

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash bin.

BUSINESS REPORT

Date: **20th May 2024**

Business Reference: **35984**

About the Business:

Exclusive Bar and Lounge For Sale in Ebony Park, Midrand - Emigration sale

An exclusive nightlife destination with contemporary music, live entertainment, good food and a great vibe. Price reduced with R 5 M - owner is emigrating. Contact Aldes with your offers - don't wait!

Exclusive Bar and Lounge For Sale in Ebony Park, Midrand - Emigration sale



Sector: Food

Asking Price:

R 8,500,000

Monthly Profit:

R 317,595

Asset Value:

R 8,552,000

Stock Value:

R 0

Yearly Net Profit :

R 3,811,144



Business Report

Fully describe the business's activities?

The Lounge occupies two levels in a prime position within the Busy Corner Mall

The luxury offered by this establishment has a different take on dining and entertainment, bringing clients some of SA's sought after DJ's and traditional decadence

It serves up extravagant renderings of local dishes and desserts, paired with a fine selection of wines, cigars, draught beer, and spirits

The venue boasts a café, an internet lounge, 3 extravagant bars, a DJ booth, seating for over 300 people and multiple VIP areas where patrons can relax and enjoy the remarkable atmosphere

It is a nightlife destination with contemporary music, live entertainment, and sports TV screens, drawing patrons from near and far to indulge in a richly South African experience.

How are the clients attracted to the business?

This is a remarkable venue - well-known to many

The establishment is the ideal venue for corporate functions, holiday parties or social events.

This includes:

Birthday

Bachelors/ Bachelorettes

Engagement party

End-year function

Seminars/ Workshops

Bridal shower

Anniversary fundraiser

Movie premiere party

Product Launch

Album Launch

Photoshoots/ Interviews

Fashion Shows

What Advertising/Marketing is carried out?

The business is very active on social media platforms - 45000 followers

There are weekly and daily specials on drinks - best in town!

Performing DJs will make your lounging experience unforgettable

UNTAPPED MARKETING STRATEGIES:

Press Releases

Product Activations and Promotions (@ Suppliers Cost) Busy Corner Mall Outdoor Digital Billboard

Bulk SMS Portal –SMS advertising (19000 existing client database & growing)

Street Posters – Local and surrounding areas Radio Station Advertising

Local Newspaper Advertising

What competition exists?

Few competitors in the area

How could the profitability of the business be improved?

Introducing Headline DJs
Supplier sponsorships which are currently none existent due to bad relationships with current owner

Give a breakdown of staff/ functions/ length of service?

MANAGEMENT & OFFICE STAFF
1 x Office Manager / HR
1 x General Manager
GENERAL FRONT OF HOUSE STAFF
3 x Floor Supervisor
1 x Marketing Assistant
5 x Barmen
18 x Waitrons
12 x General Assistants / Cleaners
2 x Kitchen Coordinators
8 x Kitchen staff (±180 hours per month)
4 x Cashiers
4 x Grillers

Do any have management potential?

Yes

How involved is the Owner in running the business?

Payment of suppliers and overall overseeing the business

When does the current lease end?

Feb 2025

What are the trading hours?

Monday-Wednesday
12:00 Noon – 00:00 AM
Thursday-Sunday
12:00 Noon – 02:00 AM

Describe the premises

The establishment occupies two levels in a prime position within the busy Corner Mall
The upper level enjoys sweeping views , with mesmerising night-time vistas of the area's twinkling city lights for miles around.
Total area 750m2
It is fitted with an inverter system and CCTV Cameras.

What are the main assets of the business?

High quality furniture and equipment associated with the industry
Furniture & Fixtures Intangible Assets
Kitchen and Bar Equipment Office Equipment & Point of Sale Camera & Security Systems Health & Safety Systems
Sound & Visual Equipment

Strengths?

Prime location – Busiest intersection in the area. Easily accessible from Sandton, Waterfall, Midrand
Security – Situated in a safe & secure shopping mall (Busy Corner Mall) Secure parking
High traffic in mall with great tenant mix
Busy Corner Mall Digital Billboard on the premises – reaches three million cars per month. Large venue (750m²) – Can accommodate up to 400 guests seated and standing
Three Bar areas
Spacious balconies Magnificent views
Aesthetics of the venue – (Sandton look and feel) Multiple VIP areas – attract upmarket clientele Efficient management team & trained staff Diverse a la carte menu
Large storage and coldroom areas

Opportunities?

- a) Invitations to high-profile businessmen or political figures will increase turnover.
- b) Hosting of Top Headliner DJ's and influencers. Granite is yet to host well-known artists & influencers.
- c) Free stock & merchandise from suppliers (Not received to date) Supplier Activations and Promotions
- d) Additional revenue stream - Suppliers to purchase branding space in the business. Multiple saleable areas in the venue available.
- e) Supplier offers - Contracts are to be renewed and re-negotiated every 12-to-24-months.

What is the reason for the sale?

Emigration to the UK
Residence has been sold.
Awaiting sale of business

Why is this a good business?

Upper class dining and entertainment
Preferred daytime and after-hours destination
Excellent Google reviews
Granite is an independently owned business - no monthly franchise fees. Excellent Profit Margins – 60% (ie: food cost @ 40%)
New equipment. Renovations not needed
Quality Furniture and Sound Equipment
Beautiful design concept and layout
New business teething problems resolved.
Risks accompanying a new business regarding uncertainty of success and profitability are not a concern.
Favourable lease agreement.
Invertor system installed

Marketing and video links

Contact your broker for more detail