



THE VELD  
GROUP  
LOS ANGELES • TOKYO

# OPPORTUNITY OVERVIEWS

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## **Purpose**

These Business Opportunity Summaries, presented by The Veld Business Advisory Group, Inc. (“The Veld Group”) are intended to acquaint a prospective purchaser with relevant preliminary information regarding business opportunities which are currently available for acquisition, sale or merger. The overall format of these Business Opportunity Summaries are concise by nature, as they are designed to provide prospective purchasers broad overviews, rather than disclosing any potentially confidential data about opportunities indicated herein.

Additional details, and frequently, comprehensive business reviews of the opportunities included herein may be obtained upon receipt of an appropriate non-disclosure statement (“NDA”). Depending on the nature of the business opportunity offered (i.e. the level of confidentiality that our clients have requested, the asking price, etc.), a statement of financial capability or a demonstration of ability to finance may also be required. These forms, which may be returned via fax to 310.652.8363, or regular mail, are included as Appendix 1 and 2 of this document.

## **Confidentiality and Disclaimer**

These Business Opportunity Summaries, prepared by The Veld Group, are based upon materials provided and information supplied by our client company, pursuant to The Veld Group’s engagement by the Companies. While the information contained herein is believed to be accurate, The Veld Group has not conducted any audit or investigation with respect to such information, and expressly disclaims any and all liability for representations, expressed or implied, contained in, or for omissions from, these or any such Business Opportunity Summaries. Only those particular representations and warranties which may be made by the Company in a definitive written purchase agreement, when and if one is executed, and subject to such limitations and restrictions as may be specified in such purchase agreement, shall have any legal effect.

By acceptance of these Business Opportunity Summaries the recipient acknowledges their responsibility to perform a due diligence review at their own cost prior to any acquisition of or merger with the companies described herein. Further, while certain details of the business opportunities indicated herein may allow prospective acquirers or other intermediaries to ascertain the identity of our clients, the recipient of this document agrees that all communications will be conducted through The Veld Group or its appointed representatives.

## Restaurant & Bar Opportunities

# RESTAURANT & BAR OPPORTUNITIES

## 1. Hollywood Nightclub / Restaurant with Prime Location

<b>Business</b>	<b>Nightclub / Restaurant</b>		
Location / Address	<b>Hollywood, CA</b>		
Industry Description	<b>Night Club - Restaurant</b>	SIC	<b>5813 - 04</b>
Days Open	<b>Varies</b>	Year Established	<b>1922 (Theatre); 1998</b>
Hours of Operation		Years Owned	<b>1995</b>
Full-time Employees	<b>30 +</b>	Part-time	<b>0</b>
Other Notes			
Hours/wk by Owner	<b>Varies</b>	Owners Duties	<b>Management/Promotion</b>
Skills / Licenses Req'd	<b>Type 47 Liquor; Entert./Cabaret</b>	Training Offered	<b>As necessary</b>
Non-Compete Terms	<b>TBD</b>		
<b>Exec. Summary</b>	<b>This has been a very popular club in a prime Hollywood location for yrs.</b>		
Lease / Bldg. Info.	<b>652 Occupancy</b>	Monthly Rent	<b>\$13,000</b>
Lease Commenced	<b>2003</b>	Deposit	
Lease Expires	<b>2013</b>	Term & Option	<b>10 Yr. w/Option</b>
Bldg./Area Description	<b>Urban Brick Bldg.</b>	Square Footage	<b>8,000 plus Large Patio</b>
Seats, Pkg, Zoning, etc.	<b>This facility rents a nearby parking lot; and an adjacent lot and street parking are available. Business has Type 47 (11-2 am) Alcohol permit w/50% food sales; Dancing/Cabaret Permit</b>		
<b>Reason for Sale</b>	Retirement		
<b>Financial Summary</b>	<b>Current Yr. Annual</b>	<b>2003 / Owner to Prove</b>	<b>2002 / Owner to Prove</b>
Gross Revenue	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
COGS			
Rent / CAM	<b>\$96,000</b>	<b>\$96,000</b>	<b>\$96,000</b>
Payroll			
Net Profit (before tax)			
Discretionary Cash	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>Expense Breakdown</b>			
<b>Included in Sale</b>	<b>Assets</b>		<b>Liabilities</b>
FF&E Included	<b>&gt; \$400,000</b>	Lease Obligations	<b>\$0</b>
Inventory Included	<b>\$25,000</b>	Debt Included	<b>\$0</b>
Other Assets Included	<b>~4 Licenses</b>	Other Liabilities	<b>\$0</b>
Working Capital (not incl)		Return on Sale Price	
<b>Asking Price</b>	<b>\$750,000</b>	Owner Financing/Terms	<b>Not Offered</b>
Earnest Money Dep.	<b>\$30,000</b>	Down Payment	<b>\$750,000</b>

## Opportunity Summary

<b>Headline</b>	<b>Hollywood Nightclub / Restaurant with Prime Location</b>
<b>Summary</b>	This well known club is located just off of Hollywood Boulevard in a fantastic location. It generates \$1.0 million in revenue, and is a turnkey operation for a new owner. The club / restaurant is 8,000 sq. ft. and holds 650 persons, with a large patio in the rear. The Club has two main bars, two main dancing / eating / lounging rooms, 2 DJ booths, as well as a large stage.
<b>Facilities / Assets</b>	Approximately \$400,000 in hard assets are included in the sale, including the fully outfitted kitchen (\$75k); two build out bars (\$100k); a fantastic sound and lighting system (\$65k+); new sprinklers (\$75k) and plumbing (\$85k); alcohol inventory (\$25k), furniture, etc... Licenses / permits that will transfer in the sale include: Type 47 liquor license (11 am – 2 am; 50% food sales); Conditional use permit; Entertainment / Cabaret / Dancing permits and Catering Permit so liquor may be served offsite. The facility is 8,000 sq. ft. with a 10 year lease, and monthly rent of \$13,000. Parking is also leased at an additional \$600/month (approx.)
<b>Competition</b>	The Hollywood / West Hollywood is a highly competitive club market. This club, however, is considered well established.
<b>Growth Potential</b>	There is a great deal of growth potential depending on the new owner's promotional ability.
<b>Other</b>	

## 2. Moreno Valley BBQ Restaurant

<b>Business</b>	<b>BBQ Restaurant</b>		
Location / Address	<b>Moreno Valley, CA</b>		
Industry Description	<b>Restaurant</b>	SIC	<b>5812 - 24</b>
Days Open	<b>7 - Tues- Th. 11am-8pm</b>	Established	<b>1994</b>
Hours of Operation	<b>Fr &amp; Sat 11 -9:30 , Sun. 12-7</b>	Years Owned	<b>10</b>
Full-time Employees	<b>7</b>	Part-time	
Other Notes			
Hours/wk by Owner	<b>Approx. 35 by each</b>	Owners Duties	<b>Manager</b>
Skills / Licenses Req'd		Training Offered / Cost	<b>As Necessary</b>
Non-Compete Terms	<b>As buyer wishes</b>		
<b>Exec. Summary</b>			
Lease / Bldg. Info.	<b>Freestanding</b>	Monthly Rent	<b>\$1,407</b>
Lease Commenced		Deposit	
Lease Expires		Term & Option	
Bldg./Area Description		Square Footage	<b>1,500 Sq. Ft.</b>
Seats, Pkg, Zoning, etc.	Seats 40 reg. and 65-70 banquet style, also has patio and plenty of parking		
Located on very large lot with plenty of room for expansion and party/banquet events			
Reason for Sale	Retirement		
<b>Financial Summary</b>	<b>Current Yr. Annual</b>	<b>2003 / Owner to Prove</b>	<b>2002 / Owner to Prove</b>
Gross Revenue	<b>As 2002</b>	<b>As 2002</b>	<b>\$249,437</b>
COGS			<b>\$68,065</b>
Rent / CAM			<b>\$16,148</b>
Payroll			<b>\$66,229</b>
Net Profit (before tax)			<b>\$40,644</b>
Discretionary Cash			<b>\$59,884</b>
<b>Expense Breakdown</b>			
<b>Included in Sale</b>	<b>Assets</b>		<b>Liabilities</b>
FF&E Included	<b>\$26,600 + (Conservative)</b>	Lease Obligations	<b>\$0</b>
Inventory Included	<b>\$12,000</b>	Debt Included	<b>\$0</b>
Other Assets Included	<b>\$0</b>	Other Liabilities	<b>\$0</b>
Working Capital (not incl)		Return on Sale Price	
<b>Asking Price</b>	<b>\$130,000</b>	Owner Financing/Terms	<b>Not Offered</b>
Earnest Money Dep.		Down Payment	

## Opportunity Summary

<b>Headline</b>	<b>BBQ Made In Heaven</b>
<b>Summary</b>	<p>This restaurant was formed in May 1994. Today it is the preferred restaurant for BBQ/Southern cooking in this area and expansion and/or other locations are solid considerations. This restaurant does catering and special events providing food for city concerts in park, Riverside Jazz Festivals, Nike Open Golf tournament, and many other events including catering to 150 Army Reserves every 90 days. This is a stand-alone facility which seats 40 regularly and 65-70 banquet style, also has patio and plenty of parking. Take-out sales average approximately 30% of total sales. Business is open Tuesday through Sunday. Tuesday through Thursday open hours are from 11:00am to 8:00pm, Friday Saturday open from 11:00am to 9:30pm, and Sunday from 12:00 noon to 7:00pm. Clientele is very strong. Patrons come from many surrounding cities and towns, i.e., Riverside, Perris, Sun City, Hemet, Redlands, Palms Spring, San Bernardino, Temecula, and Corona. This is a regional restaurant and caterer.</p>
<b>Facilities / Assets</b>	<p>Restaurant occupies approximately 1,300 sf, located on very large lot with plenty of room for expansion and party/banquet events. Monthly rent is \$1,407.11, which includes water. Approximately \$26,000 of assets will be included in sale. All barbeque is cooked in stainless steel with fire brick inlay pit smoker. There is steam table, hot food holders, warmers, refrigerators are in place for day-to-day use. Portable steam table, warmers, hot box, chaffing dishes, folding tables, napkins, and table clothes w/ table skirt.</p>
<b>Competition</b>	<p>Only barbeque restaurant in town. Closest competitor is 15 miles away. Located on major street, parallel to freeway and within blocks of major shopping mall and shopping centers.</p>
<b>Growth Potential</b>	<p>Located on very large lot, can easily be expanded to accomodate parties and major events.</p>
<b>Other</b>	<p>Restaurant sells own signature sauce, hats, and t-shirts, which provides an additional revenue stream for restaurant.</p>

### 3. Established Pizza / Italian Restaurant with Property

<b>Business</b>	<b>Pizza / Italian Restaurant</b>		
Location / Address	<b>South East Los Angeles, CA</b>		
Industry Description	<b>Italian Restaurant/Pizza</b>	SIC	<b>5812 – 22 &amp; 27</b>
Days Open	<b>7 Days; Mon – Wed 4 - 9</b>	Year Established	<b>1971</b>
Hours of Operation	<b>Tr, Su 12-9; Fr-Sa 12-11</b>	Years Owned	<b>1971</b>
Full-time Employees	<b>2 Owners</b>	Part-time Employees	<b>13</b>
Other Notes			
Hours/wk by Owner	<b>30 Hrs Each (x2)</b>	Owners Duties	<b>Mngt and Delivery</b>
Skills / Licenses Req'd	<b>Beer &amp; Wine (Exp. 6/05)</b>	Training Offered / Cost	<b>4 Wks / 30 Hrs/wk.</b>
Non-Compete Terms	<b>5 Yrs. / 5 Miles</b>		
<b>Exec. Summary</b>	<b>A family operated restaurant since 1971; Name/recipes sold separately.</b>		
Lease / Bldg. Info.	<b>Free Standing Bldg.</b>	Monthly Rent	<b>n/a (owner occupied)</b>
Lease Commenced	<b>n/a</b>	Deposit	<b>n/a</b>
Lease Expires	<b>n/a</b>	Term & Option	<b>n/a</b>
Bldg./Area Description	<b>Commercial/Residential</b>	Square Footage	<b>1,800</b>
Seats, Pkg, Zoning, etc.	<b>This 1,800 sq. ft. facility on a 100' x 120' lot has excellent street frontage with 15 parking spots and an outside patio. Occupancy is for up to 60 patrons.</b>		
<b>Reason for Sale</b>	Retirement		
<b>Financial Summary</b>	<b>Current Yr. Annual</b>	<b>2003 / Owner to Prove</b>	<b>2002 / Owner to Prove</b>
Gross Revenue	<b>As prior years</b>	<b>\$250,000 (Approx.)</b>	<b>\$250,000 (Approx.)</b>
COGS			
Rent / CAM	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Payroll			
Net Profit (before tax)	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
Discretionary Cash	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>Expense Breakdown</b>			
<b>Included in Sale</b>	<b>Assets</b>		<b>Liabilities</b>
FF&E Included	<b>\$100,000</b>	Lease Obligations	<b>\$0</b>
Inventory Included	<b>\$3,000</b>	Debt Included	<b>\$0</b>
Other Assets Included		Other Liabilities	<b>\$0</b>
Working Capital (not incl)		Return on Sale Price	
<b>Asking Price</b>	<b>\$600,000 (incl. Real Est.)</b>	Owner Financing/Terms	<b>Not Offered</b>
Earnest Money Dep.	<b>\$20,000</b>	Down Payment	<b>n/a</b>

## Opportunity Summary

<b>Headline</b>	<b>Established Pizza / Italian Restaurant with Property</b>
<b>Summary</b>	The owners of this family style pizza restaurant and Italian food kitchen have serving fantastic pizzas (approx. 1,250/yr equating to 70% of revenues) and home cooked meals from this high traffic location since 1971. The restaurant seats 32 inside and 20 on its outside patio, produces approximately \$250,000 in gross revenue. It operates with abbreviated hours on Monday – Wednesday (opening at 4 pm), and comes compete with a beer and wine license, and a building which may be converted to a drive-thru.
<b>Facilities / Assets</b>	Seeking to retire, the owners are finally willing to sell the 1,800 square foot building, the 100' x 120' lot, and all of the history and memories of the restaurant. This sale includes approximately \$100,000 worth of equipment, all paid for, including 2 – 4 shelf pizza ovens, a 10' x 8' walk-in cooler, and more kitchen equipment that can be listed.
<b>Competition</b>	While traditional pizza delivery services are available nearby, this business is primarily a dine-in establishment, with only 1-2% of its business in the form of deliveries. Few, if any, comparable dine-in restaurants exist in the area.
<b>Growth Potential</b>	New owners may choose to increase delivery service via increased advertising and marketing efforts, capitalize on the establishment's beer and wine license by offering extended hours, expand the service offering, convert part of the establishment to a drive-thru( with a 600 sq. ft. reduction in the facility), etc.
<b>Other</b>	The owner seeks to sell the name and restaurant recipes separately, as a new owner may not choose to serve pizza and Italian food under his name or with his family recipes.

## **Appendix 1 – Offer to Purchase Agreement**

**Available Upon Request**