



# Business Analysis Tool

**Listing: 9180 109 Burger Joint**

**646 SW 109 AVENUE**

**Miami, FL 33174**

**Contact: Tarun Gajwani**

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**Miami, FL 33165**

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## **109 Burger Joint**

**This business is offered at \$395,000**



**646 SW 109 AVENUE  
Miami, FL 33174**

# Confidentiality



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All of the information presented in the Business Analysis Tool is highly sensitive and confidential. It is only intended for individuals or companies who have signed a Confidentiality or Non-Disclosure Agreement or are bound to confidentiality by their professional ethics. **DO NOT PROCEED FURTHER UNLESS YOU ARE BOUND BY ONE OF THESE AGREEMENTS.** If you have electronically acknowledged this confidentiality agreement online through our website [www.wesellrestaurants.com](http://www.wesellrestaurants.com) you are fully bound by the terms of that confidentiality agreement under United States law for all information released to you herein.

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By accepting this Business Analysis Tool, the recipient acknowledges their responsibility to perform a thorough due diligence review and to make their own evaluation prior to any acquisition of the business for sale.

The business employees, customers, suppliers and competitors are not aware that the business is for sale. Contact with any party of the business, stakeholder, landlord, vendor and employee or otherwise is strictly prohibited except in an "undercover" manner while acting normally as a customer.





## Contact Me

Tarun Gajwani

We Sell Restaurants, Franchise Partner

Miami South, Certified Restaurant

Broker

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Tarun Gajwani is the We Sell Restaurants Franchise partner for the Miami South market which includes West Miami and Tamiami on the north side along with the Olympia Heights, Coral Gables and the Kendale Lakes portions of Miami.

He is a native Floridian born and raised in the area, granting him the lifelong experience necessary to understand the community and the market he serves. He is a licensed real estate salesperson in the state of Florida and has been active in the industry since 2017, the date of his first licensure.

Tarun is an entrepreneur and understands the distinct needs of buyers and sellers. He previously built an e-commerce business, which he owned and operated for nearly a decade in addition to building a successful real estate practice. His desire to work in the hospitality industry brought him to restaurant brokerage. His skills as a businessman and residential real estate broker, coupled with knowledge of the south Miami market, supplement his ability to assist those buying or selling restaurants in his franchise territory. He has completed the curriculum and field training required to earn the distinction of Certified Restaurant Broker® and is one of a select group nationwide with this industry-specific title.

Tarun is a graduate of Southern Methodist University, where he studied Markets and Cultures.

When he's not selling restaurants, Tarun enjoys spending time with his wife, son, and 2 dogs. You may also find him on

the golf course—or watching the Miami Dolphins play Sunday night football!

# 109 Burger Joint

**This business is offered at \$395,000**



Calling all restaurateurs ! Take a look this [Burger Restaurant for Sale](#) in Miami, FL. A highly successful independent concept, this opportunity is generating sales of \$72,1691.00 and earnings of \$152,503 for the current owner. Lending available! Established in 2016 they serve not only food but also Beer and/or Wine

Established in 2016, this [Burger Restaurant for Sale](#) is a local opportunity with a loyal customer base that is ready for new ownership since the seller is ready to hand over the reigns to a new owner! The best part of an independent concept like this one? There are no royalty fees, ad fund fees or transfer fees! That's more money for you from the \$721,691 they are doing in volume.

Recipes, name and concept transfer to you in the sale of this location offered by the Restaurant Brokers at [We Sell Restaurants](#). We will also work with you to transfer or acquire the Beer and/or Wine license to operate. Invest in your future with this Burger Restaurant for Sale. Your investment will provide you the opportunity for success, and it doesn't even hurt that there are some perks to being your own boss!

Right next to a College Campus means heavy traffic coming and going.. An independent concept like this Burger Restaurant for Sale can be a rewarding business venture for someone passionate about owning a restaurant.

Our preferred lenders will look at this listing for lending if you have strong credit and experience in the business. Then keep the current concept or develop your own! The choice is yours for this Burger Restaurant for Sale. Either way, you know this opportunity was built from a strong foundation of success.

Spent years working and managing a restaurant for someone else? You know you're ready for the independence of your own business, so why not this Burger Restaurant for Sale. Put your talents and experience to work for you!

The Burger Restaurant resides in a 1250, square foot space. Monthly rent is set at \$4815,, and the current lease agreement is valid until December 2022. The space also includes all equipment needed to continue these great sales and profits!.

What are you waiting for? This Burger Restaurant for Sale won't last long, so





be sure to secure your offer. Call or email the restaurant brokers today!



# Income Statement



109 Burger Joint

Data Source: Tax Return

Note that these figures have been provided by the seller of this restaurant. We Sell Restaurants has depended on the seller to provide true and accurate data. We Sell Restaurants does not warrant or verify the source of this data. All buyers are advised to conduct independent due diligence of this information.

	Year - 2019	% of Sales
<b>Net Sales</b>	<b>\$ 721,691</b>	
<b>Food Costs</b>	<b>\$458,234</b>	<b>63.5%</b>
Alcohol Costs	\$0	0.0%
Other COGS	\$0	0.0%
<b>Total COGS</b>	<b>\$458,234</b>	<b>63.5%</b>
<b>Gross Margin</b>	<b>\$263,457</b>	<b>36.5%</b>
<b>Accounting</b>		
Advertising/Promotion	\$420	0.1%
Auto	\$6,000	0.8%
Bank Charges	\$0	0.0%
Credit Card Fees	\$14,594	2.0%
Depreciation/Amortization	\$0	0.0%
Donations/Sponsorships	\$0	0.0%
Dues & Subscriptions	\$0	0.0%
Equipment lease	\$600	0.1%
Insurance	\$7,620	1.1%
Interest Expense	\$0	0.0%
Janitorial/Cleaning/Laundry	\$600	0.1%
Legal and Accounting	\$5,940	0.8%
Licenses and Fees	\$1,800	0.2%
Miscellaneous	\$0	0.0%
Payroll Taxes	\$0	0.0%
Postage/3rd Party Delivery	\$48	0.0%
Office Supplies	\$720	0.1%
Owner Personal/Travel/Meals	\$200	0.0%
Rent	\$36,000	5.0%
Repairs & Maintenance	\$2,520	0.3%
Restaurant Supplies	\$0	0.0%
Royalties	\$0	0.0%
Salaries & Wages	\$0	0.0%
Telephone/Internet/Cable	\$780	0.1%
Utilities	\$29,592	4.1%
Uniforms	\$0	0.0%
Other Uncategorized	\$1,200	0.2%
Security Alarm	\$8,520	1.2%
<b>Total Expenses</b>	<b>\$117,154</b>	<b>16.2%</b>
<b>Net Income</b>	<b>\$146,303</b>	<b>20.3%</b>





# Income Statement

109 Burger Joint

Data Source: Tax Return



	Year-2019	% of Sales
<b>Add Backs</b>		
Owner Salary	\$0.00	0%
Benefits	\$6000.00	0.83%
Interest Expense	\$0.00	0%
Depreciation/Amortization	\$0.00	0%
Owner Personal/Travel/Meals	\$200.00	0.03%
Other	\$0.00	0%
<b>Total Add Backs</b>	<b><u>\$6200</u></b>	<b><u>0.86%</u></b>
<b>Discretionary Earnings</b>	<b><u>152,503</u></b>	<b><u>21.13%</u></b>

## Notes

### Definitions

#### Discretionary Earnings:

Discretionary Earnings (DE), also known as Seller's Discretionary Cash Flow, Seller's Discretionary Earnings or Owner's Benefit, is the adjusted earnings before taxes, interest income or expense, non-operating and non-recurring income/expenses, depreciation and other non-cash charges. It includes a single owner/operator or officer's compensation and is typically used as the basis for SBA and conventional lending.

#### Add Backs:

Add backs refer to typical expense and/or non-cash item "added back" to the net profit to calculate the Discretionary Earnings. Such items would be fully documented in the Profit & Loss statement and could include any personal expenses paid for by the business. This could also include items like: owner compensation, owner insurance paid by company, owner car expense paid by company, plus interest, depreciation, and amortization. Add backs usually include a manager's salary as We Sell Restaurants recasts to the standard SBA model for lending based on a single owner/operator.

#### Net Sales:

Net Sales are the total sales of the restaurant minus any comps, promos, tips or sales tax. If the restaurant is a franchise, this is the amount on which royalties are paid.





## Additional Details

### LEASE TERMS

Expires December 2022

Total Monthly Rent: 4815 |

### EMPLOYEES

Full Time: 9

Part Time Employee: 3

### OPERATING HOURS

Monday - Thursday: 12PM-10PM, Friday -  
Saturday 12AM-12AM, Sunday 12PM-7PM

Inside Sq.Ft: 1250,

### NUMBER OF SEATS

Inside: 19

Outside: 6

### GREASE TRAP

Yes

### LIQUOR LICENSE TYPE

Beer and/or Wine

### HOOD SYSTEM

Yes

### NON COMPETE (YEARS)

3.00

### NON COMPETE (MILES)

3.00

### FRANCHISE INFORMATION (if applicable)

Business is a Franchise

No

Franchise Transfer Fee

0.00

Marketing Fee

Franchise Royalty

### OWNER INFORMATION

Number of Hours Owner Works in business

0.00

Reason for Selling

Personal





## EQUIPMENT LIST

Office Computer  
Office Printer  
22 Beer Taps  
Oven  
Grill  
Griddle  
6 burner Range  
Microwave  
2 Sandwich Prep Tables with shelving  
Walk in Freezer  
Walk in Refrigerator  
Large Wire Shelf Rack  
3 Soup Warmer  
3 Compartment Sink  
Slicer  
2 35 Gallon Fryers  
Coffee Maker  
Espresso Machine  
14 wire wall shelves  
3 level trolley  
4 stainless steel prep tables  
Waffle Maker  
Handwashing station with sink  
2 kitchen order screens  
8 tables  
3 high top tables  
6 one side booth seats  
21 chairs  
10 bar stools  
3 glass door beverage fridges  
3 storage fridges  
2 storage coolers  
3 compartment bar since  
Hand washing station in Bar  
1 Sofa set with single chair and loveseat  
6 Flat screen TVs  
3 display shelving unit with 3 levels  
Speak system  
Security System with Cameras







Comparative Analysis



# Comparative Analysis



There are a number of questions that buyers should ask themselves when reviewing the financial statements of a business offered for sale. These questions are based on common United States accounting practices and methods. Some of the focus areas would typically include: Profits & Profit Margin, Sales, Food Costs and Labor Costs.

## **Profitability -- Are profitability trends favorable in this restaurant?**

A restaurant's net profit margin should be compared to competitors in the industry. No profit statistic is more important than the net profit margin -- it is crucial in the short and long run.

The other variable to consider is net profit dollars. If sales decrease and expenses remain constant, there is risk to net profit dollars. In particular, restaurants are vulnerable to shifts in sales if they do not control food and labor costs.

## **Sales --Are sales growing and satisfactory?**

Sales changes in themselves are typically not vital analytical points. Profitability trends are more important. Still the clear goal over time is to increase sales since the cost of doing business almost always goes up over the long run.

## **Expenses - Is the company controlling expenses effectively?**

Key variables specific to the restaurant industry include Food Costs and Labor Costs which can dramatically impact the company's profit. Both of these variables are often compared to industry standards to provide a snapshot of this company's operating profitability and opportunity.

## **Industry Comparisons - Is the company operating at, below, or above industry standards?**

Industry specific comparison are helpful in understanding the efficiency of a restaurant as well as the opportunity for improvement.







# Industry Comparisons

Financial analysis is not a science; it is about the interpretation and evaluation of financial events. Some judgment will always be part of any report and analysis. Before making any financial decision, always consult an experienced and knowledgeable professional.



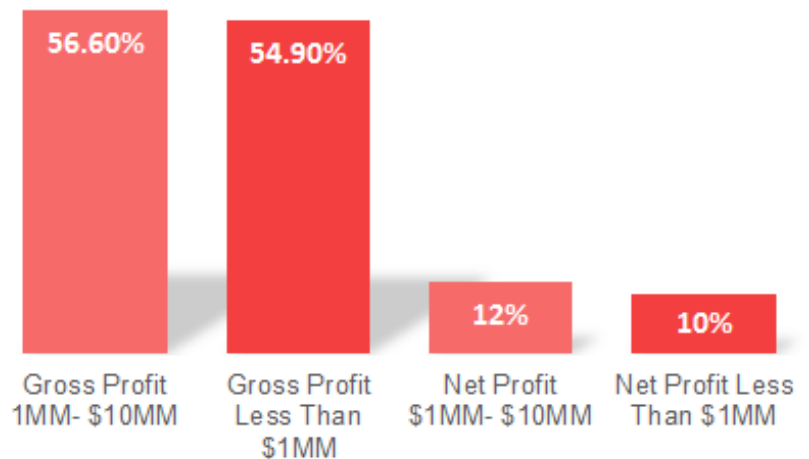
# The Industry

## Profit Margins

The Gross Profit Margin dollars are calculated by taking the restaurant revenue and subtracting the cost of goods sold. The Gross Profit Margin is a ratio of the Gross Profit Margin dollars divided by the restaurant revenue. For a restaurant with revenue over \$1 million, we expect to see higher gross profit dollars as shown in the chart.

Net Profit margin refers to the percentage an owner/operator would have available for his or her benefit after all expenses are paid. It is calculated by taking the net income divided by the restaurant revenue. Again, for restaurants over \$1 million in sales, we expect to see higher net income.

## Profit Margin Industry Comparison



$$\begin{aligned} \text{Gross profit Margin} &\approx \frac{\text{Gross Income}}{\text{Revenue}} \\ \text{Net profit Margin} &\approx \frac{\text{Net Income}}{\text{Revenue}} \end{aligned}$$

Net Income does not usually include dollars in salary paid to an owner or a manager. The Discretionary Earnings or Owner Benefit shown on this report reflects EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) plus the salary of the owner or full time manager in the restaurant. This is the industry standard for evaluation for lending. Discretionary Earnings may also commonly be referred to as Owner benefit, recast EBITDA, SDE (Seller's Discretionary Earning) or SDCF (Seller's Discretionary Cash Flow).

The Gross Profit Margin for this restaurant is:	36.5%
The industry standard for a restaurant with sales of \$1MM or less is:	54.9%
The industry standard for a restaurant with sales over \$1MM is:	56.6%
Net Profit Margin for this restaurant is:	21.1%
The industry standard for a restaurants with sales of \$1MM or less is:	10.0%
The industry standard for a restaurant with sales over \$1MM is:	12.0%

# The Industry



## State Specific Data

### Florida

Sales	\$50.1 billion Estimated sales in Florida's restaurants in 2018
Employment	1,096,000 Restaurant and foodservice jobs in Florida in 2019 = 12% of employment in the state And by 2029, that number is projected to grow by 14.1% = 154,700 additional jobs, for a total of 1,250,700
Growth '13-'23	41,366 Eating and drinking place locations in Florida in 2018

Source: 2019 - National Restaurant Association - [National Restaurant Association](#)

Calculations for Food Cost, Occupancy Cost, Gross Profit and Net Profit are based on the Uniform System of Accounts for Restaurants (a handbook available from the National Restaurant Association)

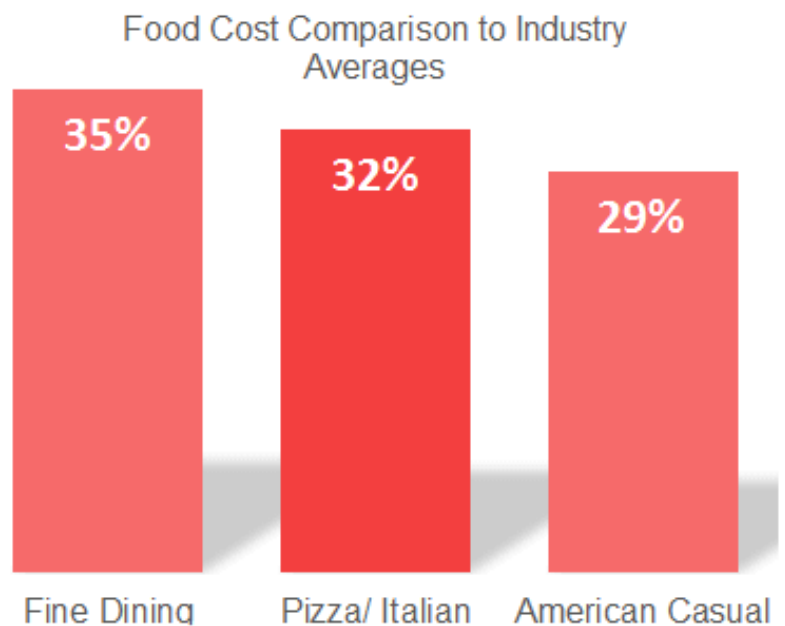
## Food Cost

Cost of Food  
Revenue

109 Burger Joint has a Food Cost of 63.5%

## The Average Food Cost by Restaurant Type:

Fine Dining	35%
Pizza/Italian	32%
American Casual	29%



# The Industry



## Rent and Occupancy Costs

Physical location is very important to the restaurant owner. The length and value of the lease and its cost as a percent of total sales is a key indicator. In most large markets, rising rent costs in the past decade have made this variable even more important.

We Sell Restaurants reflects the total occupancy costs in this tool. That means you are looking at both base rent plus all CAMS (Common Area Maintenance Charges), Taxes and Insurance charged to you as a part of your lease in the space.

Competition to be in the most desirable parts of the dining scene has driven rents to all-time highs with no end in sight. For these reasons, acquisition of a existing business may be the only way to gain a space in these highly competitive markets. A restaurant buyer is often assigned the existing rights of the current tenant along with options to renew the lease. Evaluation of a property should include some subjective consideration of the lease and location.

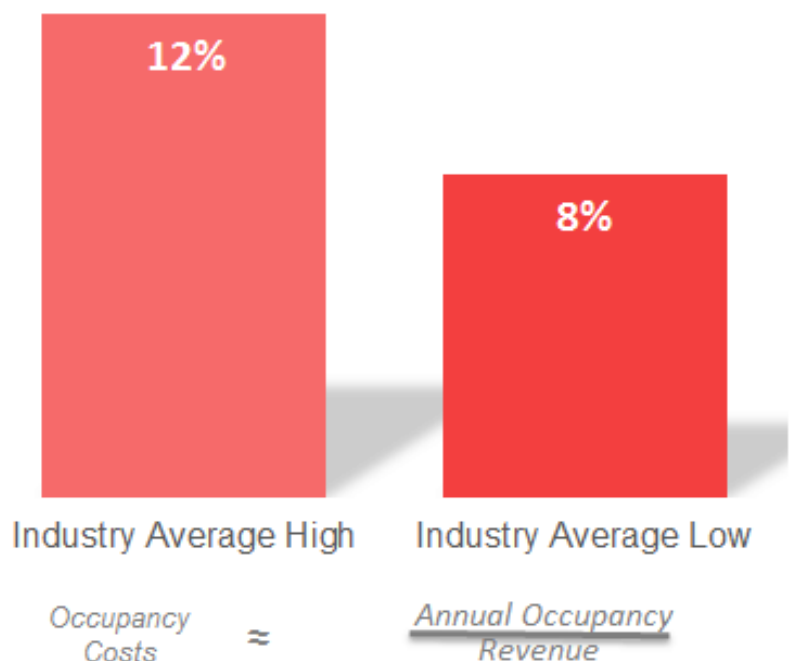
## OCCUPANCY COST

109 Burger Joint has a lease consisting of:  
4815, Monthly Rent  
1250, Square Footage  
Expires December 2022 Terms & Options

Annual Rent Expense WILL ALWAYS include CAMS or Common Area Maintenance Charges Unless Noted

109 Burger Joint has an Occupancy Cost of : 5.0%

### Rent Industry Comparison





# The Restaurant Industry

Food and beverage sales in the restaurant and foodservice industry are projected to total \$789 Billion dollars in 2021, up 19.7% from 2020. Sales in 2020 were negatively affected by the virus but the National Restaurant Association reports that consumer spending in restaurants trended sharply higher during the first half of 2021, driven by rising vaccination numbers, additional stimulus payments and healthy household balance sheets.

Looking to the future, the National Restaurant Association projects 2030 restaurant sales to be \$1.2 trillion dollars and provide employment opportunities for more than 17 million individuals.

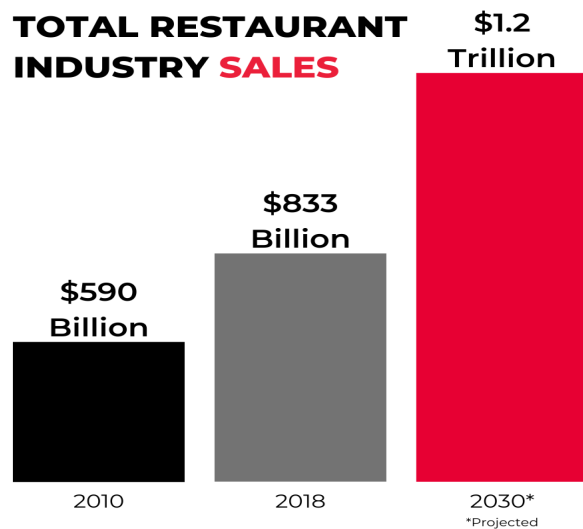
## Restaurant Growth Continues

Growth in the restaurant industry for the past several decades has been driven by consumers' desire for convenience, socialization, and high-quality food and service.

These same drivers will be the catalysts for expansion well into the future, as the restaurant industry continues to innovate and adapt to the ever-changing tastes and preferences of consumers.

Nearly 8 in 10 adults say their favorite restaurant foods delivery flavor and taste sensations that just can be duplicated in the home kitchen.

Restaurants are an integral part of our social fabric; 6 in 10 adults say restaurants are an essential part of their lifestyle.



Source: National Restaurant Association



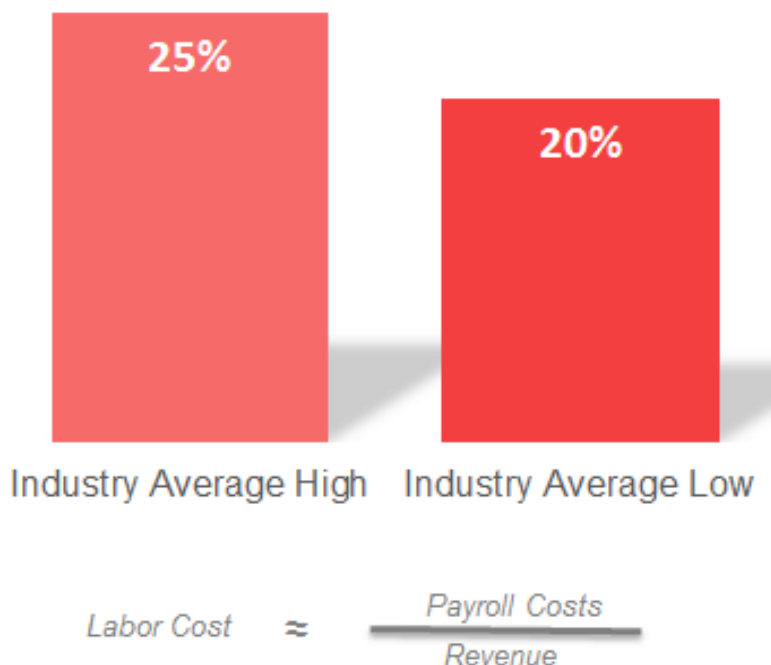
# The Industry

## Labor

A profitable restaurant typically generates a 25% or lower labor cost. Combined with food costs, these expenses consume 50-75% of total revenue. Because of the impact that labor costs have on restaurant operations and profitability, this is a key metric to examine.

Beyond the bottom line, labor costs also reflects an operator's management skill level. High labor costs in a restaurant available for sale signals an opportunity for greater profit dollars delivered to a strong operator.

### Labor Cost



### LABOR COST

The industry standard is based on the Uniform System of Accounts for Restaurants (a handbook available from the National Restaurant Association).

Owner Compensation or Manager Compensation, if included in payroll costs, is "added back" on this document to reflect Discretionary Income.

Labor costs do not always reflect payroll taxes or the cost of payroll processing so the reader should confirm those costs as well.

109 Burger Joint has a labor cost of: 0.0%

# We Sell Restaurants

We Sell Restaurants® is the industry leader in restaurants for sale. Our mission is to sell more restaurants than anyone else - PERIOD and our name says it all. We Sell Restaurants! We are specialists in selling restaurants, restaurant space for lease and we lead the nation in franchise restaurants for sale that are open and operating - franchise resales.

The We Sell Restaurants brand is known nationwide for professionalism, industry knowledge and unmatched service. Whether you are in the market to buy a restaurant, find a restaurant for lease, resell a restaurant franchise or sell an independent restaurant or bar, the We Sell Restaurants® brand is unmatched in experience and knowledge.

Our website is an invaluable resource where we focus on sharing knowledge, information and of course, restaurants for sale listings. We train and certify the best in the industry with the only Certified Restaurant Broker® program in the nation.



## ***Appetite for Acquisition***

Appetite for Acquisition has been described in the business as “the definitive guide for anyone looking to enter the restaurant industry.” Winner of the prestigious Small Business Book Award, it is full of tips, ideas, worksheets and more on how to acquire a restaurant in a way that is less painful, more profitable and delivers a better return on your investment.

Available for shipment immediately. [Click this link to order immediately and satisfy your Appetite for Acquisition](#)



*Satisfy Your Appetite for Acquisition, Feed the Need for Business Reality and be Served up a Recipe for Business Success. Listen to our winning radio show lineup with national restaurant stars and expert advice.*

Available for instant download on iTunes and on the We Sell Restaurants YouTube channel. Guests include: Food Network Megastar Alton Brown, Cooking Channel's G. Garvin, Editor of Restaurant Business Peter Romeo, President and CEO of the International Franchise Association, Steve Caldeira, Nation's Restaurant News Editor, Jonathan Maze, President of Firehouse Subs, Don Fox and many more.



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