

Terry, Tim, and Sonya

February 7, 2023

You may recall back in early December, I indicated to you that the Dreamland Villa Board of Directors were weighing all the factors involved with our financial gain and our member sentiment with respect to the lease of Farnsworth Hall. With the addition of a liquor license this changes the contractual agreement between the two parties for the specific use of Farnsworth Hall and its adjacent facilities. Since that time, we have had numerous discussions among the board members yielding many different approaches but no consensus.

The members of Dreamland Villa along with this Board of Directors believe that T2 Present has a sweetheart deal with the lease of Farnsworth Hall. A case in point, Farnsworth Hall has a capacity of 8,300 square feet that does not include the Bandshell as part of the facilities. The monthly lease payment of \$2,500 equates to a square footage charge of \$0.30 a square foot. Adding in the revenue from ticket sales approximately \$2,000 per month brings the square footage charge to \$.54 a square foot. You would be hard pressed to find anything under \$5 to \$16 a square foot for a similar facility within the valley.

For Dreamland Villa to consider rewriting the current lease and extending its term, we would consider a \$1.00 per square foot monthly payment. We will eliminate the \$1 per sold ticket as a means of support for Dreamland, as it is arbitrary. Recently, 200 tickets were sold and 90 complimentary tickets were provided, Dreamland Villa saw no revenue from the 90 complementary tickets. However, T2 profited from the liquor and food sales of those 90 participants.

With the \$1 per square foot monthly rent Dreamland Villa will continue to maintain the facilities exterior that includes heating and air conditioning, roof, and parking lots, including lighting. In addition, Dreamland will work with T2 Presents to facilitate the installation of a beer garden that will meet all liquor regulations as well as community zoning and noise requirements.

If T2 Present agrees to the monthly adjustment in square footage charge and the other conditions mentioned above, Dreamland Villa would consider a new five (5) year lease with an option of an additional five (5) year extension, which will include monetary adjustments in the square footage charges. Should T2 Present reject this proposal Dreamland Villa will continue to honor its current lease until January 1, 2025, at which time the lease agreement shall terminate.

I understand this is a lot to digest but at Dreamland Villa we see no other option. We must maintain the value of our facility and be adequately compensated for its use so that we can maintain it into the future.

Steve Malone
President Dreamland Villa Retirement Community