

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

Meeting Date: February 16, 2016

Agenda Item 4

REQUESTED CRA BOARD ACTION:

 Resolution(s) X Consideration Approval Other

SHORT TITLE OR MOTION: CONSIDERATION OF A TERM SHEET FOR THE PROPERTY LOCATED AT 50 NE 1ST STREET WITH ODD BREED WILD ALES, LLC

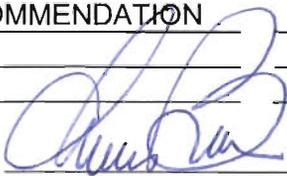
Summary of Purpose and Why:

Now that the Bailey Contemporary Arts is opened, the Downtown Pompano Streetscape project is nearly complete, and the Downtown Plaza is under construction, it is time to ensure that the properties in CRA possession are appropriately tenanted to activate the cultural arts district. It is imperative that there is pedestrian activity throughout the day which will promote a sense of safety in the area. One business that would like to become the newest member of the Pompano Beach community is Odd Breed Wild Ales, LLC. Its members are Daniel Naumko of Sybarite Pig, recently named the 2015 Best Gastropub of Broward-Palm Beach in the *New Times*, and Matt Manthe, the Brewmaster at Brewzzi's. Odd Breed Wild Ales is eager to bring a brewery serving delicious small plates to the property located at 50 NE 1st Street. This business can see the potential in the area and building, even though the current use of the property is office (the CRA Business Resource Center). CRA staff is presenting the Proposed Term Sheet in this agenda item, which lays out the basic terms that would eventually be included in a Sublease Agreement. The consideration of this agenda item will enable this new brewery to bring another reputable restaurateur to the emerging cultural arts district of Downtown Pompano.

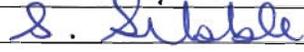
QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:

- (1) Origin of request for this action: Pompano Beach CRA
- (2) Primary staff contact: Adriane Esteban, Project Manager Ext. 7841
- (3) Expiration of contract, if applicable: 12/31/19
- (4) Fiscal impact and source of funding: No fiscal impact

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	AUTHORIZED SIGNATURE OR ATTACHED MEMO NUMBER
<u> X </u> CRA Executive Director	<u> </u>	<u> </u>	<u> </u>
<u> X </u> CRA Attorney	<u> </u>	<u> </u>	<u> </u>
<u> X </u> Finance Director	<u> </u>	<u> </u>	<u> </u>



Claudia M. McKenna



ACTION PREVIOUSLY TAKEN BY CRA BOARD:

<u>Resolution</u>	<u>Consideration</u>	<u>Other:</u>
<u>Results:</u>	<u>Results:</u>	<u>Results:</u>
<u> </u>	<u> </u>	<u> </u>



P. O. Drawer 1300
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MEMORANDUM

To: Pompano Beach CRA Board

From: Adriane Esteban, CRA Project Manager

Date: February 16, 2016

Subject: Proposed Term Sheet for the property located at 50 NE 1st Street

I. Agenda Item

Consideration of a Term Sheet for the property located at 50 NE 1st Street. The proposed tenant is Odd Breed Wild Ales, LLC, whose members include a successful restaurateur and brewmaster. It is intended that a resolution and Sublease Agreement will be presented to the CRA Board at a later date.

II. Recommendation

Staff recommends approval of this agenda item.

III. Background

CRA staff has been promoting the availability of all properties in CRA possession to interested parties that will create the optimal merchandise mix in the cultural arts district. This area needs to include more businesses that will activate the area throughout the day into evening hours. Having more pedestrian activity will increase the sense of safety in the area. CRA staff believes Odd Breed Wild Ales, LLC (OBWA) is a business that can help the area attract more people during evening hours. OBWA's members include Daniel Naumko of Sybarite Pig, recently named the 2015 Best Gastropub of Broward-Palm Beach in the *New Times*, and Matt Manthe, the Brewmaster at Brewzzi's. OBWA proposes to bring a brewery serving delicious small plates and their unique, barrel aged wild ales, many of which will utilize Florida's vast array of local ingredients. OBWA sees the potential of the area and building even though the current use is not indicative of a commercial use (the CRA Business Resource Center). OBWA has already generated great interest in their venture and the press has taken notice.

The Proposed Term Sheet in this agenda item lays out the basic terms that would eventually be included in a Sublease. This includes providing a fixturing period of nine months and having an



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initial rent of \$12/SF triple net, which will increase 3% annually. CAM will be set at \$4/SF throughout the term of the lease that will end December 31, 2019. CRA staff is discussing the future of the property with the owner at this time, which is why renewal terms are not present in this Term Sheet. OBWA is understanding of this situation. It is anticipated that a Sublease Agreement will be presented to the CRA Board for approval at a later date. The approval of this agenda item will enable all to move forward and bring this new brewery to the emerging cultural arts district of Downtown Pompano.

Hello, Matt Manthe and Daniel Naumko here, we are the founders of Odd Breed Wild Ales. Our focus will be on creating unique, barrel aged wild ales, many of which will utilize Florida's vast array of local ingredients. In a few years, when you think of Brettanomyces and barrels, we don't want Belgium, Colorado, or California to be first on your mind; we want it to be South Florida, the home of Odd Breed Wild Ales.

Matt Bio:

Matt has been brewing professionally for seven years, and during that time has held lead roles at both the brewpub and production level. Matt has won awards for numerous styles, from American Ales to traditional German Lagers, Belgian Ales, Experimental Beers, and Wild Ales. For the last 3 years Matt has served as a consultant for the brewing industry, helping others realize their dreams of owning and operating their own brewery. Currently Brewmaster at the well-known brewpub Brewzzi, Matt is ready to take on the challenge of owning and operating his own brewery.

Daniel Bio:

Daniel has been involved in the Craft Beer industry for over 6 years, both brewing beer and becoming a connoisseur of everything beer related. Having a deep love for cooking, Daniel has a history of using beer in his recipes; one of them won him Brooklyn Brewery's Houston Beer Experiment in 2011. In 2012, Daniel founded the popular Gastropub The Sybarite Pig in West Boca Raton, FL and has been operating it successfully since then.

Beer and Brewery:

We view ourselves as innovators and creative brewers; however, we also think of ourselves as stewards of the old way of brewing. We don't need lots of stainless tanks, filtration and cooling systems. Not that anything is wrong with that! That all makes great beer and Matt makes beer that way every day at his current job. We just want to make our beer a little different...the old way...the wild way. It takes a lot of work and time, but the results are unmistakable. There is a character in artisan ales that just can't be found in other beers. While we use tried and true historical processes, we also continue to challenge the status quo and use innovative techniques to develop unique flavors from fermentation.

Our beer is a completely natural product. We use premium malts from Germany and Belgium, and the best hops we can find. When we make a fruit beer we use real fruit. We will never use extracts, artificial or 'natural' flavorings, colorings, preservatives, or other chemicals.

Our initial offerings will be a Saison, a dry-hopped 100% Brettanomyces Pale Ale, and a Sour Golden Ale. And of course, all beers will be barrel aged and bottle conditioned. We will also produce a range of seasonal beers, and our pilot brewhouse will allow the production of unique taproom exclusive beers.

Odd Breed will be the first brewery in Florida to position itself as the premier producer of wild beers. The beers produced at Odd Breed will be as unique and inspiring as where they are made. In a market now flooded with great American and imported craft beer, Odd Breed Wild Ales has a clear, well-defined vision and purpose that will allow us to target our niche.

Never before has there been more interest in craft beer in the US, and especially in Florida. Florida has one of the lowest rates of breweries per capita in the country, and Odd Breed is slated to be the first brewery in Florida focusing on making beers with wild yeast and aged in barrels. Odd Breed will focus on more eccentric beer styles that are harder to brew, currently more difficult for consumers to find and carry a higher price tag. Odd Breed has realistic and conservative goals for growth; the business model plans for success based not on economies of scale but on a high profit margin from selling ultra-premium beer.

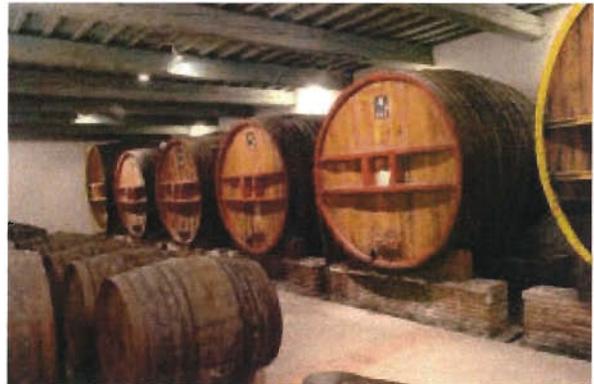
Odd Breed beers will be packaged in 750 ml and 375 ml Champagne corked bottles and a limited number of kegs. This form of packaging uniquely differentiates Odd Breed products in the marketplace, as most beers are packaged

in 12 oz. or 22 oz containers. Customers will identify Odd Breed beers as being a premium specialty product of unparalleled quality, rather than a beer for chugging. Most craft breweries rely on aggressive advertising and push their product heavily in local retail markets to ensure freshness and optimum consumer enjoyment. All Odd Breed beers will continue to develop and evolve in the bottle, just like a fine wine. Bottles will have a vintage date clearly visible, and connoisseurs will collect and age their favorite bottles.

The beer styles Odd Breed will produce currently have a strong consumer demand yet the supply of such beers is limited. Because there are few breweries with a concept and product line similar to Odd Breed, it is somewhat safe to assume that most of the beer produced can quickly and easily be sold to the public through limited draft supply and in bottles in the tasting room. By selling all beer directly to the consumer, Odd Breed achieves the highest possible profit margin.

Odd Breed will cater to a specific, affluent clientele, and some patrons will travel significant distances to witness the operation at Odd Breed Wild Ales, and taste the beer from its source. Odd Breed will be open to the public for tours, tastings, and beer sales. Because all business will initially be from onsite sales, it is important to give guests personal attention in a relaxed and comfortable setting. Drunks and loud customers will not be tolerated, and will be asked to leave. Our tasting room will be a place to contemplate the unique and delicate flavors of our wild ales, not a place to get pitchers of beer at happy hour prices.

Even though all beer will initially be sold onsite, our beer will make it out of state to give other beer connoisseurs the chance to try to our products. Beer Traders are connoisseurs that trade highly sought after beer for other highly sought after beer. Typically, beer traders exchange beer with people in other parts of the country or even outside the country in order to try products not distributed in their area. There are a significant number of local beer connoisseurs who trade beer, and Matt and Dan are members of a local beer trading group with over 200 members. Odd Breed beers are already highly sought by connoisseurs, and have made it into the glasses of drinkers in California, Colorado, Texas, Louisiana, Illinois, Missouri, New York, and other states.



The primary concern of Odd Breed Wild Ales will always be customer satisfaction. Odd Breed anticipates being a long term success, and a business that will stay in the family for multiple generations. Odd Breed will be an asset to the community, and business decisions will be made with integrity and long term sustainability in mind.

Location

Odd Breed Wild Ales will be housed in a modest +- 3,000 square foot facility. The facility will be on a heavy concrete pad to allow for production of 1000 BBLs per year, and a HVAC system that can keep the barrel storage area below 75F. Inside the brewery there will be traditional open fermentors, large wooden aging tanks, as well as numerous used wine barrels, and a bottling line more commonly used for wine than beer. In the tasting area, a small bar and a couple tables will allow seating for up to 25 people, with barrels and processing equipment visible. Décor will be relatively simple and understated, yet attractive. The brewery will have a decidedly rustic feel that works in theme with the production of eccentric, ultra-premium beer. Outdoor seating will be available if it is allowed at the location. At least four beers will be available on tap to sample, and there will be several types of beer for sale in bottles for consuming on premise or taking home. Brewery memorabilia such as glasses, shirts, stickers, etcetera will also be available for sale.

Although most brewery sales are generally estimated to come within 5 miles of a brewery, Odd Breed is a unique brewery that is part of a much broader beer culture. Residents of West Palm Beach routinely travel as far away as

Miami or even Tampa to visit breweries that have become tourist destinations, and Odd Breed can rely on a similar level of consumer interest.

Our Plans for Pompano Beach

We hope to lease warehouse space in Pompano Beach, FL and run our brewing operation from there. Our plan could be separated in three phases: Pre-brewing phase, Brewing phase, and Wort Production phase.

During the Pre-brewing phase we plan on opening for business offering an array of American and European Craft Beer as well as serving food from our food truck. During this time the operation could be considered a simple Craft Beer Bar with a food trailer providing food to its customers. The second we secure this location by signing a lease, we will begin the permitting process with the State and the Federal Government; this could take as much as 6 months. During that time we cannot sell any beer we brew, but we can legally purchase beer from a distributor to be sold there. We also plan on brewing collaboration beers with licensed brewers and serving them as a preview of what's to come once we're allowed to sell our own.

After we receive our brewer's permit, we will begin the Brewing phase which will be similar to the previous phase but with our own products. Customers will be able to stop by and enjoy our beers, get some food from our food truck, get some bottles to go or some merchandise, tour our facilities and learn how wild fermentation beers are made, or view our art display featuring paintings made by local artists commissioned by the brewery to be used on our bottle labels.

During the brewing phase we will not be producing our Wort (prefermented beer). Our Wort will be produced at a different facility and we'll only be fermenting it in Wine Barrels with our blend of Yeasts and Bacteria. The third stage of our project is to purchase a brewhouse and produce our own wort.

Our plans are to provide residents of Pompano Beach and surrounding areas with a local spot where they can purchase our beers, learn about them straight from the source, and share with other local Craft Beer enthusiasts.

Our brewery will also be a prime tourist destination, attracting affluent beer drinkers from across the state and across the globe to witness our operation in the beautiful City of Pompano Beach, FL. We look forward to working with local businesses and giving back to the City.

ODD BREED WILD ALES SEEKS TO BRING THE BLENDED BREWS TO SOUTH FLORIDA

BY DOUG FAIRALL

TUESDAY, AUGUST 11, 2015 | 6 MONTHS AGO



Odd Breed Wild Ales' Matt Manthe (left) and Daniel Naumko (right).

Doug Fairall

Sybarite Pig owner Daniel Naumko, along with former Wild Oak Artisan Ales and current Brewzzzi brewer Matt Manthe, are teaming up to create a new brewery concept in southern Palm Beach County called Odd Breed Wild Ales.

Their goal? To make some of the wildest ales they can.

The duo are looking to open a brewing space in either Delray Beach or Boynton Beach (the unofficial brewery capital of the county), where they can produce beers for the South Florida market and beyond.

"Hopefully sooner than later," Naumko said of their opening date. "I keep saying hopefully before the end of the year."

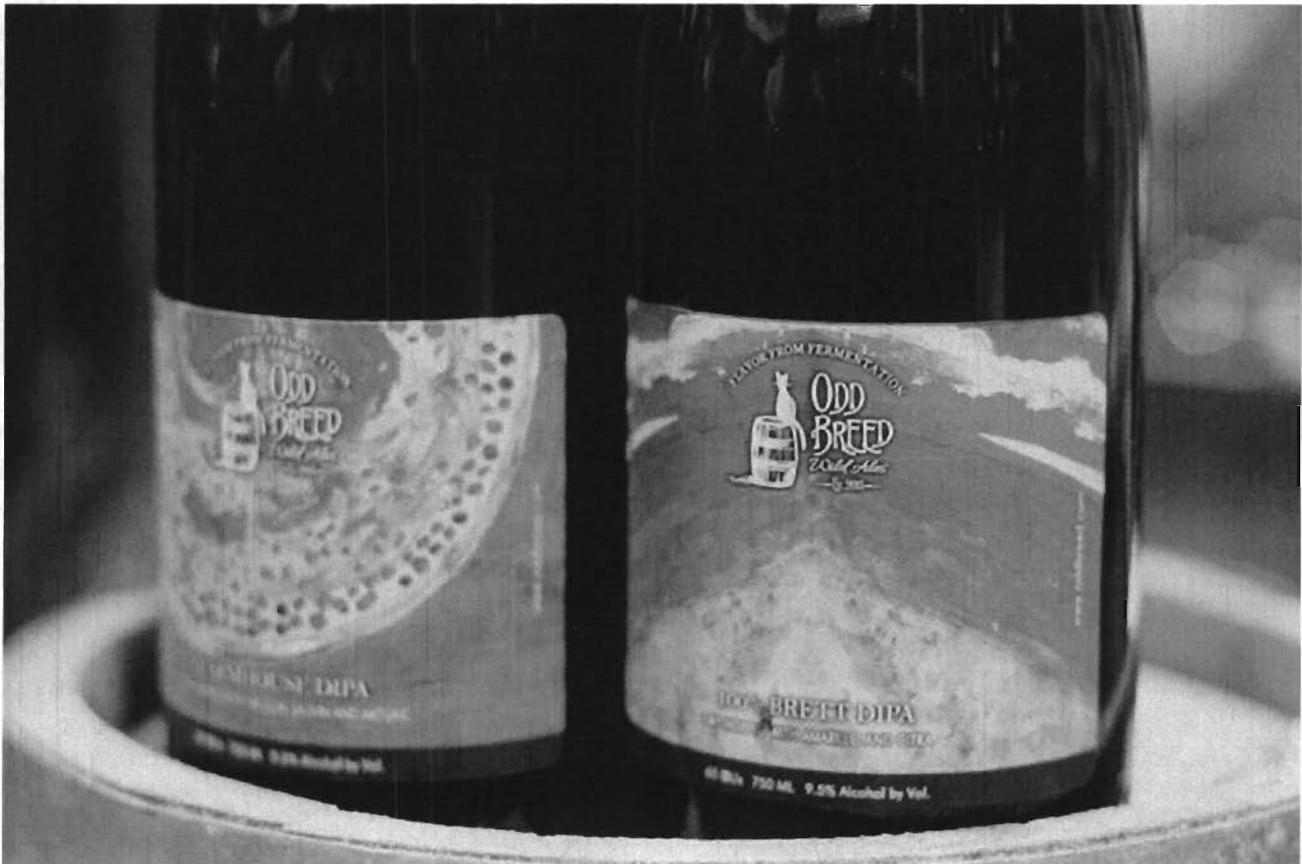
Manthe agreed, adding that the opening date depends largely on permitting, which is mostly out of their control.

So what exactly is a wild ale? Simply put, it's a term that generally encompasses beers brewed using yeasts and bacteria such as *Brettanomyces* and *Lactobacillus*. They are usually viewed as a contaminant in most "standard" beer-brewing operations but can be used to a managed degree to create impressive flavors commonly described as "barnyard" or "funky."

"Odd Breed is simply our way of thinking about wild ale drinkers and producers," Manthe says. "We really do believe that they're in a class of their own. Our slogan, 'Flavor From Fermentation,' really emphasizes what we're trying to do is based on different wild yeast strains, barrel aging, different complexities, and flavor profiles that you can achieve through fermentation, as opposed to just from using hops or fruit or spices or other flavorings."

Not that Manthe is opposed to beers brewed with fruit, but the result has to fit within the Odd Breed wild-ale philosophy.

"Today we had a beer with kumquats. The kumquats kind of balance out some of the fermentation characteristics, so it's not meant to be a kumquat ale; it's a wild ale with kumquats added. I think that would sum up our approach and a lot of what we do."



Color plays a big part in Odd Breed's label design.

Doug Fairall

A key facet of Odd Breed's approach to brewing is the idea of blending. Beers will be blended, from different ages, different barrels, different fruits – the possibilities are practically endless. Pair that with some plans to produce cider and meads that can be blended along with the beers and you have a recipe for some seriously interesting concoctions.

"Customers that are interested in our beers are pretty discerning customers," says Manthe. "And fortunately, they're already pretty well-educated on wild beers, sour beers, so it makes our job, I think, a little bit easier, in that sense."

Naumko agrees.

"I am very proud of the Florida craft beer consumer. Me having ties with the Sybarite Pig, pretty much every sour beer that we get is sold out, like superfast. People really are looking for more of that. When we opened three years ago, one thing I do remember is that the beers that I was bringing in, we were the only bar in 40 miles of where we were that were going for them. Now you see it a little more readily available everywhere. That doesn't mean that what I did with the Pig changed anything, but it was a wave regardless of me opening the bar or not."

As Odd Breed starts out, they'll be working with just a small brew house that will be feeding their tasting room and allowing the duo to work on experimental batches.

For their larger-scale production, they'll be working with a system called contract wort production.

"[It's] similar to what Crooked Stave does, the Rare Barrel, Casey Brewing and Blending, where they don't actually own their brew house but they get some of their beers produced at other local breweries and then ship in their wort and do all the fermentation, all the barrel aging, packaging [in house]," says Manthe. "We'd be working closely with another local brewery that would be making our recipe; we would be there, oversee the whole process, as well as transporting it with a truck back to our facility."

"All fermentation would happen in-house," Naumko says. "The brew house will be completely full of critters that will make very tasty beers."

Once the brewery opens, Odd Breed will begin with a core of three beers, including a 100 percent Brett Pale Ale and a Golden Sour, which will begin to form the basis of their adventurous blending program. It'll be a unique experience for South Florida's beer consumers to witness a different side of fermentation: Everything will have brett and be aged in a barrel.

For now, those interested in finding out more can head to oddbreed.com. Finding them at an event in the near future will require a little bit of traveling, but they'll be around pouring at Sour Sunday at the Cajun Cafe on August 23, the Key West Beer Festival on September 5, and the Halfway There beer festival September 12.

Doug Fairall is a craft beer blogger who focuses on Florida beers, and has been a homebrewer since 2010. For beer things in your Twitter feed, follow him @DougFairall and find the latest beer pics on Clean Plate's Instagram.

DRAFT TERM SHEET

for a Sublease between

Pompano Beach Community Redevelopment Agency (CRA) &
Odd Breed Wild Ales, LLC
(February 3, 2016)

TERMS

Property: 50 NE 1st Street, Pompano Beach, Florida

Folio Number: 4842-35-08-0240– Premises

Property Owner: Pompano Pharmacy Wholesale, Inc.

Landlord: Pompano Beach Community Redevelopment Agency (Landlord)

Tenant: Odd Breed Wild Ales, LLC (Tenant)

Rentable Area
of the Premises: 2,500 square feet of building

Rent: \$12.00 per square foot (plus sales tax) per year to be increased annually at
the rate of 3.00% per lease year.

Additional
Rent: The Tenant shall pay for all proportionate share of ad valorem and non-ad
valorem real estate taxes, property insurance including wind, and common
area maintenance (“CAM”) incurred by the Landlord or Property Owner.
Property taxes are estimated at approximately \$6,275 and insurance is
TBD. CAM charges are estimated at approximately \$4.00 per square foot
and will be capped at \$4.00 per square foot during the entire initial term.
Note: all amounts for taxes, insurance and CAM are estimates only
(however, the cap on CAM charges will not exceed \$4.00 per square foot); all
charges, including the CAM, may increase as a result of improvements made
by the Landlord and Tenant (except that CAM charges shall not exceed \$4.00
per square foot).

Fixturing Period &
Free Rent: Tenant shall have a fixturing period during which no Base Rent shall be
due (rent free) for construction of the Tenant Improvements not to exceed
twelve (12) months from the Effective Date of Sublease (“Fixturing Period”).
Notwithstanding the foregoing, Tenant shall have the right to construct and
occupy after receiving a Certificate of Occupancy for a period of nine
months from the Effective Date without paying rent or at any point becoming
liable for said rent during such nine month period.

Permitted Use
of the Premises: Tenant shall be a brewery serving small plates, which will be served during
operating hours utilizing the interior and exterior dining area. Manufacturing
of craft beer is permitted as an accessory use. Hours of operation shall be
at minimum six days a week including the weekends.

Effective Date: TBD (This will be the latest date in which both parties sign a sublease

agreement after the CRA Board has approved the sublease.)

- Term: Initial term will expire December 31, 2019.
- Late Payments: If any monthly rental payments are not received within five (5) days of the due date each month, a late charge of Twenty-Five Dollars (\$25) shall be added for the first day late, plus an additional Five Dollars (\$5) per day for each day thereafter until payment is received. Any late charges becoming due under this paragraph shall be added and become due with the next monthly payment of Rent. Non-payment or late payment of rent is a default under Sublease.
- Security Deposit: \$5,000.00, plus first and last month's rent, for a total security deposit of \$10,000 plus applicable tax.
- Insurance & Taxes: Tenant shall pay for property insurance and general liability (types and limits listed on attachment to this proposed term sheet) and shall pay all ad valorem and non-ad valorem taxes levied on the property. Tenant is advised, but not required, to purchase plate glass insurance in addition to the required insurance coverages. If plate glass insurance is not obtained, Tenant will be responsible for replacement of glass in event of damage. Landlord makes no representations as to the cost of insurance coverages Tenant will have to pay.
- Licenses & Permits: Tenant, at Tenant's expense, shall procure and maintain all governmental licenses or permits required for the proper and lawful conduct of Tenant's business or other activity carried on in the Premises.
- Services & Utilities: Water and sewer services are provided to the Premises. Landlord shall provide other utility connections, including gas, electricity, and communication service connections (telephone, internet, cable, etc.).
- Utilities: Tenant shall be responsible for the payment of all utilities, including, but not limited to: water, gas, electricity, telephone, internet and other services delivered to the Premises together with any taxes, penalties and surcharges pertaining to such utilities and any maintenance for such utilities.
- Janitorial: Tenant shall also obtain and pay the expenses of all janitorial services required for the Premises.
- Parking Rights: Tenant and tenant's patrons have the right to use the unassigned non-exclusive parking spaces adjacent to the premises; however, the right to park in these spaces is on a first-come first-served basis. The Landlord does not warrant the availability of the parking spaces.
- CRA Incentive: Tenant may apply for incentives offered by the CRA for the tenant interior build-out and façade improvements according to CRA regulations. CRA's contribution would be up to a maximum of \$150,000 from the Strategic Investment Program (SIP) and up to a maximum of \$20,000 from the Façade and Business Site Improvement Program. Tenant must make a full application for incentives in order to receive consideration by the CRA Board for approval; contact Adriane Esteban, adriane.esteban@copbfl.com

Repairs & Maintenance: Tenant shall be responsible for the repair and maintenance of the Premises at its sole cost and expense. Tenant shall keep in good repair the interior ceilings, interior doors, interior windows, interior walls and all tenant improvements. Tenant shall immediately notify the Landlord of the need for any repairs or maintenance. Tenant shall use its best efforts to take all necessary steps to mitigate any potential dangers or hazards until repairs can be made. The Premises shall be maintained in accordance with all applicable code requirements of the Health Department of Broward County and other regulatory agencies as applicable.

Windows: Tenant shall be responsible for the regular cleaning of the exterior windows, as necessary.

Structural Repairs: In the event any repairs are necessary to the wiring and plumbing in the walls, floors, ceiling or hard structures of the Premises or any repair involves major penetration of walls, ceilings or floors, Tenant shall be responsible for the costs and shall notify the Landlord of the repairs.

Pest Control: Tenant, at its sole expense, shall engage professional exterminators to control vermin and pests on a regular basis, no less than monthly or as needed. Such extermination services shall be supplied in all areas where food is prepared, dispensed or stored and in all areas in the Leased Premises where trash is collected and deliveries are made.

Grease Traps: Tenant shall comply with the Pompano Beach City Code regarding wastewater and grease. Tenant shall obtain all applicable permits at Tenant's cost. Tenant shall do whatever is necessary to properly maintain and clean the grease trap as often as necessary to prevent clogging or discharge, and in compliance with the City Code and, at a minimum, shall be pumped and cleaned not less than once every three (3) months.

Permits: Landlord will be responsible for obtaining building permits for its work and for compliance with all codes with respect to its work. Tenant will be responsible for obtaining his/her own permit to complete restaurant from landlord shell.

Impact fees & Concurrency fees: Tenant will be responsible for paying all impact fees & concurrency fees.

Assignment or Subletting: Tenant shall not assign, sublet or transfer its rights under this Sublease without the express written consent of Landlord.

Inspection Period: Tenant shall have thirty (30) days following lease contract execution and receipt of the complete due diligence package in the form of a CD as listed below to perform an inspection of the property and related documentation in order to ensure suitability of the Premises for Tenant's intended investment. The due diligence package will include the following items:

- current lease between CRA and Property Owner with any and all amendments;
- survey;
- any easement or cross-access agreements related to the Property;

- preliminary building plans.

Broker: The Landlord will not pay a brokerage fee.

Contact: Adriane Esteban
RMA Project Manager for Pompano Beach CRA
Telephone: (954) 786-7841
Email: Adriane.esteban@copbfl.com

Non-Binding: This letter is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties. The parties agree that this letter is not intended to create any agreement or obligation by either party to negotiate a definitive lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length.

Contingent: Any lease resulting from negotiations between Landlord and Tenant shall be contingent upon Tenant receiving approval from the necessary City, County and/or State of Florida, and any of their departments and/or agencies, to operate as a brewery with a taproom (CMB manufacturing license and selling beer for on and off site consumption).

To the extent permitted by law, each party shall keep confidential each of the provisions of this non-binding Term Sheet and all information each party obtains regarding the other party. This Term Sheet supersedes any and all previous negotiations with Tenant, whether written or verbal. This Proposed Term Sheet and any formal Sublease agreement (TBD) are subject to final approval by the CRA Board of Commissioners.

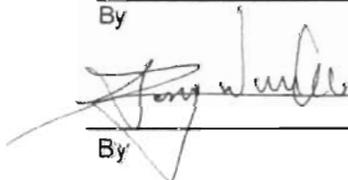
If the above terms and conditions are acceptable, please indicate in the appropriate space provided. Please consider this proposal valid until 5:00 p.m., February 8, 2016.

Agreed to and Accepted:

TENANT

Odd Breed Wild Ales, LLC

 2/5/16
By _____ Date

 2/5/16
By _____ Date