



Invasive Species Brewing

726 NE 2nd Ave
Ft. Lauderdale, Fl. 33304

Property and Business Improvement Program

Overall Project and Scope

Invasive Species Brewing Company will become the premier Artisan Brew Pub in South Florida and create an additional travel destination for the city of Ft Lauderdale. In addition to crafting world class beer, we plan to improve the Brew Pub concept with unique features inspired by years of industry experience. We will become the creative anchor of the Flagler Village District and inspire further development of an artistic and creative business community. Some highlights of the brewery include:

- Founded and independently owned by 4 Hollywood/Ft. Lauderdale natives with deep ties to the local community and local craft beer scene
- Oversized(50ft) Black Walnut Bar, Indoor and Outdoor seating, Open Flow
- 12 or more handcrafted beers on tap, brew shop with growlers, special release bottles, and merchandise for sale
- Extensive marketing program with food trucks, brewery tours, special beer releases, local bands/artists, and unique events
- 5 barrel brewhouse capable of crafting 70% Ales and 30% Lagers/Hybrids producing 500-2500 BBLs annually
- Advanced Barrel Aging Program, Open Fermentation, Brettanomyces Conditioning, and Lactobacillus Souring
- Promote Florida's natural resources and environmental responsibility

With almost ten combined years in the beer industry working with Rheingold Beer Co, Brown Distributing, and MIA Beer Co., Founder and Brewer, Josh Levitt knows the business of getting beer from grain to glass. Together with Funky Buddha Brewer and German educated Founder, Phil Gillis, and Brothers Jordan and Chris Bellus of Laser Wolf, a world renowned craft beer bar operating successfully in Progresso Village for over 5 years, they will leverage their passion and industry experience to create the premier brew pub in South Florida averaging 500bbl-2500bbl annual production.

Expect to find a large variety of beers on tap when you visit the brewery because the smaller size gives a distinct advantage over larger production breweries. With smaller fermentors and no distribution agreements, Invasive Species will offer a

greater variety of new beers more frequently than competitors like Funky Buddha. Our size will allow us to secure rare and limited Hops which will allow us to craft some of the most desirable IPA's in the State. Production will be divided among traditional styles, seasonal releases, and special releases. Our beer will be sold exclusively in our Brewpub for consumption on premises or package sales.

Exposed plumbing and ductwork will intertwine with filament bulbs, natural light candles, and a 50ft Black Walnut bar. An open flow inside and out will encourage interaction among guests in a socially laid-back atmosphere. The brewery will be open allowing guests an insight into the beer making process. Brewery tours will be offered on weekends. Growlers, bottles to go, bar snacks, and merchandise will all be available to purchase. As we believe a brewpub should be a public house for the community to socialize together, to encourage interaction, no TV's will be present within the bar.

Brewing is the ultimate combination of art and science and our location, in Flagler Village, is in close proximity to the arts and science district of Ft Lauderdale. A number of creative businesses contained within the Downtown, Riverfront, and Las Olas districts are within a few mile radius. Our location is part of Mass District and close proximity to Fat Village, which will allow us to take place in Art Walks and various other community events. With the scale of development going on within Flagler Village District and surrounding areas, the brewery will provide jobs and serve as a valuable community resource. Breweries have also become a major travel destination for visitors from across the state or the country, which will bring the ideal demographic to the area. Our location anchors the north end of The Wave above ground trolley line, giving passengers an exciting destination at the end of the line. A number of events within the surrounding area will allow other businesses to leverage our services and create a unique Flagler Village creative community.

As Florida natives we have come to love and respect Florida's natural resources. We are men of the ocean, the everglades, and everything in between. As fisherman, divers, and hunters we have a deep found respect for conservation and sustainability through proper management of Florida's fragile resources. Invasive Species' community mission is to bring awareness about Invasive animals, plants, and people that threaten our natural ecosystem and inspire environmental consciousness throughout Florida.

Project and Scope

Invasive Species Brewing plans to use CRA funding to increase our production timeline, grow volume, and add jobs. More fermenters means that Invasive Species can create and sell more beer which means more local jobs in the brewery, behind the bar, and for sales and marketing. Our current timeline puts this expansion at year 3. CRA funding would allow us to meet these goals in year 1 and be more competitive in the marketplace. All brewing equipment will be commercial grade and permanently affixed to the building. All equipment has a 20 plus year lifespan.









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CAM # 17-0588

Exhibit 4

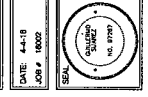
Page 9 of 46



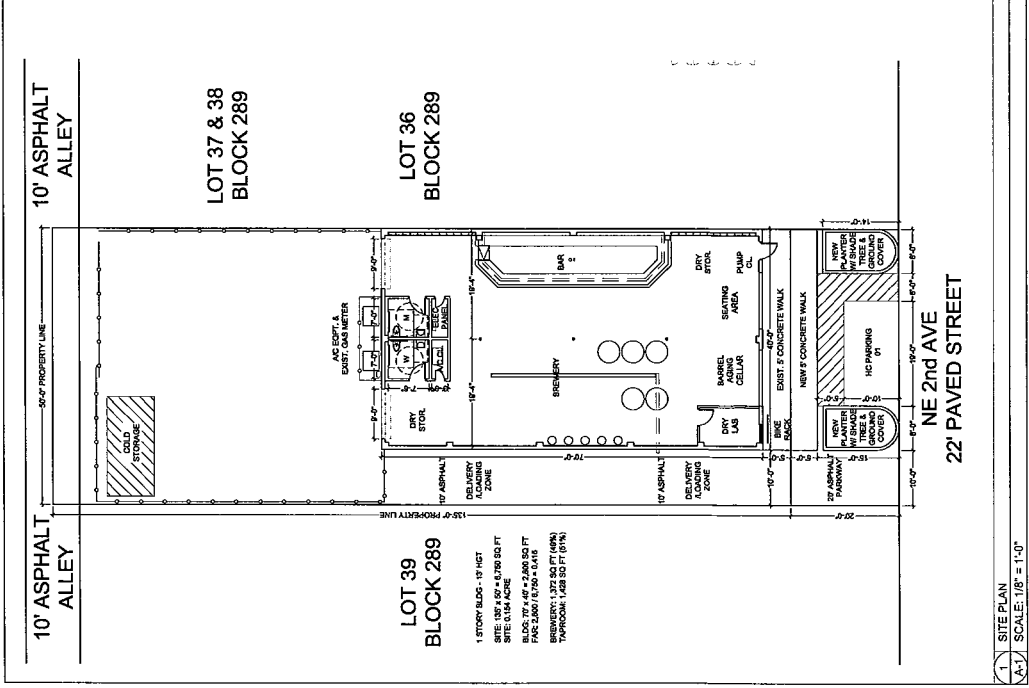
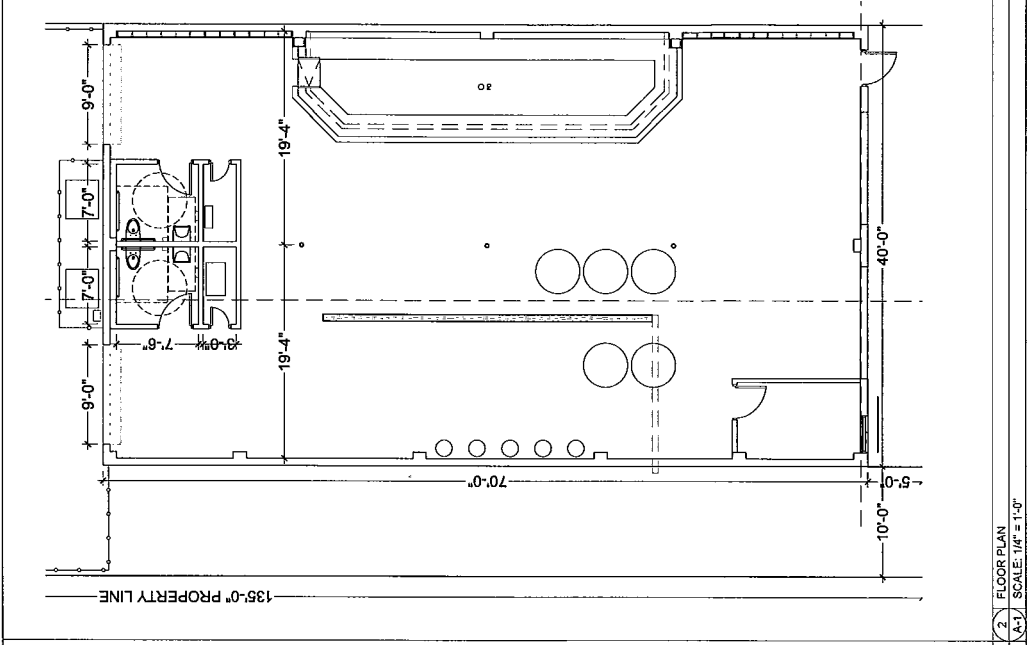
INVASIVE SPECIES BREWING
 INTERIOR ALTERATIONS
 726 NE 2nd AVE
 FORT LAUDERDALE, FL 33304
 TEL. 954-667-9373

DESIGN DEVELOPMENT
 REVISIONS

DATE: 4-4-18
 JOB # 18002



A-1
 SITE & FLOOR PLANS



LOT 39
BLOCK 289
 1 STORY BLDG - 19' HGT
 135' X 70' = 9,450 SQ FT
 SITE: 0.154 ACRES
 BLDG: 77 X 47 = 2,600 SQ FT
 FAC: 2,000 / 1,500 = 0.415
 BREWERY: 1,300 SQ FT (69%)
 TAPROOM: 700 SQ FT (31%)

2 FLOOR PLAN
 A-1/ SCALE: 1/4" = 1'-0"

1 SITE PLAN
 A-1/ SCALE: 1/8" = 1'-0"

INVASIVE SPECIES BREWING
 AFTER THE FACT PERMIT FOR
 726 NE 2ND AVENUE FLAGLER VALLEY FORT LAUDERDALE, FL 33304
 RUBEN D. BOLAÑOS ARCHITECT

MECHANICAL DETAILS, DATA, & SPECS
 2.1 NOT TO SCALE

M2.1
 CHAS/FG
 R.L.F.

10-17
 02-13-17

SEAL
 FILE

AIR CONDITIONING SPECIFICATION REC. 204

GENERAL

RELEVANT AREAS SHOWN ON THE SCALE DRAWINGS FOR THE EXACT LOCATION OF EQUIPMENT, MATERIALS, AND METHODS TO BE USED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROPER INSTALLATION AND MAINTENANCE OF ALL EQUIPMENT AND MATERIALS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROPER INSTALLATION AND MAINTENANCE OF ALL EQUIPMENT AND MATERIALS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROPER INSTALLATION AND MAINTENANCE OF ALL EQUIPMENT AND MATERIALS.

METALS

ALL METALS SHALL BE GALVANNEAL STEEL UNLESS OTHERWISE SPECIFIED. GALVANNEAL SHALL BE TYPE 30. ALL METALS SHALL BE GALVANNEAL STEEL UNLESS OTHERWISE SPECIFIED. GALVANNEAL SHALL BE TYPE 30. ALL METALS SHALL BE GALVANNEAL STEEL UNLESS OTHERWISE SPECIFIED. GALVANNEAL SHALL BE TYPE 30.

AIR CONDITIONING DATA

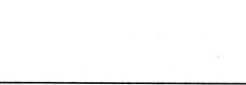
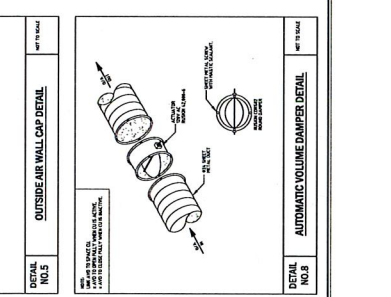
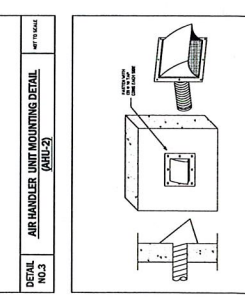
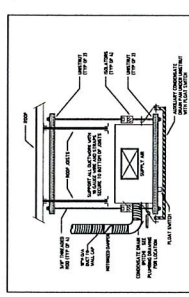
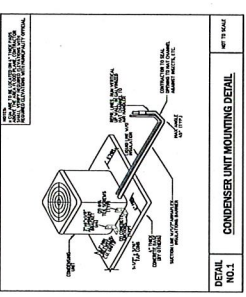
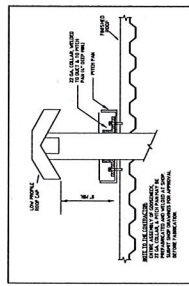
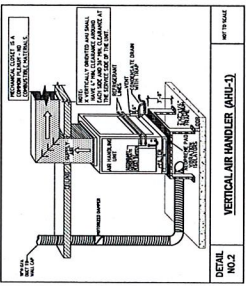
| UNIT NO. | TYPE | MANUFACTURER | MODEL | SEER | EFER | EAER | CONDENSING CAP. | CONDENSING PRESS. | CONDENSING TEMP. | CONDENSING PRESS. DIFF. | CONDENSING TEMP. DIFF. | CONDENSING PRESS. DIFF. (INCHES) | CONDENSING TEMP. DIFF. (DEGREES F) |
|----------|----------------|--------------|---------|------|------|------|-----------------|-------------------|------------------|-------------------------|------------------------|----------------------------------|------------------------------------|
| 1 | CONDENSER UNIT | DAIKIN | FXS18V1 | 13.5 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 2 | CONDENSER UNIT | DAIKIN | FXS18V1 | 13.5 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

ELECTRICAL DATA

| NO. | DESCRIPTION | TYPE | SIZE | LENGTH | TERMINALS | NOTES |
|-----|----------------|---------|------|--------|-----------|--------------------|
| 1 | CONDENSER UNIT | 3-PHASE | 40A | 100' | 4 | SEE SPECIFICATIONS |
| 2 | CONDENSER UNIT | 3-PHASE | 40A | 100' | 4 | SEE SPECIFICATIONS |

AIR TERMINAL SCHEDULE

| SYSTEM | SERVICE | LOCATION | ACCESSORIES | MANUFACTURER | MODEL | REMARKS |
|--------|----------------|----------|---------------|--------------|---------|--------------------|
| A | CONDENSER UNIT | ROOF | WIND RAIN CAP | DAIKIN | FXS18V1 | SEE SPECIFICATIONS |
| B | CONDENSER UNIT | ROOF | WIND RAIN CAP | DAIKIN | FXS18V1 | SEE SPECIFICATIONS |



FOR MICA & ASSOCIATES INC.
 2000 N.W. 20th Street, Suite 200
 Fort Lauderdale, FL 33305
 TEL: (954) 571-1111 FAX: (954) 571-1112
 WWW.FORMICA.COM

PERMIT SET 02/17/17

IN THE CITY OF FORT LAUDERDALE, FL, THE SHOWN PROJECT HAS BEEN REVIEWED AND APPROVED FOR CONSTRUCTION UNDER THE CITY OF FORT LAUDERDALE PERMITTING DEPARTMENT.

ANY CHANGES TO THE SETTING CANNOT BE MADE WITHOUT THE WRITTEN APPROVAL OF THE CITY OF FORT LAUDERDALE PERMITTING DEPARTMENT. ANY CHANGES TO THE SETTING CANNOT BE MADE WITHOUT THE WRITTEN APPROVAL OF THE CITY OF FORT LAUDERDALE PERMITTING DEPARTMENT. ANY CHANGES TO THE SETTING CANNOT BE MADE WITHOUT THE WRITTEN APPROVAL OF THE CITY OF FORT LAUDERDALE PERMITTING DEPARTMENT.

Invasive Species Brewing, Inc.

**Invasive Species Brewing
Pro Forma Cash Flow**

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|----------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Cash Receipts | | | | | | | | | | |
| Revenues | | | | | | | | | | |
| Taproom Beer | \$437,472 | \$1,062,432 | \$1,999,872 | \$3,248,792 | \$4,499,712 | \$4,499,712 | \$4,499,712 | \$4,499,712 | \$4,499,712 | \$4,499,712 |
| Merchandise | \$12,000 | \$13,200 | \$14,520 | \$15,972 | \$17,569 | \$19,326 | \$21,259 | \$23,385 | \$25,723 | \$28,295 |
| Gross Sales | \$449,472 | \$1,075,632 | \$2,014,392 | \$3,265,764 | \$4,517,281 | \$4,519,038 | \$4,520,971 | \$4,523,097 | \$4,525,435 | \$4,528,007 |
| Credits/Returns/Give Aways | (\$4,495) | (\$10,756) | (\$20,144) | (\$32,658) | (\$45,173) | (\$45,190) | (\$45,210) | (\$45,231) | (\$45,254) | (\$45,280) |
| Net Sales | \$441,967 | \$1,073,188 | \$2,020,016 | \$3,282,450 | \$4,544,885 | \$4,544,902 | \$4,544,922 | \$4,544,943 | \$4,544,966 | \$4,544,992 |

Cash Disbursements

| | | | | | | | | | | |
|--------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Direct Costs | | | | | | | | | | |
| Taproom Beer Cost | \$164,052 | \$398,412 | \$749,952 | \$1,218,672 | \$1,687,392 | \$1,687,392 | \$1,687,392 | \$1,687,392 | \$1,687,392 | \$1,687,392 |
| Merchandise | \$6,000 | \$6,600 | \$7,260 | \$7,986 | \$8,785 | \$9,663 | \$10,629 | \$11,692 | \$12,862 | \$14,148 |
| Total Direct Costs | \$170,052 | \$405,012 | \$757,212 | \$1,226,658 | \$1,696,177 | \$1,697,055 | \$1,698,021 | \$1,699,084 | \$1,700,254 | \$1,701,540 |

Gross Profit

| | | | | | | | | | | |
|--|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | \$271,915 | \$688,176 | \$1,262,804 | \$2,055,792 | \$2,848,708 | \$2,847,847 | \$2,846,900 | \$2,845,859 | \$2,844,713 | \$2,843,452 |
| | 61.5% | 62.3% | 62.5% | 62.6% | 62.7% | 62.7% | 62.6% | 62.6% | 62.6% | 62.6% |

Total Payroll and Payroll Taxes

| | | | | | | | | | | |
|--|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$44,000 | \$110,880 | \$168,608 | \$248,336 | \$314,336 | \$314,336 | \$314,336 | \$314,336 | \$314,336 | \$314,336 |
|--|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

Overhead

| | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Rent | \$75,000 | \$76,500 | \$78,030 | \$79,591 | \$81,182 | \$82,806 | \$84,462 | \$86,151 | \$87,874 | \$89,632 |
| Electric | \$6,000 | \$6,600 | \$7,260 | \$7,986 | \$8,785 | \$9,663 | \$10,629 | \$11,692 | \$12,862 | \$14,148 |
| Water | \$4,800 | \$5,280 | \$5,808 | \$6,389 | \$7,028 | \$7,730 | \$8,503 | \$9,354 | \$10,285 | \$11,297 |
| Natural Gas | \$3,600 | \$6,743 | \$16,457 | \$26,743 | \$37,029 | \$37,029 | \$38,139 | \$38,139 | \$38,139 | \$38,139 |
| CO2 | \$1,800 | \$4,371 | \$8,229 | \$13,371 | \$18,514 | \$18,514 | \$18,514 | \$18,514 | \$18,514 | \$18,514 |
| Garbage/Waste Disposal | \$3,600 | \$3,708 | \$3,819 | \$3,934 | \$4,052 | \$4,052 | \$4,173 | \$4,173 | \$4,173 | \$4,173 |
| Phone / Internet | \$1,560 | \$1,607 | \$1,655 | \$1,705 | \$1,756 | \$1,756 | \$1,756 | \$1,756 | \$1,756 | \$1,756 |
| Alarm | \$720 | \$727 | \$734 | \$742 | \$749 | \$757 | \$764 | \$772 | \$780 | \$787 |
| Insurance - Medical | \$48,000 | \$60,000 | \$72,000 | \$72,000 | \$72,000 | \$72,000 | \$72,000 | \$72,000 | \$72,000 | \$72,000 |
| Insurance - Property & Liability | \$12,000 | \$13,200 | \$14,520 | \$15,972 | \$17,569 | \$18,096 | \$18,096 | \$18,096 | \$18,096 | \$18,096 |
| Insurance - Alcohol Liability | \$6,000 | \$14,571 | \$27,429 | \$44,571 | \$61,714 | \$61,714 | \$61,714 | \$61,714 | \$61,714 | \$61,714 |
| R.E. Tax | \$9,000 | \$9,270 | \$9,548 | \$9,835 | \$10,130 | \$10,433 | \$10,746 | \$11,069 | \$11,401 | \$11,743 |
| Janitorial | \$0 | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 | \$18,000 |
| Repairs & Maintenance | \$7,500 | \$8,250 | \$9,075 | \$9,983 | \$10,981 | \$12,079 | \$13,287 | \$14,615 | \$16,077 | \$17,685 |
| Legal & Professional Fees | \$12,000 | \$13,200 | \$14,520 | \$15,972 | \$17,569 | \$19,326 | \$21,259 | \$23,385 | \$25,723 | \$28,295 |
| Occupational License | \$600 | \$618 | \$637 | \$656 | \$675 | \$696 | \$716 | \$738 | \$760 | \$783 |
| Postage/Delivery | \$750 | \$825 | \$908 | \$998 | \$1,098 | \$1,208 | \$1,329 | \$1,462 | \$1,608 | \$1,768 |
| Printing | \$2,500 | \$2,575 | \$2,652 | \$2,732 | \$2,814 | \$2,898 | \$2,985 | \$3,075 | \$3,167 | \$3,262 |
| Office and Taproom Supplies | \$2,400 | \$2,640 | \$2,904 | \$3,194 | \$3,514 | \$3,865 | \$4,252 | \$4,677 | \$5,145 | \$5,659 |
| Advertising / Website | \$600 | \$660 | \$726 | \$799 | \$878 | \$966 | \$1,063 | \$1,169 | \$1,286 | \$1,415 |
| Taxes - Federal, State & Local (included in brewing costs) | \$6,000 | \$6,180 | \$6,365 | \$6,556 | \$6,753 | \$6,956 | \$7,164 | \$7,379 | \$7,601 | \$7,829 |
| Other | \$204,430 | \$257,526 | \$301,276 | \$341,728 | \$382,790 | \$388,436 | \$396,497 | \$403,664 | \$411,366 | \$419,654 |
| Total Overhead | | | | | | | | | | |

Net Cash Flow Before Taxes

| | | | | | | | | | | |
|--|----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | \$23,485 | \$299,771 | \$792,920 | \$1,465,728 | \$2,151,582 | \$2,145,075 | \$2,136,067 | \$2,127,859 | \$2,119,011 | \$2,109,463 |
| | 5% | 28% | 39% | 45% | 47% | 47% | 47% | 47% | 47% | 46% |

Invasive Species Mission Statement

Our intention is to open a small brewery and tasting room, introducing a unique and handcrafted product to our neighborhood.

We would like to enhance local culture by creating a fun environment for members of the community to enjoy together.

The rising popularity of craft beer has generated an entire segment of tourism making local breweries a destination.

Florida is in the top 5 fastest growing craft beer markets in the country.

Customers are more aware of what they eat and drink. Handcrafted well made organic ingredients are more popular than ever.

As Florida natives we have always been very aware of our environment and the impact of invasive species. Awareness is something we will promote.

Keys points

Become a destination to create a new buzz in the neighborhood and Greater Fort Lauderdale.

To act as an Anchor in our community to inspire the growth of future creative businesses.

To improve the Fort Lauderdale experience for tourists.

To improve the quality of life of our neighbors

To help make Fort Lauderdale a more enriching destination.

To spearhead the rejuvenation of Progresso Village and the local area.

To provide a gathering place for people to exchange ideas and discuss topics that directly impact their community.

To provide jobs and a skilled trade in one of the fastest growing industries in the nation.

To promote Native Florida history and ecology, including conservation and use of local resources.

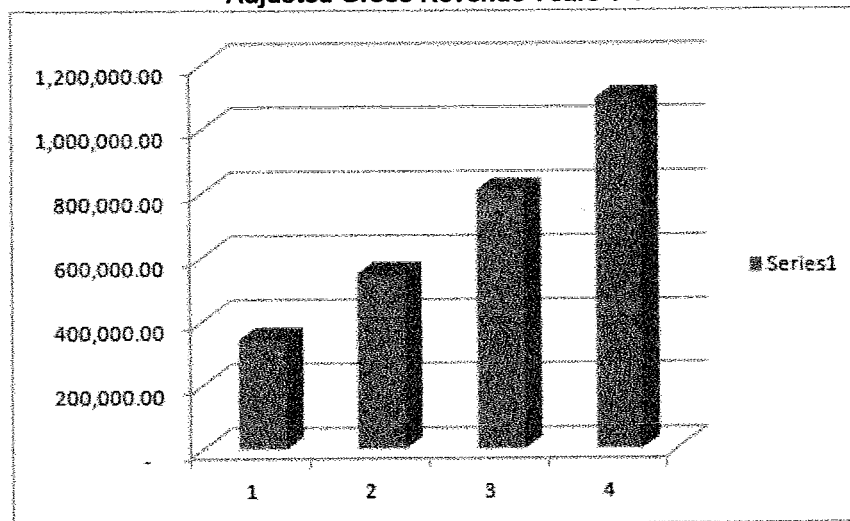
Executive Summary

Florida is the next big opportunity in craft beer. While craft beer has already exploded in many other parts of the Country, Florida has experienced a typical lag in adopting larger, national trends. Right now, South Florida is the premier emerging beer scene in the Country.

The following business plan is the culmination of ten years of education, planning, and experience. The goal is to create a brewery where the beer produced can be consumed exclusively on premise. To achieve this goal a world class variety of beers that push the boundaries of style and appeal to a wide range of drinkers will be crafted in a unique and entertaining environment. Invasive Species Brewing will craft beers that excite your sense of adventure and tantalize your desire to wonder. Traditional Ales and Lagers will merge with hybrid yeasts, wild oak, and unique ingredients to create an experience that appeals to more than just craft beer enthusiasts.

Invasive Species Brewing Company is seeking CRA Funds to add equipment and increase production on our 5 barrel brewery, with the added equipment we can boost our current production from 250 barrels up to 2000 barrels annually. Invasive Species is founded by Retail Industry Veterans and Brewers. as active members of the South Florida Craft Beer Scene we will utilize our reputation and experience to design and build a unique, artisan brew pub. Invasive Species' community mission is to bring awareness, inspire sustainability and environmental consciousness throughout Florida.

Adjusted Gross Revenue Years 1-4



Breweries and brewpubs are already a part of the local culture throughout the country. Cities like San Diego, Chicago, and Denver have developed rich and mature brewing communities. Locally Wynwood Miami has built a reputation in the brewing world with three breweries. Consumers are demanding locally produced products at increasingly higher rates. Locally sourced food and beverages are the fastest growing segment in the restaurant and beverage industry.



With extensive experience in start-up breweries, commercial breweries, retail sales, bar management and distribution, the founders of Invasive Species are ready to capitalize on the opportunity at hand. In addition to industry experience, we have developed the brand and reputation of Invasive Species Brewing over the last few years at events and festivals throughout South Florida. We have established a foot-hold in the market brewing some of the best beer in Ft Lauderdale. We aim to capitalize on our experience and reputation to become a primary player in the South Florida brewing scene

The Plan

Invasive Species Brewing will become the premier Artisan Brew Pub in South Florida. In addition to crafting world class beer, we plan to improve the Brew Pub concept with unique features inspired by years of industry experience. Some highlights of the brewery include:

- 5 barrel brewhouse capable of crafting 70% Ales and 30% Lagers/Hybrids
- Our size and structure will give us a competitive advantage over production breweries and allow us to create a large variety of beer, build our flavor profile from scratch, and secure new and limited varieties of hops
- Advanced Barrel Aging Program, Open Fermentation, Brettanomyces Conditioning, and Lactobacillus Souring
- Indoor seating for 50 people and outdoor seating for 20.
- Pre-prepared, Self-Service Brewery Snacks
- Brew Shop with growlers, special release bottles, merchandise, and single use kegs available for sale
- Extensive marketing program with special beer releases, and unique events
- Promote Florida's natural resources and environmental responsibility

Who

With a German brewing education and extensive brewing experience on 1.5bbl-30bbl brew houses, Brewer and Co-founder, Phil Gillis brings a wealth of experience to Invasive Species. Additionally, with almost ten combined years in the beer industry working with Rheingold Brewing Co and Brown Distributing, co-founder Josh Levitt, has extensive experience in the business of beer and knows what it takes to create a successful craft brand. Along with the nationally recognized craft beer retail and management know how of Ft. Lauderdale natives Chris and Jordan Bellus, Brothers who Founded and Operate Laser Wolf located in Progresso Plaza since 2010. Together, they will leverage their passion and industry experience to create the premier brew pub in South Florida averaging 1000bbl-2500bbl annual production.

Expect to find a large variety of beers on tap when you visit the brewery because the smaller size gives a distinct advantage over large and production breweries. Production will be divided among traditional styles, seasonal releases, and special releases.

An open flow inside and out will encourage interaction among guests in a social laid-back atmosphere. A store contained within the brewery will allow patrons to purchase a number of different Growlers and bottles to go, Bar Snacks, merchandise, and single use kegs.

While a kitchen will not be part of the brewery, we will offer a small variety of Bar Snacks that will keep patrons drinking. Bar snacks will be pre-cooked and pre-prepared. A salty and cured nature of the bar snacks will be a perfect accompaniment to beer and facilitate increased drinking. In addition, food trucks will be a staple for weekends and special events.

Brewing is the ultimate combination of art and science and our location just North of Downtown puts us right in the mix of Ft Lauderdale's growing arts district. A number of creative businesses, downtown, riverfront, and las olas are within a mile radius. Fat Village, an area reminiscent of Wynwood Arts District in Miami, is also located within this district. A number of events within the surrounding area will allow other businesses to leverage our services and create a creative atmosphere and clientele.

As Florida natives we have come to love and respect Florida's natural resources. We are men of the ocean, the everglades, and everything in between. As fisherman, divers, and hunters we have a deep found respect for conservation and sustainability through proper management of florida's fragile resources. Invasive Species' community mission is to raise awareness of our natural ecosystem and inspire environmental consciousness throughout Florida.

Our award winning homebrew club, Invasive Species, has a strong following and reputation for crafting excellent and creative beers. Over the last three years ,the club has been very active in local beer fests like brew at the zoo, grovetoberfest, and the new times beerfest. In addition, Invasive Species has hosted a number of private restaurant tastings at craft centered accounts like Laser Wolf, Riverside Market, Lokal, Tampa Bay Brewing Co, and OTC Restaurant. Leading up to the launch of the Brewery, Invasive Species will continue to promote the brand through grassroots marketing and a series of special events.

The System

Initially the brewery will be comprised of a 5bbl brewhouse with 5-5bbl fermentors and one 10bbl fermentor. We will also feature one open fermentor/mixing vessel and 6 oak barrels for aging. Our 5bbl system will allow us to deliver a consistent variety of beers to our consumers. Unlike distribution model breweries, Invasive Species will have the flexibility to brew whatever products we would like.

Distribution breweries often spend a considerable amount of their time brewing one or two styles of beer at significantly reduced margins. They are committed to brewing a limited number of styles by distribution and labeling restrictions. A Brewpub model allows greater flexibility as we are not under any distribution demands and can offer consistent variety of beer. Consumers can expect to find different beers on draft every month.

We intend to purchase a three-vessel brewhouse consisting of a Mash/Lauter Ton, Brew Kettle, and Hot Liquor vessel. A lautering grant will be used. Invasive Species will be kegging all beer, to reduce initial start up cost and allow for a greater variety of aged and lagered beers.

Invasive species will have a beer engine capable keeping cask ales for a number of days, and multiple cask tappings on busy nights and special events. Pinner or Firkins are cask that can be tapped with hand pumps and placed directly on the bar. The benefit of pinner or casks is that they allow additional treatments or ingredients to be added to the beer in small limited volumes.

The system will be Direct Fire and the all kegs will be stored and poured from a single walk in cooler. A glycol system will be used for chilling wort, fermentors, and a single 10bb brite tank.

Initially, five 5bbl fermenters will be needed. As we grow we expect to add additional fermentation capacity. This will include additional 10bbl fermenters and the possibility of adding 20bbl fermenters. A barrel aging program will also begin immediately and scale up with time. We intend to purchase one open fermenter that can double as a mixing vessel to produce limited batches of flavored Kombucha and Meads.

A canning line is not part of the initial plan, but the possibility of using a mobile canning line to produce a single package beer for distribution will be addressed at a later time. In addition, the ability to produce bombers and 750mls for limited edition beers on a hand-filled bottling line is a low-cost possibility for additional in-house bottle releases.

Macroeconomic View

The economic theory, economies of scope, is when a business can decrease production costs by increasing the variety of goods produced. Microbreweries typically practice economies of scope because they produce a variety of beers, rather than mass producing a single type of beer. Before brewpubs were legal, the majority of U.S. consumers had been exposed to lagers and pilsners exclusively. Mass producers like Coors, Anheuser Busch InBev, and SAB Miller spend more dollars on marketing than other breweries because they're concerned with the majority of the market share, however their generalized product offerings create peripheral product opportunities for microbreweries to survive. Consumers are bored with typical American Light Lagers and looking for new and unique flavors.

While the beer industry is down 1.9% overall, Craft sales are up 17.2%. Import beers are down a small margin, but export craft beer is up almost 50%! Craft beer is the fastest growing segment of the industry and the big three are losing share every year. This creates a wonderful niche for local breweries and brewpubs to cater to limited number of people with a large variety of products. Currently, craft beer makes up 7.8% of the market. That number is likely to double in the next five years.

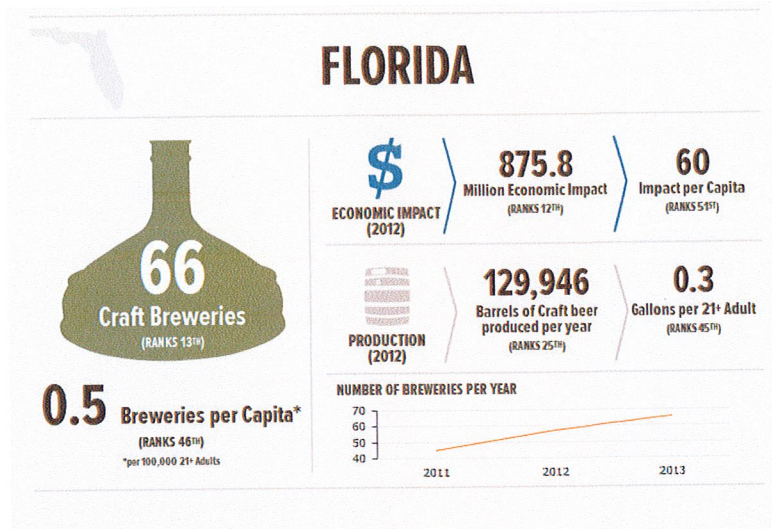


Source: Brewers Association, Boulder, CO

The difference between economies of scale and scope will continue to partition the resources available to large and small scale brewers. Mass producers are unable to efficiently distribute a large variety of beers, which allows microbreweries to target consumers looking for new beverages, and unique tastes. Distribution and large scale breweries are unable to obtain many key ingredients in the quantities that are necessary to brew on their size. Local breweries often use untreated city water to create beers because treating water is too expensive on that scale.

The growing number of microbreweries dwarfs the number of mass producers, which resembles a true change in consumer preferences and a shift in demand for premium craft beer. By securing highly desirable and limited quantities of ingredients we will offer beer for the wandering palate and those looking for truly unique beers. Limited sized batches will allow us to cater our water profile to the style of beer being brewed to create South Florida's best and most unique brewery.

Invasive Species brewing is about creating world-class craft beer right here in sunny South Florida.



Florida has a tremendous potential for growth. We have a large urban population and comparatively to the rest of the country the 4th lowest number of breweries per capita. The breweries Florida currently does have, are mostly located in North Florida which creates a virtual gold rush for brewers here.

Invasive Species brewing will incorporate various aspects of the Florida ecosystem into its promotional activities, branding, and marketing strategy. The overall ambiance will be a combination of the modern Floridian. We will incorporate a rustic, but polished feel into the décor. Live music and local food trucks will be available on most evenings. Other community events will set Invasive Species apart and cement the brewery as the authentic Fort Lauderdale brewery.

On draft you will always find an offering of classic styles and unique one time creations. The scale of our system will allow for a constant variety of beers. Not only has Invasive Species Built a reputation for brewing excellent beer, but also for crafting some of the most original beers found anywhere. We have a reputation for using local ingredients like Honey, Sea Grapes, Starfruit, Mango, Dragonfruit, and more.

Industry overview

The Craft Brewing Industry Contributed \$33.9 Billion to the U.S. Economy in 2012, more than 360,000 Jobs

Small and independent American craft brewers contributed \$33.9 billion to the U.S. economy in 2012. The figure is derived from the total impact of beer brewed by craft brewers as it moves through the three-tier system (breweries, wholesalers and retailers), as well as all non-beer products like food and merchandise that brewpub restaurants and brewery taprooms sell.

The industry also provided more than 360,000 jobs, with 108,440 jobs directly at breweries and brewpubs, including serving staff at brewpubs.

Florida

Florida ranks 13th in the Nation for number of craft breweries, but ranks 46th in the Nation as for number of breweries per capita. This demonstrates the potential growth as Florida moves from a new market to a building or growth market. So far, the local brewing community is currently experiencing tremendous growth in a rapid amount of time.

Financials Assumptions

Initial financial estimates are based on 7th Sun Brewing Co based in Dunedin Florida. 7th Sun is a local brewing company brewing on a similar size system as Invasive Species initial capacity.

Ft lauderdale has a much larger population and target market pool, so we expect a faster growth rate, but plan a worst case scenario. With a five turn weekly capacity of 2,500bbl per year, A 10bbl system will accommodate our growth target in excess of five years. In addition, we can add 20, 30, or 40bbl fermentors and fill them in multiple turns between two brewmasters.

Projected Volumn Examples and Projected Revenues

Volumn Example 1 7th Sun - Duneden Florida - 3000 Sq Ft with 1200 sq ft tasting room

| | |
|---------------------------|-----------|
| 7th Sun 1st Year - | 250bbl |
| 7th Sun 2nd Year - | 800bbl |
| 7th Sun 3rd Year Target - | 1,000bbl+ |

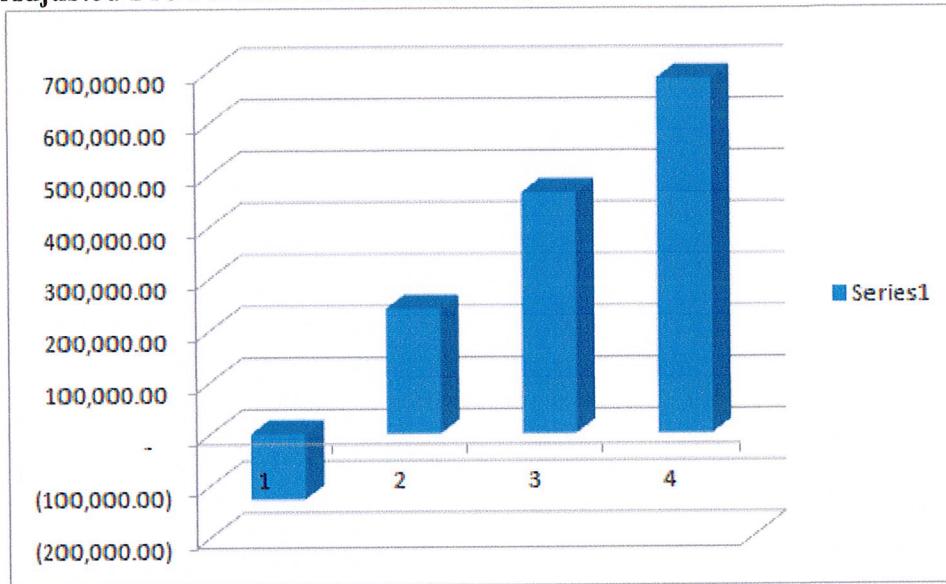
Volumn Example 2 Laser Wolf - Ft Lauderdale, FL. - 700 sq ft bar with outdoor seating

| | |
|---------------------|--------|
| Laser Wolf 1st year | 450bbl |
| Laser Wolf 2nd year | 500bbl |

Invasice Species Projected Volumn

| | |
|-----------------------------|----------|
| Invasive Species 1st Year - | 300bbl |
| Invasive Species 2nd Year - | 700bbl |
| Invasive Species 3rd Year - | 1000bbl+ |

Adjusted Pro Forma Net Revenue After Taxes: Year 1 - Year 4



Location and Demographics

Invasive Species will be located in close proximity to Downtown Fort Lauderdale. The location must contain adequate parking and size is paramount to profit. We will need enough square footage for brewery operations, taproom, store, and outdoor seating.

Brewery square footage must be large enough to accommodate the following elements:

- walk-in cooler able to store 10-5bbl serving tanks and 6 – 5bbl fermentors. – 1000 sq ft
- 3 vessel system including small cartridge filter- 200 sq ft
- RO water filtration system- SQ footage: 15ft
- CIP system – 10 Sq Ft
- A mixing vessel, open fermentor, and 12 – barrels – 100 sq ft
- Cask area and Cask filling station 20 sq ft
- Grain Storage and Milling 50 sq ft
- Sink and washing station – 5 sq ft
- Lab and Office - 100 sq ft

Total Sq Footage Required: 1500 Sq Ft

Brewery Building Requirements

Water

Main water supply to brewery is recommended to be 60 psi @ 25 GPM. Uniform water flow to the brewhouse is critical and should not be affected by water demand elsewhere in the building. Hot and cold hose bibs are required in all brewery spaces and lab areas.

Drainage

Drains are required in the brewhouse, fermentation, walk-in cooler, boiler room, and any other areas where water and spillage may occur i.e. kegging/bottling.

Floors should have a recommended pitch of ¼” per foot towards drains.

Recommend 4” channel drains with stainless steel or fiberglass grating. All drains should be sized adequately to handle 4-6 barrels of effluent for every 1 barrel of beer produced.

Finish

Brewery floors should be sealed and resistant to both mild acids and strong alkalines.

Due to the nature of the brewing process, walls and ceilings should be washable.

All floor penetrations for transfer lines, steam lines, flex auger etc. should be curbed to prevent overflow.

Electrical

Standard electrical for our equipment is 208VAC, 3 phase, 60 hertz, 4 wire.

A 200 Amp service is recommended for the brewery area, this would include such things as a boiler and glycol condensing unit. The building electrical supply will need to be confirmed before placing an order to avoid any inconveniences.

Square Footage

Estimate square footage for brewery operations is 1000-1200 sq ft. This includes walk in storage space and additional space for added fermentation capacity.

Ceiling Heights

For planning purposes, newly constructed buildings are recommended to have 12' to 14' ceilings in the brewhouse area with 9' to 10' in the fermentation and serving area.

Venting

Typically a flue is needed for the venting of the steam from the brewkettle.

In a steam fired system exhaust flue is required in the boiler room for the gas fired boiler. Make-up air is required in the boiler room on as well. Air conditioning is recommended in all brewery spaces.

Tap Room and Outdoor Area

Florida is inexorably intertwined with the outdoors. Warm weather all year long makes an outdoor seating area a necessity. An outdoor area will also function as a "spill over" on busy nights and dampen the effects of the large crowd.

The Tap room will contain an oversized bar capable of holding 20 people, seating for 20 people, and multiple standing points and elbow bars. Within the taproom will be a male and female bathroom and store. The store will contain merchandise, growlers/bottles, and bar snacks. The store will be self-service except on busy nights where a cashier will be present. Otherwise, customers are free to grab something from the store and pay for it at the bar.

The Outdoor area will have additional seating for 20-30 people and feature an outdoor grill. The outdoor grill is available for use as long as a credit card is left as cleaning deposit. You are expected to clean up after yourself when using the grill, or a clean-up charge will be added. Outdoor square footage should be between 800-1000sq ft.

Taproom: 1000 sq ft
Bathrooms: 250 sq ft
Store: 250 sq ft
Total Tap Room Operations Sq Footage: 1300 sq ft
Total Brewery Sq Footage: 1500 sq ft
Total Sq Footage needed: 3000 sq ft

Downtown Fort Lauderdale Demographics

Fort Lauderdale is the perfect city to operate a brewery. A young, educated urban class coupled with disposable income characterizes the Downtown area and is part of the reason Brewpubs around the country flock to downtown areas in general. Fort Lauderdale is the ideal city to open a brewery or brewpub.

Competition

Invasive Species will have the distinct ability to set itself apart from the competition. Every brewery that has currently opened in Florida is largely dependent on distribution for approximately 75% of its volume and 25% of its profit. The remaining share of profit derives from the tasting room or tap room. While the taproom is the real bread and butter of the brewing business, distribution offers unlimited growth potential. Our competition all follow this model with sights fixated on huge earnings and national distribution. Invasive Species is different.

While distribution is an appealing option, it also comes with a host of negatives learned through years of work on the distribution side of the industry. Firstly, you are under distribution agreements to brew certain volumes of liquid. In many cases this means forgoing new beers in the tasting room to continue brew flagship brands. This creates a dull experience in the tasting room as many of the beers are the same offerings and limits the variety of beers offered. Typically you will find 5-10 beers on tap at a maximum.

While we use the word competition to describe other businesses competing in our market, breweries share a certain level of comradery among each other. Breweries are known to create collaboration beers between breweries as a method for sharing the market and showing mutual respect for the competition. As an integral facet of the South Florida beer scene for a number of years, our competition will strangely be our allies as well. The founding members of Invasive Species have intimate relationships with many of the local breweries just now opening.

Closest Brewery Competition

Wynwood Brewing, Wynwood – Owner sits on Invasive Species Advisory Panel

Funky Buddha, Oakland Park – Founding Brewmaster comes from Funky Buddha

Peripheral Brewing Competition

Due South – Based in Boynton, Distribution Brewery, not direct competition

Saltwater – based in Delray, Distribution Brewery, not direct competition

Coming Competition

J. Wakefield Brewing – Based in Wynwood, Small Distribution and Taproom

Concrete Beach Brewing – Based in Wynwood, Extensive Contract Distribution and Taproom

26th Degrees Brewing – Based in Pompano, Distribution and Taproom

Competitive Advantage

Commercial breweries are limited in several different ways. Invasive Species intends to capitalize on these differences to create beers that surpass most commercial level breweries.

Our competitive advantage will come by building each recipe from scratch by tailoring our hops, water, and yeast to the exact flavor profile we are targeting.

Variety

Our small size will allow us to create a large variety of beers to satisfy consumer tastes for new and exciting products. With 10+ house drafts at all times we will offer a consistent variety of products. With no distribution agreements, we can brew whatever we like and change our beer offerings constantly for a fresh experience.

Hops

On a commercial level hops are limited to what can be purchased in mass and consistent quantities. Invasive Species will seek out and purchase limited batches of superb quality hops for various batches of beer. A small system allows us to create new and different varieties of IPA's and other hoppy beers.

Water

Water is arguably the most important factor in consistent and top quality beer. Most commercial breweries use city water with carbon or charcoal filters to pull out containments. Invasive Species intends to use RO or Neutral water to build specific water profiles to match specific recipes. This detail is the difference between good beer and great beer. After all, beer is 98% water!

Yeast

For the same reason most commercial breweries use city water, many breweries use a single strain of yeast in all their beers to simplify the process. From a brewing and contamination point of view, things are much easier. However, from a taste perspective the beers take on a what beer drinkers call a "house" flavor. This is when all the beers from one particular brewery tend to have something in common, most often, its from a house yeast strain. Invasive Species will tailor every aspect of the beer to the target recipe. Each recipe will get the specific yeast strain it deserves.

Production

Production can be divided into three categories of beer based on the demands and needs of particular styles

Traditional Styles, Base Beers, and Hybrids

The majority of our beers will be about creating drinkable or “sessionable” beers. The founders of Invasive Species truly believe in the German Style of brewing without a strict adherence to German rules. We intend to create recipes that are to style and extremely drinkable. Florida is uniquely suited to creating quaffable brews.

Hybrid styles like German Koelschs and Alt beers will allow us to harness the best aspects of ales and lagers. Bochs and Marzens/Octoberfests will also be a staple of the beer line-up. These styles showcase the flavor of ales and the smoothness or drinkability of lagers. With proper marketing, these styles of beer will take on a whole new light in the South Florida market. These beers will also create some of the base beers for various treated and specialty beers. Distribution breweries cannot afford to spend the time necessary to create hybrid and lager beers which will truly distinguish Invasive Species from the competition.

Seasonal Releases and Treatments

Throughout the changing seasons our beer line-up will feature seasonal ingredients that highlight the seasons. Beers will get lighter and more sessionable in the hotter months, and darker and more full bodied in the cooler months. We intend to use locally fruiting plants like sea grapes, Starfruit, and Coconut. Other special releases will give the beer community the styles they seek that cannot be purchased on a commercial level.

Special Releases, Bottle Releases, and Skunk Werks

In addition to our seasonal and special treatment beers we will feature a very special class of brew. These will be our special tappings, bottle releases, and growler releases. Social media will be a huge tool in promoting these events.

The brewery will be outfitted with six spirit barrels, one open fermentor, and various mixing tanks. The barrels will allow us to barrel age limited release beers to bring out the various whiskey, oak, and vanilla flavors that the only a barrel can provide. The open fermentor will allow us to create unique beers using traditional brewing techniques. Open fermented beers will be uniquely drinkable due to inherent flavor compounds formed during this special fermentation process. Mixing tanks will allow us to create interesting products like meads, home-made soda, and Kambucha.

Skunk werks represents our funky side. Not only does this include using bacteria and wild yeast like Lactobacillus, Pediococcus, and Brettanomyces but also encompasses the spirit of experimentation. An existing 10 gallon pilot system will allow us to experiment with crafting

truly out of the box creations. You can expect these beers to exemplify an exquisite complexity through a combination of complementary ingredients.

Sales and Marketing

SWOT Analysis

Strengths

We have a number of advantages over production breweries that will allow us to create superior beers and limited varieties. We will give customers a new taste experience every time they enter the brewpub. As locals we have long, deep ties to the community and as beer industry professionals we are intimately connected with the mavens of craft beer. Our events and concern for Florida's resources will tie us to the community and our special bottle releases will draw people from all over. Our reputation will precede the opening of our brewery through years of grassroots marketing and allow our business to hit the ground running.

Weaknesses

Our size is our greatest asset, but it also comes with compromise. Without distribution, demand is limited by the size of the tasting room. The expected capacity of our tasting room will create an annual consumption around 2000bbl per year at maturation. Should demand require, it is possible to substantially exceed the capacity on our current system through a number of different ways. This excess capacity may open the door to distribution, which our size is not uniquely suited for, to a limited number of specialty accounts. This would benefit our marketing efforts, but not be extremely profitable at our current capacity.

Opportunities

This is a unique opportunity to become part of business revolution. The brewpub model has proven uniquely profitable and successful throughout the country and Florida is the next big thing in craft beer.. We hope to capitalize on our local neighborhood and become Ft Lauderdale's brewery. We have the opportunity to secure the first mover advantage within our hometown market. The concept of Invasive Species has the potential to scale up to a larger size brewpub/restaurant concept or distribution model should demand require it. .

Threats

While we do not feel over-saturation will be a threat to Invasive Species, surely other breweries and brewpubs will arise in the local market. Each new market entry can have unique effects. A brewery crafting bad beer may taint someone's view of local brewpubs or drive consumers back to Invasive species. A brewpub crafting good beer may steal business away, but may create a brew community drawing tourists and beer enthusiasts from all over to visit multiple breweries in one shot. The quality of beer and ties to the local beer community through years of experience will set us apart from new market entrants. We feel confident that we will be able to work together with other brewers to build the South Florida craft beer scene. We believe a rising tide floats all boats.

Target market

Our primary market consists of young urban professionals, industry people, and one-time visitors. Young Urban Professionals will consist of the large majority of the clientele. With disposable income and a desire to socialize around high-end or unique products the young urban professional will likely be our largest patrons. The proximity to downtown and the urban environment surrounding Fatvillage will facilitate awareness among our target market.

Industry people

Industry workers from other bars and restaurants will make up a small but loyal percentage of our customer base. These individuals will promote the beer via their own regular customer base. We will offer in the biz discounts to these individuals to generate word of mouth and positive good will among other industry people.

Visitors/Tourists

Visitors and tourists will make up a growing percentage of our business and account for a larger percentage of later growth in years two and three. As we become more mainstream we will generate interest from one-time visitors and other beer tourists. Our hope is to create an experience where everyone feels comfortable and will continue to come back.

Marketing Strategies

Primary marketing will be through grassroots channels and social media primarily Facebook and Instagram. Additionally, funds will be raised via crowdsourcing by offering membership clubs at a varying expense.

Additional Marketing Strategies

Special Releases

Invasive Species has already created a stir in the homebrew world as crafting incredible beer on a professional level. In addition to classic styles, Invasive Species has built a committed group of followers looking for creative beers that really step outside of the box. Very few professional brewers have built a reputation for the type of variety of beers we offer. A large component of the marketing strategy will be through promoting new varieties of beer and seasonal releases. Special release beers will draw in a loyal group of followers each and every month.

Examples of some of our unique special bottle releases that are sure to draw a crowd.

Sake-it-to-me - unique hybrid made by using genuine koji spores used to make sake in combination with barley and polished rice for a one of a kind sake beer experience.
Sea grape sour- made with locally picked Seagrapes when they ripen in start of summer
Sun shower summer seasonal - our summer seasonal variety made with genuine Florida rainwater.

Liquid Gold - a hybrid of beer, mead, and wine seasoned with saffron
Experimental hops - using unique, one of a kind hop varieties acquired through personal relationships
Pumpkin carrot ginger ale - our October seasonal for Halloween.

Live Music and Food Trucks

Various local bands and food trucks will be on hand on special evenings and weekends. Nothing goes better with craft beer than original music from a local band.

Only pre-prepared snacks will be offered by Invasive Species Brewing co, because we will not have a kitchen or kitchen staff. Food trucks will be available as much as possible. Thursdays, Fridays, and Saturdays will always feature a truck. In addition, promotions with food trucks will promote off days. Extended Happy Hour and \$5 burgers on Monday or Ladies drink half price and \$2 Tacos on Tuesday. The brewery will allow food trucks to do a consistent volume on off-nights.

Events

In addition to regular holidays, A number of different events throughout the year will take place offering unique activities to our guests and generate significant press. Invasive species round-ups, Invasive Species Contests, and other environmental initiatives will create unique opportunities. A lion Fish derby, gator hunt, or python challenge is all possible.

Various brewfests and beer related activity weeks take place throughout the year. Our distribution agreement will allow us to attend beer festivals or have our beer featured on-premise during local beer week.

Beer dinners

Our Brewery Licensing will allow us to distribute our beer when desired. This gives Invasive Species the opportunity to sponsor beer dinners and beer pairings at local restaurants.

Social Media

Social Media will be harnessed organically and to through paid or sponsored listings. Facebook will be our primary marketing contact with our customers. We intend to use paid advertising via facebook in combination with a well managed online marketing presence. This will include monitoring and creating a positive image on a large number of social channels. Social media will be used to showcase our other marketing strategies.

Sales strategy

The Store

Unlike other breweries, we plan to stock a wide selection of pre filled growlers and bottles for sale at the brewery shop. This will allow patrons to quickly and easily take a growler of beer with them upon paying their bill. In addition, shirts, snacks, and other merchandise will be available for sale.

Website

We will create a basic website, however our primary contact with customers will be through social media channels. The website will feature information about us and our story. The website will also allow customers to purchase merchandise via an online store.

Staffing

The key to sales at a brewpub is creating a fun atmosphere with excellent service. Service will be held in the highest regard at the brewery. Our goal will be to retain employees by incentivizing them and rewarding them with the growth of the company. We hope to have very low employee turnover for the industry. This means having less, but highly trained bartenders. Proper training and adherence to bartender guidelines will ensure excellent service.

Financials

Cash Requirements

Cash requirements for start-up include the following elements

- Fixed and Variable Operating Capital for One Year
- Rent and Utility Reserve for One Year Prior to Operation
- Start-up Costs
- Initial Inventories

Overhead Costs

Overhead costs are made up of the following elements

Rent

The lease is intended to function and operate as a triple net lease, with the brewery responsible for its pro rata portion of real estate taxes, insurance, and operating expenses.

Insurance

In addition to the insurance included in the lease, the brewery is responsible for certain business insurances. These additional insurances are liability (includes State mandated liquor liability), workmans' compensation, and contents insurance.

Salary and taxes

Salary will include both Phil and Josh as Brewers and operations. Three full-time bartenders and One part-time bartender. Along with one barback/dishwater/swing guy to assist bartenders. Payroll taxes will be set aside and maintained in accordance with federal laws.

Brewing related Variable costs

Brewing related variable costs are calculated by annual production in barrels. This includes costs for ingredients and utilities related to brewing and production.

Non-Brewing related variable costs

Non-brewing related variable costs will include variable costs to run and operate the bar and brewpub not related to production costs. This includes bar expenses and utilities associated with bar operations.

Start-Up Cost Summary

Opening a brewery is a unique enterprise. There is no substitute for industry experience in order to understand the complexities of operating a brewpub. The primary set back is that licensing requirements dictate that prospective owners invest in a location and brewing equipment before any licensing can begin. With a six to eight month turn around, breweries must be pre-paired to use capital for rent and primary costs at least 12 months before generating revenue. For this reason it is imperative to set aside funds to withstand the licensing process. Far too many Breweries start operating under-capitalized due to underestimating the length of the licensing process on local and federal level. Total Start-up costs take into account the fact that rent and utilities will be paid for up to 12 months before any production takes place. Our financial statements will reflect an adequate licensing timeframe to account for the initial purchase of equipment and 12 months of rent.

Start-up Costs

Start-up costs include improvements made to the building which are necessary for brewing operations. This includes bringing water, electric, and natural gas into the building to where the brewhouse equipment will be located. In addition, floor drains and waste water handling improvements are necessary. We will contribute as much labor as possible towards the build-out as licensing will be the primary bottle-neck. This will give us time to employ some DIY and save a considerable amount of money. Construction, plumbing, soldering, and welding are just some of the skills we bring to the table.

Initial equipment costs will make up a large majority of the primary cost. In addition, due to licensing requirements, we must be prepared to secure our location up to one year before receiving the necessary licensing to operate. The remaining start up costs will include fixed and variable expenses for producing 300bbl of beer, initial start up costs

Trades

Electrical: For wiring of pumps, solenoids, temperature controller, natural gas burner control panel, and refrigeration unit. Approximate cost is under \$1,000.

Natural Gas: Installation of a natural gas line to the Mash/Brew Kettle at a flow rate of 12 cubic feet per minute at minimum 5 inch water column. approximate cost under \$500.

Water: RO filtration system and installation will cost approximately \$3000.

Rigger: Material handling equipment to unload and set tanks in place. Rental cost under \$1000

Gas: Oxygen, carbon dioxide, and controls need to be provided. Oxygen tanks are for lease for \$100 plus \$11 per fill (501b). Carbon dioxide tanks are for lease at \$160 plus \$18 per fill (501b.)

HVAC: The burner exhaust and steam vents must be vented to the outside through the roof. approximate cost of \$1,000.

Refrigeration System: A walk-in refrigeration system is necessary for keeping the kegged beer cold. The walk-in is 20' by 25', 10.5' tall., and cooled by a 4 HP 230 V three phase motor. This includes an 84" door. Glycol is used to chill the unit.

PRODUCTION

Summary of Annual Production

While the capacity of our brewhouse will exceed 2000 bbls we plan to average around 1500 bbls annually consumed within the brewhouse. This may allow for limited distribution as we maximize the capacity of our system.

Calculation of Annual Production

System Size (Brewhouse Size) x Number of brews per week x 50 weeks per year = Annual Production

Example : 10 Barrels (bbls) x 3 brews/week x 50 weeks/year = 1500 bbls/year

Calculation of No. of Fermenters Required

Desired Annual Production = No. of Fermenters (to meet desired annual production)
(Brewhouse Size x Vessel Cycles/year)

Sizing for a Brewpub – Example

Parameters: “1000 barrels per year; 75% Ales, 25% Lagers”

50 brewing weeks / year 14 Day Ales / 28 Day Lagers with full fermentation in fermenters

Ales – 25 cycles / fermenter / year (50 brewing weeks / 2 week fermentation)

Lagers – 12.5 cycles / fermenter / year (50 brewing weeks / 4 week fermentation)

Calculate system size and number of fermenters

5 barrel system 1000 barrels / year / 5 barrel system / 50 brewing weeks/year = 4 brews per week

Projected: 750 bbls Ales (75%) & 250 bbls Lagers (25%)

For 5 barrel system

Ales —> 750 bbls / year / (10 bbls x 25 cycles/year) = 3 Fermenters

Lagers —> 250 bbls / year / (10 bbls x 12.5 cycles/year) = 2 Fermenters

Total —> 5 Fermenters to produce 750 bbls Ales and 250 bbls Lagers

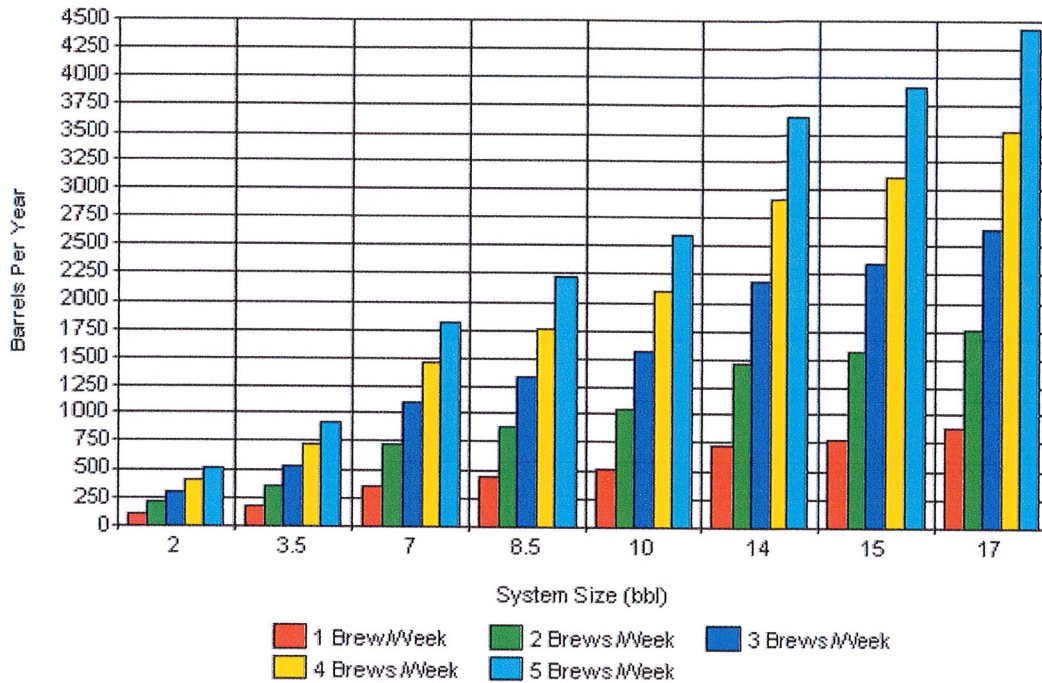
Serving Vessels for 5bbl

Number of Serving Vessels ; Equals number of desired beer styles one wishes to serve via tank to tap.

Note number of beer styles may increase through kegging and/or bottling.

Number of Starting serving vessels: 10 - 5bbl serving/brite tanks with possibility to add 1 or 2 10bbl tanks

BREW PUB ANNUAL PRODUCTION RANGE



Calculating System Turns and Production Capacity

| System Size (Barrels) | Number of Brews / Week | | | | | | | | |
|--------------------------|------------------------|---------------------------|---|---------------------|---------------------------|---|---------------------|---------------------------|---|
| | 1 | | | 2 | | | 3 | | |
| | Annual (Barrels) | Weekly Average (Pints) | Beer Sales (Weekly) @ \$3.00 / Pint | Annual (Barrels) | Weekly Average (Pints) | Beer Sales (Weekly) @ \$3.00 / Pint | Annual (Barrels) | Weekly Average (Pints) | Beer Sales (Weekly) @ \$3.00 / Pint |
| 2 | 100 | 477 | 1431 | 200 | 954 | 2862 | 300 | 1431 | 4293 |
| 3.5 | 175 | 835 | 2504 | 350 | 1670 | 5009 | 525 | 2504 | 7513 |
| 5 | 250 | 1193 | 3578 | 500 | 2385 | 7155 | 750 | 3578 | 10733 |
| 7 | 350 | 1670 | 5009 | 700 | 3339 | 10017 | 1050 | 5009 | 15026 |
| 8.5 | 425 | 2027 | 6082 | 850 | 4055 | 12164 | 1275 | 6082 | 18245 |
| 10 | 500 | 2385 | 7155 | 1000 | 4770 | 14310 | 1500 | 7155 | 21465 |
| 14 | 700 | 3339 | 10017 | 1400 | 6678 | 20034 | 2100 | 10017 | 30051 |
| 15 | 750 | 3578 | 10733 | 1500 | 7155 | 21465 | 2250 | 10733 | 32198 |
| 17 | 850 | 4055 | 12164 | 1700 | 8109 | 24327 | 2550 | 12164 | 36491 |

REGULATIONS

Regulation of microbreweries is done in many ways. The Department of the Treasury through the Bureau of Alcohol, Tobacco, and Firearms regulates and collects Federal excise tax. The State of Florida Liquor Control Commission collects state excise tax. In addition, the state Department of Agriculture inspects and licenses facilities. Local ordinances must be followed as well.

Licensing

Local, State, and Federal licensing will be required to operate. The Department of the Treasury through the Bureau of Alcohol, Tobacco, and Firearms regulates and collects Federal excise tax at \$7.00 per BBL. The State of Florida Liquor Control Commission collects state excise tax \$0.48 per gallon

CAD drawings of the brewery will be created by a Family member saving costs on the necessary requirement.

Taxes & Deposits

A brewers bond will be required for somewhere between \$10,000-\$15,000. This will come at an approximate cost of \$500. The Brewers Bond is assurance or back up that we will pay our taxes owed to the government.