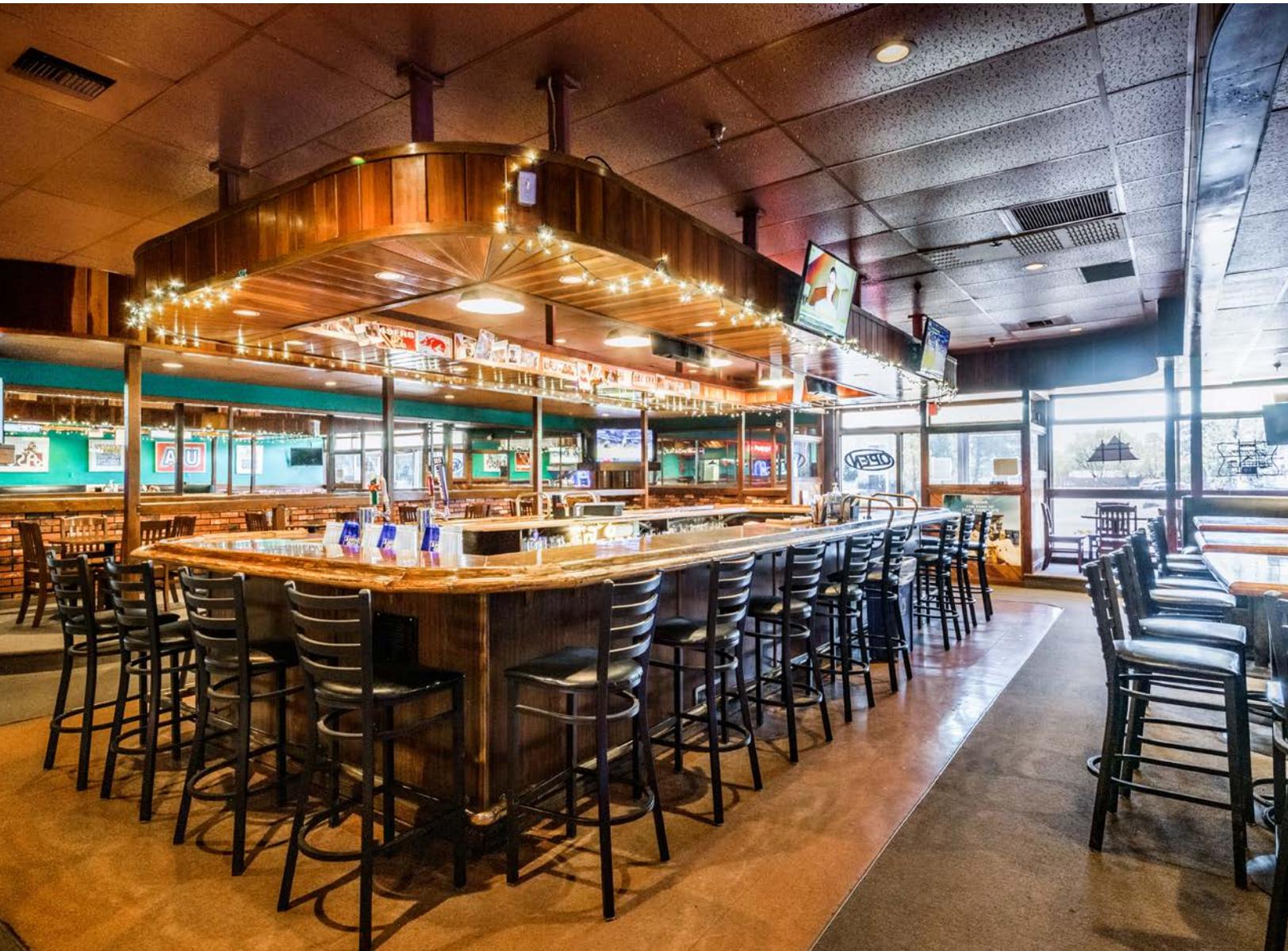


Bun Huggers Restaurant and Lounge

901 S. Milton Rd., Flagstaff | Arizona



Offering Memorandum

Business asking price:
\$349,000

Confidentiality and Disclaimer

This Offering Memorandum contains select information pertaining to the business, affairs and assets of the company known as Bun Huggers Restaurant and Lounge located at 901 S. Milton Road, Flagstaff, Arizona 86001 (hereinafter the "Company").

This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Company. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Kelly and Call Commercial. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Kelly and Call Commercial from sources it deems reliable.

Neither Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections, form their own conclusions, and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum, you agree you will hold the contents confidential and will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Kelly and Call Commercial expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Company and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Company unless and until a written agreement for the purchase and sale of the Company has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of this Company or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Company including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Company, or information provided herein or in connection with the sale of the Company shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Kelly and Call Commercial or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Company.

This Offering Memorandum is deemed to represent the state of affairs of the Company currently, but does not represent or constitute an indication that there has been no change in the state of affairs of the Company since this Offering Memorandum was prepared.



Bun Huggers Restaurant and Lounge

Bun Huggers Restaurant and Lounge is the best local, old-fashioned, charcoal broiled hamburger restaurant in Flagstaff. This family owned and operated business is one of a kind and is in one of the most visible locations in Flagstaff right on Milton Road. Bun Huggers is well-known for their charbroiled burgers, hot dogs, and chicken sandwiches. You place your own toppings on your burger at the fixings counter and make it just like you like it. In the Bun Huggers full-service lounge customers can enjoy their favorite sports on 9 TVs or can play their favorite tunes on the jukebox while they relax playing a game of pool. This truly is a favorite place for locals and tourists alike to hang out for a drink and eat some great food and relax. Bun Huggers started in 1979 with this winning concept at the current location and has been owned and operated by the current owner for 10 years.

This unique business concept was born out of a love of great food with "fresh never frozen" charcoal broiled, grilled burgers that have a smell second to none. This brand has proven year after year to be what customers come back for time and time again.

Bun Huggers is in a premier location on Milton Road which is traveled on by some 70% of tourists visiting Flagstaff. This great location has been successful for 43 years. There are several large hotels across the street and others within walking distance. There are several large student housing projects nearby as well, which provide excellent walk-in traffic for the restaurant and lounge plus providing a source of part-time employees. It is also one of the few places in Flagstaff with front and rear parking for customers and tour buses.

Bun Huggers is in a leased location paying a modest monthly base rent of \$8,760 occupying 3,420 square feet in the restaurant and another 3,150 square feet in the lounge for a total of 6,570 square feet. The lease ends September 2023 with the landlord willing to extend further lease option periods to a new owner.

This business operates with a Coconino County Class-12 restaurant liquor license. Once the business has been purchased by the new buyer, they must apply for a transfer to have the license put in his or her name.

Business Summary



- Business asking price: \$349,000, includes all contents and trade name.
- FF&E: Over \$400,000 at original cost, included.
- Inventory: Will be purchased at Owner's cost at time of sale.
- Reason for selling: Owner is relocating closer to family
- Support and training: Owner is willing to provide a transition period to the new owner.





Flagstaff, Arizona

Flagstaff is located in Arizona's high country surrounded by the largest ponderosa pine forest in the world. Considered a tourist destination for all seasons, there is plenty of outdoor recreation with camping, hiking and biking trails, beautiful fall colors, and winter snow play and skiing.

Taking advantage of the comfortable summer temperatures, Flagstaff has outdoor festivals from June through October, including the Museum of Northern Arizona Heritage Festivals focused on Native American and Latin cultures.

Flagstaff is the regional crossroad for Northern Arizona and Grand Canyon National Park. The 4 million visitors and large second homeowner population in Flagstaff are drawn to the city's four seasons, accessible location and fulfilling quality of life.

Market Overview

The community is also a college town with almost 30,000 students attending Northern Arizona University. Bun Huggers is within easy walking distance of student housing; a ready market for this category of food service.

In addition to tourism and education, Flagstaff has a strong science sector which includes Flagstaff Medical Center; a regional hospital and level 1 trauma facility, W.L. Gore medical products, and Lowell Observatory. Flagstaff is designated as the world's first Dark Sky City for its work in preservation of the night sky's natural resource.

This ever-growing resort type community consisting of local families, vacation rentals, Northern Arizona's regional market and second homes from all walks of life provides a strong customer base and high demand for restaurant businesses.



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