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CELEBRATING 55 YEARS

There is a steady growth in both restaurant sales and the number of restaurant visits

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Much like the stock market, for every seller of stock in a company there's a buyer. The seller makes a calculated decision that his stock is either a loser or, if it's profitable, it can't possibly go any higher. The buyer on the other hand sees that same stock as undervalued and definitely worth buying because he's calculated that it 'absolutely' is going to continue to go up. You call your stock broker and explain to him why you think it's time to bail out of it. and so you do. The broker then calls his clients and tells them of the wonderful opportunity has become available to buy that same stock.

In the restaurant industry, it's exactly the same. A buyer contacts a restaurant specialist explaining that he'd like to buy a restaurant (it could be a full-service, fast food, pub, coffee shop, convenience store, etc), he explains that he has 'x' amount of money to invest and he has a certain amount of experience. The restaurant broker then attempts to match him with what is presently available...or simply adds him to his 'watch list' to be notified when an appropriate business becomes available. The buyer is sure that if he finds the 'right' place...success is assured.

On the other hand, the restaurant broker receives calls daily from owners who need to sell their restaurant. Whether it's financial problems, partnership disputes, failed lease negotiations, staff problems, or the desire to retire, the restaurant specialist is his solution.

The difference between the stock broker and the restaurant broker is that the restaurant broker can evaluate the various aspects of what is being sold, decide if the problems translate into an opportunity for a buyer, but more importantly, based on the facets of the deal, determine a price that represents a fair market value. In addition, by being conversant in the financial aspects of the food and beverage industry, the restaurant broker can structure a deal that is a win-win for both the seller and the eventual buyer.

In regards to the buyer, the restaurant broker has the unique opportunity to literally change the lifestyle of a buyer. By bringing a business, or franchise, to a buyer that closely matches his experience and financial resources, he makes it possible for the buyer to make more money than he has ever made in his lifetime. On the other hand, that success is grounded in the commitment that the buyer makes to his business, tempered by support of his family and the machinations of the economy. Suffice to say that a conscientious buyer can create the conditions for a Mercedes, a nice home, and private schools for his children or the unspeakable could happen where he loses everything.

The Nation's Restaurant News indicates that there is a steady growth in both restaurant sales and the number of restaurant visits. Specifically, focusing on the large number of casual full-service chains, sales in Massachusetts should increase 3% over the results of 2014. Even though it's not a huge increase, the numbers trend in a positive direction. With the price of oil down recently to $75

per barrel, translating to an extra $500 per year left in the family coffers, dining out becomes more frequent. Some of these chains most visible in our area, when surveyed for food quality, cleanliness, service, and atmosphere, were ranked in the following order...The Melting Pot, The Cheesecake Factory, Bonefish Grill, Texas Roadhouse, California Pizza Kitchen, Pizzeria Uno, Ninety Nine Restaurants, Applebee's, and Buffalo Wild Wings to name a few. That said, there are thousands of other food operations, just in Massachusetts to service every taste bud from Capital Grille and Abe & Louie's, on the high end occasion diner, to Sal's pizza and Burger King, for the everyday foodie.

Look around you...large shopping centers/lifestyle centers are popping up everywhere...Burlington, Lynnfield, Westwood, Sudbury, Westford...north, south, east, and west. In every new center are numerous food stops to serve every ethnic palette. Visit the Seaport district...the crÃ¨me-de-la crÃ¨me of Boston trendiest restaurants are there. It appears that if you have a 'signature' chef, and a desirable location, the investor spigot is pouring out all the money needed to materialize the dreams and aspirations of those with the ability to create the dishes and atmosphere that we're most comfortable with ...at both ends of the spectrum. These are wonderful times for the diner, but also for the entrepreneur that wants to shed the shackles of a job and venture out to find his vein of gold. God bless them all.

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