

DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING

20304JD High Volume Medical Spas Serving the Greater Los Angeles Area

PROPRIETARY AND CONFIDENTIAL INFORMATION



Proudly offered by

PACIFIC RELIANCE BUSINESS BROKERS

17011 Beach Blvd St. Suite 550, Huntington Beach, CA, 92647

(949) 427-0304

Email: JDiza@PacificRB.com

All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING

www.PacificRB.com

Description of business

Medical Spa services include:

These fully equipped and entirely staffed aesthetic medical practices have been a San Fernando Valley and South Bay destination favorite for beautiful skin since 1998. Featuring advanced laser treatments, dermal fillers, facials, peels, and body sculpting, these spas provides clients with a sophisticated and caring level of service. Along with a great team to handle most of the day-to-day operations. An experienced medical staff recognized as pioneers in aesthetic procedures and oversight is essential to high client satisfaction of the practice.

- ❖ Lip fillers | Injectables | Botox | Juvederm | Lipo laser | Laser hair removal | Acne treatment | IPL (Photofacial) | Body Contouring | Hormone therapy | Sculptra Butt Lift | Radio Frequency | Reductive massage | Mesotherapy | Restylane | PDO/Thread Lift | Vein Cellulite | Body wraps | IV therapy | Skin Care Treatments | Hyperbaric Chamber

The highly trained staff has over 22 years of experience in medical aesthetics and skin care industry.

History

These well-established medical spas with high end clientele in an affluent area of the San Fernando Valley & South Bay. These fully equipped and entirely staffed aesthetic medical practices have been a destination favorite for beautiful skin since 1998. First Med spa at current location since 2004 and for the second practice since 2008.

Employee/personnel/payroll

The medical staff consist of 1 physician, 1 Esthetician, 1 registered nurses with over 22 years of experience in medical aesthetics and skin care. Physician contracted annual salary \$12K (1099) and Esthetician hourly wage \$18 plus commissions. Staff is paid commissions of 5% on products

All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING

sold. Owner works the business 40 hours weekly. Three days in San Fernando Valley office and two days in the South Bay office. MD is willing to remain on staff post-sale with new owners. Owner salary on payroll \$36K annually.

Ownership info

The business ownership is an S-corporation with a management agreement. The majority of stock must be owned by a California licensed physician. Medical Director on Staff. Owner is retiring.

Current Owner(s)	Years Owned	% Owned	Hours & days/week	Primary Duties
Owner	22	100	8 / 40	Manages operations

Billings/collection/revenue sources

Business has no account receivables. All of the client transactions are through credit card or cash.

Equipment

Equipment includes state-of-the art equipment in excellent condition, initial investment worth over \$500,000 including but not limited to: Zerona, ILipo, Fat Freeze machine, Cavitation, Radio Frequency, Carboxy machine, Hyperbaric, Microdermabrasion, Derma K Laser, Cutera Laser.

Products & Services breakdown:

The breakdown of services is as follows: Med Spas have over 5,000 active loyal clients. South Bay location on a daily average attend to 20 clients. San Fernando Valley location on a daily average attended to 15 clients. Services consist of 80% injectable (i.e. Botox | Fillers | Dysport)

All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING

The Spas has an opportunity for growth through expansion of products and services, including adding subscriptions services. Expanding the hours of operations to opening on weekends to increase clientele and revenue growth.

Annual Combined Revenue and Profit (per seller tax returns):

Buyer to confirm all numbers and advised to hire CPA to review all financials

	2018	2019	2020
Annual Revenue	\$ 1,010,005.00	\$ 1,090,408.00	
Sellers Discretionary earnings	\$ 512,221.00	\$ 591,043.00	\$ 376,815.10

Marketing:

Currently marketing of the Medical Spas are mainly through social media platforms: Instagram, Facebook, Google and Yelp. The loyal clientele base is through referrals and word of mouth.

Facilities: hours of operation, location, size, rent, terms of lease

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10 – 6Pm	10 – 6Pm	10 – 6Pm	10 – 6Pm	10 – 6Pm	Closed	Closed

South Bay Facility (A) is 1050 sq.ft. with 4 procedure rooms, 1 back office room, storage room with a total Rent of \$4,700 with NNN cost. Lease ends 2024 with 5 year lease options.

San Fernando Facility (B) is 850 sq.ft. with 3 procedure rooms with a total Rent of \$3,400 with NNN cost. Lease ends 2024 with 5 year lease options.

All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.

DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

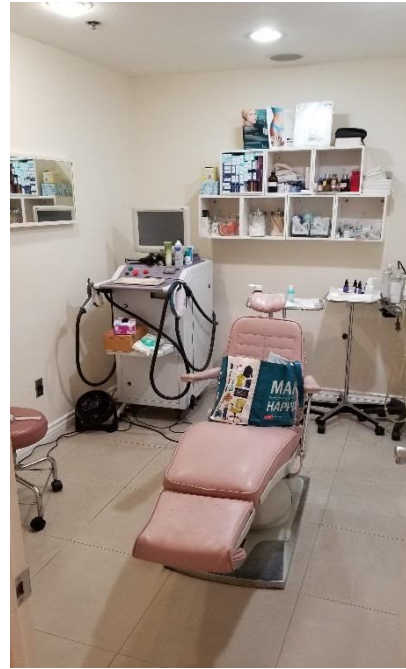
CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.

DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.



DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.

DRE# 02023864

CONFIDENTIAL BUSINESS OFFERING



All information contained within this document and in all other materials was furnished by either the buyer or seller of the business. Purchasing a business involves risk and all parties are advised to seek legal and financial advice. Pacific Reliance Business Brokers has not and will not verify the accuracy or completeness of this information.

12:13 PM

02/04/21

Cash Basis

Profit & Loss

January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
Fee for Service Income	703,626.99
Total Income	703,626.99
Cost of Goods Sold	
Purchases	649.00
Total COGS	649.00
Gross Profit	702,977.99
Expense	
Accounting	4,100.00
Automobile Expense	15,022.56
Bank Service Charges	93.50
Business Licenses and Permits	2,457.52
Insurance Expense	32,492.12
Meals and Entertainment	236.21
Medical Records and Supplies	41,267.39
Merchant Fees	14,410.85
Office Expense	8,854.86
Officer Salary	78,000.00
Outside Services	39,461.04
Payroll Admin	3,173.79
Payroll Expenses	0.00
Payroll Tax Expense	14,527.52
Postage	513.83
Rent Expense	80,917.07
Salaries	80,437.13
Taxes	
Property	493.10
Total Taxes	493.10
Telephone Expense	4,713.30
Travel Expense	0.00
Utilities	5,701.33
Web Design	61,500.00
Worker's Compensation	1,529.31
Total Expense	489,902.43
Net Ordinary Income	213,075.56
Net Income	213,075.56

SUBSTANTIALLY ALL DISCLOSURES ORDINARILY INCLUDED IN CASH BASIS FINANCIAL STATEMENTS ARE OMITTED AND THESE FINANCIAL STATEMENTS HAVE NOT BEEN SUBJECTED TO AN AUDIT OR REVIEW OR COMPILATION ENGAGEMENT, AND NO ASSURANCE IS PROVIDED ON THEM.

5:41 PM

03/02/20

Accrual Basis

Profit & Loss

January through December 2019

	Jan - Dec 19
Ordinary Income/Expense	
Income	
Fee for Service Income	1,090,408.40
Total Income	1,090,408.40
Cost of Goods Sold	
Purchases	67,568.54
Total COGS	67,568.54
Gross Profit	1,022,839.86
Expense	
Accounting	3,000.00
Advertising and Promotion	13,466.17
Automobile Expense	19,934.22
Bank Service Charges	445.60
Business Licenses and Permits	2,908.12
Charitable Contributions	904.00
Computer and Internet Expenses	3,491.85
Continuing Education	706.50
Dues and Subscriptions	30.00
Insurance Expense	25,505.74
Management Fee	94,000.00
Meals and Entertainment	17,308.89
Medical Records and Supplies	3,540.85
Office Expense	5,306.79
Officer Salary	78,000.00
Outside Services	16,000.00
Parking	87.25
Payroll Admin	4,596.15
Payroll Expenses	0.00
Payroll Tax Expense	14,766.91
Postage	342.89
Professional Fees	2,500.00
Rent Expense	129,082.99
Salaries	91,316.60
Taxes	
State	12,674.00
Total Taxes	12,674.00
Telephone Expense	7,627.83
Travel Expense	37,742.29
Utilities	7,383.96
Web Design	105,000.00
Worker's Compensation	516.24
Total Expense	698,185.84
Net Ordinary Income	324,654.02
Net Income	324,654.02

SUBSTANTIALLY ALL DISCLOSURES ORDINARILY INCLUDED IN CASH BASIS FINANCIAL STATEMENTS ARE OMITTED AND THESE FINANCIAL STATEMENTS HAVE NOT BEEN SUBJECTED TO AN AUDIT OR REVIEW OR COMPILATION ENGAGEMENT, AND NO ASSURANCE IS PROVIDED ON THEM.