



JONES HOLLOW
REALTY GROUP

CONFIDENTIAL INFORMATION MEMORANDUM



Attractive Investment Opportunity: Italian Bakery in Booming Downtown South Shore Town

A Turnkey Business with Proven Revenue and Growth Potential



MARIO'S PASTICCERIA

A SWEET INVESTMENT
OPPORTUNITY IN BABYLON VILLAGE



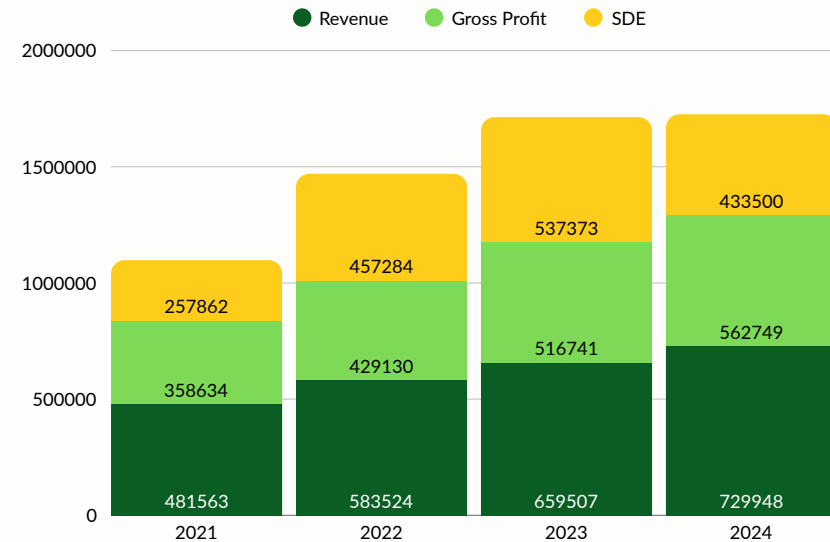


Business Overview

- **Legal Name:** Mario's Italian Bakery Corp. DBA Mario's Pasticceria
- **Location:** 199 East Main Street, Babylon, NY 11702
- **History:** A bakery landmark for 25+ years, reimaged in 2017 as Mario's Pasticceria by Gabriela and Anthony Mistretta. Fueled by a Sicilian legacy, Anthony mastered baking through night classes in Manhattan while pursuing a business management degree, leading the store's renovation to launch Mario's.
- **Premises:** 1,200 SF ground-floor space, 15 parking spots, 5 dedicated.
- **Lease:** Secured through September 30, 2032, starting at \$26,762/year (2024).
- **Offerings:** Authentic Italian cakes, pastries (Cannoli, Eclairs), cookies (Pignoli, Biscotti), pies, homemade soups, and gluten-free items (15-20% of sales).
- **Mission:** "Old-Fashioned Baking, Timeless Delight!"

Financial Highlights

- **Revenue:**
 - 2021: \$481,562.61 (12.4% growth)
 - 2022: \$583,524.32 (21.2% growth)
 - 2023: \$659,507.41 (13.0% growth)
 - 2024: \$729,948 (10.7% growth, actual)
- **Gross Profit:**
 - 2021: \$358,633.73 (74.5% margin)
 - 2022: \$429,129.88 (73.5% margin)
 - 2023: \$516,741.38 (78.4% margin)
 - 2024: \$562,748.84 (77.1% margin, actual)
- **Adjusted Net Income (SDE):**
 - 2021: \$257,861.73 (53.5% margin)
 - 2022: \$457,283.88 (78.4% margin)
 - 2023: \$537,373.38 (81.5% margin)
 - 2024: \$433,500.19 (59.4% margin)



Revenue and SDE (Seller's Discretionary Earnings)

SDE Explanation: SDE (Seller's Discretionary Earnings) is the total financial benefit to an owner-operator, calculated as net income plus add-backs like owner's salary and discretionary expenses, reflecting the true earning potential for a new owner.

Asset Overview and Layout

Tangible Assets:

- Equipment: Showcases, countertops, 60-qt mixer, new 20-qt mixer, ovens, coolers, walk-in freezers, new compressors for walk-in cooler, 2 chest freezers up top, trays, spatulas, shelving units for storage, rolling racks, La Spaziale 2 group espresso machine (under a year old, valued at \$5,000).
- Estimated Value: \$61,000 (well-maintained, recently upgraded).

Intangible Assets:

Brand: Mario's Pasticceria name and reputation.

Digital: Website, Instagram (3,265 followers), Facebook (1,700 followers).

Inventory: Managed on-site, valued at over \$12,000.



Market Position & Competitive Edge

- **Reputation:** A Babylon Village gem with a 4.8-star Yelp and Google rating, famed for St. Joseph pastries and authentic Italian treats from Gabriela and Anthony's craft. *"They treat you like family!"* (Yelp).
- **Competitive Advantage:**
 - Nearly 100% of offerings are freshly baked on-site, ensuring unmatched quality and authenticity -unlike competitors, where most baked goods are sourced externally and resold).
 - Prime Main Street location in a Babylon Village, bordering West Islip, with high visibility and foot traffic, enhanced by its proximity to a popular local pizzeria.
- **Customer Base:** Loyal locals, businesses, tourists—a go-to for Italian delights.
- **Differentiation:** Sicilian recipes, gluten-free options, artisan soups—*"a sweet symphony of butter, vanilla, and almond oil"* (Google).
- **Digital Reach:** Strong social media presence with 3,265 Instagram followers and 1,700 Facebook followers, driving community engagement.



Exterior Photos



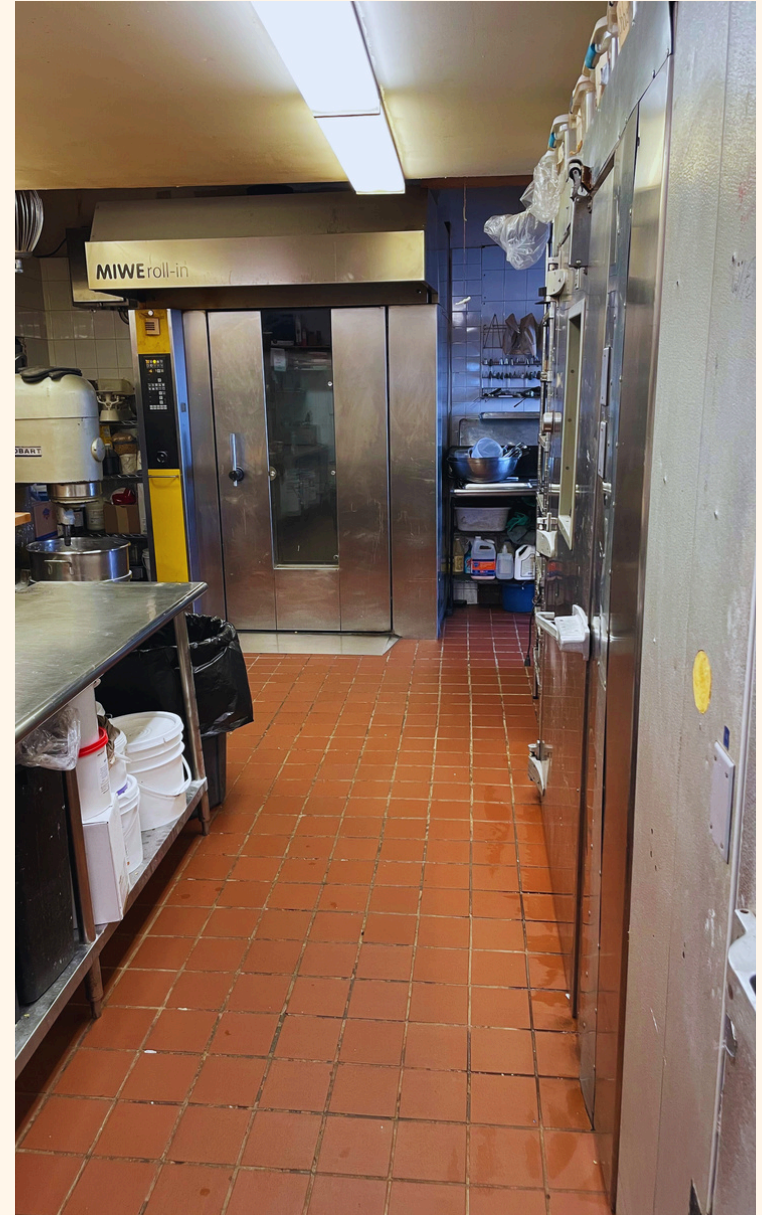
Retail Area Photos



Service Counter Photos



Kitchen Photos



Additional Kitchen Photos



Customer Reviews



Google Highlights:

- “The atmosphere is very warm and cozy... I love that you can sit, drink an espresso, and enjoy a fresh baked croissant. The staff was beyond friendly... I will be coming back every Sunday!”
- “Gabriella and the girls are amazing. Every treat is out of this world. My favorite is their brownies, their coffee is amazing as well.”
- “A good Italian bakery has a unique smell... The outstanding quality of their product... Cranberry muffin was rich, brownie was the best I’ve had since forever.”
- “Been coming in here around 5/6pm, it’s nice they’re open late. This is an amazing bakery with a ton of history making special desserts. One of the best on Long Island for sure.”



Yelp Highlights:

- “I love this place! Gabriella is always smiling and her baked items are seriously better than anywhere around town!!! Best pignoli cookies around!!!”
- “They treat you like family! Gabriella, her father, and Anthony are amazingly hospitable... We try to stop in a few times every week.”
- “Absolutely the best Pasticceria around... As good as it gets outside of Italy and Brooklyn.
- “Excellent bakery. Stopped going to the other bakery in town last year... Loved the Napoleon Cake, Cannoli, and rainbow cannoli cookies! Gabriella is a sweetheart and strives to take care of her customers.”





Growth Opportunities

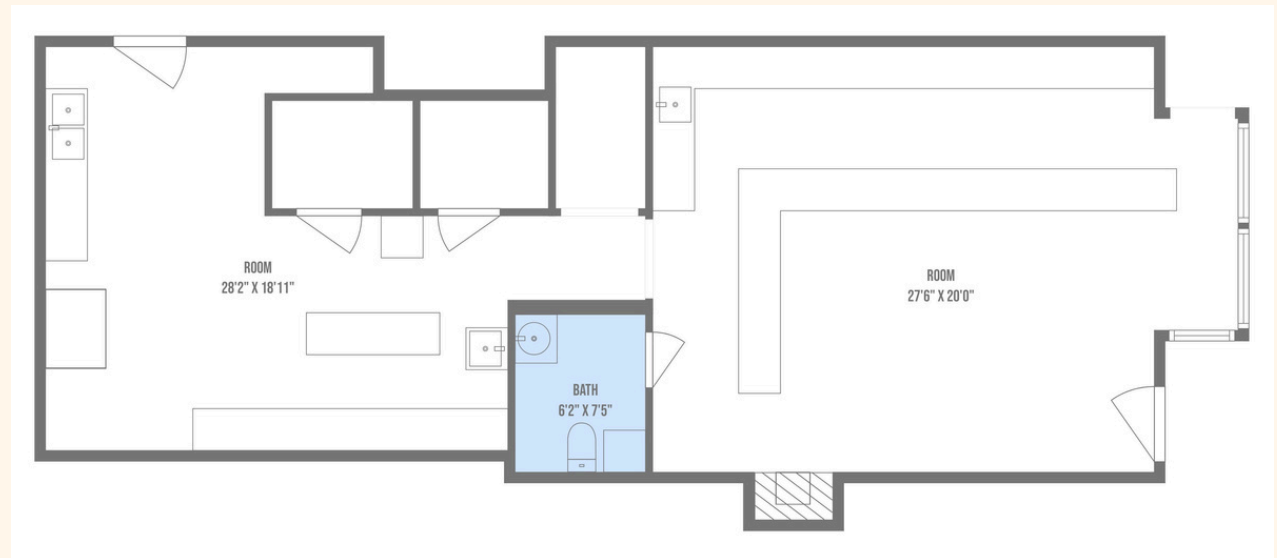
- **Untapped Potential:**
 - Expand online (e.g., ordering, delivery) to leverage 3,265 Instagram and 1,700 Facebook followers.
 - Add lunch items (build on soups).
 - Extend hours (closed Mondays).
 - Boost social media marketing (already Instagram-focused).
 - Capitalize on new local apartment complexes going up on Deer Park Ave, driving increased foot traffic and demand.
- **Market Trends:** Growing gluten-free demand (15-20% of sales).
- **Catering:** Formalize for events and holidays.

Lease & Location Advantage

- **Lease Terms:**
 - Term: Through September 30, 2032.
 - Rent: \$26,762 (2024), rising to \$66,240 (2032).
 - Transferable: Yes, with landlord approval (bakery use required).
- **Location:**
 - 199 East Main Street, Babylon Village—vibrant downtown, high-traffic, high-visibility area, on the border of Babylon and West Islip, both affluent towns.
 - Amenities: 15 parking spots, with five dedicated.
- **Stability:** No CAM fees, tenant pays utilities.

Operations Snapshot

- **Hours:** Tue-Sat 8 AM-7 PM, Sun 7:30 AM-5 PM, closed Mon.
- **Staff:** 3 full-time, 10 part-time (mostly local school kids).
- **Payroll:** \$223,392.71 annually (\$4,300 weekly) including taxes and fees for all employees (on-the-books and cash).
 - Owners' Salaries: \$144,592.78 (Anthony: \$94,848.18, Gabriela: \$49,744.60)
 - Other Employees (Base Wages): \$65,391.91
 - Employer Liability (Included in Total): \$13,408.02
- **Major Expenses:**
 - Ingredients: \$167,198.92/year (COGS).
 - Rent: \$2,230/month (\$27,297.96/year, 2024).
 - Utilities: \$20,786.33/year (Electric: \$12,243; Gas: \$3,586; Water: \$340; Waste: \$3,418; Optimum: \$1,200).
 - Liability Insurance: \$2,364.43/year.
- **Suppliers:** David Rosen Bakery Supplies, Inter-County Bakers, and Cesare's Fruit, and Bindy for ingredients and materials, no long-term contracts, providing flexibility for a new owner.



Investment Opportunity

- **Asking Price:** \$750,000
- **Valuation:** ~2.9x 2021 SDE (\$258K), ~1.6x 2022 SDE (\$457K), ~1.4x 2023 SDE (\$537K), ~1.7x 2024 SDE (\$434K, actual), reflecting strong cash flow and growth potential.
- **Valuation Comparison:** Bakeries in NY typically sell for 2.0x to 2.5x SDE, but this business is priced at just 1.7x its 2024 SDE of \$434K, making this beloved South Shore gem an exceptional value for buyers seeking a thriving business with significant upside potential.
- **Why Buy?:**
 - Proven SDE of \$434K (2024, actual).
 - Turnkey with \$61K in equipment, \$12,000 in inventory, and a strong brand.
 - Long-term lease in a thriving spot.
 - Growth avenues (online, catering, hours) with 3,265 Instagram and 1,700 Facebook followers.
- **Seller Motivation:** Lifestyle change—healthy business, not distressed.

Conclusion: Don't miss this exceptional opportunity to acquire a well-established Italian bakery and eatery with a strong financial foundation and significant growth potential! Perfectly positioned in the heart of Babylon Village, Mario's Pasticceria is ready to capitalize on its prime location and robust market demand. Interested parties are encouraged to contact Brad Wilson at Jones Hollow Realty Group for further details and pricing—let's make your dream of owning a thriving bakery a reality!



Brad Wilson, Broker

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About Jones Hollow Realty Group Inc.

Raising the Bar In Commercial Real Estate Service and Business Brokerage



In today's dynamic real estate market, selling your business or commercial property requires expertise, innovative strategies, enthusiasm, and the resources to promote your asset effectively. At Jones Hollow Realty Group, we provide a comprehensive and tailored approach when you list with us. Selling can be challenging, but with numerous properties and businesses successfully sold weekly across Long Island, success is within reach. Our proven sales methods, targeted marketing, and extensive professional network ensure no detail is overlooked. We use cutting-edge technology and creative solutions to boost your property's visibility and appeal, empowering you with the insights needed to choose the right agent.

When we say “raising the bar in real estate service,” we mean it! Your priorities guide our actions as we navigate every step of the sale with meticulous care. With a strong track record, a skilled team, and years of experience in business brokerage and commercial real estate, Jones Hollow Realty Group has the tools to market and sell your property effectively. If you're committed to selling, we're dedicated to delivering results, ensuring a successful transaction tailored to your needs.

