

October 10, 2012

To Whom It May Concern:

The RDC had several question concerning our proposal to re-use the former Murphy's Building, and the purpose of this letter is to provide all the information we can. At this time, we have not applied for any loans because we don't know yet if we can have use of the building. We also have not collected estimates for how much the remodel will cost for the same reason. However, using my knowledge from many years in the building trade, I have made some broad estimates on what the costs might be. They are attached. A second attachment lists the expected income from the Reception Hall rentals and the catering business. The daycare and tutoring businesses we intend to start later, as the budget allows.

There was a request from the RDC for references for each business, but because we would be creating these businesses for the first time, no references are available.

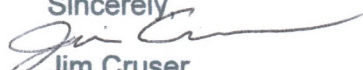
We do have an investor willing to invest some money up front, but we have no back-up plan if an SBA loan would be denied. One possibility we'd like to discuss is for us to borrow the money for the remodel from the RDC, paid back over 10 years with the appropriate interest. We see this as a mutually beneficial arrangement and would like to discuss it further.

As to the public restrooms, we would be willing to donate a portion of the northwest corner of the main level of the building for the city to install public restrooms that would be accessible only from the outside of the building. We would work with the city to design and create the restrooms, but would have no responsibility for their upkeep.

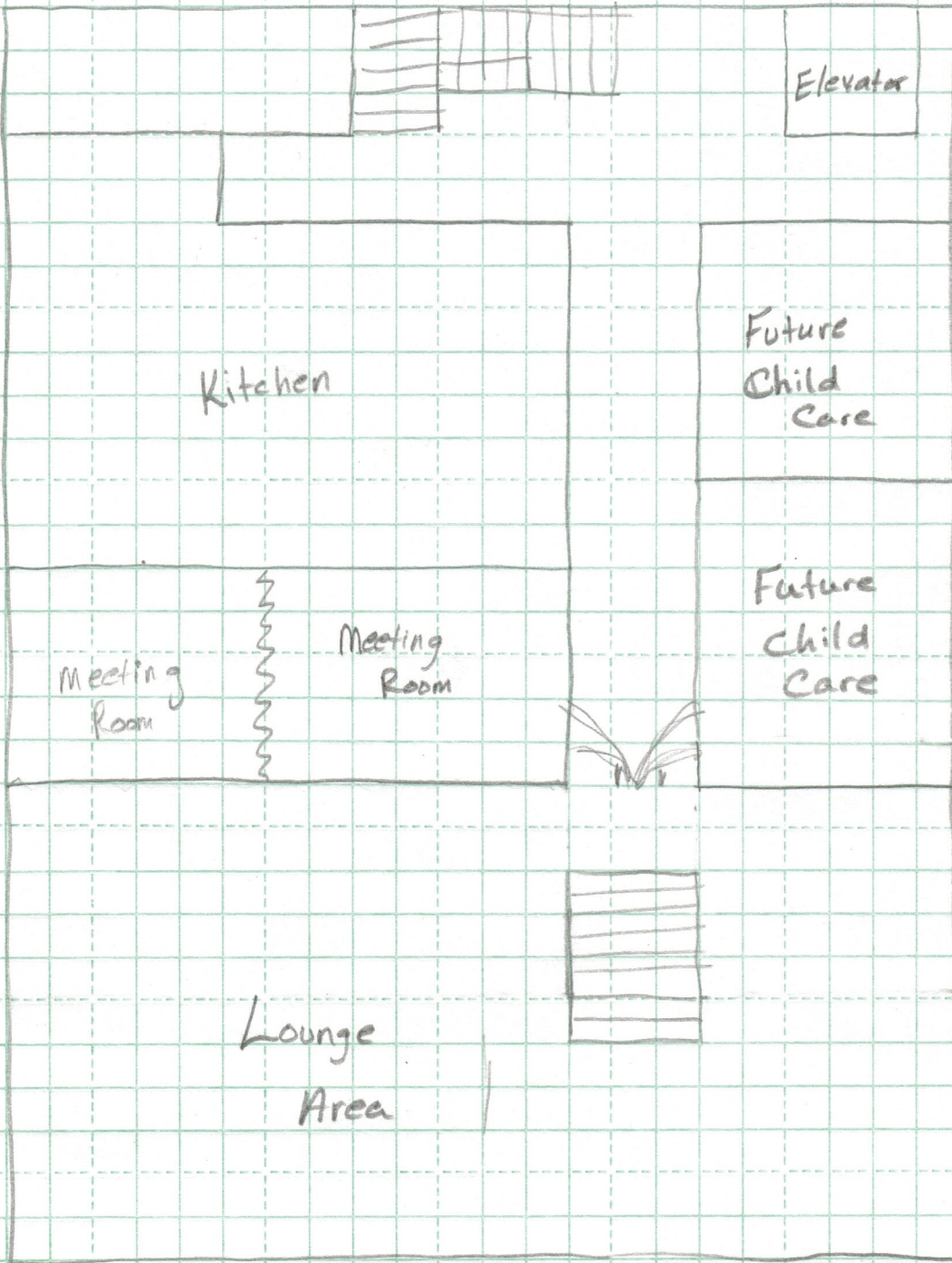
We do not intend to have delivery trucks coming to the facility. We will bring in supplies in our own vehicles and park briefly in the alley or behind the building to unload the supplies into the building.

We would like to emphasize again our enthusiasm for creating a business that will benefit the city of Franklin tremendously. In addition to bringing in private parties, we intend to host a variety of high-quality programs that will add to the entertainment possibilities in Johnson County and beyond. We would be happy to make arrangements for providing an alternative venue for other downtown events, especially in the case of bad weather. We are eager to be of service and to work to make Franklin an even-more-outstanding community.

Sincerely,


Jim Cruser
jcruser.hbs@gmail.com

BASEMENT

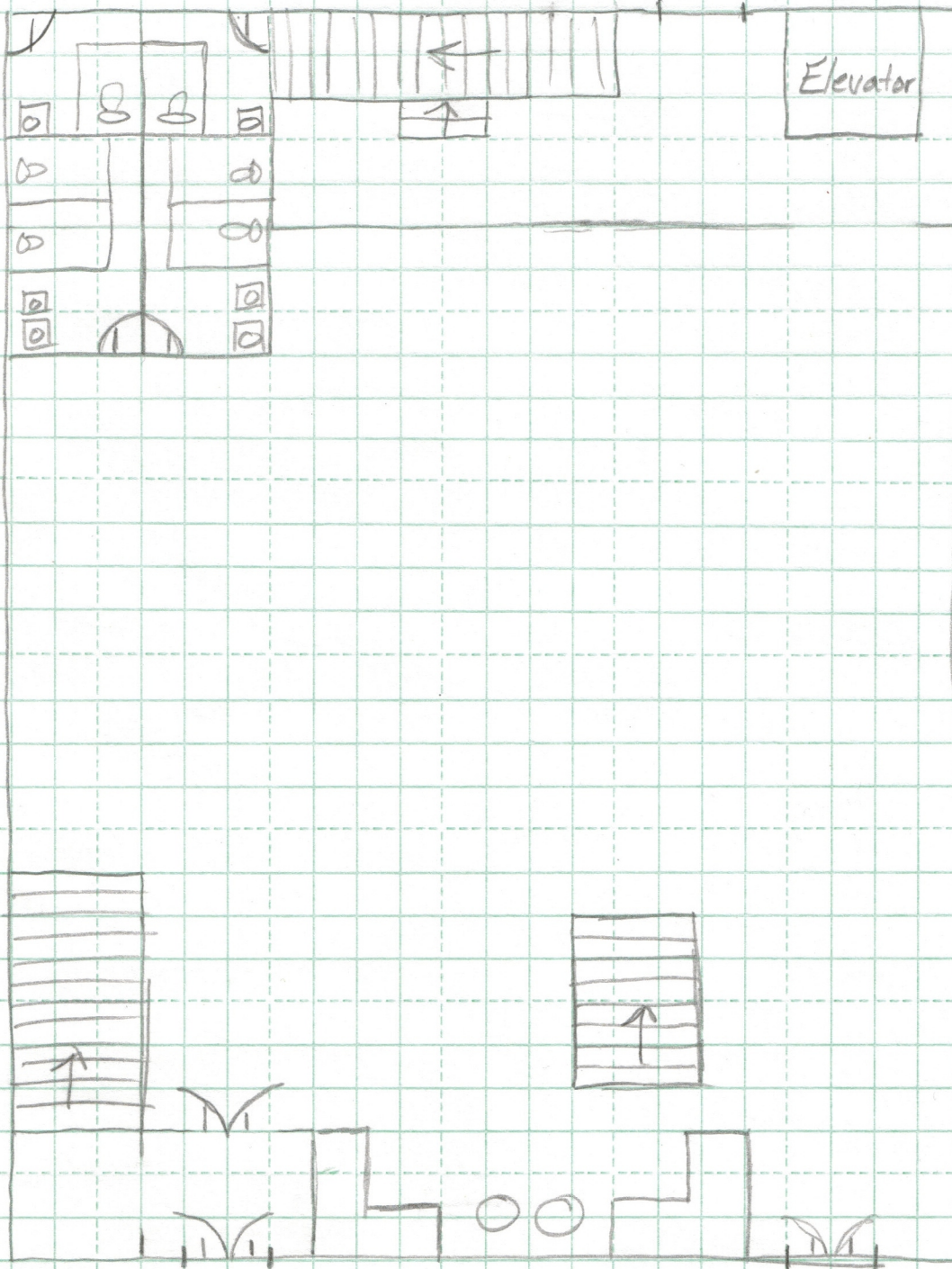


GROUND FLOOR

PREPARED BY

DATE

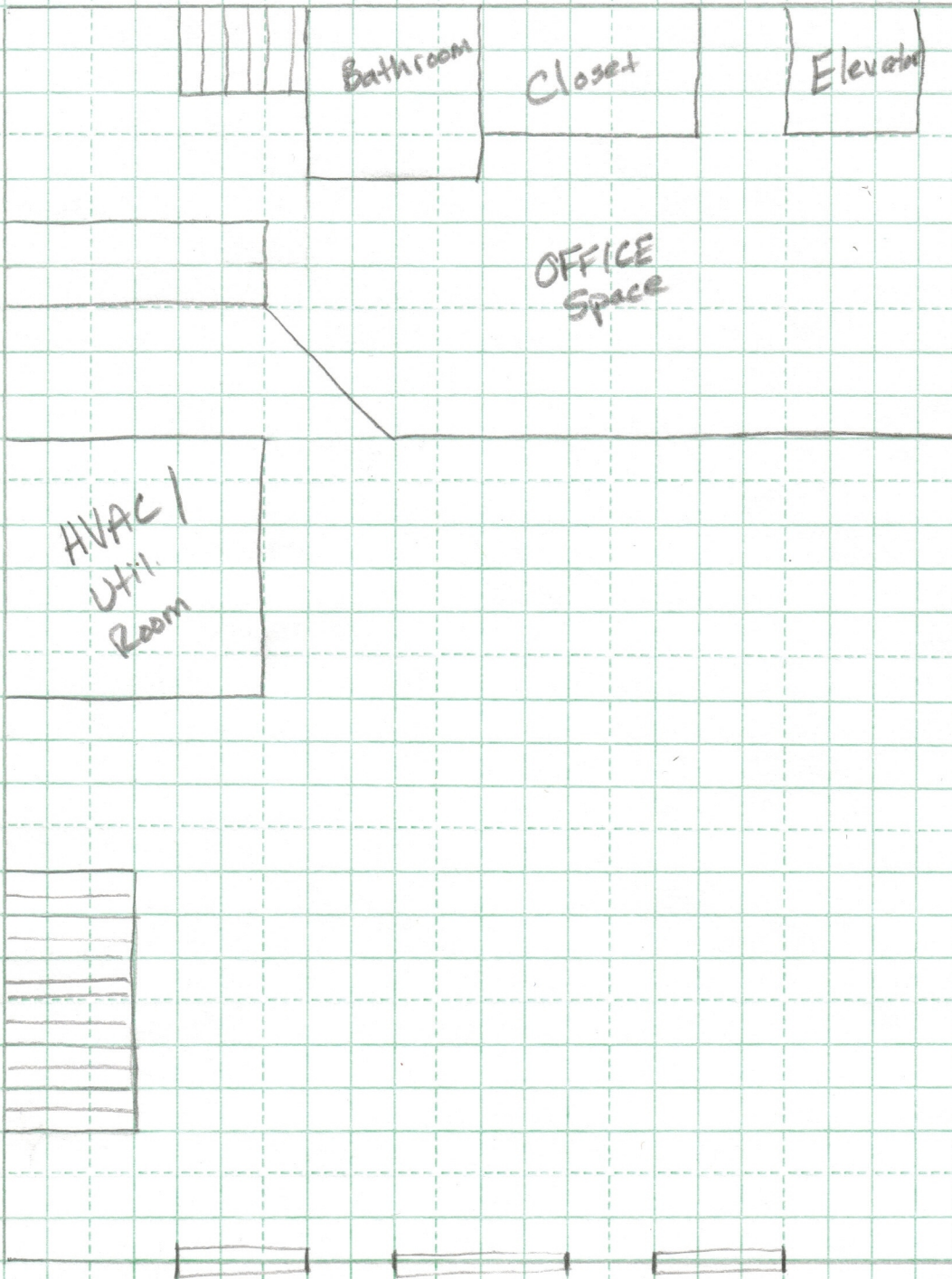
No where near scale, just rough idea.



UPPER LEVEL

PREPARED BY

DATE



Projected income and expenses for G.C. Murphy Building

	Feb	Mar	Apr	May	June	July
Dinners	\$ 11,591.67	\$ 11,591.67	\$ 11,591.67	\$ 11,591.67	\$ 15,069.17	\$ 15,069.17
Lunch	\$ 1,135.33	\$ 1,135.33	\$ 1,135.33	\$ 1,135.33	\$ 1,589.47	\$ 1,589.47
Meeting	\$ 866.67	\$ 866.67	\$ 866.67	\$ 866.67	\$ 1,733.33	\$ 1,733.33
Banquet	\$ 3,900.00	\$ 3,900.00	\$ 3,900.00	\$ 3,900.00	\$ 7,800.00	\$ 7,800.00
Catering	\$ 8,406.67	\$ 8,406.67	\$ 8,406.67	\$ 8,406.67	\$ 16,813.33	\$ 16,813.33
Gross income	\$ 25,900.33	\$ 25,900.33	\$ 25,900.33	\$ 25,900.33	\$ 43,005.30	\$ 43,005.30
Mortgage	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38
Utilities	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Insurance	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00
Salaries	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Expenses	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38
Profit	\$ 3,133.95	\$ 3,133.95	\$ 3,133.95	\$ 3,133.95	\$ 20,238.92	\$ 20,238.92

Projected income and expenses for G.C. Murphy Building

Aug	Sept	Oct	Nov	Dec	Jan	YTD Totals
\$ 15,069.17	\$ 15,069.17	\$ 18,200.00	\$ 18,200.00	\$ 18,200.00	\$ 18,200.00	\$ 179,443.33
\$ 1,589.47	\$ 1,589.47	\$ 2,043.60	\$ 2,043.60	\$ 2,043.60	\$ 2,043.60	\$ 19,073.60
\$ 1,733.33	\$ 1,733.33	\$ 2,600.00	\$ 2,600.00	\$ 2,600.00	\$ 2,600.00	\$ 20,800.00
\$ 7,800.00	\$ 7,800.00	\$ 9,750.00	\$ 9,750.00	\$ 9,750.00	\$ 9,750.00	\$ 85,800.00
\$ 16,813.33	\$ 16,813.33	\$ 25,220.00	\$ 25,220.00	\$ 25,220.00	\$ 25,220.00	\$ 201,760.00
\$ 43,005.30	\$ 43,005.30	\$ 57,813.60	\$ 57,813.60	\$ 57,813.60	\$ 57,813.60	\$ 506,876.93
\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 6,066.38	\$ 72,796.56
\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,000.00
\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 26,400.00
\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 144,000.00
\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 22,766.38	\$ 273,196.56
\$ 20,238.92	\$ 20,238.92	\$ 35,047.22	\$ 35,047.22	\$ 35,047.22	\$ 35,047.22	\$ 233,680.37