



SOUTHBRIDGE ADVISORY GROUP, INC.

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ACQUISITION PROFILE

Southbridge is representing an excellent of restaurant and catering company that offers extensive growth capability from four separate revenue streams, three of which are well established in the existing operations.

The restaurant is a best market niche, upscale – casual, for its geographic location. The physical location offers very high-growth commercial and residential demographics with new large medical facilities and commerce opening as well as new upscale residential and multi-family residential projects providing appropriate income-based population growth for the two and five mile radius of the facility.

The facility has a very attractive and inviting exterior with more than ample parking and ease of access. Inside, the restaurant is visually appealing in its unusual décor; a mixture of American West, pirates and jungle, and wildlife in a lodge environment with heavy wooded tables designed for the restaurant. A full bar, separate from the dining room, offers a high-seas motif that is fun and attractive. The main dining room offers a stone double fireplace that connects with the bar area. The dining area is adorned with mantels of split logs.

More impressive than the décor and atmosphere is the food; featuring fabulous barbeque and delicious steaks complimented with seafood, fresh desserts and breads. The meats are prepared with specialty sauces in two massive smokers. The quality of the meats and specialty preparations create a premier branding for their barbeque and steaks.

The bar area, with its attractive lay-out and high seas décor, is an inviting gathering spot for after work or later in the evening for all adult age groups. The bar area can minimally triple its current revenues as it can be staged for music, as well the popular big screen - sports bar is incorporated. The physical lay-out can comfortably support 50 patrons. The addition of the ever-popular deck area (easily and affordably added) creates an additional attractive seating area and draw.

An additional under utilized profit center is the Catering Service. Currently the service is well operated with a growing repeat-user client base. The present ownership has not promoted or chosen to develop this revenue area, allowing the satisfied customer base to create internal growth by word of mouth. The catering services could readily triple in revenues as well.

A fourth profit center could be added within year one of operation, Franchising. Our franchise associate has analyzed the existing operations and modeled a program that will project probable \$1,500,000 to \$2,000,000 annual franchise revenue.

Our food industry associate, in analyzing the enterprise observed the following growth and profit enhancement capabilities:

1. 10% annual restaurant revenue increase due to growing demographics
2. 100% increase in both catering and bar revenues in year one
3. Cost reductions of 10% minimum can be obtained through a standard franchise type purchasing structure, without diminishing the quality of product or service.
4. Franchising can be initiated in year one due to the three-year track record and the appropriateness for a franchising model.

In summary, we feel this acquisition offers a unique opportunity in the food service industry with multiple growth factors from the growing demographics of the location, to existing revenue streams that can be expanded, and the franchising model that can be executed.

SALE VALUE - \$2,400,000

Determining Value Points

- Real Estate Value - \$1,850,000
- Fair Market Value of Assets - \$310,694
- Goodwill - \$300,000
- Recast Normalized EBITDA - \$323,593