

RESTAURANT INSIDER

"NEWS YOU CAN USE"



NEWSLETTER... SUMMER 2019



BEYOND DESCRIPTION! This MEGA food, beverage, and entertainment venue is TOP SHELF all the way. Almost 7,000 SF of awe-inspiring design, décor, imagination and innovation is now available in downtown Phoenix. Huge patios, amazingly creative restaurant and bar design, brilliantly constructed dining rooms and lounge spaces for social gathering accompanied by a fully equipped, over-the-top kitchen capable of delivering the highest quality food offerings at huge volumes. This is an absolute DREAM of a facility positioned and poised for long term success. Are you ready? #3059



An excellent family restaurant and bar in the **East Valley** is now available. Located in the end-cap of a neighborhood strip center, this local favorite has a lot going for it – great visibility, tons of parking, large patio out front, plenty of TVs for viewing sports and special events, a brand new fully equipped kitchen, and best of all, an AWESOME rent rate. Always wanted to have your own Sports Bar and local hangout that's part of the community? This is it! \$265,000. #3053

In existence for over 20 years, this **neighborhood Italian restaurant** has enjoyed the reputation of consistently being one the best in the area, if not the entire East Valley. Located in a small strip center just off a major highway in an excellent neighborhood, it is surrounded by an upscale population exceeding 90,000 in the three-mile trade radius. They deliver an Old World dining experience that is surpassed only by the quality food offering and polished professional service. The owner really wants to sell and this is a perfect opportunity for a husband and wife team or Chef owner-operator. "Make an offer they can't refuse..." \$175,000. #3060



This is a **premium restaurant and bar** in EVERY way - an absolutely beautiful over-the-top build-out in an A+ location. No expense was spared in creating a top-shelf environment that provides the perfect atmosphere for upscale business and social interaction. Amazing décor, outstanding design features, top of the line furnishings and a first-class kitchen all combined to create a quality facility with great curb appeal and excellent visibility that generates in excess of \$2.5M of revenue annually. This is the REAL DEAL! \$575,000. #3046

Fabulous **Italian Restaurant & Pizzeria** in an excellent East Valley center, close to downtown Gilbert, is now available. This is the kind of authentic inspired cooking that the locals just absolutely LOVE, and they have tons of superlative reviews to prove it. Everything that makes for a great restaurant destination is already in place - old world decor, a fully equipped kitchen that consistently delivers delightful food and a truly amazing outdoor patio that provides an atmosphere that is second to none. This is the perfect spot for a hands on operator, a Chef that loves to cook Italian cuisine, and/or husband and wife team that wants to be part of the community. \$175,000. #3045



When we ask clients about what their future plans are for the business, and specifically what the "exit strategy" is, we are typically greeted with either an *eyes glazed over* (what the heck are you talking about?) look on their face or some form of a "I don't know, I'll sell it I guess..." type response. Undoubtedly, this issue requires more serious consideration by the business owner.

We don't know who said it first, but Stephen Covey, the author of *The Seven Habits of Highly Effective People*, lists "begin with the end in mind" as habit number two. This is extremely important for any successful business owner, and that definitely includes restaurant owners and operators. The fact is that you can't operate your restaurant like you will be there forever and then suddenly flip a switch and transform it into the type of business that is organized, well-documented and clearly defined so that a potential buyer can justify paying a fair [or better] price for it.

If you begin with the end in mind that one day you are going to sell your business, then you will have all of the systems, processes and procedures specified and documented. For example, do you have recipes, plating specs and pictures for all of the food offerings on your menu? Do you have drink recipes for all of your cocktails? Do you have an employee handbook

Continued inside



DEALS

What's Your Plan? Continued

and training manuals for your employees? Do you have daily reports and accounting practices and procedures that are written down and followed diligently? These are just some of the things that need to be in place for you to maximize the value of your business when it comes time to try to sell it. The more you have these things in place to set your business up for success, the better opportunity to achieve a premium price for your business when it hits the market.

We see this time and time again. Businesses are configured so that the current owner does a great job operating them and has the ability to maximize profits. The problem is that they are set up so that ONLY the current owner has the knowledge and understanding to accomplish that. What this means is that basically the business is worth more to you than it will ever be to someone looking to purchase it. Needless to say, that is a very bad situation which results in both buyer and seller not being able to achieve the end result they are looking for and both being unhappy.

If you want to sell your business one day, and let's face it, that's pretty much the only exit strategy that provides a positive end result for the business owner, you need to PLAN for it. That means setting the business up for success and positioning it for the day that you are not there working it on a daily basis.

Put the things in place that create VALUE for potential buyers. Have a solid long-term lease that gives potential buyers ample time to generate a reasonable return on their investment. Have detailed books and records that clearly show how the business operates and where there are profits to be made. Have a well-trained staff that operates the business at a high level on a daily basis. Provide documented systems and procedures that transfer knowledge to a new potential owner so that they can continue operating the business efficiently and profitably. One good approach is to think about what you would want to see, as being provided by the seller, if you were buying the business instead of selling it.

Bottom line – the more thought you put into what you are selling and the easier you make it for the buyer to operate the business profitably when they own it, the more it will be worth to a buyer and therefore, the more \$\$\$\$ it will contribute to your retirement! ~ *The Restaurant Brokers*

3 RESTAURANT TECH PREDICTIONS FOR 2019

~ credit: Nancy Luna, NRN



1. Automation will abound

With labor pressures mounting in the restaurant industry, automation is something every operator is taking a hard look at. In 2018, early adopters tapped a burger flipping robot called Flippy and a self-navigating "busboy" named Penny. Flippy, developed by Miso Robotics, is cooking burgers, fries and chicken tenders at CaliBurger in Pasadena, Calif., and Dodger Stadium. Penny is delivering food and drinks at a full-service pizzeria in San Francisco.

2. Drones will deliver

Market leaders such as Grubhub, Postmates, Uber Eats and DoorDash will battle for domination. A differentiator in the space will be those that can add delivery through drones. Uber is already on the move, allegedly designing a drone delivery system called UberExpress that could be operational by 2021, according to a recent report by the Wall Street Journal.

3. Apps will drive visits

To promote the revamped app, Burger King gave away a 1¢ Whopper to anyone standing within 600 feet of a McDonald's while downloading the BK app. The stunt made the BK app the No. 1 most downloaded free app in the Apple App store in the first few days of the promotion.

Uncle Bears - Ahwatukee is now owned and operated by Dave and Trina Rankine of Uncle Bears Ahwatukee LLC, continuing the well-known brand.

Meat The Ball is now open at the former Wink 24 in Phoenix, which was sold to Pomo Camellback LLC.

Cherish, formerly Sauce, is now open at 2551 W. Queen Creek Road, Downtown Ocotillo in Chandler, which was leased to Cherish Restaurant Scottsdale, LLC.

The Social on 83rd is now open at the former Slicks Garage in Peoria which was sold to Joe Lucidi, also of The Haymaker.

MODERN Oyster Bar + Chophouse is now open at the former Sonata's in Scottsdale, which was sold to MMM Restaurant Group, LLC.

Merkin Vineyard Old Town is open at 7133 E. Stetson Dr. in Scottsdale. It was leased to Merkin Enterprises Inc.

Ammaccapane's Restaurant & Bar in Phoenix was sold to Eighty Sixed, LLC. Douglass Buss and his partner Joseph Bologna are now operating as **Il Asile (The Asylum)**.

Los Gringos Locos in Apache Junction was sold with the Real Estate to the Schmidt family via Los Gringos Locos AZ, LLC and is continuing the 16-year long popular tradition of quality Mexican food and a Cantina.

Kitchen 56 in Phoenix was sold to K56 Restaurant Partners, LLC and is continuing as the same concept.

7212 E. Ho Hum in the Spanish Village in Carefree is soon to be open as **Pizzicata Ristorante Pizzeria**.

Capriotti's in Phoenix was sold to Dave Andrea of Brat Haus, LLC. Soon to be open as the second **Brat Haus**, a smaller version of the original Old Town location.

270 E Hunt Highway in San Tan Valley was leased by Dan Lomas and is now open as **Brickies Smokehouse & Grill**.

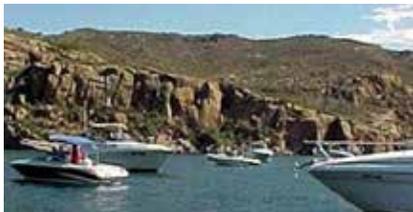
Carlo & Emile's at Alma School & Germann was sold to Festive Patio Lights, LLC and is going to become **Mr. Brews Tap House**.

The former Meridiam Kitchen & Lounge at Park Place in Chandler was sold to JWALT Investments, LLC and shall be converted into **The Parlay**.

With GRATITUDE we CONGRATULATE these CUSTOMERS & CLIENTS!!

RESTAURANT INSIDER

More Hot Properties



OH, WHAT A LIFE! This spot might be too beautiful for words... How about operating a restaurant and event facility at the marina on beautiful Bartlett Lake? A fully-equipped restaurant with a large kitchen, plenty of dining and event/party space and a huge LAKE FRONT patio! You can drive your BOAT to work! This is an absolutely perfect LIFESTYLE arrangement for the right buyer. Is it you? \$50,000. #3061

Phenomenal Italian Restaurant & Pizzeria in **downtown Prescott** is now available. This is a marvelous business with a great following of locals and tourists, fantastic reviews for their authentic cuisine, and they have the profits to prove it. This location has lots of character, fantastic visibility and great curb appeal with awesome patio seating while the interior features a huge bar, vibrant dining room, fully equipped kitchen and a custom-made imported oven that delivers some of the best pizza and Italian baked goods to be had anywhere in the state. This is an amazing business opportunity for the right operator that LOVES to serve Italian cuisine they can be proud of! \$595,000. #3064



Fantastic **Sports Bar & Restaurant in Surprise** is now available. Located in a 5,500 SF freestanding building on a pad in an active shopping center, this is the complete package! It features great curb appeal, tremendous visibility, TONS of parking and a MEGA outdoor patio coupled with a quality décor package and a serious fully-equipped kitchen capable of handling high-volume food service. The local demographics are strong with an average household income of over \$71,000 and a population over 100,000 within a 3-mile radius. This is a multifaceted business in an excellent location in need of a skilled operator. \$440,000. #3056

High visibility, high-traffic Sandwich Shop & Deli at the **ASU campus**. This location has been in existence for over 20 years and has a long history of success. Perfectly positioned with easy access and plenty of its own parking, there is a front-facing patio that has in excess of 33,000 cars driving by every day. A long-time destination for students and faculty, the business also provides for luncheons, catering, party planning services for the numerous offices and business in the immediate area. Price to sell NOW! Only \$85,000. #3054



Beautiful Asian Restaurant & Sushi Bar in the center of **Scottsdale**. This fantastic facility includes a top-of-the-line sushi bar, amazing cocktail area with a full-service bar and community table, a fully-equipped kitchen and a fabulous patio that is the perfect complement for this high-visibility location. Situated in an extremely busy center with numerous successful businesses, the demographics are strong with 35,000 cars per day traveling the cross streets and a population of over 90,000 in the local 3-mile trade radius. This is a GREAT PRICE for a beautiful build-out in an A+ location! \$225,000. #3029



SHARE THE HEALTH! Great little starter business for those wanting to enter the food service industry. This juice and **smoothie franchise in Northern Arizona** is a great way to start. This is a fully built-out and totally equipped 1,100 SF of space at a very reasonable rent rate with all of the training and support of a franchise to help guide your journey into the restaurant business. \$90,000. #3062



QUOTE: *If you understood everything I said, you'd be me!* ~ Miles Davis

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By the numbers



140

The number of pounds of potatoes the average American eats annually. Approximately 60% of all potatoes grown domestically are turned into French fries.

~ The Idaho Farm Bureau

1673

The year The White Horse Tavern in Rhode Island opened; it's the oldest operating tavern in the United States.

~ Learn Something New Today

17

The number of degrees below zero required to freeze 80 proof vodka.

~ Keepitcold.com

1,055

The approximate number of jobs saved and/or created in the restaurants bought and sold by clients of The Restaurant Brokers over the last 12 months.

~ The Restaurant Brokers

2

The number of grams of sugar in lemons; twice as much as in strawberries.

How about that!

~ Wiki Answers

70,000

The number of glasses of milk an average cow produces in her lifetime.

~ The Talking Cow



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Even More Hot Properties

CASH FLOW! This one is all about the money... an excellent carryout and delivery only pizza franchise that is run totally absentee. Located in an excellent South Chandler shopping center with a MEGA grocery store anchor and superb demographics in the surrounding trade radius, this business generates in excess of \$600K in revenue and delivers **\$99K of profitability annually** for the absentee owner. The store is super-clean and the franchise is a **PROVEN** and well-established concept in this market. Great return on investment for a qualified buyer! \$240,000. #3057



Amazing location and build out in this **upscale destination shopping center**. Join North Italia, Blancos Tacos, RA Sushi and Firebird Grill in this highly desirable shopping center. A well-appointed kitchen allows for a variety of concepts and the large protected patio gives you enough space to do the sales volume this location is capable of. Lots of parking and great visibility due to the proximity to AJ's, Crate and Barrel and ideally located by Tucson's only Apple store, creating an abundance of walk by traffic. Fully turnkey space with well-designed and high-quality furnishings makes this a must see for the experienced operator looking for a high-volume location in one of Tucson's best neighborhoods. \$175,000. #3050