SUMMARY

PULSE

Proposed Site
The proposed location had a population of 96,901 in 2010, according to the United States Census Bureau. 2014 estimated population is 107,405. The Metropolitan Statistical Area, had a population of 209,714 in 2010, and the regional center combined statistical area, has a population of 260,559 in 2010.

The region has higher education institutions including two state universities as well as two junior colleges.
SUMMARY

The Region’s Family Income

The ACS 1-year data shows the median family income was $55,474 in 2012. Compared to the median state family income, the median income is $4,291 lower. As with the median household income data, 2013 family income data will be released in September of 2014.

Real Median Family Income for Proposed Site

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>1 Year Change</th>
<th>3 Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>$62,527</td>
<td>-.34%</td>
<td>-4.37%</td>
</tr>
<tr>
<td>Texas</td>
<td>$59,765</td>
<td>+.91%</td>
<td>-1.37%</td>
</tr>
<tr>
<td>Tyler</td>
<td>$55,474</td>
<td>+3.54%</td>
<td>-15.82%</td>
</tr>
</tbody>
</table>

Number of Nightclubs: 0

Number of Bars: 3

This means the investor creating a nightclub with Vegas class and on a large scale, stands to make a very large return due to the nature of all researched demographics. With this in mind, we have prepared a forecast based on nightclub guest attendance using normal national averages.
The average nightclub guest will spend between $40-$50 when visiting a venue. Using that figure, we can project financials of daily, weekly, monthly and yearly. Nightclubs vary in business, with slow nights certain days of the week and money-making nights other days of the week. Because of this, each night is carefully crafted to maximize returns. Below you will find projections based on planned promotions for each day of the week:

**SUNDAY | Total Attendance: 800-1100 | Estimated Revenue: $32,000 - $55,000**

**SUNDAY AM / Bingo Charity Event**
indoor

This event will bring people of all ages. Music will be of the mellow and casual style.

**SUNDAY PM / NFL Picnic Cookout and BBQ**
outdoor

Sports fans will have the chance to watch every team in the NFL and enjoy great food.

**MONDAY | Total Attendance: 500-800 | Estimated Revenue: $20,000 - $40,000**

**MONDAY PM / In the Biz.**
indoor

All Hospitality industry workers in Tyler would enjoy their own night with specials just for those work in the biz.

**MONDAY PM / NFL Monday Night Football**
outdoor

Sports fans will have the chance to watch every team in the NFL and enjoy great food.
TUESDAY PM / Teen Night

From 5pm-9pm, 13-18 year olds will have a non-alcoholic nightclub experience. $40 cover at the door drinks are free till 9pm.

TUESDAY PM / PULSE Post 9pm

PULSE Nightclub will resume after 9pm for its regular functions and be expected to bring in $15,000.

WEDNESDAY PM / Worship Charity Event

From 5pm-10pm, the religious community will gather for fellowship and a social picnic. This will be a huge event to bring the community together midweek. 10% of proceeds to go to support the cause of your choosing.

Revenue 10% less for donation to charity, all tax deductible.
PULSE WEEKLY

THURSDAY  |  Total Attendance: 1600-2000  |  Estimated Revenue: $64,000 - $100,000

THURSDAY PM / Ladies Night

Singles Speed Dating outside. Ladies get free well and draft beer until 11pm.

FRIDAY  |  Total Attendance: 2000-3000  |  Estimated Revenue: $80,000 - $150,000

FRIDAY PM / Fun Nights

Full nightclub functionality with special promotions for early-bird specials to get the night started and continue on into the late evening.

SATURDAY  |  Total Attendance: 2500-3500  |  Estimated Revenue: $100,000 - $175,000

SATURDAY AM-PM / Muscle Car Cookout & College Football

Beginning at 11am, the muscle car show and cookout/picnic will be one of the biggest events of the week giving everyone a chance to come together on the weekend with something for all ages to enjoy. College Football will be the highlight indoors.

SATURDAY PM / PULSE Post 9pm

PULSE Nightclub will resume after 9pm for its regular functions.
### REVENUE PROJECTIONS

<table>
<thead>
<tr>
<th></th>
<th>WEEKLY</th>
<th>MONTHLY</th>
<th>YEARLY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>$244,000</td>
<td>$976,000</td>
<td>$11,712,000</td>
</tr>
<tr>
<td></td>
<td>$682,000</td>
<td>$2,728,000</td>
<td>$32,736,000</td>
</tr>
</tbody>
</table>

There are many additional promotions and events with large revenue potential that can benefit from this venue, including:

- Zumba
- Boot Camp
- Business Meetings
- Weddings & Receptions
- Bachelor/Bachelorette Parties
- Leadership Conferences
- Fraternity & Sorority
- Trade Shows
- Reunions
- Karate

There will be a lot of work involved to reach this goal. In the following pages you will find more information about the scope of work and investment figures required to transform the existing land and structure into a world-class nightclub and a multi-functional community center for the residents of Tyler. The complete and thorough work performed on this venue will ensure the functions and features of the space are up to the highest standards.
**PROJECT OVERVIEW**

**PHASE 1**
This will begin very soon. All facets of the structure will be examined and all necessary renovations will be performed to ensure structure safety and curbside appeal. This requires a full inspection by local GC and architects who will assess the maintenance work needed to bring the venue back to its functional state. All areas from HVAC to roofing and all other areas of repair will be addressed at this stage.

It is difficult to put an exact dollar figure on this aspect of renovation, but it will be discovered as work progresses.

**PHASE 2**
Once the general maintenance is completed we will begin the process of redesign adding all of the latest nightclub elements and reconfiguring the current floor plan. We will also address all areas of the environment for multi-use functionality in a variety of formats to accommodate the spectrum of planned uses of the space, from full pulse-pounding nightclub to Sunday picnic.

The venue *Pulse* is many things, but most of all it is a gathering place for local residents; we will be creating an entertainment venue for everyone to enjoy, from children and young adults to the young at heart.

We estimate this phase to cost between $700,000 - $1,000,000 and 90 days to complete.

To date, $25,000 has been invested.

Another $50,000 is due shortly.

This will cover the many retainers needed to acquire what we call the Dream Team. The Dream Team is made up of experts in all areas of club design, including: Lighting and Sound, Security, General Contracting, and Furnishings. This list of professionals will go on and on, however they are all needed to guarantee the success of this project. We all very blessed to have such wonderful clients who care so much about their city and want to make this multi-function venue for its residents. They will be honored by the community for a wonderful entertainment venue that will bring such joy to the residents. We look forward to being a part this history and thank you for this opportunity.

After this phase progress payments will be needed as directed by CNC.
THE DREAM TEAM

Ken Ranucci/ CEO & Founder
Creative Nightclubs LLC

With over 28 years of design and production experience, Ken will lead the Dream Team with the goal of turning the existing venue into Pulse.

For 15 years, Ken quickly scaled the corporate ladder working in the field of Trade Exhibits and design. He handled all aspects of sales and liaison with designers and exhibit construction. Furthermore Ken traveled to over 13 counties to supervise the onsite construction of many two-story, fully custom exhibits.

In 2001 Ken broke away from the corporate ladder, founding Creative Environments and searching the world for unique design materials. His clients included Disney, The Sharper Image and more.

In 2007, Ken found himself working almost exclusively for nightclub clients, so in 2008 Ken founded Creative Nightclubs, LLC and has never looked back. He has successfully designed and supplied design direction for over 600 nightclubs, bars and other environments.
THE DREAM TEAM

**Ben Heard**/Director of Operations

*DC Green*

**Lead Project Manager and Licensed General Contractor**

DC Green, LLC is a certified general contracting firm specializing in commercial construction and offering construction services, including LEED sustainable building services, to clients throughout Florida. Description while specializing in commercial construction, we have experience managing several project types, including:

- Commercial
- Institutional
- Medical
- Public
- Light Industrial
- Custom
- Residential

DC GREEN offers a variety of contracting services and project delivery methods for projects ranging in scope from small to very large. These services include, but are not limited to:

- Design/Build Hard Bid Construction Management at Risk (CM@Risk)
- Construction Management/General Contractor (CMGC) Cost-Plus
- Pre-Construction & Due Diligence/Consulting
- Sustainable Evaluation & Analysis Property Management & Maintenance
- New Construction Tenant Build-Out Renovation & Remodel Tenant Improvement

Ben will lead the team of contractors on this project to make sure all is done correctly.
THE DREAM TEAM

Paul Fujihara/ Project Designer

Paul Fujihara has been developing engaging environments for events, meetings, trade shows, permanent installations, mobile marketing programs and presentations for more than 20 years. He combines audience research, strategy, industrial and graphic design, and marketing to develop branded experiences. He brings a unique philosophy and grounds the creative process. Paul’s focus is on the total user experience.

Some of the clients for whom he has provided solutions include:
RP, Caterpillar, Disney Stores, Harley Davidson, Hitachi Medical, Lamin-art, LG, Miller Brewing Company, Motorola, the Morton Arboretum, Samsung, Sega, Weber Grill, Volkswagen and International Truck and Engine Corporation.

Selected Project Experience

- Permanent installations
- Accenture product demonstration and conference room, Bangalore, India
- Accenture facility two product demo, lab and conference rooms, Bangalore, India
- ACTEW water reclamation exhibits, Canberra, ACT, Australia
- Adler Planetarium The Universe, a Walk through Space and Time, Chicago, IL
- Morton Arboretum Animal Houses, Lisle, Illinois
- Morton Arboretum Enchanted Railroad, Lisle, Illinois
- Motorola Corporation Lobby interior, Schaumburg, Illinois
- Qatar water reclamation exhibits, Doha, Qatar
- The Prop House Nightclub, Chicago, IL
- Weber Grill Showroom, Merchandise Mart, Chicago, IL
- 3M innovation showroom, Austin TX
THE DREAM TEAM

Paul Fujihara/Project Designer

Continued...

Events

• Caterpillar MineSite at Night, Las Vegas, NV
• International Truck and Engine, Dealer Road Trip, Soldier Field, Chicago, IL
• International Truck and Engine, Chicago Auto Show, Chicago, IL
• LG Electronics, NCAA Lacrosse Championships
• Miller Brewing National Sales Meeting, Moscone Center, San Francisco, CA
• Miller Brewing National Sales Meeting, Morial, New Orleans, LA

Tradeshows

• Caterpillar MinExpo and ConExpo, Las Vegas, NV
• Darpa, Technology Showcase, Washington, DC
• Feit Electric, Lightfair, Hardware show, Philadelphia, PA and Las Vegas, NV
• Fender Guitars, NAMM, Las Vegas
• Harley Davidson Anniversary Displays, Milwaukee, WI
• Sega Electronics Consumer Electronics Show and events, Las Vegas-Chicago-New York
• Stone River, Accord, San Diego, CA

Other

• Laminart Trade show display, logo development and marketing materials, Atlanta, Chicago, Las Vegas
• Praxair
• Volkswagen Dieseloil Mobile Marketing Tour, Multiple locations
THE DREAM TEAM

Jon Farber/ Showroom, Head of Lighting
Harrah’s Las Vegas

Lighting Director
Bringing his knowledge and expertise from Las Vegas, Jon will lead the most important phase of the project by coordinating the acquisition and installation of all essential lighting for nightclubs and outdoor spaces. He will begin by defining the required network, cable-structure and fixtures to install a lighting booth worthy of the The Strip. He will also designate an appropriate lighting program that will best suit the needs of both the client and the venue. Once acquired, he will train local lighting personnel to fully master the program, resulting in an array of atmospheres from a casual lounge to a high energy pulse-pounding nightclub.

We are very lucky to have him as a member of the Dream Team.

Education
Theatre Design/Technology
State University of New York at Purchase, 1991
Sullivan County Community College, 1983-1984

Professional Experience
Harrah’s Las Vegas
2009-present
THE DREAM TEAM

DJ Adivo/ Sound Engineer

We are proud to have the commitment of one the best DJ/Sound engineers in the industry.

Working in the hottest and youngest cities in the nation, from Miami to Las Vegas, DJ Adivo will utilize his experience to create a sound system that will take your venue to the next level. He will determine all essential equipment to create music that people not only hear, but also feel. From speakers and amps to control panels and mixers, DJ Adivo has got the sound covered.

He'll not only get your basics covered, but he will also bring your club environment to life by training local talent for permanent residency. DJ Adivo is one of the best in the industry, and the knowledge and expertise he brings to the table will ensure your venue has the most sought-after DJs.

As a bonus, he will also be available to help bring in large crowds for holidays, promotions and special events by giving you access to the best entertainment for your experience. DJ Adivo has traveled the world making connections with some of the hottest talented artists out there and his Talent Coordinator services will ensure your special celebration is above and beyond.

Sound Design Experience
- Roxy Night Club - Original Venue Design
- Boss Night Club - Original Venue Design
- Tier Night Club - Original Venue Design
- Vain Nightclub - Orlando Lighting Design

DJ Performances
- Live Club (Strasbourg France)
- Tao (Las Vegas, NV)
- Republic (Vancouver, Canada)
- Pearl (Boston, MA)
- Royale (Boston, MA)
- Bentley (Charlotte, North Carolina)
- Opera (Atlanta, GA)
- Solider Field (Chicago, IL)
- Nikki Beach (Miami, FL)
- Cleveland (Miami, FL)
With this Dream Team in place, there is no room for failure.

We thank you for your time, and we are confident that you will be ready to jump in with both feet.