

# Acquisition Opportunity

## DLPS – Luxury Pet Grooming and Boarding

Corporation Type: Subchapter S-Corp. Location: DFW, Texas SIC Code: 0752

Top Notch Pet Spa & Resort in DFW Metroplex. Located in an affluent area with lots of growth potential. Full-service dog and cat grooming, boarding, and doggie day care at gorgeous facilities with some of the finest amenities available for pets. Highly talented and experienced team of groomers. Facilities include indoor pet rooms with outside patios, six play parks, built-in dog pool, TV's in every room. Every amenity a dog will love. Ample management team capable of managing most of operations. Current owners are looking to retire.

**ASKING**  
**\$2,495,000\*\***

\*\*Price includes Real Estate, estimated to be valued at \$1,750,000.

### Terms

- With a down payment of \$500,000 (20%), third party financing is available to finance the remaining balance over 25 years for a buyer with a requisite background that is qualified by the bank. It will require a monthly payment of approximately \$11,250. All notes will be personally guaranteed.

### Top Details

- Established and well-known company after 13 years in the industry.
- Beautiful facilities with tons of amenities that appeal to the high-end clientele. There's been a great deal of attention to detail with the aesthetics of the site.
- Located in an area where median home prices exceed \$500,000. The area is also experiencing high growth rates, with thousands of new residents every year.
- Good proximity to major highways and to DFW Airport.
- Opportunity to grow capacity of boarding facilities with minor investment of new kennels. The property is under-utilized and has plenty of space for additional kennel spaces.
- Grooming staff is highly experienced and skilled. They're paid on a commission structure, so their cost are directly tied/variable to the revenue they produce.
- 2 Partners own the business – 1 has very little involvement, the other serves as GM, though has management in place for each job function.
- Demand for Luxury Pet Services are on the rise, as reported by American Pet Products Association.

### Real Estate

Price includes Real Estate, which is estimated to be valued at \$1,750,000.

### Strengths

- Location – located in a growing area, with affluent demographics and rapid population growth.
- Strong reputation with lots of loyal repeat clients.
- Diverse revenue model with grooming, boarding, day care and retail.
- Strong Demand for their services, serving the high-end, luxury pet services market.
- Top-level facilities, with an emphasis on aesthetics resonates well with their market.

### Weaknesses

- Under utilization of property With a minor investment, could substantially increase the capacity and revenue opportunity of the facilities.
- Growth can be capped by capacity, especially with boarding.

### Marketing Strategy

- Company has not had to do much marketing, mostly word of mouth and reputation have driven sales. Company has a solid digital footprint, and is well-known amongst animal lovers in their area.

### Reason for selling:

- The owner and the co-founder are looking to retire, as well as focusing on some other investment opportunities.

## Key Indicators (Cash Basis):

Year (Financial Year End: 12/31)	2019 Annualized \$'000	2018 \$'000	2017 \$'000	2016 \$'000
Revenue	1,053	1,119	1,042	1,031
Adj. EBITDA*	359	358	253	293

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

### Included in offering:

- Working Capital: Negotiable.
- Assets: \$25,000.
- All debts, if any, on the company will be paid off by the seller at closing.

### Business Days and Hours

- Monday - Saturday: 7:00am to 6:00pm.
- Sunday: 11:00am to 1:00pm.

### Employees:

- The Company has a total of 19 full time employees. The key employees are a Grooming Manager, Front Office Manager, and Pet Activity Supervisor.

### 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](mailto:DavidL@thevantgroup.com)

(972) 458-8989 ext. 202



# CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

## Luxury Pet Grooming and Boarding Sale Price & Down Payment: \$2,495,000

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