

Denver Health & Spa

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Strategy:	Seeks Acquisition	Average Gross Yearly Revenue:	\$833,000
Business Location:	Denver, Colorado	Average Monthly Revenue / Expenses:	\$70,000 / \$43,000
Website:	DenverHealthAndSpa.com	Asking Price:	\$799,000

Summary

Unique opportunity to own an extremely profitable, high-end, membership-based, *all-cash* wellness and medical aesthetics spa in the thriving city of Denver, Colorado. This stunning, 2800sf spa is located in a trendy, walkable neighborhood just a few minutes outside of downtown Denver. With an affluent and health-conscious population, and its stellar reputation and memberships, a new owner can expect this business to yield substantial results from Day One.

There is also an optional real estate opportunity: an interested buyer could also purchase the amazing building (see “Option to Purchase the Building” section below).

Imagine making over \$150k in passive income as an absentee business owner or \$200k - \$500k+ as an owner and provider of services. No additional marketing necessary: the reputation of this business, along with its top Google Ranking and #1 status on all major review platforms for the area means you will continue to keep the providers’ schedules full. Add more providers to meet demand, increase wellness and spa service offerings, and/or grow the membership programs, and you will be able to add more revenue and success to an already lucrative business.

Whether you are an experienced provider or a savvy absentee business owner looking for your next profitable investment, this wellness spa offers you a chance to hit the ground running. Step into this once-in-a-lifetime, turnkey opportunity in one of America’s most desirable cities and enjoy the business of your dreams.

Call or email us with your questions or to set up an initial discussion. Note: for the purpose of discretion, an alias business name and website are being used for this public-facing listing. The actual business name and website will be shared with interested parties who sign an NDA.

The Setting

A beautiful, bustling metropolis set against the backdrop of the Rocky Mountains, Denver is widely recognized for its exceptional balance of a thriving economy, healthy lifestyle, and urban as well as natural amenities. Denver is strengthening its reputation as one of America’s most

livable cities and, as of 2020, has a population of over 2.8 million. The city offers a strong housing market, enviable lifestyle options, one of the fastest-growing economies in the country, and award-winning multimodal transportation that attracts employers and employees to the city.

Today, Denver is the nation’s 19th largest city, and the most populous one within a 500-mile radius. Denver continues to be one of the most popular relocation destinations in the U.S. Its diversity of culture and entertainment makes it an attractive option for people who want the amenities of a large city without the drawbacks. Denver’s draw is wide-reaching: most of Denver’s new residents come from Chicago, Los Angeles, and New York.

The wellness spa is located just a few minutes outside of Downtown Denver in an upscale and walkable neighborhood, surrounded by restaurants, coffee shops, retail stores, medical offices, and more. Housed in a beautiful renovated space, clients are wowed the moment they enter the building. The spa offers six treatment rooms, a waiting lounge, reception area, full kitchen and full basement with ample storage and washer/dryer.

The building, while maintaining a peaceful and serene environment, is located on a main avenue that has ample free street parking and very high street visibility.

Note: interested buyers would also have the option of purchasing the building, which is zoned for both residential and commercial use. See “Option to Purchase the Building” section below.

Client Demographics

The wellness spa is one of the only businesses in the area to offer a combination of health, wellness, and spa services. In addition to its health and wellness offerings, it provides medical aesthetic and skin care services ranging from organic facials and products to injectable services. The vast majority of clients seek multiple services within the spa and/or subscribe to one of the membership programs.

Most clients are affluent professionals and live within 20 miles of the spa. The majority are professional women between the ages of 25 to 60. The spa usually sees between

750-1000 client visits per month and has a staff of 12 employees (including one manager and one part-time receptionist).

The spa does not do much marketing. Given the business's long history and excellent reputation in the community, nearly all new clients are referred through word-of-mouth and its excellent online presence/reviews. The current owner is happy to provide past calendars to show year-over-year growth of the business since its inception.

The business was closed for two and half months between March and May of 2020 due to COVID. Despite the closure, the spa enjoyed a profitable year. The owner conservatively projects gross income to be between \$900,000 and \$975,000 for 2021.

Income and Expenses

The following income and expense summaries are derived from averages from 2019 to present (excluding COVID closure). Note that the current owner works a maximum of 16 hours per week and takes off up to 12 weeks off per year.

Income

Average gross yearly revenue: \$833,000

Expenses

Average adjusted monthly expenses: \$43,000

Net Profit:

Average Adjusted Net Profit \$274,000

Pricing and Terms

\$799,000 OBO.

The price is based on the wellness spa's history and reputation in Denver, along with a conservative professional valuation and an impressive upward trend in growth year-over-year. In addition to several hundred five-star reviews across multiple sites, this spa consistently ranks at the top of search engines for both wellness and spa services in Denver. The price includes all FF&E as well as all professional cosmetic equipment, retail inventory, an herbal and supplement pharmacy, and multiple professional skin care back bars from three different lines.

The purchase of the business will be structured as an asset purchase agreement and will be drawn up by attorneys at the discretion and by agreement of both parties.

Approval of the buyer is subject to a credit check, and loans from medical practice brokers, banks, or the Small Business Administration (SBA) may be available to finance the transaction depending on the buyer's creditworthiness. The seller may also be willing to finance part of the loan for the right buyer.

The current owner will also transfer to the new owner all clinic-related intellectual property, including the clinic phone number, valuable website and Facebook page, claimed Yelp page, scheduling and EMR system, email marketing application, and clinic-related financials. (Note that monthly or yearly fees for current electronic applications will be the responsibility of the new owner after the sale.)

The current owner would be willing to stay on for a limited time to train a new owner in their techniques and to assist in the transition, if so desired by the new owner, at no additional cost.

Option to Purchase the Building

A buyer may also be interested in purchasing the building along with the spa. The building is zoned for both residential and commercial use. Further information, photos and virtual tour of the beautiful, fully renovated 2800 square-foot space are available upon request. For more information on the building, contact jessica@denverhealthandspa.com.

If the buyer does not want to purchase the building as part of the sale, the current owner will act as landlord and is willing to establish favorable lease terms.

Opportunities for Growth

While the current business nets a very profitable return, a motivated buyer could significantly increase their income upon acquisition through a number of simple changes.

- *Expand appointment availability.* The current owner only works 16 hours per week and takes up to twelve weeks off per year. An owner who also provides services (medical, wellness, and/or spa services) and works more hours could boost revenue further.
- *Add Other Spa Services.* The spa does not currently offer laser treatments or permanent makeup services. Adding these high-demand services would substantially increase revenue.
- *Add Other Wellness Services.* Currently the spa does not offer any Western Medicine, Functional Medicine, or Chiropractic Services, but there is a large demand in this area. For example, a

Chiropractor who previously rented one room in the building grossed over \$100k/year. Adding these services would increase revenue substantially.

- *Bring on additional practitioners.* The spa is open seven days per week but does not have providers working in all rooms during all open hours. Adding more providers to meet high demand in the area would substantially increase revenue.
- *Expand Cosmetic Injectables.* The spa currently offers cosmetic injectables only a few hours per week. Increasing the times offered for these services, and hiring an additional nurse injector, would increase revenue.
- *Increase marketing.* The spa does very little marketing outside of its web presence, word-of-mouth referrals, and current client emails. Doing any kind of additional marketing would help reactivate previous clients and bring in new clients..
- *Grow membership programs.* Increasing monthly program memberships would boost residual income as well as guarantee a minimum monthly revenue stream.
- *Sell more retail.* The spa has ample space for more retail offerings (including skin and body care, supplements, and other wellness & spa products). Offering clients more products to purchase offers another opportunity for increased revenue.

This is an incredible opportunity to step into a thriving, highly lucrative spa business capable of providing substantial passive and active income. Call (303) 736-9622 or email jessica@denverhealthandspa.com with questions or to set up an initial call.