

# THE RESTAURANT DECONSTRUCTION ADVANTAGE

COMMERCIAL DECONSTRUCTION CAN CUT COSTS,  
CREATE "FOUND MONEY", DRIVE VALUE, AND, AT  
THE SAME TIME, HELP SAVE THE PLANET

YOU DECIDE:  
DECONSTRUCT OR DEMOLISH?  
SALVAGE OR TRASH?  
RECOVER CAPITAL OR CAPITAL EXPENSE?

Capital recovered from Deconstruction equals an expanded renovation scope. This can add, on-the-cusp property upgrades, improve your Restaurant/Guest profile, increase cash flows, and return a higher NOI / IRR, as well as, create a higher residual value. In addition, it is a "Green Friendly" marketing opportunity!



**GREENDONATION**  
CONSULTANTS

927 Maple Grove Dr Suite 201  
Fredericksburg VA 22407

800-870-3965  
[info@greendonation.com](mailto:info@greendonation.com)

# WHY CHOOSE DECONSTRUCTION FOR A RESTAURANT?



Three great reasons:

1. Improve guest profile and experience.
2. Expanded renovation scope options.
3. "Green" differentiation, PR, and marketing.

Materials salvaged reduces the cost of disposal, creates affordable building materials for the community, extends the life of "sound" building materials and equipment, all while reducing the carbon footprint of the project. It also creates a "Green Friendly" differentiation and marketing opportunity.

Tax benefits, net/net, would add back capital to the project renovation budget. This can potentially add, "on-the-cusp" amenities or, upgrade the renovation scope raising the restaurant profile. Improving the revenue over the life of the project will result in increased daily/monthly cash flow for a higher NOI and a higher IRR, ultimately creating a higher residual value.

More than 90% of C&D debris comes from demolition projects, while new construction accounts for less than 10%.

## BENEFITS OF DECONSTRUCTION

- Captures hidden value - tax benefits of donated salvageable materials.
- Opportunity to increase capital budgets for renovation.
- With a relatively unknown differentiator, promote a "green project"
- Upgrade the property and diner profile with additional upgrades
- Improve the project financial proforma & returns with "Found Money"

# A CHANGE IN THINKING LEADING TO VIBRANT RESULTS.

In the past, new Commercial Real Estate Developments typically have been about creating a “Clean Slate,” via demolition before developing. This tactic literally threw away hundreds of thousands of dollars. Realizing users appreciated and generally paid higher rents for unique properties that were re-zoned/repurposed, savvy developers capitalized on repurposing and renovation of existing structures and the overall value of a project increased and resulted in a more vibrant Project.

The next step, utilizing Deconstruction to capture “Found Money”! With the “green movement,” increasingly end users will endorse these “green” projects and “pay up” to live, work, and play in these re-purposed development projects. Deconstruction creates significant public relations benefits, marketing value, and creates extra capital as well. It is a “Green” differentiator for developers who utilize Deconstruction in their projects. Deconstruction also provides an opportunity to earn additional LEED points and creates a “Green Friendly” Developer image.

## WHAT WE DO

Green Donation Consultants facilitates the whole Deconstruction process. We coordinate the non-profit and the deconstruction contractors along with working closely with the clients from beginning inspection, to Deconstruction and, the final Donation process. Green Donation Consultants completes the appraisal process and provides all the necessary paperwork for claiming the donation tax benefits to your tax professionals.

Throughout the process, we coordinate the various third parties and do all the heavy lifting so you have virtually no extra efforts in the Deconstruction/Donation process. We ensure the client receives the full appraised value of the donated items.

Empowered with the Deconstruction option, savvy Developers uncover unpolished Real Estate gems to re-develop and, they capitalize on cutting edge financial techniques to become true differentiated leaders in the future of Real Estate Development.

**Deconstruction + Donation = Greater Cash Flows**

# THE DECONSTRUCTION PROCESS: IT'S SIMPLE!

Deconstruction is a down to earth, economic and, environmentally-friendly alternative to traditional demolition that adds capital back to the project!



## INSPECTION

Initial evaluation of the commercial property to get an estimated value range of salvageable materials determined by the anticipated renovation scope of work.



## BENEFIT ANALYSIS

Client conducts an analysis of the potential tax benefits, utilizing their tax professionals, to determine the capital value opportunity.



## ENGAGE

Engage Green Donation Consultants to complete the Appraisal and perform project coordination with the Deconstruction contractor and the Non-Profit throughout the Deconstruction and Donation process.



## DECONSTRUCTION

Dismantling process is completed by the Deconstruction firm and Green Donation Consultants coordinates and validates salvaged materials conveyed to the non-profit.



## APPRAISAL DELIVERY

Green Donation Consultants Completes the appraisal process and delivers the final appraisal to the client.

## Sample Deconstruction Benefits

Estimated Tax Rate*	Deconstructed Salvage Material Value Range				CALCULATED TAX BENEFITS
	\$500,000	\$750,000	\$1M	\$10M	
20%	\$100,000	\$150,000	\$200,000	\$2M	
30%	\$150,000	\$225,000	\$400,000	\$3M	
40%	\$200,000	\$300,000	\$400,000	\$4M	

\*Up to and over \$1,000,000 in tax benefits depending on the value of salvageable materials and the client's tax rate. Green Donation Consultants has completed commercial projects where the final Appraisal valuation of Deconstructed and Donated materials **exceeded \$8,000,000.**

# RESTAURANT DECONSTRUCTION

*"What can we include in our scope of work that is affordable, can be renovated easily and efficiently, will create unique ambiance, and will also improve the restaurant and diner profile?"*

The deconstruction tax benefit creates many opportunities to create additional value. Most significantly, it can add capital back to a renovation budget, to increase the renovation scope of work, adding additional amenities that will drive improved guest ambiance, experience, and loyalty while bringing higher revenues over time.



The scope of renovations for restaurants typically includes complete renovation of the front of house, as well as upgrading the back of house. As a stand alone site or, as part of a mixed use project, restaurant transformation requires a magical recipe of architectural interior components to create the right dining experience ambiance. Utilizing Deconstruction creates "Found Money" to expand the renovation scope and raise the restaurant profile increasing average table receipts!

Deconstruction creates valuable salvageable materials from the bar, kitchen and dining areas, that add up quickly. Typically, thrown away, these items can be turned into capital for "upgrades" in the kitchen, dining decor, or that "over the top" finishing touch that makes your Restaurant the favorite spot for dining!

# SAMPLE ITEMS THAT MAY BE INCLUDED IN A RESTAURANT DECONSTRUCTION:

- Tables, chairs, booths, bar stools
- Hostess, reception furnishings
- Bar stools, chairs, tables
- Table coverings, linens, napkins
- Sofas, sofa chairs, tables
- Bar tops, countertops
- Fixtures, plumbing, mech equip
- Lighting, signage
- Lumber, brick, stone
- Architectural details
- Doors, windows, flooring
- POS system, phone/audio system
- Art, sculpture, decor accessories
- Air handlers, ventilation systems
- Cookware, utensils, cutlery
- Storage racks, shelving
- Kitchen display systems
- Small appliance, kitchen gadgets

- Food prep equipment/tables
- Refrigerators, freezers, coolers
- Deli and bakery cases
- Cooking equipment, fryers
- Ice makers, dishwashers
- Ovens, warmers, broilers
- Commercial range, grill, griddles
- Food bar and buffets
- Shelving and carts
- Ventilation, fire protection
- Mixer, slicer, beverage dispensers
- Dinnerware, flatware, glassware
- Trays, pots, pans, cookware
- Patio heaters, planters
- Soft Goods, disposables
- Restaurant and bar furnishings
- Beverage dispensing, sinks
- Catering trays, chafing, serverware





# IT PAYS TO BE GREEN

Depending on the size of the Restaurant and scope of renovation, full Deconstruction salvage value could easily range from \$800,000 to \$2,250,000 or more. The dining area for a average 5,000 SF restaurant (60% FOH), salvage value would vary based on the type of dining service (fine/full/counter/booth) and would range from \$300,000 to \$800,000, depending on the materials salvaged. The typical back of house full Deconstruction, (kitchen, cooking, storage, prep), would range from \$500,000 to \$1,450,000 in salvageable value, depending on the equipment/materials salvaged.

**At a 40% tax rate, this is a real value of**

**\$320,000 to \$900,000**

**in recovered capital for upgrade options!**

- Will \$600,000+ in upgrades improve your dining guest profile?
- Will this improve your positioning in the competitive set?
- Upgrade: Kitchen, Technology, Decor, Ambiance, and Experience?
- Unique "Green" niche Marketing and PR Opportunity.

**This is all created from "Found Money" through Deconstruction!**

***Recycling 538 million tons of C&D waste saves 4,300 acres of landfill space, according to The Construction & Demolition Recycling Association.***

## BENEFITS OF RESTAURANT DECONSTRUCTION

- Improve your patron profile from added decor ambiance.
- Move up a few notches in the Competitive Set.
- Improve cash flow and increase project residual value.
- Use the Deconstruction and Donation "Green" process as a "differentiator" and "PR springboard" for your Restaurant.
- Create goodwill and add value to the local community through providing easier access to low cost materials.
- Potentially speed up permitting approvals.

**Ready to Get Started?    Call us to learn more!**  
**Green Donation Consultants    800 870-3965**

