



LEVERAGE



OK, you've made the decision to sell. It's been a difficult one... you love your restaurant, but now, it's time. There is a LOT to do to get ready to sell, not only emotionally, whether it's your family, the employees or the customers, but physically from a task perspective as well. You will need to provide a great deal of accurate information for prospective buyers - including financial statements, bank records, payroll records, vendor information, tax payment receipts, equipment data, etc., etc., all ready for presentation, review, explanation and verification.

When you're ready, it is just a matter of finding a buyer, you and the buyer agreeing on the purchase price, writing a contract and the buyer conducting their due diligence. Once they do and everything has been verified, you're good to go - the sale is as good as done, right? WRONG! Not only wrong, but absolutely wrong and to the highest possible degree. It may be counterintuitive, but the reality is that the buyer and seller don't control the sale; in most instances the landlord does. Unless you own the real estate at your restaurant location, which the vast majority of restaurateurs do not, the landlord must approve the buyer as a tenant in order for you to complete the transaction and sell your business.

The sad fact is that many restaurant operators don't understand this issue and if they do, they don't understand it in its

Continued inside

A+ N. SCOTTSDALE LOCATION



FRANK LLOYD WRIGHT & 101

This type of amazing location doesn't become available very often! A freestanding building at **15544 N. Pima Road in North Scottsdale** with TONS of parking and excellent visibility to Pima Road and the 101 Freeway. Prominently situated in the extremely busy Sonora Village Shopping Center with lots of successful businesses, this 6,700 SF restaurant has a phenomenal fully-equipped kitchen that's less than a year old, awesome patios on two sides of the building and a Series 12 liquor license already in place. This magnificent facility is a "blank canvas" - just perfect for a large-scale operator that has the resources and expertise to capitalize on this flagship location. ONLY \$149,000 #3026

Very special **Gilbert** restaurant location now available. Located in a **freestanding building**, this amazing restaurant truly does have it all - great curb appeal, outstanding visibility, easy access and plenty of its own parking. The buildout features unique contemporary decor, a fantastic patio and a well-designed and very efficient high-volume kitchen. This is an extremely well-done restaurant located in what is becoming one of the major dining destinations in the entire Phoenix metro marketplace. \$220,000. #2066



Fantastic **Italian Restaurant and Pizzeria** serving the densely populated **North Central Phoenix** area is now available. This location has a long history of great food and happy, loyal clientele. Located in a strip center with plenty of parking and other successful businesses, this facility checks all of the boxes... fully-equipped kitchen capable of producing any menu at high volume, awesome bar and cocktail area and an absolutely fabulous over-the-top patio complete with an indoor-outdoor bar. This is the TOTAL PACKAGE! \$275,000. #3020

Sandwich Shop now available in **North Central Phoenix**. This is an amazing location in a high-traffic destination area with great curb appeal, outstanding signage and **its own parking**. Currently offering gourmet sandwiches, the facility also includes a Bagel Store, fully-equipped hot kitchen, bright, cheerful 32-seat patio and a beautifully built out interior. Located in a vibrant section of "old-money" Phoenix, this freestanding building is perfectly situated to capture the upscale, high-disposable-income market. Keep it as is or convert it into your dream restaurant! \$149,000. #3014



Absolutely **SPECTACULAR Scottsdale restaurant** is now available. This amazing facility really brings it all together - prime endcap position with great visibility, a HUGE over-the-top patio with its own large island bar, a magnificent interior décor and design package, superior furnishings, a private dining room and a SERIOUS kitchen that any highly skilled Chef would be proud to command. This is truly a **no expense was spared restaurant buildout** in an easily accessible center with plenty of parking and a dynamic target market to draw from. \$295,000. #3025



RESTAURANT  INSIDER

LEVERAGE *Continued*

entirety. What we mean by this is that the time to plan for selling your business is when you sign the lease to open it. What you agree to then very much controls what happens when you want to sell, even if that occurs 5, 10, 15 or however many years later. The initial lease language will set the parameters for how, or for that matter if, the lease can be assigned, how much time the landlord has to decide if they will grant an assignment, what the cost will be to the current tenant (seller) for the assignment and a host of other issues up to and including if the lease can be transferred at all and if the landlord has the right to terminate the lease.

Many of our clients are surprised to find out that their landlord may be unwilling to assign their lease. They are upset because they had a buyer willing to pay what they considered to be a fair amount for their business and the transaction will not happen because they are unable to assign the lease. We hear from many clients that they have been at their location a long time, they have always been a good tenant, paid their rent on time, kept their business well-maintained and had what they thought was a positive relationship with their landlord. Well, folks, that's not enough! In fact, that may actually work to your detriment. What? How is that possible? It makes perfect sense if you take a minute to think about it from the landlord's perspective. If I'm a landlord and I have a great tenant, why do I want to trade that tenant (known) for a new tenant (unknown)?

As tenants we see the landlords from our own perspective and as we saw dealing with them when we signed our lease initially. That is not what's happening now! The real estate market is good. Rent rates are high and the demand for space is strong in most parts of the Valley. If I'm the landlord, why would I want to assign your lease to someone else? What benefit do I receive? At best, if I'm lucky, I will just continue to receive the rent I'm already receiving from you. It will just have a different name on the check. This is where leverage comes in. You have it when you are signing the lease and opening your business, but you don't have it when you are requesting an assignment to someone else. You need to understand this and use that leverage when you have it at the start to make sure that the language pertaining to assigning your lease is as favorable as possible. Years later when you want to sell your business, it's too late! That's why it's so important to have a knowledgeable, experienced team guiding and assisting you from minute one. ~ *The Restaurant Brokers*

MORE HOT PROPERTIES

Prime, prime, **PRIME Arcadia location!** This cool, cute, cozy and contemporary Breakfast & Lunch occupies a high-visibility endcap location in a small strip center on a major street with over 32,000 cars driving past its front door on a daily basis. Known for their fabulous comfort food breakfasts, baked goods and weekend brunches featuring local products, this spot is absolutely adored by their loyal clientele and will make the new owner an instant hero in the neighborhood. It could be you! \$155,000. #3010



East Valley Pizza franchise unit now available. This is a great brand that is well-known for their authentic Chicago-style pies and sandwiches. Located in an active strip with easy access and plenty of parking, this facility has all the makings of a go-to neighborhood dining destination and delivery service. With a massive rotisserie pizza oven and fully-equipped kitchen, they can really crank out the pizza! Currently generating in excess of \$770K in annual revenue while being run absentee, this is a real money maker for the hands-on operator willing to put in the time and effort. Can be acquired for conversion or Seller is willing to PAY the franchise fee for the right buyer! MOTIVATED... \$139,000. #3022



Fantastic quick-serve or fast-casual restaurant location now available in a **PRIMO South Chandler** shopping center with a huge grocery store anchor. Currently operating as a deli, this 1,200 SF location is fully equipped, efficiently designed and includes a 20-seat patio. Neighborhood demographics are well-suited to almost any restaurant concept with over 45,000 cars traveling the cross streets daily and a population of 90,000 high disposable income residents in the nearby 3-mile trade radius. Keep the concept as is or remake it to suit your vision – the possibilities for a great idea are endless! \$95,000. #3011



DEALS

Rayner's Chocolate & Coffee Shop in Glendale was sold to Sharon Bradford and is continuing as the same concept.

Farmboy Foods is now open at 1075 W. Queen Creek Rd. in Chandler. It was leased to Molovin Farms LLC.

Confluence is now open in the former Café Bink in Carefree. It was sold to Brandon Gauthier.

Lone Spur Café is now open in the former Picazzos Gourmet Pizza & Salads in Flagstaff. It was sold to Lone Spur Café LLC.

Irish Hare Pub is now open in the former Brads Place in Ahwatukee. It was sold to The Irish Hare, LLC.

DeNora's Pizzeria & Ristorante is now open in the former Crust Pizzeria in Phoenix. It was sold to DeNora's Restaurant LLC.

Raging Bull in Mesa was sold to Raging Bull Power Rd LLC and is continuing as the same concept.

TC's Pub & Grub was sold to 2 Eleven LLC and is continuing as the same concept.

St. Francis Restaurant was sold to PNKT St. Francis LLC and is continuing as the same concept.

Benvenuti Pizza Restaurant is now open in the former Crust Pizzeria in Scottsdale. It was sold to Benvenuti Pizza Restaurant LLC.

Ralphie's Castellano Restaurant will be opening soon in the former Calakmul Cocina Mejicana in Cave Creek. It was sold to Ralphie and Pam Castellano.

American Legion #117 will be opening soon at 3230 E. Thunderbird in Phoenix. It was leased to American Legion Pat Tillman Post #117, Inc.

Draw 10 in Phoenix was sold to Premoglobal Solutions LLC and is continuing as the same concept.

J's Kaiyo Sushi & Bar in Scottsdale was sold to Sky Unlimited Inc., and is continuing the same concept.

QUOTE: "In the business world, the rearview mirror is always clearer than the windshield." ~ Warren Buffett

JOKE: What's the difference between deer nuts and beer nuts? Beer nuts are a \$1.75, but deer nuts are under a buck.

RESTAURANT INSIDER

HOT PROPERTIES

Wow! This one will get your attention... absolutely **fantastic restaurant on a hard corner** with great visibility, easy access, outstanding curb appeal and situated in an extremely high-end, high-demand Phoenix neighborhood. This location features a beautiful island bar, very sleek contemporary build-out and a fully equipped and well-designed kitchen capable of delivering virtually any menu. A gorgeous restaurant in a premium spot that's just waiting for the right qualified operator possessing the industry experience and financial resources to bring it all together. \$149,000. #3018



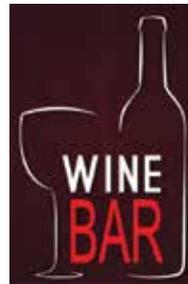
Cozy, cute and clean restaurant featuring **good ol' home-style cooking** now available in the city of Maricopa. Situated in an excellent shopping center with good visibility, plenty of parking and a very strong grocery store anchor. Currently operating as a Breakfast & Lunch with a Series 12 liquor license, but could be extended to include dinner. This is the perfect opportunity for a local couple or family to get in on an established neighborhood location with plenty of upside potential and truly become part of the community. \$195,000. #3023

Turnkey, **cash-flowing restaurant in Gilbert.** This easy to manage Italian restaurant has grown its business year over year and is ready for a new owner to take it to the next level. Minimize the risk of restaurant ownership with this proven cash flow opportunity. A below market lease, great visibility with lots of convenient parking, a small patio along with easy access to the freeway make this a must see. This is the perfect owner/operator business for the right buyer. \$249,000 #3004



Cool, funky and hip Taco Shop now available in **North Central Phoenix.** Known for their awesome street tacos, high-energy environment and big-time salsa bar, this neat little spot really blends food, fun and innovative décor into a great neighborhood joint that delivers the goods. Located in an active strip center with lots of complementary merchants that are a good fit for the local demographic, it is just the right location and opportunity for a couple or family wanting a profitable investment into the restaurant business. CONVERSION ONLY. \$95,000. #3024

Upscale wine bar/restaurant with a Series 6 (bar) liquor license, impeccably positioned on the end-cap of an upscale **East Valley** shopping center that brings together an excellent complement of business synergies. This beautiful Wine Bar and Restaurant has all of the components – easy access, plenty of parking, a full bar, great décor package, excellent wine display and fully equipped kitchen capable of producing any menu. Current absentee owner has spent in excess of \$750k on this first class facility. Fantastic neighborhood demographics show a population of 64,000+ in the 3-mile trade radius and over 60% of them with annual income in the \$50K-\$150K range – perfect for this concept. \$295,000. #3005



AAA+ East Valley restaurant location is now available. This freestanding building is well-positioned at an **extremely busy premium Mall** on a high-visibility pad with its own parking. No expense was spared to create this beautiful facility – HUGE patios, an indoor/outdoor bar, an excellent dining room layout with a cocktail area and a fully-equipped kitchen capable of delivering any style of menu. This is a very RARE opportunity to acquire a superior location, the type that doesn't come around very often! Strong operational expertise and financial resources required. CONVERSION ONLY. \$395,000. #2096

This one-of-a-kind Western Grill & Saloon is popular with the locals as well as the tourists in the **White Mountains.** Known for grillin' great steaks, chops and chicken, and the homemade sides that go with them, this amazing restaurant is all about THE EXPERIENCE. Pretty much its own world, this spectacular facility can also host every manner of festive occasions for 10 people up to 150 - birthdays, anniversaries and holiday events, along with weddings, family reunions and business gatherings. Words don't do it justice! **Purchase the business and real estate for \$690,000** or just the business for \$190,000 and lease with a purchase option. #2090



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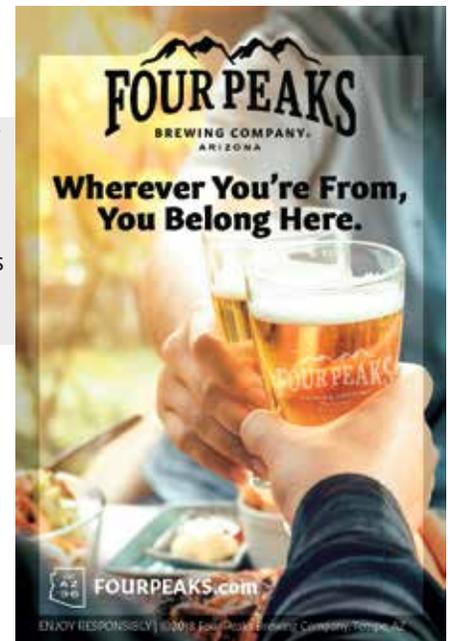


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By the numbers



Celebrating 38 years

1,000

The number of varieties of bananas that exist in the world. However, the ones we eat are all the same, genetic clones of the Cavendish variety.

~ Chiquita

65

The percentage of alcohol by volume of Armageddon from Brewmaster in Scotland, the world's strongest beer.

~ Brew Around the World

42,000

The approximate cost of a Maricopa County Series 7 liquor license. While the actual price paid will fluctuate based upon availability, the cost has increased significantly in recent years!

~ ADLLC

80

The cost in dollars per pound of real wasabi. About 99% of all wasabi sold in the USA is fake, and made from ground horseradish instead.

~ Sushi Lovers

168,000

The cost in US dollars per bottle of Penfolds Limited Edition Ampoule from Australia, the world's most expensive wine. Only 12 bottles exist worldwide.

~ Wine Reporter

25

The percentage of air in an apple by volume - that's why they float!

~ Fun Food Facts

4,152

The number of ounces of beer the average person drinks in the Czech Republic per year — the most of any country in the world.

~ Beer Science



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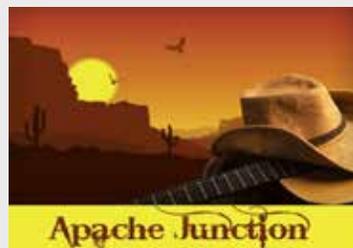


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EVEN MORE HOT PROPERTIES

An extremely cool **Bistro & Bar** located in one of **Scottsdale's most high-profile upscale shopping centers**, this beautiful facility features a full bar with a casual cocktail area and an amazing dining room with fantastic elevated booth seating along with a top-of-the-line kitchen that would make any Chef envious. Being well-positioned in a **PREMIER** center with over 42,000 cars driving by on a daily basis and a population of 175,000 in the local trade radius makes this an excellent target acquisition for those with the operational expertise to maximize this prime location. **REDUCED \$165,000. #2058**



An amazing **Real Estate** opportunity is now available in the far East Valley. This restaurant is part of the historic Wild West in Arizona and has the character to prove it. A **10,000 SF freestanding building sitting on 1.5 acres** of Cowboy Country that includes a **Series 6 (bar) liquor license**, a fully equipped kitchen, saloon-style bar, hardwood dance floor, spacious dining room and TONS of private party and banquet space, both inside and out. This is a very special place for a special operator. Saddle up! \$990,000. #3009

Premium **second generation restaurant space** in a top-shelf **Chandler** shopping center located at **2551 W Queen Creek Road**. This former Italian restaurant and pizzeria comes fully-equipped with EVERYTHING – furniture, fixtures and kitchen equipment, including a beautiful wood-fired pizza oven. Occupying a high-visibility endcap with a fantastic patio, TONS of curb appeal and plenty of parking, this 3,077 SF facility is a steal for the right operator... just sign the lease and get rolling! \$34 PSF + NNN

