



ASSET RECOVERY SERVICES

A DIVISION OF NATIONAL FRANCHISE SALES

Successfully assisting Franchisees, Franchisors, Trustees, Receivers & Lenders since 1978

We bring Market Value for Distressed Franchise Assets



National Franchise Sales

www.nationalfranchisesales.com/asset-recovery

949.428.0480

ABOUT NFS ASSET RECOVERY SERVICES

FINANCIAL CONSULTING | RE-ORGANIZATION PLANNING | VALUATION ASSESSMENT

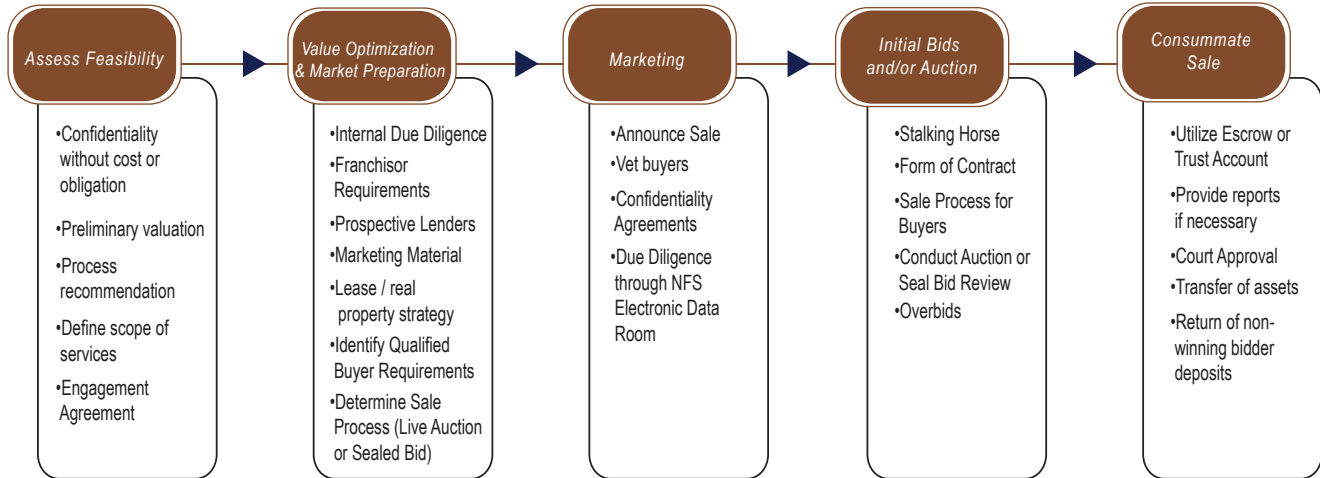
- Franchise restaurant industry experts
- Success fee based
- Significant special assets experience
- Knowledge of fair market value for Franchise Restaurants
- Extensive network of qualified buyers
- Live Auction or Sealed Bid process administration
- Franchise Professionals managing every step of the transaction

"NFS quickly mastered all elements of a very challenging bankruptcy asset sale involving 70 Jack in the Box restaurants in multiple California markets. The team's depth of experience, practicality, foresight and responsiveness are extraordinary. We have complete confidence in NFS and we're proud to have them as professional colleagues."

David A. Honig, Attorney at Law
Partner - Winston & Strawn LLP



NFS ASSET RECOVERY PROCESS



NFS CRITERIA TO ENSURE TRUE MARKET VALUE

- Adjusted cash flow of business
- Unit sales trend
- Local trade area conditions
- Strength of the franchisor
- Condition of the facility
- Terms and conditions of the Lease
- Terms and conditions of the Franchise Agreement
- Potential competitive intrusion
- CAPEX Requirements

"National Franchise Sales did the most fantastic job! I was very proud to be a part of the whole program and I have no doubt the participants were totally impressed with the entire auction."

Beverly N. McFarland, Chapter 11 Trustee
The Beverly Group, Inc.



NFS ASSET RECOVERY TEAM

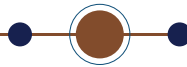
An industry veteran since 1971, Gallup served as senior management with several Franchisors before joining National Franchise Sales in 1994. He manages the franchise resale of numerous major food service brands by utilizing his knowledge and expertise in the franchise industry. Gallup effectively developed the NFS Asset Recovery team by employing his considerable experience in Asset Recovery through bankruptcy, foreclosure and receiverships.



Alan F. Gallup
Principal

ag@nationalfranchisesales.com
949-428-0483

Gallup is a member of California Receiver's Forum, American Bankruptcy Institute, National Association of Bankruptcy Trustees, International Business Brokers Assoc., and the Turnaround Management Association.



Ingram obtained his B.S. in Business at San Diego State University and was a successful multi-unit franchisee of several brands including Sizzler, prior to joining National Franchise Sales in 1997. Michael's experience in refranchising has helped several Franchisors free up capital, generate cash flow, reduce overhead and turn under-performing units into successful franchised units.



Michael Ingram
Vice President

mi@nationalfranchisesales.com
949-428-0482

Ingram is a member of California Receiver's Forum, American Bankruptcy Institute, and the National Association of Bankruptcy Trustees,



Alana McGinnis joined National Franchise Sales in 2012, and since 2013 has been tracking, initiating, and supporting NFS engagement opportunities in bankruptcy, receivership, and foreclosure. McGinnis holds the responsibility of the planning, procurement and execution of asset recovery projects. She also oversees the development and maintenance of various NFS initiatives, programs, and proprietary technology systems.



Alana McGinnis
Project Coordinator

am@nationalfranchisesales.com
949-428-0497

McGinnis is a member of the California Receivers' Forum, American Bankruptcy Institute, and the Turnaround Management Association.



SCOPE OF SERVICES

Valuation Optimization Planning – Working with the asset owner, Trustee or Receiver, NFS develops and implements plans to enhance and optimize value.

Lease Renegotiation – NFS assists in determining which leases, if any, are too expensive and as a consequence, impair the asset value. NFS then can negotiate new leases.

Asset Recovery Process Determination – Options may include live or sealed bid auction, abandonment, overbid auction, stalking horse, and various marketing methodology.

Asset Marketing – Sales are announced through a combination of Press Releases, Advertisements, and Direct Contact to new and existing contacts, Strategic buyer, Institutional and Financial Buyers.

Proprietary Database - National Franchise Sales maintains a Proprietary Database of over 75,000 pre-screened, pre-qualified, prospective franchise buyers. Through the Proprietary Database, NFS cross-references a buyers category and brand interests, geographical preference, experience, liquidity, net worth and other factors.

Qualified Buyers – Prospective buyers sign a Confidentiality Agreement prior to receiving any information. Buyers go through a qualification process whereby Financial Statements, Resumes, (professional experience), and credit history are reviewed.

Franchisor Approval - NFS has built a strong relationship with many franchisors, Understanding each franchisor's company culture, objectives, strategies and requirements to meet franchisor expectations to assure that prospective buyers meet the franchisor's expectations.

Financing - NFS assists buyers by seeking the best loan for the project, preparing loan applications, and seeing the process through to funding.

Transaction Management - NFS works throughout the transaction with buyer, seller, lender, franchisor, escrow, and government agencies.

Sale of Business Entity - NFS has been registered in the Franchise Disclosure Documents of several major brands.

Fairness Opinions - NFS provides fairness opinions attesting to effective and far reaching marketing, arms length transactions, and the attainment of fair market values



Please call us to discuss a strategy of Asset Recovery for assets in Bankruptcy, Receivership or Foreclosure

Alana McGinnis | Project Coordinator, Asset Recovery Services | 949.428.0497



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CASE STUDIES

KOBRA ASSOCIATES

\$39,000,000

66 UNITS



CASE NO. 09-4006-C-11

Eastern District of California

Sacramento Division

GOLDENWEST FOODS, INC

\$5,300,000

12 UNITS



CASE NO. SV 02-18667 GM

Central District of California

San Fernando Valley Division

THE WESTWIND GROUP

85 UNITS



CASE NO. 03-9574

Southern District of California

REDWOOD ENTERPRISES RESTAURANTS

\$7,120,000

26 UNITS



CASE NO. 03-44236N

Northern District of California

Oakland Division

PHOENIX RESTAURANT GROUP

\$12,000,000

44 UNITS



CASE NO. 301-12036

Middle District of Tennessee

Nashville Division

PJ SOUND PIZZA LLC | PAPA WASHINGTON LLC

\$6,000,000

20 UNITS



CASE NO. 17-2-32104-4SEA

Superior Court of Washington
for King County

FATBURGER RESTAURANTS OF CAL, INC.

\$7,580,000

24 UNITS



CASE NO. 1:09-BK-13964-GM

Central District of California

San Fernando Valley Division

EPL X & EPL Y

\$4,800,000

7 UNITS



CASE NO. 1:11-BK-11434-VK

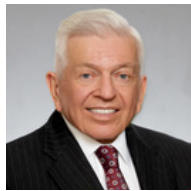
Central District of California

San Fernando Valley Division

NATIONAL FRANCHISE SALES RESALE TEAM

Staffed by Franchise Industry Professionals

Specializing in the Resale of Franchise Businesses
& Restaurant Chains since 1978



Jerome J. Thissen
President & Founder



Michael J. Ingram
Vice President



Alan F. Gallup
Principal



John Lukac
Partner



Rebecca Black
Partner



Michael Arrowsmith
Managing Director



Denise Bell
Sr. Managing Director



Megan Black
Advisor



Barry Burke
Managing Director



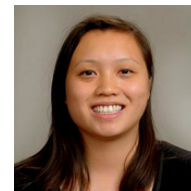
Mike Deegan
Managing Director



Ana Gonzalez
Advisor



Ellen Hui
Managing Director



Nicole Hui
Advisor



Rick Kowalski
Advisor



Helen Trent
Sr. Managing Director



Seth Shaner
Advisor



John Sidders
Advisor



Andrea Lovell
Contract Manager
Assoc Advisor



Lisa Burke
Brand Dev Specialist



Ryan Deegan
Analyst



Alana McGinnis
Project Coordinator



Paula Parrish
Marketing Manager



Nikko Ramani
Transaction
Processor



Caitlyn Willett
Office Manager



Sally Zhang
Transaction
Manager