

LISTING OPPORTUNITY

Commercial Production Bakery with Real Estate

Commercial Cookie Bakery with (2) 2500SF Warehouses located in HOA building



SPECIFICATIONS

	Business Price: \$275,000		Real Estate: (2) 2500SF Units		Real Estate Price: \$875,000 per unit
	Asset Value: \$420,758 (Included)		Service Area: San Francisco Bay Area		Revenue: \$724,924 (4-Year Avg.)
	Employees: 7 FT		Reason for Sale: Sellers are Retiring		Goodwill: Founded in 2011. 4.7star reviews

BUSINESS SUMMARY

Year Established: Business Established 2011, Bakery built out 2015.

Services: Iconic & cultural cookies, chocolates, caramels, Dulce de leche cones, gift boxes.

Equipment: Double rack Baxter oven, 2 large mixers, depositor, compressed air system, temp controlled chocolate room with tempering machine, enrober and conveyer cooling line, Flow Wrap system, temperature controlled finished product room, office, break room, ADA compliant, 3 compartment sink, all racks, pans, molds dyes and small wares included.

Clients: 80% distributors 20% direct to retailers.

Building: Two (2) 2500 sf warehouse as part of sale, Zoned CIX2/S-19, masonry construction built in 1949, 500-year flood zone, liquefaction severity 3. Condominium style complex.

Unit 19- fully built out bakery, 3-leg power, vented, 16 ft ceiling, FDA compliant, ADA Compliant, 300sf loft office space, roll up door, custom built for bakery.

Unit 20- 3 leg power, vanilla shell, loft, roll up door.

Personnel: One office manager, one production supervisor, 5 bakers all full time, average payroll run is \$14,000 not including taxes.

The presented offering is for an established commercial production bakery. The sale of the bakery is primarily asset based.

A potential buyer for this bakery will be excited to know there is room in the workday and work-week for more shifts as deemed necessary or for starting a new concept of their own, and looking to expand their current bakery business into an additional territory or increase commercial production.

A smartly built, custom bakery has a separate temperature and humidity-controlled chocolate room with a tempering machine, enrober with return, conveyer system. Production room has compressed air system to drive depositors and melted chocolate.

Business includes fully functional online store through their website.

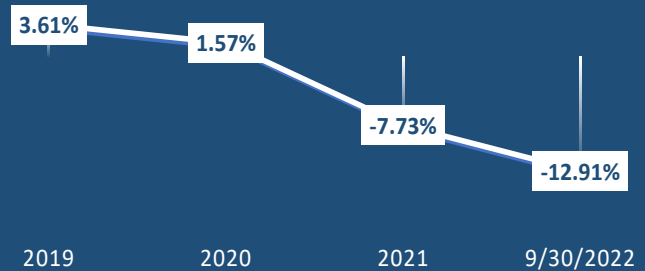
Asset value of the build out and equipment per 2020 Federal Tax Balance Sheet is \$456,979 and inventory average is \$9,000 between base ingredients, mid production and finished and held product ready for deliver and or pick-up.

Staff and key employees are set to stay on board during ownership transition. Staff is well trained.

VALUE PROPOSITION

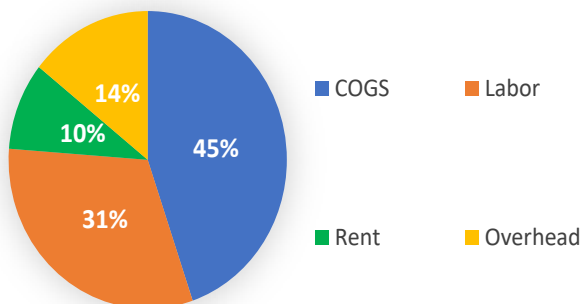
- Meets FDA, OSHA and ADA compliance
- Fully trained staff will stay
- Infrastructure built with controlled atmosphere chocolate room
- Integrated compressed air system, vented compressor closet
- Vertically orientated
- Unique product line, easily adaptable and scalable
- Distribution relationships established
- Great graphics and packaging for all product lines
- Staff can run production, buyer best on the selling side
- Standard, gluten free and vegan products produced

PROFIT MARGIN

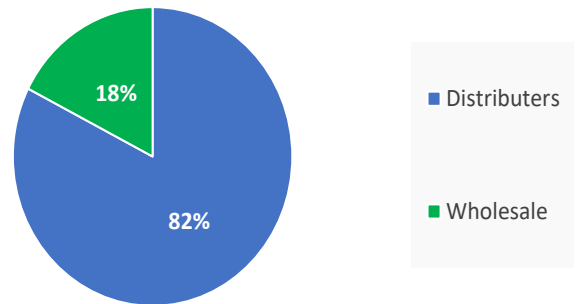


REVENUE BREAKDOWN

Revenue by Service



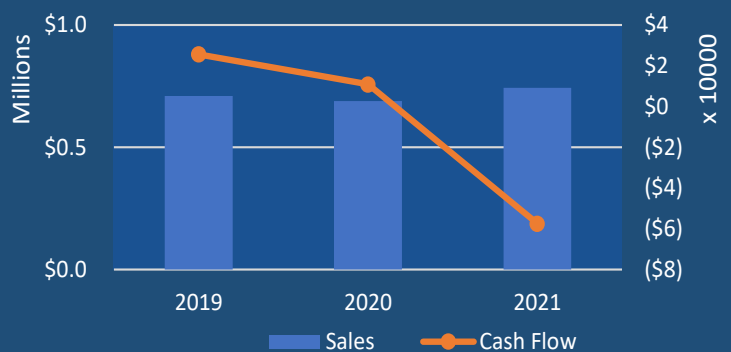
Revenue by Customer



FINANCIAL HIGHLIGHTS

- Listing Price: \$275,000 + Inventory
- New Client just picked up, 66 stores with one company
- OSHA and FDA Compliant
- Whole Foods Preferred Vendor
- Custom Built Bakery worth \$800,000
- Recommended Working Capital \$55,000
- Inventory (Mar 2021): \$38K
- Security in owning the building
- First/only manufacturer of classic cultural iconic cookie
- Very well positioned to grow

Sales and Seller's Cash Flow



CASHFLOW ANALYSIS

Financial Statement Source	Adj Tax Return 2019	Adj Tax Return 2020	Adj Tax Return 2021	YTD 9/30/2022
Sales	\$709,240	\$689,402	\$743,520	\$503,848
Less Cost of Sales	\$310,941	\$280,957	\$368,353	\$298,336
Less Operating Expenses	\$466,828	\$461,640	\$526,066	\$342,532
Equals Net Income Before Taxes	(\$68,529)	(\$53,195)	(\$150,899)	(\$137,020)
Plus Depreciation	\$57,761	\$0	\$0	\$0
Plus Amortization	\$88	\$0	\$0	\$0
Plus Interest on Loans to Business	\$8,757	\$11,143	\$15,296	\$26,870
Plus Officer/Owner's Salary	\$14,397	\$39,231	\$60,000	\$32,307
Plus Payroll Taxes on Officer/Owner's Salary	\$1,296	\$3,531	\$5,400	\$2,908
Equals Preliminary Seller's Discretionary Earnings	\$13,770	\$710	(\$70,203)	(\$74,935)
Addbacks:				
Salary to Working Family Member	\$0	\$0	\$0	\$0
Auto Expenses for Owner's Benefit	\$3,289	\$936	\$2,997	\$2,964
Insurance Premium - Working Family Member	\$8,578	\$9,194	\$9,743	\$6,930
Owners' Pension Plan	\$0	\$0	\$0	\$0
Non-Business Phone, Internet & Cell Phone Expenses	\$0	\$0	\$0	\$0
Sum of Addbacks:	\$11,867	\$10,130	\$12,740	\$9,894
Total Seller's Discretionary Earnings (SDE)	\$25,637	\$10,840	(\$57,463)	(\$65,041)
Profit Margin	3.61%	1.57%	-7.73%	-12.91%