725.00	\$7,957.00	\$8,196.00	\$8,500.00	\$8,500.00
Office Expense	\$3,000.00	\$3,100.00	\$3,200.00	\$3,300.00	\$3,400.00
Rent or Lease -- Vehicles, Machinery, Equipment	\$7,200.00	\$7,416.00	\$7,640.00	\$7,800.00	\$8,000.00
Rent or Lease -- Other Business Property	\$6,000.00	\$6,180.00	\$6,366.00	\$6,500.00	\$6,500.00
Repairs and Maintenance	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00

Supplies	\$1,800.00	\$1,854.00	\$1,900.00	\$2,000.00	\$2,100.00
Travel, Meals and Entertainment	\$2,400.00	\$2,500.00	\$2,550.00	\$2,800.00	\$3,000.00
Miscellaneous	\$2,400.00	\$2,472.00	\$2,550.00	\$2,700.00	\$2,700.00
Depreciation	\$62,516.00	\$62,516.00	\$62,516.00	\$62,516.00	\$62,516.00

Debt Service

*Principal/Interest on bank loan for bldg.

Principal/Interest on DMC grant/loan (assuming \$200,000)	\$11,307.00	\$11,307.00	\$11,307.00	\$11,307.00	\$11,307.00
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*Commercial Loan	\$9,720.00	\$9,720.00	\$9,720.00	\$9,720.00	\$9,720.00
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<u>Total Projected Expenses</u>	\$189,458.00	\$192,208.00	\$195,905.00	\$200,203.00	\$202,403.00
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NET CASH FLOW:

	\$106,282.00	\$177,467.00	\$284,673.00	\$424,548.00	\$609,773.00
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Return on Owner's Equity	64.1%	52.0%	40.8%	32.0%	24.9%
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<u>Acquisition Cost:</u>	<u>Total Project Cost:</u>
\$991,695.00	\$661,695.00
	\$300,000.00
\$991,695.00	\$961,695.00

Design Budget
Property Budget

Acquisition & Total Project Cost:







Krosstown Venue, llc
 1400 Madison Ave Memphis, Tennessee 38104





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Second Floor Layout & 3D rendering



Krosstown Venue, llc
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Outside Exterior 3D Rendering



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Inside & Outside 3D render



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Outside Exterior Pictures



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Historical Pictures

