

MICHAEL J. HUDOCK & ASSOCIATES, P.C.

The Oakmont Docks
12 Huston Road
Oakmont, PA 15139

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September 11, 2020

OFFICE OF THE CITY CLERK
CITY OF PITTSBURGH
510 CITY - COUNTY BUILDING
PITTSBURGH, PA 15219-2457

ATTENTION: BRENDA F. PREE, CMC
CITY CLERK

RE: CABARET, LLC APPLICATION FOR INTER-MUNICIPAL LIQUOR LICENSE TRANSFER

Dear Ms. Pree:

Enclosed please find the completed above-referenced Application with accompanying exhibits as referenced therein along with Check No. 251, made payable to the Treasurer City of Pittsburgh in the amount of \$520.00, representing the filing fee for the same. Once you have had an opportunity to review the enclosed materials, please feel free to contact me at (412) 607 - 9753 or at michaelhudock@comcast.net to discuss the Application and any additional information or documentation that you may require. We look forward to being placed on the next available City Council Public Meeting schedule.

Very truly yours,
MICHAEL J. HUDOCK & ASSOCIATES, P.C.


Michael J. Hudock, III

cc: Cabaret, LLC/Simone Godson

APPLICATION FOR INTERMUNICIPAL LIQUOR LICENSE TRANSFER

Please provide the following information. If answers exceed the designated spaces, please attach additional sheets of paper with requested information.

1. License Number: R-12796

2. Name and address of the individual or entity to which the license is being transferred ("applicant")

CABARET LLC t/a CABARET BANQUET HALL

7926 Frankstown Road

Pittsburgh, PA 15221

3. If entity or corporation, please provide names and addresses of all principals:

Simone L. Godson (Sole Member, President/Secretary/Treasurer & Proposed PLCB Manager)

6389 Olivant Street

Pittsburgh, PA 15206

4. From whom is the license being purchased? (Include name and address of the establishment and a copy of the sales agreement for purchase of the liquor license):

AFFOLDER ENTERPRISES, INC.

% Susan Affolder8026 Edwood Road

Pittsburgh, PA 15237

5. See attached copy of Purchase and Escrow Agreement.
Reasons that the license is being acquired outside of the City of Pittsburgh rather than within City of Pittsburgh boundaries:

Applicant, after a due and diligent search, was unable to find and negotiate a deal with any
holder of an available PLCB approved City of Pittsburgh restaurant and tavern license for sale
on terms which were economically viable for Applicant. (Please also note: The premises was
previously licensed by the PLCB; but, in 2009, the prior owner of the premises took that liquor
license and it was not included in the transaction.)

6. Name and address of the proposed business to which the license is being transferred:

CABARET, LLC t/a CBARET BANQUET HALL

7926 Frankstown Road

Pittsburgh, PA 15221

7. Description of the proposed business that will be conducted with the transferred license (i.e. what is the primary purpose of the establishment?):

Cabaret LLC is an upscale yet affordable banquet and event space strategically located in the Homewood Brushton section of Pittsburgh and is focused on creating a laid-back environment where customers can, dance and enjoy/celebrate special occasions such as birthdays, weddings, family reunions, baby showers, concerts, business conferences and more, with 5 unique settings for intimate gatherings as well as large groups. Cabaret LLC has been operational for 11 years.

8. Terms of any lease agreement or property ownership related to the location of the proposed business (please attach a copy of the agreement):

See attached copy of Applicant's Triple Net Lease, with an initial term of 5 years, with rent set at a stable \$750.00/month, and 2 options to renew for an additional 5 year term each. The commencement date of the Lease is upon PLCB approval of the transfer of the liquor license.

9. Evidence that zoning approvals for the proposed establishment have been obtained or what zoning approvals are necessary prior to commencing operation of the establishment:

See attached copy of the City of Pittsburgh Occupancy Permit associated with the premises.

10. Copy of the business plan associated with this entity (please provide a copy of the plan.):

See attached copy of Applicant's Business Plan which addresses the projected increase of catering event and rental hall revenue for Applicant to be generated through utilization of the subject liquor license.

11. Evidence that necessary financing for the success of the business is in place (please provide any documentation):

See attached Bank Account Information and copies of 2018 and 2019 Federal Tax Returns

Schedules C for Applicant, demonstrating the viability of the Applicant as an on-going business

- concern.
12. Name and location of any other business that the applicant is associated with or has an ownership interest:

None

13. Name and location of any business that applicant previously owned or was associated with and an explanation as to why the business ceased to operate:

None

14. Information regarding any LCE violations associated with either current or prior businesses (please provide any supporting documentation):

None

15. Any misdemeanor or felony convictions of any individual who have an ownership interest in the proposed business (please provide any supporting documentation):

None

16. Any additional information that you may feel is relevant to City Counsel's consideration of your request:

Cabaret LLC's Sole Member/Officer, Simone L. Godson, is an experienced and successful entrepreneur who has built the Company's business from nothing to a successful operation and looks to add the license as an additional asset/tool to help to continue to grow the Company's business. Ms. Godson has leveraged her well- respected reputation in the community to grow the business and is committed to the Company being a responsible liquor licensee by offering a safe and compliant environment for the Company's patrons.

(Additional information may be requested after reviewing the application.)

VERIFICATION

I, Simone L. Godson, verify and represent that the statements and averments of fact contained herein are true and correct to the best of my knowledge, information and belief, and are made subject to the penalties of 18 PA. C. S. A. §4904.

Cabaret LLC,
a Pennsylvania Limited Liability Company
trading as Cabaret Banquet Hall

Date: 09/08/2020



Simone L. Godson, Managing Member

SUPPLEMENT TO CABARET, LLC'S APPLICATION FOR INTER-MUNICIPAL TRANSFER OF LIQUOR LICENSE

Please use the following link to access a photo album of the premises as outfitted for one of the many catered events that have been held at Cabaret's facility:

<https://www.facebook.com/media/set/?set=a.811751315557051&type=3&sfnsn=mo&extid=lq4nmdZSq87xTb51>

PURCHASE AND ESCROW AGREEMENT

On this 23rd day of March, 2020, AFFOLDER ENTERPRISES, INC., a Pennsylvania corporation, with a registered office and principal place of business located at 1707 Babcock Boulevard, Pittsburgh (Shaler Township), PA 15209, (hereinafter referred to as "Seller"), and SIMONE L. GODSON, an adult individual residing at 6389 Olivant Street, Pittsburgh (City of Pittsburgh), PA 15206, or her corporate assignee/designee or its assigns, (hereinafter referred to as "Buyer"), agree as follows:

1. SALE OF ASSETS.

Seller is a licensee of the Pennsylvania Liquor Control Board, ("PLCB"), as the owner of PA Restaurant License R-12796 (LID 58153), (the "License"), which was issued for premises located at 1707 Babcock Boulevard, Allegheny County, Pittsburgh, PA 15209. Seller agrees to grant, bargain, sell, convey, set over and assign said License, to Buyer for use by Buyer at 7928 Frankstown Avenue, Allegheny County, Pittsburgh, PA 15221. Buyer accepts said sale and assignment subject to the conditions contained herein.

2. PURCHASE PRICE.

The purchase price for the said transfer shall be Seventy-five Thousand and No/100 (\$75,000.00) Dollars, (the "Purchase Price"), payable as follows:

(a) Upon Seller's acceptance and execution of this Agreement, Buyer shall deliver hand money in good funds to Michael J. Hudock, III, Esquire, 12 Huston Road, Oakmont, PA 15139, attorney for Seller, as Escrow Agent, (the "Escrow Agent"), in the amount of Seven Thousand Five Hundred and No/100 (\$7,500.00) Dollars, (the "Hand Money"), for retention by him in escrow in accordance with the terms and conditions of this Agreement.

(b) At or prior to Closing, (as hereinafter defined), Buyer shall deliver good funds to the Escrow Agent in the amount of Sixty-seven Thousand Five Hundred and No/100 (\$67,500.00) Dollars for delivery to Seller which funds shall be in the form of cash, cashier's check or wire transfer of immediately available funds.

(c) The parties covenant and agree that the consideration payable by Buyer hereunder represents the fair market value for the License and covenants and agrees that they shall use such allocation for all business, tax, accounting and other purposes, including in such reports as may be required under §1060 of the Internal Revenue Code or any regulations thereunder.

(d) Buyer's obligation to pay the Sixty-seven Thousand Five Hundred and No/100 (\$67,500.00) Dollars balance of the Purchase Price, in accordance with this Paragraph 2, shall be evidenced by a Judgment Note to be executed by Buyer in favor of Seller, in substantially the same form and content as Exhibit "1" attached hereto and made a part hereof, (the "PLCB Note"), and shall be delivered to the Escrow Agent, also to be held in escrow in accordance with the terms of this Agreement.

(f) The Escrow Agent shall provide Buyer an escrow letter confirming that he holds the Hand Money and the PLCB Note in escrow pending closing.

3. CLOSING REQUIREMENTS OF SELLER, BUYER AND ESCROW AGENT.

At the Closing, as defined in Paragraph 12., below:

(a) Seller shall deliver a Bill of Sale to Buyer, in substantially the same form and content as Exhibit "2," attached hereto and made a part hereof, indicating that the License is free and clear of all security interests, liens, charges, encumbrances and defects of title, together with a resolution from the Seller that the Seller has the authority to sell the License to Buyer and PA Bulk Sale Clearance Certificates from the Pennsylvania Department of Revenue and Department of Labor & Industry; in exchange for:

(b) the sum of Sixty-seven Thousand Five Hundred and No/100 (\$67,500.00) Dollars in cash or its equivalent tendered by Buyer to Seller; and

(c) the Escrow Agent shall release from Escrow the Hand Money on behalf of Buyer and deliver its as follows: Seven Thousand Five Hundred and No/100 (\$7,500.00) Dollars to Seller and shall deliver the PLCB Note to Buyer, marked "NULL and VOID."

4. **WARRANTIES OF SELLER.**

To Seller's actual knowledge Seller warrants:

(a) that it is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(b) Seller has the requisite corporate authority to own its properties and to engage in the business it conducts;

(c) the execution, delivery and performance at the date hereof by Seller of the Agreement does not violate any charter, by-laws or other organic documents governing the existence and operations of the Seller and will not violate any law or result in a default under any contract to which Buyer is a party or by which Seller or the License is/are bound;

(d) Seller has the requisite corporate authority to enter into and perform its obligations under the Agreement and to incur the obligations provided herein and has taken all corporate action necessary to authorize the execution, delivery and performance of the Agreement;

(e) This Agreement is the legal, valid and binding obligation of Seller, enforceable against it in accordance with its terms;

(f) Each material consent, approval, authorization, filing, registration or qualification with, any governmental or regulatory authority required under the Agreement has been duly obtained or effected and is in full force and effect on the date hereof;

(g) Upon consummation of the transaction contemplated by this Agreement, Buyer will acquire good and valid title to the License free and clear of all security interests, charges, encumbrances, liens, claims, title defects and burdens of any kind;

(h) Seller is not bound by or subject to any agreement, license, lease, understanding, contract, permit, arrangement or commitment, whether oral or written, contingent, fixed or otherwise with regard to or affecting the License;

(i) To the best of Seller's knowledge there are no legal, administrative, arbitration or other proceedings or governmental investigations pending or threatened against Seller, its members or officers or the License;

(j) There is no requirement applicable to Seller to make any filing with, or to obtain any permit, authorization, license, consent or approval or any governmental or regulatory authority as a condition to the lawful consummation of the sale of the License pursuant to the Agreement other than to the PLCB with respect to the License; and

(k) Seller has conducted its business and the License has been held and used in compliance with all applicable laws and regulations and all orders of any governmental authority having jurisdiction over Seller.

Each and every one of the foregoing representations, warranties and covenants shall be continuing and shall be remade and restated at the Closing and shall survive the Closing.

5. **WARRANTIES OF BUYER.**

Buyer warrants, covenants, and represents to Seller and agrees with Seller that:

(a) Buyer is an adult individual, under no legal disability and has full power and authority to enter into this Agreement and perform her obligations hereunder;

(b) Any corporate assignee of Buyer shall be duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(b) All of the shareholders, officers and directors of any corporate assignee of Buyer shall be acceptable to the PLCB. The funds being used to acquire the License shall be from sources which shall be acceptable and provable to the PLCB;

(c) Any corporate of Buyer shall have the requisite corporate power to own its properties and to engage in the business it conducts;

(d) The execution, delivery and performance by any corporate assignee of Buyer of this Agreement shall not violate any charter, by-laws or other organic documents governing the existence and operations of the corporate assignee of Buyer and will not violate any law or result in a default under any contract to which such corporate assignee of Buyer is a party or by which the corporate assignee of Buyer or each or any of the Assets is/are bound;

(e) Any corporate assignee of Buyer shall have the requisite corporate power and authority to enter into and perform its obligations as an assignee under this Agreement and to incur the obligations provided herein and shall have taken all corporate action necessary to authorize the performance of this Agreement as assignee of Buyer;

(f) This Agreement is the legal, valid and binding obligation of Buyer, enforceable against it in accordance with its terms and, to the extent assigned by Buyer to a corporate assignee, shall be the legal, valid and binding obligation of such corporate assignee of Buyer, enforceable against it in accordance with its terms;

(g) All schedules, exhibits, documents and other papers delivered by or on behalf of Buyer or Buyer's corporate assignee in connection with this Agreement and any assignment thereof by Buyer and the transactions contemplated hereby, are true, complete and up to date as of the date delivered to Seller; and all such documents and other papers are authentic. The information furnished by or on behalf of Buyer or Buyer's corporate assignee to Seller in connection with this Agreement and the transactions contemplated hereby does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make such statement, in the context in which it is made, not false or misleading; and

(h) Buyer has not retained or otherwise involved, directly or indirectly, any broker or finder in connection with this Agreement and the transactions contemplated hereby.

Each and every one of the foregoing warranties, covenants, representations, and agreements shall be continuing and shall be remade and restated and true at the time of Closing and shall survive the Closing.

6. COOPERATION.

Each of the parties hereto agrees to execute all documents and perform all prerequisites necessary to best effectuate the transfer of the License as herein contemplated. Each of the parties agrees to execute all necessary PLCB forms and appear at any necessary hearings. Each of the parties agrees to apply for all necessary governmental permits, to process the application for transfer with reasonable dispatch and to cooperate in the transfer proceeding.

7. FAILURE OF PLCB TO APPROVE.

In the event the PLCB refuses to grant approval of the Application for Transfer within three hundred sixty-five days (365) days of the date of this Agreement, either party, provided such party is not then in default, may declare this Agreement to be NULL and VOID, in which event the Hand Money shall be delivered by the Escrow Agent to Buyer and the PLCB Note shall be returned to the Buyer, marked "NULL and VOID," and no further liability shall accrue to the parties and the Escrow Agent shall be discharged.

8. TAX CLEARANCES.

The parties hereto understand that in order for this transfer to be approved, all complaints or impediments relative to the License must be resolved. Furthermore, the PLCB requires the Seller to submit certain information and documentation to the Buyer and to the PLCB before the PLCB will approve any transfer of the License. Seller agrees to

provide all such information, to execute all documents and to pay all monies necessary to secure the tax clearances both from the Department of Revenue and the Bureau of Labor and Industry and further agrees that any failure of Seller to do so shall extend the time period under Paragraph 7. of this Agreement by the number of days corresponding to Seller's delay in performance hereunder. Seller agrees that it will not unreasonably delay securing clearances for transfer from the Pennsylvania Department of Revenue and Bureau of Labor & Industry and if it is necessary to obtain such clearances, Buyer may pay, but is not obligated to do so, any outstanding taxes, including any penalties and interest, owed by Seller; provided, that, if Buyer elects to make any such payments on behalf of Seller, Buyer shall be entitled to a dollar-for-dollar reduction in the Purchase Price for such amounts so paid.

9. ADDITIONAL REPRESENTATIONS OF SELLER REGARDING LICENSE.

To Seller's actual knowledge Seller represents that: (a) the License has been and will be renewed in compliance with the Liquor Code, (b) to the best of Seller's knowledge, neither the Bureau of Liquor Control Enforcement nor the PLCB has any open complaints, citations or penalties pending or against the License. In the event that any representation in this Paragraph is not fulfilled, to the extent that the License is freely transferrable, Seller shall immediately take whatever measures may be necessary to effectuate the free transfer of the License to the Buyer.

10. INDEMNIFICATION BY SELLER.

Seller shall indemnify, defend and hold Buyer harmless of, from and against each of the following:

(a) All actions, causes of action, claims, charges, damages, debts, dues, demands, liabilities and losses whatsoever, arising out of, related to, or in a manner connected with, whether directly or indirectly, the conduct of Seller's distributorship business and affairs prior to the Closing and/or Seller's ownership, possession, use, and/or operation of the License;

(b) All damages, losses and liabilities suffered or incurred by Buyer arising out of, related to, or in a manner connected with, whether directly or indirectly, Seller's breach of this Agreement, or because any of Seller's representations and/or warranties made in this Agreement prove to be false, inaccurate or misleading; and

(c) All reasonable costs and expenses, including attorneys' fees, incurred by Buyer in connection with any action, suit, proceeding, demand, assessment or judgment incident to the matters described in Paragraphs 10.(a) and/or 10.(b), above.

Buyer shall have full responsibility and authority for the disposition of any action, suit or proceeding brought against it by a third party with respect to which Seller may have liability under this indemnity provision. However, Seller shall have the right, at Seller's sole expense, to be represented by counsel of its choosing and with whom counsel for Buyer shall confer in connection with the defense of any such action, suit or proceeding. The parties shall render to each other such assistance as may reasonably be requested in order to ensure the proper and adequate defense of any such action, suit or proceeding.

These rights of indemnification are in addition to any other rights or remedies that may be available to Buyer at law or in equity.

Seller's indemnification obligations set forth in this Paragraph 10. shall survive, and continue in full force and effect after, the Closing and the delivery of the Bill of Sale and other instruments of transfer contemplated by Paragraphs 2. and 3., above, and shall not, nor shall they be deemed to be, extinguished by the delivery of said instruments.

11. INDEMNIFICATION BY BUYER.

Buyer shall indemnify, defend and hold Seller harmless of, from and against each of the following:

(a) All actions, causes of action, claims, charges, damages, debts, dues, demands, liabilities and losses whatsoever, arising out of, related to, or in a manner connected with, whether directly or indirectly, the conduct of Buyer's business and affairs after the Closing and/or Buyer's ownership, possession, use, and/or operation of the License;

(b) All damages, losses and liabilities suffered or incurred by Seller arising out of, related to, or in a manner connected with, whether directly or indirectly, Buyer's breach of this Agreement, or because any of Buyer's representations and/or warranties made in this Agreement prove to be false, inaccurate or materially misleading; and

(c) All reasonable costs and expenses, including attorneys' fees, incurred by Buyer in connection with any action, suit, proceeding, demand, assessment or judgment incident to the matters described in Paragraphs 11.(a) and/or 11.(b), above.

Seller shall have full responsibility and authority for the disposition of any action, suit or proceeding brought against it by a third party with respect to which Buyer may have liability under this indemnity provision. However, Buyer shall have the right, at Buyer's sole expense, to be represented by counsel of its choosing and with whom counsel for Seller shall confer in connection with the defense of any such action, suit or proceeding. The parties shall render to each other such assistance as may reasonably be requested in order to ensure the proper and adequate defense of any such action, suit or proceeding.

These rights of indemnification are in addition to any other rights or remedies that may be available to Seller at law or in equity.

Buyer's indemnification obligations set forth in this Paragraph 11. shall survive, and continue in full force and effect after, the Closing and the delivery of the Bill of Sale and other instruments of transfer contemplated by Paragraphs 2. and 3., above, and shall not, nor shall they be deemed to be, extinguished by the delivery of said instruments.

12. CLOSING.

The Closing shall take place within ten (10) days of the PLCB's approval of the transfer of the License and satisfaction or waiver by Buyer of each of the conditions set forth in Paragraph 13 of this Agreement, below, at which time each party will provide all necessary documents to the other and to the PLCB, and the cash shall be delivered to the Seller as provided for in this Agreement.

In addition, Buyer shall reimburse Seller at Closing for the cost of the renewal/validation of for the current term of the License on a pro rata basis as of the date of the Closing, based on the number of days remaining in the existing term as well as any amount paid for the upcoming term which commences on June 1, 2020 heretofore paid by Seller.

13. CONTINGENCIES.

This Agreement and Buyer's obligations hereunder shall be expressly subject to the fulfillment of the following contingencies:

(a) Approval of the transfer of the License from Seller to Buyer at Buyer's designated location of 7928 Frankstown Avenue, Allegheny County, Pittsburgh, PA 15221;

(b) Buyer, as tenant, entering into a long-term commercial lease with Xavier Brown and Zion Conner, as landlord, for the premises located at 7928 Frankstown Avenue, Allegheny County, PA 15221 for use in the operation of its business, on such terms and conditions as are satisfactory to Buyer in its sole discretion; and

(c) all of Seller's representations and warranties made in, under or in connection with this Agreement shall be true and accurate as of the date of Closing and Seller shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by Seller on or before Closing.

In the event that any of the foregoing contingencies as set forth in this Paragraph 13. shall not be fulfilled or completed for any reason, Buyer at its sole discretion may waive the deficiency or condition and proceed with the sale in accordance with the terms of this Agreement, or may declare this Agreement to be NULL and VOID and, in that event; provided the failure to close is not due to any act or failure to act of Buyer, the Hand Money shall be delivered by the Escrow Agent to Buyer and the PLCB Note shall be returned to the Buyer, marked "NULL and VOID" and no further liability shall accrue to the parties and the Escrow Agent shall be discharged.

14. **DEFAULT.**

In the event of a default

(a) **By Buyer:** In the event of a default by Buyer, Seller shall retain the Hand Money and all monies paid on account; and at Seller's option may elect to: (1) file an action for specific performance; and/or (2) an action at law for damages, including without limitation, loss of bargain; provided however, that no such election of (a)(1) or (a) (2) hereof shall be final or exclusive until full satisfaction shall have been received.

(b) **By Seller:** In the event of a default by Seller, Buyer may, at Buyer's option, elect to: (1) waive any claim for loss of bargain, in which event the Hand Money together with all interest thereon and all monies paid on account shall be returned to Buyer and, in addition, Seller shall reimburse Buyer for all reasonable and direct, out-of-pocket costs and expenses, including, without limitation, reasonable attorney's fees. In lieu thereof, however, Buyer may elect either or both of the following remedies: (2) an action for specific performance; and/or (3) an action at law for damages; provided, however, that no such election of clause (b)(2); or (3) hereof shall be final or exclusive until full satisfaction shall have been received.

15. **NOTICES.**

All notices, requests and other communications under this Agreement shall be in writing and shall be hand delivered or sent by registered or certified mail, return receipt requested, addressed as follows:

If intended for Seller:

AFFOLDER ENTERPRISES, INC.
% Susan Affolder
8026 Edwood Road
Pittsburgh, PA 15237

with a copy to:

Ron Sofranko
Sofranko Advisory Group, LLC
6400 Brooktree Court #200
Wexford, PA 15090

If intended for Buyer:

Simone L. Godson
6389 Olivant Street
Pittsburgh, PA 15206

with a copy to:

Michael J. Hudock, III, Esquire
12 Huston Road
Oakmont, PA 15139

or to such other addresses as Seller or Buyer shall have given written notice to the other party, in accordance with this Paragraph. All such notices, requests and other communications shall be deemed to have been sufficiently given for all purposes hereof on the day of the mailing or hand delivery thereof. No course of dealing between the parties shall modify or be deemed to modify the approved/authorized/required methods of giving notice under this Paragraph.

16. **BROKER.**

Seller and Buyer acknowledge and agree that there are no other brokers involved in the transaction contemplated in this Agreement other than Sofranko Advisory Group, LLC. Seller and Buyer further specifically acknowledge and agree that Sofranko Advisory Group LLC shall be paid a brokerage fee equal to \$7,500.00, representing 10% of the Purchase Price, directly from the proceeds of the sale at the time of Closing. Seller hereby warrants to and covenants with Buyer, which warranties and covenants shall survive the consummation of the transaction herein contemplated, that Buyer shall NOT be liable for any claims advanced by any person or entity for any commission with respect to or arising out of the consummation of this transaction, and that Seller will defend, indemnify and hold Buyer harmless of, from, and against any and all claims made by any third parties for a commission with respect to or arising out of this transaction.

17. ENTIRE AGREEMENT.

This Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes any and all prior written and oral agreements, there are no oral understandings or agreements nor any written collateral understandings or agreements not specifically referred to in this Agreement, and shall be binding upon the successors and assigns of the parties hereto.

18. INTERPRETATION.

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

19. MODIFICATION IN WRITING.

This Agreement may be modified or amended only by a written instrument signed by each party.

20. ENTIRE UNDERSTANDING.

If any clause or provision of this Agreement shall be held to be illegal or invalid by any court, the invalidity of such clause or provision shall not affect any of the remaining clauses, provisions or paragraphs hereof, and this Agreement shall be construed and enforced as if such illegal or invalid clause or provision had not been contained herein and such affected clause or provision shall be enforced to the fullest extent permitted by law.

21. USE OF SINGULARS AND PLURALS, ETC.

Wherever used in this Agreement, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

22. ASSIGNMENT BY BUYER.

Buyer shall have the absolute right to assign its interests under this Agreement without prior consent of Seller provided that the assignee is a business entity in which Buyer has a controlling interest. Otherwise, such assignment is subject to prior written approval by Seller, which approval shall not be unreasonably withheld.

23. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

WITNESS the due execution hereof the day and the year first above written.

ATTEST:

SELLER:
AFFOLDER ENTERPRISES, INC.,
a Pennsylvania corporation

By: Susan Affolder
Susan Affolder, President

WITNESS:

BUYER:

Simone L. Godson
Simone L. Godson, an adult individual

LEASE AGREEMENT

MADE as of this 19th day of June, 2020, by and between XAVIER A. BROWN and ZION A. CONNER, (hereinafter collectively referred to as "Lessor"), and MY TWO SONS, INC., a Pennsylvania Corporation, (hereinafter referred to as "Tenant").

WITNESSETH:

It is mutually agreed between Lessor and Tenant as follows:

1. **DEMISED PREMISES:** The Lessor hereby demises and leases to the Tenant, and the Tenant hereby rents from the Lessor, the entire basement and middle storefront of the first floor of building commonly known as 7926 Frankstown Avenue, Pittsburgh, Allegheny County, Pennsylvania 15206 (registered as Block and Lot No. 174-S-191 in the Allegheny County Department of Real Estate Records) and the vacant lot located at and commonly known as 21-23 S. Wheeler Street, Pittsburgh, PA 15221 (registered as Block and Lot No. 174-S-186 in the Allegheny County Department of Real Estate Records), consisting of approximately 4,000 square feet, (hereinafter collectively referred to as the "Premises").

2. **TERM:** This Lease shall commence and the Tenant shall have the obligation to pay the Rent as hereinafter stipulated, on the date of the approval of the application, ("Application"), for a double transfer (Person-to-Person and Place-to-Place) of Pennsylvania Liquor Control Board Restaurant and Bar License R-12796, ("License"), by the Pennsylvania Liquor Control Board, ("PLCB"), in accordance with the terms and provisions of that certain Purchase and Escrow Agreement, dated March 23, 2020, between Affolder Enterprises, Inc., as Seller, and Simone L. Godson, her successors and assigns, as Buyer, and the subsequent Assignment Agreement between Simone L. Godson, as Assignor, and My Two Sons, Inc., as Assignee, of even date herewith, and shall continue for a term of five (5) years. It is specifically acknowledged, understood, and agreed that, in the event that the PLCB denies the Application, this lease shall become and be immediately null and void, ab initio, without any further action being required by either party, and neither party shall have any further obligations to the other hereunder.

3. **RENTAL:** Tenant covenants and agrees to pay to Lessor during the term of this Lease as Rent for the Premises the sum of approximately Forty-five Thousand and No/100 (\$45,000.00) Dollars, payable in monthly installments on the first day of each month of the term, without setoff as set forth:

<u>LEASE YEAR</u>	<u>ANNUAL AMOUNT</u>	<u>MONTHLY PAYMENT</u>
1	\$ 9,000.00	\$ 750.00
2	\$ 9,000.00	\$ 750.00
3	\$ 9,000.00	\$ 750.00
4	\$ 9,000.00	\$ 750.00
5	\$ 9,000.00	\$ 750.00
TOTAL	\$45,000.00	

4. **RENT NOT PAID WHEN DUE:** In the event that any payment required by Tenant under the provisions hereof, including, without limitation, the regular monthly Rent and Additional Rent, as hereinafter defined, shall not be paid when due or within five (5) days thereafter, Tenant shall, upon demand, pay a ten (10%) percent late charge to Lessor for each and every late payment and in each and every month a payment is overdue. Such late charge shall be deemed "Rent" for all purposes under this Lease.

5. **OPTION TO RENEW:** Provided the Tenant is not in default hereunder, Tenant shall have the option to extend the term of this Lease for two (2) additional periods of five (5) years upon the same terms and conditions as are contained herein commencing immediately upon the expiration of the original term or option term of this Lease, as the case may be; provided that Lessor receives notice from Tenant, by certified mail, return-receipt requested, of Tenant's election to exercise same at least six (6) calendar months prior to the end of the current term.

Notwithstanding the foregoing, the rental during the First Option Terms shall be Forty-eight Thousand and No/100 (\$48,000.00) Dollars which shall be payable during the Option Term as follows:

<u>OPTION YEAR</u>	<u>ANNUAL AMOUNT</u>	<u>MONTHLY PAYMENT</u>
1	\$ 9,600.00	\$ 800.00
2	\$ 9,600.00	\$ 800.00
3	\$ 9,600.00	\$ 800.00
4	\$ 9,600.00	\$ 800.00
5	\$ 9,600.00	\$ 800.00
TOTAL	\$48,000.00	

TOTAL \$48,000.00

Notwithstanding the foregoing, the rental during the Second Option Terms shall be Fifty-one Thousand and No/100 (\$51,000.00) Dollars which shall be payable during the Option Term as follows:

<u>OPTION YEAR</u>	<u>ANNUAL AMOUNT</u>	<u>MONTHLY PAYMENT</u>
1	\$10,200.00	\$ 850.00
2	\$10,200.00	\$ 850.00
3	\$10,200.00	\$ 850.00
4	\$10,200.00	\$ 850.00
5	<u>\$10,200.00</u>	<u>\$ 850.00</u>
TOTAL	\$51,000.00	

6. SIGNS: No new signs shall be erected on the exterior of the Premises without Lessor's prior written consent which shall not be unreasonably withheld.

7. ADDITIONAL RENT (INSURANCE PREMIUMS AND REAL ESTATE TAXES): Pursuant to the terms of this Lease, during the Original Term and any Renewal Term, as the case may be, Tenant agrees to pay as Additional Rent, within twenty (20) days of being billed therefor:

A. one hundred (100%) of all insurance premiums for fire and extended coverage and liability insurance on the Premises, in such amounts as Lessor shall determine in its sole discretion, during the original term and any renewal term. Lessor shall arrange for the fire and extended coverage which shall name Tenant as an additional insured as its interests may appear.

B. one hundred (100%) percent of all Real Estate Taxes which may be assessed, imposed, or levied against Lessor with respect to the Premises. "Real Estate Taxes" which, for the purposes of this Article 7, shall mean all real property taxes and personal property taxes, charges and assessments which are levied, assessed upon or imposed by any governmental authority during any calendar year of the Term hereof with respect to the Premises or the building erected thereon, and any improvements, fixtures, and equipment and all other property of Lessor, real or personal, located in the Premises and used in connection with the operation of the Premises, and any tax which shall be levied or assessed in addition to or in lieu of such real or personal property taxes (including, without limitation, any municipal income tax), and any license fees, tax measured by or imposed upon rents, or other tax or charge upon Lessor's business of leasing the Premises, but shall not include any federal or state income tax, or any franchise, capital stock, estate or inheritance taxes.

8. UTILITIES: Tenant agrees to pay for all public utility services rendered or furnished to the Premises as well as for the entire cost of repair, maintenance and replacement of all utility lines serving the Premises, whether or not within the building.

9. USE OF PREMISES: Tenant may occupy and use the Premises for a full-service restaurant and tavern/catering and banquet hall and for no other purpose without Lessor's prior written consent, which shall not be unreasonably withheld. Tenant covenants with the Lessor to observe and fulfill all legal provisions and requirements of all statutes, ordinances, rules and regulations whether federal, state or municipal, relating to the Premises and to any business which it seeks to conduct in the Premises. In the event Tenant chooses to change the use of all or a portion of the Premises leased hereunder, prior to requesting the consent of Lessor, Tenant shall first secure all applicable government permits and consents as are required to make the change in use.

10. HAZARDOUS MATERIALS:

A. Tenant shall not use, generate, manufacture, store, release, threaten to release, or dispose of Hazardous Materials in, on or about the Premises or the ground water of the property of which the Premises are a part, in violation of any federal, state or municipal law, decision, statute, rule, ordinance or regulation currently in existence or hereafter enacted or rendered, or suffer or permit the same to be done by any other person. Tenant shall give Lessor prompt written notice of any claim by any person, entity, or governmental agency that any release or disposal of Hazardous Materials has occurred on the Premises. Tenant, through its professional engineers and at its cost, shall promptly and thoroughly investigate suspected Hazardous Materials contamination of the Premises. Tenant shall forthwith remove, repair, clean up, and/or detoxify any Hazardous Materials from the Premises or the ground water of the property of which the Premises are a part whether or not such actions are required by law, and whether or not Tenant was responsible for the existence of the Hazardous Materials in, on or about the Premises or the ground water of the property of which the Premises are a part unless and to the extent that such Hazardous Materials existed on the Premises or the ground water of the property of which the Premises are a part before Tenant's possession or right to possession thereof. Hazardous Materials shall include but not be

limited to substances defined as "hazardous substances", "hazardous materials" or "toxic substances", Environmental Response, Compensation and Liability Act of 1989, as amended, 42 U.S.C. Sec. 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sect. 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Sec 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C. Sec. 2601 et seq.; the Clean Air Act, 42 U.S.C. Sect. 7401 et seq.; the Clean Water Act, 33 U.S.C. Sec. 1251 et seq. or any regulations promulgated pursuant thereto, and any materials or substances that are listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. 171.101), as amended from time to time, and any state or local statute, ordinance or regulation now or hereafter in effect concerned with similar matters and friable asbestos and petroleum products.

B. Tenant hereby agrees to indemnify Lessor and hold Lessor harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Lessor for, with respect to or as a direct or indirect result of, the presence on or under, or the Escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Premises of any Hazardous Materials (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any federal, state or local laws, statutes, ordinances or regulations relating to Hazardous Materials), regardless of whether or not caused by, or within the control of tenant unless such Hazardous Materials existed on the Premises or the ground water of the property of which the Premises are a part before Tenant's possession or right to possession thereof.

C. Lessor, and/or its agents, shall have the right and shall be permitted, but shall not be required, at all reasonable times, to enter upon and inspect the Premises to insure compliance with the foregoing covenants set forth in this Article 10 of the Lease. The provisions of this Article shall survive the Term of the Lease.

11. ALTERATIONS:

Tenant covenants and agrees not to make or permit to be made any alterations, improvements and additions to the Premises or any part thereof except by and with the prior written consent of Lessor, which consent shall not be unreasonably withheld. All alterations, improvements and additions to said Premises shall be made in accordance with all applicable laws and shall at once when made or installed be deemed to have attached to the freehold and to have become the property of Lessor and shall remain for the benefit of Lessor at the end of the terms or other expiration of this Lease in as good order and condition as they were when installed, reasonable wear and tear excepted; provided however, if prior to the termination of this Lease, or within thirty (30) days thereafter Lessor so directs by written notice to Tenant, Tenant then shall promptly remove the additions, improvements, fixtures and installations which were placed in the Premises by Tenant and which are designated in said notice and repair any damage occasioned by such removal and in default Lessor may affect said removals and repairs at Tenant's expense. In the event of making such alterations, improvements, and additions as herein provided, Tenant further agrees to indemnify and save harmless the Lessor from all expense, liens, claims or damages to either persons or property arising out of, or resulting from the undertaking or making of said alterations, additions and improvements.

12. MAINTENANCE: Lessor agrees to maintain and repair the roof, exterior walls, and structure of the building in which the Premises is located. Tenant covenants and agrees to be responsible for all other maintenance, repairs, and replacements necessary to the Premises other than reasonable wear and tear and damage caused by fire or other casualty. Tenant's responsibility shall include, but not be limited to all, HVAC, plumbing, electrical, systems and mechanicals, generally, serving the Premises. If Tenant fails, refuses or neglects to maintain the Premises as required by this Article, Lessor may make such repairs and replacements without liability to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and upon completion thereof Tenant shall promptly pay Lessor's cost for making such repairs upon presentation of a bill therefor as Additional Rent. Nothing herein shall be construed as requiring Lessor to make such repairs.

Tenant at its sole cost throughout the term of this Lease shall provide for regular extermination of the Premises by qualified exterminators satisfactory to Lessor.

Lessor and Tenant shall cooperate in doing what is necessary for the Premises to be in full compliance with the Americans with Disabilities Act, as amended.

13. FIRE OR OTHER CASUALTY:

A. If the Premises shall be totally or substantially destroyed by fire or other casualty covered by Lessor's policy of fire and extended coverage insurance, Lessor shall have the option to rebuild or of terminating the Lease; provided that the rebuilding will be substantially completed within one hundred twenty (120) days from the date of destruction. If the Premises can not be rebuilt within said one hundred twenty (120) day period or if Lessor elects not to rebuild, this Lease shall terminate.

B. In the event of destruction of the Premises as above mentioned, Tenant's rent shall completely abate from the date of such destruction until possession of the rebuilt Premises is delivered to Tenant, but in the event of a partial destruction or damage whereby Tenant shall be deprived of the occupancy of only a portion of said Premises, then rent shall be equitably apportioned according to the area of the Premises which is unusable by Tenant until such time as the Premises shall be repaired or restored.

C. If any such destruction shall be so slight as not to render the Premises unfit for occupancy, then Lessor will repair the same with reasonable promptness and the rent shall continue without apportionment or abatement.

D. Any provision hereof to the contrary notwithstanding Tenant shall be liable to Lessor for all loss, damage and expense suffered by Lessor arising out of Tenant's negligence, or willful or wanton conduct and the amount of any such loss, damage and expense shall be collective in the same manner as rent hereunder in arrears. Lessor shall not be obligated to repair or replace Tenant's furnishings, equipment and leasehold improvements and shall not be obligated to bear the cost of repairing any damage caused by any act or omission of Tenant or Tenant's employees, agents, invitees, licensees or contractors. Lessor may make any such repairs at Tenant's expense and the cost hereof shall be collectable as additional rent hereunder.

E. To the extent permitted by their insurance carriers, each of the parties hereto hereby waives subrogation against the other in the event of any casualty loss to the Premises or the property located therein whether or not such loss shall arise from the negligence of either party.

14. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE:

A. Tenant accepts this Lease subject and subordinate to any mortgage or mortgages (including, without limitation, the notes or other obligations secured thereby and any and all renewals, modifications, consolidations, replacements or extensions of any such mortgages or the notes or other obligations secured thereby) now in existence or hereinafter made from time to time, affecting the fee title or the leasehold estate to the building or the real property on which the building is located (or any part thereof) of Lessor's interest therein. Tenant also accepts this Lease subject and subordinate to all instruments in the chain of title to the building and the real property on which the building is located, including any and all renewals, modifications, consolidations, replacements, or extensions of such instruments. Tenant shall execute, acknowledge and deliver to the holder any such mortgage or to any of the parties to such instruments, at any time upon demand by such holder or by any such party, and releases, certificates or other documents that may be required by such holder or by any such party, for the purpose of evidencing the subordination of this Lease to such mortgages or instruments or to any renewals, modifications, consolidations, replacements, or extensions thereof. In the event of a sale under any mortgagee (or any note or other obligation secured thereby) to which this Lease is subordinate, or taking of possession of the Premises by the mortgagee or other person acting for or through the mortgagee under any mortgagee to which this Lease is subordinate, then and upon the happening of any such events, if the mortgagee or other person acting under or through the mortgage shall so request, Tenant shall attorn to and recognize as Lessor hereunder the party who, but for this Lease, would be entitled to possession of the Premises.

B. Tenant hereby agrees to give any mortgagee notice of any default by Lessor under this Lease and to afford such mortgagee the same right (but not the obligation) to cure such default as Lessor has but not less than thirty (30) days to cure.

C. Notwithstanding the foregoing, in the event of any foreclosure, provided Tenant is not then in default hereunder, this Lease shall remain in full force and effect.

15. ESTOPPEL CERTIFICATES: Tenant shall, at any time and from time to time, within twenty (20) days following written request from Lessor, execute, acknowledge and deliver to Lessor a certificate that this Lease is in full force and effect and unmodified (or, if modified, stating the nature of such modification), certifying the date to which the rent reserved hereunder has been paid, certifying that the Tenant is in occupancy, and certifying that there are not, to Tenant's knowledge, any uncured defaults on the part of the Lessor hereunder, or specifying such defaults if any are claimed. Any such statement will be in such form as Lessor may reasonably request and may be relied upon by any prospective purchaser or mortgagee or all or any part of the building or real property on which the building is located. Tenant's failure to deliver such statement within said twenty (20) day period shall be conclusive upon Tenant that this Lease is in full force and effect and unmodified and that there are no uncured defaults in Lessor's performance hereunder.

16. EMINENT DOMAIN:

A. In the event the Premises or any part thereof shall be taken or condemned either permanently or temporarily for any public or quasi public use or purpose by any competent authority in appropriation proceedings or by any right of eminent domain the entire compensation award for both leasehold and reversion shall belong to the Lessor without any deduction therefrom for any present or future estate of Tenant and Tenant hereby assigns to Lessor all its right, title and interest to any such award. Tenant shall, however, be entitled to claim, prove and receive in such condemnation proceedings such award as may be allowed for relocation and for fixtures and other equipment installed by it but only if such award shall be in addition to the award for the land and the building (or portion thereof) containing the Premises.

B. If the entire Premises shall be taken as aforesaid, then this Lease shall terminate and shall become null and void from the time, possession thereof is required for public use and from that date, the parties hereto shall be released from further obligation hereunder but in the event a portion only of the Premises itself shall be so taken or condemned and if such taking does not make the Premises unfit for Tenant's occupancy, then Lessor, at its own expense, shall repair and restore the portion not affected by the taking and thereafter the minimum rental to be paid by Tenant shall be equitably and proportionately adjusted.

17. INDEMNITY AND INSURANCE BY TENANT:

Except for injuries and/or damages sustained by persons or property while in or about the Premises which are occasioned by the willful or negligent acts of the Lessor, Tenant covenants and agrees that it will protect and save and keep the Lessor forever harmless and indemnified against and from any penalty or damage or charges impose for any violation of any law or ordinance, whether occasioned by the neglect of Tenant or those holding under Tenant, and that Tenant will at all times protect, indemnify and save and keep harmless the Lessor against and from all claims, loss, cost, damage or expense arising out of or from any accident or other occurrence on or about the Premises causing injury to any person or property whomsoever or whatsoever, and will protect, indemnify, save and keep harmless the Lessor against and from any and all loss, cost, damage or expense arising out of any failure of Tenant in any respect to comply with and perform all the requirements and provisions of this Lease.

Tenant agrees that it will procure, at its own cost and expense and continue in force general liability and property damage insurance and in an amount of not less than \$1,000,000 and furnish proof of such coverage to Lessor. Tenant will have Lessor named as a co-insured or a loss-payee under said policy and deliver written evidence of same to Lessor upon taking possession of the property and on or before three (3) weeks prior to the end of each lease year or any renewals hereof.

18. TENANT'S PROPERTY IN PREMISES: No fixtures, equipment, machinery, or inventory of any nature which may be in or upon the Premises of Tenant shall be removed during the term of this Lease except in the ordinary course of business. Upon removal at the expiration of this Lease, Tenant shall repair any damage created by such removal.

19. ASSIGNMENT AND SUBLETTING: Tenant shall not assign this Lease or sublet the whole or any part of the Premises without Lessor's prior consent. For purposes of this Section, an assignment shall occur if there is a change in ownership of more than fifty (50%) percent of the common stock/equity interest of any corporate tenant, as compared to the ownership structure at the time of execution of this Lease. Any breach of this restriction shall, at the option of Lessor, result in an immediate and automatic forfeiture of this Lease. In the event of an assignment or subletting, Tenant shall not be relieved from liability for payment of rent or other sums herein provided or from the obligation to keep and be bound by the terms, conditions, and covenants of this Lease.

20. ACCESS TO PREMISES: Tenant agrees to permit Lessor or Lessor's agent to inspect or examine the Premises at any reasonable time and to permit Lessor to make such repairs in the Premises that Lessor may deem desirable or necessary for its preservation or which Tenant has not covenanted herein to do or has failed so to do, without the same being construed as an eviction of Tenant in whole or in part.

Lessor shall have the right, at reasonable times and upon reasonable notice to Tenant, to enter upon the Premises for a period for the purposes of exhibiting the same to prospective purchasers or to exhibit the same to prospective Tenants during the last six (6) months of the term of this Lease.

21. SURRENDER OF PREMISES: Tenant covenants and agrees to deliver up and surrender to the Lessor the possession of the Premises upon the expiration of this Lease or its earlier termination, as herein provided, in as good condition and repair as the same shall be the commencement of said term or may have been put by the Lessor during the continuance thereof - ordinary wear and tear and damage by fire, casualty or the elements, excepted.

22. BREACHES AND REMEDIES - DEFAULT BY TENANT: Tenant covenants and agrees that if:

A. Tenant shall fail, neglect or refuse to pay any installment of rent at the time and in the amount as herein provided, or to pay any other monies agreed by it to be paid promptly when and as if the same shall become due and payable under the terms of this Lease or under the Note contemporaneously herewith; or if

B. Tenant shall fail, neglect or refuse to keep and perform any of the covenants, conditions, stipulations or agreements herein contained or in the Security Agreement, the Stock Pledge Agreement executed contemporaneously herewith, and in the event any such default shall continue for a period of more than ten (10) days after notice thereof is given in writing to Tenant by Lessor (provided, however, that if the cause for giving such notice involves the making of repairs or other matters reasonably requiring a longer period of time, Tenant shall be deemed to have complied with such notice so long as it has commenced to comply with said notice within the period set forth herein and is diligently prosecuting compliance thereof); then, provided Tenant has had ten (10) days prior written notice and time to cure, Tenant shall be deemed to be in default of this Lease in which event the entire rent for the balance of the said term shall, at once, become due and payable as if by the terms of this Lease it were all payable in advance.

C. In the event of a default by Tenant, Lessor may at his option, exercise all remedies available at law or equity including, without limitation:

(i) Cancel or annual this Lease at once and re-enter and take possession of said Premises immediately, and by force if necessary, without any previous notice of intention to re-enter and remove all persons and their property therefrom, and to use such force and assists in effecting and perfecting such removal of said Tenant as may be necessary and advisable to recover at once first exclusive possession of all said Premises whether in possession of said Tenant or of third persons or otherwise, without being deemed guilty or any manner of trespass and without prejudice to any remedies which might otherwise be used by Lessor, in which event this Lease shall terminate and Tenant shall indemnify the Lessor against and reimburse Lessor for all expenses (including legal costs and fees) and loss of rent which Lessor may incur by reason of such termination during the residue of the term herein specified, including the loss of additional rental; or

(ii) Use self help and re-enter and take possession of said Premises without such re-entry working a forfeiture of the rents to be paid and the covenants, agreements and conditions to be kept and performed by Tenant for the full term of this Lease. In such event Lessor shall have the right, but not the obligation, to divide or subdivide the Premises in any manner Lessor may determine and to lease or let the same or portions hereof for such periods of time and at such rentals and for such use and upon such covenants and conditions as Lessor may elect, applying the net rentals from such letting first to the payment of Lessor's expenses incurred in dispossession of the Tenant and the cost and expense of making such improvements in the Premises as may be necessary in order to enable Lessor to re-let the same, and to the payment of any brokerage commissions, legal costs and legal or other necessary expenses of Lessor in connection with such re-entry and/or re-letting. The balance, if any, shall be applied by Lessor from time to time on account of the payments due or payable by Tenant hereunder, with the right reserved to Lessor to bring such action or proceedings for the recovery of any deficits remaining unpaid as Lessor may deem favorable from time to time, without being obligated to await the end of the term hereof for the final determination of Tenant's account. Any balance remaining however, after full payment and liquidation of Lessor's account as aforesaid shall be paid to Tenant with the right reserved to Lessor at any time to give notice in writing to Tenant of Lessor's election to cancel and terminate this Lease and upon giving of such notice and the simultaneous payment by Lessor to Tenant of any credit balance in Tenant's favor that may at the time be owing to Tenant shall constitute a final and effective cancellation and termination of this Lease and the obligations hereunder on the part of either party to the other.

(iii) **For value received:**

(a) **UPON THE OCCURRENCE OF AN EVENT OF DEFAULT HEREUNDER, TENANT, HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY, CLERK OR PROTHONOTARY OF ANY COURT OF RECORD, TO APPEAR FOR AND CONFESS JUDGMENT AGAINST TENANT, ITS SUCCESSORS AND ASSIGNS, AND IN FAVOR OF LESSOR, ITS SUCCESSOR AND ASSIGNS: (1) FOR SUCH SUMS AS ARE DUE HEREUNDER BY REASON OF SAID DEFAULT, INCLUDING, BUT NOT LIMITED TO, UNPAID RENT AND ADDITIONAL RENT FOR THE BALANCE OF THE TERM OF THE LEASE AND/OR FOR THE SUM DUE BY REASON OF TENANT'S BREACH OF ANY COVENANT OR AGREEMENT BY TENANT HEREIN; WITH OR WITHOUT DECLARATION FILED, WITH**

COSTS OF SUIT, WITHOUT STAY OF EXECUTION; TOGETHER WITH AN ATTORNEY'S COMMISSION EQUAL TO THE LESSER OF TWENTY (20%) PERCENT OF ALL SUCH SUMS DUE OR \$500.00, WHICH EVER IS GREATER; OR (ii) THE MAXIMUM AMOUNT PERMITTED BY LAW, AND INTEREST AT THE RATE OF SIX (6.0%) PERCENT, EVEN AFTER JUDGMENT. TENANT: (1) WAIVES THE RIGHT OF INQUISITION ON ANY REAL ESTATE LEVIED ON, VOLUNTARILY CONDEMNS THE SAME, AUTHORIZES THE PROTHONOTARY OR CLERK TO ENTER UPON THE WRIT OF EXECUTION SAID VOLUNTARY CONDEMNATION AND AGREES THAT SAID REAL ESTATE MAY BE SOLD ON A WRIT OF EXECUTION; (2) WAIVES AND RELEASES ALL RELIEF FROM ANY AND ALL APPRAISEMENT, STAY, EXEMPTION, OR APPEAL LAWS OF ANY STATE NOW IN FORCE OR HEREAFTER ENACTED; AND (3) RELEASES ALL ERRORS IN SUCH PROCEEDINGS. IF A COPY OF THIS LEASE, VERIFIED BY AFFIDAVIT BY OR ON BEHALF OF LESSOR, SHALL HAVE BEEN FILED IN SUCH ACTION, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL LEASE AS A WARRANT OF ATTORNEY. THE AUTHORITY AND POWER TO APPEAR FOR AND ENTER JUDGMENT AGAINST TENANT, SHALL NOT BE EXHAUSTED BY INITIAL EXERCISE THEREOF, AND THE SAME MAY BE EXERCISED FROM TIME TO TIME, AS OFTEN AS LESSOR SHALL DEEM NECESSARY AND DESIRABLE, AND THIS LEASE SHALL BE A SUFFICIENT WARRANT IN EACH INSTANCE.

(b) UPON THE OCCURRENCE OF AN EVENT OF DEFAULT HEREUNDER, OR UPON TERMINATION OF THE TERM OF THE LEASE AND THE FAILURE OF TENANT TO DELIVER POSSESSION OF THE PREMISES TO LESSOR, TENANT, AT THE OPTION OF LESSOR, AUTHORIZES AND EMPOWERS ANY SUCH ATTORNEY, CLERK OR PROTHONOTARY OF ANY COURT OF RECORD, EITHER IN ADDITION TO OR WITHOUT SUCH JUDGMENT FOR THE AMOUNTS DUE ACCORDING TO THE TERMS OF THIS LEASE, PURSUANT TO PARAGRAPH 26. C(iii)(a), ABOVE, TO APPEAR FOR SAID TENANT AND CONFESS JUDGMENT FORTHWITH AGAINST TENANT AND IN FAVOR OF LESSOR, ITS SUCCESSORS AND ASSIGNS, IN AN AMICABLE ACTION OF EJECTMENT FOR THE PREMISES, WITH RELEASE OF ALL ERRORS, AND FORTHWITH ISSUE A WRIT OR WRITS OF POSSESSION FOR THE PREMISES AND A WRIT OR WRITS OF EXECUTION FOR THE AMOUNT OF ANY JUDGMENT AND COSTS, WITHOUT LEAVE OF COURT., AND LESSOR MAY WITHOUT NOTICE RE-ENTER AND EXPEL TENANT FROM THE PREMISES, AND ALSO ANY PERSON HOLDING UNDER TENANT, AND IN EACH CASE, THIS LEASE OR A TRUE COPY THEREOF SHALL BE A SUFFICIENT WARRANT OF ANY PERSON.

THE ATTORNEY AT LAW AUTHORIZED UNDER PARAGRAPHS 22.C(iii) (a) AND (b) TO APPEAR FOR TENANT MAY BE AN ATTORNEY AT LAW ALSO REPRESENTING LESSOR, AND TENANT HEREBY EXPRESSLY WAIVES ANY CONFLICT OF INTEREST THAT MAY EXIST BY VIRTUE OF SUCH REPRESENTATION.

23. BANKRUPTCY OR INSOLVENCY: If at any time prior to the date herein fixed as the commencement of the term of this Lease or at any time thereafter, there shall be filed by or against any of Tenant in any court, pursuant to any statute either of the United States or of any state, a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's property, which is not cured or stayed by agreement or Order of Court within sixty (60) days, or if any of Tenant makes an assignment by operation of law, or if any of Tenant makes application to Tenant's creditors to settle or compound or extend the time for payment of any of Tenant's obligations, or if any execution or attachment shall be levied upon any of the Tenant's property and the same is not cured or stayed within sixty (60) days, or the Premises are taken or occupied by someone other than the Tenant, then this Lease shall at the Lessor's option, be cancelled and terminated in which event, neither Tenant nor any persons claiming through or under Tenant or by virtue of any statute or of any Order of any Court shall be entitled to possession of the Premises.

24. WAIVER OF TENANT'S DEFAULT: No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall be taken to constitute waiver of any subsequent breach of such covenant or condition nor to justify or authorize the non-observance or any other occasion of the same or of any other covenant or condition hereof, nor shall the acceptance of rent by Lessor at any time when Tenant is in default or of Lessor's right to terminate this Lease on account of such default, nor shall any waiver or indulgence granted by Lessor to Tenant be taken as an estoppel against Lessor, it being expressly understood that if at any time Tenant shall be in default in any of its covenants or conditions hereunder an acceptance by Lessor of rental during the continuance of such default or the failure on the part of Lessor promptly to avail itself of such other rights or remedies as Lessor may have, shall not be construed as a waiver of such default, but Lessor may at any time thereafter, if such default continues, terminate this Lease on account of such default in the manner hereinbefore provided.

25. **HOLDING OVER:** If Tenant lawfully occupies the Premises after the end of the term or any extension of the term hereof, this Lease and all its terms, conditions, provisions and covenants herein specifically given and agreed to shall be in force for another month and so on from month to month unless either party gives notice to the other party in writing at least thirty (30) days prior to the end of any such month not to continue the within Lease beyond the end of any such month, in which event Tenant covenants and agrees that it will vacate the Premises on or before the end of any such month.

26. **NOTICES:** Any bill, statement, notice, communication or payment which Lessor or Tenant may desire, to be required to give to the other party shall be in writing and shall be mailed or forwarded by overnight delivery service to the other party at such address as either party shall have designated to the other, and unless provided otherwise in this Lease, the time of the rendition of such shall be when same is sent by U.S. Mail or by overnight delivery service as required hereunder. The present addresses of the parties are:

Lessor: Xavier A. Brown
Zion A. Conner
6389 Olivant Street
Pittsburgh, PA 15206

Tenant: Cabaret LLC
7928 Frankstown Avenue
Pittsburgh, PA 15206

Attention: Simone L. Godson

27. **APPLICABLE LAW:** This Agreement has been executed in and shall be construed according to the laws of the Commonwealth of Pennsylvania.

28. **PROVISIONS BINDING:** Except as otherwise expressly provided in Article 19 above, the terms and provisions hereof shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns, respectively, of the Lessor and the Tenant. Each term and each provision of this Lease to be performed by the Tenant and the Lessor shall be construed to be both a covenant and condition.

29. **CAPTIONS OF ARTICLES:** The captions of the articles throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provision of this instrument.

30. **ENTIRE AGREEMENT:** This Lease, with attached Exhibits, contains all the agreements and conditions made between the parties hereto and may not be modified orally or in any other manner than by an agreement in writing signed by all parties hereto or their respective successors in interest.

17. **COUNTERPARTS:** This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK
SIGNATURES APPEAR ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed upon the day and year first above written.

WITNESS:

LESSOR:

Xavier A. Brown
Xavier A. Brown, an adult individual

Simone L. Godson
Simone L. Godson, the natural mother
and parent of Zion A. Conner, a minor,
for and on behalf of Zion A. Conner,
a minor

ATTEST:

TENANT:
Cabaret LLC,
a Pennsylvania Limited Liability Company

By: Simone L. Godson
Simone L. Godson, Managing Member

115076 DRE Certified
10-Jul-2013 03:48P\Int By: Amy Racko

WARRANTY DEED

This Indenture Made the 9th day of July 2013:

BETWEEN: Simone L. Godson grantor
AKA Simone Godson

AND: Xavier A. Brown & Zion A. Conner grantee(s)

Witnesseth, that said GRANTOR for and in consideration of the sum of
\$1.00 (ONE DOLLAR AND NO/100
Paid to the GRANTOR by the GRANTEE does grant, bargain, sell and convey unto the said GRANTEE, their heirs and assigns,

All that certain parcel lot or piece of ground situate in the 13th Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being part of Lots No. 51 and 52 in Mellon's Plan of Lots called "Villa Place." As recorded in the Office of Recorder of Deeds for Allegheny County, Pennsylvania, in Plan Book Volume 8, page 110, said property being more particularly bounded and described as follows:

BEGINNING at the southwesterly corner of Wheeler (formerly Mohler) Street and Frankstown Avenue; thence westerly along the southerly side of Frankstown Ave, a distance of 50.13 feet to the line of property now or formerly of Lucy Fornoff; thence southwardly along said Fornoff's line, a distance of 115.02 feet to the southerly line of a ten foot private alley, hereinafter described; thence eastwardly along said southerly line of said ten foot alley, a distance of 50 feet to the westerly side of Wheeler Street; thence northwardly along said westerly side of Wheeler Street, a distance of 118.73 feet to Frankstown Avenue, the place of beginning.

SUBJECT to a ten foot private alley extending over the rear of said Lot as created by an Agreement between Samuel C. Gallagher and others, dated March 11, 1904, and recorded in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania, in Deed Book volume 1317, page 378, and all the terms and conditions of said Agreement.

BEING designated as Lot and Block No. 174-s-191.

HAVING ERECTED THEREON a one story brick dwelling containing three storerooms known and numbered as 7926, 7928, and 7930 Frankstown Avenue.

PARCEL TWO

ALL that certain lot or piece of ground situate in the Thirteenth Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being Lot No. 344 in Mellon's Plan of Lots called "Villa Place," as recorded in the Office of the Recorder of Deeds for Allegheny County, Pennsylvania, in Plan Book Volume 8, page 110; and Mellon's Revision, recorded in the aforesaid Office in Plan Book Volume 11, Page 44, said property being more particularly bounded and described as follows:

BEGINNING at a pin on the westerly line of Wheeler Street at the corner of Lot No. 343, distant 123.74 feet southerly from the southwesterly corner of Wheeler Street and Frankstown Avenue; thence South 79 5' West, along line dividing Lots Nos. 343 and 344, a distance of 150 feet to the easterly line of an alley 20 feet in width, as shown on said plan; thence South 10 55' East, along said line of said alley a distance

General Warranty Deed – Page 2

of 50 feet to a pin at the corner of Lot 345, thence North 79 5' East, along line dividing Lots Nos.344 and 345, a distance of 150 feet to a pin at the westerly line of Wheeler Street; thence North 10 55' West, along said line of said street, a distance of 50 feet to the place of beginning.

BEING designated as Lot and Block No. 174-s-186.

BEING KNOWN AND NUMBERED as 21 – 23 South Wheeler Street, Pittsburgh, Pennsylvania.

SUBJECT to set back lines and all other matters set forth in any plan; to easements for public rights of way and utilities as recorded or now located; to matters obvious from an inspection or as would be disclosed by a survey; to prior grants of mineral rights or rights of way, and matters incident thereto; and to all other matters of prior record.

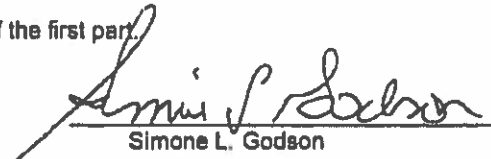
BEING the same property which Dino Aquiline by his deed dated November 4th 2011 and recorded in the Office of the Recorder of Deeds Office for Allegheny County, Pennsylvania in Deed Book Volume 14738, page 65 granted unto Grantor herein.

This is a conveyance from mother to sons and is exempt from realty transfer taxes.

With the appurtenances: TO HAVE AND TO HOLD the same unto and for the use of the said party to the second part their heirs and assigns; And the said party of the first part,

For herself, her heirs, executors and administrators covenant with the all lawful claimants the same and every party thereof to Warrant and Defend, Generally.

WITNESS the hand and seal of the said party of the first part.


 (Seal)
Simone L. Godson

Witness: 


NOTICE—THIS DOCUMENT MAY NOT/ DOES NOT SELL, CONVEY, TRANSFER, INCLUDE, OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE /HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHT OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

[This notice is set forth in the manner Section 1 of the Act of July 17, 1967, P.L. 884 as amended and is not intended as notice of unrecorded instruments, if any.]

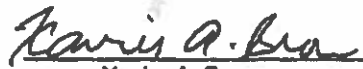
NOTICE THE UNDERSIGNED, AS EVIDENCE BY THE SIGNATURE (SO TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, (IS , ARE) FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY TA PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE CAOL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966.




Witness



Witness



Xavier A. Brown (Seal)



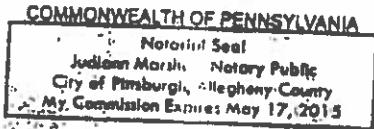
Zion A. Conner (Seal)

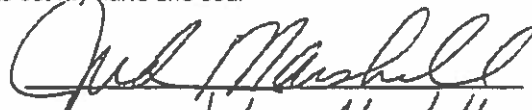
COMMONWEALTH OF Pennsylvania
COUNTY OF Allegheny

On this, the 17 day of July, 2013, before me a Notary Public, the undersigned officer, personally appeared
Xavier A. Brown & Zion A. Conner Simone L. Godson

Known to me (or satisfactory proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal

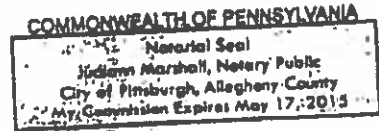




Printed Name: Judann Marshall
Notary Public
My commission Expires May 17, 2015

I, hereby certify that the precise residence of the GRANTEE herein is as follows:

XAVIER A. BROWN AND ZION A. CONNER
6389 OLIVANT ST
PITTSBURGH PA. 15206



I do hereby certify that the TAX BILL ADDRESS
Xavier A. Brown
Zion A. Conner
6389 Olivant St
Pgh, Pa 15206

I do hereby certify that the Owner Mailing Address
of the within named Grantees
6389 Olivant St
Pgh, Pa 15206

CERTIFICATE OF OCCUPANCY CITY OF PITTSBURGH

Use Group: A2
 BOA Number: 09-08615
 Permit Number: 0174S00191 00
 ZBA Number:
 Lot & Block #:

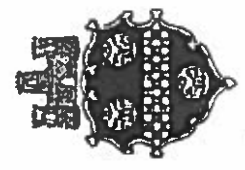
Occ Number: 200903372
 Date Issued: 08/30/2010
 Ward: 13
 Date Completed: 08/23/2010

Location: 7926 FRANKSTOWN AVE
 Construction Type:
 2006 IBC

Permitted Occupancy: USE OF 2,000 SQ FT ON THE 1ST FLOOR AS RESTURANT (LIMITED) WITH LIQUOR LICENSE OF EXISTING 1-STORY STRUCTURE

Owner: AQUILINE DINO
 2 MASON RD
 PITTSBURGH PA 15235

Lessee:



Permission is hereby granted for the occupancy above described.

Chief, Bureau of Building Inspection



Entity #: 3816781
 Date Filed: 11/02/2009
 Effective Date: 12/01/2009
 Pedro A. Cortés
 Secretary of the Commonwealth

**PENNSYLVANIA DEPARTMENT OF STATE
 CORPORATION BUREAU**

**Certificate of Organization
 Domestic Limited Liability Company
 (15 Pa.C.S. § 8913)**

Name SIMONE L. GODSON		
Address 6389 OLIVANT ST		
City PITTSBURGH	State PA	Zip Code 15206

Document will be returned to the name and address you enter to the left.

Commonwealth of Pennsylvania
 CERTIFICATE OF ORGANIZATION 3 Page(s)



Fee: \$125

In compliance with the requirements of 15 Pa.C.S. § 8913 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (*designator is required, i.e., "company", "limited" or "limited liability company" or abbreviation*):
Cabaret LLC

2. The (a) address of the limited liability company's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and Street 7926 (Rear) Frankstown Ave.	City Pgh	State Pa	Zip 15221	County Allegheny
(b) Name of Commercial Registered Office Provider co: Simone L. Godson				County Allegheny

3. The name and address, including street and number, if any, of each organizer is (*all organizers must sign on page 2*):

Name Simone L. Godson	Address 6389 Oliviant St Pgh Pa 15206

PA DEPT. OF STATE

NOV 12 2009

Pro. Lee Stark

PA DEPT. OF STATE

NOV 12 2009

4. *Strike out if inapplicable term*
A member's interest in the company is to be evidenced by a certificate of membership interest.

5. *Strike out if inapplicable:*
Management of the company is vested in a manager or managers.

6. The specified effective date, if any is: December 1st 2009
month date year hour, if any

7. *Strike out if inapplicable:* The company is a restricted professional company organized to render the following restricted professional service(s):

8. For additional provisions of the certificate, if any, attach an 8 1/2 x 11 sheet.

IN TESTIMONY WHEREOF, the organizer(s) has (have)
signed this Certificate of Organization this
24th day of October, 2009.

Jessie L. Wilson
Signature

Signature

Signature



Business Plan

Prepared by:

Simone L. Godson

Owner

Phone: 412-537-3061

Email: moni3113sg@gmail.com

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I. Executive Summary

Business Overview

Cabaret LLC is an upscale yet affordable banquet and event space strategically located in the Homewood Brushton section in the City of Pittsburgh and is focused on creating a laid-back environment where customers can, dance and enjoy special occasions such as birthdays, weddings, conferences, family reunions, baby showers, concerts, and more. At Cabaret, customers have the option to choose from five event spaces, which include:

- 1.) The cigar lounge (upper level) – smallest space that can accommodate up to 10 patrons
- 2.) The Main Stage (upper level) – Can accommodate seating up to 70 patrons
- 3.) The Jazz Room (lower level) – Can accommodate seating for up to 40 patrons
- 4.) The Ballroom (Lower level) – Can accommodate seating for up to 150 patrons
- 5.) The Lot (adjacent outdoor space) – Can accommodate up to 300 patrons (includes stage, bar, grilling space, seating and/or standing room, and three decks.

Products Served

Cabaret LLC will offer catered menu items tailored to the customers' request. As a part of our special packages, decorating services are also offered. Special packages may also include wait staff and/security.

Customer Focus

Cabaret will primarily serve customers of all ages; however, only individuals over the age of 21 may obtain a rental agreement and be responsible for maintaining compliance to a written and signed contract.

Management Team

Cabaret LLC is led by Simone Godson who has been in the hospitality industry for 10+ years, and she has worked and successfully managed Cabaret since its inception.

Michelle Johnson is the General Manager and has worked in the hospitality industry along side Simone from the first day to present.

Success Factors

Cabaret is uniquely qualified to succeed due to the following reasons:

- Currently, there are no banquet halls in Homewood or the surrounding communities that offer the full-service amenities provided by Cabaret.
- Cabaret has 10+ years of proven sustainability and has become a staple in the community and city

- In addition, we have surveyed our customers and received extremely positive feedback saying that Cabaret is their exclusive go-to for events and special occasions and they will continue to utilize our space in the future.
- Our location is in a high-volume area where parking is free and nearby a well-lit street.
- Simone and her staff have more than 10 years of experience in successfully managing a full-scale operation.
- Operating a banquet hall is a proven business and has succeeded in various areas throughout the Pittsburgh area.
- Cabaret is excited to be a contributor of a growing community where investment and development are happening.
 - Public Source reports:
 - A comprehensive plan for developing the Homewood community was unveiled. Homewood will be the second Pittsburgh neighborhood to have a comprehensive, city-approved development plan to address issues like affordable housing, mobility and community development.
 - The draft of Homewood's Comprehensive Community Plan includes 21 overarching goals for the neighborhood, from improving air quality to better managing vacant property, improving local schools and increasing transit and affordable housing. The plan was developed as a collaboration between city officials, community leaders and residents and includes dozens of strategies to achieve the stated goals.

II. Company Overview

Cabaret's History

Cabaret was founded by Simone Godson, who after 23 years as a city of Pittsburgh police officer, retired and purchased a large warehouse (the former Midway Tool Rental Company) located at the corner of Wheeler Street and Frankstown Avenue in Homewood Brushton. After meeting with locals and neighborhood officials, it was made clear to Simone that a Banquet Hall would be a great asset to the community she grew up in. It would also help realize her dream to give back to the community she loves so dearly.

Not a stranger to hard work, Simone worked day in and day out to transform a warehouse of cinder block walls and cement floors into a beautiful, luxurious space, and on December 5, 2009 the doors of the upper level of Cabaret opened and has enjoyed tremendous success for 10+ years. Simone has received numerous awards and acknowledgements for Cabaret's success. Cabaret's success has even earned her a place on the Westinghouse High School (Simone's

Alma Mater) Wall of Fame with the likes of Billy Strayhorn (jazz musician/composer), Chuck Cooper (one of the first black NBA players), Naomi Sims (1st black African American super model), Mary Lou Williams (jazz pianist/composer), and Adam Wade (1st African American game host) among many others.

Since Cabaret's inception, the company has achieved the following milestones:

- *4 additional onsite rental spaces*
- *Complete banquet furnishings (banquet tables & chairs)*
- *Began recruiting key employees with experience*

Cabarets Products

Below is Cabaret's Cost Sheet:

1. Cigar Room	\$300 (4 hours)
2. Mainstage	\$600 (6 hours)
3. Jazz Room	\$400 (6 hours)
4. Ballroom	\$600 (6 hours)
5. The Lot	\$800 (6 hours)
6. Security	\$150 (per event)
7. Wait Staff	\$100 each staff per event
8. Decorating	(\$1,150 – 2,350+)
9. Catering	(TBD)

Cabaret is open 7 days a week, from 9am to 2am. As demand dictates, we may extend or reduce our hours.

III. Industry Analysis

Industry Statistics & Trends

The following industry size facts and statistics promise well for Cabaret:

According to ITA Group: The need for live events is becoming more relevant than ever before, with 30% of marketing budgets expected to be spent on live events in 2020. And brands will likely invest in events as a marketing channel. In fact, in a recent event marketing survey, 52% of respondents said that event marketing drove more business value than other marketing channels.

IBIS World reports: A rebound in corporate profit and household spending levels will boost demand for catering services over the next five years. In particular, increased corporate

marketing budgets will bolster demand from holiday parties, product launches and investor celebrations. Caterers will also benefit from robust private demand as rising consumer spending and disposable incomes encourage consumers to splurge on weddings, private parties and other catered events.

According to Dun & Bradstreet and the National Club Industry Association of America:

- Last year, the bar and nightclub industry's drinking establishments primarily engaged in the retail sale of alcohol drinks numbered 60,876
- The average establishment generated approximately \$200,000
- States representing the majority of establishments included: Wisconsin (4,489), California (4,449), Texas (4,388), New York (4,283), Illinois (3,634), Pennsylvania (3,572), Florida (3,191), and Ohio (3,201).

IV. Customer Analysis

Demographic Profile of Target Market

The precise demographics of the town in which Cabaret resides is as follow:

According to the 2010 Census, the demographics of Homewood are 97.8% African American, 1.2% White, 0.3% American Indian, 0.15% Asian, 0.04% Native Hawaiian, and 0.37% other.

County: Allegheny County - State: Pennsylvania

Cabaret will serve the residents of Homewood. Although the community of Homewood is predominately African American, Cabaret will serve surrounding areas as well as all who live in Allegheny County.

V. Competitive Analysis

Direct & Indirect Competitors

The following bars and restaurants are located within a 2-mile radius of Cabaret, thus providing either direct or indirect competition for customers:

1. Gandy's
2. Denise & Earls
3. Stanley's
4. 7101
5. The Galaxy Lounge

Competitive Advantage

Cabaret enjoys several advantages over its competitors. These advantages include:

- **Location:** Cabaret's location is on a main street with private off-street parking in the rear.
- **Décor and Environment:**
 1. Newly renovated - clean – beautiful decor
 2. 4 indoor spaces and a large outdoor space with stage and decks
 3. 9 bathrooms including handicapped accessabilities– (13 stalls total)
 4. Large dance floors
 5. Customer Loyalty – Cabaret has a huge customer loyalty base.
- **Management:** Our management team has years of business and management experience that allows us to market and serve customers in a much more sophisticated manner than our competitors.
- **Relationships:** Having worked in the industry for 10+ consecutive years, Simone has the contacts with suppliers, promoters, and entertainment industry professionals to successfully operate the business.

VI. Marketing Plan

The Cabaret Brand

The Cabaret brand will focus on the Company's unique value proposition:

- Offering premiere space rentals at an affordable price.
- Offering a convenient location that offers a place to dance, eat, and host private events.
- Providing excellent customer service
- Customer loyalty: Cabaret will host an annual customer appreciation event.
- Cabaret's commitment to serving the community:
 - All Homewood residents receive a 10% discount.
 - Rentals for funeral repasts, memorials, etc. will receive discounted price.

Promotions Strategy

Cabaret expects its target market to be individuals working and/or living within the Homewood community as well as Allegheny County residents. The promotions strategy to reach these individuals includes:

Direct Mail

- The Cabaret Street Team will blanket neighborhoods surrounding its locations with direct mail pieces. These pieces will provide general information on Cabaret, offer discounts and/or provide other inducements for people to frequent the business.

1. Public Relations

- We will contact local and area newspapers and radio & TV stations to tell them about the reopening and unique value proposition of Cabaret
- Cabaret will contact previous customers to inform them of Cabaret's reopening and new insights.
- Cabaret will share updates and important information with its over 1,000 Facebook followers.

2. Advertising

- Cabaret will sponsor community events to gain more awareness.
- Grand-reopening Events
- Before reopening, Cabaret will organize pre-opening events designed for prospective customers, local merchants and press contacts. These events will create buzz and awareness for Cabaret in the area.

Pricing Strategy

Cabaret's pricing will be moderate, so customers feel they receive great value when patronizing Cabaret.

VII. Operations Plan

Functional Roles

In order to execute Cabaret's business model, Cabaret needs to perform several functions including the following:

Administrative Functions

- General & Administrative functions including legal, marketing, bookkeeping, etc.
- Sourcing and storing inventory
- Hiring and training staff

Kitchen Functions

- Food preparation
- Ongoing menu creation and modification

Operation Functions

- Calendar scheduling and contract fulfillment
- Customer service
- Janitor/maintenance personnel to keep the bar and rental spaces clean

Milestones

Cabaret expects to achieve the following milestones in the following months :

Date	Milestone
09/01/2020	Replace roof
10/01/2020	Secure liquor license
10/01/2020	Hire and train initial staff

VIII. Management Team

Management Team Members

Cabaret is led by Simone Godson who has worked in the industry for 10+ years.

Simone has also managed properties throughout Allegheny County over the past 10 years. Specifically, she has worked for her own real estate company, Godson Realty where she currently manages and owns 16 properties. As such, Simone has an in-depth knowledge of managing and promoting a business including the operations side (e.g., running day-to-day operations) and the business management side (e.g., staffing, marketing, etc.).

Michelle Johnson has served as the General Manager and has maintained this position since Cabaret opened its doors in 2010. Michelle is a graduate of Carlow University with a Bachelor's

degree in Business Management. She is currently pursuing a master's degree in Public Policy and Management at the University of Pittsburgh.

Before reopening, it will be necessary to hire the following personnel:

- Wait staff (2 full-time equivalents to start-support staff)
- Bartender (1 to start)
- 1 Cook (1 to start)
- Administrative Assistant (will manage cash and other administrative functions)
- Assistant Manager (will assist customers with facility issues)

IX. Financial Plan

Revenue and Cost Drivers

Cabaret's revenues will come from the sale of alcohol, rentals, and food to its customers.

The major costs for the company will be for the purchase of alcohol, food costs and salaries of the staff. In the upcoming years, the company's marketing spend should be low since it is an established and sustained business.

Capital Requirements and Use of Funds

Cabaret has earmarked a total funding of \$110,000 toward relaunching. The capital will be used for funding capital expenditures, manpower costs, marketing expenses and working capital.

Specifically, these funds will be used as follows:

- Liquor License: \$80,000
- New Roof: \$20,000
- COVID-19 Safety updates \$10,000

Key Assumptions & Forecasts

Below please find the key assumptions that went into the financial forecast and a summary of the financial projections over the next five years.

In 2019, Cabaret earned revenue in the amount of 107,559 and has historically seen revenues increase by about 5% for rentals/catering; therefore, a 5% annual increase in revenue is projected for rentals/catering. To calculate future revenue for bar/liquor sales, we expect to double what we earned for rentals/catering in the first year. We used a 5% annual increase going forward.

With the use of a liquor license, Cabaret expects to more than triple its revenue by the year 2023.

Projections are as follows:

<u>SERVICE</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Rentals/Catering	\$ 107,559	\$ 112,937	\$ 118,584	\$ 124,513	\$ 130,739
Bar/Liquor Sales	\$ -	\$ 225,874	\$ 237,168	\$ 249,026	\$ 261,477
TTL REVENUE	\$ 107,559	\$ 338,811	\$ 355,751	\$ 373,539	\$ 392,216