
INVESTMENT OPPORTUNITY

Broadway

COLLECTIVE

EST 2019

733 Broadway Avenue
broadwaycollective.ca

WHERE CREATIVE ENTREPRENEURS COLLIDE



WHO WE ARE

The Broadway Collective is an Investment Opportunity like no other in Saskatoon. Just like a strong foundation is needed to support a building, this opportunity has many pillars that will ensure its long term success. You will be investing in the following revenue opportunities, with the security of one of Saskatoon's Landmark buildings. These include:

- COWORKING
- SMALL OFFICE LEASES
- EVENT RENTALS
- MANAGED EVENTS
- BREWERY / SISTER BREWERY
- RESTAURANT & BAR
- CRAFT BEER STORE
- SOCIAL MEMBERSHIPS
- LANDMARK BUILDING

WORK & PLAY ON BROADWAY

Broadway Collective was created to offer a comfortable and inspiring space where creative freelancers, entrepreneurs & established businesses can benefit from the camaraderie and collaborative nature of working with similarly motivated peers.

Perfectly housed in the birthplace of arts and culture in Saskatoon, Broadway offers the optimal space for creativity and business to collaborate.

INCREASED OPPORTUNITY - THE TIME IS NOW -

THE NEED



With a growing demographic of individuals who are working from home and creating their own jobs and businesses, a vibrant coworking community is an attractive answer to complement their work from home. Individuals can work by themselves, but not alone, and enjoy a better work-life balance.

The increasing costs to lease office space are another factor causing more people to seek alternatives. Broadway is the ultimate demographic of creative, energetic, community oriented people and a coworking space fills a need in this district.



Deeann Mercier
Executive Director
The Broadway Business
Improvement District

OPPORTUNITY KNOCKS

The Covid-19 pandemic has created new opportunities for those who are ready once restrictions relax:

- Pandemic is increasing demand for small office leases.
- Pandemic is increasing demand for coworking spaces and neutral meeting rooms.
- People's tastes are changing increasing the demand for social membership in a controlled, socially-distanced environment.
- People's tastes are changing increasing the opportunity for a restaurant designed to accommodate social distancing.
- New builds on Broadway are increasing the population density around Broadway and the number of people looking for our services.
- People are traveling less and spending more money locally.
- We are literally in the BEST location in Saskatoon!

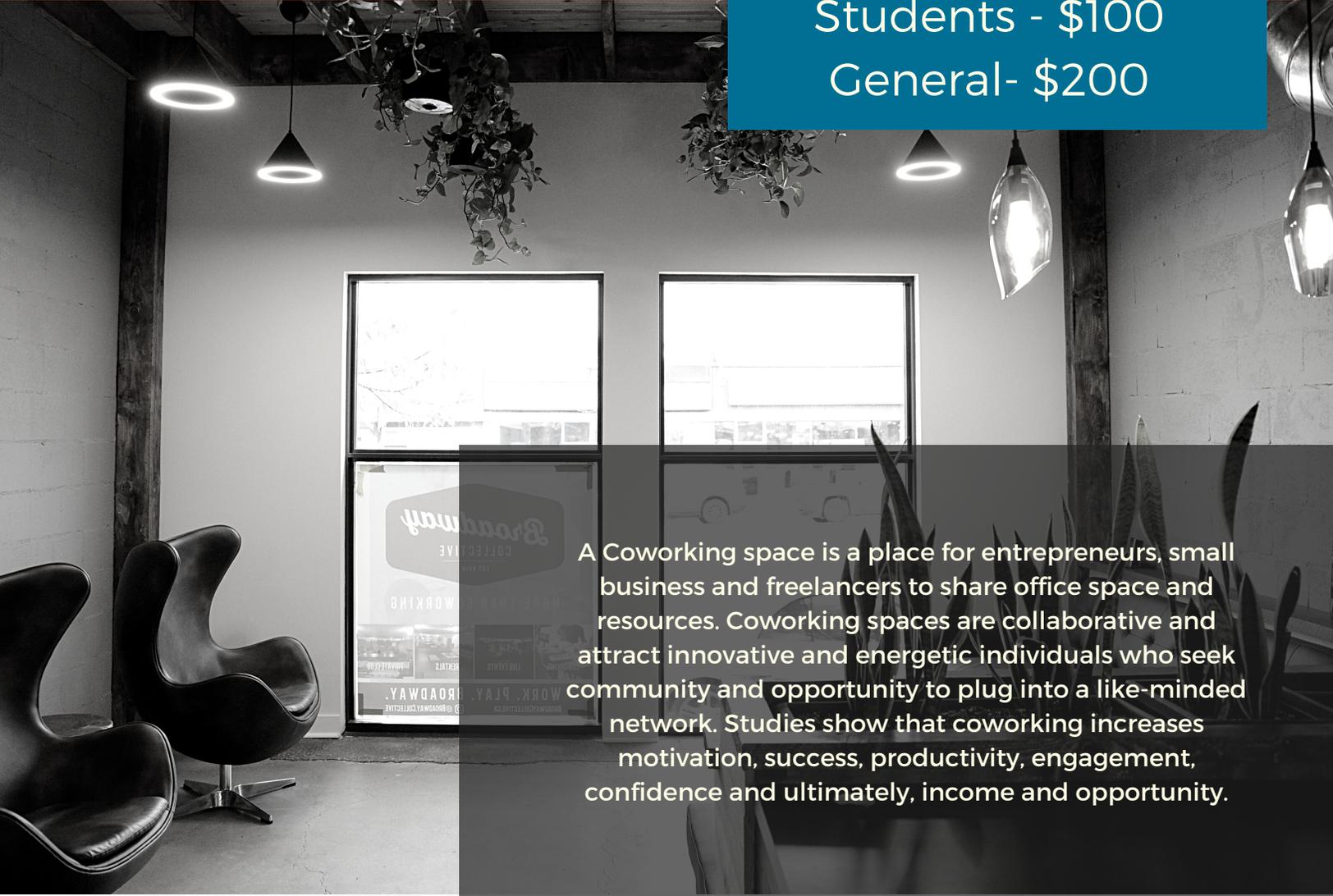
COWORKING

Monthly MEMBERSHIP FEES

Social - \$50

Students - \$100

General- \$200



A Coworking space is a place for entrepreneurs, small business and freelancers to share office space and resources. Coworking spaces are collaborative and attract innovative and energetic individuals who seek community and opportunity to plug into a like-minded network. Studies show that coworking increases motivation, success, productivity, engagement, confidence and ultimately, income and opportunity.

BROADWAY COLLECTIVE

A unique coworking opportunity. We will offer the same services as other coworking spaces (traditional offerings), but also add additional benefits unmatched in the city:

TRADITIONAL OFFERING

- Shared Office with WIFI
- Print/Copy/Scan Station
- Mail & package reception
- Free Coffee
- Lunch room
- Daytime bike storage

UNIQUE ADDITIONS

- Free Tickets to Live Music
- Regal Beagle access
- Brewery Social Membership
- Broadway Merchant Deals
- Access to Gym
- Event Space Rental Discount

COWORKING LANDSCAPE

COMPETITORS

The 2 main competitors in Saskatoon are The Two Twenty (20th St - Riversdale) and Wall Street Common (25th St - North Downtown). Their monthly membership averages between 50-80 coworkers and do not offer a “social” equivalent. The Broadway Collective will offer competitive prices with an extended menu of benefits.

Coworking memberships in Saskatoon are also still far lower per capita than any national comparables and should be trending to more demand than supply in the coming years. This expected growth in demand, combined with a premium location projects a comparable to higher number of members than our competitors.

Coworking Benefits	The Two Twenty		Wall Street Common		The Broadway Collective		
	10 visits	Full	10 visits	Full	Social	Lite	Premium
Monthly Cost	125	200	100	190	50	100	200
Professional Address	x	x	x	x		x	x
Unlimited 24/7 Access		x		x		x	x
High-speed WiFi	x	x	x	x	x	x	x
Unlimited Coffee & Tea	x	x	x	x		x	x
Mail Handling	x	x	x	x		x	x
Black & White Printing	x	x	x	x		x	x
Colour Printing	x	x	x	x		x	x
Storage Lockers	x	x				x	x
Telephone Booths	x	x				x	x
Community Kitchen	x	x	x	x		x	x
Community Bicycle	x	x					
Complimentary Meeting Rooms	x	x	x	x		x	x
Bike Storage			x	x	x	x	x
Discounted Tickets to Managed Events					x	x	
Free Tickets to Managed Events							x
Regal Beagle Access with 10 Free Drinks					x		x
Invitations to Beer Tasting Events					x		x
Broadway Merchant Deals					x	x	x
Access to Gym					x		x
Event Space Rental Discount					x	x	x
Best Location!!					x	x	x

SMALL OFFICE LEASING

NOT JUST SPACE

Our offices are a perfect solution for entrepreneurs and artistic groups who need a little dedicated space of their own. All offices are leased for a minimum term of 12 months.

Monthly lease revenue ranges from \$575 - \$1375 depending on the office.



Members also receive:

- Wi-Fi
- Meeting rooms
- Printing and Copying
- Free Coffee
- Community kitchen
- Storage lockers
- Daytime Bike Storage
- AV equipment
- Gym Access
- Brewery Social Membership
- Tickets to Live Regal Beagle events
- Broadway Merchant Discounts
- Event Space Rental Discounts

SMALL OFFICE LANDSCAPE

COST COMPARISONS

Small office leases are offered in multiple locations throughout the city. The three main competitors/comparables are The Two Twenty (20th St - Riversdale), Wall Street Common (25th St - North Downtown) and The Link (4th Ave - Downtown).

Similar to Coworking memberships, The Broadway Collective will be offering small office leases at a comparable rate to our competitors with an extended menu of benefits and a superior location.

The Link			
Office	Space	Cost/Sqft	Monthly
A	109	83	750
B	116	88	850
C	162	67	900

The Two Twenty			
Office	Space	Cost/Sqft	Monthly
A	104	72	628
B	141	63	745
C	214	63	1115

Wall Street Common			
Office	Space	Cost/Sqft	Monthly
A	72	100	600
B	150	96	1200
C	210	86	1500

The Broadway Collective			
Office	Space	Cost/Sqft	Monthly
A	94	99	775
B	160	79	1050
C	213	68	1200

EVENTS & EVENT RENTAL

UNDERGROUND EVENT SPACE

The Regal Beagle is Broadway's underground event space.

By day it's a coworker lounge, bar, networking centre and gym. By night it's a great space to host a corporate event, concert, comedy night, birthday or other excuse to party, playoff event team event, stag/stagette, or catering event.

EVENT REVENUE

Member Rental: \$350

Non-Member Rental: \$500

Managed Events: \$1500*

**Revenue will vary, based on event.*





EVENTS & EVENT RENTAL

MANAGED EVENTS

In addition to rental revenue, The Collective will also generate event revenue by managing its own events including a Live Music Series, Comedy nights, Theatre, Corporate Catered Christmas Parties and Themed events.

BROADWAY COLLECTIVE LIVE SERIES

Under the Managed Events umbrella will be The Collective live music series featuring VIP shows (traveling bands) and local bands.

Managed Events will also provide value to both the coworking and social memberships, increasing our monthly revenue from those profit centres.



EVENTS & EVENT RENTAL

COST COMPARISONS



Saskatoon, and Broadway in particular, is in need of additional venues that cater to the small to a medium size gathering.

Whether it is a birthday party, comedy night fundraiser, or Christmas party there is no shortage of opportunity.

	Village Guitar	Cosmo	Le Relais	Collective
Base Rate	800	500-775	450	500
After midnight	100/ hour	0	0	0
Access	5:00 PM	5PM/8AM	5:00 PM	5:00 PM
Sound System	Added Cost	N	Included	Included
Sound Guy	250	N/A	N/A	Optional
BYOB	N	Y	Y	Optional
Capacity	120	289	150	150

SECRET BREWERY

SECOND BASEMENT

A throwback to the Speakeasies of old, mystery, and secrecy will surround our basement brewery. Located in the “second basement” of an old Saskatoon Landmark, visitors will believe they have left Saskatoon and traveled to New York ... if they can find it!

The brewery will be accessed by three secret passages. One from behind the stage of the Regal Beagle (basement access) and the second from a secret door in the Craft Beer Store (main level access) as they take a hidden staircase, past the brewery to an underground tasting room. There will also be back alley access down another hidden staircase.



BREWERY FACTS

- Purity Brew Co. (*our current front-running name*) is named after the original Purity Dairy company that was in this building.
- Will supply drinks to all events / event rentals
- Will be house lager at local Broadway pubs
- Will supply Growler station in Craft Beer store
- Will provide drinks each month to the Collective Members through their Social membership
- The “second basement” is approx 1000 square feet with 16 ft ceilings



Access a secret tasting room through a bookshelf that reveals a hidden door and staircase..

SISTER BREWERY

INVESTMENT WITH A HEART

The Hope Project is founded on the principles of dignity, compassion and safety for all. Headquartered on the Greek Island of Lesbos, The Project provides aid & support for people in need. At the heart of the current Middle Eastern Refugee Crisis, their primary focus is on people fleeing conflict, facing injustice, poverty or persecution.

The focus is not only to provide support and aid but also to empower refugees by creating and supporting proactive projects. One of these projects is a small craft brewery. It will become a small, but efficient way of generating awareness for causes and extra resources...both financial and relational.

The plan for setting up a brewery is simple and threefold.

1. To generate resources to be used in work with refugees.
2. To provide a venue for refugees to work.
3. To make great beer available to all, as that should be an inalienable right!

The Broadway Collective is partnering with The Hope Project to help fund their Nano Brewery, provide expertise and awareness. We will help purchase some initial equipment and run promotions throughout the year with proceeds going to our sister brewery.



RESTAURANT & BAR

Included in the Broadway Collective Opportunity is a Full Service Restaurant and Bar. located at 731 Broadway Ave (Formerly The Burning Beard). This space will be renovated to add a 2nd floor mezzanine with a walkout Balcony.

Renovations will take place through the spring for an anticipated summer opening.

The new space will be the perfect location to sell our craft beer, add value to the event rental and Co-Working offering, while adding additional cash flow to the overall endeavour and return to Investors.

RESTAURANT FACTS

- Provide a much needed “Breakfast Spot” on Broadway
- Will be the only Coworking Space in the city to offer breakfast and dinner perks to members
- 2nd Floor Mezzanine will be used for event rentals
- Option to add Roof-Top patio
- Renovations will greatly increase building value

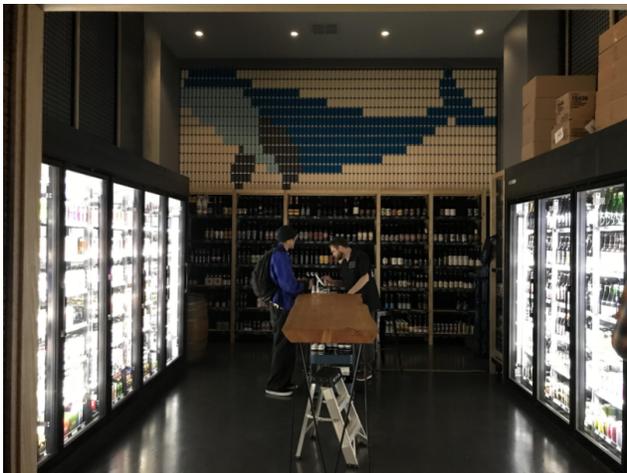


CRAFT BEER STORE

BEER STORE

Included in our MicroBrewery License is the ability to open 2 craft beer stores. Shortly after launching the Brewery we will open an main level store that will offer Craft Beer, Wine and Spirits.

It will also have a secret passage to the underground tasting room that will also include the opportunity for a Brewery tour.



Example of a simple store layout

FACTS

- The beer store is an exciting way to add additional revenue to the Collective Model
- **Over 55 stories of condos (5 new builds) including over 370 new residences will be coming to Broadway over the next 3-6 years within 3 blocks of this location!**
- A great way to partner and cross promote other Breweries from around the province!

OPPORTUNITY

Saskatoon has ~32 SLGA, private and off sale locations or one for every ~8,500 people. In Alberta, there are ~2,200 or one for every ~2,000 people. If Saskatoon were to have as many liquor store locations per person as Alberta the city would need to open an additional ~100 locations.

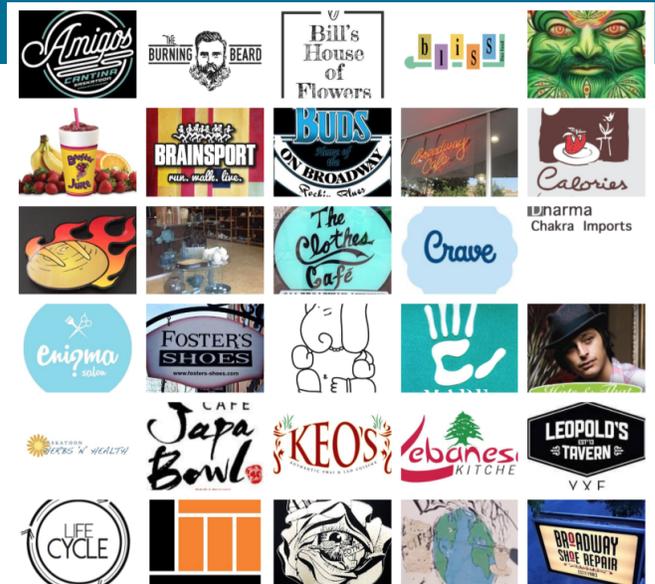
SOCIAL MEMBERSHIP

The Broadway Collective Social membership is a partnership of the whole business district. Members will have access to discounts to various Broadway merchants by showing their membership card.

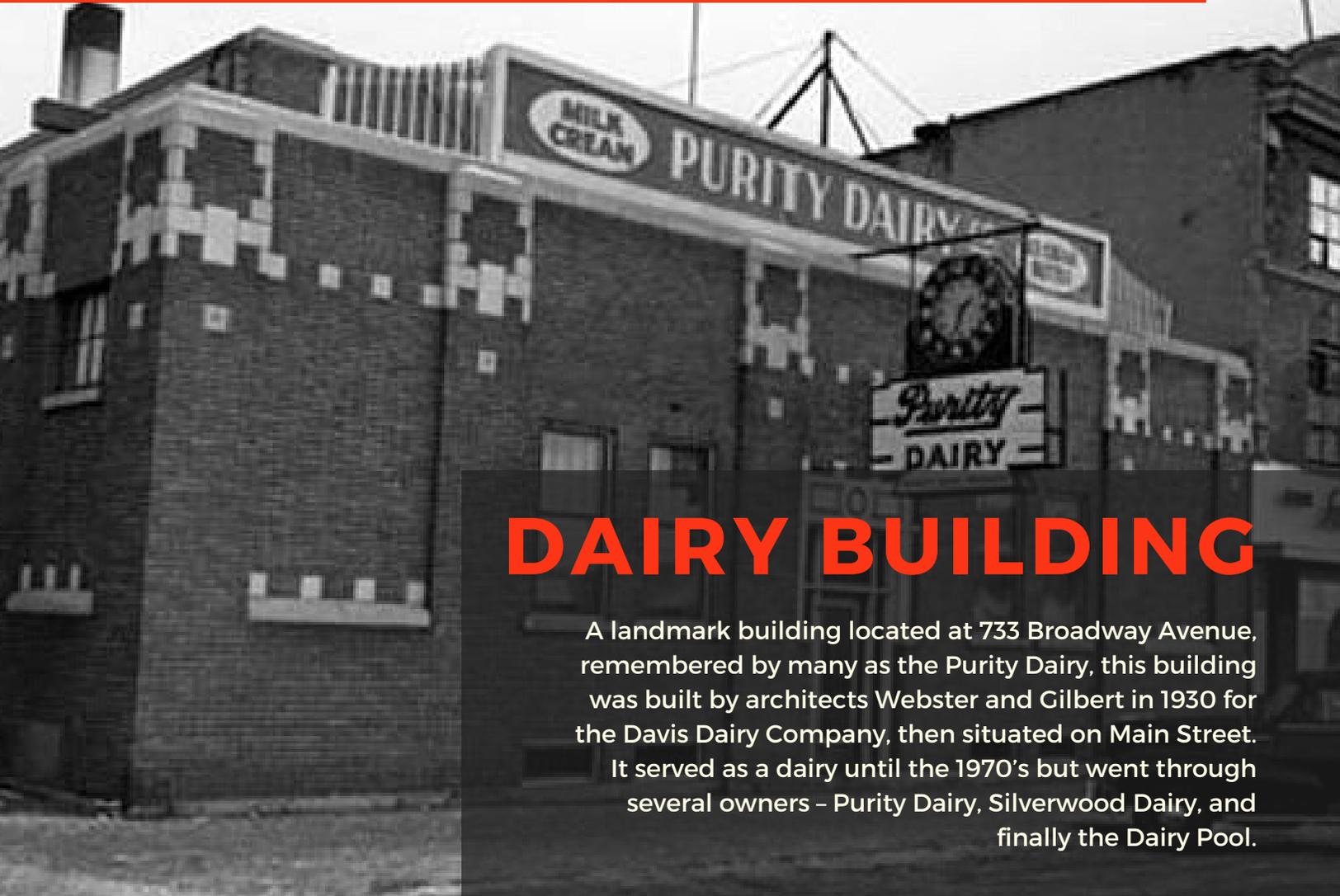
MEMBERSHIP PERKS

- Access to the Regal Beagle during the day
- 10 Free Drinks each month at the Regal Beagle
- Discounted Live show tickets
- Brewery Tasting Invites
- Discounts at Broadway Merchants
- Discounted pints of The Broadway Collective Lager at participating Broadway pubs
- Discounted Event Space rental

Social Membership: \$50/month



LOCATION, LOCATION...



DAIRY BUILDING

A landmark building located at 733 Broadway Avenue, remembered by many as the Purity Dairy, this building was built by architects Webster and Gilbert in 1930 for the Davis Dairy Company, then situated on Main Street. It served as a dairy until the 1970's but went through several owners – Purity Dairy, Silverwood Dairy, and finally the Dairy Pool.

BROADWAY AVENUE

Mixing culture with commerce, Broadway offers a unique experience for locals and visitors alike. Small yet mighty, this five block district is recognized as the birthplace of arts and culture in the city of Saskatoon. Home to the city's trendiest restaurants, coolest specialty shops, and best entertainment venues, Broadway offers the perfect space for creatives and entrepreneurs to collaborate. A fusion old and new, Broadway offers the ultimate village experience. Being located in the heart of Broadway ensures that all the revenue opportunities work.



Phase 1: Renovate and Build 5 Small Offices

- Complete

Phase 2: Renovate General Coworking Area

- Complete

OFFICIALLY LAUNCHED COWORKING & SMALL OFFICES February, 2020

Phase 3: Build Additional Offices and Demo Brewery Space

- Complete

Phase 4: Renovate Restaurant

- Start: March, 2021
- Completion: July, 2021

Phase 5: Renovate and Build Craft Beer Store

- Start: March, 2021
- Completion: May, 2021

Phase 6: Renovate and Build Brewery and Tasting Room

- Start: May, 2021
- Completion: July, 2021

LAUNCH RESTAURANT / START BREWING BEER

REVENUE PROJECTIONS (MONTHLY*)

Collective Revenue				
Offices	Tenant /2021	Sq ft	Cost	Monthly
104-A	Beagle	500	60	2500
104-B	NDP	255	78	1650
104-D	Purity	800	23	1500
104-E	MR Strat	200	60	1000
105-A	HFTC	213	68	1200
105-B	C3	140	86	1000
105-D	MD Law	94	99	775
Office Total				\$9,625

Membership		People			Monthly Revenue		
Package	Cost	Low	Expected	Potential	Low	Expected	Potential
Social	50	50	100	200	2500	5000	10000
Student	100	10	20	40	1000	2000	4000
Premium	200	40	60	100	8000	12000	20000
CoWorking Total					\$11,500	\$19,000	\$34,000

Rental / Manged Events		Number of Events			Monthly Revenue		
	Profit	Low	Expected	Potential	Low	Expected	Potential
Collective VIP Live Music	2500	0.33	0.5	1	825	1250	2500
Collective Local Live Music	1000	1	2	2	1000	2000	2000
Collective Managed Event	2000	1	2	4	2000	4000	8000
Space Rental Full Price	650	1	2	4	650	1300	2600
Space Rental Member Price	350	1	2	4	350	700	1400
Rental Total					\$4,825	\$9,250	\$16,500

Brewery Revenue (minus variable cost)		Kegs			Monthly Revenue		
	Profit	Low	Expected	Potential	Low	Expected	Potential
Bar-Kegs	50	10	20	50	500	1000	2500
Reagle Beagle Pints	620	15	30	50	9300	18600	31000
Total Keg Revenue					\$9,800	\$19,600	\$33,500

TOTAL MONTHLY REVENUE					\$35,750	\$57,475	\$93,625
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*Projected year 2 monthly, after time to grow

REVENUE PROJECTIONS (RESTAURANT*)

Fixed Costs	Annual	Monthly	Weekly
Front Manager	42000	3500	875
Back Manager / Chef	42000	3500	875
Rent	96000	8000	2000
Marketing	6000	500	125
Legal / Accounting	5400	450	113
Insurance	4800	400	100
Misc	6000	500	125
Staff	Hourly Avg	HR/WK	Weekly
Kitchen Staff	15	336	5040
Servers/ Bar Tender	11.06	270	2986.2
Total Fixed Costs		Monthly 48954.8	Weekly 12239

Variable Cost	Rev %	Revenue	Avg Sale
Breakfast - Food/ supplies	30%	Breakfast	18
Dinner - Food/ supplies	40%	Dinner	25
Front - Liquor	35%	Liquor	10

REVENUE PROJECTIONS

BREAK EVEN	Sales/day	Daily	Weekly
Breakfast	40	720	5040
Dinner	50	1250	8750
Liquor	75	750	5250
Total Daily/ Weekly Revenue		\$2,720.00	\$19,040.00
Total Annual/ Monthly Revenue		\$913,920.00	\$76,160.00
Variable Cost			Weekly
Back - Food/ supplies			5012
Front - Liquor			1837.5
Total Weekly Cost			19088.20
Total Monthly Cost			\$76,352.80
Total Monthly Profit			\$192.80

PROFIT GOAL	Sales/day	Daily	Weekly
Breakfast	75	1350	9450
Dinner	100	2500	17500
Liquor	150	1500	10500
Total Daily/ Weekly Revenue		\$5,350.00	\$37,450.00
Total Annual/ Monthly Revenue		\$1,797,600.00	\$149,800.00
Variable Cost			Weekly
Back - Food/ supplies			9835
Front - Liquor			3675
Total Weekly Cost			25748.70
Total Monthly Cost			\$102,994.80
Total Monthly Profit			\$46,805.20

Weekly Staff Hours - Kitchen			
Sun - Thurs	Hours	Staff	Total
Breakfast	8	3	24
Dinner	8	3	24
Fri - Sat	Hours	Staff	Total
Breakfast	8	3	24
Dinner	8	3	24
Week Total			336

Weekly Staff Hours - Front			
Sun - Thurs	Hours	Staff	Total
Breakfast	6	3	18
Dinner	6	3	18
Fri - Sat	Hours	Staff	Total
Breakfast	8	3	24
Dinner	7	3	21
Week Total			270

Total Staff Weekly Hours 606

SMALL PROFIT	Sales/day	Daily	Weekly
Breakfast	50	900	6300
Dinner	70	1750	12250
Liquor	100	1000	7000
Total Daily/ Weekly Revenue		\$3,650.00	\$25,550.00
Total Annual/ Monthly Revenue		\$1,226,400.00	\$102,200.00
Variable Cost			Weekly
Back - Food/ supplies			6790
Front - Liquor			2450
Total Weekly Cost			21478.70
Total Monthly Cost			\$85,914.80
Total Monthly Profit			\$16,285.20

WE'RE RICH	Sales/day	Daily	Weekly
Breakfast	100	1800	12600
Dinner	140	3500	24500
Liquor	180	1800	12600
Total Daily/ Weekly Revenue		\$7,100.00	\$49,700.00
Total Annual/ Monthly Revenue		\$2,385,600.00	\$198,800.00
Variable Cost			Weekly
Back - Food/ supplies			13580
Front - Liquor			4410
Total Weekly Cost			30228.70
Total Monthly Cost			\$120,914.80
Total Monthly Profit			\$77,885.20

*The Broadway Collective receives 50% of Restaurant Profit

REVENUE PROJECTIONS (CRAFT BEER STORE)

	Annual	Monthly	Weekly
Fixed Costs			
Manager	12000	1000	250
Rent	9000	750	188
Marketing	6000	500	125
Legal / Accounting	3000	250	63
Insurance	1500	125	31
Misc	3000	250	63
Staff	Hourly Avg	HR/WK	Weekly
Retail Clerk	7.5	64	480

Weekly Staff Hours - Store		Hours	Staff	Total
Monday (10-7)		9	1	9
Tuesday (10-7)		9	1	9
Wednesday (10-7)		9	1	9
Thursday (10-9)		11	1	11
Friday (10-9)		11	1	11
Saturday (10-9)		11	1	11
Sunday (1-5)		4	1	4
Weekly Total				64

Total Fixed Costs	Monthly	Weekly
	4795.0	1199

Variable Cost	Rev %	Revenue	Avg Sale
Liquor - Purity	20%		12
Liquor - Other	60%		14
Merchandise - Other	50%		20

REVENUE PROJECTIONS

BREAK EVEN	Sales/day	Daily	Weekly
Liquor - Purity	10	120	840
Liquor - Other	10	140	980
Merchandise	2	40	280
Total Daily/ Weekly Revenue		\$300.00	\$2,100.00
Total Annual/ Monthly Revenue		\$100,800.00	\$8,400.00
Variable Cost			Weekly
Liquor - Purity			168
Liquor - Other			588
Merchandise			140
Total Weekly Cost			2094.75
Total Monthly Cost			\$8,379.00
Total Monthly Profit			\$21.00

SMALL PROFIT	Sales/day	Daily	Weekly
Liquor - Purity	15	180	1260
Liquor - Other	20	280	1960
Merchandise	2	40	280
Total Daily/ Weekly Revenue		\$500.00	\$3,500.00
Total Annual/ Monthly Revenue		\$168,000.00	\$14,000.00
Variable Cost			Weekly
Liquor - Purity			252
Liquor - Other			1176
Merchandise			140
Total Weekly Cost			2766.75
Total Monthly Cost			\$11,067.00
Total Monthly Profit			\$2,933.00

PROFIT GOAL	Sales/day	Daily	Weekly
Liquor - Purity	20	240	1680
Liquor - Other	25	350	2450
Merchandise	6	120	840
Total Daily/ Weekly Revenue		\$710.00	\$4,970.00
Total Annual/ Monthly Revenue		\$238,560.00	\$19,880.00
Variable Cost			Weekly
Liquor - Purity			336
Liquor - Other			1470
Merchandise			420
Total Weekly Cost			3424.75
Total Monthly Cost			\$13,699.00
Total Monthly Profit			\$6,181.00

WE'RE RICH	Sales/day	Daily	Weekly
Liquor - Purity	30	360	2520
Liquor - Other	30	420	2940
Merchandise	10	200	1400
Total Daily/ Weekly Revenue		\$980.00	\$6,860.00
Total Annual/ Monthly Revenue		\$329,280.00	\$27,440.00
Variable Cost			Weekly
Liquor - Purity			504
Liquor - Other			1764
Merchandise			700
Total Weekly Cost			4166.75
Total Monthly Cost			\$16,667.00
Total Monthly Profit			\$10,773.00

EXPENSE PROJECTIONS (MONTHLY ONGOING*)

Collective Ongoing Expense			
Leases	Sq ft	Cost	Monthly
101	1155	38.92	3746
104	2655	27.92	6177
105	1000	38.92	3243
Event Space	2800	17.92	4181
Brewery	800	17.92	1195
Total Lease Cost			\$18,542.68

Collective Costs	Monthly
Collective Office Expense	1500
Collective Staff	5000
Insurance	1000
Legal	400
Accounting	600
Marketing	1000
Shuttles	1000
Total Cost	\$10,500.00

Brewery Fixed Costs	Monthly
Labour	500
Brewmaster	5000
Total Brewery Cost	\$5,500.00

Total Expense	\$34,542.68
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Monthly Revenue	Low	Expected	Potential
Monthly Revenue - Collective	\$35,750	\$57,475	\$93,625
Monthly Profit - Beer Store	\$2,933	\$6,181	\$10,773
Monthly Profit Share - Restaurant	\$8,142	\$23,402	\$38,942
TOTAL MONTHLY REVENUE	\$46,825	\$87,058	\$143,340

Potential Monthly Profit	\$12,282.32	\$52,515.32	\$108,797.32
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*Projected year 2 monthly, after time to grow



INVESTMENT

This opportunity includes a guaranteed dividend payment each year and ownership shares in The Broadway Collective, the Brewery and the Landmark Building located at 731-733 Broadway Avenue.

RETURN ON INVESTMENT

Investors Receive:

- Broadway Collective Ownership
 - Brewery and Craft Beer Store
 - Co-working, Small Office Lease and Event Management
- Restaurant and Bar Profit-Share
- Building Ownership
- Annual Dividend Payment: 7% minimum return on initial investment each year or a Corresponding (to investment) % of profit share each year (whichever is higher).

Additional Investor Perks:

- Status as Founder
- 10 Free Drinks per month
- Private Tasting Events
- Discounts to Broadway Merchants
- One free Regal Beagle Rental each year
- Free Tickets to any Managed Event (48 Events per year)
- Use Of Collective Shuttle (4 times per year)
- Access to secret tasting room whenever available

EXAMPLE INVESTMENT RETURN

Collective Value					\$1,250,000				
Initial Building Value:					\$3,200,000				
Initial Investment	Initial Building Value	% of Building	Collective Value	% of Collective	Dividend Value	Annual Min Dividend	Projected Building Value	Building Increase	
\$12,500	\$6,250	0.20%	\$6,250	0.5%	\$12,500	\$875	\$9,339	\$3,089	
\$25,000	\$12,500	0.39%	\$12,500	1.0%	\$25,000	\$1,750	\$18,678	\$6,178	
\$50,000	\$25,000	0.78%	\$25,000	2.0%	\$50,000	\$3,500	\$37,357	\$12,357	
\$100,000	\$50,000	1.56%	\$50,000	4.0%	\$100,000	\$7,000	\$74,713	\$24,713	
3 Year Projected Building Value*:								\$4,781,657	

Example Dividend Payments

Initial Investment	% of Collective	Projected Profit	Annual Min Dividend	Projected Profit	Annual Dividend	Projected Profit	Annual Dividend
\$12,500	0.5%	\$122,820	7% \$875	\$525,150	21% \$2,626	\$1,087,970	44% \$5,440
\$25,000	1.0%	\$122,820	\$1,750	\$525,150	\$5,252	\$1,087,970	\$10,880
\$50,000	2.0%	\$122,820	\$3,500	\$525,150	\$10,503	\$1,087,970	\$21,759
\$100,000	4.0%	\$122,820	\$7,000	\$525,150	\$21,006	\$1,087,970	\$43,519

3 Year Projected Return - Minimum*

Initial Investment	% of Collective	Projected Profit (Low)	Annual Dividend	Annual Min Dividend	Building Increase	3 YR Dividend	3 YR Return	% Return Per Year
\$12,500	0.5%	\$122,820	\$614	7% \$875	\$3,089	\$2,625	\$5,714	15%
\$25,000	1.0%	\$122,820	\$1,228	\$1,750	\$6,178	\$5,250	\$11,428	15%
\$50,000	2.0%	\$122,820	\$2,456	\$3,500	\$12,357	\$10,500	\$22,857	15%
\$100,000	4.0%	\$122,820	\$4,913	\$7,000	\$24,713	\$21,000	\$45,713	15%

3 Year Projected Return - Expected*

Initial Investment	% of Collective	Projected Profit YR 1	Projected Profit YR 2	Projected Profit YR 3	Building Increase	3 YR Dividend	3 YR Return	% Return Per Year
\$12,500	0.5%	\$80,000	\$280,000	\$525,150	\$3,089	\$4,901	\$7,990	21%
\$25,000	1.0%	\$80,000	\$280,000	\$525,150	\$6,178	\$9,802	\$15,980	21%
\$50,000	2.0%	\$80,000	\$280,000	\$525,150	\$12,357	\$19,603	\$31,960	21%
\$100,000	4.0%	\$80,000	\$280,000	\$525,150	\$24,713	\$39,206	\$63,919	21%

3 Year Projected Return - Goal*

Initial Investment	% of Collective	Projected Profit (Expected)	Annual Dividend	Annual Min Dividend	Building Increase	3 YR Dividend	3 YR Return	% Return Per Year
\$12,500	0.5%	\$525,150	\$2,626	7% \$875	\$3,089	\$7,877	\$10,966	29%
\$25,000	1.0%	\$525,150	\$5,252	\$1,750	\$6,178	\$15,755	\$21,933	29%
\$50,000	2.0%	\$525,150	\$10,503	\$3,500	\$12,357	\$31,509	\$43,866	29%
\$100,000	4.0%	\$525,150	\$21,006	\$7,000	\$24,713	\$63,018	\$87,731	29%

3 Year Projected Return - Potential*

Initial Investment	% of Collective	Projected Profit (Potential)	Annual Dividend	Annual Min Dividend	Building Increase	3 YR Dividend	3 YR Return	% Return Per Year
\$12,500	0.5%	\$1,087,970	\$5,440	7% \$875	\$3,089	\$16,320	\$19,409	52%
\$25,000	1.0%	\$1,087,970	\$10,880	\$1,750	\$6,178	\$32,639	\$38,817	52%
\$50,000	2.0%	\$1,087,970	\$21,759	\$3,500	\$12,357	\$65,278	\$77,635	52%
\$100,000	4.0%	\$1,087,970	\$43,519	\$7,000	\$24,713	\$130,556	\$155,270	52%

*For Example Investment Assumptions, see pages 23 and 24.

INVESTMENT ASSUMPTIONS

INCOME APPROACH (CAPITALIZATION RATE) TO BUILDING VALUATION

The lease income a property produces over a period of time can be converted to a measure of real estate value. The income approach develops a present (lump sum) value estimate by applying an applicable rate of return, commonly referred to as a capitalization rate, to the particular income stream of the property. By applying this ratio to the expected net income of the subject property, the present value of the income stream can be estimated. This present value figure is considered to be an estimate of market value, or in other terms, the most probable selling price. Using the net income (Contracted Net Leases) and the capitalization rate, a market value estimate is calculated using the following formula:

Net Income / Capitalization Rate = Market value by the income approach

Current Contracted Net leases and Capitalization Rate

Main Floor (7186 sq ft)	Space	Initial Valuation (CAP Rate)		3 Year Projected Net lease		
		Net Lease Rent	Rent Total	Space	Rent	Rent Total
Tenant 1	2655	18	47790	2655	28	74340
Tenant 2	1000	26	26000	1000	28	28000
Tenant 3	1155	24	27720	1155	28	32340
Tenant 4	2376	27	64152	3000	30	90000
Upper Floor (2830 sq ft)						
Tenant 5	1930	15	28950	1930	18	34740
Tenant 6	900	14	12600	900	18	16200
Basement (tenant 1)	2800	1	2800	2800	10	28000
Basement (tenant 2)				800	10	8000
	12816		\$210,012.00	13440		\$311,620.00

Initial Valuation	
Net Lease	210012
Cap Rate	6.52%
Value	\$3,222,532

2022 Projected Value	
Net Lease	311620
Cap Rate	6.52%
Value	\$4,781,657

INVESTMENT ASSUMPTIONS

DIVIDEND ASSUMPTIONS

- Dividends will be paid out following year end financials.
 - Company Year End will be Dec 31.
- A minimum of 2 months operating cost will remain with the company while the balance will be distributed as dividends.

Additional Perk Assumptions

As an Investor, you will have access to the following additional perks. Below is an example of the potential market value of these additional perks.

- 10 Free Drinks per month - Approx Value: \$80/month
- Private Tasting Events - Approx Value: \$200/year
- Discounts to Broadway Merchants - Approx Value: \$25/ month*
- One free Regal Beagle Rental - Approx Value: \$300 / year
- Free Tickets to any Managed Event - Approx Value: \$120/year**
- Use Of Collective Shuttle (3 times per year) - Approx Value: \$120/year***
- Access to secret tasting room whenever available - PRICELESS!

Total Annual Value: \$2,000

* Assuming you spend \$100 - \$120 with participating Broadway restaurants and stores, or purchase an additional 6 Brewery pints at participating bars.

** Assuming you use 2 free tickets to 3 of the 48 annual events.

*** Assuming a return cab fare would be valued at \$20 each way.