T | V | G THE VANT GROUP

# Acquisition Opportunity

## MHJR – **Online-Focused Apparel & Home Goods Retailer**

## ASKING: $2,250,000

### Business Activity

The Company is a well-established multi-channel women's apparel and accessories business with gifts and home décor offerings, operating through a highly engaged social-media-driven sales model and a 3,626-square-foot DFW retail location. Products are promoted through scheduled releases twice weekly, allowing customers to pre-purchase online, select in-store pickup, or receive nationwide shipping. Many pickup customers make additional in-store purchases, while the company ships approximately 70–100 packages daily.

The active owner oversees merchandise selection, employee scheduling, and overall operations. She is supported by two full-time and approximately 8–12 part-time employees who handle much of the company's customer service, fulfillment, and daily showroom activity.

### Deal Summary

| | | | |
|---|---|---|---|
| **(TTM) Revenue:** | $2,163,000 | **TTM SDE:** | $708,000 |
| **FF&E*:** | $25,000 | **Corporation Type:** | Partnership |
| **Inventory*:** | $225,000 | **Location:** | DFW |
| **Total Assets*:** | $250,000 | **Year Established:** | 2006 |
| **NAICS or SIC Code:** | 458110 | **Accounting Method:** | Cash |
| * Included in Asking Price, subject to adjustment based on the timing of the sale. | | **Financial Year End:** | December |

### Terms

With a down payment of $234,000 (~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 $27,000. All notes will be personally guaranteed.

### Special Notes

- **Accounting Method:** Although the tax returns identify the accounting method as accrual, management reports that the business maintains cash-basis internal records. Customer payments are generally collected at or before the point of sale, merchandise purchases are expensed when paid, and the company reports no meaningful trade accounts receivable or accounts payable.
- **Gift Cards:** The company reports an outstanding gift-card liability of approximately $63,400 as of June 30, 2026.
- **Retirement Plan Addback:** The company's reported retirement-plan expense could not be fully reconciled to the retirement expense reported on the applicable tax returns for all periods. However, reports prepared by NOVA 401(k) Associates, the company's third-party retirement plan administrator, indicate that approximately 93%–95% of employer contributions were allocated to the two owners, supporting treatment of the owner-attributable portion as a discretionary addback.
- **Inventory Shrinkage Reconciliation:** The company's Inventory Shrinkage account is used primarily as a recurring inventory reconciliation adjustment rather than solely to record physical loss, theft, damage, or obsolete merchandise. Management reports that the company's CPA periodically

compares the inventory balance reflected in the Square point-of-sale system with the amount recorded in QuickBooks and records the difference through Inventory Shrinkage to align the two systems. Based on the periods reviewed, these recurring true-up adjustments appear to represent normal timing and reconciliation differences between the two systems rather than material physical inventory losses. When considered over time, TVG does not believe these adjustments materially distort the company's reported financial performance.

- **Best-Fit Buyer Profile:** An active buyer with experience in retail merchandising, apparel, e-commerce, social-media marketing, or consumer products who is prepared to lead the company's merchandise purchasing and growth initiatives.

## Top Things to Know About This Business

- **Business Model:** Women's apparel, accessories, gifts, and home décor are sold through a social-media-driven online sales platform and a retail store.
- **Established Brand:** Founder-owned business with approximately two decades of operating history and an established reputation within its market.
- **Customer Base:** Management reports an online following of approximately 27,000 and more than 5,000 active customers.
- **Consistent Profitability:** The company has maintained strong adjusted SDE margins, ranging from approximately 27.7% at the low end to 33.7% at the high end over the periods presented.
- **Inventory Management:** Limited obsolete inventory and customer-demand-based purchasing help control inventory exposure. Management estimates that less than 1% of inventory is dead or obsolete.
- **Experienced Workforce:** The company has two full-time and approximately 8–12 part-time employees. Management reports low turnover, and all but one employee has more than two years of tenure.
- **Nationwide Reach:** Approximately 75% of sales are generated in Texas; however, the company ships nationwide and extends its reach through social media.
- **eCommerce Implementation & Digital Growth:** A new owner has the opportunity to build a more comprehensive eCommerce platform beyond the Company's established Facebook sales channel. Opportunities include Shopify, email and text marketing, customer loyalty programs, TikTok Shop, Instagram Shop, marketing automation, remarketing, and targeted digital advertising, creating additional ways to reach existing customers and attract new ones.
- **Supplier-Term Opportunity:** Merchandise purchases are generally paid for immediately. A new owner may be able to improve the company's cash-conversion cycle by negotiating vendor credit, payment terms, quantity discounts, or other favorable purchasing arrangements.
- **Transition Support:** The active owner is willing to provide up to 30 days of post-closing transition support to assist with operations, purchasing, merchandise selection, and customer continuity. Following the initial transition period, she is also willing to attend future merchandise markets with the buyer on mutually agreed terms to provide additional purchasing and product-selection support.

## Strengths and Weaknesses

| Key Strengths | Possible Weaknesses / Opportunities |
|---|---|
| Efficient presale and inventory-management model | Revenue pressure resulting from Facebook algorithm changes and limited marketing-channel diversification |
| Strong cash flow and improving gross margins | Underdeveloped e-commerce, CRM, loyalty, email, text, and social-shopping capabilities |
| Established brand and loyal customer base | Immediate supplier payments create an opportunity to negotiate vendor credit and payment terms |
| Established showroom with nationwide shipping capabilities | Lease assignment and continuation of renewal rights require landlord coordination |

## History

The company began operations in 2005 and was formally established in 2006 by the current owners. The business originally operated as a children's boutique and coffee shop before relocating following an owner's job transfer.

## Business Days and Hours

| | |
|---|---|
| **Monday – Friday:** | 10:00AM to 6:00 PM |
| **Saturday:** | 10:00AM to 6:00 PM |
| **Sunday:** | Closed |

## Marketing Strategy

The company does not use an outside sales force. Its primary marketing channel is social media, particularly a member only Facebook group, where merchandise is released on a scheduled basis twice weekly and customers frequently pre-purchase products online. Customers may select in-store pickup, which often generates additional showroom purchases, or nationwide shipping.

The company has increased boosted-post advertising in response to reduced organic Facebook visibility but has made limited use of Shopify, TikTok, Instagram shopping, email marketing, text messaging, customer loyalty programs, remarketing, and marketing automation. These channels represent meaningful growth opportunities for a new owner.

## Financial Summary

| **Year** (Financial Year End: 12/31) | **TTM** Internal P&L | **2025** Internal P&L | **2024** Tax Return | **2023** Tax Return |
|---|---|---|---|---|
| **Revenue:** | $2,159,000 | $2,171,000 | $2,443,000 | $2,677,000 |
| **Gross Profit:** | $1,337,000 | $1,254,000 | $1,375,000 | $1,378,000 |
| **SDE*:** | $708,000 | $631,000 | $750,000 | $741,000 |
| **SDE Margin** | 32.8% | 29.1% | 30.7% | 27.7% |

**Profit before interest, tax, depreciation, amortization (non-cash items) including owner salary, one-time and discretionary expenses. All adjustments were provided by seller*

## Employees

The company has two full-time and approximately 8–12 part-time employees. Management reports low turnover, satisfactory employee morale, and all but one employee with more than two years of tenure.

## Assets and Liabilities

The transaction is expected to include approximately $25,000 of furniture, fixtures, and equipment. The seller will retain excess cash and settle company debt and seller-specific liabilities at closing. The company reports no meaningful trade accounts receivable or accounts payable. An outstanding gift-card liability of approximately ~$63,000 will be addressed in the definitive transaction documents.

## Facilities

The business occupies a 3,626 sq ft building in a high-traffic retail area adjacent to a major national retailer and pays approximately $11,500 per month. The current lease expires in January of 2028 and includes two consecutive three-year renewal options.

## Support and Training

The Owner genuinely desires an effective business transition with seamless customer service through to the buyer. The active owner is willing to provide up to 30 days of post-closing training and transition support. Following the initial transition period, she is also willing to attend future merchandise markets with the buyer on mutually agreed terms.

## Reason for Selling

The owners are preparing for retirement after approximately two decades of building and operating the company. The active owner has maintained the business at a level that meets the owners' objectives and has not aggressively pursued growth opportunities.

## Next Steps

In order for us to release the Confidential Information Memorandum, complete the Non-Disclosure Agreement and Buyer Profile and return to:

**Michael Horn**, Managing Director

**michael@thevantgroup.com**

**254 – 368 – 9954** (Text Message preferred)

# CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

## Description of Business: Online-Focused Apparel & Home Goods Retailer
## Asking Price: $2,250,000

1. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned ("The Recipient") enters into this Confidentiality Agreement with The Vant Group, Inc., a Texas corporation ("the Broker") and for the benefit of the Broker's client (the "Company") that shall be identified by the information disclosed under this Confidentiality Agreement.

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, investors, tax advisors and attorneys, 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. If Buyer decides not to pursue the possible purchase of the Business or Seller decides not to pursue the sale of the Business, Buyer will promptly destroy, delete and return to Broker all Information previously furnished by Broker or Seller, including any and all reproductions of same, and further, shall destroy any and all analyses, compilations or other material that incorporates any part of said Information.

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

10. 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:**

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|---|---|
| Company Name | Street City State Zip |
| Print Name | Email Address |
| Signature | Phone |
| Date | Fax |