

FOR SALE: Children Focused Salon in Omaha

Exciting atmosphere with entertaining distractions for kids and services for parents too!

Financial Overview

List Price: \$190,000

Gross Sales
2016: \$340,088

Owner Profit/Cash Flow
2016: \$94,807

Multiple: 2.5

Profit Margin: 27%

Valuation: 2016 Cash Flow x Multiple = Price
 $\$94,807 \times 2.5 = \$237,017$

Price reduced to suit sellers' need to move out of state

Assets Included in Purchase: \$46,000

Equipment: 6 Hydraulic Chairs, 6 hydraulic car chairs, massage table, dual warmer wax machine, 15 TV's, stereo system, 8 DVD players, 7 gaming systems (XBOX, Wii, PS3), movies and video games, 3 tables, microwave, refrigerator, stacked washer and dryer, computer with Salon Iris

Intangible Assets: attractive, fun environment; positive social media reviews; unique product

**amounts may vary*

Business Information

Year Established: 2007

Location: Omaha, Nebraska

Demographics: average income nearby is \$98,383 with 86,713 households; daily car count average is 58,570

Number of Clients: 16 customers/hour with staff of 4; range of 200 to 350 customers/week

Lease: 2,000 sq. ft. for \$3,360/month

Reason for Selling: Family health concerns

Services: cuts, colors, waxes, party packages

Employees: 1 Full-time, 8 Part-time; Stylists are responsible for opening and closing and provide services such as cut, color etc. Receptionists check customers in and help with maintaining a clean area

Hours: Mon through Fri 10am – 7pm, Sat 9am – 5pm

Seller Training Period: 90 days

Growth Opportunities: Expand party room options, open more salons – business is unique and has growth potential with expansion

Current Owner's Responsibilities: Staffing and maintaining salon, ordering products and supplies

Funding Example

Purchase Price: \$190,000

10% **Buyer Down Payment:** \$19,000

15% **Seller Financing:** \$28,500

75% **Bank Loan:** \$142,500

After paying all debts, a buyer can expect a first year's profit of \$64,061. This represents a three-fold return.

Description

An exciting atmosphere with entertaining distractions for kids and services for parents too, make this Omaha salon a unique experience. Focused on making haircuts easier on kids and parents, the salon is bright and inviting, with lots of electronic entertainment and kid-friendly chairs. Opened in 2007, over 16 customers/hour and 200-350 customers/week are treated to fun and style by the 8 stylists.

While children are treated to haircuts and games, parents may also receive manicures/pedicures, waxing and color. Each kid station is outfitted with a car-shaped chair and a TV with DVD and gaming capabilities. There is also a fun waiting area with baseball-shaped chairs and a large TV. Girls are invited to check out the many costumes on display, and can choose from Nebraska's largest bow selection.

Many customers have voiced their desire for a location closer to them. The seller has seen interest from people coming from Lincoln, Council Bluffs, and Papillion. With the current customer base in Omaha, the owner has profited over 19% each of the last two years.

At the proposed purchase price, a buyer can expect a first year's profit of \$64,061 after all debts paid. This represents a three-fold return on 10% down.

Next Steps

For a detailed financial package, please contact Cortney Sells or one of The Firm Business Brokerage's professionals at 402.998.5288 or email Confidential@TheFirmB2B.com.

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Last Revised 9/27/17 by MT