



CANTINA ACAPULCO · FRANCHISE DOCUMENTS

Territory Criteria

Where Cantina Works · How Exclusivity Is Drawn

CONFIDENTIAL

Version 1.0 · 2026-05-16

The Cantina Test

A territory works for Cantina if it passes **all five** of these criteria. We don't bend on these. Bending kills franchises.

1. **Coastal or coast-adjacent** — beach within 15 min drive, or strong visual/cultural connection to coast
2. **Population catchment $\geq 25,000$** within 10 km radius, including holiday peak population
3. **Discretionary spend index ≥ 105** (national avg = 100) — measured against ABS data
4. **No more than one existing premium Mexican operator** within the catchment
5. **At least one fit-able site** identified or under negotiation

If your proposed location passes the five-test, we open formal territory discussions.

Exclusivity — How the Radius Is Drawn

Exclusivity is **negotiated per site**, but defaults follow this rule:

CATCHMENT DENSITY	EXCLUSIVE RADIUS
Dense urban coastal (e.g. Bondi, Manly, St Kilda)	3 km
Suburban coastal (e.g. Coogee, Brighton)	5 km
Regional coastal city (e.g. Wollongong, Geelong)	8 km
Coastal town (e.g. Byron Bay, Apollo Bay)	15 km
Remote coastal (pop. < 15K, holiday hotspot)	25 km

Within your exclusive radius, Cantina will **not**:



- Open another franchised or company-owned venue
- License the brand to another operator
- Run permanent pop-ups (one-off pop-ups for marketing only, capped at 4 per year, with revenue share to you)

Cantina **may** still:

- Sell direct-to-consumer (cookbook, digital products, La Sirena Club)
- Run e-commerce shipped to your territory (with revenue share)
- Allow non-Cantina chefs/operators in your territory (we can't control the market)

Tier 1 Target Territories (Australia)

These are markets we are actively prioritising:

NSW

- Byron Bay
- Coogee / Maroubra cluster
- Avoca / Terrigal
- Kiama / Gerringong

VIC

- Lorne / Apollo Bay
- Sorrento / Mornington Peninsula
- Brighton / Hampton

QLD

- Mooloolaba / Maroochydore
- Noosa Heads
- Burleigh Heads / Palm Beach

WA

- Cottesloe / Scarborough
- Margaret River
- Geographe (Busselton / Dunsborough)

SA

- Glenelg



- Victor Harbor

TAS

- Battery Point / Sandy Bay (Hobart)

Other — Inquire. We are open to other coastal markets that pass the five-test.

Tier 2 Target Territories (Future)

Coastal regional centres we plan to enter once we have 6+ franchised locations in Tier 1:

- Port Macquarie
- Coffs Harbour
- Yamba
- Hervey Bay
- Townsville beaches
- Esperance
- Albany

Excluded Territories (For Now)

These markets are not currently available:

- **Manly (NSW)** — flagship territory, company-operated. Permanent.
- **Sydney CBD + inner west** — strategic — reserved for company expansion.
- **Inland metro** (Parramatta, Penrith, Blacktown, etc.) — does not fit the coastal brand.
- **International** — Australia first.

Site Criteria (Within Your Territory)

Once your territory is approved, the specific site must meet:



CRITERION	REQUIREMENT
Floor area	180–300 sqm (interior) + 60–120 sqm outdoor
Seating	80–140 covers (incl. outdoor)
Frontage	Min 6m street-facing, ideally with outdoor seating zone
Visibility	High pedestrian or vehicle visibility, sunset/beach orientation preferred
Kitchen extraction	Existing or installable (full ducted)
Power	3-phase, 60A min
Lease term	Min 5 years + option for 5
Lease rent (gross)	≤ 12% of projected base-case revenue
Foot traffic	High during weekend lunch + dinner; passes pedestrian counter check
Council restrictions	No vibe-killing restrictions (e.g. no outdoor seating, early-closing curfew below 9pm)

Territory Renewal & Performance

Exclusive territory is conditional on **performance and brand standards**. If a franchisee:

- Falls below 70% of base-case revenue for 4 consecutive quarters, or
- Materially breaches brand standards uncured for 60+ days, or
- Ceases trading for 90+ days outside agreed renovation periods,

the franchisor may **reduce the exclusive radius** or, in serious cases, terminate the agreement under the Franchising Code provisions.

This document is provided to assist territory exploration. Final territory rights are formalised in the Franchise Agreement. Tier lists may evolve based on market data. Cantina Acapulco reserves the right to update target territories and exclusion zones.