

# Restaurant Research's Industry Data Report

## Unit Valuation Trends

August 2011

### Key Data Points

- RR's Restaurant Unit Valuation Update provides semi-annual estimates of historical EBITDA multiples and cap rates for national chains as well as an outlook for 2H:11.
- EBITDA multiple data is also provided for 31 chains. Information is based on a survey of 8 leading appraisal firms (responsible for approximately 3,100 store valuations over the last 6 months).
- A quick update on the state of restaurant finance is also included which focuses on: (1) 2011 budgeted restaurant loan originations versus actual results (2) borrower financial condition (3) 2012 loan origination expectations, and (4) changes to underwriting standards.
- Refer to page 2 for a sample exhibit which outlines the chains included in this report.

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### Survey Participants

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### RR Clients

Includes major lenders, investors, major US restaurant chains, operators and industry consultants. Please check [www.ChainRestaurantData.com](http://www.ChainRestaurantData.com) for a partial client list and customer testimonials.

### More About Us

Restaurant Research LLC leverages an extensive network of industry players as part of its annual Concept Benchmark Analysis due diligence process for 22 large US restaurant chains. Also, RR tracks store level data for all major chains with system-wide sales in excess of \$1B across all major restaurant segments in order to produce 11 key Industry Data Topic reports. For more information please contact us at [info@ChainRestaurantData.com](mailto:info@ChainRestaurantData.com) or 203-405-1901.

## July 2011 Estimated Concept Business Valuations (EBITDA Multiple)

Concept	Average EBITDA Multiple Estimate					% Change Jul-11 vs. Jan-11	2011 Absolute Range			2011 Outlook Neg -/Pos +
	Jul-09	Jan-10	Jul-10	Jan-11	Jul-11		Low	High	# Estimates	
Applebee's										
Buffalo Wild Wings										
Chili's Grill & Bar										
Red Robin										
Ruby Tuesday										
T.G.I. Friday's										
Texas Roadhouse										
<b>Casual</b>										
Panera Bread										
<b>Fast Casual</b>										
Denny's										
IHOP										
Perkins										
<b>Family</b>										
Arby's										
Burger King										
Carl's Jr.										
Dairy Queen										
Hardee's										
Jack in the Box										
McDonald's										
Quizno's										
Sonic Drive-In										
Subway										
Taco Bell										
Wendy's										
<b>Sandwich</b>										
Dunkin Donuts										
<b>Coffee/bakery</b>										
Church's										
KFC										
Popeyes										
<b>Chicken</b>										
Domino's										
Little Caesar's										
Papa John's										
Pizza Hut										
<b>Pizza</b>										
<b>Average</b>										

(1) Valuation averages are based on estimates provided by survey participants (not individual transactions) and reflect "normal" operating businesses after an adjustment for G&A.

(2) 2011 survey participants include Advanced Restaurant Sales, LLC, Hopkins Appraisal Services, Inc., Matrix Valuation Group, National Franchise Sales, National Restaurant Brokers, Praetorian Group, Sohlen Franchise Advisors, LLC and The Cypress Group.