# *Acquisition Opportunity*

## DLHH – **Home Healthcare Agency**

Corporation Type: LLC, S-Corp. Location: DFW, Texas SIC Code: 8082

T|V|G THE VANT GROUP

Well-Established Home Healthcare Agency offering a full-suite of skilled in-home healthcare services. These services include skilled nursing care, physical therapy, occupational therapy, speech therapy, medical social work, and home health aide services. They are approved providers through Medicare/Medicaid and in-network with most major insurance providers. They're highly rated among review agencies and they're in good-standing with Medicare. The seller acts as the administrator and handles the day-to-day activity of the business.

**ASKING**

**$1,000,000**

**Terms**

- With a down payment of $100,000(10%), third party financing is available to finance the remaining balance over 10 years for a buyer with a requisite background that is qualified by the bank. It will require a monthly payment of approximately $10,900. All notes will be personally guaranteed.

**Top Details**

- Established and well-respected company after 16 years in the industry.
- Medicare/Medicaid approved (in good standing), In-Network with major insurance payers.
- Most Insurance panels not accepting new providers for home healthcare.
- Medicare/Medicaid is highly scrutinous and selective of new providers
- Has several established hospital referral sources.
- Licensed in 40 counties in Texas, though currently only operating in 4.
- Has a 4 out of 5 Star rating by CMS Home Health Compare.
- Had a recent 36 month survey in August 2018 and Agency is in excellent standing/compliance.
- Demand for in-home healthcare is rapidly growing with aging demographics nationally, and patients' desires to control cost and quality of life by staying in their homes.
- Recognized by Decision Health as a Top Agency in the Nation

**Strengths**

- Established – 16 years in business, with 1 owner. Consistent with more than $1,000/000 for each of the past 3 years.
- Barriers to entry - Medicare/Medicaid/Insurance panels not accepting new providers.
- Reputable – 4 Star out of 5 Rating by CMS, in Great Standing with Medicare Compliance
- Strong Referral Sources.

**Weaknesses**

- Owner and spouse are actively involved in the business.
- Limited digital footprint – New website currently in development.

**Marketing Strategy**

- There has been both an outside and inside sales force. Most of their business development comes from referral sources (hospitals, physicians). The sales process is mostly driven by establishing great relationships with the referral sources.

**Reason for selling:**

- The owner would like to sell to explore other opportunities and focus more of her time and attention on growing another business venture that she owns.

## Key Indicators (Cash Basis):

| **Year** (Financial Year End: 12/31) | **2019** (01/01-04/30/2019) Annualized $'000 | **2018** $'000 | **2017** $'000 | **2016** $'000 |
|---|---|---|---|---|
| **Revenue** | 1,008 | 1,017 | 1,076 | 893 |
| **Adj. EBITDA*** | 323 | 295 | 317 | 352 |

*Profit before interest, tax, depreciation, amortization (non-cash items) including owner salary, one-time and discretionary expenses.

**Included in offering:**

- Working Capital: negotiable
- Assets: $10,000
- All debts, if any, on the company will be paid off by the seller at closing.

**Business Days and Hours**

- Monday - Friday: 9:00am to 5:30pm.
- Saturday - Sunday: Closed/On-Call.
- On-Call 24/7

**Employees:**

- The Company has a total of 5 full time employees, and 17-25 part time employees. The key employees are the Administrator, Administrative Assistant, Director of Nursing, Billing Coordinator, and a Clinical Quality Assurance Nurse.

**Support and Training**

- The Owner genuinely desires an effective business transition with seamless customer service through to the buyer. They will train a buyer for 30 days. An additional consulting contract can be obtained.

**Next Steps**

- In order that we may obtain our client's permission to release the Confidential Information Memorandum, please complete the Non-Disclosure Agreement and Buyer Profile and return to:

**David Lockey**, Managing Director
DavidL@thevantgroup.com
(972) 458-8989 ext. 202

# CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

## Home Health Agency
## Sale Price & Down Payment: $1,000,000

1. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned ("The Recipient") enters into this Confidentiality Agreement with and for the benefit of The Vant Group ("the Broker").

2. The Broker has attached hereto or has provided or may subsequently provide to the Recipient in connection herewith certain technical, financial, and/or business information (collectively the "Information") regarding the Company (as above designated) to facilitate an evaluation by the Recipient whether to acquire the Company or stock or assets thereof. The Recipient acknowledges that the Information is highly confidential and proprietary to the Company.

3. The Recipient shall not at any time, without prior written consent of the Company, furnish, copy, reproduce or distribute, in whole or in part, directly or indirectly, the Information to anyone, except Recipient's financial advisors and investors, who may be furnished with the Information for the sole purpose of advising the Recipient as to the structure of any proposed purchase of the Company (or its stock or assets), and it will keep permanently confidential the Information and will use the Information only for the purpose set forth above. The Recipient shall be under no obligation to maintain as confidential any information which (a) Recipient can show by legally sufficient written evidence was in its possession prior to disclosure by the Broker and/or the Company; or (b) becomes generally available to the public in tangible form other than by acts or omissions of Recipient; or (c) is lawfully obtained from a third party. The Recipient shall not contact the Company to discuss the sale or purchase of the Company or the Information without prior written consent of the Broker.

4. The Recipient hereby indemnifies and holds harmless the Broker, and its agents, representatives, employees and attorneys, from and against any and all claims, liabilities, actions, causes of action and damages, arising from or relating to any injury or loss arising out of, from, or attributed to the transactions or matters subject hereof, or the actions, omissions, wrongful conduct or other breach of this Confidentiality Agreement by Recipient, which indemnification shall include, without limitation, reimbursement of attorney's fees and expenses incurred by the Broker in connection herewith.

5. The Recipient shall not enter into any agreement for the purchase of the Company or its stock or assets unless said agreement contains a provision wherein the parties thereto acknowledge that the Broker is the procuring cause of such agreement and the Broker is entitled to a broker's commission as agreed upon by the Company and the Broker.

6. While the Information is believed to be accurate, it is subject to change, error or withdrawal of offering, without notice. The Company and the Broker expressly disclaim any and all liability for representations or warranties, expressed or implied, contained in the Information, or, for omissions from it. The Company reserves the right to require the return of the Information at any time.

7. A facsimile transmission of this document is legal and binding.

8. The Recipient warrants that the undersigned is a duly authorized by the company to enter into binding legal contracts on its behalf.

9. This Agreement contains the entire agreement between the parties hereto with regard to the subject matter hereof. If one or more of the provisions contained herein shall be held to be invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect. This Agreement shall be binding upon the parties' heirs, successors and assigns, where permitted. This Agreement may not be assigned by the Recipient without the prior written consent of the Broker. No ambiguity herein shall be resolved presumptively against any party. This Agreement shall be construed in accordance with the laws of the State of Texas, and the obligations of the parties are performable in Dallas, County, State of Texas, where venue shall lie for any actions brought hereunder.

**RECIPIENT:**

| | |
|---|---|
| _____ | _____ |
| Company Name | Street |
| _____ | _____ |
| Signature | City State Zip |
| _____ | _____ |
| Print Name | Phone |
| Date:_____ | _____ |
| | Fax |