

**CITY OF MONROE
DOWNTOWN ADVISORY BOARD MEETING
300 W. CROWELL STREET
MONROE, NORTH CAROLINA 28112
Friday, January 24, 2025 - 9:00 AM
AGENDA**

1. Call to Order
2. Roll Call
3. New Board Member Introduction and Review of Board Duties
4. Downtown Advisory Board Legislative Agenda Discussion
5. Approval/Acceptance of Minutes (Action Required)
6. Morgan/Windsor Alley Furnishings Presentation
7. Economic Development PRONTO Incentive Grant for Clipperz
8. Economic Development PRONTO Incentive Grant, Facade Grant, and Meet me Downtown Grant for E.L.K's, Jason Hill
9. Adjourn Meeting (Action Required)

ATTENTION ADVISORY BOARD MEMBERS: Please contact Donna O'Keefe at 704-292-1705, Ext. 6040 to confirm your attendance. Thank you.

Regularly scheduled meetings are on the third Wednesday of each month.

**AS A COURTESY, PLEASE TURN OFF ALL MOBILE DEVICES WHILE MEETING IS
IN PROGRESS.**

(Ord. O-2013-18, passed 6-4-13)

DOWNTOWN ADVISORY BOARD

§ 32.130 CREATED.

(A) The Monroe Downtown Advisory Board having been created by the City of Monroe City Council shall be hereafter referred to as the Downtown Advisory Board.

(B) The Downtown Advisory Board shall be considered a "public body" and is subject to all rules and regulations for public bodies contained in the North Carolina's Open Meetings regulation, G.S. §§143-318.10 et seq.

(Ord. O-2008-09, passed 3-18-08; Am. Ord. O-2008-19, passed 4-15-08)

§ 32.131 MEMBERSHIP, TERMS OF OFFICE, AND OFFICERS.

(A) *Membership.* The Downtown Advisory Board shall consist of seven (7) members. The member shall be required to be any of the following: residents of the City of Monroe; the full owner of a business located in the city's Downtown Central Business District; have no less than a ten percent (10%) ownership stake in a business located in the city's Downtown Central Business District; be a partner in a business located in the city's Downtown Central Business District (by way of illustration an individual who is a partner in a firm that provides legal services or accounting service would meet this requirement); or an employee of a business located in the city's Downtown Central Business District.

(B) *Terms of office.* Members of this board shall serve staggered, three-year terms.

(C) *Election of officers.* A Chair and Vice-Chair will be appointed by the City Council.

(Ord. O-2008-09, passed 3-18-08; Am. Ord. O-2008-19, passed 4-15-08; Am. Ord. O-2008-45, passed 11-4-08; Am. Ord. O-2009-32, passed 11-3-09; Am. Ord. O-2010-13, passed 6-1-10; Am. Ord. O-2021-39, passed 7-13-21; Am. Ord. O-2022-49, passed 6-14-22)

§ 32.132 MEETINGS, ATTENDANCE, AND COMPENSATION.

(A) *Meetings.* The board shall establish its meeting schedule. Special meetings may be called by the chair or, in her/his absence, by the vice-chair, and special meetings shall be called upon the request of a majority of members of the board.

(B) *Attendance.* If any member of the Downtown Advisory Board is absent for three (3) consecutive regular meetings without an excused absence being approved by the chair or fails to attend thirty (30) percent or more of the regular meetings within a twelve-month period, such member shall be removed and a replacement made for the unexpired portion of the term.

(C) *Compensation.* Members of the Downtown Advisory Board shall receive compensation in the amount of \$75 per month for the Chairman and \$50 per member, per meeting attended, and is reimbursed for all expenses incurred by them in the course of their duties.

(Ord. O-2008-09, passed 3-18-08; Am. Ord. O-2008-19, passed 4-15-08)

§ 32.133 QUORUM AND VOTING.

A quorum shall be constituted by a simple majority of board members, excluding vacancies. The chair or the presiding member of the board shall vote on all matters of business considered by the board. A quorum shall be required before any vote is taken.

(Ord. O-2008-09, passed 3-18-08; Am. Ord. O-2008-19, passed 4-15-08)

§ 32.134 GENERAL DUTIES AND POWERS.

The general purpose of the Downtown Advisory Board is to serve as an advisory board to the City Council subject to such limitations as may be imposed by state law or by ordinances of the city, the board shall be embodied for the following purposes:

- (A) Advise, deliberate and make recommendations to the City Council to help facilitate the implementation of the Downtown Master Plan.
- (B) Serve to support economic development efforts, and the marketing and promotion of downtown.
- (C) Identify appropriate uses for downtown and identify developers/investors for downtown development.
- (D) Recommend to City Council an overall policy for the continued development and sustainability of downtown.
- (E) Develop financial tools for downtown development.
- (F) Promote and facilitate the improvement of downtown infrastructure, including water, public safety, parks, parking, transportation, utilities sidewalks, sewer, and streetscape.
- (G) Promote and facilitate a program to assist in business retention in the downtown.
- (H) Promote and facilitate a marketing program to increase sales, visitors, and awareness of downtown.
- (I) Provide City Council with representative community participation in preparing and implementing plans and reports concerning development of downtown.
- (J) Promote, facilitate, and act as liaison to catalytic developments significantly affecting the downtown area.

(Ord. O-2008-09, passed 3-18-08; Am. Ord. O-2008-19, passed 4-15-08)

GENERAL

§ 32.201 GENERAL PROVISIONS.

- (A) *Appointment.* All appointments to a board or commission will be made pursuant to an application consideration process established by City Council.

(B) *Chair and vice-chair.* City Council shall appoint the chair and vice-chair of all boards and commissions who shall serve as such at the pleasure of the Council. Any non-Councilmember chair or vice-chair appointed by City Council shall be subject to the term limit restrictions in § [32.201](#)(F) of the City Code during the time they serve as chair or vice-chair. Effective December 31, 2021, the term limit restrictions will apply for any non-Councilmember chair or vice-chair, with the term of any chair or vice-chair who has served on the board or commission for at least two full terms (as the term is defined in § [32.201](#)(E) of the City Code) as of December 31, 2021, being declared expired as of December 31, 2021. A chair or vice-chair with two or more full terms of service as of December 31, 2021, will be ineligible to serve as chair or vice-chair or a member of that board or commission until December 31, 2022. A non-Councilmember chair or vice-chair who has served for at least one (1) full term but less than one-half of a second full term as of December 31, 2021, will be considered to have completed one (1) term of service, with that term expiring December 31, 2021. The chair or vice-chair having served no less than one term and no more than two terms will require reappointment for a second term to continue serving as chair or vice-chair on the board or commission from January 1, 2022.

(C) *Qualifications.* Unless otherwise provided by law or ordinance, boards and commission appointees shall be residents of the City of Monroe.

(D) *Term effective/expiration date.* The terms of all board and commission members shall begin and expire on January 1 of any given year of appointment.

(E) *Terms.* A term of service on all boards and commissions shall be four (4) years unless otherwise provided by law or ordinance. Reappointment to a second term is not automatic and will be based on circumstances at the discretion of the City Council in each individual case. In addition, all members serve at the pleasure of City Council and may be removed at any time with or without cause at the discretion of City Council.

(F) *Term limits.* A length of service on all boards and commissions shall be limited to two (2) full successive terms excluding appointments to fill previously unexpired terms.

(G) *Reappointment.* A member of any city board or commission shall be eligible for reappointment at the discretion of City Council one (1) year after non-reappointment due to expiration of a term limit.

(H) *Attendance.* Any member of a board or commission who misses more than three (3) consecutive regular meetings or more than half the regular meetings in a calendar year shall be subject to replacement or not being reappointed by City Council. Absences due to sickness, death or other emergencies of like nature shall be recognized as approved absences and shall not affect the member's status on the board; except that in the event of a long illness or other such cause for prolonged absence, the member may be replaced.

(I) *Conflict of interest.* A member of a board or commission shall not participate in the discussion or vote on any item involving their own financial interest or official conduct. It is responsibility of the individual board member to bring to the attention of the entire board any item for which there may be a conflict of interest.

(Ord. O-2010-07, passed 5-4-10; Am. Ord. O-2019-35, passed 7-16-19; Am. Ord. O-2019-39, passed 8-20-19; Am. Ord. O-2020-37, passed 9-1-20; Am. Ord. O-2023-45, passed 9-12-23)

City of Monroe
Downtown Monroe Advisory Board
300 W Crowell Street, Monroe, NC 28112
City Hall Conference Room
5:00 p.m.

Wednesday, December 16, 2024
Special Meeting Minutes

DAB Members: Chair: Joyce Rentschler, Kay Klaren, Heather Reagor, Kay Klaren , and Jason Walle,

Staff Present: Donna O’Keefe, Downtown Manager; Lisa Hollowell, Assistant City Manager, and Jeff Wells, Assistant City Manager

Visitors Present: Greg Moore, Lisa Boix, Courtney Garrison, William Heisner, and Clint Lawrence

Member(s) Absent: Marie Starnes

The Downtown Monroe Advisory Board met on December 16, 2024 at 5:00 pm.

Item 1: Call to order

Joyce Rentschler called the **Wednesday, December 16, 2024.** Downtown Advisory Board meeting to order at 5:00 pm. **There was a quorum at this meeting**

Item 2: Roll Call

Roll was conducted with a sign- sheet of the members and visitors that were present.

Item 3: Legislative Agenda Discussion

Joyce Rentschler introduced this item.

Lisa Hollowell, Assistant City Manager introduces the topic of the legislative agenda for the City. The NC General Assembly process will be starting up in January. The General Assembly’s sessions run on a biannual basis. The city of Monroe puts together a legislative agenda they can take to their delegates to talk about what it is we want for the city that might be under the purview of the City of Monroe. Ms. Hollowell addresses the DTA to see if they have any suggestions, ideas or things to include within our legislative agenda. She explains that the group may or may not have these “ideas” tonight. She asks the DTA to give any ideas to the DT manager. It is the council’s agenda so staff is working to seek input from all boards and committees. Ms. Hollowell reviews the General Assemblies process, our approach as a city, and what we do with that information once we receive that input. She provides the DTA with the following examples:

- Policy

- Law Changes
- Funding Requests
- Different ways to spend existing funds

About the GA Process:

This process is around the States biannual budget (A Two Year budget)

1 year there is a budget with special appropriations and opportunities for municipalities, counties, and non-profits. 2nd year they tweak the budget

There are also other ways that municipalities can be impacted by the budget through local bills and often times when a local bill is created by the delegates of that municipality it quickly takes on a life of its own. So there may be ways to tweak get funding that we receive or grants programs that are administered so that we can use the money in a different way.

The kinds of things are we looking for goals for the city?

1. It could relate to the cities authority. The City gets all of its authority from the General Assembly. The General Assembly provides all of the authority to localities.
2. There may be an idea related to planning, zoning or something that we want tweaked and we would seek the authority to accomplish that from the General Assembly.
3. Additional Funding for programs – We have gotten quite a bit of funding from the GA in recent years. When they have extra money they tend to be very generous. Especially for the districts that are very involved. We are lucky in Monroe because we have a member that is a full budget chair so nothing goes through without Representative Dan Arp. So we are blessed to have his ear.

Example: The Powell Bill – Funds go out to the municipalities. We have 500 and something, maybe 550 in NC and over 500 participate in the Powell Bill. The goes to aiding the streets. So when you think of the streets of downtown. How are they? We might try to include that in the agenda so that we can get more money for the Powell Bill the way that the Powell Bill funds go out is based 75% upon population and 25% lane miles and allocated out to the municipalities. So if we get a 10 or 20% amount for the Powell Bill it may not mean that much for the City of Monroe. Ms., Hollowell explained that she has seen carve out of the Powell Bill so 2 million may go to the city of Greenville as an example. So we could request something specific to get in addition to what we are already getting. Asking for more for our downtown streets.

You think about local bills, what is it that we have or need regarding the DT Grants that are administered through the department of commerce? Do they need to be tweaked in a way or do we need a special carve out. You can ask for about anything within reason. Ms. Hollowell pulled out for the revitalization grant, there was a bill introduced that didn't seem to go anywhere, but it was a bill not adopted to tweak the laws around that particular grant.

Next steps:

1. We are asking for your feedback either tonight or in the coming weeks
2. Staff will be working to finalize a draft for council so that they can look at things in February, and hopefully approve and lock in that legislative agenda
3. Communicate it with our legislators in an open breakfast typically. We want all members represented there. Last year it was at the Dowd Theater and we talk about our agenda
4. We try to stick with these goals and requests throughout the sessions, both sessions and track legislation as it comes up to keep the city council informed on what is going on.

That is a rundown things we could hope to ask for—Fire department received some funding specific to them in last year's budget to buy some modular units for their training program.

Joyce Rentschler, asked for any questions.

Sheila Crunkleton: When do you think the meeting in January will take place?

Lisa Holloway: The January meetings will be all of the committees. You all are kicking off these meetings. We will talk to all of them about what their needs may be. We will give them ideas like you are seeing here. Then, in February the council will approve their legislative agenda, then looking about about February 24 to have the breakfast with the legislative members to talk to them about what the city would like to see.

Joyce Rentschler thank Ms. Hollowell for her presentation.

Item 4: Approval/Acceptance of Minutes (Action Required)

Joyce Rentschler submitted the Minutes of the Downtown Monroe Advisory Board Regular Meeting on **October 23, 2024** and requested a motion to approve minutes.

Motion: Sheila Crunkleton made a motion to accept the **October 23, 2024** Downtown Advisory Board meeting minutes as submitted.

Second: Heather Reagor

Action: The motion to accept the **October 25, 2022** Downtown Advisory Board meeting minutes as submitted passed unanimously.

Item 5a: Pronto Grant Murphy's on Main

Joyce Rentschler introduced this item.

Donna O'Keefe, Downtown Manager Presented these 3 grant requests.

1. Murphy's on Main- Peter Karlan's Building at 108 N. Main Street

The Downtown Advisory Board is requested to consider the recommendation of staff for a PRONTO GRANT for Murphy's on Main. Information was provided prior to the meeting and in the packet given

Murphy's on Main is renting space at 108 N. Main Street and looking to open a new business in Downtown Monroe. The new, retail business project totals 2,900 sq. ft. and is located within Downtown Monroe's Central Business District.

Based on stipulations of the Economic development incentive grants the Downtown Advisory Board must consider the following:

1. The PRONTO grant shall match (50/50) up to \$3 per sq. ft. of the assessed sq. footage of 2900 or the max grant match of \$8700 for retail use over a 12 month period. Grant funds for the PRONTO is payable quarterly for Rent Subsidy.

City will not advance grant funds until proof of occupancy or marketing payment has been completed each quarter. Once the applicant has submitted required documents as proposed; funds will be made available.

RECOMMENDATION

Staff recommends the Downtown Advisory Board make a motion to recommend approval of the economic development incentive grant to City Council.

Donna O'Keefe asks DTA for any questions, none are asked.

Joyce Rentschler requests the motion.

Motion: Heather Reagor made the motion to approve the Pronto Grant for Murphy's on Main.

Second: Sheila Crunkleton

Action: The motion to approve the Pronto grant was approved unanimously.

Item 5b:

Pronto grant UP-Fit and Development Incentive Grant for 113/115 "The Rock Building" at S. Main James Scott Purdy Presson Building and Gallery.

Donna Introduced this Grant request. This request is two grants for 113/115 S. Main.

The Downtown Advisory Board is requested to consider the recommendation of:

1. **PRONTO downtown economic development UP-FIT incentive Grant** for 113/115 S. Main Street, J. Scott Purdy of \$3 per sq. ft. of the assessed sq. footage of 2990 or the max PRONTO grant of \$8970, paid out over a 3 year schedule. The applicant asked that their anniversary date of March 15 be set for years 2026 and 2027.

Request for any questions.

DTA board members commented on the beauty of the project and the investment of 1.8 million dollars into the project.

Donna O’Keefe shared that the property owner has submitted a complete package including: application, architectural drawings, site layout, site plan, parking plan, renderings, cost proposals, and other relevant invoices and documentation and has met the requirements of this incentive grant. Donna expressed appreciation to the board for their enthusiasm over the project and the results.

2. **Development Incentive Grant (DIG).** This grant is to encourage the improvement of buildings in the DT District.

The board is ask to consider a maximum grant amount up to 2% of the total investment of 1,863,129 disbursed over a seven (7) year period on the anniversary date of March 15 or \$5323.23 per year\$37,262.58 or. The property owner has submitted a complete application package. Including: Application, architectural drawings, site layout, site plan, parking plan, renderings, cost proposals, invoices, and all relevant documents. Donna told the board that she had reviewed all of the documentation and asks that the board approve this request to send on to council for 2% of this total investment

Question: Jason Walle – Who does this money go to? Does it go to the owner?

Answer: Yes over a 7 year period.

Question: Sheila Crunkleton - Isn’t there one for the apartments?

Donna Okeefe: I will be coming to you later for this additional one. That grant request is for Residential Incentive. That will probably come to you in February along with a possible additional request. This project is eligible for 5 total grants. A façade grant was already approved earlier this year.

Joyce Rentschler asks for further questions. No questions are asked

Joyce Rentschler requests a motion

Motion: Heather Reagor made the motion to approve both grant requests

Second: Kay Klaren seconds

Action: The motion to approve the PRONTO grant was approved unanimously.

Item 6: Meeting

Donna O’Keefe informed the board that we are out of compliance with the NC Main Street Program guidelines The Monroe Downtown Advisory Board will need to expand meeting from quarterly, to monthly in order to meet the required 10 meetings per year.

Staff requests that the DTA discuss and possibly make a motion, or throw out another alternative that we could take up.

Donna recommended the third Wednesday of each moth beginning January 15 as well as:

Jan 15	Feb 19	March 19
April 16	May 21	June 18
July 16	Aug 21	Sept 17
Oct 15	Nov 19	Dec 17

If the board approves this schedule, a meeting or two could be cancelled and we would still reach the required 10 meetings. This might mean that meetings are shorter but we would get back to compliance.

Comment: Sheila Crunkleton

We had a meeting a few months ago where there seemed to be conflict.

Question: Jason Walle

Is it the cities desire to continue with that program (Main Street)?

Donna O'Keefe: We are working on it. We hope to provide some education, and information that would help them to see and understand the program better so that they can make that determination. But for now we are still in.

Sheila Crunkleton: I want to see us stay with the program. I see value. Several other board members agreed.

Donna O'Keefe: I think the council needs to hear your feelings as well.

Jason: The vibe I got was that council didn't care if we continued or not. We are in favor of it.

Donna O'Keefe introduced Jeff Wells, New Assistant City Manager to expand on the topic. He is very familiar with the MS program. Donna invites Jeff to speak on the subject.

Jeff Wells: I am a big proponent of the MS program. I think a lot from the summer meeting did not go well. I think that this is not only a Monroe thing but also a MS thing. How they came out and how they graded us. So I can understand how that rubbed the council the wrong way. We have had an initial meeting the MS Program representative who I know well from previous history to talk about a path forward. I had that before learning the Monroe history. So I am recommending baby steps, a cool down, healing period from that experience. We are going to take some steps back before going forward. Our accreditation is probably not going to happen this year. What that means is that we will become an affiliate member of the program. Gives us a great opportunity to start building back with little steps. Even just going to a 12 month meeting schedule is one step. It's a box you check to move back to accredited status. To get to that point will be a couple of years. I see tremendous value we are going to work with council and hope they will give it a chance. There is a lot of value to the existing community, there is a lot of economic development opportunity with the program, which is really the pillar and foundation of what they are trying to accomplish and they do provide great support. I had a great relationship with them in Waxhaw and hopefully we can recreate that. We were one of the best programs in the state.

Question: As an affiliate, do we still get invited to all of the things the MS program offers?

Answer: Yes it doesn't put you into any remedial position. You will have all the resources available to you. You only loose accreditation.

Sheila Crunkleton Comment: I didn't think what they were proposing was that far off. I felt that WE (Monroe) came in with an attitude. I felt like the board was put in an awkward embarrassing situation. Others agreed. It was like inviting someone to your town and then being an ugly host. When I left that meeting I felt like it was almost not worth it. I don't need this in my life. I love our downtown. I do not want to see that happen. I want us to continue.

Heather Reagor Comment: Most of us are here because we have a vested interest.

Jeff Wells: Then I would encourage let's all support each other collaboratively. Let's build up the virtues and benefits of this program and hopefully be able to continue that. You will also be hearing about us starting up the DT Master Plan. Start a new process and can be a spring board and credit with the MS Program as well.

I am told by the MS program that the reporting we have been doing for a while we have not been following through with what we said we would do. That probably led to some of the demeanor they had, but our demeanor was also there. We just need a reset.

Joyce Rentschler comment: We all need to make nice.

Jeff Wells comment: Yeah, absolutely

Donna O'Keefe comment: Having a regular meeting scheduled would get us away from calling special meetings

Sheila: My only concern is 10 meetings a year puts a lot on your plate (Donna). I am not a meet to meet person. Just to check a box which sounds like that is what we are trying to do. I know that historically we have not had enough meat to have enough to have more than about 6 meetings a year.

Jeff Wells comment; I get that, I do completely get that, I think once we are able to get the Master Plan RFQ out and get that rolling in the spring. We will have other things to be engaged. It is a very easy box to check and when we are trying to build back there may be a meeting or two where there is just the minutes we may need to do that for a short time just to be able to move forward.

Joyce Rentschler comment: Sometimes when you are trying to do something worthwhile you have to put in a little more effort.

Up for consideration could be Wednesday mornings. Evenings can be very difficult for many of our business owners. It is always going to be difficult to find a perfect time. I am up for and open to any ideas:

Joyce Rentschler: Perhaps due to many new members we should table this for now until we can ask our new members.

Donna: Probably won't be able to do that because any applicants will need to go to committee and then council and likely not in role until February or March.

Jason Walle: So you won't have a quorum until March?

Donna O'Keefe: Well we will there will be 2 of you.

Sheila: Well I can already tell you that Jan 15 I will be in Raleigh for meetings and cannot attend.

Donna O'Keefe: This is totally open. Perhaps you think about it

Joyce Rentschler: Maybe we can make a motion for the 3rd Wednesday

Sheila Crunkleton: Is everyone here applying to be on this board? Many audience respond with affirmative head nod.

Joyce: Does someone want to make a recommendation for the Third Wednesday for now?

Motion: Heather Reagor made the motion for the Third Wednesday.

Second: Jason Walle

Action: The motion to approve the meetings for the 3rd Wednesday was approved unanimously.

Kay Klaren Question: Is it up to 7 members?

Joyce Responds: Yes.

Joyce Rentschler calls for any questions or observations?

Item 8: Adjourn (Action Required)

Joyce Rentschler makes the motion to adjourn.

Motion: Sheila Crunkleton

Second: Kay Klaren

Action: Joyce adjourned the meeting

Donna O'Keefe thanked the board members and visitors.

The meeting adjourned at 5:45 pm

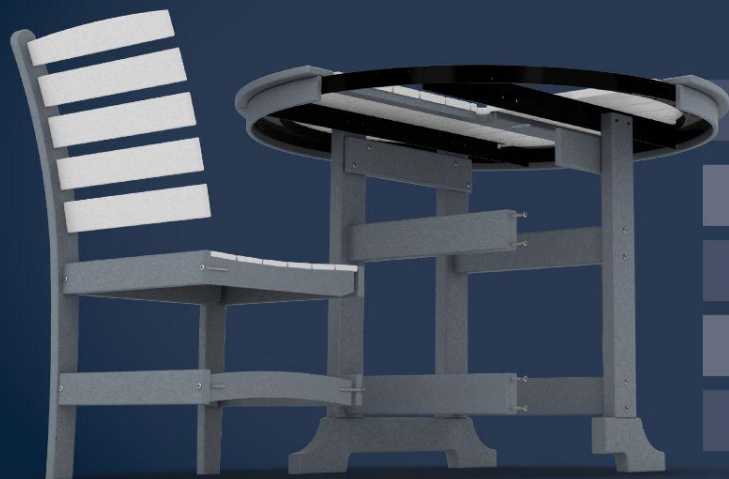
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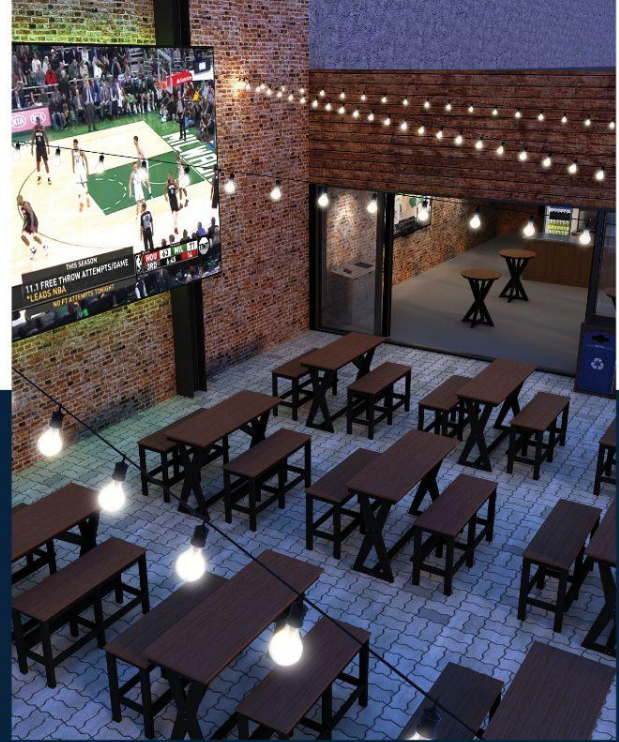


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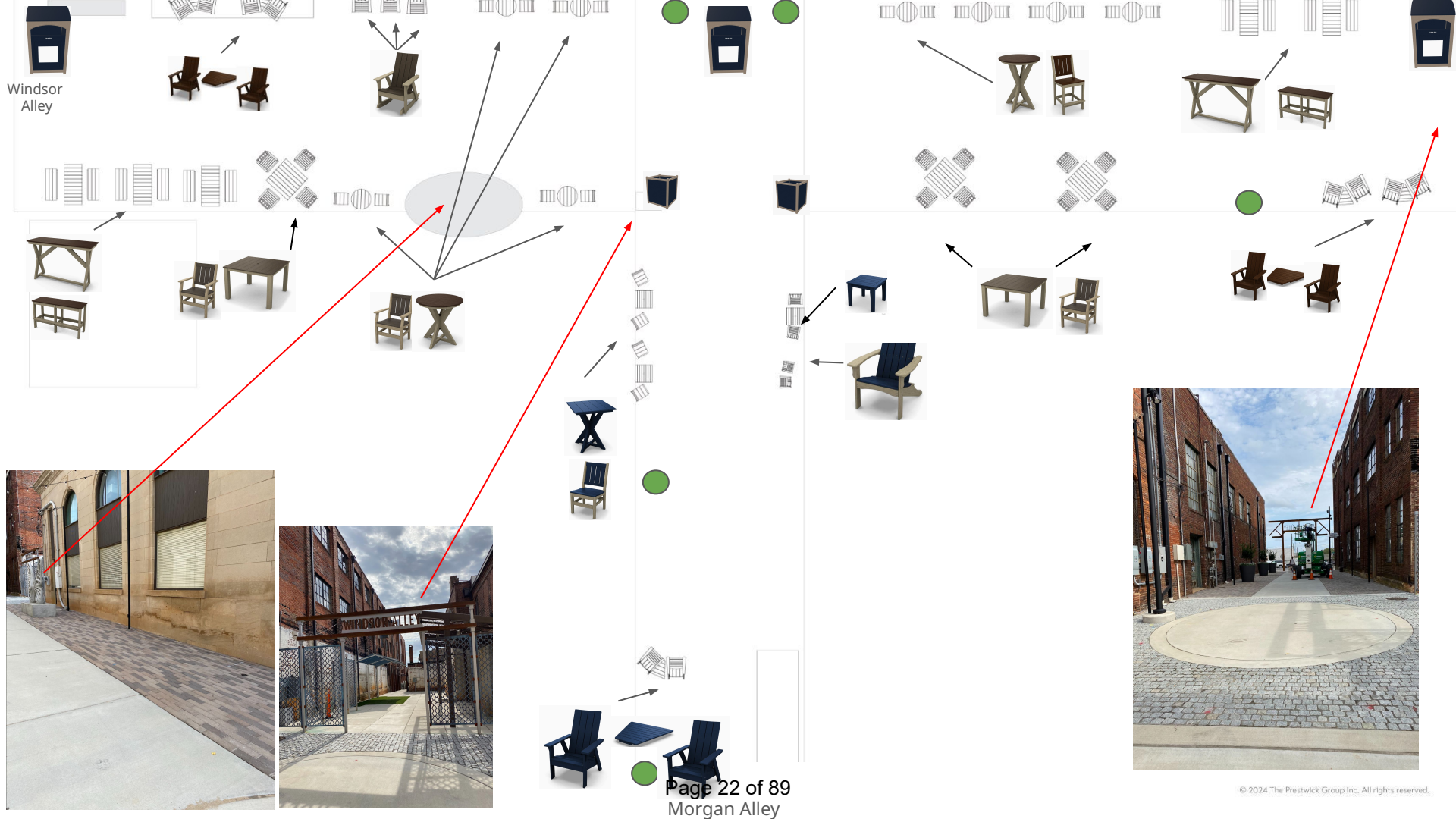
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STAFF REPORT

TO: Downtown Advisory Board

VIA: Jeff Wells, Assistant City Manager

DATE: January 9, 2025

FROM: Donna O’Keefe, Downtown Manager

PREPARED BY: Donna O’Keefe, Downtown Manager

SUBJECT: Economic Development Incentive Grant for Clipperz

SUMMARY STATEMENT

Downtown Advisory Board is requested to consider recommendation of the Downtown Economic Development Incentive to City Council for Clipperz Barber Shop and Beauty Salon at 215 E. Franklin Street.

REVIEW

Clipperz owners Mike and Karyl Jones have entered into a lease agreement for 215 E. Franklin Street to open a new retail business. The new business project totals 1383 Square ft. and is located within Downtown Monroe’s Central Business District.

Based on stipulations of the Economic development incentive grants the Downtown Advisory Board is requested to consider the following:

1. Grant funds for the **PRONTO Grant -Rent Subsidy and Up-Fit Assistance** not to exceed \$8598.
 - a) **Rent Subsidy:** \$3.00 per square foot leased/purchased for retail use for a 12 month period. This business is 1383 sq. ft. which allows a maximum of \$4299 payable quarterly over a year. Payment of Rent Subsidy funds shall be made by City of Monroe to approved applicants at the end of each calendar quarter based on rent paid that quarter. Proof of timely payment of the full amount of rent will be required before Rent Subsidy funds are released.

- b) **Up-Fit Assistance:** \$3 per square foot (1383 sq. ft) for Up-Fit Assistance up to \$4299 payable in one-third increments annually for three years as long as the business continues to meet the qualifications for assistance. The initial payment (Payment1) shall be made within 30 days of the submittal and approval of paid invoices for up-fit expenses. Payments 2 and 3 shall be made at the anniversary date of the business opening of year 2 and 3 at the request of the grantee.

RECOMMENDATION

Staff recommends the Downtown Advisory Board make a motion to recommend approval of the economic development incentive grant to City Council.

Attachment(s):
Application
Lease Agreement
Cost estimates
Business/Personal History



Downtown Monroe
Downtown Pronto Grant
Application



Business Name: Clipperz
Property Owner: Mike Jones Deed Book: 8213 Page: 0481
Kayl Jones
Address of Proposed Downtown Business: 215 E. Franklin Street
Applicant's Mailing Address: 1202 E. Franklin Street
City: Monroe State: NC Zip: 28112
Applicant's Phone: (704) 668-1522 Email: Kayl, heart and home
Select Business Retail Square Feet: 1383 Amount Requested \$ 8598

Approximate cost to open the business: \$ 20,000
Personal Investment \$ 20,000 (Equity)
Bank or other financial commitment \$ _____
Building Rehabilitation \$ _____

Number of new Jobs: 10
Expected daily traffic: 40+
Other: _____

Monthly Rent/Lease \$ 2,000 Additional Space provided if

Expansion _____ Sq. Ft.

Proposed Opening Date of the Business 2/15/2025

Description of the Business

Barber shop and Beauty Salon. Hair products
will be sold.

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures: Business Owner: [Signature]

Date 1-9-2025

Property Owner: _____

Date _____

City of Monroe—Downtown Monroe
113 West Morgan Street Monroe, North Carolina 28112

\$4,299
Rent
subsidy
\$4,299
for
upfit
assistance

CLIPPERZ

Clipperz is a family-owned and family-created business serving primarily the City of Monroe and its citizens.

Our History

Faith is at the center of our family. As a family we have lived in Union County for 12 years. All our children either attend or have graduated from Union County Public Schools. Karyl and I have been friends since the age of 6 years old. We graduated from high school together in Maryland and reconnected in 2012. We are a blended family of 7 not including our combined 8 fur babies. Karyl served the community as a Registered Nurse for 15 years throughout Union County, Anson County, Mecklenburg County, Cabarrus County, and Iredell County, ending her career in 2016 when she started a new career in Real Estate. I made a career change to Real Estate shortly after. Both of these decisions were complete acts of faith. In 2018, we started our first business, Heart and Home Realty servicing all of NC and SC, including the Triad area. We built our business on our own, with very little money by using social media and fostering relationships. In 2022, we won the Union County Chamber of Commerce Excellence in Small Business Award. Our business has always been a family effort. Our oldest son Elijah designed our logo for the Real Estate, as well as for our non-profit organization called Our Heart Your Home. In 2021, we sold our home in Matthews to purchase our dream home in Monroe (sight unseen). Karyl and I grew up in a community where everyone knew one another and our parents supported one another in our upbringing. Community schools, churches and other organizations were comprised of the same people that we saw daily, and we all looked out for one another. When we moved to Monroe, it felt like home. The sense of community and support was evident, and we couldn't pass up the opportunity to live in such a great city. We serve the community in many different ways, and we have taught our children to serve as

well. Our son Elijah has been a teacher in this community for 3+ years. Our youngest Kyla is in the 6th grade at Monroe Middle and serves in her school, teaching 7th and 8th grade students how to crochet. Karyl and I serve in various community organizations and clubs. We are fully invested in Monroe and plan to retire here.

Clipperz Barber and Beauty Salon

Our vision for Clipperz is to be an extension of us, helping provide for community needs. In addition to contributing to the growing business district, we want to offer haircuts and styles for kids, for back to school and special occasions. We want to have opportunities to partner with other organizations to provide services to the underserved as well. Our son Isaiah went to Monroe High School for 2 years and is a 2024 graduate of Parkwood High School. He's currently in Barber College to become a licensed barber and future employee of the business. Isaiah also designed and created the CLIPPERZ logo that will adorn shop capes and smocks. We are all funding this venture as a family.

Service demographics

We are serving ALL people. We will be a unisex salon, staffed with licensed professionals that are trained to work with all hair types and all ages.

Proposed Building Improvements

The interior paint for the barber area will be changed to black and light grey. The primary square footage will be black including trimming. The ceiling will be light grey. The walls in the rear of the shop will be painted light grey. In the employee area, there will be a refrigerator, washer, dryer and utility sink. In that same space, there will be a 40-gallon water heater installed for the wash bowls

in the beauty salon. The restroom walls and ceiling will be painted light grey, and the cabinetry will be black. There will be 6-8 larger mirrors mounted on the walls in the barber and beauty area. Both areas will have a tv mounted on the walls. Two ceiling fans will be replaced in the barber area.

Other upfitting includes the installation of washing bowl chairs. Six barber stations and two beauty stations.

Scope of work:

Plumbing = replacement and installation of water lines and installation of water heaters, sinks and bowls.

Lighting = replace all light fixtures



**COMMERCIAL LEASE AGREEMENT
(Single Tenant Facility)**

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between
Lawrence Santaniello (managed by Niche Properties LLC),

a(n) **LLC** ("Landlord"),
(individual or State of formation and type of entity)

whose address is **4463 Applegate Rd, Charlotte, NC 28209**,

Michael Jones,
a(n) **individual** ("Tenant").

(individual or State of formation and type of entity)

whose address is **215 E Franklin St, Monroe, NC 28112-4852**

☒ If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of **Heart and Home Realty LLC**
(name(s) of guarantor(s)) attached hereto and incorporated herein by reference.

(Note: Any guaranty should be prepared by an attorney at law.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (herein after called the "Premises"), to wit:

(Address): **215 E. Franklin St, Monroe, NC 28112-4852**

☒ All ☐ A portion of the property in Deed Reference: Book **8213**, Page No. **481**, **Union**
County; consisting of approximately _____ acres.

Plat Reference: Lot(s) _____, Block or Section _____, as shown on Plat Book or Slide
_____ at Page(s) _____, _____ County, consisting of _____ acres.

☐ If this box is checked, Premises shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is: _____)

☐ **Occupancy Limitation:** If this box is checked, notwithstanding any greater occupancy of the Premises which may be permitted by any law, statute, ordinance, regulation, rule (including rules enacted pursuant to any private use restrictions), as the same may be amended from time to time, Tenant shall not allow occupancy of the Premises to exceed _____ persons per _____ square feet in the Premises at any one time.

TERM

2. The term of this Lease shall commence on **December 1**, **2024** ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on **November 30**, **2027**, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

☐ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least _____ days prior to the end of the then expiring term of this Lease, for _____ additional term(s) of _____ years each.

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☐ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least _____ days prior to the end of the then expiring term of this Lease, for additional term(s) as specified on **Exhibit B**.

☐ **Option to Lease-** If this box is checked, Tenant, upon the payment of the sum of \$ _____ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of _____ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workman like manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

RENTAL

3. Beginning on December 1, 2024 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of \$ 24,000.00, payable in equal monthly installments of \$ 2,000.00, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by _____ % over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by the greater of: (i) _____ percent (_____ %) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by \$ _____ over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted as provided on **Exhibit B**.

☒ If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:
Niche Properties LLC, 4463 Applegate Rd, Charlotte, NC 28209 or online as directed by Landlord's management company

LATE CHARGES

4. If Landlord fails to receive full rental payment within 5 days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to Five Point Zero percent 5.000 (%) of the overdue amount or \$ N/A whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

SECURITY DEPOSIT

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of \$ 2,000.00 as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this Section 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this Section 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

☒ If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

UTILITY BILLS/SERVICE CONTRACTS

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

<u>Service Obligation</u>	<u>Landlord</u>	<u>Tenant</u>	<u>Not Applicable</u>
Sewer/Septic		☒	
Water		☒	
Electric		☒	
Gas		☒	
Telephone		☒	
HVAC (maintenance/service contract)	☒		
Elevator (including phone line)			☒
Security System			☒
Fiber Optic			☒
Janitor/Cleaning		☒	☒
Trash/Dumpster		☒	
Landscaping/Maintenance		☒	
Sprinkler System (including phone line)			☒
Pest Control		☒	
Snow/Ice Removal		☒	
All other utilities/services used by Tenant		☒	

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Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this Section 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

RULES AND REGULATIONS

7. ☐ If this box is checked, the rules and regulations attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with all Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided notice of such new Rules and Regulations is given to Tenant in writing and the same are not in conflict with the terms and conditions of this Lease.

PERMITTED USES

8. The permitted use of the Premises shall be: Barber shop ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use. Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises. Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

TAXES AND INSURANCE

(Note: The following box should only be checked if there are no boxes checked below in Section 9.)

☒ If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises and shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises as Landlord in its reasonable discretion may deem appropriate. Tenant shall reimburse Landlord for all taxes and insurance as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for taxes and insurance during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

Taxes

☐ The amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year exceed all taxes on the Premises for the tax year _____; or

☐ All taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year.

If the final Lease Year of the term fails to coincide with the tax year, then any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Premises for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

☐ If this box is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-

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- ☐ If this box is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current tax payments for the Premises. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this Section 9.

Insurance

- ☐ the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or
- ☐ the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.
- ☐ If this box is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this Section 9.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

INSURANCE; WAIVER; INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than \$1,000,000.00 combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

(c) Except as otherwise provided in Section 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in Section 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this Section 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this Section 10 shall survive the expiration or earlier termination of this Lease.

REPAIRS BY LANDLORD

11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the buildings located on the Premises (exclusive of all glass and exclusive of all exterior doors) and, except as may be specifically allocated to Tenant in Section 12 herein, Landlord agrees to be responsible for capital replacements on the Premises; provided that Landlord shall not be responsible for repairs or capital replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair or replace and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit B.)

REPAIRS BY TENANT

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to any building and other improvements located thereon, all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Tenant further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping. Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contract or as to any repairs in excess of \$ N/A.

☐ If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Tenant shall be required to maintain a preventive maintenance contract for the HVAC Systems on terms and with a provider reasonably acceptable to Landlord, which contract shall call for at least semi-annual maintenance, inspection and repair of such HVAC Systems ("HVAC Contract"). Tenant shall provide a copy of the HVAC Contract to Landlord annually. Provided that: (i) Tenant has kept the HVAC Contract in force, and, (ii) Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for the HVAC Systems, then, for any calendar year, Tenant shall be responsible for the cost of repairing or replacing the HVAC Systems (or any major component thereof) up to \$ N/A per HVAC System with a maximum repair or replacement cost of \$ N/A for all HVAC Systems ("HVAC Cap") in such year. Tenant shall provide Landlord copies of all records related to the servicing, maintenance, repair, and replacement of the HVAC Systems upon the occurrence of any service, maintenance, repair, or replacement of the HVAC Systems. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap.

☒ If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord for the cost of repairing or replacing the HVAC Systems (or any major component thereof) an amount up to \$ N/A per HVAC System with a maximum replacement cost of \$ N/A for all HVAC Systems ("HVAC Cap") in such year. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap. Tenant shall reimburse Landlord for the amount of the HVAC Cap payable hereunder upon the written request of Landlord.

(b) Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this Section 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord, in connection with Landlord's consent to same, may designate any such alterations, additions, or improvements to the Premises as subject to removal upon the expiration or earlier termination of this Lease, in which case, upon Landlord's written notice to Tenant to remove same at the expiration or earlier termination of this Lease, Tenant shall do so and restore the Premises to the condition that existed prior to such alterations, additions, or improvements being made. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Section 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Tenant has no authority to allow, will not permit, and will indemnify Landlord and hold it harmless from, any contractors', laborers', mechanics', or materialmen's liens, or any other similar liens filed against the Premises in connection with any alterations, additions, or improvements to the Premises.

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SURRENDERING THE PREMISES

14. Tenant shall schedule its move date with Landlord, in writing, in advance of the expiration or earlier termination of this Lease. Tenant agrees to return the Premises to Landlord at the expiration or earlier termination of this Lease, broom clean and in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. By written notice to Tenant, Landlord may require Tenant to remove any alterations, additions or improvements at the expiration or earlier termination of this Lease (whether or not made with Landlord's consent and whether or not designated via paragraph 13 as subject to removal) and to restore the Premises to its prior condition as of the Lease Commencement Date, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's personal property or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such personal property or trade fixtures.

(Note: Should Landlord and Tenant need to further enumerate their intent/understanding as to the status of items or property as fixtures, trade fixtures, or personal property hereunder, the Special Stipulations box at the end of the Lease should be checked and such enumeration should be specified by listing same by category on an Exhibit B.)

DESTRUCTION OF OR DAMAGE TO PREMISES

15. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under Section 15(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this Section 15, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

GOVERNMENTAL ORDERS

16. Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises, (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

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CONDEMNATION

17. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of any building of the Premises is taken, or if by reason of any taking, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date Tenant is required to vacate the portion of the Premises taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said Premises have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in Section 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

(e) Landlord shall be entitled to the entire condemnation award for any taking of the Premises or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this Section 17, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

ASSIGNMENT AND SUBLETTING

18. Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall pay to Landlord, concurrently with any request for consent to assignment or sublet, a non-refundable fee of \$ N/A as payment to Landlord for its review and processing of the request. In addition, Tenant shall pay to Landlord any legal fees and expenses incurred by Landlord in connection with the proposed assignment or sublet, to the extent such amounts exceed \$ N/A. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

EVENTS OF DEFAULT

19. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT

20. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in

part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

EXTERIOR SIGNS

21. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

LANDLORD'S ENTRY OF PREMISES

22. Landlord may advertise the Premises "For Rent" 30 days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT

23. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER

24. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Section 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be twice the monthly rental otherwise payable under Section 3 above.

ENVIRONMENTAL LAWS

25. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs) paid, incurred or suffered by, or asserted against Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the

Tenant Initials MJ Landlord Initials SH

presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the Premises if such Hazardous Materials were stored on the Premises by Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this Section 25 shall survive the termination of this Lease.

SUBORDINATION; ATTORNMENT; ESTOPPEL

26. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

ABANDONMENT

27. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

NOTICES

28. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Section 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

BROKERS

29. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant. Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers

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Tenant Initials Initial
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designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

Niche Properties LLC ("Listing Agency"),
Steven Howell ("Listing Agent" - License # **267149**)
 Acting as: ☒ Landlord's Agent; ☐ Dual Agent
 and **N/A** (Leasing Agency"),
 ("Leasing Agent" - License # _____)
 Acting as: ☐ Tenant's Agent; ☐ Landlord's (Sub)Agent; ☐ Dual Agent

GENERAL TERMS

30. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Section 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) Time is of the essence in this Lease.

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (memorandum of lease) in recordable form, setting forth such provisions hereof (other than the amount of annual rental and other sums due) as either party may wish to incorporate. The cost of recording such memorandum of lease shall be borne by the party requesting execution of same.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

SPECIAL STIPULATIONS

Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions

☒ If this box is checked, additional terms of this Lease are set forth on **Exhibit B** attached hereto and incorporated herein by reference.

☐ If this box is checked, improvements to the Premises to be provided by Landlord are set forth on **Exhibit C** attached hereto and incorporated herein by reference.

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Tenant Initials Initial MJ Landlord Initials DS SH

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

Lawrence Santaniello (managed by Niche Properties LLC)

Date: _____

Date: _____

Business Entity

Niche Properties LLC

(Name of Firm)

By: _____
DocuSigned by:
Steven Howell
Niche Properties LLC representing owner

Title: **Broker-in-Charge**

Date: 11/25/2024

TENANT:

Individual

Signed by:
Michael Jones
Michael Jones F0DBCC21B1B94E5...

Date: 11/25/2024

Date: _____

Business Entity

(Name of Firm)

By: _____

Title: _____

Date: _____



NC REALTORS®
Commercial Forms

GUARANTY ADDENDUM

Tenant: Michael Jones

Landlord: Lawrence Santaniello (managed by Niche Properties LLC)

Premises: 215 E. Franklin St, Monroe, NC 28112-4852

Commencement Date of Lease: December 1, 2024 Initial Monthly Rent: \$2,000.00

This Addendum is attached to and made a part of the following lease between Landlord and Tenant for the Premises: ☒ Commercial Lease Agreement-Single-Tenant Facility (Form 592-T) ☐ Commercial Lease Agreement-Multi-Tenant Facility (Form 593-T) ("Lease") ☐ Other (identify attorney-drafted lease): _____

In consideration for Landlord leasing the Property to Tenant, the undersigned Guarantor(s) ("Guarantor") guarantee the performance of Tenant under the Lease. Guarantor acknowledges and understands that Landlord has relied upon Guarantor agreeing to sign this Guaranty as a condition of Landlord agreeing to enter into the Lease with Tenant.

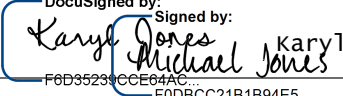
1. **Guaranty.** If Tenant fails to make any payment required under the Lease, Guarantor will, upon demand, make such payment to Landlord or Landlord's agent. Payments under the Lease include but are not limited to rent, late charges, returned check charges, summary ejectment fees, court costs, attorney's fees, fines, utility charges, maintenance charges, repair charges for property damage, taxes, insurance, common areas and property operating expenses, and other costs or charges specified in the Lease.

2. **Enforcement of Guaranty.** Landlord is not obligated to first attempt recovery from Tenant for any breach of the Lease, non-payment of rent or other financial obligations of Tenant, and may immediately seek enforcement of this Guaranty. Any suits may be brought by the Landlord against the Tenant and Guarantor, either jointly or severally. THE GUARANTOR EXPRESSLY WAIVES ANY RIGHT UNDER N.C. GENERAL STATUTES SECTION 26-7 TO REQUIRE LANDLORD TO FIRST SEEK RECOVERY AGAINST THE TENANT.

3. **Duration of Guaranty.** THE GUARANTOR'S OBLIGATIONS UNDER THIS GUARANTY APPLY TO TENANT'S OBLIGATIONS DURING THE INITIAL TERM OF THE LEASE AND DURING ANY EXTENSION OR RENEWAL OF THE LEASE, INCLUDING ANY RENT INCREASES OR OTHER MODIFICATIONS DURING THE INITIAL TERM OR ANY EXTENSION OR RENEWAL.

4. **Joint and Several Liability.** If there is more than one Guarantor, they are jointly and severally liable for all provisions of this Guaranty.

5. **Governing law/forum.** The parties agree that this Guaranty shall be governed by and construed in accordance with the laws of the State of North Carolina, and that in the event of a dispute, any legal action may only be instituted in the county where the Premises is located.

Guarantor:  Signed by: Karyl Jones Michael Jones Jones Date: 11/25/2024
F0D3523CCCE04AC... F0DBCC21B1B94E5...

Printed Name: Heart and Home LLC

Address: 1202 E Franklin

Contact information: _____ (704)668-6522 _____ karl.heartandhome@gmail.com
Home Work Cell Email

Guarantor: _____ Date: _____

Printed Name: _____

Address: _____

Contact information: _____ Home Work Cell Email



North Carolina Association of REALTORS®, Inc.

Niche Properties LLC, 4463 Applegate Rd Charlotte NC 28209
Steven Howell

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EXHIBIT A - ADDENDUM

This addendum, “Exhibit B”, shall be made part of the Commercial Lease Agreement for 215 E. Franklin St, Monroe, NC 28112 as agreed upon by the Parties hereunder.

#1. Option to buy:

Tenant has option to buy Premises at any time during the lease term for \$289,000. Tenant must give Landlord written notice to exercise option. Tenant is responsible to pay for customary closing costs for Tenant’s side of the transaction. A 4.5% commission will be split between Landlord’s Agent and Tenant’s Agent upon closing of sale.

Signed by:

Michael Jones

F0DBCC21B1B94E5...

Tenant

11/25/2024

Date

DocuSigned by:

Steven Howell

5340E048EFD4456...

Landlord’s Agent

11/25/2024

Date

Itemized costs

Logo creation and design	\$660.00
Plumbing	\$3,040.00
Lighting	\$800.00
Shop Chairs	\$1,000.00
Stations	\$2,500.00
Shop Signs, Awning and Lettering	\$4680.00
Lease (\$24000.00/year \$6000.00/qtr)	\$2000.00/month
Advertising	\$5000.00
Utilities and Permits	\$600.00
Startup Cost Total	\$20,280.00

[View Possible Comparables](#)

< >

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1/1

Make Your Statement!
fastsigns.com/2076

Payment Terms: Cash Customer

Created Date: 12/11/2024

DESCRIPTION: Business Signs and Windows

Bill To: Clipperz
215 E. Franklin St.
Monroe, NC 28110
US

Pickup At: FASTSIGNS of Monroe
2242 W Roosevelt Blvd
Ste F
Monroe, NC 28110
US

Requested By: Karyl Jones
Email: karyl.heartandhome@gmail.com

Salesperson: Tamara Arrington

NO.	Product Summary	QTY	UNIT PRICE	AMOUNT
1	ACM Building Sign	1	\$662.59	\$662.59
1.1	ACM 3mm white - Sign, Qty 1, 21x96, SS, Black/White Part Qty: 1 Width: 96.00" Height: 21.00" Sides: 1			
1.2	Vinyl - Cast (RTA HxW) - vinyl Part Qty: 1 Width: 96.00" Height: 21.00" Text: Clipperz All CAPS in white text Black background			
1.3	Steel/aluminum frame - Wood frame Part Qty: 1 Text: wood frame (3" wide, mitered corners, painted)			
2	Interior Sign	1	\$343.04	\$343.04
2.1	Acrylic 1/4" Clear - Part Qty: 1 Width: 36.00" Height: 24.00" Sides: 1 Text: The Glam Room			

Thank you for your request.	Subtotal:	\$4,680.31
	Taxes:	\$315.92
	Grand Total:	\$4,996.23
	Deposit Required:	\$2,498.12

Subtotal:	\$4,680.31
Taxes:	\$315.92
Grand Total:	\$4,996.23
Deposit Required:	\$2,498.12

****Prices and delivery dates are subject to change due to price increases, availability, and transportation costs beyond our control.
The quoted prices are good for 15 days.****

Page 2 of 2



Downtown Monroe
Downtown Pronto Grant
Application



Business Name: Clipperz
Property Owner: Mike Jones Deed Book: 8213 Page: 0481
Kayl Jones
Address of Proposed Downtown Business: 215 E. Franklin Street
Applicant's Mailing Address: 1202 E. Franklin Street
City: Monroe State: NC Zip: 28112
Applicant's Phone: (704) 668-1522 Email: Kayl, heart and home
Select Business Retail Square Feet: 1383 Amount Requested \$ 8598

Approximate cost to open the business: \$20,000
Personal Investment \$20,000 (Equity)
Bank or other financial commitment \$ _____
Building Rehabilitation \$ _____

Number of new Jobs: 10
Expected daily traffic: 40+
Other: _____

Monthly Rent/Lease \$ 2,000 Additional Space provided if

Expansion _____ Sq. Ft.

Proposed Opening Date of the Business 2/15/2025

Description of the Business

Barber shop and Beauty Salon. Hair products
will be sold.

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures: Business Owner: [Signature] Date 1-9-2025
Property Owner: _____ Date _____

City of Monroe—Downtown Monroe
113 West Morgan Street Monroe, North Carolina 28112

\$4,299
Rent
subsidy
\$4,299
for
upfit
assistance



CITY OF MONROE

STAFF REPORT

TO: Downtown Advisory Board

VIA: Jeff Wells, Assistant City Manager

DATE: December 19, 2024

PREPARED BY: Donna O'Keefe, Downtown Director

SUBJECT: PRONTO Incentive Grant, Façade Incentive Grant (50/50), and Meet Me Downtown (50/50) Incentive Grant.

SUMMARY STATEMENT

The Downtown Advisory Board is requested to consider a recommendation for a PRONTO Downtown Economic development incentive. Façade Incentive Grant, and a Meet Me Downtown (50/50) Grant City Council for E.L.K. of Monroe, at 301 E. Franklin Street owner Jason Hill.

REVIEW

Jason Hill has entered into a 10 year lease with (2)5 year renewal options with AWB & Associates for a restaurant space at 301 E. Franklin Street. ELK of Monroe will be a new food service business located in the central business district of Monroe.

It is the recommendation of Staff that the Downtown Advisory Board recommend the downtown incentives as outlined with the following stipulations:

1. Grant funds for the **PRONTO not to exceed \$10,000**. Elks is eligible for \$6875 in Up-fit assistance as well as \$6875 in Rent Subsidy assistance as offered through this program to support retail and restaurant recruitment by assisting with up-fit and occupancy costs. Due to the maximum grant amount of \$10,000 Elks has elected to request \$6875 in Up-Fit assistance and \$3125 in Rent Subsidy.
\$6875 Up-Fit assistance- Elks will be a 1375 sq. ft. restaurant, and is eligible for \$5 per sq. ft. in up-fit assistance payable over a three (3) year period in one-third increments. The first payment shall be given within 30 days of submittal and approval of the up-fit expenses. Payments 2 and 3 shall be requested and made on the anniversary date of business opening of year 2 and 3. This project is planned to be completed in 2025. Funding is subject to compliance with the Program and subject to a general fund appropriation.
\$3125 Rent Subsidy – Elks is eligible for \$5 per sq. ft. or up to \$6875 in rent subsidy. This amount must be reduced due to the \$10,000 maximum assistance offered through the PRONTO Grant Incentive Program. Rent subsidy is payable at the end of each quarter for 1 year. Proof of payment of the full amount of rent is required before funds are released.
2. Grant funds for the **Façade Incentive Grant not to exceed \$4000**. Grant funds for the Façade Incentive Grant are awarded on a 50-50 matching basis not to exceed \$4,000 per façade facing a public street. This is a cost reimbursement program and grant funds are payable after the Downtown Monroe office receives copies of all invoices and proof of payment, and after the project has been inspected. 301 E. Franklin Street property owners received a grant in 2024 for windows. ***Mr. Hill application meets the special exception (d) in the grant guidelines as eligible for and additional FIG as a new business that requires changes to the building façade.***

3. **Meet Me Downtown Incentive Grant** for the marketing and advertising. This is a 50-50 matching grant with maximum funding of up to \$5000. Applicants must be approved in writing in advance in order to receive financial support. All marketing and advertising should include the City of Monroe, Downtown logo and meet all program guidelines. Elks is making a significant new investment in Downtown as a new eligible business. New businesses opening in downtown may apply for up to 50% of the per business cost of their current advertising and marketing budget. The cost of any approved advertising and marketing will be reimbursed to the business following the submission of an invoice and proof of payment, and verification the vendor has received payment. to the City of Monroe Downtown Manager

RECOMMENDATION

Staff requests Downtown Advisory Board recommend the approval of the **PRONTO Incentive Grant** Council with the Resolution and Budget Amendment to appropriate funds of \$10,000

Staff recommends approval of the **Façade Incentive Grant** up to the maximum of \$4,000. Funding is subject to compliance with the Program and subject to a general fund appropriation

Staff recommends approval of the **Meet Me Downtown Program Incentive** up to \$5000. Funding is subject to compliance with the program and subject to a general fund appropriation.

Attachment:
Applications
ELK Business Plan
ELK Marketing Budget and Plan
Elk Site Plan and Existing Photos
Elk Elevation
Elk Architectural Plan
Marketing Plan and Estimated Budget



Downtown Monroe

Downtown Pronto Grant

Application



Business Name: ELK of MONROE LLC
Property Owner: AMS Associates Deed Book: _____ Page: _____
Bill & Alan Pityler
Address of Proposed Downtown Business: 301 E FRANKLIN ST
Applicant's Mailing Address: 605 S CHURCH ST
City: MONROE State: NC Zip 28112
Applicant's Phone: 644 415 1978 Email: elkofmonroe@gmail.com

Select Business Retail Square Feet: 1375 Amount Requested \$ 10,000

Approximate cost to open the business:	\$ <u>583,000</u>
Personal Investment	\$ <u>117,000</u> (Equity)
Bank or other financial commitment	\$ <u>469,000</u>
Building Rehabilitation	\$ <u>200,000</u>

Number of new Jobs:
5-8

Expected daily traffic:
100

Other:

Monthly Rent/Lease \$ 2500 Additional Space provided if Yes
Expansion 163 Sq. Ft.

Proposed Opening Date of the Business 5/15/25 (Hopefully!)

Description of the Business

BAR + Restaurant, see business plan

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures:

Business Owner: [Signature]

Date 1/14/25

Property Owner: _____

Date _____



Downtown Monroe Meet Me Downtown Application



Business Name: EIK OF MONROE LLC

Owner's Name: JASON HILL

Mailing Address: 605 S CHURCH ST
MONROE NC 28112

Physical Address: 301 E FRANKLIN ST

Date: 1/14/25

Phone: 646 415 1978

Select from the following (retail restaurant/ other beyond retail-restaurant) other beyond

If Other list here: _____ AMOUNT REQUESTED: \$ 5,000

Approximate cost to open business:	\$ <u>583,000</u>
Personal Investment (equity):	\$ <u>117,000</u>
Bank or other financial commitment:	\$ <u>469,000</u>
Building Rehabilitation:	\$ <u>200,000</u>

Number of new jobs:	<u>5-8</u>
Expected daily traffic:	<u>100</u>
Days and hours operation:	<u>TH-MON 11-8</u>
If less than 30hrs/ week, please explain why	

Monthly Rent/Lease \$ 2,500 after initial rent period Additional Space provided if Expansion 163 Sq. Ft.

Business Owners Background: See Attached Business Plan
(May be included on additional sheet if necessary)

OTHER: In a paragraph or less explain why you feel this grant is important to the continuing efforts of revitalizing downtown Monroe and what role you play in that process.

The grant will assist us in marketing the opening of the restaurant to the community, which in turn will bring greater foot traffic to the downtown area.

Who is your target market? Monroe County Residents, Businesses, and employees working in the downtown area.

This is a 50/50 matching grant. All applicants must attach a copy of your business plan and/or marketing plan and budget for the year. A Business Plan Template is available to assist with the creation of a business plan.

The City of Monroe will determine if the business plan and/or marketing plan is sufficient. If the plan submitted is not sufficient, the City may offer \$500 (separate from the marketing/advertising assistance sought) as matching funds towards the completion of a suitable marketing plan. A list of marketing providers located in Downtown Monroe can be provided; any marketing firm can be utilized.

Business Owner: [Signature]

Date: 1/14/25

Property Owner: _____

Date: _____



Downtown Monroe

Facade Incentive Grant

Application



Owner's Name: JASON DAVID HILL

Date: 1 / 14 / 25

Owner's Mailing Address:

Phone: 616 415 1978

605 S CHURCH ST
MONROE NC 28112

Building Name: —

Building Address: 301 E FRANKLIN ST

Building's Physical Address:

301 E FRANKLIN ST
MONROE NC 28112

Project Start: 2 / 14 / 25

Project End: 6 / 14 / 25

Project Description:

Renovation of existing building / facade to
facilitate opening of new restaurant

Project Cost: \$ 583K

Please attach the following:

- 1) Color photographs of existing conditions of proposed improvement area/historic photos (if available)
- 2) Samples of paint and wall coverings and floor coverings
- 3) Description of appliances, light fixtures, etc. to be installed
- 4) Written specifications outlining scope of work
- 5) Drawings of proposed renovations
- 6) Contractors estimate and NC License Number

INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED

Tenant's Name: JASON HILL - ELK OF MONROE Phone: 616 415 1978

Business Name: ELK OF MONROE LLC

By providing this **Grant Application** to the City of Monroe, I hereby certify for the company that all the information provided is true and correct. I also agree to cooperate with the City of Monroe by providing such information and such access to our records as may be necessary to verify the enclosed information. I also understand that any facts found to be incorrect or false, will be grounds for termination of the incentive grant agreement.

Authorized Corporate Signature: [Signature]

Date: 1 / 14 / 25

Please Print Name and Title: JASON D HILL

CEO / MANAGING MEMBER

City of Monroe - Downtown Monroe
115 West Morgan Street • Monroe, North Carolina 28112

ELK of Monroe - Business Plan



ELK of Monroe - Business Plan

Executive Summary:

ELK of Monroe is a new food service business opportunity located in the fast growing downtown area of Monroe, NC. The company will revitalize and renovate the empty "Awards Unlimited" station, just two blocks from the historic Union County Courthouse, to offer an unparalleled atmosphere and dining experience. As one of only two full service dining and full service bar establishments in the Monroe Social District, the company will be uniquely positioned to offer food and beverage services to local residents and visitors to the area. The company is the realization of a lifetime dream and related preparation for Monroe native Jason Hill, and his wife, Pamela Hill.

The project will contribute significantly to the local area and economy in numerous ways. The site location has been unused for many years, and as a result of deterioration, has created an eyesore to the surrounding area. ELK of Monroe will be making a significant investment in the revitalization and upfitting of the location to create a beautiful and inviting atmosphere, with indoor and outdoor seating, covered areas for relaxation, outdoor fire pits, and a large wall mural to bring a totally new feel to the area. In addition to the aesthetic benefits of the opening of ELK of Monroe, the city of Monroe and local community will also benefit economically as a result of new job creation, tax revenues, new hookups for electric, gas, and water supply, as well as the additive benefits of drawing additional foot traffic to the area. Lastly, the downtown area is currently underserved for full service food establishments, with high barriers to entry as a result of a lack of desirable locations with available space and the cost of installation of a full commercial kitchen. ELK of Monroe will bring a welcome addition to the available dining options for local residents and visitors.

Given the expected scope and impact of ELK of Monroe to the local area, it is of no surprise that a significant investment is required. The total investment in the project is estimated at \$565,000.00. The owners will be contributing significant personal capital to the project, and Mr. Hill will be a full-time employee as the Executive Chef and day to day Operations Manager of the business. As this is a family business with generational aspirations, the owners will be seeking no other outside investors.

The company will seek a \$475K SBA loan to facilitate the renovation and upfitting of the location. In the financial projections provided, the company has provided a conservative estimate of expected operations which show a comfortable ability to repay the debt and grow the company. It should be noted that the financial projections and ability to repay the debt were prepared without any benefit from locally available economic incentives, for which the company will be applying. The addition of these available incentives demonstrate an added ability to repay that is well in excess of expected banking guidelines.

Company Description:

ELK of Monroe (ELK) was formed in July 2024 as a limited liability partnership electing S-Corp treatment for tax purposes. ELK will operate as a full service casual dining restaurant and bar in the Social District of Monroe, NC. The company is owned by husband and wife, Jason and Pamela Hill, with ownership percentages of 49% and 51%, respectively. As such, the company qualifies as a minority-owned and woman-owned business. The day to day operations of the business will be run by Mr. Hill, whereas Mrs. Hill will handle all aspects of marketing, social media, and public relations.

Jason Hill: Mr. Hill attended the University of North Carolina at Chapel Hill from 1996-2000, majoring in Music, with an emphasis in Vocal Performance. For two years during college and two years following, Mr. Hill was the Bar Manager for two local Chapel Hill establishments, Alley-oop's Treehouse and Gotham Nightclub, overseeing all operations including staffing, training, inventory management, security, and cash flow.

While working as a Bar Manager, Mr. Hill also began a career in banking, first working as a bank teller in Chapel Hill after college in 2000. The banking career quickly flourished, and in 2003, Mr. Hill was transferred to New York, NY, by Wachovia Bank to facilitate the opening of new bank branches in the Metro-NY area. Success continued, and Mr. Hill progressed roles from Retail Bank Manager, to Regional Area Manager, to Business Banking Lender, and ultimately spent a decade as Senior Vice President of Commercial Lending for multiple banking institutions. During his lending career, he completed transactions across a multitude of sectors and loan types, from \$5,000 personal loans to being Lead Agent on a \$330,000,000 syndicated facility for a Fortune 500 company. This experience as a lender has given Mr. Hill intimate knowledge of the tools needed for a successful enterprise.

In 2019, after careful thought and consideration, Mr. Hill “retired” from the banking business and enrolled at the International Culinary Center (ICC) in New York, NY. He graduated from ICC having obtained his diploma in Professional Culinary Arts, with an emphasis in Farm-to-Table cuisine. Mr. Hill additionally graduated with Honors, having obtained a 97% average, and was named “Top of Class” as the number one performing student in the graduating class. After graduation, Mr. Hill was hired by famed celebrity chef Tom Colicchio as Garde Manger at his flagship NYC restaurant, Craft NY. Mr. Hill was employed at Craft NY until the restaurant was closed by the COVID virus. Since then, he has been a stay-at-home father, while also preparing for the eventual opening of a family owned restaurant. Mr. Hill will be the Executive Chef of E.L.K, and oversee all day to day operations.

Pamela Hill: Mrs. Hill graduated from St John's University in 2011, earning a Bachelor of Science in Public Relations. Since then, she has amassed an impressive resume in public relations and communications, progressing and establishing her career at marquee global companies. Her work experience includes employment with FOX News Channel, CNN, Bloomberg L.P., and the 2020 Presidential campaign of Michael Bloomberg. Mrs. Hill is currently employed as the Director of Corporate and Policy Communications for Eventbrite (NYSE: EB), where she oversees all aspects of Executive Communications, CEO Social Media, Corporate Communications and Policy Communications. She will continue her employment with Eventbrite, while also using her expertise to lead ELK's marketing and social media strategies.

In 2022, Mr. and Mrs. Hill moved their family to Mr. Hill's childhood hometown of Monroe, NC. They bought their dream home, a 125-year old historic house in the Monroe Historic District, roughly a five minute walk to the proposed project location. They live there with their three children: Isabella, 5 ½; Jackson, 3 ½; and Jameson, 11 months.

As part of the restaurant opening, the company intends to hire a number of employees, resulting in economic benefits to the community and city at large. For opening, the company intends to hire a minimum of three full time employees (excluding management), and up to five part-time employees. Once the restaurant is fully established, management estimates a need of up to five full time employees and eight part time employees.

Products and Services:

ELK will operate as a full service casual dining restaurant and bar. The company's main food offerings will center around the "E.L.K" theme of "Eggs. Legs. Kegs.", representing the southern staples of deviled eggs, chicken legs, and draft beer. The restaurant's main protein offering will consist of very high margin chicken legs served fried, roasted, or smoked. The company will also offer burgers, sandwiches, salads, appetizers, and other traditional southern staples, such as collard greens, banana pudding, and homemade pimento cheese.

ELK will also operate a full service bar with bartending services for housemade speciality cocktails, draft and bottled beer, and wine. The centerpiece of the bar will be a six-tap kegerator offering local and regional craft beers. The company expects to stock a limited, but high quality selection of spirits and wines, along with a specialty cocktail menu.

The company will operate Thursdays, Sundays, and Mondays from 11am-8pm (adjusting seasonally), and Fridays and Saturdays from 11am-10pm. The company will eventually extend hours on Fridays and Saturdays for the kitchen only through the use of a to-go window. There is currently only one food establishment open past 10pm in the Monroe Social District.

Market Analysis & Opportunity:

ELK will operate at 301 East Franklin Street, in the Monroe Social District of Monroe, NC, in Union County. As part of their commitment to the project and the local area, the owner's are entering into a ten year lease, with two five year options for renewal. The space has been unused for many years and is currently vacant, but is locally known as the "Awards Unlimited" building as a result of the previous long term tenant that created trophies for many years for local high schools and athletic associations. The building is well known and very well situated on the corner of East Franklin Street and Church St.

Both the city of Monroe, and Union County at large, have and continue to experience rapid population growth. A summation of the most recent available demographic data (2022) for the city of Monroe and Union County is as follows:

	City of Monroe	Union County
Population	38,838	238,267
Median Income	\$71,256	\$98,215
Housing Units	20,222	83,788
Median Age	36.7	39.9

For comparison, the Union County population in 2010 was 202,110, representing a 30.49% increase. As of 2022, Union County ranked as the fifth fastest growing, and eighth largest county in North Carolina. ([https://carolinademography.cpc.unc.edu/2024/03/18/75-nc-counties-have-grown-in-population-since-2022/#:~:text=75%20counties%20in%20NC%20have.and%20Union%20\(2.9%25\)%20counties.](https://carolinademography.cpc.unc.edu/2024/03/18/75-nc-counties-have-grown-in-population-since-2022/#:~:text=75%20counties%20in%20NC%20have.and%20Union%20(2.9%25)%20counties.))

The city of Monroe has been a driver of population growth in the Union County area. In the 2010 census, the population was 32,797, representing an increase of 16.4%.

(https://en.wikipedia.org/wiki/Monroe,_North_Carolina).

ELK will cater to the fast growing population of the City of Monroe and the greater Union County area at large. The company will capitalize on three main drivers for food service demand in the downtown area. First, the City of Monroe has a growing number of daytime workers in the downtown area. The city serves as the County Seat for Union County, and accordingly, all court related matters are handled at the Union County Courthouse. This, along with a collection of city and county offices, professional services companies, and local Police and Fire department offices, brings a steady flow of foot traffic to the downtown area on a weekday basis.

Secondly, the Monroe Historic District, a roughly 181-acre residential district immediately to the east, south, and west of the downtown area, has seen tremendous revitalization over the past ten years, resulting in a large number of new residents seeking food and entertainment within walking distance of their home.

Lastly, and most importantly, the creation of the Monroe Social District, an area downtown allowing the open consumption of alcohol, has resulted in a large demand for food and beverage activities on Friday, Saturday, and Sunday evenings. Historically, the makeup of downtown area businesses had been highly professional-service focused, resulting in very little foot traffic past 5pm, and little to none on weekends. The creation of the Monroe Social District has resulted in a large increase in the number of establishments offering alcoholic beverages, and as a result, a steady increase in foot traffic to the area. However, there has been little increase in the number of full service food service offerings in the area.

(<https://www.monroenc.org/176/Monroe-Social-District>).

There are currently eight food establishments within the boundaries of the Monroe Social District. Of the eight, only four offer full service sit down service. Only one restaurant in the District currently offers a full bar with bartending services in addition to a full service dining experience. ELK expects to operate Thursday through Monday to capitalize on the vastly underserved days of Sunday and Monday. During market research, the owners received tremendous feedback from local residents as well as local government officials to offer services on Sundays and Mondays. Currently, there are only two sit down restaurants open on Sundays (one began Sunday service in June 2024 due to demand), and only one open on Monday. Given ELK's unique position as both a restaurant and bar, the company expects to be able to capitalize on both seasonal opportunities (Monday Night Football, for example) and local food demand (Sunday lunch/dinner) as part of its market strategy these days.

Incentives: In an effort to stimulate the revitalization of the downtown area, the city of Monroe has enacted numerous economic incentives to encourage new businesses, specifically restaurants, to open in the Social District. As summation of available incentives available to ELK of Monroe is as follows:

City of Monroe Economic Development Electric Service Rider	Electric Reduction	Yr1: 30%; Yr2: 25%; Yr3: 20%; Yr4:10%; Yr5:5%	https://developmentunion.com/wp-content/uploads/2024/01/MUC-EDC-Economic-Development-Incentive-Grant-Guidelines-2023-24.pdf
Meet Me Downtown	Marketing - 50/50 Match	\$5,000	https://www.monroenc.org/DocumentCenter/View/568/Meet-Me-Downtown-PDF?bidId=
Downtown Pronto	Upfitting/Rent/Business License Subsidy	\$10,000	https://www.monroenc.org/DocumentCenter/View/575/Downtown-Pronto-PDF?bidId=
Downtown Monroe Facade Incentive	Facade Grant up to 50% of cost	\$4,000	https://www.monroenc.org/DocumentCenter/View/566/Facade-Improvement-Grant-PDF?bidId=
Downtown Monroe Art Mural Incentive	Mural rebate (coming 2025, link is old program)	\$7,500	https://www.monroenc.org/DocumentCenter/View/573/Downtown-Art-Mural-Grant-PDF?bidId=
	Total:	\$26,500	

Project Budget:

The total project budget for ELK of Monroe is \$565,000. The company will seek to obtain a \$475k SBA loan to facilitate the construction and upfitting of the location. The owners have injected \$45,000 in capital to date on the project. The project is the buildout of a former automobile mechanic station, and is currently unusable as a restaurant (or any commercial use at present). As such, the landlord has agreed to contribute \$45,000 in capital towards the project*. As summation of the Sources & Uses of the project is as follows:

Sources			Uses		
Name		Amount	Name		Amount
SBA Loan		\$475,000	Leasehold Improvements		\$234,500
Owner Equity		\$45,000	Equipment		\$191,800
Landlord Injection*		\$45,000	Furniture & Fixtures		\$36,000
			Other Small Assets		\$18,700
			Other Upfront Costs		\$50,000
			Working Capital		\$24,000
			Loan Issuance Costs		\$10,000
Total:		\$565,000	Total:		\$565,000

The total project cost will be spread over two years, with the initial design, planning, architectural renderings and permitting occurring in late 2024. Buildout of the space is expected to commence in January 2025, with a three month project completion timeline. The restaurant expects to hold a soft opening in April 2025, with a grand opening in May 2025. A detailed summation of the start-up costs is as follows:

Item	Vendor	Amount
Design & Architectural Plans	Cluck Collaborative	\$24,750
MEP Engineering	Phillips/Gradick	\$8,800
Site Survey	Phoenix Land	\$2,000
Existing Site Drawings & Elevations	Red Skye Design	\$650
Construction (after \$45K reduction)	D.A.P. Contracting Inc	\$200,000
Kitchen & Bar Equipment	Deacon Foodservice Group	\$185,000
Taps/Kegeerator	Crafty Beer Guys	\$6,800
Booths	Holder Restaurant Furniture	\$5,500
Bar Stools	Richardson Seating Corp	\$6,500
Indoor Seats	Industry West	\$3,400
Indoor Tables	UB Klem	\$5,000

Outdoor Table/Chairs	Interra	\$7,500
Firepit Chairs	Polywood	\$2,100
Firepits	AMS Fireplace	\$6,000
Audio/Video/Network/Security	CO-DA	\$17,000
Decor/Art/Mural	David Merck Studio	\$17,500
Plates/Utensils/Glasses	Deacon FoodService Group	\$5,000
Small Kitchen Appliances	Deacon FoodService Group	\$5,500
Initial Inventory - Food	US Foods	\$3,000
Initial Inventory - Bar	A.B.C. / Adams Beverage	\$4,500
Working Capital	Pinnacle Financial	\$24,000
Initial Payroll (2 weeks)	E.L.K	\$2,000
Licenses/Fees	City/State/Federal	\$6,500
Legal	Attorney	\$3,500
Bank Fee	Pinnacle Financial	\$10,000
Accounting	Plyer & Associates	\$2,500
	Total	\$565,000

Financial Projections:

The company has prepared a pro-forma balance sheet, income statement, and statement of cash flows for the years 2024-2026. Additionally, the company has prepared pro-forma monthly income statements for the first year of operations (2025). Please see Appendix A.

Pictures and Renderings:

The company has provided pictures of the existing structure, as well as work-in-progress architectural renderings of the proposed project. Please see Appendix B.

Appendix A - Projections

Appendix B - Pictures & Renderings

Location: 301 East Franklin St, Monroe

Tenants: Jason Hill

Term: 10 years with (2) 5 year renewal options. Rent fixed first 3 years then 3% escalation per year. Should the renewal option(s) be exercised, rent escalations will continue at 3% per year until lease maturity, unless prior agreed to by both parties.

Rent: \$2,500 per month

Reduced rent period: \$500 per month for 6 months; thereafter, \$1,000 per month for 6 months, or until 3 months after operations commence, whichever comes first.

Deposit: \$5,000 due upon obtaining necessary permits and approvals. \$2,500 will be refunded when possession is taken, \$2,500 will be retained as a security deposit and refunded when vacated, assuming there is no damage to improvements made by AWB & Associates.

Improvements by AWB & Associates:

- HVAC Upfit (agree on capacity before work begins)
- Rough in electrical and plumbing for kitchen
- Repaint outside of building
- Install operable garage doors
- Entry doors
- Convert restroom to ADA
- Ceiling covering in kitchen area

William Plyler William Plyler, Manager, AWB & Associates LLC

Date: 6.27.2024

Jason Hill Jason Hill

Date: 6.28.2024

Pamela Hill PAMELA HILL

Date: 6.28.2024

ESTIMATE



Prepared For

E.L.K. of Monroe
301 E. Franklin St
Monroe, NC 28112

D.A.P. Contracting Inc.

1408 Mills Harris Rd.
Wingate, NC 28174
Phone: (704) 441-1001
Email: dapcontracting@aol.com

Estimate # 1607
Date 01/13/2025
PO # 301pb
Business / Tax # 86-1818844

Description

Total

E.L.K. of Monroe - Renovations

\$198,972.33

Site Work

\$8,986.88

- Permits and fees
- Demolition
- Debris removal

Footings and Foundation

\$9,528.50

- Dig and pour footings
- Rebar reinforcement
- Stem wall foundation
- Concrete slab
- Includes third party inspections

Framing

\$19,466.22

- Conventional construction
- Doors and windows, per plan

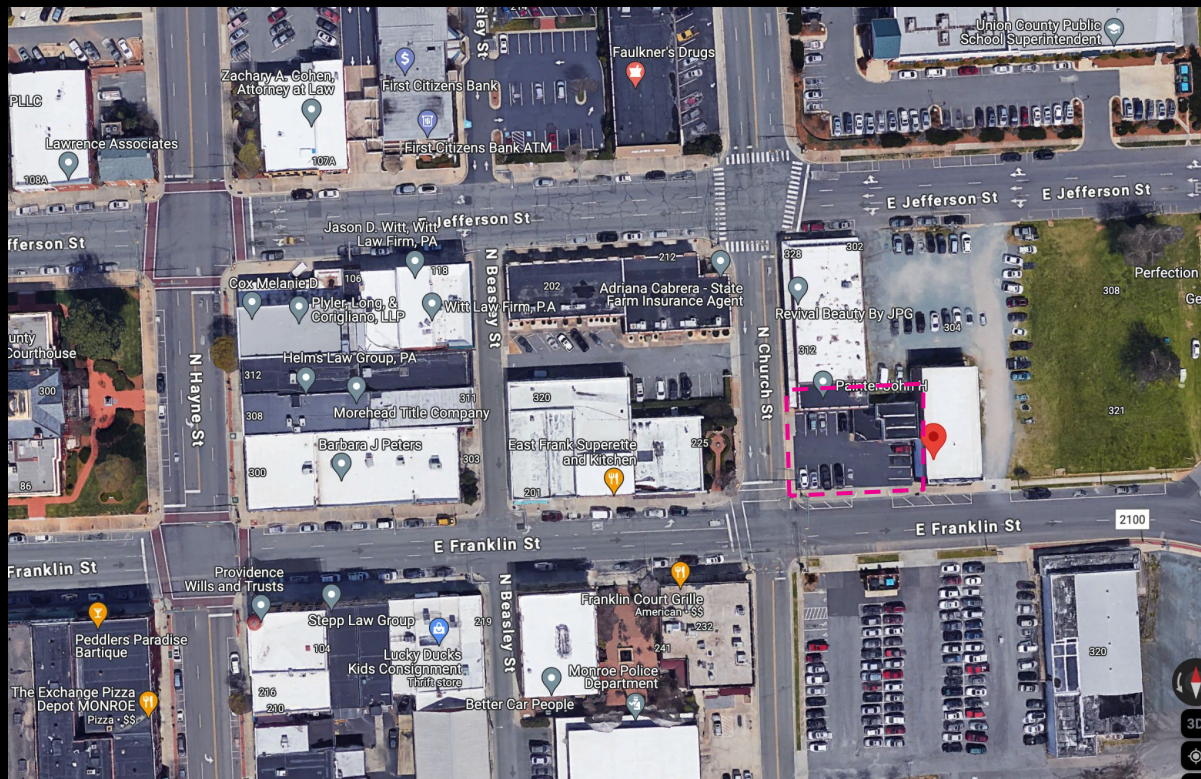
PM&E Rough ins	\$46,639.50
- PM&E, per plans dated 9/19/24	
Insulation and Sheetrock	\$7,021.00
- Insulation to NC building code	
- 5/8" high impact drywall	
Exterior Siding	\$4,513.50
Interior/Exterior finishes	\$41,624.50
- Millwork	
- Cabinetry, bar(s)	
- Interior doors	
- Interior painting	
- Flooring	
- Stalls and lockers	
- Fireplace in wedding venue	
- Acoustic ceiling in kitchens and restrooms	
Plumbing, Mechanical, and Electrical finals	\$40,120.00
- PM&E per plans	
- Plumbing materials	
- Light fixtures	
Garage doors	\$20,060.00
Guttering	\$1,012.23

Subtotal	\$198,972.33
Discount	\$0.33
Total	\$198,972.00

By signing this document, the customer agrees to the services and conditions outlined in this document.

Alan Plyler

E.L.K. of Monroe



Existing Aerial



Existing Aerial



Existing Photos



Existing Photos



Existing Photos



Existing Photos



Existing Photos



Existing Photos



Existing Photos



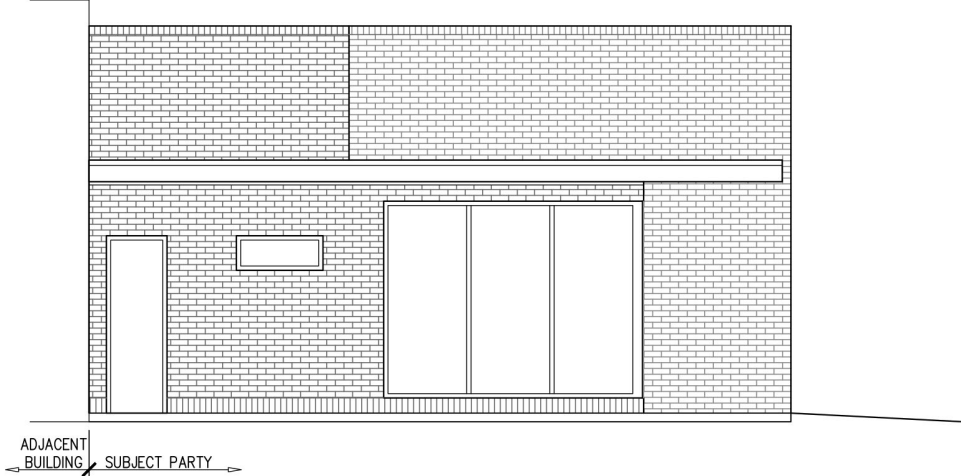
Existing Exterior Elevation
Front





Proposed Exterior Elevation
Front

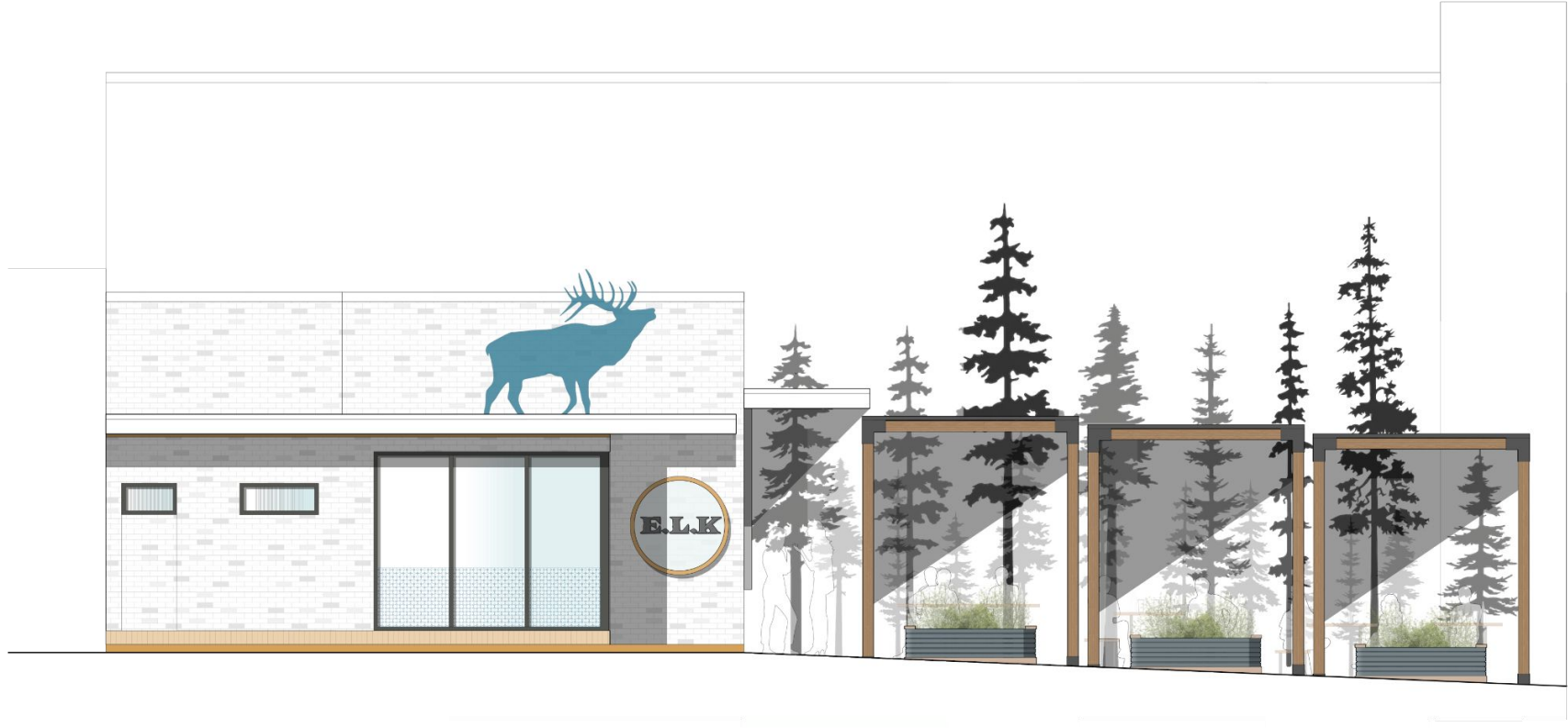




EXISTING LEFT SIDE ELEVATION
(FACING NORTH CHURCH ST)
SCALE: 1/4" = 1'-0"

Existing Exterior Elevation
Front





Existing Exterior Elevation
Side



ELK - 2024-2026 Balance Sheet		2024	2025	2026
ASSETS				
CURRENT	Cash	\$ 16,750.00	\$ 44,774.48	\$ 64,477.19
	Inventory - Food	\$ -	\$ 2,500.00	\$ 3,250.00
	Inventory - Beer/Wine/Liquor	\$ -	\$ 4,350.00	\$ 5,000.00
FIXED ASSETS	Furniture & Fixtures	\$ -	\$ 36,000.00	\$ 34,408.20
	Equipment	\$ -	\$ 191,800.00	\$ 183,319.25
	Leasehold Improvements		\$ 234,500.00	\$ 224,131.20
	Intangibles (Capitalized Consulting Fees)	\$ -	\$ 12,700.00	\$ 12,138.45
TOTAL ASSETS		\$ 16,750.00	\$ 526,624.48	\$ 526,724.30
LIABILITIES				
CURRENT				
	CPLTD	\$ -	\$ 21,002.89	\$ 30,692.45
LONG TERM	Long Term Debt	\$ -	\$ 453,997.11	\$ 423,304.66
EQUITY	Initial Investment	\$ 200.00	\$ 200.00	\$ 200.00
	Additional Paid-In Capital	\$ 44,800.00	\$ 59,800.00	\$ 59,800.00
	Owner Withdrawal For Taxes			\$ (6,000.00)
	Retained Earnings/Loss	\$ (28,250.00)	\$ (8,375.52)	\$ 18,727.19
TOTAL LIABILITIES AND EQUITY		\$ 16,750.00	\$ 526,624.48	\$ 526,724.30

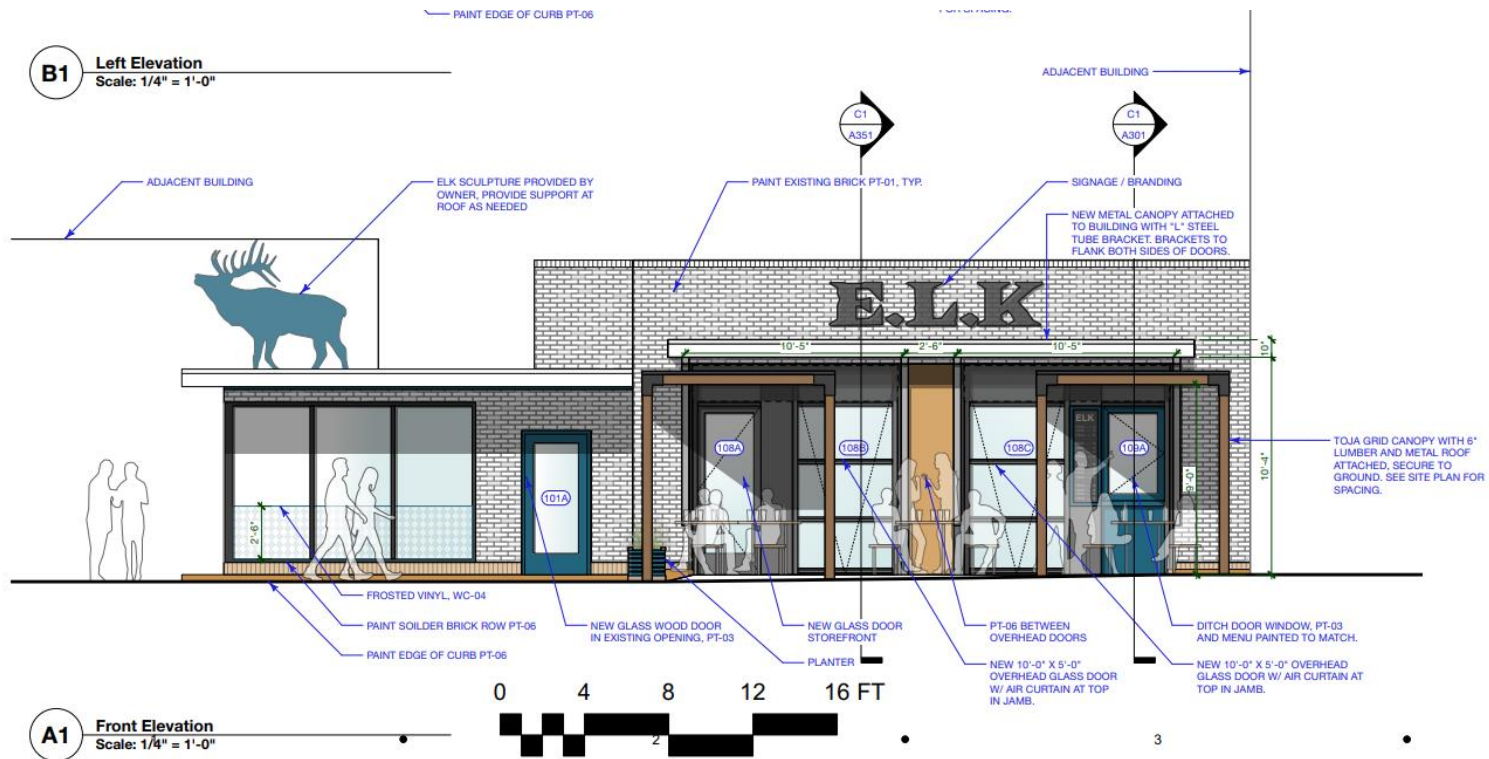
ELK - 2024-2026 Cash Flow Statement		2024	2025	2026
OPERATING CASHFLOWS				
	EBITDA	\$ (28,250.00)	\$78,909	\$105,815.66
	Changes in Food Inventory	\$ -	-\$2,500	-750
	Changes in Beer/Liquor Inventory		-\$4,350	-650
NET OPERATING CASHFLOW		\$ (28,250.00)	\$72,059	\$104,416
INVESTING CASHFLOWS				
	Fixtures	\$ -	\$ (36,000.00)	\$ -
	Leasehold Improvements	\$ -	\$ (234,500.00)	\$ -
	Capitalized Intangibles		\$ (12,700.00)	
	Equipment Purchases	\$ -	\$ (191,800.00)	\$ -
	Owner Paid-in Capital/(Withdrawal)	\$ 45,000.00	\$ 15,000.00	\$ (6,000.00)
NET INVESTING CASHFLOW		\$ 45,000.00	\$ (460,000.00)	\$ (6,000.00)
FINANCING CASHFLOWS				
	Loan Proceeds	\$ -	\$475,000	0
	Repayment of LTD	\$ -	-\$21,003	-\$30,692.45
	Equipment Lease	\$ -	-\$1,350	-1800
	Interest Expense	\$ -	-\$36,682	-\$46,220.50
NET FINANCING CASH FLOW		\$ -	\$415,965	-\$78,713
NET CASH FLOW		\$ 16,750.00	\$ 28,024.48	\$ 19,702.71
BEGINNING CASH		\$ -	\$16,750	\$ 44,774.48
ENDING CASH		\$ 16,750.00	\$ 44,774.48	\$ 64,477.19

ELK - 2024-2026 Income Statement		2024	2025	2026
REVENUE				
	Food	\$0.00	\$246,000.00	\$283,040.00
	Beverage (N/A)	\$0.00	\$27,750.00	\$37,722.40
	Spirits	\$0.00	\$41,250.00	\$54,509.60
	Beer (B&C)	\$0.00	\$21,250.00	\$25,132.00
	Beer (Draft)	\$0.00	\$49,750.00	\$71,248.00
	Wine	\$0.00	\$7,950.00	\$14,249.60
	Merchandise	\$0.00	\$400.00	\$300.00
	Other Income	\$0.00	\$5,500.00	\$5,000.00
TOTAL REVENUE		\$0.00	\$399,850.00	\$491,201.60
COST OF GOODS				
	Food	\$0.00	\$71,340.00	\$79,251.20
	Beverage (N/A)	\$0.00	\$6,105.00	\$7,921.70
	Spirits	\$0.00	\$7,425.00	\$9,266.63
	Beer (B&C)	\$0.00	\$7,012.50	\$8,042.24
	Beer (Draft)	\$0.00	\$14,925.00	\$20,661.92
	Wine	\$0.00	\$3,180.00	\$5,557.34
	Merchandise	\$0.00	\$80.00	\$60.00
	Other Income	\$0.00	\$0.00	\$0.00
TOTAL COGS		\$0.00	\$110,067.50	\$130,761.04
GROSS PROFIT		\$0.00	\$289,782.50	\$360,440.56
EXPENSES				
LABOR				
	Owner Salary	\$0.00	\$12,000.00	\$24,000.00
	Hourly	\$0.00	\$68,475.25	\$81,048.26
	Benefits	\$0.00	\$17,118.81	\$20,262.07
	Other	\$0.00	\$0.00	\$0.00

ELK - 2024-2026 Income Statement		2024	2025	2026
TOTAL LABOR		\$0.00	\$97,594.06	\$125,310.33
OTHER EXPENSES				
	Direct Operating Expense	\$0.00	\$20,724.25	\$20,630.47
	Music & Entertainment	\$0.00	\$5,000.00	\$5,000.00
	Marketing & Advertising	\$0.00	\$5,000.00	\$2,400.00
	Utilities	\$0.00	\$20,477.50	\$24,856.00
	General & Administrative	\$0.00	\$16,582.00	\$17,192.06
	Repair & Maintenance	\$0.00	\$1,000.00	\$5,000.00
	Rent	\$2,500.00	\$18,000.00	\$30,000.00
	Accounting	\$0.00	\$2,500.00	\$2,500.00
	Legal	\$0.00	\$3,500.00	\$1,000.00
	Insurance	\$0.00	\$6,000.00	\$6,000.00
	Licenses & Fees	\$0.00	\$14,495.50	\$14,736.05
	Other Corp Overhead	\$25,750.00	\$0.00	\$0.00
TOTAL OTHER EXPENSE		\$28,250.00	\$113,279.25	\$129,314.57
EBITDA		\$ (28,250.00)	\$78,909.19	\$105,815.66
DEBT SERVICE				
	Equipment Lease	\$0.00	\$1,350.00	\$1,800.00
	Depreciation & Amortization	\$0.00	\$21,002.89	\$30,692.45
	Interest		\$36,681.82	\$46,220.50
TOTAL DEBT SERVICE		\$0.00	\$59,034.71	\$78,712.95
TOTAL EXPENSES		\$0.00	\$379,975.52	\$464,098.89
NET INCOME/(LOSS)		\$ (28,250.00)	\$ 19,874	\$27,102.71

ELK - 2024-2026 Income Statement			2024		2025		2026
DSCR	With no adjustments		N/A		1.34		1.34
	With Economic Incentives (\$13.25K/yr)				1.56		1.51

ELK - 2025 Monthly Projections		January	February	March	April	May	June	July	August	September	October	November	December	2025
REVENUE														
	Food	\$0.00	\$0.00	\$0.00	\$17,000.00	\$20,000.00	\$25,000.00	\$32,000.00	\$32,000.00	\$32,000.00	\$30,000.00	\$26,000.00	\$32,000.00	\$246,000
	Beverage (N/A)	\$0.00	\$0.00	\$0.00	\$2,250.00	\$2,250.00	\$3,000.00	\$3,500.00	\$3,500.00	\$3,000.00	\$3,250.00	\$3,000.00	\$4,000.00	\$27,750
	Spirits	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,250.00	\$4,000.00	\$6,000.00	\$5,500.00	\$5,000.00	\$4,500.00	\$4,000.00	\$6,000.00	\$41,250
	Beer (B&C)	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00	\$2,000.00	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00	\$2,000.00	\$3,250.00	\$21,250
	Beer (Draft)	\$0.00	\$0.00	\$0.00	\$3,500.00	\$4,250.00	\$5,000.00	\$7,000.00	\$7,000.00	\$6,500.00	\$5,500.00	\$4,500.00	\$6,500.00	\$49,750
	Wine	\$0.00	\$0.00	\$0.00	\$750.00	\$850.00	\$850.00	\$1,500.00	\$850.00	\$800.00	\$750.00	\$600.00	\$1,000.00	\$7,950
	Merchandise	\$0.00	\$0.00	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	\$50.00	\$100.00	\$400
	Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$5,500
TOTAL REVENUE		\$ -	\$ -	\$ -	\$ 28,200	\$ 32,100	\$ 39,850	\$ 56,000	\$ 51,850	\$ 49,800	\$ 46,550	\$ 40,150	\$ 55,350	\$ 399,850
COST OF GOODS														
	Food	\$0.00	\$0.00	\$0.00	\$4,930.00	\$5,800.00	\$7,250.00	\$9,280.00	\$9,280.00	\$9,280.00	\$8,700.00	\$7,540.00	\$9,280.00	\$71,340
	Beverage (N/A)	\$0.00	\$0.00	\$0.00	\$495.00	\$495.00	\$660.00	\$770.00	\$770.00	\$660.00	\$715.00	\$660.00	\$880.00	\$6,105
	Spirits	\$0.00	\$0.00	\$0.00	\$540.00	\$585.00	\$720.00	\$1,080.00	\$990.00	\$900.00	\$810.00	\$720.00	\$1,080.00	\$7,425
	Beer (B&C)	\$0.00	\$0.00	\$0.00	\$495.00	\$495.00	\$660.00	\$990.00	\$990.00	\$825.00	\$825.00	\$660.00	\$1,072.50	\$7,013
	Beer (Draft)	\$0.00	\$0.00	\$0.00	\$1,050.00	\$1,275.00	\$1,500.00	\$2,100.00	\$2,100.00	\$1,950.00	\$1,650.00	\$1,350.00	\$1,950.00	\$14,925
	Wine	\$0.00	\$0.00	\$0.00	\$300.00	\$340.00	\$340.00	\$600.00	\$340.00	\$320.00	\$300.00	\$240.00	\$400.00	\$3,180
	Merchandise	\$0.00	\$0.00	\$0.00	\$40.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.00	\$10.00	\$20.00	\$80
	Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
TOTAL COGS		\$ -	\$ -	\$ -	\$ 7,850	\$ 8,990	\$ 11,130	\$ 14,820	\$ 14,470	\$ 13,935	\$ 13,010	\$ 11,180	\$ 14,683	\$ 110,068
GROSS PROFIT		\$ -	\$ -	\$ -	\$ 20,350	\$ 23,110	\$ 28,720	\$ 41,180	\$ 37,380	\$ 35,865	\$ 33,540	\$ 28,970	\$ 40,668	\$ 289,783
EXPENSES														
LABOR														
	Owner Salary	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$12,000
	Hourly	\$0.00	\$0.00	\$2,500.00	\$4,653.00	\$5,296.50	\$6,575.25	\$9,240.00	\$8,555.25	\$8,217.00	\$7,680.75	\$6,624.75	\$9,132.75	\$68,475
	Benefits	\$0.00	\$0.00	\$625.00	\$1,163.25	\$1,324.13	\$1,643.81	\$2,310.00	\$2,138.81	\$2,054.25	\$1,920.19	\$1,656.19	\$2,283.19	\$17,119
	Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
TOTAL LABOR		\$ -	\$ -	\$ 3,125	\$ 5,816	\$ 6,621	\$ 8,219	\$ 11,550	\$ 10,694	\$ 10,271	\$ 9,601	\$ 8,281	\$ 11,416	\$ 97,594
OTHER EXPENSES														
	Direct Operating Expense	\$0.00	\$0.00	\$0.00	\$4,000.00	\$1,444.50	\$1,793.25	\$2,520.00	\$2,333.25	\$2,241.00	\$2,094.75	\$1,806.75	\$2,490.75	\$20,724
	Music & Entertainment	\$0.00	\$0.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$5,000
	Marketing & Advertising	\$0.00	\$500.00	\$1,000.00	\$1,000.00	\$500.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$500.00	\$5,000
	Utilities	\$0.00	\$0.00	\$500.00	\$1,500.00	\$1,500.00	\$1,992.50	\$2,800.00	\$2,592.50	\$2,490.00	\$2,327.50	\$2,007.50	\$2,767.50	\$20,478
	General & Administrative	\$0.00	\$500.00	\$500.00	\$1,000.00	\$1,000.00	\$1,594.00	\$2,240.00	\$2,074.00	\$1,992.00	\$1,862.00	\$1,606.00	\$2,214.00	\$16,582
	Repair & Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00	\$250.00	\$1,000
	Rent	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$18,000
	Accounting	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500
	Legal	\$3,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,500
	Insurance	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000
	Licenses & Fees	\$0.00	\$0.00	\$2,500.00	\$846.00	\$963.00	\$1,195.50	\$1,680.00	\$1,555.50	\$1,494.00	\$1,396.50	\$1,204.50	\$1,660.50	\$14,496
	Other Corp Overhead	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
TOTAL OTHER EXPENSE		\$ 4,500	\$ 2,000	\$ 6,000	\$ 12,346	\$ 6,908	\$ 8,325	\$ 12,990	\$ 12,305	\$ 12,217	\$ 11,681	\$ 10,625	\$ 13,383	\$ 113,279
EBITDA		\$ (4,500)	\$ (2,000)	\$ (9,125)	\$ 2,188	\$ 9,582	\$ 12,176	\$ 16,640	\$ 14,381	\$ 13,377	\$ 12,258	\$ 10,064	\$ 15,869	\$ 78,909
DEBT SERVICE														
	Equipment Lease	\$0.00	\$0.00	\$0.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$1,350
	Depreciation & Amortization	\$0.00	\$0.00	\$0.00	\$2,253.16	\$2,272.88	\$2,292.77	\$2,312.83	\$2,333.06	\$2,353.48	\$2,374.07	\$2,394.84	\$2,415.80	\$21,003
	Interest	\$0.00	\$0.00	\$0.00	\$4,156.25	\$4,136.53	\$4,096.59	\$4,076.35	\$4,055.93	\$4,035.34	\$4,014.57	\$3,993.61	\$3,972.75	\$36,682
TOTAL DEBT SERVICE		\$0.00	\$0.00	\$0.00	\$6,559.41	\$6,559.41	\$6,559.42	\$6,559.42	\$6,559.41	\$6,559.41	\$6,559.41	\$6,559.41	\$6,559.41	\$59,035
TOTAL EXPENSES		\$ 4,500	\$ 2,000	\$ 9,125	\$ 32,572	\$ 29,078	\$ 34,234	\$ 45,919	\$ 44,029	\$ 42,983	\$ 40,851	\$ 36,645	\$ 46,041	\$ 379,976
NET INCOME/(LOSS)		\$ (4,500)	\$ (2,000)	\$ (9,125)	\$ (4,372)	\$ 3,022	\$ 5,616	\$ 10,081	\$ 7,821	\$ 6,817	\$ 5,699	\$ 3,505	\$ 9,309	\$ 19,874



Door estimate is included in the DAP Contracting Estimate Page 2 - \$20,606.00