



Crab Corner

Las Vegas, NV

- A social seafood dining experience bringing East Coast seafood staples to Las Vegas
- World famous events and entertainment capital with a booming sports scene and growing customer base
- After expanding to its current location in 2013, there's significant further growth potential if the restaurant can tap into the private events market
- A cult favorite among fans rated 4+ stars on Google, Facebook, OpenTable, and TripAdvisor

Company Description

Crab Corner has been serving Las Vegas with Maryland cuisine that provides all East Coast transplants a true taste of home since 2010. Specialties include fresh blue crabs, iconic boardwalk fries and authentic cakes. After expanding to their new location, the restaurant is looking to continue growing by renovating patio space and tapping into Vegas's world famous events market.



Brothers Mark and John Smolen grew up in the heart of Maryland, between Annapolis, Baltimore and Washington D.C., eating the region's seafood staples. Five years after graduating from the University of Maryland, they decided to start their own restaurant in Las Vegas.

Maryland with degrees in finance and accounting, John decided to join his brother in Las Vegas who importing and selling the highest quality, live, fresh blue crabs. As more and more transplanted men the Vegas community began inquiring where they could get the taste of home the Smolen brothers were selling, Crab Corner was created.

Previously named the best seafood restaurant in the city by the Las Vegas Review Journal, the restaurant grown a cult-like following of former East Coasters and locals alike for its steamed and J.O.-seasoned blue crabs. They're served straight onto a butcher paper-covered table with a hammer and bucket, encouraging a social, communal, and casual cultural seafood experience unlike any other in the city.



Akin to the first barbecue restaurant outside of the south, or lobster dinner outside of New England, Crab Corner's appeal isn't limited to its food. The restaurant also serves as the de facto Maryland community in Vegas, hosting viewing parties of around 100 people for Orioles baseball and Ravens football game turnouts for which are only likely to increase when Las Vegas receives its first professional football team, the Raiders, by 2020.

John is frequently told by customers that the restaurant smells like home, including by his wife, another Maryland native whom he met when she was visiting the restaurant. Diners regularly strike up conversation with people at other tables and discover they grew up mere miles from each other. The only thing that makes it feel more like Maryland, they say, is being on the water. Everything else the team has managed to recreate.



Crab Corner's appeal is far from limited to Marylanders though, as the restaurant has also been able to attract a wide range of customers looking for serious seafood in a casual environment. After outgrowing its original location near the airport, Crab Corner opened a second, larger location on Rainbow Boulevard. Following a few years' transitional period, they decided to consolidate the two locations, and the second followed suit.

The Rainbow Boulevard restaurant also came with a large patio space. When in use, it doubles the length of the bar, most restaurants' highest profit center, and allows for outdoor dining, which further recreates the ambiance of eating pier-side in Maryland. Hammocks make it a pleasant place to relax, and the restaurant regularly hosts events in the exterior space.



Brothers Mark and John Smolen created Crab Corner together in 2010. Beginning in 2017, John has been the sole owner of the business.

Learn more: [Globe icon](#) [Facebook icon](#) [Instagram icon](#) [Twitter icon](#)

Key Terms

Issuer	Crab Corner II, LLC
Securities	Term Notes
Offering Amount	Minimum of \$75,000 to maximum \$100,000
Interest Rate ⓘ	12.5%
Payments ⓘ	Monthly
Maturity ⓘ	48 Months
Security Interest ⓘ	Personal guarantee by John Smolen. Blanket lien on all assets of the business, junior to liens securing existing
Ownership %	0%. Investors will not receive any equity interests in the Issuer or any v
Represented by	management rights with respect to the Issuer as a result of an investmen
Securities	Securities.

Click [here](#) to view the Issuer's SEC Form C filing.

Use of Proceeds

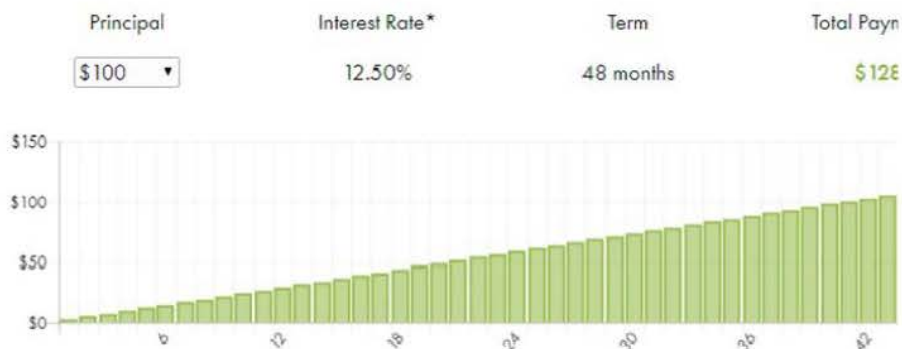
Currently the patio is uncovered and only utilized about 50% of the year. Installing a covering, along required fire system, would allow the ability to host larger events, and seat more customers year-round. Targeted large private parties around holiday season will help offset the seasonal lull with the ability this space year-round.

Remaining funds will be used to purchase high dollar items such as crab meat or snow crab in bulk to savings for the restaurant and its customers, and any surplus will be used to pay off existing higher in rate, short-term debt obligations to help improve cash flow.





Total Payment Calculator



* Payment for any given month (including the total payment at the end of the final month) indicates the cumulative contractually required to be paid to an investor after the end of that month, assuming the loan is not prepaid. This calculation is a mathematical illustration only and may not reflect actual performance. It does not take into account NextSeed fees of 1% on each payment made to investors. Payment is not guaranteed or insured and investors may receive some or all of the principal invested if the Issuer cannot make its payments.

Bonus Rewards

EARLY BIRD REWARD

First 100 investors who invest \$500 or more will receive:

- \$25 Gift Card to Crab Corner

100 of 100 available

Invest \$500 or more

- Invitation for 1 to the Investor Party

Invest \$1,000 or more

- \$25 Gift Card
- Invitation for 2 to the Investor Party

Invest \$2,500 or more

- \$50 Gift Card
- Invitation for 2 to the Investor Party

Invest \$5,000 or more

- \$100 Gift Card
- Invitation for 4 to the Investor Party

Invest \$10,000 or more

- \$200 Gift Card
- Invitation for 6 to the Investor Party

- Crab Corner Mallet

- Crab Corner Mallet
- Happy Hour for 10 Guests

Invest \$25,000 or more

- \$500 Gift Card
- Invitation for 6 to the Investor Party
- Crab Corner Mallet
- Happy Hour for 20 Guests

Business Model

John didn't come from the world of restaurants, but with his background in finance, accounting, and wholesaling, he prioritizes ingredient quality and has been able to expertly oversee the business side of Crab Corner, making the restaurant incredibly efficient with iPad tableside ordering. Crab Corner aims to increase this efficiency by using some of the investment to order non-perishables in larger quantities.



Crab Corner uses social media to target potential customers, and relies on customers and their 50,000 Facebook followers sharing their photogenic dining experience on their feeds to further spread the word. The restaurant currently has four-star ratings on TripAdvisor and OpenTable, and even higher ratings on Yelp and Google. John also recently began working with delivery services like GrubHub to further expand Crab Corner's footprint.

Serving a fresh product as its showpiece, Crab Corner is extremely reliant on its supply, which can be affected by winter storms and airline issues, but the restaurant negates some of this affect with multiple delivery options and serving non-live items like the best-selling crab cakes. Conversely, to avoid the issue of spoilage, Crab Corner has a text message club. The restaurant can send out promotions and specials to its 13,000 subscribers and quickly see people coming through the door for discounted food — a drastically better outcome than having to throw it out.

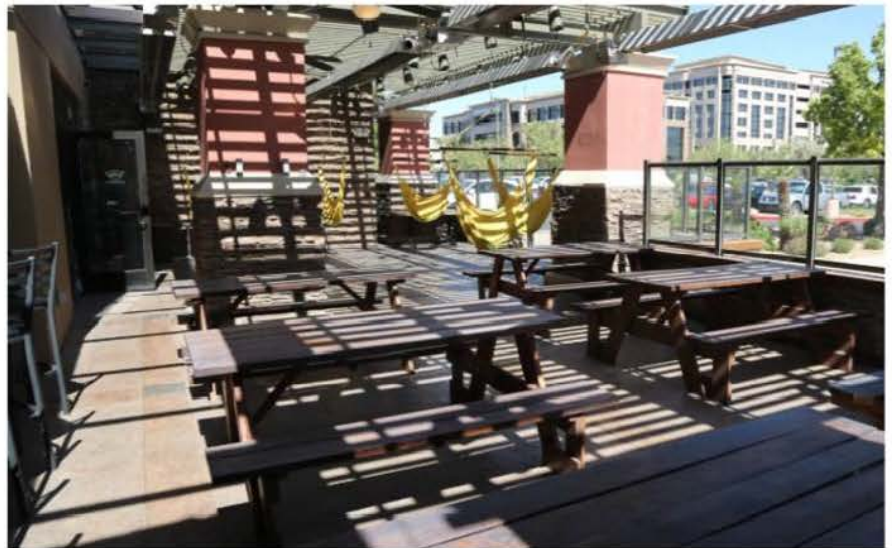




John's on site nearly every day, and the team is highly attentive to all customer feedback no matter the medium. Multiple menu iterations over the years have responded to customer desires, including an expansion of offerings aside from seafood to better accommodate large parties where some members enjoy seafood.

It's these larger parties Crab Corner wants to better target. Much of the restaurant's revenues come from parties of under 12 people, and the slow season is between November and February when many of its regular clientele are on the East Coast for the holidays. By expanding the restaurant, bar, and fully utilizing its patio, Crab Corner will be able to book holiday parties and corporate gatherings year-round, bolstering its business both in the winter months and beyond.

Las Vegas is the events capital of the world, but corporate events and private parties are revenue streams that are currently not being tapped to their potential by Crab Corner. They can't run the risk of poor weather suddenly forcing an enormous group inside where they'll struggle to accommodate them at the level of service they pride themselves on.



Adding a roof to the patio will not only negate this problem entirely, it'll also allow the bar to remain at maximum capacity whatever the weather, enabling Crab Corner to fully utilize its highest profit center: alcoholic beverages. The restaurant currently makes just under 10% of its revenues from bar sales while only able to regularly offer about 40% capacity without consistent use of outdoor bar seating, making this expansion one of the most pressing and exciting motivators for the team.

Location Analysis

Despite its name, Crab Corner occupies an outstandingly central spot in the desert oasis of Las Vegas (3950 S Rainbow Blvd, Las Vegas, NV 89118). As a somewhat niche and experiential dining establishment, Crab Corner's accessibility has been a significant factor in its success, as diners from all parts of town can reach the restaurant. Most customers drive between three and five miles to visit the restaurant, which is a reasonable distance for Vegas, so the pull is evident.





However, Crab Corner's current location is most notable for its proximity to the airport. With its roots in wholesale seafood business and prioritizing fresh food, the owners understood the need to be physically close to their supply source. The proximity to the airport also makes visiting an even more appealing proposition for the restaurant's large customer base of East Coasters, who are frequently traveling in and out of the city. Some make a point to eat at the restaurant every time they're in town.



The Rainbow Boulevard location also sits just off I-215, between the strip and the affluent neighborhood of Summerlin in the northwest, perfectly situated to capitalize on the exciting development that Las Vegas is seeing: An IKEA opened down the road in May 2017, the Las Vegas Raiders' stadium is projected to open nearby by 2020 after a \$2 billion investment, and the Las Vegas Golden Knights showed everybody that City could be a hockey town when they began playing at T-Mobile Arena this year and reached the Stanley Cup Finals.

Leadership



John Smolen, Owner

John Smolen is the 100% owner of Crab Corner II, LLC as of January 1, 2018. John has been the managing partner and in charge of the Crab Corner restaurant since its creation in 2010. He has a degree in finance and a degree in accounting from the University of Maryland, and worked for 5 years in corporate accounting prior to leaving corporate America to create the Crab Corner restaurant. He manages all aspects of the business including finances, marketing, and operations.



Charles Upathambhakul, General Manager

Charles Upathambhakul is the General Manager and responsible for all day-to-day operations and house tasks. He ensures a high level of customer service and a productive work environment for all staff.



happy staff with over 20 years of experience in the food and beverage. He has been with Crab Corner since March 2013.



David Hernandez, Kitchen Manager

David Hernandez is the Kitchen Manager. He has been with Crab Corner since its start in 2010. He is responsible all back of house tasks including inventory management, kitchen scheduling, food quality and consistency..

History

- ★ **2008**
John Smolen joins Mark Smolen in Las Vegas to grow and build the blue crab wholesale business
- ★ **2010**
Crab Corner Eastside opens a small 1800 square foot restaurant just down the road from the airport
- ★ **2013**
New location Crab Corner Southwest opens, featuring 3600 sq feet interior, 800 square feet patio, full bar, and 5 video poker machines
- ★ **October 2016**
All business operations fully consolidated and moved into Crab Corner Southwest
- ★ **January 2017**
John becomes the sole owner-operator of Crab Corner

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