

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

# BUSINESS REPORT

Date: **18th May 2024**

Business Reference: **35984**

About the Business:

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

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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 (750m<sup>2</sup>) – 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