

# **ADAMS FOURTH HOLDINGS, LLC AND PUBLIC MARKET, INC.**

## **1) The Executive Summary**

Adams Fourth Holdings, LLC, and its wholly owned subsidiary Public Market, Inc., will become the first rooftop bar in Springfield, IL and one of the most unique business models for the food and beverage industry in the country.

Combining 6 separate kitchens and menus, along with 3 outstanding Bars, and some light retail and large event space for rentals will give the Public Market a distinct advantage in utilization of space and sources of revenue.

By participating in the sale of all the food, and retaining the revenue from all the liquor and retail sales, Adams Fourth/Public Market is expected to generate significant revenue while being anchored by an extremely well located and solidly built real estate property.

In addition, Adams Fourth has the unique advantage of being financed all with capital and grants, including crowdfunding--which will allow for virtually no debt, but a large number of local investor/owners—who will be incentivized to spend some of the returns back in the building

## **2) The Business/Industry Overview**

The Food and Beverage Industry has been decimated by the effects of the Covid-19 Virus in 2020.

Many small, medium, and large restaurants have closed or will be affected by the lengthy closure.

New options, new programs and new ideas will emerge from this year and drive the industry forward.

We believe that the Public Market with its equity structure, diversification of offerings, the appeal of the Rooftop bar and event spaces will give the Public Market a distinct market advantage in a competitive marketplace.

## **3) Market Analysis**

The primary market for our food, beverage and small retail operation will be local business and state workers, tourists to the area.

Springfield, IL is the State Capital of Illinois, the 5th largest state in the USA. There are more than 12 million people in the state, all of whom have legislative connections to the State Capitol Building which is less than 800 feet from our location!

The Public Market sits at the intersection of Adams and Fourth Street, the center of the Springfield downtown Farmers Market which is open from May to October every Wednesday and Saturday morning. Many people attend the farmers market as a social gathering place. We are also adjacent to the Kidzeum, a popular Children's attraction in Sangamon County.

Springfield, IL is a very popular tourist attraction, hosting more than 1 million visitors in normal years. The downtown area features the Lincoln Library and Museum, the Lincoln Law Office and the Old State Capitol where he served—all within easy walking distance of our site. The Lincoln Family Burial Tomb is located a short distance away.

In addition, a popular Frank Lloyd Wright designed home—The Dana Thomas House—is popular and also located close by.

We will be appealing to business groups seeking to have small meetings for lunch or dinner, as well as some special events for larger groups.

A large part of the marketing will be the Crowdfunding campaign itself—with 1,000 or more individual or business investors in the CF campaign, and another 100-200 more in the Reg D offering.

As part of the marketing for the Crowdfunding campaign, we are reaching out to more than 100 Associations that office in Springfield, the majority of which are less than 1 mile from our site. These associations range from professional, business, philanthropic and government entities—all of whom may choose to be small owners in a unique facility like ours. In addition, there are hundreds and hundreds of thousands of their members who come to Springfield occasionally—and we consider all of them potential investors/users.

#### **4) Competitive Analysis**

All food and beverage locations in Springfield and close in locations are considered competitors, however the uniqueness of our facility will draw many to the location that would not have come here otherwise. Sadly, due to the Covid-19 pandemic, there have been a handful of competing businesses forced into closure or retirement. However, that creates opportunities for us to serve those downtown needs.

Once again having 1,000 or more direct small investors, and 100 or more larger investors—will solidify the “ownership” feeling many people like to have with this kind of operation.

We will be specializing in Illinois Wines and Craft beers and offer to do special tastings or food pairing with the 200 or more wineries or breweries throughout the state on weekends. This alone may bring outside foodies, wine or beer lovers and tourists to this unique downtown location.

The Rooftop Bar will be the first in the Springfield area, and the first in central Illinois and the Beer Garden will only be the second in this market.

#### **5) Sales and Marketing Plan**

Our primary marketing is to bring in 1,000 or more investors, to build up a built in client base for one of the most innovative and unique food, beverage, and meeting places in all of central Illinois. Both traditional and digital marketing, including a strong social media presence, will be used to market the overall project, as well as individual components.

Our location, multiple bars, entertainment section in the beer garden, and the sheer appeal of a rooftop bar will be the top draw for a downtown food and beverage facility.

One of the more unique marketing projects will be the “MARKETBUCKS”, credits placed on a special debit card for all investors, allowing them to spend a portion of their annual return in the building for food, beverage or retail products. This will enhance the experience for all investors, and give another reason to bring themselves, friends, or family to enjoy “their place”.

## **6) Ownership and Management Plan**

Adams Fourth Holdings, LLC (AFH) is The Parent Company and owner of the building, all the major pieces of equipment and the wholly owned subsidiary, Public Market, Inc.

All the food vendors will be able to start up with little capital required, and a low base rent, however, AFH will enjoy sharing a significant part of the upside sales in percentage rent.

All the liquor sales, through all 3 bars and in any special events, is run by our subsidiary, Public Market, which is also the brand name of the building. All the profit from liquor sales, and all the profit from retail product sales, flow upwards to AFH as rental income.

The co-Managing Partners of Adams Fourth Holdings are New Heartland Ventures, LTD (Tony Caccomo, Matt Leidlein, Betsy Osman and Vichhay Mauth) and Sangamo Ventures group, LLC (David Lee).

Hub Ventures, LTD, is the Development Team, a group of 8 individuals who participated in the acquisition, marketing, promotion, capitalization, and development of this project that will also have an ownership shares in Adams Fourth Holdings, LLC.

## **7) Operating Plan**

The Public Market is located at 322 East Adams Street, Springfield, IL 62701, at the intersection of Adams and Fourth Street, the epicenter of Springfield's music, arts and entertainment area.

We have purchased a 15,000 square foot building and are adding another 5,000 square feet of enclosed beer garden and rooftop bars, as well as 4 new decks for additional seating.

We are fully outfitting 6 kitchens and 3 bars and adding a 2-story cold storage facility to serve our restaurants, particularly those purchasing farm products from the market outside our doors. Each food vendor will be responsible for staffing their own direct kitchen space.

We will be fully staffed with bar employees, marketing associates and event center managers on a year-round basis. We expect to feature special events for our wine and beer tastings, "celebrity" chefs and winery/brewery owners to hold tastings and food pairings, catering to the needs of the more than 100 associations who have an office in Springfield to work with the State government's Executive, legislative and Judicial branches.

## **8) Financial Plan**

We have a detailed plan for the financing of the project, including the early capital contributions and loans from the Development team and the Managing Members, the Crowdfunding and Reg D Securities offerings, and to the assistance of the City of Springfield "TIF". We are also eligible for select rebates from Ameren for the energy-efficient HVAC systems being installed.

As a startup, there are no financial statements for any years prior to the initial date of our founding, which is January 2020.

Please see our Income and Expense Projections for 5 years