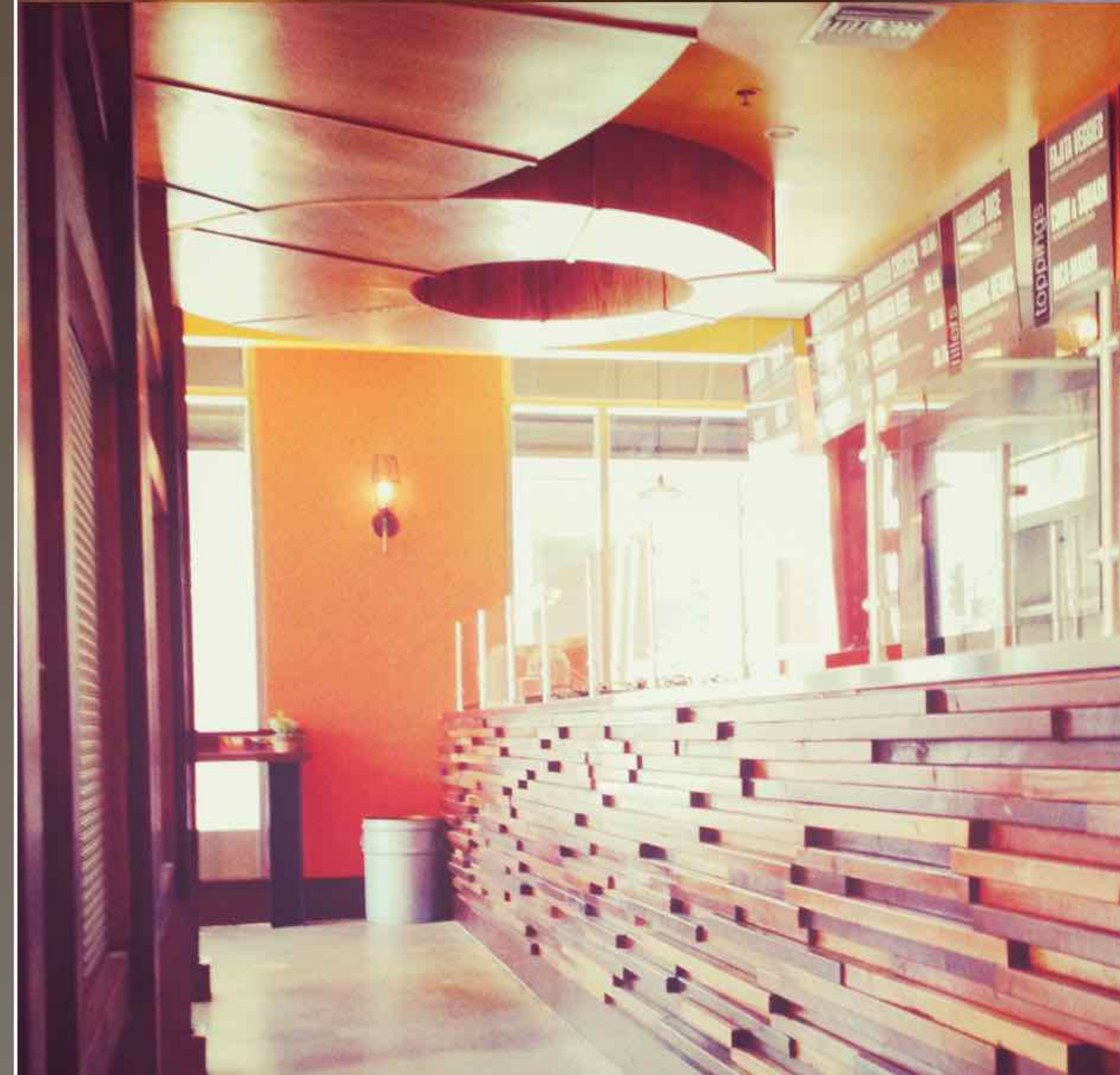


OCHO

MEXICAN GRILL

This document does not constitute an offer to sell or a solicitation of an offer to buy securities. Any such offering will occur only in accordance with the terms and conditions set forth in a Confidential Private Placement Memorandum (the "Memorandum") pertaining to Ocho Mexican Grill (the "Company") if and when offered. This document has been prepared solely for the purpose of assisting interested parties in deciding whether to proceed with their own independent, in-depth investigation and analysis of the Company and does not purport to contain all of the information that may be required to evaluate the Company.

eat healthy. eat fresh. eat0cho.com



CONCEPT INTRO | THE LOOK & FEEL



THE STORY

The founders of Ocho Mexican Grill are in the process of expanding their Quick-Gourmet™ concept. The founders feel there is an opportunity to elevate the fast casual Mexican dining scene which has been led by the more popular brand Chipotle. Ocho offers a unique twist on the quick casual food segment creating their brand of Quick-Gourmet™, utilizing fine dining techniques and cooking styles made affordable with a wide variety of eight proteins, supported with a unique variety of salsas, sauces and dressings, all crafted to give a wealth of healthful options to mix and match so guests can create a customized dining experience. The Ocho experience is enhanced by the polished media, décor and atmosphere that creates a very unique vibe and further separates Ocho from the competition.

The founders are taking a business model approach to expand on the success they have had on the first two locations, Ocho 1 (*opened October 2010, 630 W. 6th Street, 6th & Hope, Los Angeles*) and Ocho 2 (*February 2012, 255 S. Grand Avenue, 3rd & Grand, Los Angeles*) and have surrounded themselves with veterans of the trade, John Kaufman, Restaurateur, and Jim Konstantinides, Development Expert, to help develop a growth strategy. The business model being developed will revolve around expanding the brand within a 10-20 mile radius and looking for locations that offer 7-days-7 nights. As well, starting to look at the expansion through franchise partners that will take on territories to maximize the capital and enhance the overall value of the concept. Chris and Richer have spent the last 15 years honing their business and hospitality skills and have in a short period of time, developed a very strong reputation and client base in the downtown Los Angeles market.

Having already spearheaded several other independent ventures of his own design, Chris took his business savvy and paired up with the culinary talents

of brother-in-law, Richer Ta - Le Cordon Bleu alum and seasoned veteran of fine dining establishments. Embodying the American entrepreneurial spirit, they rolled up their sleeves and tackled everything from crafting the menu from scratch to branding the product into the polished concept it is today. The inspiration behind Ocho's unique food concept can be traced back to one fateful visit to a quaint little hole-in-the-wall tacqueria in Santa Barbara. What the place lacked in accoutrements, it more than made up for in selection. The menu was simple, but the variety was really what drew food lovers from far and wide to this particular spot. Where else could you get a cow eye or cow cheek taco? That's when it dawned on Ocho co-founder, Chris Zuber - LA needs a Mexican restaurant that offers more than just the standard taco or burrito; hence, Ocho Mexican Grill was born offering a more mainstream variety of Mexican cuisine. Rooted in the heart of the hustle and bustle of Downtown Los Angeles, Ocho Mexican Grill has quickly distinguished itself as a cut above the rest.

The first location opened within a block radius of the three largest Mexican franchises of Chipotle, La Salsa and Qdoba. Ocho has done more than simply hold its ground. Ocho's market share has extended beyond serving downtown's lunch rush to catering neighboring corporate offices and much more, including TMZ newsroom in West Hollywood and major law/accounting firms. The not-so-secret to Ocho's success is going the extra mile. Ocho's dedicated staff is driven by their commitment to provide customers with the utmost in hospitality: whether it is your first time dining at Ocho or your umpteenth, Ocho's guests should always expect to experience the difference with its unique Quick-Gourmet™ dining within a casual atmosphere.

The founders have created a menu that is not only bursting with robust flavors, but also extremely healthy. From organic brown rice to whole wheat tortillas to organic mixed greens. What was once a guilty indulgence is now a healthy pleasure eating.

Ocho's menu affords its customers a wealth of choices ranging from cruelty-free, all-natural Chicken to certified Angus Steak to wild caught Mahi Mahi to vegan Tofu. Going above and beyond Ocho prides itself in offering an array of twelve savory salsas, sauces and toppings from hand-diced mango & jicama paired perfectly with Ocho's Agave Vinaigrette to its Southwest blend of Mexican spices and the exotic Diced Yellow tomatoes salsa. For the thrill seekers, Ocho's Fiery Habanero is an inferno of flavor, certain to scintillate taste buds into a frenzy and if that is not enough, the secret Blazing Ghost is powered by the hottest, naturally grown pepper in the world. Further expanding on top of their delectable set menu, Ocho cycles in seasonal toppings and proteins to always keep their menu fresh and exciting. Pursuant to Ocho's pledge to serving the finest in gourmet Mexican cuisine, all salsas and sauces on the menu are prepared from only the freshest of ingredients as sourced from local farms. Additionally, the founders are focused on supporting an eco-friendly environment, setting the bar high for green business practices, serving sustainable foods in biodegradable dishware with plastic-free cutlery.

The future is very bright for Ocho's eat healthy, eat fresh Mexican Grill. The founders with their combined and individual expertise are focused on developing signature Ocho dishes as well as working on expanding the offerings to hot appetizers and rotating seasonal proteins, salsas, sauces, and toppings. Ocho offers its guests dine-in, takeout, catering and delivery options that the team is currently focused on, expanding and upgrading its catering menu and delivery options. With Richer's culinary experience and vast knowledge to pull from the gourmet world, there is an endless opportunity to create new and unique food offerings to keep Ocho in the leading position within their newly coined Quick-Gourmet™ segment. With Chris' computer science background and business acumen, he is constantly

looking for ways to be more tech savvy and maximize the marketing arm through social media. Not only has Chris created all of the graphics and marketing material including the website, he has just launched his newest creation called Entrée-ation, defined as the main course of a meal pieced together from Ocho's selection of all natural protein and fresh produce. There are currently 800 ways to eat at Ocho and Chris has created an online portal for guests to share their Entrée-ation with fellow Ocho lovers.

The founders are projecting a number of locations and they are currently looking at several different markets and have Letters of Intent on a few different spaces. As the real estate challenge is to be patient, the founders with the support of their consulting team, are looking at the possibility of developing a franchise arm as they have been introduced through this team to many additional veterans and current franchise operators who are looking for the next concept to expand.





Shaker D.



FASTEST, HEALTHIEST, FRESHEST & TASTIEST LUNCH OPTION IN DOWNTOWN FINANCIAL DISTRICT!



Michelle P.



OCHO DOES A FAB JOB AT COMBINING HEALTHY WITH TASTY AND FRIENDLY STAFF WITH NICE SURROUNDINGS. THANKS OCHO FOR GIVING ME GOOD, HEALTHY, GUILT FREE FOOD!



Eric L.



OCHO IS CHIPOTLE WITH MORE VARIETY, HEALTHIER OPTIONS, & BETTER CUSTOMER SERVICE. YOU HAVE HEALTHY CHOICES OF WHEAT TORTILLA & BROWN RICE ... MORE MEAT VARIETY WITH THE GRILLED SHRIMP, MAHI MAHI & TOFU ...



Tiffany D.



I USUALLY RESERVE MY 5 STAR REVIEWS FOR MY FANCY FAVE RESTAURANTS, ... TRULY A GREAT SPOT FOR A HEALTHY, DELICIOUS MEAL.



Kristen S.



THIS LOCATION RECENTLY OPENED AND IT IS CLEAR THEY ARE A HIT: A LINE OUT THE DOOR! UBER BONUS POINTS FOR BRINGING ORGANICS INTO "FAST FOOD"!



Hayley U.

OCHO IS A BREATH OF FRESH AIR IN FAST CASUAL DINING. SO MANY FRESH FLAVORS AND DIFFERENT COMBOS!



Chris L.

GRILLED STEAK IS AMAZING, THEY USE CERTIFIED ANGUS! LOVE ALL THE SALSA & SAUCE OPTIONS!



MANAGEMENT TEAM



CHRISTOPHER ZUBER | CO-FOUNDER

Chris has had the entrepreneurial spirit from a very young age and has learned through many business ventures the difficulties and how to succeed as a startup. Chris' early passion for business began in the dot-com space. During his early teenage years he founded MyFreeNet Communications which offered a variety of free online services such as E-mail, Websites and other tools during the infancy years of the Dot Com era. Next Chris founded oStudents which was an "over developed" Facebook, pre-Facebook, focusing on the community aspect of college life as well as offering valuable tools such as accessing your school e-mail, schedule, notes, documents, and so on through the Web. Chris and his team had an unfortunate server crash which was soon followed by the immediate success of Facebook which was a hard experience to overcome. Continuing with his passion for the web, Chris created ZonkIt which created online communities and social features to interact with people sharing similar lifestyles frequenting the same nightlife scenes of bars, clubs, and upscale private events. Aside from Chris' expertise in conceptualizing and developing online ventures, he also has experience in other business sectors. Furthermore, Chris co-founded Prisma Trading which developed and manufactured one-of-a-kind fashion jewelry sold to major retailers and direct to consumers through TV infomercials. Chris has been a founder of companies across a variety of industries from International Manufacturing, Import/Export, Retail, Internet Startups and Hospitality/Restaurants. Through his experience within a variety business sectors, Chris has developed a very creative and keen skillset for marketing, branding and concept development. Furthermore, Chris excels in creating efficient and profitable operations due to his past ventures as well as his detail oriented mindset from studying Computer Science at UCLA. Chris recently founded Ocho Mexican Grill with his family and brother-in-law Richer Ta as Executive Chef, and currently has two units with the potential of many more in the near future. The most enjoyable venture for Chris though has been his marriage to his beautiful wife Crystal and raising their two precious children of Chase & Chloe.

RICHER TA | CO-FOUNDER, EXECUTIVE CHEF

Richer has always had a passion for the food servicing industry and has blossomed into a very creative and efficient Executive Chef. Using his skillset acquired from his studies at Cordon Bleu coupled with his experience in the fine-dine world, Richer has created one of the most unique menu offerings in the fast-casual space for Ocho. Coming from a multi-cultural upbringing, Richer has always been inspired by many flavors and creating a menu with a unique variety has been essential to Ocho's success. Furthermore, being the only brother to seven sisters has made Richer a very compassionate person, and he takes great pride in keeping Ocho's quick-gourmet menu to the highest quality of standards.

JOHN KAUFMAN | OPERATIONS, STRATEGIC BUSINESS DIRECTION

Kaufman is an operations specialist who has worked with some of today's most successful restaurants. He has opened over 80 restaurants across the country, maximizing their operational effectiveness and increasing the return on their investment. This is done by combining his proven executive skills with a profound understanding of food and over 30 years of operational experience. He has over the last 11 years honed his skills in concept and menu development. In 2006, Kaufman with his business partner, Tim Foley, founded Truxton's American Bistro, a casual 4,500 sq ft full service restaurant in Westchester (Los Angeles LAX). John is responsible for all aspects of concept development and together they have built the business to be very profitable with sales exceeding \$950 per square ft. Prior to starting his partnership with Foley, Kaufman had his own consulting business focusing on smaller growth concepts' development and turnaround. Kaufman was President/COO of Koo Koo Roo from 1996 through 1998. 1995 and 1996 was President/COO of Famiglia Toscana Rosti, a small Italian Chain founded by owners of Toscana and Ago's; and Vice President of Operations for California Pizza Kitchen from 1986 to 1995.

JIM KONSTANTINIDES | DEVELOPMENT

Over 30 years of domestic and international senior level management experience in real estate, franchising and business development for fast food, fast casual and full service restaurants either through company or franchise expansion. His skills, processes and personal resources prove invaluable to rapidly growing start-ups as well as established national restaurant chains. He has held positions as Vice President of Development as well as served on several Boards of Directors for various organizations such as La Sasla, Baja Fresh, Wolfgang Puck Express, and so on.

Jim is founder of the Syros Group which provides professional real estate, business and franchise consulting services. He develops the client's real estate site approval process and procedures consistent with the client's stated goals and objectives, development and executes franchise growth strategies, works with client's in-house teams and various broker network associations, and presents the facts to the client's Board or its designee as an independent consultant. These presentations and research include real estate transactions ranging from regional Malls, Power Centers, Community Centers, Life Style/Entertainment Centers, free standing or in line sites. He has also managed and implemented successful franchise rollouts. His franchise development initiatives include single unit to multi-unit growth, Development Agreements for multiple store development as well as Master Franchising rights both domestically and internationally.

His successful career in site selection, business development, strategic development and tactical market penetration for a variety of highly sophisticated and successful brands throughout North America stems from his grassroots understanding gained as an owner / operator of his own restaurant concept. He has represented both corporate and franchise entities with years of negotiations with practically every major developer in North America and provides professional representation and steadfast solutions for a wide range of business needs.

GREG KNISS | CPA

Greg has been involved in the firm's tax and business consulting practice for over 29 years and is currently the Managing Partner. Over his career Greg developed his expertise in the restaurant industry and has been an integral part in the expansion of the firm's niche in the industry. Working with other professionals, he has developed a "team approach" to identify problems and facilitate change for clients while regularly consulting and educating restaurant companies and restaurant industry groups.

In 2000 he founded the firm's Cost Segregation practice, starting another company – KBKG Inc – to provide these services. Over the last several years KBKG Inc has grown and developed into a multi-million dollar specialty tax practice. KBKG provides Cost Segregation Studies, Enterprise Zone Tax Credit Studies, Green Energy tax consulting, Research & Development Tax Credit Studies, and much more to companies of all sizes nationwide.

Today, Greg is the practice leader for the firm's largest concentration of clientele – the foodservice industry. He is involved with every aspect of the industry including operational consulting, tax consulting & compliance, financial consulting, accounting & auditing, and bookkeeping / business management services. As an active member on the LA board of the California Restaurant Association, Greg has become the "tax hotline" for the state, consulting with restaurant companies regarding tax and financial related issues.



800 WAYS TO DINE

SELECT AN ENTREE STYLE. CHOOSE FROM THE OCHO. ADD ANY OF OUR FRESH & HEALTHY TOPPINGS, SALSAS & SAUCES

entrees

BURRITO

FLOUR OR HEALTHIER WHOLE WHEAT TORTILLA

BOWL

ALL BURRITO, MINUS THE TORTILLA & CARBS

SALAD

KEEP IT LIGHT, ORGANIC MIXED GREENS OR ROMAINE

TACOS

3 CRISPY OR SOFT (WHEAT, FLOUR, CORN) TORTILLAS

the ocho

GRILLED CHICKEN

\$8.25

FREE RANGE, ALL NATURAL, HORMONE FREE WITH NO ANTI-BIOTICS CHICKEN BREAST

GRILLED STEAK

\$8.50

USDA CERTIFIED TOP SIRLOIN ANGUS SEASONED TO PERFECTION IN OUR SECRET OCTET BLEND OF SPICES

GRILLED FISH

\$8.75

WILD CAUGHT MAHI MAHI IS A GREAT HEALTHY SOURCE OF PROTEIN WITH BENEFICIAL OMEGA-3

GRILLED SHRIMP

\$8.75

TIGER PRAWNS, A NUTRITIOUS ALTERNATIVE TO MEAT PROTEINS ALSO LOW IN CALORIES & SATURATED FAT

SHREDDED CHICKEN

\$7.75

CHICKEN BREAST SLOW-STEWED TO CREATE A MILDLY SWEET YET TANTALIZINGLY TANGY TASTE

SHREDDED BEEF

\$8.00

SIMMERED OVER A STOVETOP TO CREATE A SENSUOUS MELT-IN-YOUR MOUTH TENDERNESS

CARNITAS

\$8.50

ALL NATURAL PORK SLOWLY BRAISED & CARAMELIZED TO A RICH AND FLAVORFUL PERFECTION

VEGETARIAN

\$7.75

CHOICE OF GUACAMOLE OR VEGAN TOFU, ALL OF OUR TOPPINGS/SALSAS ARE ALSO VEGETARIAN

toppings

ORGANIC RICE

SIGNATURE HEALTHY BROWN OR WHITE CILANTRO LIME RICE

ORGANIC BEANS

ECO-CULTIVATED VEGETARIAN BLACK OR PINTO BEANS

FAJITA VEGGIES

SAUTEED MEDLEY OF MIXED BELL PEPPERS & SWEET ONIONS

CRISP VEGGIES

FIRE ROASTED CORN & GRILLED SQUASH, THE PERFECT GARNISHING

HICA-MANGO

SWEET & CRISP FUSION OF HAND DICED JICAMA AND MANGO

salsas

FRESH SALSA

PICO DE GALLO AT ITS FRESHEST

DICED YELLOW

EXOTIC YELLOW TOMATO & AVOCADO

GREEN MILD

HIGHLIGHTS GRILLED FRESH TOMATILLOS

CHIPOTLE MEDIUM

SMOKEY, SWEET & A TOUCH OF HEAT

RED HOT

BLEND OF TOMATOES, PEPPERS & SPICES

FIERY HABANERO

EXTREME HEAT & FLAVORFULLY BRIGHT

sauc

AGAVE VINAIGRETTE

SWEETENED BY OUR HEALTHY ORGANIC AGAVE WITH A HINT OF TANG

CILANTRO LIME

FRESH CILANTRO & HAND-SQUEEZED LIME JUICE CREATE A ZESTY, CITRUS VINAIGRETTE

BUTTERMILK RANCHERO

BUTTERMILK LACED WITH FRESH RANCHERO FLAVORS

SOUTHWEST

CREAMY BLEND OF MEXICAN SPICES GIVING A HINT OF HEAT

THREE CHEESE

SPECIALTY TRIO OF CHEESES SLOWLY MELTED AND INFUSED WITH PEPPERS & SPICES

EAT HEALTHY! TREAT YOUR BODY RIGHT BY MIXING IN SOME ORGANIC BROWN RICE & WHOLE WHEAT TORTILLAS

EAT FRESH! IF IT'S IN SEASON, IT'S IN OUR KITCHEN. HIGHLIGHTING ONLY THE FRESHEST INGREDIENTS, SOURCED FROM LOCAL FARMS

EAT FINE-CASUAL! UPSCALE FOOD AND SERVICE IN A FAST & FRIENDLY ATMOSPHERE

EAT GREEN! WE USE TREELESS & COMPOSTABLE PACKAGING, EVEN OUR CUTLERY IS FREE OF PLASTIC

OCHO

omg! so fresh! so tasty!

delectable pairings

SWEET TROPICS

HICA-MANGO + AGAVE VINAIGRETTE
perfect marriage of fresh fruit and sweet vin

PAIRED: GRILLED FISH, SHRIMP or CHICKEN

MILDLY FRESH

FRESH SALSA + GREEN MILD
fresh salsa with a complex mild finish

PAIRED: GRILLED CHICKEN, STEAK or TOFU

CITRUS CRISP

CRISP VEGGIES + CILANTRO LIME
fire roasted corn & squash with a lime twist

PAIRED: FISH, SHRIMP or SHREDDED CHICKEN

CHEESY DELIGHT

THREE CHEESE + SOUTHWEST
tasty combo of melted cheeses & mexican spices

PAIRED: STEAK, SHREDDED BEEF or CARNITAS

SMOKIN' SWEET

FAJITA VEGGIES + CHIPOTLE MEDIUM
smokey, sweet & a kick of spiced fajitas

PAIRED: CARNITAS, SHRIMP or CHICKEN

signature combos

SURF N TURF

The classic combo where surf meets turf complimented with our crisp veggies and finished with a splash of cilantro lime vinaigrette

SHRIMP + STEAK | \$8.75

BEEF ME UP

A filling and tasty combo of shredded beef and steak, layered with our warmed three cheese sauce and finished with creamy southwest

STEAK + SHRED BEEF | \$8.50

PORK ON THE BARBIE

Unique but delicious combo of carnitas and shrimp with our fajita veggies finished with our chipotle medium for a smokey, sweet and slightly spicy finish

PORK + SHRIMP | \$8.75

LOVE MY CHICKS

For all of you chicken lovers, our grilled and shredded chicken go perfect when topped with fresh salsa and finished with green mild

CHICKEN² | \$8.25

HEALTHY CHICKFU

Cut your calories by starting with our healthy brown rice, then mixing our vegan tofu and grilled chicken with our hica-mango topping & agave vinaigrette

CHICKEN + TOFU | \$8.25

VEGAN PARADISE

Start with half tofu and handmade guac then layer on our crisp veggies, fresh salsa & green mild for the perfect vegetarian cuisine

TOFU + GUAC | \$7.75

additions

GUACAMOLE

\$1.75

HAND HACKED AVOCADOS MADE FRESH DAILY

CHIPS (WHEAT/CORN)

\$1.00

SIGNATURE CRISPY WHEAT OR CORN CHIPS

GUAC & CHIPS

\$2.75

SALSA & CHIPS

\$2.25

CHIPS WITH FRESH SALSA OR ANY OTHER FAVORITE

FOUNTAIN DRINK

\$1.65

BOTTLED DRINK

\$1.50+

OCHO IS CULINARY COURTURE SET IN A FRESH MEX MODE - GOURMET MEXICAN CUISINE PREPARED FRESH WITH ONLY THE FINEST INGREDIENTS



MUSICK PEELER

KIRKLAND & ELLIS LLP



OCHO CATERS TO THE LARGEST ENTERTAINMENT COMPANIES, LAW FIRMS AND COUNTLESS OTHER CORPORATIONS ALL OF WHICH LOVE OUR FRESH, HEALTHY & GOURMET MEXICAN CUISINE.

BARS have fun customizing your own delectable cuisines or if you prefer we can pre-make your entree selections upon request. seafood additional \$1

\$12.50
PER PERSON
MIN. 10 PEOPLE

PLATTERS

\$65
MEDIUM
5 - 7 PEOPLE

\$95
LARGE
8-10 PEOPLE

HORS D'OEUVRES

appetizers made to serve 10 people

PICK ENTREE STYLE

BOWLS includes organic, healthy brown rice and organic vegetarian black beans

SALADS organic mixed greens or romaine lettuce and organic black beans

TACOS choice of crispy or soft tortillas and black beans

NACHOS chips, three cheese sauce and organic black beans

ALSO INCLUDES

ORGANIC SALAD, CHIPS & FRESH SALSA, CRISP VEGGIES, SOUR CREAM, LETTUCE, CHEESE, CRISPY TORTILLA TOPPING

ECO-FRIENDLY CUTLERY AND BOWLS, CATERING EQUIPMENT RENTAL, SERVING UTENSILS.

Upscale service is a must at Ocho. We take care of the setup and breakdown of your catering bar.

Servers available upon request for larger parties.

PICK ENTREE STYLE

BURRITOS wrapped in wheat tortilla with healthy brown rice, black beans & fresh salsa. cut in half for easy sharing

QUESADILLAS tantalizing spread of quesadilla slices filled with our savory trio of shredded cheeses melted to perfection

TACOS tasty assortment of crispy shell or soft tortilla tacos served with fresh salsa, shredded lettuce and cheese

TWO FROM THE OCHO'S HIGHLIGHTS

GRILLED CHICKEN (Free Range, All Natural)

GRILLED STEAK (USDA Certified Angus)

GRILLED SHRIMP

CARNITAS

CHOICE OF TWO SALSAS/SAUCES

(REFER TO INSIDE MENU FOR SALSA/SAUCE OPTIONS)

ALSO INCLUDES CHOICE OF:

SIGNATURE ORGANIC SALAD OR **CHIPS & FRESH SALSA**

Individually portioned platter packages available upon request

SKEWERS

delicious assortment of our grilled free range chicken, certified angus steak and shrimp paired with the perfect sauces & salsas

\$45

TAQUITOS

crispy collection of bite size taquitos filled with our hand shredded chicken, beef and carnitas accompanied with a choice of two salsas

\$38

SHRIMP COCKTAIL

our take on the classic shrimp cocktail served with your choice of ceviche or our fresh-mex cocktail sauce

\$48

TRAYS

whether you opt for fruit or vegetables, our trays highlight seasonal produce harvested from local farms for the freshest quality and flavor

\$40

ORGANIC SALAD

organic mixed greens tossed in our agave vin & served with sliced mangos/avocados, a crowd favorite. add chicken \$10

\$25

ADDITIONS

priced for serving 10 people

OCHO DIP & CHIPS \$35

GUAC & CHIPS \$25

SALSA & CHIPS \$20

GUACAMOLE \$15

ORGANIC RICE \$10

ORGANIC BEANS \$10

SALSA \$12

DESSERTS \$15+

DRINKS \$15+

CHOICE OF THREE SALSAS/SAUCES

HICA-MANGO, DICED YELLOW, GREEN MILD, CHIPOTLE MEDIUM, RED HOT, FIERY HABANERO, AGAVE VIN, CILANTRO LIME, BUTTERMILK RANCHERO or SOUTHWEST

omgi so fresh. so tasty.

OPERATIONS



OPERATIONS - Managing Members, Chris and Richer, will be responsible for all systems, policies and procedures. Operating manuals are being developed with the support of John Kaufman to be easily understood, to communicate the high standards of service and excellence that will set Ocho apart as well as to maintain a high level of consistency. The team will be led by the Managing Members responsible for all aspects of the day-to-day operations. The hourly team members will be motivated through a growth program where they can earn more dollars by learning different aspects of the business. It is expected that managers will be brought in to the organization upon the opening of the third location and that a bonus program based on food quality, secret shopper reports and guest feedback, cleanliness, health department ratings, as well as operating profit. Ocho currently looks to employ top notch team members with experience and utilize a competency based interview process to ensure they find the right people. Each team member is expected to pass an in-depth training program which includes a review of the employee handbook, job responsibilities and duties, service philosophy, and company culture.

UNIFORM - The uniform at Ocho is a white button down shirt for men and white blouse for women with a black apron branded with their tagline “eat healthy. eat fresh. eatOcho.com” along with the team members name for a more personal interaction with the customer that further separates them from their competition and promotes Quick-Gourmet™ brand that Ocho is striving to attain.

RECIPE DESIGN - The development of flavor combinations will be led by Richer Ta and he will work closely with his team incorporating new trends and flavors that fit the concept. Ocho ensures that all aspects of the guests expectations can be met including the growing popularity of healthful, natural and vegan offerings as well as introducing gluten free and other dietary requirements. Menu development is taken very seriously by the Ocho team to continue to define and lead their unique quick-gourmet flavor combinations in the Mexican restaurant segment. The recipes are designed to utilize where possible local and sustainable natural and organic products. It is important that the food philosophies be adhered to at the highest levels throughout the menu offerings. The menu is designed to cross-utilize as many products as possible to control food costs and ensure very little waste. To ensure from-scratch menu consistency and high quality, the recipes have been designed to be cooked and made in small batches throughout the day. The menu offerings will be continually improved along with seasonal changes throughout the year.

ACCOUNTING/CPA/LEGAL - Accounting services are currently done in-house by Crystal Zuber and supported by outside consultant. The founders are currently reviewing the accounting process and working with industry veterans as well as their CPA Greg Kniss of Krost, Baumgarten, Kniss & Guerrero, to look at options for the future, which will include but not be limited to, weekly flash reports, full profit & loss reports, accounts payable, payroll, and all investor distributions. Tax returns will be done by Greg Kniss; and legal by Allen Matkins.

QUALITY CONTROL - To ensure that the same high quality food and service exists in the expansion of Ocho's concept, they may look at utilizing outside services of ViewPoint Consumer Reporting [Secret Shopper service] will be engaged to measure specific service, quality and cleanliness issues used. There is also an executive daily operational checklist and inventory tracking that is online to ensure the products' freshness.

VENDORS/QUALITY CONTROL - The Management team has working relationships with numerous high-quality vendors known throughout the local, natural and organic markets that will help to ensure the quality of the products we are purchasing. We also intend to work directly with local farms. Richer will be responsible for quality control and ensuring products are kept to high standards.

MARKET DEVELOPMENT



CALIFORNIA FUTURE MARKETS

Ocho is currently identifying markets in California, each containing independent “Trade Areas” for future locations. Jim Konstantinides who is leading our development and has extensive background in the real estate market to introduce the concept to the major developers in the metropolitan area. Jim also has a strong background with current franchise developers and is looking at other strategic alliances to grow the concept.

The primary goal is for us to expand the Ocho concept through company-owned and ultimately franchise partners. The company is identifying trade areas to support its future expansion. The following are the markets that Ocho is looking at.

1. Primary –Los Angeles / Orange County defined by all territories south of Santa Barbara and north of Laguna is the first of the Primary markets.
2. Other Development and Growth Opportunities which will include airports, food courts and casinos.
3. Franchise Partners & Strategic Alliances – Ocho's is currently in discussions with potential franchise partners to take on trade areas. Once a significant interest and LOI has been formalized, Ocho's may decide to expand its concept to include a franchise arm under separate LLC to support the growth.

REAL ESTATE ADVANTAGE

Ocho has been receiving support and accolades from landlords and developers on the concept idea and direction. There is a need for a new level of Mexican concept that current developers are anxiously waiting for that is different from the well-known brands. The other advantage that Ocho has proven is bringing the fine dining flavors and tastes defining their Quick-Gourmet™ segment and their separation from the competition. The other advantage is that Ocho is currently working on a commissary hub and spoke model which allows them to be able to fit into unique locations and reduces the upfront cap-x expenses.

REQUIRED CAPITAL

Depending on the site criteria and what is existing on premise, the projected build cost is approximately \$100 to \$150 per square foot depending on the size. This number includes all capital expenditures needed to open as well as pre-opening expenses such as training and hiring management. In addition, the Management will be asking for tenant Improvement allowance from landlords and the primary site objective is to take existing restaurant spaces that already have the infrastructure capital expense. The goal is to open operations with cap-x and training dollars paid 100% and have a float of working capital.

SITE CRITERIA - The strategy is to seek and acquire prime locations of 1,500 to 2,500 square feet (special venue locations may vary from 1,000 plus sq. feet) and to aggressively seek locations with the following site parameters:

DEMOGRAPHICS

Item	1 Mile	2 Mile	3 Mile
Households	8,700	21,400	36,000
Populations	20,000	40,000	100,000
Daytime Employment	15,000	35,000	60,000
Household Income (med)	70K	70K	70K
Per Capita Income	25K +	24K +	24K +
H/H Income Average	80K	80K	00K
H/H Size	2.2-2.3	2.2-2.8	2.2-2.8
Average Age	32-45	32-45	32-45≥ 40%
Median Age	32-40	32-40	32-40
Household Growth	1.5%	1.5%	2.0%
Education: College +	50%	50%	50%

IDEAL SPACE - 1,500 to 2,500 square feet in high density markets, (Other sizes considered based on site-specific factors), Minimum Seating Capacity 30-60 inclusive of patio seating

SPECIAL VENUE LOCATIONS - 1,000 plus square feet, Easy Access, Signaled Entry and Intersections, 2 to 3 Curb Cuts to Center, Entry form 2 streets, in both directions, Left turn into center unobstructed, Site and Signage must be highly visible from street and/or traffic, Activity Generators in sight, Visibility of interior is important, Ideally visible at least 500' from 2 directions, Monument signage approved

ACTIVITY GENERATORS - Easily accessible for lunchtime traffic (pedestrian and automobile), High-frequency specialty retail outlets (women's boutiques, high end specialty stores)High traffic storefront urban corridors with convenient parking, High density daytime population (preferably educated employees, professionals, white collar)Retail/Entertainment Centers/Town Centers, Amusement/Attractions/Museums, High density residential population, University/Hospitals, Mega bookstores, Health Clubs

LEASE TERMS - 10 year minimum with 2 to 4 five year options, (Fixed rates preferred)



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