

# CONFIDENTIAL OFFERING MEMORANDUM



## **Robert Rauchhaus**

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**BERKSHIRE  
HATHAWAY**  
COMMERCIAL DIVISION

# Terms & Conditions

This Confidential Information Memorandum (“CIM”) has been prepared by Radius Commercial Real Estate (“Broker”) on behalf of the owner (“Seller”) and is furnished solely for the purpose of evaluating a potential acquisition of the business and/or real property described herein (the “Property”). This CIM does not constitute an offer to sell or a solicitation of an offer to buy the Property. Any transaction shall occur only pursuant to the terms of a fully executed written purchase agreement.

The information contained herein has been obtained from Seller and from other sources believed to be reliable; however, Broker has not independently verified such information and makes no representation or warranty, express or implied, as to its accuracy or completeness. All financial information, projections, and estimates are provided for illustrative purposes only and are subject to change without notice. Prospective buyers must rely solely on their own investigations and the representations and warranties contained in any definitive purchase agreement.

This CIM is confidential and proprietary. By accepting it, the recipient agrees that the information will be used solely for evaluating a potential acquisition of the Property and will not be disclosed to any other party except the recipient’s professional advisors. Recipients shall not contact Seller’s employees, tenants, customers, or vendors without the prior written consent of Broker. If there is no continued interest in the Property, this CIM shall be returned or destroyed upon request.

The Business and/or Property is offered for sale in its present condition, “As-Is, Where-Is, With All Faults,” without any representation or warranty except as expressly set forth in a written agreement.

Seller and Broker reserve the right, at their sole discretion, to modify any terms, conditions, or procedures relating to the sale of the Property or to terminate discussions at any time without notice or liability. Broker represents Seller exclusively and may receive a commission in connection with any sale of the Property.

# Business Overview

## DUEX BAKERY

Established, owner-operated artisan bakery located in the desirable Santa Barbara market, known for its premium pastries, strong brand identity, and loyal customer base. The business benefits from both retail sales and a solid portfolio of commercial and wholesale accounts, providing diversified and recurring revenue. This turnkey opportunity offers immediate cash flow with clear upside potential, including expansion of commercial accounts, increased production capacity, extended hours, catering growth, and potential additional locations. The business is offered with furniture, fixtures, equipment, brand assets, and goodwill; real estate is leased (details available upon request).

## KEY FACTS

**Address:** 824 Reddick St

**City:** Santa Barbara

**Asking Price:** \$250,000

**Type of Sale:** Asset Sale

**Legal Entity:** Duex Bakery, LLC

**Date Established:** 2012/2013

**Type of Sale:** Asset Sale

**Owners:** Wendy Fleming and Maurice Fleming

**Reason for Sale:** Retirement

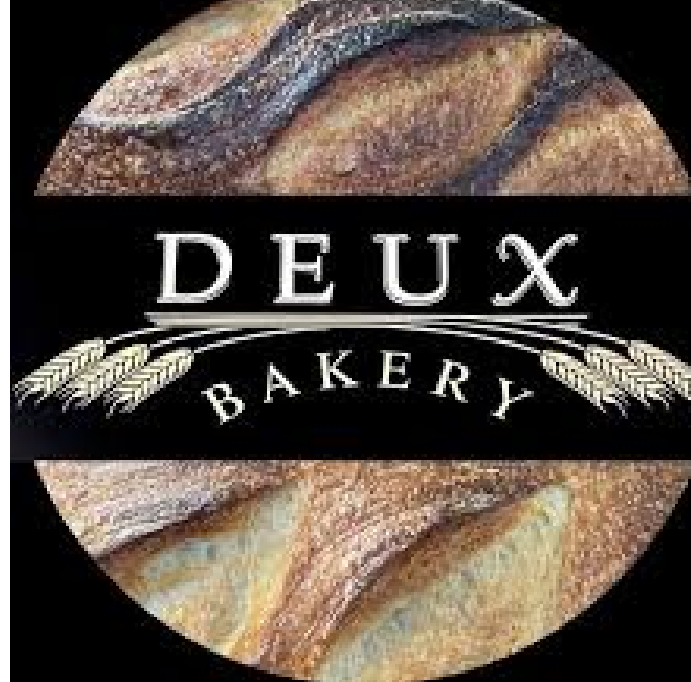
**Revenues:** \$371,184 (2025)

**Cash Flow:** \$14,625 (2025 Net Income)

**Employees:** 4 full-time, 2 part-time, and 2 independent contractors

**Owner Involvement:** Actively Involved

**Parking:** 2 on-site + public/street



Contact **Robert Rauchhaus** for More Information



# Real Estate Overview

## 824 REDDICK ST

824 Reddick Street presents a rare opportunity to acquire a freestanding commercial building in the highly sought-after Santa Barbara market, ideally suited for owner-users seeking a functional, move-in-ready facility with long-term investment potential. The  $\pm 1,295$  square foot single-story structure is currently configured as a fully permitted commercial kitchen with a small retail component, offering flexibility for a variety of industrial, food production, catering, or specialty service uses permitted under M-1 zoning. Situated on a  $\pm 2,613$  square foot parcel with on-site parking and convenient access to the Milpas corridor and US-101, the property benefits from strong accessibility, excellent walkability, and proximity to dense residential neighborhoods. The offering provides a unique opportunity for an owner-operator to control occupancy costs while building equity in a supply-constrained coastal market where small freestanding commercial assets are rarely available.

### KEY FACTS

**Address:** 824 Reddick St

**City:** Santa Barbara, CA 93103

**Asking Price:** \$1,050,000

**Price/SF:** \$810/SF approx

**APN:** 031-304-006

**Building Size:** 1,295 SF

**Lot Size:** 2,613 SF ( $\approx 0.06$  AC)

**Year Built:** TBD

**Last Renovated:** TBD

**Zoning/Use:** M-1 (Industrial)

**Parking:** 2 surface spaces

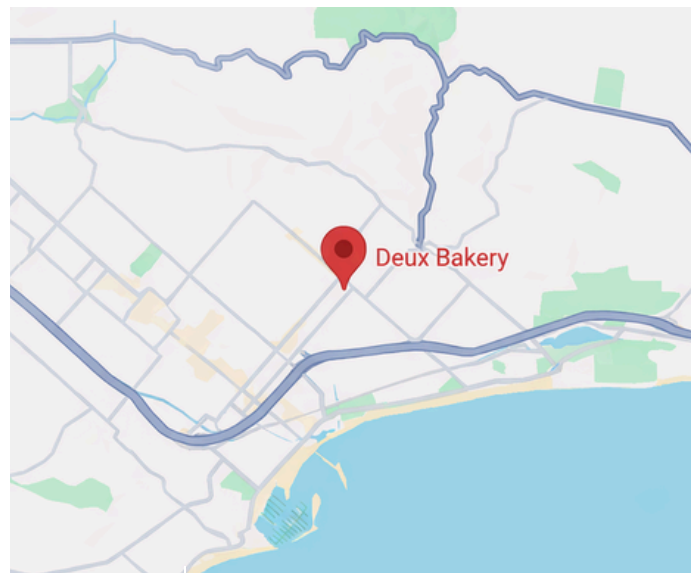
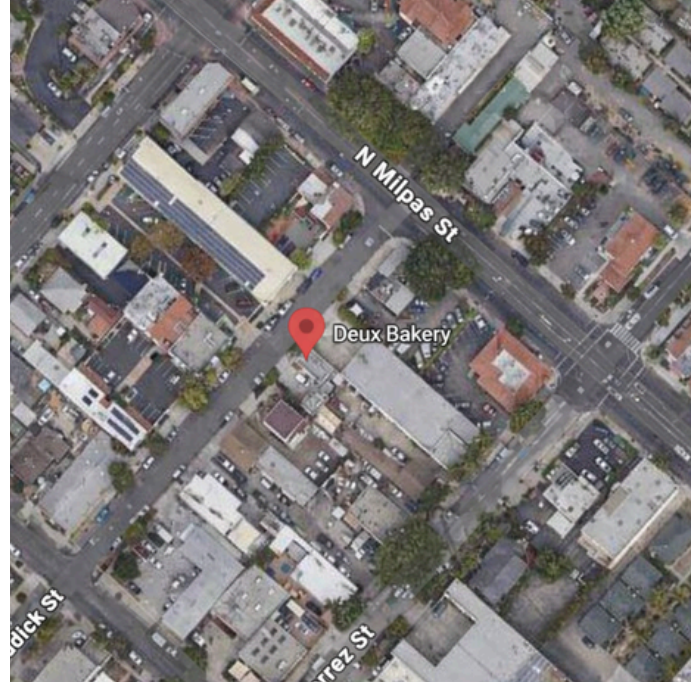
**Restrooms:** 2

**Stories:** 1

**Tenancy:** Single Tenant

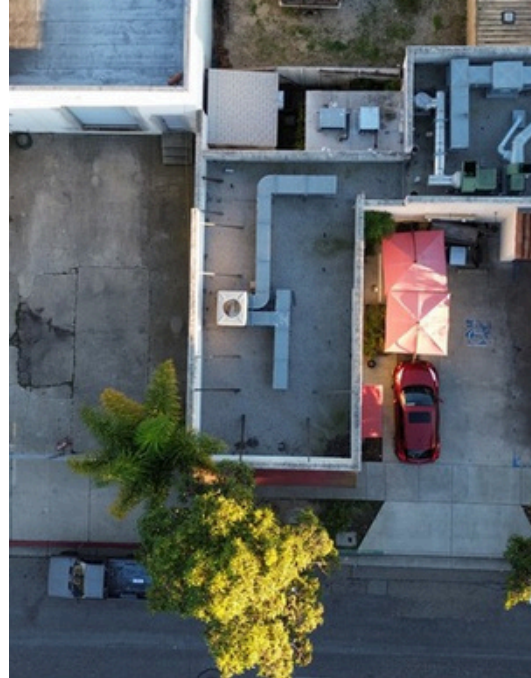
**Occupancy Status:** Owner-User

**Other:** High-end bakery equipment included



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Seller's Q&A

P&L (Last 3 Years)

Property Report

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## **Seller Q&A | Supplemental Business Information**

1. When was business founded? If you purchased the business, when did you do so?  
2012-2013
2. Are you the only owner, or do you have partners or other equity holders? If so, what percentage do they own?  
LLC Members Wendy + Maurice Fleming
3. Why are you selling? What will you do next? Are you willing to sign a “Do Not Compete” agreement for at least?  
Retirement No Compete Agreement (Yes)
4. How much do you work in the business? (Discuss daily, weekly, monthly, or seasonally, whatever make the most sense, for each of the owners. What tasks does each person perform?)  
30 hrs (Wendy) Ordering, bread making  
25 hrs (Maurice) ----- making, general repairs, manager
5. Are there other family members involved in the business? If so, what are their roles/hours/tasks?  
No
6. How many employees work in the business? Full-time? Part-time? Do you use independent contractors? If so, how many? Do you routinely rely on outside third-parties? If so, how many?  
Full time & Part time 2  
Independent Contractors (2)
7. Who are key employees and what is the plan for retention? Do you have a manager that can run the business or someone that could be trained to do so?  
Manuel, Rolando, Renato, Juanito all plan to stay  
America & Lauren plan to stay  
Manager is Rachel (Ind contractor)
7. What are your current lease and key terms?
  - A. How much do you pay monthly? No rent or lease
  - B. Is it a gross or net lease?
  - C. If it is a net, what amount are the nets (taxes, insurance, maintenance)?
  - D. Is there common area maintenance (CAM) charge or other utilities?
  - E. When does the lease expire?
  - F. How many options are there, and for how long is each option?
8. Do you expect the landlord to assign the current lease or write a new one? If it is new, what will the price and terms be?  
No lease
9. Are there any special permits or licenses or certifications to operate your business? Are there any occupancy restrictions for your business?  
Business license, Health Dept Federal (State) and City, Sales Tax license

\*All of the information in this document (and all of the other information that Broker is transmitting) is from the Seller. Broker has not independently verified the information and makes no guarantee or warranty as to its accuracy. Buyers are strongly encouraged to do their own due diligence.

10. Do you own the licensing rights to your business? Are there any franchising or licensing fees?  
Yes, No franchising

11. Please provide a breakdown of revenue sources for your business. (For example, retail vs service, retail vs. wholesale, in-store vs. online, or other product differentiation. The purpose of this category is for Buyer to understand income sources.)

Retail, wholesale. We have a retail outlet with a part-time employee. Wholesale is made by baker + part-time employee

12. What are the business growth trends? (Have revenues been up, steady, volatile, or down. Why?)  
The trend is up after taking the business back in Oct 2024

13. What do you anticipate the business growth trends to be in the future? [Disclaimer: This is your best guess – there is no promise to a buyer]  
Online presence, and target advertising

14. What do you view as the key strengths of the business?  
Customer service, Quality of product, customer loyalty, word of mouth

15. What do you view as the key weaknesses of the business?  
Parking, Online sales, advertising

16. What opportunities do you see for growth and/or improvement?  
More Online presence and advertising

17. What are the major threats?  
Retention of employees (ICE), Volatility of commodities

18. Who are your key competitors?  
Helena Bakery & Oat

19. Are there any current lawsuits pending? Do you anticipate any future lawsuits? Do you have any workman's comp claims from the past or anticipate any in the future?  
No

20. Do you owe a bank or any third party debt that must be settled before the business could be sold via escrow?  
No

21. Anything else you would like to share?  
We started this endeavor to help our daughter in her efforts to have a successful farm-to-table restaurant. As she grew, we made the commitment and decided to be a commercial bakery by making quality products, without skimping and little concern for cost, to have a small one-of-kind boutique bakery.



# Profit and Loss

Deux Bakery LLC

January-December, 2025

| DISTRIBUTION ACCOUNT                | TOTAL               |                          |
|-------------------------------------|---------------------|--------------------------|
|                                     | JAN 1 - DEC 31 2025 | JAN 1 - DEC 31 2024 (PY) |
| Income                              |                     |                          |
| Counter / Deli Sales                | 284,043.54          | 298,286.51               |
| Delivery Income                     | 1,978.00            | 2,744.00                 |
| Food Sales                          | 47,763.40           | 821.42                   |
| Sales of Product Income             | 1,960.56            |                          |
| Wholesale Accounts                  | 35,438.70           | 121,995.20               |
| <b>Total for Income</b>             | <b>\$371,184.20</b> | <b>\$423,847.13</b>      |
| Cost of Goods Sold                  |                     |                          |
| Cost of Goods Sold                  | 104,492.94          | 108,428.10               |
| Packaging for Product               | 9,617.54            | 3,479.58                 |
| <b>Total for Cost of Goods Sold</b> | <b>\$114,110.48</b> | <b>\$111,907.68</b>      |
| <b>Gross Profit</b>                 | <b>\$257,073.72</b> | <b>\$311,939.45</b>      |
| Expenses                            |                     |                          |
| Advertising and Promotion           | 611.36              |                          |
| Automobile Expense                  | \$464.34            | \$967.00                 |
| Insurance                           | 813.81              |                          |
| <b>Total for Automobile Expense</b> | <b>\$1,278.15</b>   | <b>\$967.00</b>          |
| Bank Service Charges                | 745.77              | 167.32                   |
| Business Licenses and Permits       | 738.00              | 1,136.75                 |
| Computer and Internet Expenses      | 288.00              |                          |
| Dues and Subscriptions              | 300.00              | 26.00                    |
| Insurance Expense                   | \$4,575.96          |                          |
| General Liability Insurance         | 757.38              | 2,681.85                 |
| Worker's Compensation               | 4,397.55            | 5,895.74                 |
| <b>Total for Insurance Expense</b>  | <b>\$9,730.89</b>   | <b>\$8,577.59</b>        |
| Janitorial                          | 2,765.52            | 4,103.72                 |
| Meals and Entertainment             | 789.57              | 33.43                    |
| Merchant Account Fees               | 14,333.38           | 9,482.88                 |
| Office Supplies                     | 48.38               | 221.25                   |
| Payroll Expenses                    | \$429.58            |                          |
| Contracted Services                 | 12,098.35           | 32,550.99                |
| Payroll Fees                        | 3,090.07            | 2,741.24                 |
| Payroll Taxes                       | 29,718.43           | 15,449.51                |
| Wages                               | 110,277.72          | 193,118.76               |
| <b>Total for Payroll Expenses</b>   | <b>\$155,614.15</b> | <b>\$243,860.50</b>      |
| Professional Fees                   |                     |                          |
| Accounting                          | 6,050.00            | 8,475.00                 |
| <b>Total for Professional Fees</b>  | <b>\$6,050.00</b>   | <b>\$8,475.00</b>        |
| PROPERTY TAXES                      | 9,140.34            | 3,506.75                 |

# Profit and Loss

Deux Bakery LLC

January-December, 2025

| DISTRIBUTION ACCOUNT        | TOTAL               |                          |
|-----------------------------|---------------------|--------------------------|
|                             | JAN 1 - DEC 31 2025 | JAN 1 - DEC 31 2024 (PY) |
| QuickBooks Payments Fees    | 435.17              | 766.49                   |
| Repairs and Maintenance     | 8,037.46            | 3,168.28                 |
| Sales Tax                   | 297.00              | 102.00                   |
| Taxes-FTB                   | 1,700.00            |                          |
| Uncategorized Expense       | -356.94             |                          |
| Utilities                   | 29,902.19           | 28,424.88                |
| Cooking Accessories         |                     | 17.31                    |
| Licenses & Permits          |                     | 1,129.00                 |
| Office Expense              |                     | 364.63                   |
| Postage and Delivery        |                     | 86.09                    |
| <b>Total for Expenses</b>   | <b>\$242,448.39</b> | <b>\$314,616.87</b>      |
| <b>Net Operating Income</b> | <b>\$14,625.33</b>  | <b>-\$2,677.42</b>       |
| <b>Net Other Income</b>     |                     |                          |
| <b>Net Income</b>           | <b>\$14,625.33</b>  | <b>-\$2,677.42</b>       |

**Profit and Loss**  
**Deux Bakery LLC**  
January-December, 2024

| DISTRIBUTION ACCOUNT                | TOTAL               |
|-------------------------------------|---------------------|
| Income                              |                     |
| Counter / Deli Sales                | 298,286.51          |
| Delivery Income                     | 2,744.00            |
| Food Sales                          | 821.42              |
| Wholesale Accounts                  | 121,995.20          |
| <b>Total for Income</b>             | <b>\$423,847.13</b> |
| Cost of Goods Sold                  |                     |
| Cost of Goods Sold                  | 108,428.10          |
| Packaging for Product               | 3,479.58            |
| <b>Total for Cost of Goods Sold</b> | <b>\$111,907.68</b> |
| <b>Gross Profit</b>                 | <b>\$311,939.45</b> |
| Expenses                            |                     |
| Automobile Expense                  | 967.00              |
| Bank Service Charges                | 167.32              |
| Business Licenses and Permits       | 1,136.75            |
| Cooking Accessories                 | 17.31               |
| Dues and Subscriptions              | 26.00               |
| Insurance Expense                   |                     |
| General Liability Insurance         | 2,681.85            |
| Worker's Compensation               | 5,895.74            |
| <b>Total for Insurance Expense</b>  | <b>\$8,577.59</b>   |
| Janitorial                          | 4,103.72            |
| Licenses & Permits                  | 1,129.00            |
| Meals and Entertainment             | 33.43               |
| Merchant Account Fees               | 9,482.88            |
| Office Expense                      | 364.63              |
| Office Supplies                     | 221.25              |
| Payroll Expenses                    |                     |
| Contracted Services                 | 32,550.99           |
| Payroll Fees                        | 2,741.24            |
| Payroll Taxes                       | 15,449.51           |
| Wages                               | 193,118.76          |
| <b>Total for Payroll Expenses</b>   | <b>\$243,860.50</b> |
| Postage and Delivery                | 86.09               |
| Professional Fees                   |                     |
| Accounting                          | 8,475.00            |
| <b>Total for Professional Fees</b>  | <b>\$8,475.00</b>   |
| PROPERTY TAXES                      | 3,506.75            |
| QuickBooks Payments Fees            | 766.49              |
| Repairs and Maintenance             | 3,168.28            |



Profit and Loss  
Deux Bakery LLC  
January-December, 2024

| DISTRIBUTION ACCOUNT        | TOTAL               |
|-----------------------------|---------------------|
| Sales Tax                   | 102.00              |
| Utilities                   | 28,424.88           |
| <b>Total for Expenses</b>   | <b>\$314,616.87</b> |
| <b>Net Operating Income</b> | <b>-\$2,677.42</b>  |
| Other Income                |                     |
| Other Expenses              |                     |
| <b>Net Other Income</b>     |                     |
| <b>Net Income</b>           | <b>-\$2,677.42</b>  |

**Profit and Loss**  
**Deux Bakery LLC**  
January 1-December 31, 2023

| DISTRIBUTION ACCOUNT                | TOTAL               |
|-------------------------------------|---------------------|
| Income                              |                     |
| Counter / Deli Sales                | 341,035.64          |
| Food Sales                          | 3,281.00            |
| Shop Sales                          | 9,472.00            |
| Wholesale Accounts                  | 41,675.70           |
| <b>Total for Income</b>             | <b>\$395,464.34</b> |
| Cost of Goods Sold                  |                     |
| Cost of Goods Sold                  | 106,185.38          |
| <b>Total for Cost of Goods Sold</b> | <b>\$106,185.38</b> |
| <b>Gross Profit</b>                 | <b>\$289,278.96</b> |
| Expenses                            |                     |
| Advertising and Promotion           | 543.00              |
| Bank Service Charges                | 83.10               |
| Computer and Internet Expenses      | 256.23              |
| Cooking Accessories                 | 1,323.52            |
| Insurance Expense                   |                     |
| General Liability Insurance         | 2,670.03            |
| Worker's Compensation               | 4,917.20            |
| <b>Total for Insurance Expense</b>  | <b>\$7,587.23</b>   |
| Janitorial                          | 5,310.26            |
| Licenses & Permits                  | 1,145.00            |
| Meals and Entertainment             | 202.53              |
| Merchant Account Fees               | 11,242.18           |
| Office Expense                      | 11.95               |
| Office Supplies                     | 10.86               |
| Payroll Expenses                    |                     |
| Contracted Services                 | 25,725.25           |
| Payroll Fees                        | 3,448.22            |
| Payroll Taxes                       | 15,200.95           |
| Wages                               | 202,678.26          |
| <b>Total for Payroll Expenses</b>   | <b>\$247,052.68</b> |
| Postage and Delivery                | 7.20                |
| Professional Fees                   |                     |
| Accounting                          | 4,462.08            |
| <b>Total for Professional Fees</b>  | <b>\$4,462.08</b>   |
| PROPERTY TAXES                      | 6,413.57            |
| Repairs and Maintenance             | 8,179.38            |
| Sales Tax                           | 122.00              |

Profit and Loss  
Deux Bakery LLC  
January 1-December 31, 2023

| DISTRIBUTION ACCOUNT        | TOTAL               |
|-----------------------------|---------------------|
| Utilities                   | 30,371.14           |
| <b>Total for Expenses</b>   | <b>\$324,323.91</b> |
| <b>Net Operating Income</b> | <b>-\$35,044.95</b> |
| Other Income                |                     |
| Other Expenses              |                     |
| <b>Net Other Income</b>     |                     |
| <b>Net Income</b>           | <b>-\$35,044.95</b> |