

CONFIDENTIAL BUSINESS OFFERING

ESTABLISHED & TRUSTED NEUROLOGY & SLEEP PRACTICE

Southern California

Description of Business

The company is a long-established, full-service outpatient neurology and sleep medicine practice serving Southern California since 2007. Founded and led by a board-certified neurologist and sleep medicine specialist, the practice provides comprehensive neurological care alongside an accredited sleep diagnostics program, creating a vertically integrated clinical platform that supports strong referral networks and diversified revenue streams.

The practice offers a broad scope of neurological evaluation, diagnostic testing, and treatment services for disorders affecting the brain, spine, and nervous system. Core clinical services include general neurology consultations for new and established patients, electroencephalography (EEG) including routine and ambulatory testing, electromyography (EMG) and nerve conduction studies, in-lab polysomnography sleep studies, home sleep testing, and therapeutic procedures such as Botox treatments for migraine, cervical dystonia, and spasticity.

Supported by a strong referral network of primary care physicians and specialists, the practice averages approximately 90 new patient referrals per week and maintains contracts with major independent physician associations (IPAs) at reimbursement rates above standard Medicare benchmarks.

Since its founding in 2007, the practice has built a large and active patient base with more than 7,000 patient charts and an established reputation for delivering specialized neurological and sleep medicine care. With integrated diagnostic capabilities, established referral channels, and experienced clinical infrastructure, the company represents a turnkey acquisition opportunity for neurology groups seeking expansion, private equity platforms consolidating outpatient neurology services, or hospital systems expanding their outpatient specialty footprint.

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Products & Services

The company operates a diversified outpatient neurology and diagnostic platform. Amongst other services, below are a list.

Neurology Services

- Carpal tunnel syndromes
- Migraine and other types of headaches
- Epilepsy and seizures
- Alzheimer's and other types of Dementia
- Polyneuropathy
- Parkinson disease
- Evaluation of neurological symptoms
- Multiple Sclerosis
- Ulnar neuropathy
- Suprascapular neuropathy

Sleep Medicine

- Obstructive sleep apnea
- Central sleep apnea
- Periodic leg movements
- Parasomnias
- Narcolepsy
- Continuous Positive Airway Pressure (CPAP)
- Management of restless legs syndrome
- Diagnosis and management of sleep apnea
- Polysomnography/ CPAP transition

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Neuro-diagnostic Testing

- Electroencephalogram (EEG)
- Electromyography (EMG)
- Nerve Conduction Study (NCS)
- Evoked potentials
- Polysomnogram

2025 Volume Snapshot

- 2,664 new patients
- 4,230 follow-up visits
- 1,223 in-lab sleep studies
- 584 home sleep tests
- 1,172 EMG studies

Payor Mix

The practice maintains contracts with major IPAs, managed care organizations, and commercial insurers. The majority of patient volume is generated through long-standing relationships with regional managed care networks.

Payor	% of Revenue
Local Insurance Providers	67%
Alpha Care Medical Group	12%
Optum Care Network	9%
Medicare	3%
Kaiser Permanente	3%
Blue Cross	2%
Self Pay	1%
Other	3%

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Employee/personnel/payroll:

Title/Position	FT/PT	Role	Salary	# of Years
MD 1/ Owner	FT	Full-time clinician, medical director (50 hrs/ week)	\$370,000	19
MD 2	FT	Full-time clinician	\$300,000	1.5
MD 3	PT	Part-time, 60 EMG a month, 3 days a month	\$144,000	1
MD 4	PT	Part-time, 60 EMG a month, 3 days a month	\$144,000	8
MD 5	PT	PT, Follows MS patients, 1-2 days a month	\$30,000	4
NP	PT	PT, Inject patient with Botox	\$15,000	1
Office Manager	FT	Schedules office visits	\$45,750	3
Scheduler 1	FT	Schedules office visits	\$43,680	4
Scheduler 2	FT	Schedules office visits	\$45,750	3
MA 1	FT	Supports MDs, inject botox	\$57,000	10
MA 2	FT	Supports MDs, inject botox	\$45,000	7
Front Desk	FT	Manage employees, Reports to Medical Director	\$41,000	1
Sleep Technician 1	FT	Performs sleep studies	\$88,800	19
Sleep Technician 2	FT	Performs sleep studies	\$62,200	1.5
Sleep Technician 3	FT	Performs sleep studies	\$58,500	1
Scoring Technician	PT	Score sleep studies	\$36,000	8
EMG Technician	PT	Performs NCV	\$72,000	4
RRG Technician	PT	Performs EEG	\$28,000	1

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Billings/collection

The company outsources its revenue cycle management to a third-party provider. Claims are submitted directly to contracted insurance payers, including Medicare, commercial insurers, and regional independent physician associations (IPAs), ensuring efficient billing, claims processing, and collections.

Annual Revenue and Profits

Year	2025	2024
Annual Revenue	\$4,454,011	\$4,169,042
EBITDA	\$1,529,645	\$1,260,000

BUYER TO CONFIRM ALL NUMBERS AND ADVISED TO HIRE CPA TO REVIEW ALL FINANCIALS. INFORMATION TAKEN FROM SELLER PROVIDED TAX RETURNS AND DOCUMENTS. PRBB DOES NOT WARRANTY THE INFORMATION PROVIDED, BUT MERELY SHARES INFORMATION RECEIVED FROM SELLER.

Revenue Mix

Service Line	% of Revenue
Sleep Studies	29%
Follow-up visits	24%
New patient visits	19%
NCV testing	13%
Needle EMG	8%
Home sleep tests	3%
EEG	2%
Botox treatments	3%

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Equipment

The company is equipped with all necessary equipment to operate. All equipment is owned outright, maintained in good working condition, and included in the sale. The replacement value would be \$200k. Key assets include:

- 6 Alice machines
- 3 Cadwell EMG machines
- 1 Cadwell EEG machine
- 1 Cadwell ambulatory machine
- 1 TrackIt T4A Solo Ambulatory Unit
- 2 electric chairs- 230 Ritter by Midmark
- 20 laptops and desktops
- Office furniture for 15 employees
- Office furniture for 30 patients in the waiting room

Marketing

The company's patient flow is sustained primarily through long-standing referral relationships with physicians and medical groups rather than direct advertising. This relationship-based model drives steady demand and high utilization.

- Established network: Trusted by PCPs, pulmonologists, cardiologists, and medical groups.
- In-network advantage: Contracts with Medicare and major insurers drive steady referrals.
- Proven reputation: ACHC-accredited and an early adopter of home sleep testing.
- Low marketing spend: Relies on word-of-mouth; strong opportunity for digital and outreach campaigns.
- Growth potential: Expand through obesity clinics, PCP networks, and DME partnerships, and collaborations with durable medical equipment (DME) providers.

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Hours of Operation

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Office: 8AM-5PM	Office: 8AM-5PM	Office: 8AM-5PM	Office: 8AM-5PM	Office: 8AM-5PM	Office: 8AM-5PM	Sleep: 8PM-6PM
Sleep: 8PM-6AM	Sleep: 8PM-6AM	Sleep: 8PM-6AM	Sleep: 8PM-6AM	Sleep: 8PM-6AM	Sleep: 8PM-6AM	

Facility Overview

This practice is located in a full-service medical building with free parking and ADA access, the clinic has 4 exam rooms, 1 EEG room, 2 private restrooms, and 6 sleep study rooms (procedure/exam room).

30% exam use, 40% sleep use, 20% staff use, 10% waiting area use.

The facility is efficiently designed to support neurology consultations and sleep diagnostic services and is well-suited for continued sleep diagnostics operations or other outpatient medical uses.

Ownership Overview

The company is privately owned by a single individual with long-standing experience in healthcare operations who remains actively involved in the business. The owner is pursuing an eventual exit and retirement and is open to remaining with the practice for a negotiable transition period to support continuity of operations.

The owner is committed to facilitating a smooth handoff to new ownership, including introductions to key referral sources and operational training as needed. There is no outside investment or institutional ownership, and the company is being offered as a 100% ownership sale.

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Real Estate

The business currently owns a 4,631 sqft building also up for sale along with the practice for \$5.3M. If not purchased, lease will be \$3.80/ SF NNN.

Areas of opportunity

The company is well-positioned for strategic growth through multiple operational, clinical, and geographic expansion levers. Key areas of opportunity include:

1. Billing
 - Using in-house billing will reduce expenses by \$100k/ year
2. Ambulatory Services
 - Adding ambulatory EEG will increase income by \$100k/ year
3. Add Complementary Specialties
 - In-house infusion for Alzheimer's, CIDP, MS treatment, MRI, EMG provider/clinical trials
 - Replace outsourced EMG and Botox work with an employed provider
 - Clinical trials
4. Recruitment
 - Adding mid-level employees will increase and sustain current patient base
4. Geographic Expansion
 - Opening a satellite office in the other side of the region

For more information, contact us.

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 has not and will not verify the accuracy or completeness

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January-December, 2025

DISTRIBUTION ACCOUNT	JAN 2025 - MAR 2025	APR 2025 - JUN 2025	JUL 2025 - SEP 2025	OCT 2025 - DEC 2025	TOTAL
Income					
42000 Income	1,053,762.55	1,081,756.64	1,151,137.72	1,162,754.32	4,449,411.23
47300 Refunds	0.00				0.00
Clinical Trials Income	4,600.00				4,600.00
Total for Income	1,058,362.55	1,081,756.64	1,151,137.72	1,162,754.32	\$4,454,011.23
Gross Profit					
	1,058,362.55	1,081,756.64	1,151,137.72	1,162,754.32	\$4,454,011.23
Expenses					
60000 Advertising and Promotion	540.00	500.00	1,300.00	525.00	2,865.00
60100 Amortization Expense				208.64	208.64
60200 Automobile Expense	1,977.35	3,583.15	2,500.01	3,416.28	11,476.79
60400 Bank Service Charges	477.00	260.11	195.40	248.64	1,181.15
61000 Business Licenses and Permits				125.00	125.00
61700 Computer Software	368.49	812.67	1,748.91	762.17	3,692.24
62200 Credit Card Processing Fees	3,381.48	1,982.12	2,699.51	3,715.64	11,778.75
62400 Depreciation Expense				89,883.02	89,883.02
62420 Diagnostic Costs		1,650.00			1,650.00
62500 Dues and Subscriptions	281.95	1,312.00	1,487.95	696.90	3,778.80
63300 Insurance Expense				Family Insurance- \$50,000	
63310 Health Insurance	6,822.95	11,723.78	15,683.82	12,289.32	46,519.87
63320 Liability & Workers Comp Ins	17,670.05	10,978.30	17,277.30	10,818.53	56,744.18
Total for 63300 Insurance Expense	24,493.00	22,702.08	32,961.12	23,107.85	\$103,264.05
63400 Interest Expense	21,396.94	19,952.21	15,062.58	18,712.59	75,124.32
63425 IT Network & Server Support		6,501.00	4,476.82		10,977.82
63500 Janitorial Expense	2,900.00	4,200.00	5,200.00	3,200.00	15,500.00
63600 Laboratory Fees				219.67	219.67
64300 Meals	2,495.41	5,163.18	2,837.99	6,298.20	16,794.78
64310 Meals - Employee Holiday Dinner				2,757.88	2,757.88
64400 Medical Records & Billing Svces	44,909.87	60,450.08	60,959.14	63,754.39	230,073.48
64425 Medical Supplies	204,441.65	108,639.00	119,355.85	105,543.63	537,980.13
64800 Office Expense	13,784.32	4,518.28	14,291.57	8,634.68	41,228.85
64900 Office Supplies	8,782.88	4,758.47	4,325.87	4,104.66	21,971.88
65000 Outside Labor	97,087.70	114,831.80	114,784.46	130,222.42	456,926.38
66000 Payroll Expenses				Wife Salary- \$150,000	
66050 Payroll Processing Fees & Servi	1,108.92	1,154.50	1,125.05	1,599.02	4,987.49
66100 Officer Salaries			82,830.50	242,169.50	325,000.00
66200 Staff Wages	166,953.61	202,577.72	204,289.01	344,289.24	918,109.58
66300 Payroll Taxes	17,105.40	16,163.45	20,635.47	31,668.27	85,572.59
Total for 66000 Payroll Expenses	185,167.93	219,895.67	308,880.03	619,726.03	\$1,333,669.66
66600 Postage & Shipping	440.19	127.77	259.68	265.36	1,093.00
66700 Professional Fees	20,643.28	7,506.54	10,657.50	8,901.22	47,708.54
67100 Rent Expense	68,175.00	68,175.00	68,175.00	68,175.00	272,700.00
67200 Repairs and Maintenance	804.43	2,095.72	2,123.39	1,622.00	6,645.54
67400 Retirement Contributions					
67403 Retirement Admin Fees				4,619.55	4,619.55
Total for 67400 Retirement Contributions				4,619.55	\$4,619.55
67600 Security System	704.08	1,002.90	548.81	1,072.30	3,328.09
68000 Taxes - Property		14,530.92		2,490.38	17,021.30
68050 Taxes - CA FTB	34,945.00	41,265.00		39,424.36	115,634.36
68100 Telephone Expense				640.00	640.00
68400 Travel Expense	5,719.61	6,120.35	10,393.08	7,201.36	29,434.40
68500 Uniforms			338.14		338.14

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DISTRIBUTION ACCOUNT	JAN 2025 - MAR 2025	APR 2025 - JUN 2025	JUL 2025 - SEP 2025	OCT 2025 - DEC 2025	TOTAL
68600 Utilities					
68610 Electricity	3,127.35	819.57	9,676.24	4,806.10	18,429.26
68615 Phone & Internet	6,734.16	5,070.03	4,508.28	6,293.97	22,606.44
68620 Water & Sewer	496.24	482.76	524.69	536.37	2,040.06
68630 Waste Disposal	1,120.26	1,727.19	1,276.62	1,003.85	5,127.92
Total for 68600 Utilities	11,478.01	8,099.55	15,985.83	12,640.29	\$48,203.68
Total for Expenses	755,395.57	730,635.57	801,548.64	1,232,915.11	\$3,520,494.89
Net Operating Income	302,966.98	351,121.07	349,589.08	-70,160.79	\$933,516.34
Net Other Income					
Net Income	302,966.98	351,121.07	349,589.08	-70,160.79	\$933,516.34

Add back:
\$896,129

Total SDE:
\$1,829,645

Replace Owner's Work:
-\$300,000

Total EBITDA
\$1,529,645