PACIFIC RELIANCE
(949) 229-2464
Email: Info@PacificRB.com
www.PacificRB.com

CONFIDENTIAL BUSINESS OFFERING

PREMIER 2 UNIT MEDICAL SPA FRANCHISE
Houston, TX

Description of business

This is your chance to own 2 open and operating franchised med spas. No need to hassle with building out and training staff. Be part of this growing team of franchise owners, with 11 locations and growing.

As a franchisee owner-operator, you'll receive over 120 hours of classroom and on-site training as well as your own personal business development manager. Your development manager will provide support in ongoing operational strategies such as digital advertising, email marketing, and use of our corporate mobile app (to name only a few).

This thriving medical spa network seamlessly combines the serene ambiance of a traditional spa with advanced dermatological treatments. Founded in Texas in 2011, the brand was officially trademarked and transitioned into a franchise concept in 2015 to fuel expansion beyond Austin. It has since been acquired by its current owners to accelerate ongoing growth in the industry.

Since then, the practice built a reputable name in the medical spa industry by offering a blend of clinical precision and client-focused hospitality.

Their expansion into wellness and weight loss treatments signals a forward-thinking approach to holistic beauty, making it a compelling option for anyone considering a modern spa experience with medical-grade outcomes.

Location 1 has been established since 2015.

Location 2 was opened in 2022.

Products & Services:

The business generates revenue through a combination of membership-based sales, facial services, medical services, and medical products.

The membership model provides consistent income and client retention, while facial services form a core part of the spa's offerings.

Additionally, medical services such as injectables or advanced skincare treatments contribute significantly to overall sales, alongside the retail of medical-grade skincare products.

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Employee/personnel/payroll:

Location 1 has 11 employees, of which 9 are providers.

Location 2 has 7 employees of which 5 are providers.

Both locations are staffed with a team that includes physicians, nurse practitioners, aestheticians, and front desk personnel.

The owner does very limited provider work as the staff handles most of the patient work.

Ownership info

The business is co-owned and is structured as an LLC. Owner A has been involved for 9 years, works 40 hours per week as the manager, and receives a monthly salary of $7,500/month.
The owner does very limited provider work.

Owner B has been involved for 7 years and works 20 hours per week as co-manager. Owner B on payroll with a salary of $1,000/month.

Billing & Collections

These practices are paid on a cash basis. Insurance is not accepted.

The practice accepts payments via cash and credit/debit cards. There are no formal systems in place to manage healthcare receivables, payables, or financing, as these are not applicable. However, a payment plan is available to customers, subject to approval.

Annual Revenues and Profits:

See attached financial statements.

BUYER TO CONFIRM ALL NUMBERS AND ADVISED TO HIRE CPA TO REVIEW ALL FINANCIALS. INFORMATION TAKEN FROM SELLER PROVIDED TAX RETURNS AND DOCUMENTS.

Equipment

They are equipped with various devices and supplies, including HydraFacial, Sculpt Facial, Ultherapy, and SkinPen, and utilize the Zanotti EMR system. They also offer laboratory testing for weight loss at the facility.

Marketing:

The practice's marketing strategies include Google Ads, Yelp, and Facebook, with an annual advertising budget of $12,000

Franchise

As part of the franchise's operational framework, the practice is subject to a set of recurring fees that support both the brand's sustainability and growth.

Franchisees are required to pay a Royalty Fee of 6% of gross sales, which is paid monthly. This royalty contributes to ongoing support, brand development, and access to proprietary systems and resources provided by the franchisor.

In addition to the royalty fee, franchisees must also pay a Marketing Fee of 2% of gross sales, which helps fund regional and national marketing initiatives designed to increase brand awareness, drive customer engagement, and support overall business growth across all franchise locations.

Both fees are calculated based on the total monthly gross revenue and must be remitted according to the terms outlined in the franchise or licensing agreement.

Hours of operation

The practice operates Monday through Saturday from 9:30 AM to 8:00 PM, and on Sunday from 9:30 AM to 3:00 PM.

Real Estate

Location 1 has one year remaining on its lease at a monthly rate of $10,000 for a 2,400 sq. ft. space. The rent is renewable.

Location 2 has three years left on a similar lease with the same monthly rent and square footage. The rent is renewable.

Other Information

The retail products sold are outsourced, and the business takes pride in its staff's expertise, ongoing training, and excellent customer service. Operations are conducted in accordance with franchise guidelines and standards.

For more information, contact us at Info@pacificrb.com or call (949) 229-2464.

[redacted]

Income Statement

For the period January 1, 2024 to December 31, 2024

	January 1, 2024 to December 31, 2024
Revenues	
[redacted] Revenue	1,060,130.56
[redacted] Revenue	523,985.32
Sales Revenue	1,376.60
Sales Tax Remitted	-24,781.75
Total Revenues	**1,560,710.73**
Cost of Sales	
Cost of Goods Sold	162,281.94
Cost of Service	48,892.80
Total Cost of Sales	**211,174.74**
Gross Profit	**1,349,535.99**
Operating Expenses	
Bank & ATM Fee Expense	23.66
Bank Closing Fees	1,875.00
Business Meals Expense	4,888.10
Charitable Contributions	197.02
Company Events Expense	199.00
Computer Equipment Expense	0.00
Construction Expense	39,010.00
Employee Benefits Expense	-214.03
Equipment Expense	22,539.49
Facility & Utilities Expense	16,583.31
Furniture & Fixtures Expense	5,061.76
Gas & Auto Expense	5,662.67
Gifts Expense	470.89
Health and Wellness Expense	3,001.68
Independent Contractor Expense	19,731.30
Insurance Expense - Auto	8,220.00
Insurance Expense - Business	8,752.28
Interest Expense	41,535.51

Lease Payments - Ascentium Capital		5,706.76
Lease Payments - M2 Equipment Finance		14,708.56
License & Fee Expense		290.00
Marketing & Advertising Expense		14,760.43
Office Kitchen Expense		13,689.77
Office Supply Expense		21,062.36
Parking & Tolls Expense		1,700.00
Payroll Expense - Administration		9,102.00
Payroll Expense - Payroll Tax		53,912.60
Payroll Expense - Salary & Wage - [redacted]		440,111.51
Payroll Expense - Salary & Wage - [redacted]		208,182.34
Payroll Expense - Salary & Wage - Other	Owners salary $162000 + $18500 = $180,500	3,483.25
Phone & Internet Expense		10,746.70
Postage & Shipping Expense		90.89
Professional Service Expense		4,106.28
Recruiting & HR Expense		2,275.35
Rent or Lease Expense		233,813.33
Royalty Fees Expense		113,351.06
Software & Web Hosting Expense		2,278.88
Taxes Paid		548.46
Travel & Transportation Expense		661.22
Uniforms Expense		598.98
Total Operating Expenses		**1,332,718.37**
Total Expenses		**1,543,893.11**
Net Profit		**16,817.62**

Total with owner add back: $303,361

Form **1065**

Department of the Treasury
Internal Revenue Service

U.S. Return of Partnership Income

For calendar year 2023, or tax year beginning _____, 2023, ending _____, 20 ____.

Go to *www.irs.gov/Form1065* for instructions and the latest information.

OMB No. 1545-0123

2023

A Principal business activity: FACIAL PRODUCTS

B Principal product or service: FACIAL SERVICES

C Business code number: [redacted]

Type or Print

Name of partnership: [redacted]

Number, street, and room or suite no. If a P.O. box, see instructions.: [redacted]

City or town, state or province, country, and ZIP or foreign postal code: CYPRESS, TX 77433

D Employer identification number: [redacted]

E Date business started: [redacted]

F Total assets (see instructions): $ 83,178

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return

H Check accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify): _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year: 2

J Check if Schedules C and M-3 are attached . . . . . ☐

K Check if partnership: (1) ☐ Aggregrated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 23 below. See the instructions for more information.

Income	1a	Gross receipts or sales 1,497,501 b Less returns and allowances 135,318 c Balance		1c	1,362,183
	2	Cost of goods sold (attach Form 1125-A)		2	
	3	Gross profit. Subtract line 2 from line 1c		3	1,362,183
	4	Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)		4	
	5	Net farm profit (loss) (attach Schedule F (Form 1040))		5	
	6	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)		6	
	7	Other income (loss) (attach statement)		7	
	8	**Total income (loss).** Combine lines 3 through 7		8	1,362,183
Deductions (see instructions for limitations)	9	Salaries and wages (other than to partners) (less employment credits)		9	549,801
	10	Guaranteed payments to partners — $170k/yr owner		10	
	11	Repairs and maintenance		11	
	12	Bad debts		12	
	13	Rent		13	224,364
	14	Taxes and licenses — Wks Tax/Lic		14	51,278
	15	Interest (see instructions)		15	30,767
	16a	Depreciation (if required, attach Form 4562) 16a 2,300			
	b	Less depreciation reported on Form 1125-A and elsewhere on return 16b		16c	2,300
	17	Depletion (**Do not deduct oil and gas depletion.**)		17	
	18	Retirement plans, etc.		18	
	19	Employee benefit programs		19	
	20	Energy efficient commercial buildings deduction (attach Form 7205)		20	
	21	Other deductions (attach statement) — Statement #4		21	519,047
	22	**Total deductions.** Add the amounts shown in the far right column for lines 9 through 21		22	1,377,557
	23	**Ordinary business income (loss).** Subtract line 22 from line 8		23	(15,374)
Tax and Payment	24	Interest due under the look-back method - completed long-term contracts (attach Form 8697)		24	
	25	Interest due under the look-back method - income forecast method (attach Form 8866)		25	Total with add backs
	26	BBA AAR imputed underpayment (see instructions)		26	$187,693
	27	Other taxes (see instructions)		27	
	28	**Total balance due.** Add lines 24 through 27		28	
	29	Elective payment election amount from Form 3800		29	
	30	Payment (see instructions)		30	
	31	**Amount owed.** If the sum of line 29 and line 30 is smaller than line 28, enter amount owed		31	
	32	**Overpayment.** If the sum of line 29 and line 30 is larger than line 28, enter overpayment		32	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.

[redacted]
Signature of partner or limited liability company member — Date

May the IRS discuss this return with the preparer shown below? See instructions. ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
[redacted]	[redacted]	12-10-2024		[redacted]

Firm's name [redacted] — Firm's EIN [redacted]

Firm's address [redacted] Houston, TX 77092 — Phone no. [redacted]

For Paperwork Reduction Act Notice, see separate instructions.

EEA

Form **1065** (2023)

Federal Supporting Statements	2023 PG01
Name(s) as shown on return	Tax ID Number
[redacted]	[redacted]

Form 1065 - Line 21 - Other Deductions

Statement #4

Description	Amount
Automobile and truck expense	4,261
Bank Charges	1,937
Education and training	25
Gifts	260
Independent Contractor	18,110
Insurance	6,223
Insurance - Liability	5,544
Legal and professional	5,237
Marketing	21,086
Meetings	2,751
Office expense	17,894
Parking fees and tolls	1,700
Postage/Shipping	539
Recruiting	1,420
Supplies	19,945
Travel	628
Uniforms	235
WEB HOSTING EXPENSES	4,068
TELEPHONE AND INTERNET	11,773
ROYALTY FEES PAID	106,959
PURCHASES	185,297
LINENS EXPENSE	57
LICENSE AND FEES EXPENSE	121
HEALTH AND WELLNESS EXPENSE	2,893
FACILITY AND UTILITY EXPENSE	25,382
EQUIPMENT SERVICE COSTS	43,400
COST OF SERVICE	31,302
Total	519,047