

THE FITOUT FINANCE HANDBOOK

Restaurants and Cafes



Sharon Piening

Table of Contents

Why Fitout is important	3
Planning your layout	4
Why finance your fitout	5
What can be financed	6
How Fitout Finance works	7
How to plan your Fitout	8
The Fitout Finance process	9
Let us do the hard work	9
Financial Information required	10
Insurance	10
Why use The 500 Group	11
About Sharon Piening	12
About The 500 Group	13

Why Fitout is important

The feeling and ambience you create in your restaurant or cafe with a fitout contributes significantly to its success!

First impressions, and the customer experience, count!

The starting point is to think about:

- Your customers and what is important to them
- The feeling and experience you want to create
- How to ensure the fitout is aligned to your brand

The foregoing questions are critical, for if something is out of place, it will be noticed!



Planning your layout

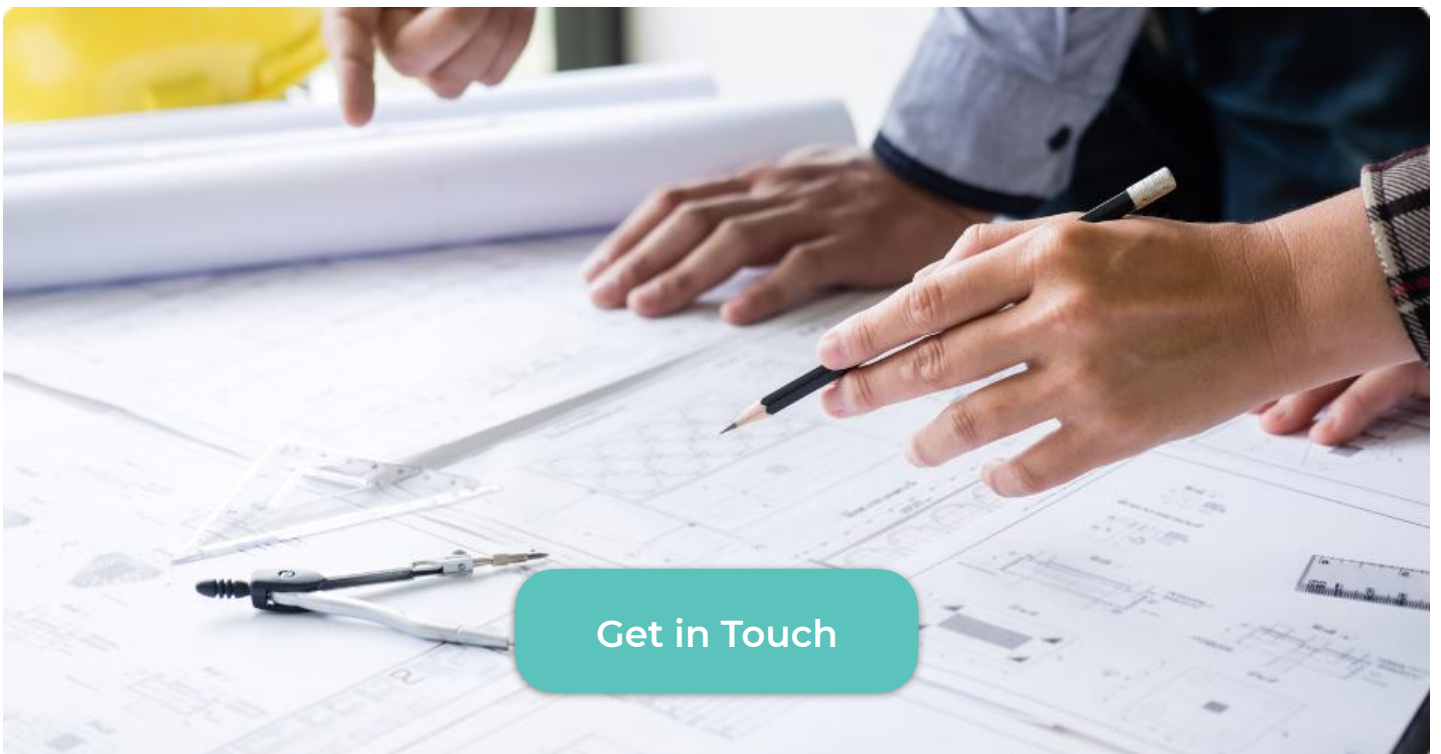
Your premises layout needs to be carefully planned.

It needs to work from both a customer and employee perspective. If you get it wrong, it can:

- Cause delays and frustrations
- Diminish the customer experience
- Reduce productivity
- Erode your bottom line

It is essential to do your research, and if needed, seek professional assistance.

Whilst planning a fitout takes time, the rewards if you get it right can be enormous!



Why finance your Fitout

For many Restaurants and Cafes financing the fitout of their premises is a smart alternative to using business capital that may be needed to fund ongoing operations and growth.

Fitouts can involve outlaying substantial capital which is often better preserved for alternate purposes.

The 500 Group can assist business owners in financing both tangible (hard removable items) and intangible items (soft costs)



What can be financed

Cabinetry
Bench tops
Signage
Shelving and Racking
Security Systems
Point of Sale
Refrigeration
Ovens
Tables and chairs
Counter displays

Culinary equipment
Point of sale
Phone systems
Alarm Systems
Office Desks
Bar stools and couches
Computer equipment
Filing cabinets
Delivery Vans and Motor Vehicles
And more

We can provide you with highly competitive Equipment Finance tailored to your cash flow and specific needs!

Equipment Finance is specialised. It is important the right product and structure are chosen to avoid expensive mistakes!



How Fitout Finance works

With Fitout Finance you borrow funds to purchase the items (assets) in question, then repay the amount at a fixed rate over a fixed term.

Financing options include Rental, Lease or Chattel Mortgage.

Given the different ownership and tax implications, it is important to seek guidance from your Accountant to ensure the right product and structure are chosen.

Benefits of Fitout Finance

Financing Fitouts offers many benefits including:

- It preserves working capital
- The interest rate and repayments are fixed
- Flexible drawdown arrangements
- Depreciation & interest may be tax deductible
- The cost of the fitout is spread over time
- A wide range of items can be financed



How to plan your fitout

When planning your Fitout there are many elements you need to consider including:

- What return on investment are you looking to achieve as a result of the fitout?
- How will you ensure this is realised?
- The layout and foot traffic throughout the premises.
- Will the quality and finished look fit your brand?
- What finishes will be used? Whilst hard finishes often look great, it is important to consider the noise element
- When will the work be completed (Shopping Centres, in particular, will have rules in this regard)
- What access arrangements will you need to make for the suppliers?

- Will you be using one supplier or multiple suppliers? (A Project Manager can coordinate all the trades involved & manage invoice payments, making the process easier)
- What experience do the suppliers have with restaurants and cafes?
- Are they willing to let you speak with former clients?
- (If you are leasing premises, it is important to ensure the fit out complies with the terms of the lease).
- Do you need to provide notice to the landlord - if so, how long?
- Price is important, but it should not be at the expense of quality. As stated earlier, first impressions count!

The Fitout Finance process

When you are ready and understand the requirements of your lease:

- ✓ Document your specific requirements (Including timelines)
- ✓ Decide which suppliers from whom you will seek a quote
- ✓ Ask for details of their experience in your sector
- ✓ Seek details of former clients and inspect their work
- ✓ Request written and detailed quotes, including timelines
- ✓ Confirm any special access arrangements they may require
- ✓ Seek guidance as to which product or structure is best to use

Let us do the hard work

Arranging Fitout Finance and making payments to suppliers can be extremely time consuming.

However, we can arrange an Escrow Facility with the Financier, which will allow us to make payments to the suppliers under your instructions. This can save you an enormous amount of time and hassle.

When all the payments have been made, the Escrow Facility is converted into an Equipment Finance facility.



Sharon Piening
Fitout Finance Specialist

0433 210 353

Financial Information Required

To obtain formal finance approval you will be asked to provide the following information:

- The last two years company Tax Returns and year to date Management Financial
- Director's personal Tax Returns
- In some instances, you may also be asked to provide Financial Projections and assumptions
- A list of your personal Assets and Liabilities
- Copy of Premises Lease if applicable
- Identification documents - copy of Driver's License and Medicare Card
- Copy of current Rates Notice for any properties owned

When the Finance has been approved, you can then pay the Supplier(s) their initial deposit. This will be a percentage of the project cost.

(When arranging the Finance, you can request the initial deposit be included in the overall amount so that it can be reimbursed).

As invoices are received from Suppliers, we will make the payment to them on your behalf.

Insurance

As part of the process, you will also need to provide the Financier with a Certificate of Insurance covering the items financed with the Financier interest noted

Why use The 500 Group

Fitout Finance is highly specialised. Indeed, not all Banks participate in this sector.

It involves many different facets that need to be carefully coordinated to ensure problems do not arise.

If not properly managed, it can be an extremely time-consuming process.

We can help you access highly competitive quotes from our panel of Specialist Financiers and coordinate the whole process to make it as seamless as possible.

We will also work with you to select the right product and structure.



Sharon Piening

As a business owner, I understand the challenges & joy of running a business!

I have an in-depth knowledge of Fitout Finance and what is needed to deliver the right outcomes for my clients.

I love the complexity and the different facets involved with this type of Finance.

I have a practical, down to earth approach and strive to make my client experience as seamless as possible.



Fitout Finance Specialist

0433 210 353

Email

Strengths

Knowledge of the market and different industry sectors

Exceptional organisational skills

Persistence - I am tenacious when negotiating competitive Finance Packages for my clients

Ability to structure finance to align with cashflow

Industry Experience

Manufacturing

Retail

Transport

Construction

Medical & Dental

Shopping Centre Fitouts

Restaurants and Cafes

The 500 Group are an award winning, Melbourne based, broking firm specialising in arranging finance for business owners.

We strive to build long-term relationships with our clients. To be there for them as their needs change and evolve.

Because we have experienced specialists in each of the equipment, business and home finance segments, we offer our clients one contact point for all their finance needs.

You tell us what you require, we then:

- Undertake research to find the most competitive offers

- Negotiate with Lenders on your behalf & keep you informed

- Prepare a Finance Application to the chosen Lender

- Manage the process through to settlement

This saves time and frees you to focus on what is important - running your business and creating wealth.

In the future if you require finance, be it for equipment, the business, home or investment finance, you simply get in touch and we take it from there.

The Finance Experts for Business Owners

The Finance Experts for Business Owners

www.the500group.com.au

Sharon Piening is a credit representative (474698) of BLSSA Pty Ltd ACN 117651760 (Australian Credit Licence 391237)

The 500 Group Pty Ltd ACN 620 959 202 is a corporate credit representative(501919) of BLSSA Pty Ltd ACN 117 651 760 Australian Credit Licence Number 391237