



**FLEX BREWHOUSE**<sup>TM</sup>

# WHAT IS FLIX?

Flix Brewhouse is America's Cinema Brewery and the world's only first run movie theater, eatery and microbrewery. Flix Brewhouse was designed from the inside out, to deliver a premium viewing and dining experience at an affordable price; thus addressing the primary movie goer's concern - the rising cost of movies and the typically poor value realized by viewers for the price of admission.

As America's Cinema Brewery, Flix Brewhouse combines the latest Hollywood productions, exceptional custom crafted beer and delicious food - all served "in theater". Each of the aforementioned services is offered on an a la carte basis, allowing the experience to be customized. Pricing is in line with other first run cinemas and food and beer are rather affordable relative to pricing that is typical for food and beverages in the movie theater sector.

Although Flix is a true "value play" in the dine-in, cinema sub-sector, the experience feels high-end. Flix Brewhouse theaters are well appointed and common areas are nicely finished and aesthetically pleasing. Additionally, Flix features state-of-the-art digital projection and sound, stadium seating, parabolic screens, roomy and comfortable seating, glide-out table tops and wait staff call buttons.

# WHO WE ARE

Hospitality Investors, Inc. | The Flix Brewhouse concept and Round Rock, Texas flagship location are owned by Hospitality Investors, Inc., which also owns HomeField Grill, a chef-driven American grill, sourcing fresh, local ingredients, with a preparation emphasis on wood grilling. Hospitality Investors also has substantial financial interest in a Tilted Kilt Pub & Eatery franchised location. The company has approximately two dozen shareholders and is majority-controlled by Round Rock, Texas-based entrepreneur, real estate developer and investor, Allan Reagan.



## AS A THEATER FLIX FEATURES:

- First run films in both 2D and 3D, featuring state-of-the-art high resolution digital projectors producing industry leading clarity and depth.
- High definition, super clean, distortion-free Dolby sound.
- Studio Sound acoustics which silence ambient dining noise.
- Spacious stadium seating along with either rocker or roller well-upholstered seats.
- Optically correct parabolic viewing screens.
- Unique server call system allowing patrons to order silently in-theater.
- Southwest Airlines style seating which limits lines, confusion and frustration

## AS A RESTAURANT FLIX FEATURES:

- A kitchen designed to produce more than 600 upscale meals per hour, serving food made only with the finest and freshest ingredients, including housemade dough specialty pizzas and delicious and inventive sandwiches as well as a wide variety of vegetarian and gluten free options.
- Seating and table service for up to 1,000 guests.
- Meals delivered to guests at their seats on “easy-glide” pull out personal tabletops. They are not shared between patrons as is so often the case at most cinema-eateries.
- Attendants use state-of-the-art Dell designed wireless order pads that send orders to both kitchen and bar in seconds.

## AS A MICROBREWERY FLIX FEATURES:

- An on-premises production capacity of over 100,000+/- pints of fresh brewed beer per year, per location.
- A tap line with up to 48 handles.
- Up to 12 craft brews made on-premises by our master brewer, with five award-nominated selections always on tap.



# BREWCENTRIC

Flix Brewhouse is ultimately about the beer our patrons drink. We like to think of ourselves as “brewcentric” in that everything we do is beer-focused and designed to maximize the craft beer experience of our guests. After all, it is our beer that turns a standard night at the movies into a truly memorable event. To achieve this, every Flix Brewhouse location will feature a state-of-the-industry, on-site micro-brewery. Our beers will always be fresh because they do not have to be shipped great distances and localized brewery facilities allow us to customize our beer offerings to suit regional tastes and preferences. All beer will be brewed by local Flix brew masters, under the watchful eye of our Head Brewer, Justin Rizza.

Our micro-breweries will each feature state-of-the-art equipment manufactured by Prospero Corporation to exacting European standards. Each brewery system will produce \_\_\_\_\_ gallons per year of super fresh, distinctive, world class beer. As for our beer, every new Flix Brewhouse will feature up to 12 delicious and unique offerings, crafted by our Head Brewer.



Flix Head Brewer,  
Justin Rizza



Head Brewer Justin Rizza has a passion for brewing great beer. Justin’s brewing experience began in 1999 when Breckenridge Brewery hired him to clean kegs, tanks and to fill orders. While living in Denver, Justin also worked for Great Divide Brewing Co. before moving to Seattle where he worked for six years at Hale’s Ales. Justin also spent time brewing at Nimbus Brewery in Tucson before moving to Italy, where he brewed at Bitta Amiata in Arcidosso, Tuscany. He introduced six beers that are still being brewed today. Prior to joining Flix, Justin was Head Brewer at Austin-based Independence Brewing Co. At Flix, he’s the head alchemist and Head Chef de Beer, brewing up world-class craft beer creations for all to savor.

# FROM THE BREWHOUSE



A dark amber ale that focuses on the rich, nutty flavors of the malted barley it is made from. Malty and lightly sweet with a smooth, clean finish. 5.4% ABV.



A golden ale that starts lightly sweet and has a crisp and dry finish. Satisfying for any palate and is extremely easy to drink. 4.8% ABV.



Subtly spiced with coriander and rather than the orange peels traditionally added to Wits, we've added a puree of blood oranges, giving this unique beer a pink hue and refreshing citrus character. 5% ABV.



An amber colored American IPA with the perfect balance between malt and the citrus and floral notes of American hops. 7% ABV.



A complex Belgian farmhouse ale brewed in honor of a lost beer legend, Walt Powell. 6% ABV.



A dark red ale that blends a mildly roasty flavor with punchy American hops and a characteristic Belgian yeast. A beer that orbits mysteriously around the world of existing beer styles. 6.2% ABV.

# FLIXMX

## MAXIMUM EXPERIENCE

Every new Flix Brewhouse will feature our state-of-the-art FlixMX concept. Every FlixMX equipped auditorium will offer an irreplaceable, full-immersion viewing and dining experience, featuring:



50 foot+ wide, low distortion, parabolic screen



Ultra-high resolution next generation 4,000K resolution video



Dolby Atmos advanced sound technology

- Delivers a powerful and dramatic new cinema-sound listening experience
- Allows sounds to move around the theatre to create dynamic effects
- Reproduces a natural and lifelike audio experience that perfectly matches the story
- Adds overhead speakers for the most realistic effects you've ever heard
- Reflects the artist's original intent, regardless of theatre setup
- Employs up to 64 speakers to heighten the realism and impact of every scene



Enhanced extra-wide seating by Mobiliario



Full Flix Brewhouse dine-in food and beverage service

# FLIXMX

# FLIX IS GROWING

The dine-in cinema concept is perceived by most industry experts to be the next “big” thing in the movie theater industry.

To meet this national demand, we have designed America’s Cinema Brewery, a prototype eight to ten screen theater/brewery which can be built on pad sites in front of major shopping centers or integrated in to mixed use developments as either free standing or in-line, two story concepts. The Flix model is also flexible enough to back-fill vacant junior box space in most well situated Power Centers and Community Shopping Centers.

The Flix Brewhouse growth plan envisions 15+ eight to ten screen theaters in select markets in the United States by 2018. Primary markets of interest include the U.S. Southwest, Southeast, Midwest and select metro areas in both the Northwest and Northeast. New locations must be situated at least three miles from existing “first-run” movie theaters. Population density must be strong with a minimum population of 150,000 within either a five mile radius or a 10 minute drive time. Flix Brewhouse is looking for solid, middle class to upper-middle class markets featuring average household incomes of between \$60,000 and \$80,000, in both urban and suburban locations.

## Building Requirements:

- 35,000 - 40,000 square foot existing structure or new construction
- 8 - 10 screens
- 10:1 parking ratio preferred for new development
- 7:1 parking ration preferred for in-fill locations
- Ceiling heights of 23 feet+ for existing buildings and 27 feet for new construction
- Ample column spacing
- Minimum building depth of 100 feet
- 3,000 amp 208/120 power
- 4,000 CFH gas service
- 2.5 inch incoming water line @ 62 PSI minimum

## Location Requirements:

- Any mid-sized to major metropolitan area in the United States, with a preference for the Midwest, Southwest and Southeast.
- 150,000 people within 5 miles
- Solid traffic counts and visibility
- \$60,000+/- average household incomes
- Preferably suburban locations, but urban town center or mixed use opportunities are also desirable
- 3 mile clear zone (drive distance) from another first run cinema is vital



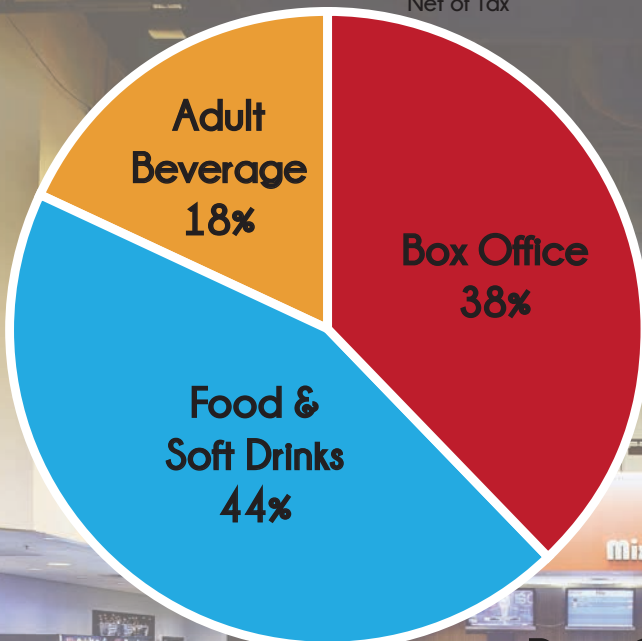
# FLIX AS A TRAFFIC GENERATOR

Designed as an adult-oriented, but family friendly venue, the eight screen prototype Flix Brewhouse, once stabilized, will generate well in excess of 6,500 in ticket sales weekly and will function as an anchor tenant in most regional and lifestyle shopping centers, as well as power centers. Because it is a true "destination", it is capable of pulling significant traffic to venues in which it is located from a significant distance, greatly boosting foot heavy and, by extension, center sales.

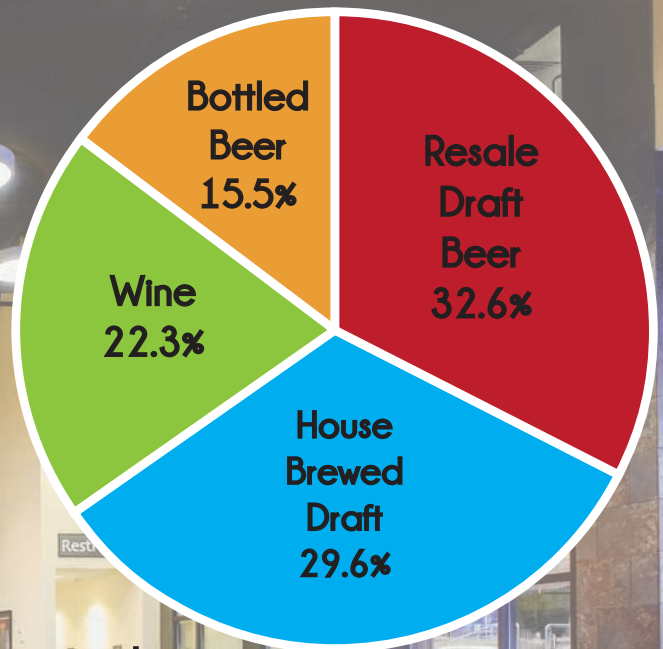
- The prototypical 8 screen Flix Brewhouse will produce the following:
- 6,500+ customers/week
- Average Per Capita Spend of \$22.50/person (Admissions/Food/Beverage)
- Gross receipts of between \$750,000 and \$1 million per year, per screen

## Total Sales Mix

Net of Tax



## Beverage Sales Mix



## Per Capita Spend

