

**Opportunity:****Wellness Business**

Location:

Pacific Northwest

Business Offered At: \$700,000

Sale Type: Equity Sale

Real Estate Offered At: \$1,200,000

**Offered By:****AAI Real Estate**

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Yakima, WA 98908

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# Wellness Business

Pacific Northwest

Confidential

Offering Memorandum

Wellness Business

The information contained in the following Confidential Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from AAI Real Estate and should not be made available to any other person or entity without consent of AAI Real Estate. The purpose of this Confidential Memorandum is to acquaint a prospective buyer with preliminary information regarding a client of AAI Real Estate or one of AAI Real Estate's cooperative brokers. AAI Real Estate, its employees, agents, brokers, financial recasting consultants, and affiliate brokers have made no investigation or verification of the information contained herein and any representation to the contrary is not authorized.


The Client Company has elected not to audit financial statements, appraisals of tangible assets or real property. In addition, management has elected to omit substantially all of the informative disclosures ordinarily included in financial statements prepared on an income tax basis of accounting, market value presentation and valuation reports. If the omitted disclosures were included, they might influence the user's conclusions about the company's financial condition. Accordingly, the documents contained in this Confidential Memorandum are not designed for those who are not informed about such matters.

Any and all financial records, equipment list, and operating reports received from management and included in this package are assumed to be accurate. While reasonable tests are applied and unusual results queried, the prospective purchaser should verify accuracy of these numbers. Unless stated otherwise, the financial summaries prepared by AAI Real Estate reflect only regrouping of those prepared by management. By accepting this Confidential Memorandum, the recipient acknowledges the responsibility to perform a due diligence review and make its own evaluation and judgment prior to any acquisitions of or mergers with the Client Company.

Unless stated otherwise, the underlying assets have not been appraised. The cost data provided in the financial statements, before depreciation is deducted, may be used as an approximate replacement cost but should be reviewed in due diligence process. If a value is included on the asset list, that value is the presumed fair market value of an equivalent asset. Additionally, the list was prepared at a specific point in time. The ordinary course of business will cause items to be added and disposed of, so any enclosed list of assets should be viewed as an approximation of the total assets of the business.

Inventory is assumed to be at cost. Management's estimate of value is accepted unless reasons exist to use another value, which will be noted. Real estate values, building leases, rental agreements, equipment leases and other commitments of the company are management's estimate and are assumed to be at market rates unless otherwise noted.

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## Confidential Offering Memorandum

Exclusively Offered By: **AAI Real Estate**

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The Company consists of two distinct but interrelated privately owned entities operating in the health, recovery, and preventative wellness industry in the Pacific Northwest. One entity manages the day-to-day operations of a full-service wellness and recovery center brand. The second entity serves as the real estate holding company for the associated property. Both entities are being offered for sale together, providing a buyer with a complete package that includes active operations and real estate assets.

The businesses deliver preventative health and recovery solutions designed to help clients recover faster, reduce stress, manage pain, improve sleep, enhance athletic performance, and build long-term resilience. Services are provided in clean, professional, spa-like environments with an uplifting, community-oriented atmosphere. The client base includes athletes and active individuals, busy professionals, those managing chronic pain or stress, health-conscious consumers, and others seeking ongoing wellness support.


The businesses maintain all required licensing necessary to operate their services.


The wellness center operates two strategically located facilities that serve complementary client needs and reinforce the brand's comprehensive, integrated approach:

- **Primary Operational Location:** This is the main hub fully managed by the operating entity. It offers a broad range of recovery and wellness therapies. Additional client amenities and wellness-focused beverages and snacks are available for added client convenience.
- **Secondary Location:** This facility provides complementary recovery services. The operating entity does not directly manage this location; instead, it benefits from passive income streams from affiliated operations, creating a scalable revenue model. These streams are included in the sale, enhancing the overall package with low-maintenance financial upside.

The business offers a broad, integrated suite of modern recovery and preventative wellness therapies, providing a comprehensive offering unmatched in its current market. These services include various recovery therapies including massage, thermal treatments, and aesthetic services. These services support key outcomes including pain relief, injury recovery, stress and anxiety reduction, improved circulation and immune function, better sleep, athletic performance enhancement, and overall longevity.

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A flexible monthly membership model promotes preventative care through affordable, regular access, fostering lasting wellness habits rather than one-off treatments.

The locations are open at client-convenient hours including evenings and weekends.


The operating entity employs a small team of employees and several independent contractors specializing in wellness services. This hybrid structure supports operational efficiency, specialized expertise, and scalability while maintaining high service quality.

The business model has been successfully implemented and refined across multiple operational formats, demonstrating repeatability and strong franchise/scaling potential. A qualified buyer would have access to comprehensive Franchise Disclosure Documents (FDD), detailed operations manuals, and full turnkey systems already developed by the current owners. These resources significantly reduce the time, cost, and risk associated with scaling or franchising the concept, positioning the business as an attractive platform for rapid, systematic growth in the expanding preventative wellness and recovery sector.

The current owners are offering both the operating entity (responsible for day-to-day management and service delivery) and the real estate holding entity (owning associated property assets) for sale as a combined package. The sellers seek to retire and potentially relocate. They are willing to provide transition support, including hands-on training and post-closing consulting assistance, with specific terms and duration to be negotiated based on buyer needs.

Complete detailed financial statements, operational records, lease/royalty agreements, and other confidential information are available to qualified prospective buyers upon execution of a standard non-disclosure agreement.

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## Business Summary

Industry	Wellness Business
Business	Not Disclosed
Location	Not Disclosed State of Washington
Number of Employees	5 (including 2 owners) 6 independent contractors
Years in Business	9
Website	<a href="#">Not Disclosed</a>
Type of Sale	Equity / Stock Sale
Reason for Selling	Owner ready to retire

The Seller is offering the businesses for sale as a stock/equity transaction (purchase of the membership interests in both the operating entity and the real estate holding entity). Key advantages of an equity structure include:

- Seamless continuation of all business licenses, and ongoing royalty streams—no renewal or reapplication required.
- Preservation of all current contracts, vendor agreements, independent contractor arrangements, and client relationships without interruption.
- Retention of the established goodwill.

This equity sale approach minimizes transition risk, avoids potential disruptions to revenue-generating relationships, and allows the buyer to step into an ongoing, turnkey operation with established systems, recurring revenue streams, and proven brand equity already in place.

Complete details regarding the corporate structure, capitalization, liabilities (if any), and transfer mechanics are available to qualified prospective buyers upon execution of a non-disclosure agreement.

## Key Numbers

Asking Price, Business	700,000
Asking Price, Real Estate	1,200,000
<b>Combined Asking Price</b>	<b>1,900,000</b>
2023 Spa Revenues	202,794
2024 Spa Revenues	215,850
2025 Spa Revenues	250,213
2023 Combined Adjusted Discretionary Earnings	181,109
2024 Combined Adjusted Discretionary Earnings	204,228
2025 Combined Adjusted Discretionary Earnings	251,786
Projected Discretionary Annual Earnings	231,114
Equipment Included in Sale	44,725
A/R - A/P, Dec 2025	-1,178
Inventory, Dec 2025	0
Long Term + Short Term Debt, Dec 2025	0

Discretionary Earnings include income of independent contractors and passive income of the property.

Short term debts are credit cards. Short and long term debts will be paid off with the proceeds of the sale.

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## Suppliers

The businesses maintain relationships with key suppliers for equipment, consumables, and support services. Primary relationships include providers of wellness equipment and supplies. Many operate on auto-renew or as-needed terms without long-term lock-in contracts, providing operational flexibility.

## Competitors

The business holds a distinct competitive advantage as the only full-service recovery and preventative wellness center in its market that combines the offered therapies and a membership model under one roof.

The closest multi-service competitors include facilities offering partial overlapping services such as massage or gym-based recovery.

Massage-focused competitors consist of day spas offering massage alongside facials and other beauty services, as well as numerous independent licensed massage therapists operating solo or small studios.

There is limited direct competition in the integrated wellness space in the local market.


The primary competitive challenges are typical client inconsistency in maintaining regular wellness routines and the growing availability of at-home recovery products (personal saunas, cold plunges, etc.). The membership model directly addresses these by promoting affordable, habit-forming participation and consistent usage, creating stronger client retention and predictable recurring revenue compared to transaction-based competitors.

## Employees

The operating entity employs a small core team including a dedicated manager and licensed service providers, supplemented by independent contractors under standard commercial lease arrangements with the real estate entity. Full copies of the lease agreements are available for review in the due diligence package.

This hybrid employee/contractor model delivers operational efficiency, access to specialized expertise, cost flexibility, and scalability while consistently maintaining high standards of service quality and client satisfaction.

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## Income Statement: 2022-2024 from Tax Returns, 2025 Company Prepared

Accounting Method: Cash	2022	2023	2024	2025	2026
1c Net Receipts / Sales	348,670	202,794	215,850	250,213	250,213
2 COGS	4,256	15,639	17,995	7,784	7,784
3 Gross Profit	344,414	187,155	197,855	242,429	242,429
4 Net Gain/Loss Form 4797	126,336	-	-	-	-
5 Other Income/Loss (Tips)	16,750	13,418	13,155	-	61,500
<b>6 Total Income (Revenues)</b>	<b>487,500</b>	<b>200,573</b>	<b>211,010</b>	<b>242,429</b>	<b>303,929</b>
7 Compensation of Officers	56,000	56,000	61,249	65,000	65,000
8 Salaries and wages	124,176	28,453	38,328	32,168	32,168
9 Repairs and Maintenance	8,322	17,472	6,242	8,457	8,457
11 Rents	22,425	27,431	3,048	-	79,218
12 Taxes / Licenses	28,090	14,449	15,022	17,521	17,521
13 Interest	19,873	19,260	14,599	815	815
14 Depreciation	105,271	-	-	-	-
16 Advertising	3,635	7,366	4,998	2,199	2,199
18 Employee Benefits	90	1,980	3,506	5,054	5,054
19 Other Deductions	94,436	58,959	44,609	66,698	66,698
<b>20 Total Deductions</b>	<b>462,318</b>	<b>231,370</b>	<b>191,601</b>	<b>197,912</b>	<b>277,130</b>
<b>21 Ordinary Business Income</b>	<b>25,182</b>	<b>(30,797)</b>	<b>19,409</b>	<b>44,518</b>	<b>26,800</b>
<b>EBITDA</b>	<b>150,326</b>	<b>(11,537)</b>	<b>34,008</b>	<b>45,332</b>	<b>27,614</b>
<b>Rent Paid to Real Estate LLC</b>	<b>22,425</b>	<b>27,431</b>	<b>3,048</b>	<b>-</b>	<b>-</b>
<b>Passive Income</b>	<b>6,541</b>	<b>53,048</b>	<b>44,688</b>	<b>46,136</b>	<b>18,384</b>
<b>Combined Cash Flow</b>	<b>179,292</b>	<b>68,942</b>	<b>81,744</b>	<b>91,468</b>	<b>45,999</b>

The operating business tax returns and company prepared financials are on a cash basis. Tips in 2025 are included in Salaries and Wages.

2026 shows 2025 with certain adjustments to show potential ongoing cash flow. Currently the independent contractors pay rent to the real estate business. Their services are part of the operating business, and the individuals could be staff. Rents are included as Other Income to the operating business in 2026.

Rent expense at market rates for the building was included in 2026.

Passive income is also added to show the complete cash flows of the business. Revenues decreased in 2023 when operations moved to the primary location and passive income started to be received from the secondary location. One source of passive income, a note for equipment sold, is expected to be paid off in April 2026 so has been removed from 2026 expected passive income.

## Discretionary Cash Flow: 2019-2021 from Tax Returns, 2022 Company Prepared

	2022	2023	2024	2025	2026
<b>Combined Cash Flow</b>	<b>179,292</b>	<b>68,942</b>	<b>81,744</b>	<b>91,468</b>	<b>45,999</b>
<b>Adjustments for non-cash, non-recurring and owner's expenses</b>					
Gain on Sale / Other Income	(126,336)	-	-	-	-
Independent Contractors	-	57,331	60,207	55,244	-
Officer's Compensation	56,000	56,000	61,249	65,000	65,000
Owner and Spouse Defined Benefits	90	1,980	3,506	5,054	5,054
Rent Adjustment - Market Rents	(79,218)	(79,218)	(79,218)	(79,218)	-
Owner's Expenses	4,858	5,370	5,761	34,489	34,489
<b>Total Adjustments</b>	<b>(144,606)</b>	<b>41,463</b>	<b>51,504</b>	<b>80,570</b>	<b>104,543</b>
<b>Discretionary Cash Flow</b>	<b>34,686</b>	<b>110,405</b>	<b>133,248</b>	<b>172,038</b>	<b>150,542</b>

Adjustments are made to eliminate non-cash expenses, non-recurring items and owner's expenses that were run through the company and may be different for the new owner. Extensive detail was provided for 2025 but not for 2022-2024.

Independent Contractor rents are estimated based on rent of the real estate business less rent paid by the operating business.

Owner's compensation is added back. Owner's involvement in services may require replacement staff.

Rent adjustment is based on the square footage of the building at market rents per square foot.

## Accrual Based Balance Sheet: 2022-2025 Company Prepared

Balance Sheet	2022	2023	2024	2025	2026
Cash	82,310	17,617	25,818	44,205	44,205
Net Accounts Receivable	2,379	(1,178)	(1,178)	(1,178)	(1,178)
Other Current Assets	-	-	-	-	-
Buildings and other depr. Assets	105,593	105,593	105,593	105,593	105,593
Accumulated Depreciation	105,593	105,593	105,593	105,593	105,593
Net Buildings / Fixed Assets	-	-	-	-	-
Other Asset - Intercompany Rec.	-	150,000	100,000	100,000	100,000
Other Assets	169,057	145,772	131,853	104,101	104,101
<b>Total Assets</b>	<b>253,746</b>	<b>312,211</b>	<b>256,493</b>	<b>247,128</b>	<b>247,128</b>
Mortgages/Notes/Bonds < 1 year	5,872	8,785	6,733	-	-
Other Current Liab.	(105)	547	-	(678)	(678)
Mortgages/Notes/Bonds > 1 year	137,526	264,731	207,098	141,334	141,334
Capital Stock	162,900	-	-	-	-
Retained Earnings	103,632	110,232	90,005	152,907	152,907
Adjustments to Equity & Draws	(156,078)	(72,084)	(47,343)	(46,435)	(46,435)
<b>Total Liabilities and Equity</b>	<b>253,746</b>	<b>312,211</b>	<b>256,493</b>	<b>247,128</b>	<b>247,128</b>

An accrual based balance sheet as provided by the sellers is presented here as additional information for the potential purchaser.

The intercompany receivable will not be part of the sale.

Short term loans are credit cards. All short and long term loans will be paid off by the seller with the proceeds of the sale.

## Sched. E from 1040: 2022-2024 from Tax Returns, 2025 Company Prepared

Accounting Method: Cash	2022	2023	2024	2025	2026
<b>3 Gross Received</b>	5,513	85,302	63,915	65,496	90,294
9 Insurance	2,604	2,714	2,750	2,865	2,865
10 Legal / Professional	65	-	-	-	-
12 Mortgage Interest	15,436	14,661	13,876	-	-
15 Supplies	-	-	13,367	-	-
16 Taxes	-	5,407	5,480	6,374	6,374
18 Depreciation	5,374	23,454	23,924	-	-
19 Other (Bank Fees)	1,982	933	669	482	482
<b>18b Total Expenses</b>	<b>25,460</b>	<b>47,169</b>	<b>60,066</b>	<b>9,721</b>	<b>9,721</b>
<b>Income (Loss)</b>	<b>(19,947)</b>	<b>38,133</b>	<b>3,849</b>	<b>55,774</b>	<b>80,572</b>
<b>EBITDA Income</b>	<b>862</b>	<b>76,248</b>	<b>41,649</b>	<b>55,774</b>	<b>80,572</b>
Rent Received from Operating Business	-	(27,431)	(3,048)	-	-
Independent Contractors	-	(57,331)	(60,207)	(55,244)	-
Market Rents, Operating Business	79,218	79,218	79,218	79,218	-
One Time Renovation Costs	-	-	13,367	-	-
<b>Adjusted Cash Flow</b>	<b>80,080</b>	<b>70,704</b>	<b>70,979</b>	<b>79,748</b>	<b>80,572</b>

The real estate company reports as the property under the owner's personal 1040 Schedule E part 1. Rents are paid by the operating company, although payments declined over the years as the owners focused on paying off debts. Rents of the independent contracts are also paid to the real estate business.

Adjustments were made in order to assess the building and the business separately by backing off rent paid by the operating business, independent contractors and adding estimated market rents.

One time expenses for renovations were incurred in 2024 and expensed under "supplies".

Rents in 2026 include estimated market rents and other revenue reported in 2025.

Asset List	Cost Basis	Year Purchased	Est. Market Value
<b>Total</b>	<b>83,900</b>		<b>44,725</b>

The asset list, cost basis and estimated market value were provided by the sellers. Only the totals are shown above. A complete list of assets with specifically named or described items with relevant information will be provided upon signing an NDA.

## Financing Options

Seller Financing Offered?	TBD
Financing Amount Offered	TBD

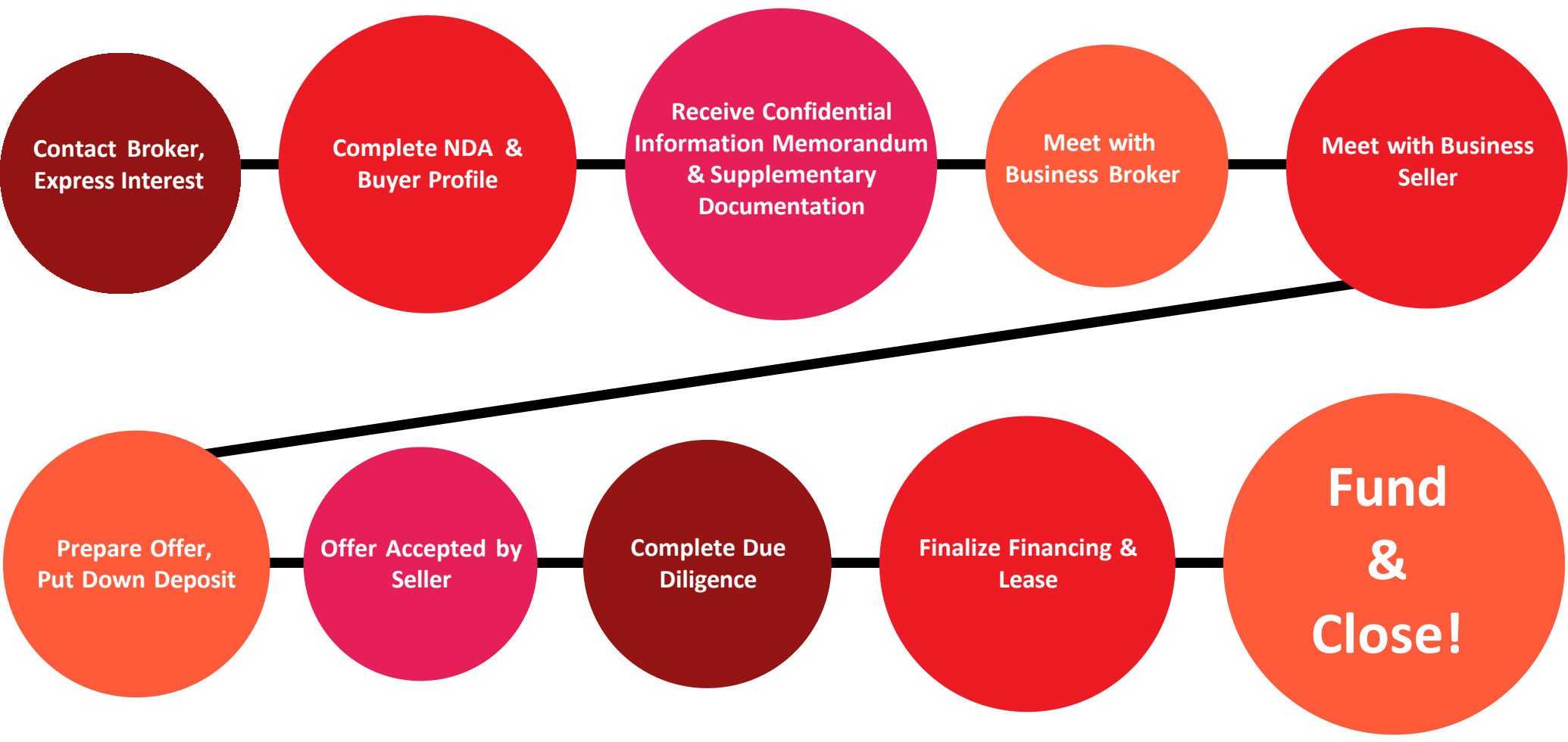
Broker is willing to provide assistance with exploring funding options specific to buyer needs and qualifications.

The seller may be willing to provide seller financing depending on the offer and circumstances.

## Example Loan

<b>Business and RE Offer</b>	<b>1,900,000</b>
Potential Loan to Value	90.00%
Loan Amount	1,710,000
Down Payment	190,000
Potential Rate / Months	8.75% / 228
Monthly Payment	15,409
2026 Discretionary Cash Flow (Business+RE)	231,114
Annual Payment, Above Financing Example	184,908
Debt Service Coverage	1.25
Remaining Cash Flow	46,206
Cash / Cash Return with Loan Scenario	24.32%
Cash / Cash Return, All Cash Offer	12.16%

The financing example assumes the buyer utilizes an SBA loan. Amortization is weighted average for business and real estate.



AAI Financial Group (AAIFG) is our dedicated capital advisory arm that specializes in assisting clients to obtain financing for commercial properties. We are committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We utilize our relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, and agency lenders to provide our clients with a wide range of financing options.

Our dedicated, knowledgeable advisors work to understand you and your goals, gather all of the documents required, provide advice and manage the process from beginning to end while overcoming the challenges of financing.

## Team

Dedicated back-office support team to focus on real estate and financing transactions.


## Capital Access

Access to local, regional and nationwide lenders

## Efficiency

Company wide operating system servicing real estate and financing utilizing the same team of members throughout the transaction.

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