



VISIBLE MUSIC COLLEGE

Visible Music College was founded in 2000. In 2011, with the help of the Memphis Chamber Foundation, Visible acquired and renovated the vacant C&I Bank building at 200 Madison Avenue and moved their campus, bringing revenue and a vibrant community to the Madison Corridor of Downtown Memphis. The college appreciates the Downtown Memphis Commission staff, who have advised Visible over the years as a 501c3 enterprise in developing ideas and gaining Downtown support.

With international marketing of its programs focused on music creation and performance, music production and music business management, Visible has attracted students to Memphis from 30 countries and 50 states. Visible's programs have aligned with and supported advancing Memphis as a renowned music performance and production destination.

Visible has trained over 1100 students, 73% coming from outside Memphis and 55% staying in Memphis after graduation. Impressively, 100% of bachelor degree graduates receive job offers, contributing to studios, churches, and performance venues in the Memphis music industry.

Visible is requesting a \$200,000 forgivable loan from the CCDC to address necessary campus deferred repairs at the 200 Madison campus. Necessary work includes elevator, HVAC, and roof repairs. Total estimated repairs will cost approximately \$375,000.

The resolution of deferred repair issues addresses one aspect of Visible's current financial picture.

Next is the estimated buyout of the mortgage at approximately \$6.1 Million.

Visible's previous lender sold the mortgage on the property to a lender in Texas. The new lender increased the interest rate to 18.5%, prompting the college to pursue a buyout of the loan entirely. The college would then apply the debt service payments to the growth of the college through student recruitment, local scholarships, and staff retention.

Thirdly, Visible needs to establish a \$525,000 line of credit with a bank, as required by the US Department of Education, in order to receive student loan funding through the agency's programs.

Therefore, the total financial need of Visible Music College is \$7 Million. This includes the deferred maintenance at approximately \$375,000, the mortgage buyout at approximately \$6.1 Million, and the LOC at approximately \$525,000.

Believing in the future of Visible Music College in Downtown Memphis, a local Foundation committed a \$3.5 Million matching grant to Visible, contingent on the college raising an additional \$3.5 Million by November 1, 2023.

The proposed CCDC forgivable loan for deferred maintenance would count toward the \$3.5 Million match.

Visible has also applied to other foundations for grants and solicited support from 90 current individual donors to help meet the local Foundation match.

Visible proposes a ten (10) year term on the CCDC loan at a minimum interest rate, on the condition that Visible completes the deferred repairs by the end of 2024.

Your support is vital to this Downtown asset. Thank you for your consideration in joining the community of supporters affirming Visible's future and the future of Memphis' music community.

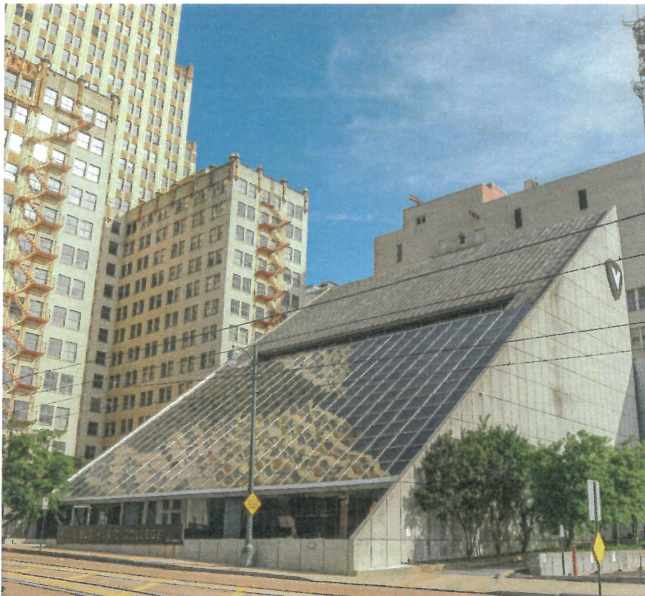
Sincerely,

Dr. Ken Steorts, Founder/President, Visible Music College

John Dudas, Trustee, Visible Music College

Sheila Lee Whalum, Trustee, Visible Music College

Ginger Whitehorn, Trustee, Visible Music College



The spectacular "Gassner Building" as Memphis' premier music college



The new Student Studios housing units, capable of housing 100 students each year

Students enjoying the main stage room





New 5th floor
performance/media
training space, w/HVAC
issues



Buckets in hallway on 4th floor due to roof leaks



Elevator 1 out of service, a common occurrence

Projected cost of deferred repairs to 200 Madison Avenue:

1. Elevators (TKE)

- a. The DMC hydraulic elevator system has reached the end of its useful life. This will lead to decreasing reliability and performance can deteriorate. Increased maintenance requirements, shutdowns, service calls and safety related concerns can be anticipated. With more than 30 performance-optimizing features in the H- PowerSL modernization package, we'll replace your hydraulic elevator's most critical components. These include the controller, door operator, fixtures and wiring. You'll feel and see the difference the first time you step into your elevator. Entire system doesn't need replacement.
- b. Code compliant
- c. MAX connected
- d. Reduced shutdowns and service calls
- e. Improved appearance and safety

Cost Per Elevator: **\$160,000**

2. HVAC (C3)

- a. Fix fifth floor addition **\$130,000**

3. Roof (Grinder Tabor Grinder)

- a. Repair only (no guarantee against future leaks) – Install new 24 gauge prefinished flashing at the sides of the roof, Z side wall flashing hook, and new coping cap over the concrete parapet wall. Note that currently the concrete wall has no concrete parapet cap per the original design, so this will be a change to the look of the concrete parapets to have the roof color come over the concrete. This will only occur adjacent to the roof and not on the lower portion of the concrete wall adjacent to the glass skylight roof.
\$72,842

Minimum is to replace one elevator, finish 5th floor HVAC, and repair roof leaks.

\$362,842



