

2 PITA PIT® FRANCHISE LOCATIONS

Idaho Falls and Rexburg, Idaho

THE COMPANY

Pita Pit Inc. has earned a first ever ranking on the "The Future 50" list in the July 2008 issue of *Restaurant Business* as one of the fastest growing restaurant chains in the nation. *Restaurant Business* also stressed that Pita Pit is well positioned in the current economy to continue growing, saying "... you just can't keep a good concept down." Both the Idaho Falls and Rexburg stores are destination locations featuring quality food, competitive pricing, in clean and open locations. The Franchise concept is simple and keeps operating cost down and margins up. Pita Pit restaurants are recognized as one of the first "Green Restaurants" nationally. Pita Pit Inc. ranks in the top 50 of the 2007 *INC. 5,000* list for franchises!!

THE LOCATION

Both franchises are located in the heart of Eastern Idaho, the hub for outdoor recreation from skiing-fishing-hunting-hiking and so much more. The 2,000 SF Idaho Falls location in the Ammon Albertson's Shopping Center pays monthly rent of \$3,166.67 through 2016. The location was built out to the strict standards of the franchise at the Seller's cost. The Rexburg location is on a completely remodeled site on College Avenue. The lease is set at \$300 per month for five years and then adjusts to \$750 per month for two five-year extensions. There is an Option to Purchase in place for Rexburg. Both locations are strong for their markets; Ammon is in the very heart of Idaho Falls Commercial development, close to Hospital and doctors' offices, while Rexburg is located in the hub of traffic for BYU-Idaho. Finding qualified and committed employees has not been a hurdle for the owners.

THE STRENGTHS

Pita Pit® provides a notorious alternative to "Fast Food" and a menu packed with nutrition and taste. Idaho Falls core customers are 20-40 years old, the Hospital and Doctors' offices provide regular customers, and as word of mouth spreads about the unique quality meals, the demographic continues to broaden. Rexburg's location is ideal for the college student but now that the franchise has been open for two years, businessmen and families are finding the menu featuring items from breakfast to smoothies to be in demand.

THE REASON FOR SELLING

The Owners originally were going to focus on being owner-operators and on growing the franchises. Over the last couple of years, the senior member took a transfer from the area and the operating member was offered a job off site and is no longer involved daily. The owners have expensed +/- \$500,000 into both of the franchise locations and now want to sell to offset outstanding debt at a reduced price of \$325,000. **This is a very motivated offering.**

THE IDEAL BUYER

In today's economy, the purchase of both franchises generates a strong operating profit for a new Owner. The concept for the franchise is unique and has a very strong customer base; with additional advertising and promotion that features the healthy benefit of the menu, the customer base will continue. Both locations are passively operated by the owner with in-house management in place. Rexburg has provided historic cash and the future is bright for this franchise. Idaho Falls suffered a loss in sales in 2009 from the closure of the main North-South Hitt Road lateral and did not have positive cash flow. Prior to the traffic interruption and the downturn of Idaho Fall's economy, this store was operating positively. Ideally, the buyer should be an owner-manager. The future for the both franchise locations is very positive.

ASKING PRICE

~~\$325,000~~

**Price Reduced to
\$250,000**

**Price Includes Two (2)
Franchise Locations**

(Sellers would consider selling the
franchises separately)

TERMS:

Cash

ASSETS

Furniture Fixtures & Equipment	\$190,000
Leasehold Improvements	245,000
Franchise Cost	45,000
Inventory	10,000
Total Assets	\$490,000

All values provided by Seller

INCOME STATEMENT SUMMARY

Contact Agent for Confidential
Financial Information



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TO RECEIVE FURTHER INFORMATION, sign and return the Confidentiality Agreement/Agency Representation found on our web site. The listing agent, **BILL SPOFFORD**, will then contact you. If you prefer, this agreement can also be requested by contacting us at **208-535-9905**. The information above has been provided by the seller. Arthur Berry & Company makes no representation as to its reliability. Price and terms subject to change at seller's discretion. FILE IF-3944