



Jefferson Parish Office of Inspector General



Review of Lease Transactions for Multi-Use Development

Evaluation Report 2025-0001

Appendix A: Consulting/Opinion Report

July 9, 2025

Kim Raines Chatelain, Inspector General

CONSULTING/OPINION REPORT -

**Review/Analysis of Commercial Lease Agreements Between
Jefferson Facilities, Inc. (Lessor) and
POB Gretna Beer, LLC/POB Restaurant Gretna, LLC (Lessees) to
Encumber the Proposed J P Gretna Retail Facility
Located at 152 Huey P. Long Avenue
Gretna, Louisiana**

Our File No. 25-10

FOR

**Jefferson Parish Office of Inspector General
c/o Ms. Kim Chatelain - Inspector General
990 North Corporate Drive, Suite 300
Jefferson, Louisiana 70123**

BY

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April 23, 2025
Our File No. 25-10

Jefferson Parish Office of Inspector General
c/o Ms. Kim Chatelain - Inspector General
990 North Corporate Drive, Suite 300
Jefferson, Louisiana 70123

Re: Consulting/Opinion Report -
Review/Analysis of Commercial Lease Agreements Between
Jefferson Facilities, Inc. (Lessor) and
POB Gretna Beer, LLC/POB Restaurant Gretna, LLC (Lessees) to
Encumber the Proposed J P Gretna Retail Facility
Located at 152 Huey P. Long Avenue
Gretna, Louisiana

Ladies and Gentlemen:

In accordance with the request of Ms. Kim Chatelain, Inspector General for Jefferson Parish (IG) and acting on your behalf, I herewith submit certain findings/opinions regarding the terms of two lease agreements which are to encumber a proposed retail facility being introduced at 152 Huey P. Long Avenue in Gretna, Louisiana. The project is being developed by Jefferson Facilities, Inc. (JFI) and is being leased to two tenants, POB Gretna Beer, LLC and POB Restaurant Gretna, LLC, who reportedly will, respectively, operate a micro-brewery/"Brew Pub" and restaurant (Avo Taco) from the Premises.

This report/presentation is principally intended to assess the content/terms of said leases as to their compatibility with commercial lease provisions typically found in leases for similar facilities in the general/private-sector marketplace. My analysis and conclusions are based upon my reading/review of, not only the two leases under study, but also certain other materials furnished; said "other materials" particularly include certain renderings of Trapolin Peer Architects, which depict the project floor plans and lease areas, a "Fiscal Note Worksheet" prepared by JEDCO, and a Landis Construction Company, LLC contract (Guaranteed Maximum Price Amendment, dated December 12, 2024). The leases and "other materials cited" are attached as addenda items to this submission.

Findings/Opinions

Preamble - Herein please find my overall conclusion regarding the leases reviewed and whether their terms are generally consistent with market norms and/or are of a character that would be considered acceptable in the private sector, commercial lease marketplace. Following the presentation of my global opinion, particular discussions of critical lease provisions in comparison to typical market parameters are presented in support of my general overall finding; topics addressed speak to particularly stated lease provisions in this regard, but also notable omissions and/or ill defined/unclear lease language, as well as several seemingly erroneous statements found in lease language. Finally, I was also asked to opine on project Economic Feasibility in the context of its encumbrance with the leases reviewed, and the perceived investment risk to Lessor/JFI.

While two distinct leases are the subject of this review, with different lessee entities (LLCs) and identified tenant spaces, on both an economic and functional level these lease agreements effectively relate to a single economic unit; this is effectively true for both lessor and lessee upon review of the apparent historical business association of the lessees, lease terms/conditions/language employed in both lease documents and the whole project design. For example, leases were executed on the same day (October 13, 2023) by Thomas Discon, who is the titled manager of both LLCs and a principal in Port Orleans Brewing Company (POB). Additionally, the basic rent structure, lease period and most all lease language are identical. Further, the project design in plans reviewed indicates 42.5% of the project "net" space (total of 19,153 square feet) to be "shared" (8,142 square feet including meeting space and staff office) and the "Brew Pub" unit contains no kitchen, with food service needs likely being accommodated from the Avo Taco unit kitchen. As a consequence of the described project lease circumstances, my discussion/analysis of lease factors presented following generally apply regarding both leases; the few differences noted are identified where appropriate.

General/Overall Conclusion - Compatibility of Subject Lease Agreement Terms With Market Norms

Globally, the leases reviewed as written and executed on October 13, 2023 are judged materially deficient on multiple levels, and are not compatible with those in form or substance that are typically conducted in the private sector marketplace for similar type properties; as will be detailed following, there are critical terms that are patently inconsistent with market based parameters, significant omissions, and vague or limited detail in certain/important lease language. Further, the extent and nature of the specific problems noted in the leases, as written or unwritten (critical terms omitted), would in my opinion undermine the credibility of any assertion that the leases are reflective of "market" terms.

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Lease Elements Discussion/Analysis

Below are relevant comments/analysis of various lease provisions, employing the lease section identifier (Section # and Title) employed in the agreements for organizational purposes; same are generally addressed as a consequence of these provisions being atypical in comparison to market norms.

1. (*Acknowledgements*): This lease section appears intended to provide an overview of lease context and identify the leased premises. However, it is extraordinarily vague and actually erroneous, in several ways.

First, it indicates the "lease pertains to two buildings to be constructed and lessor is in the process of hiring Contractor's and Architect...for the construction of these buildings". This statement is now known to be factually incorrect, in that only one building is indicated on all plans reviewed.

Further, the fact that no project design or plans had been completed at this time, given the indication that an architect had not been hired, indicates the premises to be leased could not be particularly/definitively identified. It is highly unusual, if not unprecedented, for what is ultimately represented as an executable lease to not clearly/precisely identify the leased premises.

This lease section also indicates "This lease is expressly contingent upon funding from Jefferson Parish and the estimated cost of the premises not exceeding the availability of funds" and "is contingent on the actual construction of the buildings being completed prior to October 1, 2025". These types of contingencies are typically found in a Letter of Intent or Lease Option Agreement, not an executable lease.

Considering the uncertainty and/or clear errors in the cited lease statements and, particularly, the likelihood that this project will not be completed by October 1, 2025, I would have fully expected one or more amendments to this lease would have been implemented to correct and/or clarify particular property/deal circumstances, though none have reportedly been conducted.

Lease Elements Discussion/Analysis (Continued)

2. *Term-Option to Renew:* These leases have a primary term of ten years and three, five-year renewal periods which automatically reconduct unless termination notice is given by lessee. In the context of the project construction cost obligation of over \$10 million by lessor, no significant capital cost contribution by lessee and the total rent estimate over the primary term of ten years (\pm \$2,800,000), as calculated (see "Fiscal Note Worksheet") by JEDCO under the rental scheme proposed, lessor has significant investment risk. The JEDCO projection indicates an average rent of \pm \$280,000 per year would be received over the ten-year primary term, based upon rent projections employing the stipulated percentage rent of Gross Revenue provisions of the lease, reflecting an annual return of only 2.8% on the construction cost. This result is actually overstated, as lessor will incur some project expenses (as per lease provisions), to include property/facility insurance and maintenance costs.

A longer primary term lease with a fixed minimum rental structure intended to provide a reasonable return on and of the needed capital investment in the project would be required in a private sector commercial lease. The lessee's firm commitment for only ten years with only percentage rent obligation would generally not be acceptable for a lessor to fund a \pm \$10 million development project.

3. *Permitted Use:* The permitted uses are identified as "Brewery, micro-brewery, name-brewery, distillery, micro-distillery, bar, restaurant, retail sales, club services and any other purpose that is properly permitted...".

This lease clause is more expansive than most commercial leases, particularly with the inclusion of the phrase "any other purpose". Most leases identify the particular use intended and often include lessor's approval for a changed use not indicated at lease inception.

Most importantly, however, this "open ended" use identification is a significant risk for lessor, given the rent structure proposed and lease assignment rights as stated in this lease. The base rent, excluding only the fixed rent portion in the POB Gretna Beer, LLC lease relating to permanent brewing equipment paid for and installed by lessor, is entirely established as a percentage of Gross Revenue.

Lease Elements Discussion/Analysis (Continued)

3. *Permitted Use (Continued)*: First, if some "other purpose" use were implemented by lessee, the nature of "gross sales" upon which a percentage rent is to be calculated may be significantly changed and/or make this rental metric entirely illogical. When this rent structure is coupled with lessee's lease assignment rights, particularly including such upon "sale of the company or its assets", which can be accomplished without lessor consent, significant speculative risk is introduced. For example, lessee's business venture could under-perform or fail and the LLC ownership could be sold, wherein the gross revenue derived by the new business venture subject to the percentage rent may be considerably less.

4. *Rent*: The base rent in both leases is entirely determined via a percent of gross revenue calculation, excepting the fixed rent component of the POB Gretna Beer, LLC lease of \$1,000 per month associated with lessor owned/installed brewing equipment; the leases stipulate the percentage rent to be 3% of defined Gross Revenue for the first 30 months of the lease and 6% thereafter.

The above rent structure would be entirely unacceptable in a private sector commercial lease. This is confirmed by my experience in evaluating/reviewing hundreds of leases over my ±45 year appraisal career; I have never seen a lease confected for a similar type commercial space wherein the rent due lessor was entirely based upon a percentage of "Gross Revenue". I also contacted multiple, experienced real estate brokers active in commercial property leasing for many years to inquire of their experience; none had likewise ever seen a percentage rent only lease provision for similar properties.

What is typically found in the marketplace, where a percentage rent provision is a lease terms element, is a rental structure with a fixed/guaranteed minimum rent and a percentage rent clause for sales/revenue above the natural breakpoint. For example, if the fixed/guaranteed rent for a property is \$60,000 per year, a lease may stipulate an additional rent component of 6% on gross sales above \$1,000,000 per year; such rent structure is most commonly seen for restaurant/bar business locations, and occasionally for general retail ventures.

Lease Elements Discussion/Analysis (Continued)

4. Rent (Continued): Additionally, several brokers interviewed noted that if rent was going to only be generated via a percentage of Gross Revenue lease provision, the percentage charges would likely be much higher than 3% or 6%; this concept is conceptually well supported in real estate value/investment theory, as increased risk and uncertainty in a real estate venture requires an elevated return expectation.

Additionally, an ancillary element of most any percentage rent lease clause reviewed is an affirmative statement regarding audit rights of lessor to confirm the sales/revenues reported by lessee, which are subject to the percentage rent provision. This omission is unusual and inconsistent with marketplace lease term norms.

Finally, the fixed rent component of the POB Gretna Beer, LLC lease of \$1,000 per month for the lessor owned/installed brewing equipment does not appear appropriate. The brewing equipment is not included in the Landis Construction contract reviewed and complete specifications/cost, or an allowance for same, are not reported in any documents reviewed. Based upon brewing equipment parameters presented in the lease and a preliminary/cost estimate from internet research, an installed cost of ±\$125,000 to \$150,000 for the system is estimated as a reasonable budget for these assets. The typical real estate investor would likely wish to amortize the cost of such a specialty item over the primary lease term at a yield rate of 8% to 10%; amortizing \$137,500 over ten years at a yield rate of 9% results in a monthly "rental" charge of \$1,742. Thus, this fixed rent component of the POB Gretna Beer, LLC lease "rent" appears to be well below that which would be required, employing traditional, market based investment return parameters.

8. Utilities and Pest Control: The lease indicates "Tenant is responsible for paying, at its own expense, the direct cost of all utilities and services provided to the leased premises consumed on the leased premises".

The "leased premises" are never clearly defined in the lease agreements and plans/rendering depict tenant spaces, shared spaces and site landscaping (space) areas. It is assumed the tenants will pay for all utility and pest control cost for services, but such should be clearly stated.

Lease Elements Discussion/Analysis (Continued)

11. Sublease/Assignment: The "sublease/assignment" provision language is in part rather typical, first stating that "Tenant may not assign the lease or sublet any part of the premises without obtaining landlord's prior written consent" and that in such a case, "Tenant shall remain primarily liable for all payment and performance obligations under the lease".

However and as noted in some prior discussion herein, a second component of this lease section indicates tenant may assign the lease without landlord's consent in certain situations, particularly including "upon sale of the company or its assets". This provision is concerning as written because if landlord consent is not required, this circumstance effectively mitigates their ability to assess the financial capability of a prospective company purchaser and new lessee. Further, in association with this and other listed situations where landlord consent is not needed, there is no affirmative statement regarding tenant remaining primarily liable; if such is the intent, such should be clearly stated.

13. Insurance: Under the "b. Property Insurance" subheading, it is not clear who is responsible for insuring the building improvements. As written, the tenant is clearly responsible for "providing replacement coverage for fixtures, equipment, merchandise", but that citation ends by including "other property located on the leased premises". Please recall the "leased premises" have not been clearly/unambiguously defined in either of the two leases reviewed.

This is an important issue when the cost of replacement coverage for project improvements, which are known to have a current construction cost of \pm \$1,000,000, as the party obligated to provide such will incur a substantial expense. Typical commercial leases will be quite clear on who is responsible for insuring the building improvements.

15. Landlord's Work: The landlord or lessor is indicated to be responsible for "the entire cost of constructing the leased premises in accordance with the criteria specified in Exhibit "A", which is attached". The leases, which include Exhibit "A" as an attachment, are provided as Addenda items herein, and should be reviewed; Exhibit "A" includes an extensive list of all landlord's construction responsibilities (Items A through S).

Lease Elements Discussion/Analysis (Continued)

15. Landlord's Work (Continued): Two particular take aways are considered important in review of Exhibit "A", which details landlord's work. First, there are several references to landlord's work effectively producing "White Box" space. This does not appear to be the case upon analysis of the improvement element descriptions provided. For clarity as to what is and is not typically included in "White Box" space, please see the chart provided subsequently herein.

Examples of landlord construction responsibilities which are included in the Exhibit "A" listing which clearly go well beyond the typical "White Box" criteria presented are excerpted following:

- B. Floors - Landlord is to provide all other flooring finishes including (but not limited to) carpet, tile, luxury vinyl tile (resilient flooring), epoxy coating, etc.
- E. Roof - The Landlord is responsible for rooftop food equipment including without limitation condensing units, fresh air equipment, coolant lines, and exhaust fans.
- J. Plumbing/Gas Services - Landlord to provide reverse osmosis filtration system and brewery boiler as required by Tenant.
- K. Electrical - Landlord to provide restaurant and bar areas LED downlights, interior spot lighting and interior/exterior ceiling fans.
- L. Fire Protection - Landlord will provide a new kitchen hood assembly equipped with a wet chemical fire suppression system. (This would include exhaust system and roof top equipment installation and ducting).
- N. Data/Communication - Landlord shall provide a data and communication as required by Tenant including but not limited to lighting, audio/visual equipment (interior and exterior), cameras, access controls and all associated conduits.

Lease Elements Discussion/Analysis (Continued)

15. Landlord's Work (Continued):

- O. Heating, Ventilation and Air Conditioning - Kitchen HVAC equipment is provided by the Landlord including the kitchen hood with exhaust and unconditioned make-up air. The grease ducts constructed of continuous seam welded stainless steel and the make-up air exterior wrapped galvanized steel.

- Q. Furniture Fixtures and Equipment - *Finishes*: Landlord is responsible for any basic finishes including paint on all surfaces, restroom tile walls/wainscots, FRP panels, hardware, corner guards, or other. *Casework*: The Landlord will provide all built in bars, countertops, casework and millwork in accordance with the Contract Documents. *Equipment*: Walk-in refrigerators/coolers shall be provided by Landlord. Landlord is to provide all built-in Glycol cooling systems. Permanent Brewing equipment such as a 10-bbl. vessel and platform system, 6 each 10bbl. Fermenters, tubeless boiler, pro chiller system and 4 serving bright vessels, all specialty piping and fittings. Mill and Grain handling system, hot and cold-water tanks, decolorization filtration system and bulk Co2 station shall be provided by Landlord.

- R. Acoustics - Acoustic treatment in main bar/restaurant are to be provided by the Landlord.

The prior identified items, which landlord is to provide, are not typically included for lease space in the marketplace when a "white box" is the lease criteria.

The second point of particular interest, which arises in analyzing this lease section, is the repeated reference to work being accomplished "in accordance with Contract Documents". At lease execution, it does not appear any "Contract Documents" existed which provided construction details and, thus, the precise construction obligations of landlord are potentially not truly defined. This introduces a significant amount of uncertainty about the ultimate cost of the project. As previously noted, I am not aware that any lease amendments have been executed, though project plans, construction cost estimates, etc. have become available; this type of language is typically found in Letters of Intent and/or Lease Option Agreements and not final/ executed lease agreements.

| White Box Includes | White Box Does Not Include |
|---|--|
| Exterior Shell (Exterior Walls, Finished Roof, and Rear Wall) | Interior Walls Finishing (Painting or Wallpaper) |
| Interior Finish (Sheetrock Walls, Separation Walls, Windows and Doors, and Concrete Flooring) | Additional Plumbing Fixtures |
| One or Two ADA-Compliant Restrooms and Drinking Fountain | Upgraded Electrical Fixtures |
| Standard Electrical Wiring | Telephone, Cable, and Data Wiring |
| Plumbing Fixtures | Security Systems |
| Heating, Ventilation, and Air Conditioning (HVAC) | Specifications for the HVAC system |
| Fire Protection System | Tenant Equipment and Furniture |
| Accessibility Requirements (Elevator or Staircase) | Tenant Improvements (TIs) |
| Building Permits and Required Licenses | |

Lease Elements Discussion/Analysis (Continued)

16. Maintenance and Repairs: Below please find the listing of Landlord's and Lessee's maintenance responsibilities, as found in the leases.

A. Landlord's Responsibilities:

- Landlord is responsible for the maintenance and repair of the following components of the Leased Premises:

- Roof(s)
- Walls (interior and exterior, structural and non-structural, including shared walls with adjacent properties)
- Foundation(s)
- Plumbing and related components, fixtures, lines, and interfaces within the walls or leading into the building
- Electrical system and associated components, fixtures, lines, and interfaces to the building
- Cable and telephone lines and related components and interfaces to outside providers
- Stairways and steps
- Signs and display fixtures provided by the Landlord
- Finishes (both interior and exterior) excepting normal wear and tear
- Common spaces and elements shared with adjacent properties
- Stairs, steps, and ramps (interior or exterior)
- Walkways outside the building, including the associated sidewalk and gutter along the length of the Leased Premises
- All openings and related systems, such as doors and windows, including

adjacent finishes, millwork, and trim

- Any other element attached to or incorporated into the Leased Premises, as defined under Civil Code articles 465-467

B. Lessee's Responsibility:

- Lessee must ensure the implementation of an effective termite control, prevention, and extermination plan to protect the Leased Premises.
- Maintenance of HVAC system Lessee shall maintain a preventative maintenance contract to service the HVAC system, including all cooling units, if any, on an annual basis
- Routine Maintenance of all equipment on site
- Security system, phones, phone lines in the building and other
- All other items that are not attached or incorporated into the building within the meaning of La Civil Code Article 465-467

Lease Elements Discussion/Analysis (Continued)

16. Maintenance and Repairs (Continued): What is particularly notable is how limited Lessee's articulated obligations are; Lessee basically is cited to only be responsible for pest control services and equipment item maintenance and security/phone system maintenance. Landlord is tasked with maintenance and repair obligations for most all improvement building components and mechanical/plumbing/electrical systems. Clarity or more detail would likely be required in leases for several atypical and unduly broad landlord responsibilities cited, particularly the following:

- Finishes (both interior and exterior) excepting normal wear and tear
- Common spaces and elements shared with adjacent properties.

Most private sector, commercial leases wherein it is intended for Landlord to provide a "white box" to Lessee, provides that upon acceptance of the leased space by Lessee they are responsible for most all interior maintenance needs and such is not provided in the leases reviewed.

19. Reporting Requirements: This lease section primarily addresses the reporting requirements for endeavors that may be conducted on the premises that will produce revenue subject to percentage rent; it identifies the various business sales/services to be included and the timing of monthly report submissions. As previously noted in this report, there is no audit right of lessor provision, which is typical in most leases where a percentage rent clause is found.

In addition to the prior presented analysis of specific lease provisions and their compatibility with typical, private sector, commercial lease terms, assessments of project economic feasibility and risk to lessor were requested; the discussion regarding these topics which follows is based upon all documents and information provided.

Project Economic Feasibility

Economic feasibility in real estate development typically refers to a project's financial viability, determining if its profitable and sustainable. It involves analyzing costs, revenues, market conditions, and potential risks to assess the project's financial attractiveness and the likelihood of its long-term success.

Project Economic Feasibility (Continued)

Key aspects of an economic feasibility analysis for a project like subject typically include the following:

- A. Cost Analysis - This includes land acquisition cost or value, development costs, construction expenses and related fees.
- B. Revenue Projections - Estimating potential income from rentals, considering market conditions and demand.
- C. Market Analysis - Evaluating market trends, competition, and target demographics to understand demand and pricing.
- D Risk Assessment - Identifying potential risks and uncertainties that could impact the project's profitability and/or economic viability.
- E. Financial Metrics - Using metrics like Net Present Value (NPV) or Internal Rate of Return (Yield) or payback period to evaluate the project's financial viability as an investment.

Based upon project and other information made available for review, the following are accepted as facts for purposes of conducting an admittedly crude economic feasibility analysis.

| | |
|--|------------------------------|
| Project Construction Cost | ±\$10,500,000 ⁽¹⁾ |
| Annual/Net Revenue Estimate | \$240,000 ⁽²⁾ |
| Minimum Market Based Return/ Yield Rate Range | 6% - 10% ⁽³⁾ |

- (1) Landis Construction Company construction contract of \$8,860,000 plus additional costs for design, brewery equipment, etc.
- (2) Average contract rent over ten-year primary term as per executed lease terms and "Fiscal Note Worksheet" prepared by JEDCO, with deduction of 15% for likely Landlord Expenses (\$282,000 per year x 85%, rounded)
- (3) As per National Studies reviewed

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Project Economic Feasibility (Continued)

Utilizing the prior cited/assumed "facts" produce the following results in analysis

| | |
|---|---|
| Annual Rate of Return | 2.29% ($\$240,000 \div \$10,500,000$) |
| Payback Period | 43.75 years ($\$10,500,000 \div \$240,000$) |
| Required Net Revenue Based Upon Likely Market Based Minimum Rate of Return (8%) | \$840,000 ($\$10,500,000 \times 8.0\%$) |

The above clearly indicate this project, as leased, is not economically feasible employing general real estate investment market parameters. Further, the above results would be even more adverse if total "project cost" was to include the value of the site "footprint", which is not included. Further, the market based rate of return is considered very conservative, as the proposed property use profile (Brew Pub and restaurant) is considered speculative in this location. Further, elements of this project are of a "special use" character and the conversion to alternate/general purpose use would not be readily achieved if the lessee proposed uses fail.

It should also be particularly noted that it is my understanding that no detailed business plan, market demand/patron capture study, and/or demographic analysis was conducted to support the feasibility of the proposed business uses or the revenue projections shown on the "Fiscal Note Worksheet" prepared by JEDCO. These type of studies/investigations are generally conducted and any prudent investor would likely demand such before moving forward with a project requiring a capital investment of over \$10,000,000.

Additionally, this project would not be considered financeable in the private sector marketplace, as credible/traditional commercial lenders would (1) require a thorough feasibility study, (2) a detailed business plan and (3) lessee guarantors with demonstrated financial strength; none of these things are provided, or known to have been accomplished.

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Lessor Risk Analysis

Based upon my analysis/review of the project as proposed and in the context of consideration of the specific terms of the executed leases, it is my opinion that there is considerable investment risk to lessor. This conclusion is particularly supported by the following:

- The facility improvements effectively constitute a "build-to-suit" construction project, with speciality design features (micro-brewery) which are not readily adaptable for an alternate use.
- Lease rental payments are calculated exclusively as a percentage of lessee's business revenues, with no guaranteed minimum and any legal use is permitted; thus, if the proposed/contemplated property businesses are not profitable or only marginal so, another use with a limited revenue stream can be operated from the premises and produce little rent for landlord; there is no provision for lessor to terminate lease for poor operational performance of lessee.
- The lease agreements do not provide any guarantors, though with no guaranteed minimum rent, a proper assessment of the prudent financial wherewithal required is difficult to establish.
- Lessee's capital investment is likely relatively modest (furniture, business fixtures/equipment and start-up costs), potentially reducing their long-term commitment to the property.
- The uses currently proposed by Lessees and business revenue projections are not supported by professional/independent studies or business plans; thus, landlord's rental potential, which is based upon only a percentage of business revenue, is truly speculative.

In my opinion, if this project is completed as proposed and the leased fee interest (encumbered by the executed leases) were offered for sale, it would likely be characterized as a speculative investment opportunity.

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In closing, this consulting report/memorandum is submitted in response to your particular inquiry regarding various issues relating to the development and lease of the J P Gretna Retail project identified herein. If you have any questions regarding my findings/opinions, as presented herein, please feel free to contact me.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Truax', with a horizontal line above it.

Michael W. Truax, MAI
Louisiana State Certified General
Real Estate Appraiser (APR.00096-CGA)

MWT/jd

Enclosures

ADDENDA

Experience/Qualifications of the Appraiser/Consultant

Restrictions Upon Disclosure/Use and Liability

POB Gretna Beer LLC Lease

POB Restaurant Gretna, LLC Lease

Fiscal Note Worksheet

Landis Construction Contract

J. P. Gretna Retail Project Plan Excerpts

QUALIFICATIONS OF THE APPRAISER/CONSULTANT

QUALIFICATIONS OF MICHAEL W. TRUAX, MAI

Base Education

Bachelor of Science, Engineering, Tulane University 1976

Appraisal Institute Courses:

| | |
|--|-------|
| Basic Appraisal Principles, Methods and Techniques | 1974 |
| Capitalization Theory and Technique | 1975 |
| Urban Properties | 1977 |
| Investment Analysis | 1978 |
| Appraisal Curriculum Overview | 2012 |
| Business Practices and Ethics | 2022 |
| USPAP | 2023* |

* Last Update (National USPAP Update Course)

Seminars/Continuing Education (Last Ten Years)

| | |
|---|------|
| Land and Site Valuation | 2015 |
| The Sales Comparison Approach | 2015 |
| Appraisal of Owner-Occupied Commercial Properties | 2015 |
| Architecture for Appraisers | 2019 |
| Environmental Hazards Impact on Value | 2021 |
| Cost Approach and Land Valuation | 2023 |
| Mold A Growing Concern for Appraisers | 2023 |
| Construction Details; Concept to Completion | 2023 |
| Basics of Investment Property and Property Management | 2023 |

Teaching and/or Lectures

| | |
|---|------|
| National Business Institute - Expropriations from Start to Finish | 2011 |
| Society of Louisiana CPAs - Business Valuation Workshop | 2012 |

Business Experience

Realtor - Appraiser - Developer, Max J. Derbes, Inc./Max J. Derbes Appraisers and Real Estate Consultants, Inc. (1976 - March 2002)

Partner in Max J. Derbes Appraisers, L.L.C. (April 2002 - February 2005)

Partner in Truax, Robles & Baldwin Appraisers, LLC (March 2005 - August 2012)

Partner in Truax & Robles Appraisers, LLC (September 2012 - August 2018)

Partner in Truax Appraisers, LLC (September 2018 - Present)

QUALIFICATIONS OF MICHAEL W. TRUAX, MAI
(Continued)

Professional Associations

Appraisal Institute - MAI; Member No. 7039
Louisiana Certified General Real Estate Appraiser (APR.00096-CGA)
Mississippi Certified General Real Estate Appraiser (GA-1458)
Louisiana Real Estate Broker (License No. BROK.04958.A-ACT)

Louisiana Realtors Association
National Association of Realtors

New Orleans Metropolitan Associations
of Realtors

Partial List of Lender Clients

| | |
|--|--------------------------------------|
| American Commercial Capital | Gulf Coast Bank and Trust |
| Bank of America | Hancock/Whitney Bank |
| Capital Financial Resources | Iberia/First Horizon Bank |
| Capital One Bank | Investar Bank |
| CIBC-Oppenheimer | J P Morgan Chase Bank |
| Collateral Mortgage Capital, LLC | LaSalle Bank |
| Crescent Bank and Trust | Metairie Bank |
| Eustis Mortgage | Metlife Capital Corporation |
| Federal Deposit Insurance Corporation | National Capital Funding Corporation |
| Federal Home Loan Bank Board | PNC Bank |
| Fidelity Homestead | Prins Bank |
| First Bank and Trust | Regions Bank |
| First National Bank of St. Mary Parish | St. Mary Bank |
| First National Bank USA | Southern Pacific Bank |
| GE Capital | Sunlife Assurance of Canada |
| GMAC Commercial Mortgage Corporation | Textron Financial |

Partial List of Attorney Clients

| | | | |
|--------------------|-----------------|-----------------|---------------------|
| Gerald Album | Taylor Darden | Neville Landry | Vincent Sotile, Jr. |
| Thomas Anzelmo | Albert Derbes | Georges Legrand | Robert M. Steeg |
| Leonard Berins | Douglas Draper | David Loeb | Charles Stern |
| Albert Bienvenu | Philip Franco | Robert Lowe | Chris Tankersley |
| Thomas Blum | James Garner | Sidney Marchand | Frank Tessier |
| Andrew Braun | Keith Hall | Don McDaniel | Emile Turner |
| Jeffrey Brennan | Steven Hartel | Joseph Mole | William Treeby |
| Elwood Cahill | Robert Holden | Max Nathan | Scott Whittaker |
| Rudy Cerone | Wilson Krebs | Russell Nunez | Phillip Wittmann |
| Frank Craig | Robert Kutcher | Randy Opotowsky | John Wilson |
| René Curry | Martin Landrieu | Luke Pointek | Gary Zwain |
| Frank D'Amico, Jr. | | | |

QUALIFICATIONS OF MICHAEL W. TRUAX, MAI
(Continued)

Partial List of Corporate/Institutional Clients

| | |
|--|--|
| Archdiocese of New Orleans | LOOP, LLC |
| A T & T | Louisiana Department of Transportation and Development (LADOTD) |
| Board of Commissioners of the Port of New Orleans | Loyola University |
| BP America | Marathon Ashland Petroleum |
| Bunge North America | McDonald's Corporation |
| Burger King | New Orleans Public Service (NOPSI) |
| Chevron Oil/Texaco | 19th Judicial District Court |
| City of New Orleans | Norfolk Southern Railroad |
| City of Kenner | Pontchartrain Levee District |
| Coastal Protection & Restoration Authority | Port of South Louisiana |
| CSX Railroad | Shell Oil/Equiva/Equilon |
| Enlink Midstream | Six Parishes in South Louisiana |
| Entergy La., Inc. | Small Business Association |
| Enterprise Products Company | State of Louisiana |
| Ernest Morial Exhibition Hall Authority | Taco Bell |
| Exxon/Mobil | Texas Brine Corporation |
| First American Title | Tulane University |
| GATX | 24th Judicial District Court |
| Halliburton | U.S. Army Corps of Engineers |
| HCA | U.S. Department of Interior |
| Internal Revenue Service | U.S. Department of Justice |
| JEDCO | UNO Foundation |
| Kinder Morgan | Venture Global LNG |
| Lake Borgne Basin Levee District | Wal-Mart |
| | Xavier University |

Testimony As Expert Witness

Federal Courts

U.S. Bankruptcy Court for the Eastern District of Louisiana
U.S. Bankruptcy Court for the Western District of Louisiana
U.S. Court of Federal Claims
U.S. District Court for the Eastern District of Louisiana
U.S. District Court for the Middle District of Louisiana

State of Louisiana Courts

| | |
|--|-------------------------------------|
| Assumption Parish District Court | Pointe Coupee Parish District Court |
| Ascension Parish District Court | Rapides Parish District Court |
| Beauregard Parish District Court | St. Bernard Parish District Court |
| Calcasieu Parish District Court | St. James Parish District Court |
| East Baton Rouge Parish District Court | St. Martin Parish District Court |
| Iberville Parish District Court | St. Mary Parish District Court |
| Jefferson Parish District Court | St. Tammany Parish District Court |
| Lafourche Parish District Court | Tangipahoa Parish District Court |
| Orleans Parish District Court | |

Tax Commissions

State of Louisiana
State of Michigan

QUALIFICATIONS OF MICHAEL W. TRUAX, MAI
(Continued)

Major Projects

Appraisal of Salt Domes and related pipelines in Louisiana and Texas for U.S. Army Corps of Engineers for Strategic Oil Storage Program.

Appraisal of Newport News Shipbuilding and Drydock Shipyard in Newport News, Virginia; largest shipyard in the western hemisphere; nuclear aircraft carriers, and attack submarines among ships constructed at facility.

Appraisal of Ford Motor Company Engineering and Research Center in Dearborn, Michigan; contains over 5,000,000 square feet in ±100 buildings.

Study/analysis regarding property value impact associated with Shell Oil Company "cracker" unit explosion in Norco, Louisiana.

Market and property value analysis in support of the development of the Superconducting Super Collider Project in Ellis County, Texas.

Market study of real estate value impacts associated with environmental contamination from Thompson-Hayworth Plant in New Orleans, Louisiana.

Appraisal of Dow Corning manufacturing facility in Midland, Michigan; large (over 100 building/tower improvements) integrated, chemical plant used in the research, development and production of silicon-based, specialty chemical products.

Appraisal of Dow Chemical Company World Headquarters in Midland, Michigan; complex includes ±914,000 square feet of gross building area contained in multiple (8) structures as developed on a ±153 acre campus

Appraisal of the Dow Chemical Company manufacturing facility in Midland, Michigan; large (over 500 buildings/towers), integrated, chemical plant used in the research, development and production of a wide range of chemical products.

Appraisal of over 200 properties in south Louisiana associated with acquisitions/expropriations for flood protection projects.

Consulting assignments associated with the proper methodology to measure the potential property damage from Hurricane Katrina flooding in the Metropolitan New Orleans area.

Appraisal of salt-dome/underground storage facilities suitable for natural gas and/or natural gas liquid (NGL) products.

Louisiana Real Estate Appraisers Board

Having complied with the requirements of Chapter 51 of Title 37 of the Louisiana Revised Statutes of 1950 and the requirements of the Louisiana Real Estate Appraisers Board,

Certified General Appraiser

license is hereby granted to

Michael W. Truax

License Number - APR.00096-CGA

First Issuance Date - 05/07/1990

Expiration Date - 12/31/2025

F. Tracy Williams

Chairperson

Terry L. Meyer

Secretary



RESTRICTIONS UPON DISCLOSURE/USE AND LIABILITY

RESTRICTIONS UPON DISCLOSURE/USE AND LIABILITY

Consultant/appraiser and client warrant that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of the appraiser's services under this agreement. Consultant/appraiser and client also concur that to the fullest extent permitted by applicable law, each party's and its personnel's maximum aggregate and joint liability to the other party for claims and causes of action relating to this agreement, or to appraisals or other services under this agreement, shall be limited to the higher of \$10,000 or the total fees and costs charged by the appraiser for the services provided. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence or negligent misrepresentation on the part of either party or its personnel, but excluding claims/ causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel", as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Consultant/appraiser and client agree that they each have been free to negotiate different terms than stated above or contract with other parties.

Disclosure of the contents of this consulting/appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

This consulting/appraisal report is prepared for the sole and exclusive use of the consultant's/appraiser's client, as specifically cited herein. No third parties are authorized to rely upon this report without the express written consent of the appraiser.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the consultant/appraiser or the firm, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the appraiser.

PROFESSIONAL ASSISTANCE

The names of those who provided substantial assistance to the consultant/appraiser are listed below.

None

POB GRETNA BEER, LLC LEASE

This *Commercial Lease Agreement* ("Lease") is entered into between
Jefferson Facilities, Inc. ("Lessor")
and
POB Gretna Beer LLC ("Tenant").

Recitals.

WHEREAS Lessor is the owner of the property bearing on the corner of Huey P. Long Avenue and Second Street Gretna, Louisiana 70053, in the Parish of Jefferson, State of Louisiana ("Leased Premises");

WHEREAS Lessor is offering and has provided the Premises for commercial Lease;

WHEREAS Tenant seeks to contract with Lessor regarding the Premises for commercial use as brewery/brewpub; and

THEREFORE, these being the principal causes for this Lease, Lessor and Tenant (collectively "Parties") hereby agree as follows:

1. The Parties acknowledge that this lease pertains to two buildings to be constructed, and Lessor is in the process of hiring Contractor's and Architect and other professional for the construction of these buildings. The financing for the construction of these buildings is expected to be provided by Jefferson Parish. This lease is expressly contingent upon funding from Jefferson Parish and the estimated cost of the premises not exceeding the availability of funds required for the project's construction. Should the estimated construction costs of the project exceed the available funding, the Lease and any and all obligations thereunder shall be terminated. Furthermore, this lease is contingent on the actual construction of the buildings being completed prior to October 1, 2025.
2. **Term; option to renew.** Lessor agrees to Lease to Tenant, and Tenant agrees to Lease from Lessor the Premises. The Lease's initial term is ten years ("Initial Lease Term") and shall commence upon the issuance of a certificate of occupancy but no later than one hundred and eighty (180) days after the property is turned over to the Tenant for the build-out. Unless Tenant delivers written notice to Landlord six (6) months before the end of either the Initial Lease Term or any extended term, this Lease shall reconduct for three (3) consecutive five (5) year terms after the conclusion of the Initial Lease Term.
3. **Permitted use.** The Leased Premises may be used for the following purposes:

Brewery, microbrewery, nano-brewery, distillery, micro-distillery, bar, restaurant, retail sales, club services, and any other purpose that is properly permitted and that does not conflict with state and local laws, ordinances, zoning, or other property restrictions.

Tenant agrees to abide by all state, parish, and city laws and acknowledges its sole duty and responsibility to enforce the legally appropriate age limit law at the Leased Premises. Tenant also agrees not to take any action that would violate the terms and agreements contained in the Cooperative Endeavor Agreements and leases between the Lessors, Jefferson Parish, and/or Jefferson Redevelopment, Inc. (JRI) regarding this property. Furthermore, Tenant agrees to be bound by all the terms and conditions contained in the lease and cooperative endeavor agreement between the Parish, Lessors, and JRI regarding the property subject to this lease.

4. Rent.

- A. As the principal cause for Lessor's grant of Tenant's rights under this Lease, Tenant agrees to pay Lessor during the Rent Term a base monthly rental installments as follows: (a) for the first 30 months of the Rent Term, a sum equal to three percent (3%) of Gross Revenue, as defined below; and (b) for the remainder of the Rent Term, a sum equal to six percent (6%) of Gross Revenue. (c) A barrel system described generally as follows: permanent brewing equipment such as a 10-bbl. Vessel & platform system, 6 each 10bbl fermenters, tubeless boiler, pro chiller and 4 serving bright vessels that will be installed by Landlord in

the building. For use of the barrel system the Tenant shall pay the sum of one thousand Dollars (\$1,000.00) a month beginning with the first-term rent payment and this shall be included in the base rent. All rent payment will be due on the 15th of the following month.

- B. Lessee acknowledges that the late payment of Rent will cause Lessor to incur administrative costs and other damages, the exact amount of which would be impracticable or extremely difficult to ascertain. Lessor and Lessee agree that if Lessor does not receive any such payment on or before five (5) days after the date the payment is due, Lessee shall pay to Lessor, as additional Rent, a late charge equal to five percent (5%) of the overdue amount to cover such additional administrative costs.

5. Default Remedies. If Lessee defaults, Lessor, at its sole discretion, may exercise one or more of the following remedies:

- A. Lessor may terminate this Lease and promptly expel Lessee without, however, waiving Lessor's right to collect all Rent installments up to the point Lessor regains possession of the Leased Premises. Lessor may also recover, as damages, an amount equal to one year's Base Rent at the then-current rate. Lessee waives the notice to vacate under Article 4701 of the Louisiana Code of Civil Procedure or any other prior notice to vacate.
- B. Lessor may sue for past due installments of Rent only, reserving its right to sue for remaining installments as they become due.
- C. Lessor may re-enter and take possession of the Leased Premises without legal proceedings, acting as Lessee's agent, and may re-let the Leased Premises on behalf of Lessee, subject to terms and conditions determined at Lessor's sole discretion. This action shall not constitute a termination of this Lease, eviction of Lessee, or a release of Lessee from its obligations under this Lease. Lessor is obligated to mitigate its damages. Lessor expressly retains the right to collect and receive all rents arising from such reletting. Lessee will receive credit for these rents against Rent due hereunder, with the credit applied after Lessor deducts (A) expenses incurred to re-enter the Leased Premises, make necessary repairs, perform non-structural modifications and improvements, and protect and preserve the Leased Premises, and (B) expenses related to reletting, including, but not limited to, attorney's fees and expenses, brokerage, leasing, and management commissions, and other reasonable expenses incurred in connection with reletting. No reletting will be deemed an election by Lessor to terminate this Lease, unless Lessor provides written notice of its intention to terminate to Lessee.
- D. Lessor may initiate an action for specific performance of Lessee's obligations or seek injunctive relief.
- E. In the event Lessee fails to perform any obligation under this Lease, Lessor may, at its discretion, fulfill the obligation or rectify the default or breach at Lessee's expense. In such cases, Lessee shall reimburse Lessor for these costs within seven (7) days after Lessor presents Lessee with an invoice. The reimbursement shall include Lessor's cost to perform the obligation plus ten percent (10%) of this cost to cover Lessor's administrative expenses. Lessor may exercise this remedy upon reasonable notice to Lessee, but may do so before the cure period set forth in Article V, Section 1.1(ii) in exigent circumstances. Additionally, Lessor shall have unlimited access rights to the Leased Premises to exercise this remedy.
- F. Lessor may exercise any other remedy or method of redress available to a landlord under Louisiana law.

6. Attorney's Fee and Interest

If either party engages one or more attorneys to enforce the obligations of the other party or their rights under this Lease (including any action taken by Lessor to enforce Rent payment by Lessee), the party that does not prevail in the matter agrees to bear the fees of such attorney or attorneys. Additionally, the non-prevailing party will be responsible for covering all court costs and other related expenses.

Any amount lawfully owed from one party to the other party, not paid within ten (10) days of its due date, will accrue interest at a rate of twelve percent (12%) per annum, or the highest rate allowed by law, whichever is less (both before and after judgment). Interest will begin to accrue from the due date and will cease on the date the outstanding amount is paid.

7. Default; abandonment. The following events constitute individual defaults under this Lease:

- Failure to make a payment of any monthly rent installment when due under this Lease, with this failure persisting for more than ten (10) calendar days after receiving written notice from Lessor; or
- Tenant vacates or abandons all or a substantial portion of the Premises, regardless of whether Tenant is in default of rental payments under this Lease; or Tenant initiates a voluntary petition in bankruptcy or a petition for involuntary reorganization, with bankruptcy proceedings not being dismissed or vacated within thirty (30) days; or Tenant is dissolved or adjudicated as bankrupt, and this dissolution or adjudication is not dismissed or vacated within thirty (30) days; or a receiver is appointed for Tenant's business or its assets, and this appointment is not vacated within thirty (30) days; or Tenant makes an assignment for the benefit of its creditors.

8. Utilities and pest control. Tenant is responsible for paying, at its own expense, the direct costs for all utilities and services provided to the Leased Premises or consumed on the Leased Premises. This includes but is not limited to natural gas, heat, light, electric power, sewer service, telephone, water, refuse disposal, pest control, service charges, and any other relevant utilities and services. Additionally, Tenant shall bear the costs of utilities used for air conditioning and heating, water sprinkler service charges, as well as any required deposits. Lessee shall maintain a preventative maintenance contract to service the HVAC system, including all cooling units, if any, on an annual basis

9. Signs. Tenant has the right to install and maintain signs for the purpose of advertising Tenant's business, both inside and outside the Leased Premises, subject to compliance with rules and regulations established by the appropriate authorities. This is contingent on Tenant obtaining all necessary permits. At the conclusion of this Lease, Tenant is responsible for the removal of all such signs and repairing any damage to the Leased Premises resulting from their installation, maintenance, or removal. Lessor's written approval is mandatory before any signs are erected.

10. Access by Lessor. Lessor reserves the right to access the Leased Premises at reasonable times for purposes including inspection, repairs, necessary work, or conducting termite or pest inspections.

11. Sublease/assignment. Tenant may not assign the Lease or sublet any part of the Premises without obtaining Landlord's prior written consent. If Tenant wishes to assign the Lease or sublease the entire Premises or any part thereof, Tenant must seek Landlord's consent. In such cases, Tenant shall remain primarily liable for all payment and performance obligations under the Lease. Specific terms regarding assignments and subleases will be discussed further in the Lease.

Tenant may assign the Lease without Landlord's consent in the following situations:

- a. To an affiliate.

- b. In connection with a merger, consolidation, reorganization, or sale of the company or its assets.
- c. In connection with an offering of stock or any public trading of stock.

For any other proposed assignment of the Lease, Landlord will not unreasonably withhold its consent.

- 12. **Taxes.** Lessor is responsible for all lawful taxes, assessments, forced contributions, and other governmental charges, whether general or special, ordinary or extraordinary, of every kind and nature, that may be imposed on the land, buildings, improvements at the Leased Premises, or the use thereof during the term of this Lease. Tenant, on the other hand, is only responsible for taxes legally imposed on it as a business entity. These taxes typically include sales and excise taxes, occupational license assessments or taxes, and business or movable property tax assessments.
- 13. **Insurance.** Throughout the term of this Lease and as additional consideration under this Lease, the following insurance shall be maintained in force with Lessor as insured (where applicable) at Tenant's sole expense:
 - a. General Liability Insurance: Tenant must maintain coverage with combined limits of liability for bodily injury, death, and property damage, not less than \$1,000,000 per occurrence, with a \$2,000,000 aggregate per year. This policy shall name Lessor, JRI, and Jefferson Parish as additional insured parties;
 - b. Property Insurance: Tenant is required to have property insurance providing replacement coverage for fixtures, equipment, merchandise, and other property located on the Leased Premises. The policy shall name lessor, JRI, and Jefferson Parish as additional insured.
 - c. Excess Liability Insurance: Tenant shall carry and pay the premiums for public liability insurance with minimum limits of no less than FIVE Million (\$5,000,000.00) Dollars combined single limit for bodily injury and property damage under an individual or blanket insurance policy. Tenant shall indemnify and hold the Parish, Landlord, and JRI harmless from any liability arising from Tenant, their agents, servants, employees, invitees, and/or guests, as well as their operation, occupation, or possession of the Premises and Facilities.

The insurance requirements shall be as follows:

- A. ALL POLICIES AND CERTIFICATES OF INSURANCE OF JFI SHALL CONTAIN THE FOLLOWING CLAUSES:
 - (1) Insurers will have no right of recovery or subrogation against the Parish, it being the intention of the parties that the insurance policy so affected shall protect both parties and be the primary coverage for any and all losses covered by the below described insurance.
 - (2) The Parish shall be named as additional insured as regards to negligence by JFI or its agents, servants, employees, invitees and/or guests (or any contractor for the operation of the Premises and Facilities) [ISO Forms CG 20 10 (Form B) or latest applicable ISO form].
 - (3) The insurance companies issuing the policy or policies shall have no recourse against the Parish for payment of any premiums or for assessments under any form of policy.

- (4) Any and all deductibles in the below described insurance policies shall be assumed by, and at the sole risk of, JFI. The Parish shall not have any responsibility or liability for the payment any deductible amounts.
- (5) Thirty (30) days prior notice of cancellation shall be given to the Parish by registered mail, return receipt requested, on all of the required coverages provided to the Parish. All notices will name the JFI and identify the contract number.

B. WORKER'S COMPENSATION INSURANCE

As required by Louisiana State Statute exception; employer's liability shall be \$1,000,000 per occurrence.

14. Mortgage of lease hold estate:

- A. **Lessee's Right to Mortgage:** Lessee has the right to mortgage its leasehold estate in the Leased Premises and grant a security interest in all Lessee's personal property associated with the Leased Premises. For the purpose of this Lease, "leasehold mortgage" encompasses any mortgage or security arrangement through which Lessee's interest in the Leased Premises is pledged to secure a debt or obligation, including a security interest in personal property used in connection with the Leased Premises. The term "leasehold mortgage" refers to the holder of a leasehold mortgage.
- B. **Consent of Leasehold Mortgagee:** If a leasehold mortgagee provides Lessor with a photocopy of the executed leasehold mortgage, along with written notice specifying the leasehold mortgagee's name and mailing address, Lessee cannot assign, cancel, surrender, modify, or amend this Lease without the written consent of the leasehold mortgagee. However, such consent cannot be unreasonably withheld or delayed unless a Default by Lessee has occurred, in which case any of these actions require compliance with the provisions of Sections 2.3, 2.4, and 2.5 of this Article IV, as applicable.
- C. **Termination by Lessor:** If, before a Default by Lessee occurs, a leasehold mortgagee provides Lessor with a photocopy of the executed leasehold mortgage, along with written notice specifying the leasehold mortgagee's name and mailing address, Lessor shall not terminate this Lease due to such Default unless Lessor has given the leasehold mortgagee a copy of its notice to Lessee about the Default, addressing it to the mailing address provided by the leasehold mortgagee, and the Default has not been cured by the leasehold mortgagee as described in the sections below.
- D. **Performance by Leasehold Mortgagee:** Lessee irrevocably directs Lessor to accept performance or observance of any term, condition, covenant, or obligation on Lessee's part by any leasehold mortgagee, as if performed or observed by Lessee. This acceptance of performance or observance is subject to the leasehold mortgagee fulfilling the requirements outlined in this Lease, including the prescribed timeframe, plus an additional grace period of thirty (30) days if Rent payment is not involved. This grace period may be extended if the Default, except for Rent payment, is curable but not within the initial thirty (30) day period, provided the leasehold mortgagee initiates and diligently pursues the cure within the initial thirty (30) day period.
- E. **Defaults Requiring Possession:** If a Default by Lessee under this Lease cannot be cured by a leasehold mortgagee without obtaining possession of the Leased Premises, Lessor shall not terminate this Lease due to such Default if (i) the leasehold mortgagee, within the thirty (30) day grace period, initiates and diligently pursues appropriate proceedings to foreclose the leasehold mortgage or obtain possession of the Leased Premises, and (ii) the leasehold mortgagee cures the Default within thirty (30) days after obtaining possession of the Leased Premises, or within additional time if necessary to cure the Default provided the leasehold mortgagee initiates and diligently completes the cure within the prescribed time. It's important to note that any additional time granted to a leasehold mortgagee for curing a Default under this Lease does not apply to Rent payment, which must be paid within the specified timeframe in this Lease.
- F. At any time and from time to time but within fifteen (15) days after written request by

Lessee, Lessor will execute, acknowledge and deliver to any leasehold mortgagee an estoppel certificate certifying (i) that this Lease is valid, unmodified and in full force and effect or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification, (ii) the date to which Rent under this Lease has been paid, (iii) that no notice has been received by Lessor of any default which has not been cured, except as to defaults specified in the certificate, (iv) that Lessee is not in default of the terms hereof, or if Lessee is in default, the nature of such default, and (v) such other matters as may be reasonably requested by such leasehold mortgagee.

C. SUBORDINATION AND ATTORNMENT

A. Subordination:

1. Lessor represents and warrants to Lessee that, as of the effective date of this Lease, the Leased Premises is not subject to any mortgage, deed of trust, or other lien.
2. Lessor agrees that this Lease shall be subordinate to any mortgage or deed of trust subsequently imposed by Lessor on the Leased Premises, on the condition that the mortgagee under such mortgage or deed of trust agrees in writing, through instruments reasonably acceptable to Lessee, that Lessee's rights under this Lease shall remain in full force and effect during the Lease Term as long as Lessee continues to fulfill all its obligations under this Lease, even in the event of foreclosure by said mortgagee.
3. In case a mortgage or deed of trust is imposed on the Leased Premises in the future, Lessee shall, within 10 days of written notice, execute additional instruments, reasonably acceptable to Lessee, to subordinate this Lease and provide for Lessee's attornment to such mortgagee or other purchaser in case of foreclosure, as requested by Lessor. The condition is that the mortgagee shall agree in writing that Lessee's rights shall remain in full force and effect during the Lease Term as long as Lessee complies with all its obligations under this Lease.

B. Notice of Mortgage Holder's Interest: At any time when the holder of an outstanding mortgage, deed of trust, or other lien covering Lessor's interest in the Leased Premises provides Lessee with written notice of its interest in this Lease, Lessee shall not exercise any remedy for default by Lessor under this Lease until the holder of the indebtedness secured by such mortgage, deed of trust, or other lien receives written notice of the default, and the period given to Lessor to cure such default has expired.

15. (Landlord's work. The Landlord shall bear the entire cost of constructing the Leased Premises in accordance with the criteria specified in Exhibit A, which is attached to this lease.

16. Maintenance and repairs.

A. Landlord's Responsibilities:

- Landlord is responsible for the maintenance and repair of the following components of the Leased Premises:
 - Roof(s)
 - Walls (interior and exterior, structural and non-structural, including shared walls with adjacent properties)
 - Foundation(s)
 - Plumbing and related components, fixtures, lines, and interfaces within the walls or leading into the building
 - Electrical system and associated components, fixtures, lines, and interfaces to the building
 - Cable and telephone lines and related components and interfaces to outside providers
 - Stairways and steps
 - Signs and display fixtures provided by the Landlord

- Finishes (both interior and exterior) excepting normal wear and tear
- Common spaces and elements shared with adjacent properties
- Stairs, steps, and ramps (interior or exterior)
- Walkways outside the building, including the associated sidewalk and gutter along the length of the Leased Premises
- All openings and related systems, such as doors and windows, including adjacent finishes, millwork, and trim
- Any other element attached to or incorporated into the Leased Premises, as defined under Civil Code articles 465-467

B. Lessee's Responsibility:

- Lessee must ensure the implementation of an effective termite control, prevention, and extermination plan to protect the Leased Premises.
- Maintenance of HVAC system Lessee shall maintain a preventative maintenance contract to service the HVAC system, including all cooling units, if any, on an annual basis
- Routine Maintenance of all equipment on site
- Security system, phones, phone lines in the building and other
- All other items that are not attached or incorporated into the building within the meaning of La Civil Code Article 465-467

17. Lessee's Alterations:

Subject to prior approval by the Lessor, Lessee is permitted to make any additions, improvements, alterations, renewals, or replacements to the Improvements (collectively referred to as "Alterations") as deemed necessary or appropriate for the uses allowed under Article III, Section 1. Lessee is solely responsible for the cost of these Alterations.

Contractor Requirements:

- The Alterations must be carried out by a reputable, bonded general contractor, duly licensed in the State of Louisiana to perform such work.
- The contractor should maintain all-risk builder's risk, employer's liability, workers' compensation, liability, and any other customary insurance with coverage limits typically carried in projects of similar scope to the Alterations.

Quality and Standards:

- All Alterations must meet the same standards of quality and class as the Improvements.

18. Casualty to Premises. If the Leased Premises are destroyed or significantly damaged to the extent that they become unsuitable for use due to unforeseen events not resulting from any fault or neglect of the Tenant, the Tenant shall receive a credit for the remaining term of the Lease.

19. Reporting requirements.

During the Rent Term, which commences one month after the Opening as defined above, the Tenant is obligated to report its Gross Revenue on a monthly basis by the 15th of the following month. For the purpose of rent and reporting obligations, Gross Revenue includes the following items, collectively referred to as "Revenue Items":

- Beer and seltzer sales (including cases, cans, singles, 4-pack, 6-packs, crowlers, draft)
- Wine Sales
- Liquor and spirits sales
- Food sales (on-site, catering, delivery, party packages)
- Non-alcoholic beverage sales
- Payments for facility rentals
- Money received for contract and co-op production
- Club fees and dues
- Consignment sales
- All gross income or revenue from club services, gaming, sportsbook, pari-mutuel, or wagering

For rent and reporting obligations, Gross Revenue shall not include the following:

- Capitalization costs on a prorated monthly basis of Tenant's pre-Opening expenditures for improvements, furniture, fixtures, and equipment
- Discounts, promotions, bill-backs, rebate, sales, excise taxes, or state and federal taxes associated with Revenue Items

20. This Lease shall not be recorded. At the request of either party, a memorandum of lease suitable for recordation shall be executed. The form of such memorandum shall be subject to Lessor's prior approval, which approval Lessor shall not unreasonably withhold, delay, or condition. Lessee shall bear the expense of recording the memorandum.

21. **INDEMNIFICATION; ENVIRONMENTAL**

- a. **Lessee's Indemnification:** Lessee agrees to defend, protect, hold harmless, and indemnify Lessor from any and all responsibility, liability, loss, expenses, including attorneys' fees and court costs, arising from suits, claims, demands, or actions related to acts or omissions by Lessee, its employees, agents, or contractors on or about the Leased Premises. This includes any work performed by Lessee, breaches of the Lease, business use, or other occurrences on the Leased Premises. Lessee's obligations under this provision shall survive the Lease's expiration or earlier termination.
- b. **Hazardous Materials:** Lessee shall not release or discharge any Hazardous Material (as hereinafter defined) on or about the Leased Premises, or permit Lessee's employees, agents, or independent contractors to release or discharge any Hazardous Material on or about the Leased Premises. However, the foregoing provision shall not prohibit the transportation to and from, and the generation, use, storage, maintenance, manufacturing, and handling within the Leased Premises of substances customarily generated, used, stored, maintained, manufactured, or handled in connection with Lessee's business operations on the Leased Premises, provided: (i) such substances shall be generated, used, stored, maintained, manufactured, or handled only in such quantities as are reasonably necessary for Lessee's business operations on the Leased Premises, in accordance with applicable Law and, if applicable, the manufacturer's instructions therefor; (ii) such substances shall not be released or discharged on or about the Leased Premises, and shall be transported to and from the Leased Premises in compliance with applicable Law; (iii) if any applicable Law requires that any such substance be disposed of separately from ordinary trash, Lessee shall make arrangements at Lessee's sole expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site; and (iv) any remaining such substances shall be removed from the Leased Premises upon the expiration or earlier termination of the Lease.

- c. **Notification of Regulatory Actions:** Lessee shall promptly notify Lessor of any enforcement or other regulatory action or proceeding taken or threatened by any federal, state, or local governmental or regulatory authority or agency with respect to the presence of any Hazardous Material on or about the Leased Premises or the migration thereof from or to other areas.
- d. **Lessee's Indemnification:** Lessee shall defend, protect, hold harmless, and indemnify Lessor from and against any and all responsibility, liability, loss, expense, attorneys' fees, court costs, costs of defense, consultants' fees, and remediation expense, arising from or caused in whole or in part, directly or indirectly, by the contamination of the Leased Premises by Hazardous Material as a result of any action or omission during the Term of this Lease by Lessee or any of Lessee's employees, agents, or independent contractors.
- e. **Lessor's Representations:** Lessor hereby represents and warrants to Lessee as follows: (i) to Lessor's knowledge, the Leased Premises and adjoining property of Lessor contain no Hazardous Material requiring treatment, removal, or remediation under applicable environmental laws as of the Commencement Date hereof; and (ii) Lessor is not now nor has it in the past been the subject or target of any investigation, administrative order, consent order, agreement, litigation, or settlement with respect to Hazardous Material contamination of the Leased Premises or the adjoining property of Lessor.
- f. **"Hazardous Material" means any substance or material:** (i) the presence of which requires investigation or remediation under any federal, state, or local statute, regulation, rule, ordinance, order, action, or policy; (ii) which is or becomes defined as a "hazardous waste," "hazardous substance," pollutant, or contaminant under any federal, state, or local statute, regulation, rule, or ordinance or amendments thereto, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act 42 USC § 9601, et seq or the Resource Conservation and Recovery Act (42 USC § 6901, et seq); (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency, or instrumentality of the United States, the State of Louisiana, or any political subdivision thereof; or (iv) the presence of which on the Leased Premises causes or threatens to cause a nuisance upon the Leased Premises or to adjacent areas or poses or threatens to pose a hazard to the health or safety of persons on or about the Leased Premises.
22. **Amendment.** The Parties mutually consent that any modifications to this Lease can only be made through a written agreement signed by the Parties. Any purported amendments to this Lease that are not formalized in a written document signed by the Parties shall hold no legal effect.
23. **Written notice.** All written notices required to be delivered as described in this Lease, or as otherwise required by law, shall be delivered in writing to the addresses below by certified mail, return receipt requested.

If to Lessor: *Jefferson Facilities, Inc. c/o*
David L. Colvin General Counsel
230 Huey P. Long Ave,
Gretna, LA 70053

If to Tenant: *Thomas M. Discon*
424 N. Causeway Blvd., Suite A
Mandeville, LA 70448
with a copy to: tdiscon@disconlawfirm.com
and with a copy to: andrew@atpllc.com

If either party's address undergoes modification, the party in question is obligated to promptly inform the other party of this change using the method specified in this

section.

24. **Severability of provisions.** If any provision is found invalid and contrary to any existing or future law, ordinance, or regulation, such invalidity shall not hinder the function of the valid parts of this Lease.
25. **Whole agreement.** The Parties agree and attest that this Lease is and accurately reflects the full, complete, and entire agreement between the Parties.

WE HAVE READ, UNDERSTAND, AND, AS OF THE LATEST DATE OF THE SIGNATURES BELOW (“EFFECTIVE DATE”), AGREE WITH THE PROVISIONS OF THIS LEASE:

TENANT: POB Gretna Beer LLC

LESSOR: Jefferson Facilities,
Inc.


By Thomas M. Discon, 10/13/23
Its Manager
Dated:

By:
Its:
Dated:

Exhibit A
Page 10 of 14

**JP Gretna Retail Development Scope
Building Shell & White Box Tenant Improvements**

The following describes the base building work “Landlord’s Work” to be completed at Landlord’s expense known as Jefferson Facilities Inc. (JFI) by the Landlord’s base building contractor. Work

to be completed outside of the Landlord's responsibility or after the building has been turned over by the Landlord is to be completed at the Tenant's expense or by Tenant's contractor subject to the descriptions as indicated below:

- A. Permitting:** The Landlord is responsible for obtaining all necessary permits required by the Authority Having Jurisdiction to construct the project so that it can be occupied for as a White Box space. The Tenant is responsible for obtaining permits for operation of intended use.
- B. Floors:** Exposed Polished concrete floor shall be provided by Landlord. Unsealed concrete floors shall be provided by the Landlord and prepped for underlayment and finished flooring material.
Landlord is to provide all other flooring finishes including (but not limited to) carpet, tile, luxury vinyl tile (resilient flooring), epoxy coatings, etc.
- C. Structure/Exterior Walls:** Landlord shall provide structure and exterior walls in accordance with the building plans and energy codes.
- D. Signage:** Landlord shall provide all necessary interior signage required by Building Code. Tenant will be responsible for design, approval, and installation of all exterior building signage/branding. All advertisements displayed on FFE (Furniture, Fixtures and Equipment) are to be approved by Landlord, (i.e. restaurant umbrellas supplied by alcohol providers with their logo). Signage proposed on the building shall be approved by Landlord and submitted to the Gretna HDC for approval by the tenant.
- E. Roof:** Landlord shall provide roof in accordance with shell building plans and building and energy codes. The Landlord is responsible for rooftop food equipment including without limitation condensing units, fresh air equipment, coolant lines, and exhaust fans. Tenant is responsible for any additional specialty equipment, (including all associated conduit and roof penetrations), that is installed after completion of White Box construction.
- F. Demising or Tenant Separation Wall(s):** Landlord shall construct all metal stud walls including demising walls extending from slab to the underside of the deck above in accordance with the Construction Documents. Gypsum walls are to be tapped, sanded, primed and painted per Construction Documents.
- G. Ceilings:** Landlord to provide ACT ceilings and gypsum sheetrock that are to be taped, sanded, primed and painted per the Contract Documents. Exposed structure, beams & piping are to be painted by Landlord.
- H. Doors:** Landlord shall supply and install all interior and exterior openings, doors and hardware, whether required by code or the Construction Documents. All interior and exterior doors and hardware shall conform to ADA and Life Safety Codes (IBC and NFPA).
- I. Windows:** Landlord shall supply and install all windows in accordance with the code and Construction Documents.
- J. Plumbing/Gas Service:** Landlord shall provide a new domestic water service with a reduced pressure backflow preventer. The service shall be split into separate meters, one serving the restaurant, a meter serving the brewery/barber and a meter serving the house. Pipe sizing shall be in accordance with the code and Contract Documents. Landlord shall provide and install the domestic water dedicated backflow preventer and install the fire protection dedicated backflow preventer provided by the sprinkler contractor. A domestic booster pump package may be required, though that will need to be confirmed with the hydrant flow test.

Landlord will provide each tenant with an independent domestic hot water system comprised of multiple 199 MBtuh, natural gas-fired, condensing, instantaneous water heaters and or tanks, as indicated in the Contract Documents. restaurant will have heater(s), 140 deg F heater(s) and 180 deg F heater(s). The brewery will have 140 deg F heater(s) and 180 deg F heater(s). All systems will be equipped with a hot water return system with pump. Landlord shall provide a stubbed waste line leading to a grease trap (food service spaces only). Kitchen facilities shall hook up to the Landlord provided grease trap as required by code. Tenant shall be responsible for maintenance of the grease trap.

Landlord will provide commercial grade vitreous China plumbing fixtures and all lavatories and hand wash sinks equipped with mixing valves to temper the 140 deg F hot water. Landlord will provide bathrooms equipped with a floor drain. All bathroom fixtures will be ADA as required by code.

Kitchen equipment plumbing connections, indirect waste rough-ins, and code compliant hood and associated Ansul suppression system shall be provided by Landlord as specified in documents. Tenant shall provide all kitchen cooking equipment.

Landlord to provide floor drains at kitchen/bar areas and locate as required by Tenant and in accordance with the Contract documents.

Landlord to provide new high pressure gas service installed by the utility company and split into two gas services: one for the restaurant and one for the brewery. No house gas meter is required. The kitchen equipment service will be equipped with an automatic shut off valve interlocked with the hood suppression system. All interior gas piping shall be specified as schedule 40 steel with threaded fittings. Underground gas piping shall be HDPE piping.

Landlord to provide reverse osmosis filtration system and brewery boiler as required by Tenant.

Landlord to provide irrigation system for Courtyard spaces. Tenant to be responsible for irrigation at ground floor and upper floor terraces. Landlord to provide hose bibs per the Contract Documents at these locations.

- K. Electrical:** Landlord to provide an Entergy Transformer Pad installed outside the garage at Second Street. Landlord to provide metering and main disconnect switches for the brewery and restaurant with (3) meters for Brewery/Barber, Restaurant, and house meter.

Landlord to provide restaurant and bar areas LED downlights, interior spot lighting, and interior/exterior ceiling fans. Tenant to provide decorative and specialty lighting. Dimming system will be provided by Landlord. Landlord to provide kitchen lighting compliant with the requirements of the Louisiana Department of Health.

Landlord to provide locations for electrified & plug-in play fixtures/equipment as required by Tenant and incorporated into the Contract Documents.

Emergency lighting will be provided throughout by the Landlord.

Power Distribution: Landlord to provide panel that serves the elevator(s) and all public spaces including shared vertical circulation. Landlord to provide sub distribution panels for the brewery/barber and restaurant in accordance with the Contract Documents.

Landlord will provide a generator plug in for portable emergency power suitable to energize the entire location. (*Brett/Don – need to discuss sizes/loads here. Typical is a priority on coolers*)

All feeders shall be routed in EMT through the building and in PVC schedule 40 where routed underground. Assume to use aluminum conductors for all feeders above 125 amps. Any feeders 125 amps and below shall use copper conductors.

- L. Fire Protection:** Landlord will provide automatic wet pipe and dry pipe fire suppression system extended from base building as required by NFPA 13 and in accordance with the Contract Documents. Sprinkler coverage shall be provided above and below any suspended wood slat ceilings. Quick-response sprinklers are required throughout all portions of the building. Upright brass sprinklers shall be specified for areas without ceilings and fully concealed sprinklers shall be specified for all ceiling applications. Combustible outdoor walkways shall be protected by dry sidewall sprinkler heads. With the highest occupied level approximately 28'-6" above grade, the building does require a standpipe system. (Note: The Landlord will provide a standpipe if it is determined that it is required.) Currently, we do not anticipate the need for a fire pump. Tenant is responsible for cost associated with post construction relocation of sprinkler heads (including alterations to branch lines) if any modifications to custom interior work is needed.

Landlord will provide a new kitchen hood assembly equipped with a wet chemical fire suppression system. (This would include exhaust system & roof top equipment installation and ducting.) Portable fire extinguishers within tenant spaces and as needed per code and operational licenses shall be provided by the Tenant.

- M. Fire Alarm:** Landlord to provide a fire alarm system protect the entire facility. This includes smoke detectors, pull stations, & required warning systems associated with a complete fire alarm system. Smoke detectors will be installed in the elevator lobbies for elevator recall and in the elevator shaft and equipment rooms for elevator shunt tripping. Smoke detectors will also be installed in all electrical rooms and storage areas. Duct detectors will be installed in all AHU with 2000 CFM and above. Monitor modules will monitor the sprinkler system flow

and tamper. Tenant to provide any additional fire/smoke detection devices within tenant spaces that are required due to specialized equipment that are to tie into building fire alarm system. Tenant is responsible for cost associated with relocation of Fire Alarm devices that are provided by Owner, after the White Box Construction is completed.

Landlord shall provide all emergency exit signage, emergency lighting on battery pack or generator as required by Building Code.

- N. Data / Communication:** Landlord shall provide a data and communication as required by Tenant including but not limited to lighting, audio / visual equipment (interior and exterior), cameras, access controls and all associated conduits.

Tenant to provide locations of POS, plug & play fixture locations for stage sound system and other equipment & shall be incorporated into the Contract Documents. Changes during White Box construction are the responsibility of the Tenant.

- O. Heating, Ventilation and Air Conditioning:** Each tenant shall be served by independent HVAC systems provided by the Landlord.

The Landlord shall provide HVAC equipment (including all associated electrical conduits and ductwork) for the restaurant in accordance with the Contract Documents.

The Landlord shall provide HVAC equipment (including all associated electrical conduits and ductwork) for the brewery/barber & restaurant in accordance with the Contract Documents. A general exhaust system shall be provided for the brew house and restaurant by the Landlord.

Exposed mechanical ductwork shall be provided by Landlord and be of finished grade. The tenant is responsible for specialty mechanical grilles. Relocation/change in duct configuration after the White Box Construction shall be the responsibility of the Tenant.

Thermostats provided by Landlord and locations as provided in the Contract Documents. Relocation after the White Box Construction shall be the responsibility of the Tenant.

Kitchen HVAC Equipment is provided by the Landlord including the kitchen hood with exhaust and unconditioned make-up air. The grease ducts constructed of continuous seam welded stainless steel and the make-up air exterior wrapped galvanized steel.

All common area HVAC will be provided by the Landlord in accordance with the Contract Documents.

- P. Landscape / Hardscape:** Landscaping and Hardscaping will be provided by the Landlord: including lighting, fire pits, exterior awnings / sunshades and all permanently installed exterior equipment (fixed equipment) and accessories in accordance with the Contract Documents. Landlord will provide irrigation system for installed landscape.

Selection of Terrace and Courtyard finishes will be provided by Landlord and selections as indicated in the Contract Documents.

Landlord shall construct and complete all common area driveways, service yard driveways and parking lot improvements including, but not limited to, concrete curb & gutter, ADA compliant handicap & ramps, sidewalks, landscaping, storm sewer, site poles, site lighting, common signage and any required off-site improvements. Tenant will be responsible for upkeep, maintenance, irrigation of all installed landscape/hardscape on site. Any reserved on-street parking designations shall be petitioned for and obtained by the Tenant.

- Q. Furniture Fixtures and Equipment:**

Finishes: Landlord is responsible for any basic finishes including paint on all surfaces, restroom tile walls/wainscots, FRP panels, hardware, corner guards, or other. The Tenant will provide all specialty finishes / fixtures, murals, and specialty hardware.

Casework: The Landlord will provide all built in bars, countertops, casework, and millwork in accordance with the Contract Documents.

Furnishings: The Tenant will provide all movable furniture including tables, chairs, umbrellas, mobile carts, bar stools, swings, and banquet seating as per approved Interior Design and Owner provided FFE package. This includes interior and exterior accessories.

Specialties: Wall hung displays, decorative glass walls, or other specialty casework shall be provided by Tenant. Wall mounted or movable shelving for closets and dry storage are

to be provided by Tenant. Back of House office built-in countertops and casework to be provided by Landlord. Stage lighting, sound system, PA or other equipment to be provided by Tenant.

Equipment: Walk-in Refrigerators / Coolers shall be provided by Landlord. Tenant shall provide all kitchen cooking equipment (except hood and associated Ansul suppression system), as specified in documents.

Landlord is to provide all built-in Glycol Cooling Systems. Tenant shall provide Beverage Tap Systems. Permanent Brewing equipment such as a 10-bbl. vessel & platform system, 6 each 10bbl. Fermenters, tubeless boiler, pro chiller system and 4 serving bright vessels, All specialty piping, and fittings. Mill & Grain handling system, Hot & Cold-water tanks, decolorization filtration system and bulk Co2 station shall be provided by Landlord. Other equipment used for operations such as kegs, storage wood barrels, etc. shall be provided by the Tenant.

R. Acoustics: Acoustic treatment in main bar/restaurant are to be provided by the Landlord.

S. Tenant Improvement Budget: Landlord to provide installation of basic finishes in commercial space within the limits of the project budget. Any upgraded finishes or installation of branding, signage, or other shall be the responsibility of the Tenant.

Landlord will make efforts to coordinate & incorporate Tenant required elements that are to be installed by Landlord into the Contract Documents (CDs) under the White Box build out. The Tenant shall be responsible for any additional costs and time resulting from changes or direction to already completed White Box scope.



POB RESTAURANT GRETNA, LLC LEASE

This *Commercial Lease Agreement* ("Lease") is entered into between
Jefferson Facilities, Inc. ("Lessor")
and
POB Restaurant Gretna, LLC ("Tenant").

Recitals.

WHEREAS Lessor is the owner of the property bearing on the corner of Huey P. Long Avenue and Second Street Gretna, Louisiana 70053, in the Parish of Jefferson, State of Louisiana ("Leased Premises");

WHEREAS Lessor is offering and has provided the Premises for commercial Lease;

WHEREAS Tenant seeks to contract with Lessor regarding the Premises for commercial use as restaurant; and

THEREFORE, these being the principal causes for this *Lease*, Lessor and Tenant (collectively "Parties") hereby agree as follows:

1. The Parties acknowledge that this lease pertains to two buildings to be constructed, and Lessor is in the process of hiring Contractor's and Architect and other professional for the construction of these buildings. The financing for the construction of these buildings is expected to be provided by Jefferson Parish. This lease is expressly contingent upon funding from Jefferson Parish and the estimated cost of the premises not exceeding the availability of funds required for the project's construction. Should the estimated construction costs of the project exceed the available funding, the Lease and any and all obligations thereunder shall be terminated. Furthermore, this lease is contingent on the actual construction of the buildings being completed prior to October 1, 2025.

2. **Term; option to renew.** Lessor agrees to Lease to Tenant, and Tenant agrees to Lease from Lessor the Premises. The Lease's initial term is ten years ("Initial Lease Term") and shall commence upon the issuance of a certificate of occupancy but no later than one hundred and eighty (180) days after the property is turned over to the Tenant for the build-out. Unless Tenant delivers written notice to Landlord six (6) months before the end of either the Initial Lease Term or any extended term, this *Lease* shall reconduct for three (3) consecutive five (5) year terms after the conclusion of the Initial Lease Term.

3. **Permitted use.** The Leased Premises may be used for the following purposes:

Brewery, microbrewery, nano-brewery, distillery, micro-distillery, bar, restaurant, retail sales, club services, and any other purpose that is properly permitted and that does not conflict with state and local laws, ordinances, zoning, or other property restrictions.

Tenant agrees to abide by all state, parish, and city laws and acknowledges its sole duty and responsibility to enforce the legally appropriate age limit law at the Leased Premises. Tenant also agrees not to take any action that would violate the terms and agreements contained in the Cooperative Endeavor Agreements and leases between the Lessors, Jefferson Parish, and/or Jefferson Redevelopment, Inc. (JRI) regarding this property. Furthermore, Tenant agrees to be bound by all the terms and conditions contained in the lease and cooperative endeavor agreement between the Parish, Lessors, and JRI regarding the property subject to this lease.

4. Rent.

A. As the principal cause for Lessor's grant of Tenant's rights under this Lease, Tenant agrees to pay Lessor during the Rent Term a base monthly rental installments as follows: (a) for the first 30 months of the Rent Term, a sum equal to three percent (3%) of Gross Revenue, as defined below; and (b) for the remainder of the Rent Term, a sum equal to six percent (6%) of Gross Revenue. All rent payment will be due on the 15th of the following month.

B. Lessee acknowledges that the late payment of Rent will cause Lessor to incur

administrative costs and other damages, the exact amount of which would be impracticable or extremely difficult to ascertain. Lessor and Lessee agree that if Lessor does not receive any such payment on or before five (5) days after the date the payment is due, Lessee shall pay to Lessor, as additional Rent, a late charge equal to five percent (5%) of the overdue amount to cover such additional administrative costs.

- 5. Default Remedies.** If Lessee defaults, Lessor, at its sole discretion, may exercise one or more of the following remedies:
- A. Lessor may terminate this Lease and promptly expel Lessee without, however, waiving Lessor's right to collect all Rent installments up to the point Lessor regains possession of the Leased Premises. Lessor may also recover, as damages, an amount equal to one year's Base Rent at the then-current rate. Lessee waives the notice to vacate under [Article 4701 of the Louisiana Code of Civil Procedure](#) or any other prior notice to vacate.
 - B. Lessor may sue for past due installments of Rent only, reserving its right to sue for remaining installments as they become due.
 - C. Lessor may re-enter and take possession of the Leased Premises without legal proceedings, acting as Lessee's agent, and may re-let the Leased Premises on behalf of Lessee, subject to terms and conditions determined at Lessor's sole discretion. This action shall not constitute a termination of this Lease, eviction of Lessee, or a release of Lessee from its obligations under this Lease. Lessor is obligated to mitigate its damages. Lessor expressly retains the right to collect and receive all rents arising from such reletting. Lessee will receive credit for these rents against Rent due hereunder, with the credit applied after Lessor deducts (A) expenses incurred to re-enter the Leased Premises, make necessary repairs, perform non-structural modifications and improvements, and protect and preserve the Leased Premises, and (B) expenses related to reletting, including, but not limited to, attorney's fees and expenses, brokerage, leasing, and management commissions, and other reasonable expenses incurred in connection with reletting. No reletting will be deemed an election by Lessor to terminate this Lease, unless Lessor provides written notice of its intention to terminate to Lessee.
 - D. Lessor may initiate an action for specific performance of Lessee's obligations or seek injunctive relief.
 - E. In the event Lessee fails to perform any obligation under this Lease, Lessor may, at its discretion, fulfill the obligation or rectify the default or breach at Lessee's expense. In such cases, Lessee shall reimburse Lessor for these costs within seven (7) days after Lessor presents Lessee with an invoice. The reimbursement shall include Lessor's cost to perform the obligation plus ten percent (10%) of this cost to cover Lessor's administrative expenses. Lessor may exercise this remedy upon reasonable notice to Lessee, but may do so before the cure period set forth in Article V, Section 1.1(ii) in exigent circumstances. Additionally, Lessor shall have unlimited access rights to the Leased Premises to exercise this remedy.
 - F. Lessor may exercise any other remedy or method of redress available to a landlord under Louisiana law.

6. Attorney's Fee and Interest

If either party engages one or more attorneys to enforce the obligations of the other party or their rights under this Lease (including any action taken by Lessor to enforce Rent payment by Lessee), the party that does not prevail in the matter agrees to bear the fees of such attorney or attorneys. Additionally, the non-prevailing party will be responsible for covering all court costs and other related expenses.

Any amount lawfully owed from one party to the other party, not paid within ten (10) days of its due date, will accrue interest at a rate of twelve percent (12%) per annum, or the highest rate allowed by law, whichever is less (both before and after judgment). Interest will begin to accrue from the due date and will cease on the date the outstanding amount is paid.

7. **Default; abandonment.** The following events constitute individual defaults under this Lease:
 - Failure to make a payment of any monthly rent installment when due under this Lease, with this failure persisting for more than ten (10) calendar days after receiving written notice from Lessor; or
 - Tenant vacates or abandons all or a substantial portion of the Premises, regardless of whether Tenant is in default of rental payments under this Lease; or Tenant initiates a voluntary petition in bankruptcy or a petition for involuntary reorganization, with bankruptcy proceedings not being dismissed or vacated within thirty (30) days; or Tenant is dissolved or adjudicated as bankrupt, and this dissolution or adjudication is not dismissed or vacated within thirty (30) days; or a receiver is appointed for Tenant's business or its assets, and this appointment is not vacated within thirty (30) days; or Tenant makes an assignment for the benefit of its creditors.
8. **Utilities and pest control.** Tenant is responsible for paying, at its own expense, the direct costs for all utilities and services provided to the Leased Premises or consumed on the Leased Premises. This includes but is not limited to natural gas, heat, light, electric power, sewer service, telephone, water, refuse disposal, pest control, service charges, and any other relevant utilities and services. Additionally, Tenant shall bear the costs of utilities used for air conditioning and heating, water sprinkler service charges, as well as any required deposits. Lessee shall maintain a preventative maintenance contract to service the HVAC system, including all cooling units, if any, on an annual basis
9. **Signs.** Tenant has the right to install and maintain signs for the purpose of advertising Tenant's business, both inside and outside the Leased Premises, subject to compliance with rules and regulations established by the appropriate authorities. This is contingent on Tenant obtaining all necessary permits. At the conclusion of this Lease, Tenant is responsible for the removal of all such signs and repairing any damage to the Leased Premises resulting from their installation, maintenance, or removal. Lessor's written approval is mandatory before any signs are erected.
10. **Access by Lessor.** Lessor reserves the right to access the Leased Premises at reasonable times for purposes including inspection, repairs, necessary work, or conducting termite or pest inspections.
11. **Sublease/assignment.** Tenant may not assign the Lease or sublet any part of the Premises without obtaining Landlord's prior written consent. If Tenant wishes to assign the Lease or sublease the entire Premises or any part thereof, Tenant must seek Landlord's consent. In such cases, Tenant shall remain primarily liable for all payment and performance obligations under the Lease. Specific terms regarding assignments and subleases will be discussed further in the Lease.

Tenant may assign the Lease without Landlord's consent in the following situations:

- a. To an affiliate.
- b. In connection with a merger, consolidation, reorganization, or sale of the company or its assets.
- c. In connection with an offering of stock or any public trading of stock.

For any other proposed assignment of the Lease, Landlord will not unreasonably withhold its consent.

12. **Taxes.** Lessor is responsible for all lawful taxes, assessments, forced contributions, and other governmental charges, whether general or special, ordinary or extraordinary, of every kind and nature, that may be imposed on the land, buildings, improvements at the Leased Premises, or the use thereof during the term of this Lease. Tenant, on the other hand, is only responsible for taxes legally imposed on it as a business entity. These taxes typically include sales and excise taxes, occupational license assessments or taxes, and business or movable property tax assessments.
13. **Insurance.** Throughout the term of this Lease and as additional consideration under this Lease, the following insurance shall be maintained in force with Lessor as insured (where applicable) at Tenant's sole expense:
- a. **General Liability Insurance:** Tenant must maintain coverage with combined limits of liability for bodily injury, death, and property damage, not less than \$1,000,000 per occurrence, with a \$2,000,000 aggregate per year. This policy shall name Lessor, JRI, and Jefferson Parish as additional insured parties;
 - b. **Property Insurance:** Tenant is required to have property insurance providing replacement coverage for fixtures, equipment, merchandise, and other property located on the Leased Premises. The policy shall name lessor, JRI, and Jefferson Parish as additional insured.
 - c. **Excess Liability Insurance:** Tenant shall carry and pay the premiums for public liability insurance with minimum limits of no less than FIVE Million (\$5,000,000.00) Dollars combined single limit for bodily injury and property damage under an individual or blanket insurance policy. Tenant shall indemnify and hold the Parish, Landlord, and JRI harmless from any liability arising from Tenant, their agents, servants, employees, invitees, and/or guests, as well as their operation, occupation, or possession of the Premises and Facilities.

The insurance requirements shall be as follows:

- A. ALL POLICIES AND CERTIFICATES OF INSURANCE OF JFI SHALL CONTAIN THE FOLLOWING CLAUSES:
- (1) Insurers will have no right of recovery or subrogation against the Parish, it being the intention of the parties that the insurance policy so affected shall protect both parties and be the primary coverage for any and all losses covered by the below described insurance.
 - (2) The Parish shall be named as additional insured as regards to negligence by JFI or its agents, servants, employees, invitees and/or guests (or any contractor for the operation of the Premises and Facilities) [ISO Forms CG 20 10 (Form B) or latest applicable ISO form].
 - (3) The insurance companies issuing the policy or policies shall have no recourse against the Parish for payment of any premiums or for assessments under any form of policy.
 - (4) Any and all deductibles in the below described insurance policies shall be assumed by, and at the sole risk of, JFI. The Parish shall not have any responsibility or liability for the payment any deductible amounts.
 - (5) Thirty (30) days prior notice of cancellation shall be given to the Parish by registered mail, return receipt requested, on all of the required coverages provided to the Parish. All notices will name the JFI and identify the contract number.

B. WORKER'S COMPENSATION INSURANCE

As required by Louisiana State Statute exception; employer's liability shall be \$1,000,000 per occurrence.

14. Mortgage of lease hold estate:

- A. **Lessee's Right to Mortgage:** Lessee has the right to mortgage its leasehold estate in the Leased Premises and grant a security interest in all Lessee's personal property associated with the Leased Premises. For the purpose of this Lease, "leasehold mortgage" encompasses any mortgage or security arrangement through which Lessee's interest in the Leased Premises is pledged to secure a debt or obligation, including a security interest in personal property used in connection with the Leased Premises. The term "leasehold mortgagee" refers to the holder of a leasehold mortgage.
- B. **Consent of Leasehold Mortgagee:** If a leasehold mortgagee provides Lessor with a photocopy of the executed leasehold mortgage, along with written notice specifying the leasehold mortgagee's name and mailing address, Lessee cannot assign, cancel, surrender, modify, or amend this Lease without the written consent of the leasehold mortgagee. However, such consent cannot be unreasonably withheld or delayed unless a Default by Lessee has occurred, in which case any of these actions require compliance with the provisions of Sections 2.3, 2.4, and 2.5 of this Article IV, as applicable.
- C. **Termination by Lessor:** If, before a Default by Lessee occurs, a leasehold mortgagee provides Lessor with a photocopy of the executed leasehold mortgage, along with written notice specifying the leasehold mortgagee's name and mailing address, Lessor shall not terminate this Lease due to such Default unless Lessor has given the leasehold mortgagee a copy of its notice to Lessee about the Default, addressing it to the mailing address provided by the leasehold mortgagee, and the Default has not been cured by the leasehold mortgagee as described in the sections below.
- D. **Performance by Leasehold Mortgagee:** Lessee irrevocably directs Lessor to accept performance or observance of any term, condition, covenant, or obligation on Lessee's part by any leasehold mortgagee, as if performed or observed by Lessee. This acceptance of performance or observance is subject to the leasehold mortgagee fulfilling the requirements outlined in this Lease, including the prescribed timeframe, plus an additional grace period of thirty (30) days if Rent payment is not involved. This grace period may be extended if the Default, except for Rent payment, is curable but not within the initial thirty (30) day period, provided the leasehold mortgagee initiates and diligently pursues the cure within the initial thirty (30) day period.
- E. **Defaults Requiring Possession:** If a Default by Lessee under this Lease cannot be cured by a leasehold mortgagee without obtaining possession of the Leased Premises, Lessor shall not terminate this Lease due to such Default if (i) the leasehold mortgagee, within the thirty (30) day grace period, initiates and diligently pursues appropriate proceedings to foreclose the leasehold mortgage or obtain possession of the Leased Premises, and (ii) the leasehold mortgagee cures the Default within thirty (30) days after obtaining possession of the Leased Premises, or within additional time if necessary to cure the Default provided the leasehold mortgagee initiates and diligently completes the cure within the prescribed time. It's important to note that any additional time granted to a leasehold mortgagee for curing a Default under this Lease does not apply to Rent payment, which must be paid within the specified timeframe in this Lease.
- F. At any time and from time to time but within fifteen (15) days after written request by Lessee, Lessor will execute, acknowledge and deliver to any leasehold mortgagee an estoppel certificate certifying (i) that this Lease is valid, unmodified and in full force and effect or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification, (ii) the date to which Rent under this Lease has been paid, (iii) that no notice has been received by Lessor of any default which has not been cured, except as to defaults specified in the certificate, (iv) that Lessee is not in default of the terms hereof, or if Lessee is in default, the nature of such default, and (v) such other matters as may be reasonably requested by such leasehold mortgagee.

C. SUBORDINATION AND ATTORNMENT

A. Subordination:

1. Lessor represents and warrants to Lessee that, as of the effective date of this Lease, the Leased Premises is not subject to any mortgage, deed of trust, or other lien.
2. Lessor agrees that this Lease shall be subordinate to any mortgage or deed of trust subsequently imposed by Lessor on the Leased Premises, on the condition that the mortgagee under such mortgage or deed of trust agrees in writing, through instruments reasonably acceptable to Lessee, that Lessee's rights under this Lease shall remain in full force and effect during the Lease Term as long as Lessee continues to fulfill all its obligations under this Lease, even in the event of foreclosure by said mortgagee.
3. In case a mortgage or deed of trust is imposed on the Leased Premises in the future, Lessee shall, within 10 days of written notice, execute additional instruments, reasonably acceptable to Lessee, to subordinate this Lease and provide for Lessee's attornment to such mortgagee or other purchaser in case of foreclosure, as requested by Lessor. The condition is that the mortgagee shall agree in writing that Lessee's rights shall remain in full force and effect during the Lease Term as long as Lessee complies with all its obligations under this Lease.

B. Notice of Mortgage Holder's Interest: At any time when the holder of an outstanding mortgage, deed of trust, or other lien covering Lessor's interest in the Leased Premises provides Lessee with written notice of its interest in this Lease, Lessee shall not exercise any remedy for default by Lessor under this Lease until the holder of the indebtedness secured by such mortgage, deed of trust, or other lien receives written notice of the default, and the period given to Lessor to cure such default has expired.

15. (Landlord's work. The Landlord shall bear the entire cost of constructing the Leased Premises in accordance with the criteria specified in Exhibit A, which is attached to this lease.

16. Maintenance and repairs.

A. Landlord's Responsibilities:

- Landlord is responsible for the maintenance and repair of the following components of the Leased Premises:
 - Roof(s)
 - Walls (interior and exterior, structural and non-structural, including shared walls with adjacent properties)
 - Foundation(s)
 - Plumbing and related components, fixtures, lines, and interfaces within the walls or leading into the building
 - Electrical system and associated components, fixtures, lines, and interfaces to the building
 - Cable and telephone lines and related components and interfaces to outside providers
 - Stairways and steps
 - Signs and display fixtures provided by the Landlord
 - Finishes (both interior and exterior) excepting normal wear and tear
 - Common spaces and elements shared with adjacent properties
 - Stairs, steps, and ramps (interior or exterior)
 - Walkways outside the building, including the associated sidewalk and gutter along the length of the Leased Premises
 - All openings and related systems, such as doors and windows, including

adjacent finishes, millwork, and trim

- Any other element attached to or incorporated into the Leased Premises, as defined under Civil Code articles 465-467

B. Lessee's Responsibility:

- Lessee must ensure the implementation of an effective termite control, prevention, and extermination plan to protect the Leased Premises.
- Maintenance of HVAC system Lessee shall maintain a preventative maintenance contract to service the HVAC system, including all cooling units, if any, on an annual basis
- Routine Maintenance of all equipment on site
- Security system, phones, phone lines in the building and other
- All other items that are not attached or incorporated into the building within the meaning of La Civil Code Article 465-467

17. Lessee's Alterations:

Subject to prior approval by the Lessor, Lessee is permitted to make any additions, improvements, alterations, renewals, or replacements to the Improvements (collectively referred to as "Alterations") as deemed necessary or appropriate for the uses allowed under Article III, Section 1. Lessee is solely responsible for the cost of these Alterations.

Contractor Requirements:

- The Alterations must be carried out by a reputable, bonded general contractor, duly licensed in the State of Louisiana to perform such work.
- The contractor should maintain all-risk builder's risk, employer's liability, workers' compensation, liability, and any other customary insurance with coverage limits typically carried in projects of similar scope to the Alterations.

Quality and Standards:

- All Alterations must meet the same standards of quality and class as the Improvements.

- 18. Casualty to Premises.** If the Leased Premises are destroyed or significantly damaged to the extent that they become unsuitable for use due to unforeseen events not resulting from any fault or neglect of the Tenant, the Tenant shall receive a credit for the remaining term of the Lease.

19. Reporting requirements.

During the Rent Term, which commences one month after the Opening as defined above, the Tenant is obligated to report its Gross Revenue on a monthly basis by the 15th of the following month. For the purpose of rent and reporting obligations, Gross Revenue includes the following items, collectively referred to as "Revenue Items":

- Beer and seltzer sales (including cases, cans, singles, 4-pack, 6-packs, crowlers, draft)
- Wine Sales
- Liquor and spirits sales
- Food sales (on-site, catering, delivery, party packages)
- Non-alcoholic beverage sales
- Payments for facility rentals
- Money received for contract and co-op production

- Club fees and dues
- Consignment sales
- All gross income or revenue from club services, gaming, sportsbook, pari-mutuel, or wagering

For rent and reporting obligations, Gross Revenue shall not include the following:

- Capitalization costs on a prorated monthly basis of Tenant's pre-Opening expenditures for improvements, furniture, fixtures, and equipment
- Discounts, promotions, bill-backs, rebate, sales, excise taxes, or state and federal taxes associated with Revenue Items

20. This Lease shall not be recorded. At the request of either party, a memorandum of lease suitable for recordation shall be executed. The form of such memorandum shall be subject to Lessor's prior approval, which approval Lessor shall not unreasonably withhold, delay, or condition. Lessee shall bear the expense of recording the memorandum.

21. **INDEMNIFICATION; ENVIRONMENTAL**

- a. **Lessee's Indemnification:** Lessee agrees to defend, protect, hold harmless, and indemnify Lessor from any and all responsibility, liability, loss, expenses, including attorneys' fees and court costs, arising from suits, claims, demands, or actions related to acts or omissions by Lessee, its employees, agents, or contractors on or about the Leased Premises. This includes any work performed by Lessee, breaches of the Lease, business use, or other occurrences on the Leased Premises. Lessee's obligations under this provision shall survive the Lease's expiration or earlier termination.
- b. **Hazardous Materials:** Lessee shall not release or discharge any Hazardous Material (as hereinafter defined) on or about the Leased Premises, or permit Lessee's employees, agents, or independent contractors to release or discharge any Hazardous Material on or about the Leased Premises. However, the foregoing provision shall not prohibit the transportation to and from, and the generation, use, storage, maintenance, manufacturing, and handling within the Leased Premises of substances customarily generated, used, stored, maintained, manufactured, or handled in connection with Lessee's business operations on the Leased Premises, provided: (i) such substances shall be generated, used, stored, maintained, manufactured, or handled only in such quantities as are reasonably necessary for Lessee's business operations on the Leased Premises, in accordance with applicable Law and, if applicable, the manufacturer's instructions therefor; (ii) such substances shall not be released or discharged on or about the Leased Premises, and shall be transported to and from the Leased Premises in compliance with applicable Law; (iii) if any applicable Law requires that any such substance be disposed of separately from ordinary trash, Lessee shall make arrangements at Lessee's sole expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site; and (iv) any remaining such substances shall be removed from the Leased Premises upon the expiration or earlier termination of the Lease.
- c. **Notification of Regulatory Actions:** Lessee shall promptly notify Lessor of any enforcement or other regulatory action or proceeding taken or threatened by any federal, state, or local governmental or regulatory authority or agency with respect to the presence of any Hazardous Material on or about the Leased Premises or the migration thereof from or to other areas.
- d. **Lessee's Indemnification:** Lessee shall defend, protect, hold harmless, and indemnify Lessor from and against any and all responsibility, liability, loss, expense, attorneys' fees, court costs, costs of defense, consultants' fees, and remediation

expense, arising from or caused in whole or in part, directly or indirectly, by the contamination of the Leased Premises by Hazardous Material as a result of any action or omission during the Term of this Lease by Lessee or any of Lessee's employees, agents, or independent contractors.

- e. **Lessor's Representations:** Lessor hereby represents and warrants to Lessee as follows: (i) to Lessor's knowledge, the Leased Premises and adjoining property of Lessor contain no Hazardous Material requiring treatment, removal, or remediation under applicable environmental laws as of the Commencement Date hereof; and (ii) Lessor is not now nor has it in the past been the subject or target of any investigation, administrative order, consent order, agreement, litigation, or settlement with respect to Hazardous Material contamination of the Leased Premises or the adjoining property of Lessor.
- f. **"Hazardous Material" means any substance or material:** (i) the presence of which requires investigation or remediation under any federal, state, or local statute, regulation, rule, ordinance, order, action, or policy; (ii) which is or becomes defined as a "hazardous waste," "hazardous substance," pollutant, or contaminant under any federal, state, or local statute, regulation, rule, or ordinance or amendments thereto, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act 42 USC § 9601, et seq or the Resource Conservation and Recovery Act (42 USC § 6901, et seq); (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency, or instrumentality of the United States, the State of Louisiana, or any political subdivision thereof; or (iv) the presence of which on the Leased Premises causes or threatens to cause a nuisance upon the Leased Premises or to adjacent areas or poses or threatens to pose a hazard to the health or safety of persons on or about the Leased Premises.

- 22. **Amendment.** The Parties mutually consent that any modifications to this Lease can only be made through a written agreement signed by the Parties. Any purported amendments to this Lease that are not formalized in a written document signed by the Parties shall hold no legal effect.
- 23. **Written notice.** All written notices required to be delivered as described in this Lease, or as otherwise required by law, shall be delivered in writing to the addresses below by certified mail, return receipt requested.

If to Lessor: *Jefferson Facilities, Inc. c/o*
David L. Colvin General Counsel
230 Huey P. Long Ave.
Gretna, LA 70053

If to Tenant: *Thomas M. Discon*
424 N. Causeway Blvd., Suite A
Mandeville, LA 70448
with a copy to: tdiscon@disconlawfirm.com
and with a copy to: andrew@atlpllc.com


If either party's address undergoes modification, the party in question is obligated to promptly inform the other party of this change using the method specified in this section.

- 24. **Severability of provisions.** If any provision is found invalid and contrary to any existing or future law, ordinance, or regulation, such invalidity shall not hinder the function of the valid parts of this Lease.
- 25. **Whole agreement.** The Parties agree and attest that this Lease is and accurately reflects the full, complete, and entire agreement between the Parties.

WE HAVE READ, UNDERSTAND, AND, AS OF THE LATEST DATE OF THE SIGNATURES BELOW ("EFFECTIVE DATE"), AGREE WITH THE PROVISIONS OF THIS LEASE:

TENANT: POB Restaurant Gretna, LLC

LESSOR: Jefferson Facilities, Inc.


By Thomas D. Scott
Its Manager
Dated: 10/13/23


By: _____
Its:
Dated: 10/13/23

Exhibit A
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**JP Gretna Retail Development Scope
Building Shell & White Box Tenant Improvements**

The following describes the base building work "Landlord's Work" to be completed at Landlord's expense known as Jefferson Facilities Inc. (JFI) by the Landlord's base building contractor. Work to be completed outside of the Landlord's responsibility or after the building has been turned over by the Landlord is to be completed at the Tenant's expense or by Tenant's contractor subject to the descriptions as indicated below:

- A. **Permitting:** The Landlord is responsible for obtaining all necessary permits required by the Authority Having Jurisdiction to construct the project so that it can be occupied for as a White Box space. The Tenant is responsible for obtaining permits for operation of intended use.
- B. **Floors:** Exposed Polished concrete floor shall be provided by Landlord. Unsealed concrete floors shall be provided by the Landlord and prepped for underlayment and finished flooring

material.

Landlord is to provide all other flooring finishes including (but not limited to) carpet, tile, luxury vinyl tile (resilient flooring), epoxy coatings, etc.

- C. Structure/Exterior Walls:** Landlord shall provide structure and exterior walls in accordance with the building plans and energy codes.
- D. Signage:** Landlord shall provide all necessary interior signage required by Building Code. Tenant will be responsible for design, approval, and installation of all exterior building signage/branding. All advertisements displayed on FFE (Furniture, Fixtures and Equipment) are to be approved by Landlord, (i.e. restaurant umbrellas supplied by alcohol providers with their logo). Signage proposed on the building shall be approved by Landlord and submitted to the Gretna HDC for approval by the tenant.
- E. Roof:** Landlord shall provide roof in accordance with shell building plans and building and energy codes. The Landlord is responsible for rooftop food equipment including without limitation condensing units, fresh air equipment, coolant lines, and exhaust fans. Tenant is responsible for any additional specialty equipment, (including all associated conduit and roof penetrations), that is installed after completion of White Box construction.
- F. Demising or Tenant Separation Wall(s):** Landlord shall construct all metal stud walls including demising walls extending from slab to the underside of the deck above in accordance with the Construction Documents. Gypsum walls are to be taped, sanded, primed and painted per Construction Documents.
- G. Ceilings:** Landlord to provide ACT ceilings and gypsum sheetrock that are to be taped, sanded, primed and painted per the Contract Documents. Exposed structure, beams & piping are to be painted by Landlord.
- H. Doors:** Landlord shall supply and install all interior and exterior openings, doors and hardware, whether required by code or the Construction Documents. All interior and exterior doors and hardware shall conform to ADA and Life Safety Codes (IBC and NFPA).
- I. Windows:** Landlord shall supply and install all windows in accordance with the code and Construction Documents.
- J. Plumbing/Gas Service:** Landlord shall provide a new domestic water service with a reduced pressure backflow preventer. The service shall be split into separate meters, one serving the restaurant, a meter serving the brewery and a meter serving the house. Pipe sizing shall be in accordance with the code and Contract Documents. Landlord shall provide and install the domestic water dedicated backflow preventer and install the fire protection dedicated backflow preventer provided by the sprinkler contractor. A domestic booster pump package may be required, though that will need to be confirmed with the hydrant flow test.

Landlord will provide each tenant with an independent domestic hot water system comprised of multiple 199 MBtuh, natural gas-fired, condensing, instantaneous water heaters and or tanks, as indicated in the Contract Documents. Restaurant will have heater(s), 140 deg F heater(s) and 180 deg F heater(s). The brewery will have 140 deg F heater(s) and 180 deg F heater(s). All systems will be equipped with a hot water return system with pump. Landlord shall provide a stubbed waste line leading to a grease trap (food service spaces only). Kitchen facilities shall hook up to the Landlord provided grease trap as required by code. Tenant shall be responsible for maintenance of the grease trap.

Landlord will provide commercial grade vitreous China plumbing fixtures and all lavatories and hand wash sinks equipped with mixing valves to temper the 140 deg F hot water. Landlord will provide bathrooms equipped with a floor drain. All bathroom fixtures will be ADA as required by code.

Kitchen equipment plumbing connections, indirect waste rough-ins, and code compliant hood and associated Ansul suppression system shall be provided by Landlord as specified in documents. Tenant shall provide all kitchen cooking equipment.

Landlord to provide floor drains at kitchen/bar areas and locate as required by Tenant and in accordance with the Contract documents.

Landlord to provide new high pressure gas service installed by the utility company and split into two gas services: one for the restaurant and one for the brewery. No house gas meter is required. The kitchen equipment service will be equipped with an automatic shut off valve

interlocked with the hood suppression system. All interior gas piping shall be specified as schedule 40 steel with threaded fittings. Underground gas piping shall be HDPE piping.

Landlord to provide irrigation system for Courtyard spaces. Tenant to be responsible for irrigation at ground floor and upper floor terraces. Landlord to provide hose bibs per the Contract Documents at these locations.

- K. Electrical:** Landlord to provide an Entergy Transformer Pad installed outside the garage at Second Street. Landlord to provide metering and main disconnect switches for the brewery and restaurant with (3) meters for Brewery, Restaurant, and house meter.

Landlord to provide restaurant and bar areas LED downlights, interior spot lighting, and interior/exterior ceiling fans. Tenant to provide decorative and specialty lighting. Dimming system will be provided by Landlord. Landlord to provide kitchen lighting compliant with the requirements of the Louisiana Department of Health.

Landlord to provide locations for electrified & plug-in play fixtures/equipment as required by Tenant and incorporated into the Contract Documents.

Emergency lighting will be provided throughout by the Landlord.

Power Distribution: Landlord to provide panel that serves the elevator(s) and all public spaces including shared vertical circulation. Landlord to provide sub distribution panels for the restaurant in accordance with the Contract Documents.

Landlord will provide a generator plug in for portable emergency power suitable to energize the entire location.

All feeders shall be routed in EMT through the building and in PVC schedule 40 where routed underground. Assume to use aluminum conductors for all feeders above 125 amps. Any feeders 125 amps and below shall use copper conductors.

- L. Fire Protection:** Landlord will provide automatic wet pipe and dry pipe fire suppression system extended from base building as required by NFPA 13 and in accordance with the Contract Documents. Sprinkler coverage shall be provided above and below any suspended wood slat ceilings. Quick-response sprinklers are required throughout all portions of the building. Upright brass sprinklers shall be specified for areas without ceilings and fully concealed sprinklers shall be specified for all ceiling applications. Combustible outdoor walkways shall be protected by dry sidewall sprinkler heads. With the highest occupied level approximately 28'-6" above grade, the building does require a standpipe system. (Note: The Landlord will provide a standpipe if it is determined that it is required.) Currently, we do not anticipate the need for a fire pump. Tenant is responsible for cost associated with post construction relocation of sprinkler heads (including alterations to branch lines) if any modifications to custom interior work is needed.

Landlord will provide a new kitchen hood assembly equipped with a wet chemical fire suppression system. (This would include exhaust system & roof top equipment installation and ducting.) Portable fire extinguishers within tenant spaces and as needed per code and operational licenses shall be provided by the Tenant.

- M. Fire Alarm:** Landlord to provide a fire alarm system protect the entire facility. This includes smoke detectors, pull stations, & required warning systems associated with a complete fire alarm system. Smoke detectors will be installed in the elevator lobbies for elevator recall and in the elevator shaft and equipment rooms for elevator shunt tripping. Smoke detectors will also be installed in all electrical rooms and storage areas. Duct detectors will be installed in all AHU with 2000 CFM and above. Monitor modules will monitor the sprinkler system flow and tamper. Tenant to provide any additional fire/smoke detection devices within tenant spaces that are required due to specialized equipment that are to tie into building fire alarm system. Tenant is responsible for cost associated with relocation of Fire Alarm devices that are provided by Owner, after the White Box Construction is completed.

Landlord shall provide all emergency exit signage, emergency lighting on battery pack or generator as required by Building Code.

- N. Data / Communication:** Landlord shall provide a data and communication as required by Tenant including but not limited to lighting, audio / visual equipment (interior and exterior), cameras, access controls and all associated conduits.

Tenant to provide locations of POS, plug & play fixture locations for stage sound system and other equipment & shall be incorporated into the Contract Documents. Changes during White Box construction are the responsibility of the Tenant.

O. Heating, Ventilation and Air Conditioning: Each tenant shall be served by independent HVAC systems provided by the Landlord.

The Landlord shall provide HVAC equipment (including all associated electrical conduits and ductwork) for the restaurant in accordance with the Contract Documents.

The Landlord shall provide HVAC equipment (including all associated electrical conduits and ductwork) for the brewery & restaurant in accordance with the Contract Documents. A general exhaust system shall be provided for the brew house and restaurant by the Landlord.

Exposed mechanical ductwork shall be provided by Landlord and be of finished grade. The tenant is responsible for specialty mechanical grilles. Relocation/change in duct configuration after the White Box Construction shall be the responsibility of the Tenant.

Thermostats provided by Landlord and locations as provided in the Contract Documents. Relocation after the White Box Construction shall be the responsibility of the Tenant.

Kitchen HVAC Equipment is provided by the Landlord including the kitchen hood with exhaust and unconditioned make-up air. The grease ducts constructed of continuous seam welded stainless steel and the make-up air exterior wrapped galvanized steel.

All common area HVAC will be provided by the Landlord in accordance with the Contract Documents.

P. Landscape / Hardscape: Landscaping and Hardscaping will be provided by the Landlord: including lighting, fire pits, exterior awnings / sunshades and all permanently installed exterior equipment (fixed equipment) and accessories in accordance with the Contract Documents. Landlord will provide irrigation system for installed landscape.

Selection of Terrace and Courtyard finishes will be provided by Landlord and selections as indicated in the Contract Documents.

Landlord shall construct and complete all common area driveways, service yard driveways and parking lot improvements including, but not limited to, concrete curb & gutter, ADA compliant handicap & ramps, sidewalks, landscaping, storm sewer, site poles, site lighting, common signage and any required off-site improvements. Tenant will be responsible for upkeep, maintenance, irrigation of all installed landscape/hardscape on site. Any reserved on-street parking designations shall be petitioned for and obtained by the Tenant.

Q. Furniture Fixtures and Equipment:

Finishes: Landlord is responsible for any basic finishes including paint on all surfaces, restroom tile walls/wainscots, FRP panels, hardware, corner guards, or other. The Tenant will provide all specialty finishes / fixtures, murals, and specialty hardware.

Casework: The Landlord will provide all built in bars, countertops, casework, and millwork in accordance with the Contract Documents.

Furnishings: The Tenant will provide all movable furniture including tables, chairs, umbrellas, mobile carts, bar stools, swings, and banquet seating as per approved Interior Design and Owner provided FFE package. This includes interior and exterior accessories.

Specialties: Wall hung displays, decorative glass walls, or other specialty casework shall be provided by Tenant. Wall mounted or movable shelving for closets and dry storage are to be provided by Tenant. Back of House office built-in countertops and casework to be provided by Landlord. Stage lighting, sound system, PA or other equipment to be provided by Tenant.


Equipment: Walk-in Refrigerators / Coolers shall be provided by Landlord. Tenant shall provide all kitchen cooking equipment (except hood and associated Ansul suppression system), as specified in documents.

Landlord is to provide all built-in Glycol Cooling Systems. Tenant shall provide Beverage Tap Systems.

Acoustics: Acoustic treatment in main bar/restaurant are to be provided by the Landlord.

- R. Tenant Improvement Budget:** Landlord to provide installation of basic finishes in commercial space within the limits of the project budget. Any upgraded finishes or installation of branding, signage, or other shall be the responsibility of the Tenant.

Landlord will make efforts to coordinate & incorporate Tenant required elements that are to be installed by Landlord into the Contract Documents (CDs) under the White Box build out. The Tenant shall be responsible for any additional costs and time resulting from changes or direction to already completed White Box scope.



FISCAL NOTE WORKSHEET

FISCAL NOTE WORKSHEET
Jefferson Parish Kingfish Lot Project

Ten-Year Run

Expenditure Increase (Decrease)

| STATE COSTS | 2023 | 2024 | 2025 | 2026 | 2027-2032 | Total |
|----------------------------------|------------------|--------------------|------------|------------|------------|--------------------|
| Design / Soft Costs (*1) | \$750,000 | \$0 | \$0 | \$0 | \$0 | \$750,000 |
| Construction Costs (*2) | \$0 | \$7,800,000 | \$0 | \$0 | \$0 | \$7,800,000 |
| Professional Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Maintenance (*3) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Equipment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Parish Expenditures | \$750,000 | \$7,800,000 | \$0 | \$0 | \$0 | \$8,550,000 |

Means of Finance for Above Expenditures

| FISCAL YEAR | General Fund | Other Parish | Federal | | | Total |
|-----------------------|--------------------|--------------|------------|------------|------------|--------------------|
| 2023 | \$750,000 | \$0 | \$0 | \$0 | \$0 | \$750,000 |
| 2024 | \$7,800,000 | \$0 | \$0 | \$0 | \$0 | \$7,800,000 |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2026 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2027-2023 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenues | \$8,550,000 | \$0 | \$0 | \$0 | \$0 | \$8,550,000 |

Expenditure Assumptions

(*1) Estimated soft costs includes pre-construction engineering, architecture etc.

(*2) Construction estimates based on size of building and quality of buildout

(*3) Maintenance costs of \$22,000/year estimated by General Services; however, this cost will be covered by JFL

FISCAL NOTE WORKSHEET

Revenue Increase (Decrease)

| FISCAL YEAR | Sales Tax (*1) | Construction (*2) | Rent (*3) | Equip Rent (*4) | Employment (*5) | Total |
|-----------------------|--------------------|-------------------|--------------------|------------------|--------------------|--------------------|
| 2023 | \$0 | \$578,680 | \$0 | \$0 | \$0 | \$578,680 |
| 2024 | \$414,000 | \$0 | \$135,000 | \$12,000 | \$110,579 | \$671,579 |
| 2025 | \$434,700 | \$0 | \$141,750 | \$12,000 | \$113,897 | \$702,347 |
| 2026 | \$456,435 | \$0 | \$297,675 | \$12,000 | \$117,314 | \$883,424 |
| 2027 | \$479,257 | \$0 | \$312,559 | \$12,000 | \$120,833 | \$924,649 |
| 2028 | \$503,220 | \$0 | \$328,187 | \$12,000 | \$124,458 | \$967,864 |
| 2029 | \$528,381 | \$0 | \$344,596 | \$12,000 | \$128,192 | \$1,013,168 |
| 2030 | \$554,800 | \$0 | \$361,826 | \$12,000 | \$132,038 | \$1,060,663 |
| 2031 | \$582,540 | \$0 | \$379,917 | \$12,000 | \$135,999 | \$1,110,455 |
| 2032 | \$611,667 | \$0 | \$398,913 | \$12,000 | \$140,079 | \$1,162,658 |
| Total Revenues | \$4,564,998 | \$578,680 | \$2,700,422 | \$108,000 | \$1,123,388 | \$9,075,488 |

Revenue Assumptions:

(*1) Assumes capture of 9.2% sales tax on \$4.5 million in sales with a 5% annual escalation

(*2) Construction sales tax assumes that 55% of the \$7.8mm and 100% of the \$2.0mm FFE package will be taxable

(*3) Rent is calculated at 3% of sales for year 1 and 2 of operations and 6% thereafter with a 5% escalation of annual sales

(*4) Tenant will pay \$1000/per month rental for specialized equipment

(*5) Total direct and indirect payroll is estimated at \$1.58mm annually. Approx. 7% of that will be captured locally

Prepared by: JEDCO *using assumptions provided by Jefferson Facilities Inc. and GNO, Inc.

LANDIS CONSTRUCTION CONTRACT

 **AIA** Document A133[®] – 2019 Exhibit A

Guaranteed Maximum Price Amendment

This Amendment dated the 12th day of December in the year 2024, is incorporated into the accompanying AIA Document A133[™]-2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the 1st day of February in the year 2024 (the "Agreement")
(In words, indicate day, month, and year.)

for the following **PROJECT**:
(Name and address or location)

JFI Gretna Retail
152 Huey P. Long
Gretna, LA 70053

THE OWNER:
(Name, legal status, and address)

Jefferson Facilities Incorporated (aka JFI)
230 Huey P. Long Avenue
Gretna, LA 70053

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

Landis Construction Co., LLC
8300 Earhart Blvd. Ste 300
New Orleans, LA 70118

TABLE OF ARTICLES

- A.1 **GUARANTEED MAXIMUM PRICE**
- A.2 **DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**
- A.3 **INFORMATION UPON WHICH AMENDMENT IS BASED**
- A.4 **CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS**

ARTICLE A.1 GUARANTEED MAXIMUM PRICE

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201[™]-2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

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User Notes:

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§ A.1.1.1 The Contract Sum is guaranteed by the Construction Manager not to exceed Eight Million Eight Hundred Sixty Thousand Five Hundred Eighty-Three Dollars (\$ 8,860,583.00), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 **Itemized Statement of the Guaranteed Maximum Price.** Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency; alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.
(Provide itemized statement below or reference an attachment.)

Reference Exhibit A.3 (Landis Cost Breakdown) dated 12/09/2024

§ A.1.1.3 The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

§ A.1.1.4 The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

The Owner and Construction Manager agree to the following modifications of Exhibit G (Landis Rates) of the A133 Agreement:

- A. 15% total Overhead and Profit
- B. Gas allowance shall be a part of the fringe benefits and included in hourly rate
- C. Under add-on cost description, the 1.5% of subcontractor cost for subcontractor default shall not be added on top of the allowed mark-up. The allowed mark-up to subcontractor's cost is 10%, no add-on beyond that.

§ A.1.1.5 **Alternates**

§ A.1.1.5.1 Alternates, if any, included in the Guaranteed Maximum Price:

| Item | Price |
|---|-------|
| Reference Exhibit A.2 (Landis's Qualifications & Clarifications) dated 12/09/2024 | N/A |

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.
(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

| Item | Price | Conditions for Acceptance |
|------|-------|---------------------------|
| N/A | | |

§ A.1.1.6 Unit prices, if any:

(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

| Item | Units and Limitations | Price per Unit (\$0.00) |
|------|-----------------------|-------------------------|
| N/A | | |

ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ A.2.1 The date of commencement of the Work shall be:

(Check one of the following boxes.)

The date of execution of this Amendment.

Established as follows:

(Insert a date or a means to determine the date of commencement of the Work.)

Based on a mutually agreeable Notice To Proceed

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User Notes:

(1734817657)

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

§ A.2.3 Substantial Completion

§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work:

(Check one of the following boxes and complete the necessary information.)

Not later than Four Hundred Eighty (480) calendar days from the date of commencement of the Work.

By the following date:

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:

| Portion of Work | Substantial Completion Date |
|-----------------|-----------------------------|
| N/A | |

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:

| Document | Title | Date | Pages |
|-------------|--|------------|-------|
| Exhibit A.2 | Landis's Qualifications & Clarifications | 12/09/2024 | 1-4 |

§ A.3.1.2 The following Specifications:
(Either list the Specifications here, or refer to an exhibit attached to this Amendment.)

| Section | Title | Date | Pages |
|-------------|--|------------|-------|
| Exhibit A.1 | Trapolin Peer's Plans & Specifications | 12/10/2024 | 1 |

§ A.3.1.3 The following Drawings:
(Either list the Drawings here, or refer to an exhibit attached to this Amendment.)

Exhibit A.1 (Trapolin Peer's Plans & Specifications) dated 12/10/2024

| Number | Title | Date |
|--------|-------|------|
| N/A | | |

§ A.3.1.4 The Sustainability Plan, if any:
(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date and number of pages, and include other identifying information. The

Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Construction Manager's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

| Title | Date | Pages |
|-------|------|-------|
| N/A | | |

Other identifying information:

§ A.3.1.5 Allowances, if any, included in the Guaranteed Maximum Price:
(Identify each allowance.)

| Item | Price |
|---|-------|
| Reference Exhibit A.2 (Landis's Qualifications & Clarifications) dated 12/09/2024 | |

§ A.3.1.6 Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:
(Identify each assumption and clarification.)

Reference Exhibit A.2 (Landis's Qualifications & Clarifications) dated 12/09/2024

§ A.3.1.7 The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here, or refer to an exhibit attached to this Amendment.)

Reference Exhibit A.1 (Trapolin Peer's Drawings & Specifications) dated 12/10/2024 and the following:

GMP Equipment Package dated 10/18/2024
Addendum A dated 11/01/2024
Addendum B dated 11/06/2024
Addendum C dated 11/11/2024
Addendum D dated 11/11/2024
Addendum E dated 12/09/2024

ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

§ A.4.1 The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:
(List name, discipline, address, and other information.)

N/A

This Amendment to the Agreement entered into as of the day and year first written above.


OWNER (Signature)

William Lazard, President
(Printed name and title) 12/12/2024



CONSTRUCTION MANAGER (Signature)

Christian Generes, President
(Printed name and title)

AIA[®] Document A133[®] – 2019 Exhibit B

Insurance and Bonds

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the 1st day of February in the year 2024
(In words, indicate day, month and year.)

for the following **PROJECT**:
(Name and location or address)

JF1 Gretna Retail
152 Huey P. Long
Gretna, LA 70053

THE OWNER:
(Name, legal status, and address)

Jefferson Facilities Incorporated (aka JFI)
230 Huey P. Long Avenue
Gretna, LA 70053

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

Landis Construction Co., LLC
8300 Earhart Blvd. Ste 300
New Orleans, LA 70118

TABLE OF ARTICLES

- B.1 GENERAL
- B.2 OWNER'S INSURANCE
- B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS
- B.4 SPECIAL TERMS AND CONDITIONS

ARTICLE B.1 GENERAL

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions refers to AIA Document A201TM-2017, General Conditions of the Contract for Construction.

ARTICLE B.2 OWNER'S INSURANCE

§ B.2.1 General

Prior to commencement of the Work, the Owner shall secure the insurance, and provide evidence of the coverage, required under this Article B.2 and, upon the Construction Manager's request, provide a copy of the property insurance policy or policies required by

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201TM-2017, General Conditions of the Contract for Construction. Article 11 of A201TM-2017 contains additional insurance provisions.

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Section B.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements.

§ B.2.2 Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance.

§ B.2.3 Required Property Insurance

§ B.2.3.1 Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. This insurance shall include the interests of mortgagees as loss payees.

§ B.2.3.1.1 Causes of Loss. The insurance required by this Section B.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

(Indicate below the cause of loss and any applicable sub-limit.)

| Cause of Loss | Sub-Limit |
|---------------|-----------|
|---------------|-----------|

§ B.2.3.1.2 Specific Required Coverages. The insurance required by this Section B.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect's and Construction Manager's services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows: *(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)*

| Coverage | Sub-Limit |
|----------|-----------|
|----------|-----------|

§ B.2.3.1.3 Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 or, if necessary, replace the insurance policy required under Section B.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.

§ B.2.3.1.4 Deductibles and Self-Insured Retentions. If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

§ B.2.3.2 Occupancy or Use Prior to Substantial Completion. The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. The Owner and the Construction Manager shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing.

§ B.2.3.3 Insurance for Existing Structures

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall purchase and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of

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the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

§ B.2.4 Optional Extended Property Insurance.

The Owner shall purchase and maintain the insurance selected and described below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)

- § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.

- § B.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.

- § B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.

- § B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.

- § B.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.

- § B.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.

- § B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

§ B.2.5 Other Optional Insurance.

The Owner shall purchase and maintain the insurance selected below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

§ B.2.5.1 Cyber Security Insurance for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information.
(Indicate applicable limits of coverage or other conditions in the fill point below.)

§ B.2.5.2 Other Insurance
(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage

Limits

ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS

§ B.3.1 General

§ B.3.1.1 Certificates of Insurance. The Construction Manager shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies.

§ B.3.1.2 Deductibles and Self-Insured Retentions. The Construction Manager shall disclose to the Owner any deductible or self- insured retentions applicable to any insurance required to be provided by the Construction Manager.

§ B.3.1.3 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

§ B.3.2 Construction Manager's Required Insurance Coverage

§ B.3.2.1 The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:
(If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

§ B.3.2.2 Commercial General Liability

§ B.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000.00) each occurrence, Two Million Dollars (\$ 2,000,000.00)

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general aggregate, and Two Million Dollars (\$ 2,000,000.00) aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 the Construction Manager's indemnity obligations under Section 3.18 of the General Conditions.

§ B.3.2.2 The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

§ B.3.2.3 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager, with policy limits of not less than One Million Dollars (\$ 1,000,000.00) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ B.3.2.4 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ B.3.2.5 Workers' Compensation at statutory limits.

§ B.3.2.6 Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000.00) each accident, One Million Dollars (\$ 1,000,000.00) each employee, and One Million Dollars (\$ 1,000,000.00) policy limit.

§ B.3.2.7 Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks

§ B.3.2.8 If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000.00) per claim and One Million Dollars (\$ 1,000,000.00) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ B.3.2.11 Insurance for maritime liability risks associated with the operation of a vessel, if the Work requires such activities, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ B.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ B.3.3 Construction Manager's Other Insurance Coverage

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)

Builder's Risk Insurance coverage shall be maintained until Substantial Completion.

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)

§ B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

(Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below.

Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)

Any loss shall be adjusted and settled as a joint effort by Owner and Contractor

§ B.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for Work within fifty (50) feet of railroad property.

§ B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

§ B.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the

construction site on an "all-risks" completed value form.

[] § B.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.

[] § B.3.3.2.6 Other Insurance
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

| Coverage | Limits |
|----------|--------|
|----------|--------|

§ B.3.4 Performance Bond and Payment Bond


The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:
(Specify type and penal sum of bonds.)

| Type | Penal Sum (\$0.00) |
|------------------|-------------------------|
| Payment Bond | 100% of Contract Amount |
| Performance Bond | 100% of Contract Amount |

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™, current as of the date of this Agreement.

ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

|  COST BREAKDOWN JP Gretna Retail GMP Monday, December 9, 2024 | | |
|---|-----------|-----------------------------------|
| DIVISION/DESCRIPTION | BUDGET | NOTES/COMMENTS |
| GENERAL CONDITIONS | | |
| General Conditions | \$700,000 | |
| Section Subtotal | \$700,000 | |
| DIV. ONE - GENERAL REQ'S. | | |
| Site Logistics | \$43,870 | |
| Section Subtotal | \$43,870 | |
| DIV. TWO - EXISTING CONDITIONS | | |
| Section Subtotal | \$0 | N/A |
| DIV. THREE - CONCRETE | | |
| Structural & Misc. Concrete | \$604,633 | |
| Pre-Cast Concrete | \$0 | Deleted from scope |
| Polished Concrete | \$25,800 | |
| Section Subtotal | \$630,433 | |
| DIV FOUR - MASONRY | | |
| Masonry | \$344,133 | |
| Section Subtotal | \$344,133 | |
| DIV. FIVE - METALS | | |
| Structural & Misc. Steel | \$738,777 | |
| Decorative Metal | \$0 | With Structural & Misc. Steel |
| Section Subtotal | \$738,777 | |
| DIV. SIX - CARPENTRY | | |
| Rough Carpentry | \$36,646 | |
| Finish Carpentry (S+R Trim) | \$80,570 | |
| Exterior Finish Carpentry | \$0 | WD-1 Soffit with Finish Carpentry |
| Casework & Tops | \$136,072 | With Alternate |
| Section Subtotal | \$253,288 | |

| DIVISION/DESCRIPTION | BUDGET | NOTES/COMMENTS |
|--|-----------|--|
| DIV. SEVEN - THERM. & MOIST. PROTECT. | | |
| Thermal/Spray Foam Insulation | \$18,270 | |
| Waterproofing, Caulking and Traffic Coating | \$85,618 | |
| Wall Panels | \$0 | w/ Roofing |
| Roofing | \$371,484 | |
| Fireproofing | \$69,907 | Includes Intumescent Painting |
| Firestopping | \$17,884 | |
| Expansion Joint Cover Assemblies | \$0 | Not Required |
| Section Subtotal | \$563,163 | |
| DIV. EIGHT - DOOR & WINDOWS | | |
| Doors, Frames, & Hardware | \$135,486 | |
| Entrances, Storefront & Curtain Wall | \$551,941 | |
| Translucent Assemblies | \$0 | Trellis covering w/ Roofing |
| Louvers | \$0 | Specification Section Provided - Not Shown on Plans |
| Section Subtotal | \$687,427 | |
| DIV. NINE - FINISHES | | |
| Framing, Drywall, Acoust. & Insul. | \$459,035 | Includes sound absorbing ceiling units |
| Plaster & Stucco | \$157,477 | Sto |
| Tile, Resilient, & Carpet | \$32,044 | |
| Resinous & Fluid-Applied Flooring | \$23,272 | |
| Painting | \$126,635 | |
| Section Subtotal | \$798,463 | |
| DIV. TEN - SPECIALTIES | | |
| Signage | \$6,996 | Includes Address Numbers |
| Wall & Door Protection | \$809 | |
| Toilet Acc., Partitions, FE's- Material | \$39,086 | |
| Exterior Signage & Lettering | \$0 | By Owner |
| Awnings & Canopies | \$0 | Deleted- Steel Trellis with Structural & Misc. Steel |
| Exterior Specialties | \$0 | Not Required |
| Section Subtotal | \$46,891 | |
| DIV. ELEVEN - EQUIPMENT | | |
| Food Service Equipment | \$62,991 | Flood & Install Only of Walk-in Cooler/ Freezer |
| Brewery Equipment Allowance | \$0 | By Owner |
| Section Subtotal | \$62,991 | |

| DIVISION/DESCRIPTION | BUDGET | NOTES/COMMENTS |
|---|-------------|------------------------|
| DIV. TWELVE - FURNISHINGS | | |
| Window Treatments | \$3,805 | |
| Entrance Floor Mats & Frames | \$0 | Alternate TBD |
| Section Subtotal | \$3,805 | |
| DIV. FOURTEEN - CONVEYING SYSTS. | | |
| Elevators | \$119,020 | |
| Section Subtotal | \$119,020 | |
| DIV. TWENTY-ONE THRU TWENTY-THREE - MECHANICAL | | |
| Fire Suppression | \$91,218 | |
| Plumbing Systems | \$366,453 | |
| HVAC Systems | \$697,723 | |
| Section Subtotal | \$1,155,394 | |
| DIV. TWENTY-SIX - ELECTRICAL | | |
| Electrical Systems | \$734,068 | |
| Section Subtotal | \$734,068 | |
| DIV. THIRTY-ONE- EARTHWORK | | |
| Site Demolition & Earthwork | \$122,124 | |
| Termite Treatment | \$4,180 | |
| Piling | \$331,053 | |
| Section Subtotal | \$457,357 | |
| DIV. THIRTY-TWO - EXT. IMPROVEMENTS | | |
| Concrete Paving, Curbs, & Walks | \$0 | w/ Structural Concrete |
| Fencing & Gates | \$23,853 | |
| Site Furnishings | \$0 | Not Required |
| Bike Racks | \$0 | Not Required |
| Landscaping | \$99,422 | Adj. |
| Section Subtotal | \$123,275 | |

| DIVISION/DESCRIPTION | BUDGET | NOTES/COMMENTS |
|--------------------------------------|-------------|----------------|
| DIV. THIRTY-THREE - UTILITIES | | |
| Site Utilities | \$121,350 | |
| Storm Drainage | \$125,128 | |
| Section Subtotal | \$246,478 | |
| SUBTOTAL | | |
| FEE | \$419,790 | |
| SUBTOTAL | | |
| | \$8,128,623 | |
| Performance Bond | \$48,314 | |
| Builder's Risk Insurance | \$53,163 | |
| Insurances | \$165,693 | |
| Building Permit | \$0 | Not Required |
| TOTAL | | |
| | \$8,395,794 | |
| Contingency | \$419,790 | |
| Preconstruction Fee | \$45,000 | |
| TOTAL | | |
| | \$8,860,583 | |

| ALTERNATES | | |
|---|-------------|--------------------|
| ALTERNATE #1 - Millwork | \$0 | Now Included Above |
| ALTERNATE #2 - Folding Glass Partitions | \$0 | Now Included Above |
| ALTERNATE #3 - Entrance Floor Mats | \$0 | Rejected |
| TOTAL | | |
| | \$8,860,583 | |



**JP GRETNA RETAIL - GMP CONSTRUCTION SET
GRETNA, LA**

**QUALIFICATIONS & CLARIFICATIONS
DECEMBER 9, 2024**

DIVISION 1: GENERAL CONDITIONS

1. Our budget is based on the GMP Construction Documents dated October 18, 2024, Addenda #'s A-E, subsequent RFI responses, and the following Qualifications & Clarifications.
2. We include Otis elevator as noted in Addendum E. However, we do not waive our right to potential cost changes until we receive revised documents that illustrate this change.
3. A payment & performance bond is included.
4. Builder's Risk insurance is included.
5. As directed by the Owner, the cost of the building permit is excluded.
6. We include a 5% contingency.
7. The Owner shall retain the Beta Group as the Geotechnical Engineer and Testing Laboratory.
8. For consideration of claims related to weather, adverse weather shall be defined as rain continuing for more than four (4) hours in excess of 1" in any 2-hour period.
9. We have not allowed any days in the critical path for courthouse interruptions as referenced in specification 01 1000 Summary-1.9D. We will work with the Owner to minimize disruption to the courthouse proceedings but have not accounted for any delays to the critical path.
10. We do not include any costs for POR/Engineer's stamps for fire protection, kitchen hood system, fume hood exhaust, fire alarm, access control or any other systems. We assume that POR/EOR for the project will review and stamp submittals and shop drawings for those systems.
11. Preconstruction and progress photos during construction will be provided by Landis through Procure for spec section 01 3233 Photographic Documentation.
12. We do not include prevailing wages per the Davis-Bacon Act.
13. Procure will be utilized for electronic submittal documentation, communication, storage of drawings, specifications, etc.
14. We do not include any premium costs for overtime, weekend, or nighttime work. Our schedule is based on work being completed during normal working hours Monday thru Friday.
15. We assume that we can utilize permanent HVAC equipment for temporary dehumidification purposes during construction. Temporary filter media will be provided.
16. We do not include any cost premium for construction waste management.
17. It is assumed that the architect will provide the Revit model/CAD files for the project as necessary for shop drawings and conflict coordination.

18. We have not included any costs for extended general conditions, schedule delays, or logistics associated with any restrictions on work due to high river levels.
19. The owner is responsible for negotiating access agreements and air-rights with neighboring properties as it relates to usage of hoisting equipment.
20. Monthly draws will be based on a mutually agreed upon schedule of values (SOV). The SOV may be adjusted during the contract period to reflect changes in the Work.
21. These qualifications and clarifications are the basis for our assumptions, and any deviations from these assumptions may result in a request for change.

DIVISION 2: DEMOLITION, EXISTING CONDITIONS

1. We exclude the removal, remediation, or abatement of any materials that may be considered hazardous. We have not allowed any costs for handling contaminated soils.
2. We have not budgeted any costs for removal of existing foundations.
3. We have not allowed for clearing of or additional structural modifications to accommodate any underground obstructions.

DIVISION 3: CONCRETE

1. We assume that it will be acceptable to make after-hours concrete pours as necessary. We will coordinate these disruptive activities with the Owner.
2. We include rubbing of concrete per Specification 03 0130 Maintenance of Cast-in-Place Concrete where indicated by Finish "AC-1" on the exterior elevations.
3. We include the Xypex admixture referenced in Specification 03 3000-2.6C at the elevator pit concrete only.

DIVISION 4: MASONRY (NO COMMENT)

DIVISION 5: METALS

1. Our steel sub may not be AISC certified as referenced in Specification 05 1200 Structural Steel. However, we will adhere to AISC guidelines during fabrication and erection.
2. We have not allowed any costs for the "__ tons of structural steel" indicated on Sheet S1.01 General Notes Section 8 Structural Steel Article D.
3. We include a total of twelve Guardian tie downs. Quantity is not indicated on the drawings.

DIVISION 6: CARPENTRY & STONE

1. As it pertains to millwork, our base bid includes WD-1 and WD-2 on the walls and ceilings. The remainder of the millwork is included in Alternate 1.
2. While we intend to adhere to AWI guidelines, our budget does not include AWI Certification or participation in AWI's Quality Certification program.
3. We exclude any millwork that may be inferred on the floor plans but not further developed on the interior elevations.

DIVISION 7: THERMAL & MOISTURE PROTECTION

1. At contractor's option, we will provide the pedestal paver system by either Wassau or Hanover.
2. We exclude any closed cell or open cell spray insulation referenced in Specification 07 2119 Foamed-in-Place Insulation.
3. For Finish "EPT-3", we include an elastomeric coating at exterior CMU behind Exterior Cooler.

DIVISION 8: DOORS & WINDOWS

1. All glass subs have unanimously advised that any exterior inswing doors (e.g. X301B and X301C) be changed to outswing. We will work with the design to provide the best solution possible for this item, but it may require an adjustment to scope and price.
2. At contractor's option, we will provide storefront and curtainwall systems by either YKK, Kawneer or Old Castle.
3. We assume that any water testing referenced in the storefront and curtainwall specifications will be provided by the owner's testing company.
4. Hardware for exterior aluminum storefront doors will be provided in accordance with products that are tested with the assembly rated for large missile impact.
5. At contractor's option, we will furnish the sliding service window as either Winco, C.R. Laurence Co. or Ready Access.
6. We include 8'0" doors for openings 102, 108, and 112 in lieu of 10'0" doors to conform to fire rating limitations of the specified panic hardware.
7. We include pricing for an Eliason door for Opening 106 in lieu of hollow metal.
8. We exclude any fixed louvers referenced in Specification 08 9119.

DIVISION 9: FINISHES

1. We exclude the Moisture Vapor Emission Control system referenced in Specification 09 0561.13. The drawings are not clear as to where this is required.
2. We include Sto stucco system with integral finish color. No field painting of the stucco is included.
3. We include epoxy grout only at the quarry tile. Spec 09 3013-2.7B indicates that tile at wet areas should receive epoxy grout.
4. We included polished concrete as per the finish plans, but we have not included any staining referenced in spec section 09 9739.

DIVISION 10: SPECIALTIES

1. We exclude photoluminescent egress path markings since none are shown on the drawings.
2. All exterior signage is by owner, except that we include address numbers.
3. We exclude the Bird Control Spikes referenced in Specification 10 9900. We could not locate these on the plans.

DIVISION 11: EQUIPMENT

1. We include the furnish and installation of the kitchen hood, rooftop exhaust fan, associated ductwork, and hood suppression system.
2. In accordance with Addendum C, we exclude the \$275,000 allowance for furnishing and installing brewery equipment package.

DIVISION 12: FURNISHINGS

1. We exclude the Copper Countertops referenced in specification 12 3616. We could not locate these on the plans.
2. We assume the stainless steel counter at Kitchen and Expo areas will be provided by owner as part of the food service equipment package.

DIVISION 13: SPECIAL CONSTRUCTION (NO COMMENT)

DIVISION 14: CONVEYING EQUIPMENT (NO COMMENT)

DIVISION 21: FIRE SUPPRESSION

1. We do not include POR responsibility for the sprinkler design. We assume that POR/EOR for the project will stamp product data and shop drawings submitted by the fire sprinkler subcontractor.

DIVISIONS 22 & 23: PLUMBING & HVAC

1. We exclude any safety railings at rooftop equipment installed within 10' of the roof's edge as referenced on the mechanical roof plan as we are providing Guardian anchors for tie-off in this area.

DIVISION 26: ELECTRICAL

1. We exclude lightning protection.
2. Our price does not include connection charges from local electrical, telephone, and cable TV utility companies, as this is traditionally paid by the Owner when establishing a new account for the project.

DIVISION 31: SITE AND EARTHWORK

1. We include pre-drilling the new piles to a 10' depth with a 7" four blade fishtail bit or pre-punch 10' depth with a 6" steel pipe punch per the General Notes on plan sheet S1.01 Item 10.D. We did not include any cost for drilling with a wet rotary bit up to 70' depth which was referenced in the specification section 31 6200 Part 3 - 3.3 A.

DIVISION 32: EXTERIOR IMPROVEMENTS

1. We did not include any access controls for the new driveway gate.
2. We did not include any site furnishings such as a bike rack, benches, or waste disposal containers, or flag poles.

DIVISION 33: UTILITIES

1. Our price does not include connection charges from local electrical, gas, telephone, and cable TV utility companies, as this is traditionally paid by the Owner when establishing a new account for the project.
2. We included heated enclosures for both of the new backflow preventers, (1) for the 2" irrigation line and (1) for the 3" water line.
3. We did not include any utility related fees that may be required by the City of Gretna or Jefferson Parish for utility connections or inspections.
4. We exclude any impact fees related to stormwater treatment or detention.
5. We have not allowed any costs for providing a bond for the maintenance of the stormwater management system.
6. We did not include a new water meter as we assume that will be provided by the City or Parish Water Department.

J.P. GRETNA RETAIL PROJECT PLAN EXCERPTS



JP GRETNA RETAIL
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