



April 18, 2006

LETTER OF INTENT

The Ale Asylum wishes to expand its patio to better accommodate its patrons during warm weather months. Ale Asylum is located in an industrial warehouse on the corner of Stoughton Rd and Kinsman Blvd, across for the DMV and McDonald's. There are no residential units in the area. We rent approx. 8,000 square feet from Joel Bahr, principal, Kinsman Investors located on Odana Road. There are 36 parking stalls on the south side/main entrance to our building, 40 on the west side and 57 on the north side.

We brew and serve 10 different Ale Asylum beers on site. Coupled with the on site bottling apparatus our brewery is the only true microbrewery in Madison. We opened our doors on May 19th, 2006 and began distributing bottled beers to Dane county in November of last year.

We have a food menu consisting of cold deli sandwiches, soups and pizzas. We employ 15 employees between the brewery and tap room. Our hours of operation are Monday through Friday 11 AM until bar time, Saturdays and Sundays Noon until bar time. We stop serving hot food at Midnight, and have snacks available until bar time.

Currently, our patio is 36 feet in length along our east wall and comes out 13 feet from the wall towards Stoughton Rd. The patio is fenced in completely, with a north-facing door opening to a walkway towards the back parking lot of our building. We have 6 tables on the patio, and in the summer months we have table service for these tables for both food and drink. The patio has a small set of speakers kept at appropriate sound levels for the enjoyment of our guests. (We do not hold live music events)

Our clientele consists mostly of young business professionals from neighboring businesses, beer aficionados from the region, and curious folks from all over Madison. We have no TV's and our environment is set up for conversation and relaxation. Our busiest times are during the evenings after the workday, and the busiest part of our business in the summer by far is the patio. Our long term goals for this business rely mostly upon increased bottled beer distribution, but until that is realized the deli and bar area are what keep that long term goal alive.

We would like to double the size of the patio, extending it another 13 feet from the building for a total size of 26 x 36 feet. The additional revenue will have a profound effect on our business and will allow us to maintain Madison's status as a community with it's own microbrewery instead of a community merely surrounded by them.

Thank you for your consideration. Any questions should be directed to Otto Dilba, co-owner of Ale Asylum. Contact info below (email: bandit@aleasylum.com). Otto is also the registered agent for Ale Asylum and in charge of this project.

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