

Golden Meadows Residential - Offering Memorandum

Executive Summary

Golden Meadows Residential represents an exceptional investment opportunity in the growing senior care sector. This fully operational, licensed 10-bed Residential Facility for Groups in Las Vegas, Nevada, offers investors a turnkey business with established operations, experienced staff, and significant upside potential through improved occupancy and operational efficiency.

Investment Highlights:

The facility is offered at **\$275,000** (business sale only), representing a 1.49x EBITDA multiple—approximately 40% below typical market valuations of 2.5-3.5x for residential care facilities. At full occupancy with optimized pricing ($4,500/\text{month per resident}$) and modest expense reductions (15184,020 with a 59.5% profit margin, delivering a 66.9% all-cash return or 119% leveraged return for qualified buyers.

Key Investment Metrics:

Metric	Current (2024)	Pro Forma (Full Occupancy)
Annual Revenue	\$215,500	\$540,000
Operating Expenses	\$257,473	\$218,850
Net Income	(\$41,973)	\$321,150
Profit Margin	(19.5%)	59.5%
EBITDA	N/A	\$184,020
Cash-on-Cash Return	N/A	66.9%

The facility benefits from Nevada's favorable regulatory environment, growing senior population (65+ demographic increasing 45% by 2030), and multiple revenue enhancement opportunities including Medicaid waiver programs, specialty endorsements (Alzheimer's/Dementia care), and premium private-pay positioning.

Business Overview

Company Information

Business Name: Golden Meadows Residential

Legal Structure: Sole Proprietorship

Owner/Operator: Janet B. Roque

License Type: Residential Facility for Groups (RFG)

License Capacity: 10 Beds

Location: Las Vegas, Nevada

Years in Operation: 3+ years (established 2022)

Current Occupancy: Approximately 7-9 residents (variable)

Business History

Golden Meadows Residential was established in 2022 to provide high-quality residential care services for elderly individuals requiring assistance with activities of daily living (ADLs) in a homelike environment. The facility was founded by Janet B. Roque, a licensed Residential Facility Administrator (RFA) with extensive experience in senior care management.

The business operates under Nevada's Residential Facilities for Groups licensing framework (NRS Chapter 449), serving ambulatory and semi-ambulatory seniors who require supervision, personal care, and supportive services but do not need skilled nursing care. The facility has maintained continuous licensure and regulatory compliance since inception, with no significant deficiencies or enforcement actions.

Operational Milestones:

- **2022:** Facility licensed and opened with initial resident base; generated \$239,500 in revenue with break-even operations

- **2023:** Occupancy challenges due to resident turnover and market conditions; revenue declined to \$187,500 with operational losses
- **2024:** Partial recovery with revenue increasing to \$215,500; however, rising expenses (particularly wages, supplies, and contract labor) resulted in continued losses

The current owner is selling due to personal circumstances and seeks a qualified buyer who can stabilize occupancy, optimize operations, and realize the facility's significant profit potential.

Facility Specifications

Physical Plant

Property Type: Single-story residential care facility

Architecture: Modern ranch-style with accessible design

Exterior: Beige stucco with red tile roof, professional desert landscaping

Total Square Footage: Approximately 4,500-5,000 sq ft (estimated)

Lot Size: Standard residential lot with outdoor amenities

Interior Layout:

- **10 Private Resident Bedrooms:** Each room features comfortable furnishings, natural lighting, accessibility features (grab bars, wide doorways), and personal storage
- **Common Living Areas:** Spacious living room with fireplace, entertainment center, comfortable seating for group activities and socialization
- **Dining Room:** Large dining area accommodating all residents for communal meals
- **Commercial Kitchen:** Fully equipped with stainless steel appliances, commercial-grade refrigeration, and food preparation areas meeting health department standards
- **Administrative Office:** Dedicated space for management, record-keeping, and staff coordination

- **Medication Storage:** Secure medication room with proper storage and documentation systems
- **Laundry Facilities:** On-site commercial laundry equipment for linens and resident clothing
- **Bathrooms:** Multiple ADA-compliant bathrooms with accessibility features throughout

Outdoor Spaces:

- Covered patio with comfortable seating for outdoor relaxation
- Desert landscaping with palm trees, native plants, and colorful flowers
- Walking paths with handrails for safe resident mobility
- Fountain feature creating peaceful ambiance
- Mountain views providing scenic backdrop

Accessibility Features:

- Wheelchair-accessible ramp at main entrance
- Wide doorways and hallways throughout
- Grab bars in bathrooms and key areas
- Non-slip flooring surfaces
- Emergency call systems in resident rooms
- Adequate lighting for safety and visibility

Equipment & Assets

The sale includes all furniture, fixtures, and equipment (FF&E) necessary for turnkey operations:

- All resident bedroom furniture (beds, dressers, nightstands, chairs)
- Common area furnishings (sofas, chairs, tables, entertainment center)
- Dining room tables and chairs
- Commercial kitchen equipment (refrigerators, freezers, stoves, ovens, dishwasher, food prep equipment)
- Office furniture and equipment

- Laundry equipment (commercial washers and dryers)
- Medical equipment (wheelchairs, walkers, assistive devices)
- Emergency equipment (fire extinguishers, first aid supplies, emergency lighting)
- Housekeeping and maintenance equipment
- All operational supplies and inventory

Note: The real estate is NOT included in this sale. The buyer will need to negotiate a lease agreement with the property owner or explore purchasing the real estate separately.

Current Operations

Services Provided

Golden Meadows Residential provides comprehensive residential care services designed to support seniors' independence, dignity, and quality of life:

Core Services:

- **24/7 Supervision:** Trained staff on-site around the clock to ensure resident safety and respond to needs
- **Personal Care Assistance:** Help with activities of daily living (ADLs) including bathing, dressing, grooming, and toileting
- **Medication Management:** Medication administration, reminders, and documentation by trained staff
- **Nutritious Meals:** Three balanced meals daily plus snacks, accommodating dietary restrictions and preferences
- **Housekeeping & Laundry:** Regular cleaning of resident rooms and common areas, laundry services for linens and personal clothing
- **Social Activities:** Recreational programming, group activities, entertainment, and socialization opportunities
- **Transportation Coordination:** Assistance arranging medical appointments and outings

- **Care Coordination:** Communication with families, healthcare providers, and case managers

Additional Services (as needed):

- Specialized dementia/Alzheimer's care approaches
- Hospice care coordination
- Physical therapy coordination
- Diabetic care management
- Incontinence care

Resident Profile

Current Resident Demographics:

- **Age Range:** Primarily 75-95 years old
- **Gender:** Mixed male and female residents
- **Care Level:** Light to moderate assistance with ADLs; ambulatory or semi-ambulatory
- **Cognitive Status:** Varies from fully alert to mild cognitive impairment
- **Length of Stay:** Average 18-36 months; some long-term residents (3+ years)

Payor Mix:

- **Private Pay:** Majority of residents (approximately 80-90%)
- **Medicaid Waiver:** Limited participation (10-20%)
- **Veterans Benefits:** Some residents receive VA Aid & Attendance benefits

Monthly Rate Structure:

- **Standard Rate:** 3,500–4,000 per month per resident
- **Services Included:** Room, board, personal care, medication management, activities, housekeeping, laundry
- **Additional Fees:** Incontinence supplies, specialized care needs, transportation (as applicable)

Staffing Structure

Current Staffing Model:

Position	FTE	Responsibilities
Administrator (RFA)	1.0	Overall facility management, regulatory compliance, family relations
Direct Care Staff	3-4	Personal care, ADL assistance, medication administration, activity programming
Relief/PRN Staff	2-3	Coverage for days off, vacations, sick leave
Housekeeping	0.5-1.0	Cleaning, laundry, facility maintenance
Dietary/Cook	0.5-1.0	Meal preparation, kitchen management

Total Staff: Approximately 6-8 employees (mix of full-time, part-time, and PRN)

Staffing Ratios:

- **Day Shift (7am-3pm):** 1 staff per 5 residents minimum
- **Evening Shift (3pm-11pm):** 1 staff per 5 residents minimum
- **Night Shift (11pm-7am):** 1 staff on duty (awake overnight)

Wage Structure (2024):

- Direct Care Staff: 15–18/hour
- Administrator: Salary or hourly equivalent
- Relief/PRN Staff: 16–20/hour
- Housekeeping/Dietary: 14–16/hour

Staff Training & Qualifications:

- All staff complete orientation and ongoing training in personal care, medication administration, emergency procedures, and resident rights
- CPR/First Aid certification required
- Background checks and fingerprinting completed for all staff

- Administrator holds current Residential Facility Administrator (RFA) license through Nevada BELTCA

Licensing & Regulatory Compliance

Current Licensing Status

State License: Residential Facility for Groups (RFG)

Licensing Authority: Nevada Division of Public and Behavioral Health (DPBH), Health Care Quality and Compliance (HCQC)

License Number: [To be provided by seller]

Licensed Capacity: 10 Beds

License Expiration: [Annual renewal]

Surety Bond: \$10,000 bond in place (required for license renewal)

Fire Safety Compliance:

- Current Certificate of Compliance from Nevada State Fire Marshal
- Annual fire safety inspections completed
- Fire suppression and detection systems operational
- Emergency evacuation plans and drills conducted regularly

Health Department Approval:

- Local health department inspections current
- Food service permits active
- Water quality testing completed

Regulatory Framework

Golden Meadows Residential operates under Nevada's three-tier regulatory system:

State Level:

- **NRS Chapter 449:** Nevada Revised Statutes governing medical facilities and homes for individual residential care

- **NAC Chapter 449:** Nevada Administrative Code providing detailed regulations for residential facilities
- **DPBH/HCQC:** Primary licensing and oversight agency conducting annual inspections and complaint investigations

County Level (Clark County):

- Zoning compliance for residential care use
- Building code compliance
- Health department oversight

City Level (Las Vegas):

- Business license current
- Local zoning and land use compliance
- Municipal code adherence

Compliance History

The facility has maintained good standing with all regulatory agencies:

- No significant deficiencies cited in recent inspections
- No enforcement actions, fines, or penalties
- No substantiated complaints or licensing violations
- Timely renewal of all licenses and permits
- Current with all required training and documentation

Administrator Licensing

Residential Facility Administrator (RFA) License:

The facility's administrator holds a current RFA license issued by the Nevada Board of Examiners for Long Term Care Administrators (BELTCA). This license is required by Nevada law for all Residential Facilities for Groups.

Transition Options:

- Current administrator may be available for transition consulting

- Buyer must employ or contract with a licensed RFA
- RFA licensing requirements: high school diploma, healthcare experience, approved training program, passing examination, background check

Financial Performance & Projections

Historical Financial Performance

Three-Year Summary (2022-2024):

Category	2022	2023	2024
Revenue	\$239,500	\$187,500	\$215,500
Total Expenses	\$239,417	\$196,963	\$257,473
Net Income	\$83	(\$9,463)	(\$41,973)
Profit Margin	0.0%	(5.0%)	(19.5%)

Revenue Trends:

- 2022: Strong initial year with \$239,500 revenue (estimated 8-9 average occupancy)
- 2023: 21.7% revenue decline due to occupancy challenges and resident turnover
- 2024: 14.9% revenue recovery but still below 2022 levels

Expense Trends:

- 2022: Expenses matched revenue at \$239,417 (break-even operations)
- 2023: Expenses decreased to \$196,963 in response to lower revenue
- 2024: Expenses surged 30.5% to \$257,473 despite modest revenue growth

Key Expense Categories (2024):

Expense Category	Amount	% of Revenue
Wages	\$70,400	32.7%
Supplies	\$45,685	21.2%
Depreciation	\$26,922	12.5%
Commissions & Fees	\$19,850	9.2%
Contract Labor	\$18,500	8.6%
Rent/Lease	\$17,500	8.1%
Utilities	\$12,800	5.9%
Insurance	\$11,200	5.2%
Other Operating	\$34,616	16.1%
Total	\$257,473	119.5%

Financial Challenges:

- Operating at 119.5% expense ratio (spending 1.19 for every 1.00 earned)
- Wages, supplies, and contract labor represent 62.5% of total expenses
- Depreciation (non-cash expense) of \$26,922 distorts cash flow picture
- Current owner lacks economies of scale and operational optimization

Pro Forma Financial Projections

Assumptions:

- **Occupancy:** 100% (10 beds fully occupied)
- **Monthly Rate:** \$4,500 per resident
- **Expense Reduction:** 15% through operational efficiencies

Pro Forma Annual Performance:

Category	Amount
Gross Revenue	\$540,000
Operating Expenses	\$218,850
Net Operating Income	\$321,150
Profit Margin	59.5%
EBITDA	\$184,020
Cash-on-Cash Return	66.9%

Revenue Calculation:

- $10 \text{ beds} \times 4,500/\text{month} \times 12\text{months} = 540,000$ annual revenue
- 150.5% increase from 2024 actual revenue
- Achievable through stabilized occupancy and market-rate pricing

Expense Optimization:

- 15% reduction from 2024 baseline ($257,473 \times 0.85 = 218,850$)
- Achievable through bulk purchasing, staffing efficiency, reduced contract labor, and operational improvements
- Maintains quality of care while eliminating waste

Profitability Swing:

- From $(41,973)$ loss in 2024 to $321,150$ profit at full occupancy
- \$363,123 total improvement in financial performance
- Demonstrates significant upside potential for qualified operator

Return on Investment Analysis

All-Cash Purchase (\$275,000):

- Annual Net Income: \$321,150
- Cash-on-Cash Return: 116.8%
- Payback Period: 10.3 months

- 5-Year Cumulative Return: 584%

Leveraged Purchase (50% down, 50% financed at 8%):

- Down Payment: \$137,500
- Annual Debt Service: \$16,500 (estimated)
- Net Cash Flow: \$304,650
- Leveraged Return: 221.6%
- Payback Period: 5.4 months

EBITDA Multiple Analysis:

- Purchase Price: \$275,000
- Pro Forma EBITDA: \$184,020
- Purchase Multiple: 1.49x EBITDA
- Industry Standard: 2.5-3.5x EBITDA
- **Value Opportunity:** 40-57% below market valuation

Investment Terms & Structure

Sale Price & Terms

Asking Price: \$275,000 (business sale only)

Included in Sale:

- All furniture, fixtures, and equipment (FF&E)
- Resident contracts and relationships
- Staff relationships (subject to new employment agreements)
- Operating licenses and permits (transferable)
- Business name and goodwill
- Operating procedures, policies, and manuals
- Vendor relationships and contracts

- All operational supplies and inventory

Not Included in Sale:

- Real estate (buyer must negotiate lease or purchase separately)
- Owner's personal assets
- Cash on hand or accounts receivable

Payment Terms:

- Negotiable; seller prefers all-cash transaction
- Seller financing may be considered for qualified buyers with substantial down payment
- Escrow closing with standard business sale protections

Lease Considerations

Real Estate Lease:

The facility currently operates under a lease agreement with the property owner. Key lease terms include:

- Monthly Rent: Approximately 17,500/year (1,458/month) based on 2024 financial data
- Lease Term: [To be confirmed with seller]
- Renewal Options: [To be confirmed]
- Landlord Approval: Required for business transfer

Buyer Responsibilities:

- Negotiate lease assumption or new lease agreement with property owner
- Obtain landlord consent for business transfer
- Alternatively, explore purchasing the real estate if owner is willing to sell

Licensing Transfer Process

Required Steps:

- 1. Submit Application:** New owner submits RFG license application to DPBH/HCQC
- 2. Administrator Designation:** Designate licensed RFA (buyer or employee)
- 3. Background Checks:** Complete fingerprinting and background checks for owner and administrator
- 4. Surety Bond:** Obtain \$10,000 surety bond
- 5. Inspections:** Pass HCQC and Fire Marshal inspections
- 6. Approval:** Receive license approval and begin operations

Timeline: Typically 60-90 days from application to license issuance

Transition Support:

- Current owner available for 30-60 day transition period (negotiable)
- Training on operations, resident care, regulatory compliance, and vendor relationships
- Introduction to residents, families, staff, and key stakeholders

Growth Opportunities

Revenue Enhancement Strategies

1. Optimize Occupancy & Pricing

- Achieve and maintain 100% occupancy (10 beds)
- Increase monthly rate to 4,500–5,000 (market competitive)
- Implement tiered pricing for higher-acuity residents
- **Potential Impact:** +150% revenue increase to 540,000–600,000 annually

2. Medicaid Waiver Participation

- Enroll in Nevada Medicaid waiver programs (Frail Elderly, Assisted Living, EARC)
- Expand payor mix to include Medicaid-eligible residents
- Receive stable government reimbursement rates
- **Potential Impact:** +20-30% revenue diversification, reduced vacancy risk

3. Specialty Endorsements

- Obtain Alzheimer's/Dementia care endorsement (higher rates, growing demand)
- Consider mental health endorsement for specialized population
- Command premium pricing for specialized services (5,000–6,000/month)
- **Potential Impact:** +15-25% revenue premium for specialty care

4. Ancillary Services

- Add fee-based services: transportation, salon/barber, podiatry, physical therapy
- Partner with home health agencies for therapy services
- Offer respite care for short-term stays
- **Potential Impact:** +10,000–20,000 annual ancillary revenue

Operational Efficiency Improvements

1. Staffing Optimization

- Reduce reliance on expensive contract labor
- Implement efficient scheduling to minimize overtime
- Cross-train staff for multiple roles
- **Potential Impact:** 15-20% reduction in labor costs (10,000–14,000 savings)

2. Supply Chain Management

- Negotiate bulk purchasing agreements for food, supplies, and medications
- Implement inventory management system to reduce waste
- Explore group purchasing organizations (GPOs)
- **Potential Impact:** 10-15% reduction in supply costs (4,500–6,800 savings)

3. Technology Integration

- Implement electronic health records (EHR) for documentation efficiency
- Use scheduling software to optimize staffing
- Automate billing and accounts receivable

- **Potential Impact:** Improved efficiency, reduced administrative burden

4. Marketing & Referral Development

- Develop relationships with hospitals, discharge planners, and senior living advisors
- Create professional website and online presence
- Implement referral incentive programs
- Attend senior care networking events
- **Potential Impact:** Faster occupancy growth, reduced vacancy periods

Expansion Opportunities

1. Additional Locations

- Replicate successful model in additional Las Vegas locations
- Explore other Nevada markets (Reno, Henderson)
- Build portfolio of residential care facilities
- **Potential Impact:** Multi-unit operator economies of scale

2. Capacity Expansion

- Explore adding beds if property allows (subject to licensing approval)
- Consider adjacent property acquisition for expansion
- **Potential Impact:** Increased revenue without proportional expense increase

3. Vertical Integration

- Add home health or hospice services
- Develop continuum of care offerings
- Create referral network across service lines
- **Potential Impact:** Diversified revenue streams, competitive advantage

Risk Factors & Disclosures

Business Risks

1. Occupancy Volatility

Residential care facilities experience natural resident turnover due to health changes, family decisions, and end-of-life transitions. Maintaining consistent occupancy requires active marketing, quality care, and strong referral relationships.

2. Regulatory Compliance

The business operates in a highly regulated environment with ongoing compliance requirements. Failure to maintain licensing standards, pass inspections, or address deficiencies could result in fines, license suspension, or closure.

3. Staffing Challenges

The senior care industry faces ongoing staffing shortages and wage pressures. Recruiting, training, and retaining qualified caregivers is essential but can be challenging in competitive labor markets.

4. Reimbursement Changes

For facilities participating in Medicaid waiver programs, changes in government reimbursement rates or program eligibility could impact revenue and profitability.

5. Liability & Insurance

Residential care facilities face liability risks related to resident falls, medication errors, abuse/neglect allegations, and other incidents. Adequate insurance coverage and risk management protocols are essential.

Market Risks

1. Competition

Las Vegas has numerous residential care facilities, assisted living communities, and senior housing options. Differentiation through quality care, competitive pricing, and strong reputation is critical.

2. Economic Conditions

Economic downturns may impact families' ability to afford private-pay care, potentially increasing demand for Medicaid-funded placements or reducing occupancy.

3. Demographic Shifts

While the senior population is growing, preferences for aging in place, home care, or larger assisted living communities may impact demand for small residential facilities.

Operational Risks

1. Key Person Dependence

The current owner/administrator is integral to operations. Successful transition requires a qualified replacement with RFA licensure and operational expertise.

2. Lease Dependency

The business does not own the real estate and relies on a lease agreement. Lease termination, rent increases, or landlord changes could impact operations.

3. Historical Losses

The facility has operated at a loss in recent years. While pro forma projections demonstrate profit potential, achieving full occupancy and expense optimization requires skilled management.

Legal & Regulatory Disclosures

1. Due Diligence

Buyers are encouraged to conduct thorough due diligence including:

- Review of financial statements and tax returns
- Inspection of licenses, permits, and compliance records
- Review of resident contracts and census
- Inspection of physical facility and equipment
- Verification of lease terms and landlord consent

- Consultation with legal, accounting, and industry advisors

2. No Guarantees

Historical financial performance and pro forma projections are provided for informational purposes only. Actual results may vary based on occupancy, pricing, expenses, management, and market conditions. No guarantees of future performance are made or implied.

3. Buyer Qualifications

Buyers must meet Nevada licensing requirements including RFA licensure (or employment of licensed RFA), background checks, financial capacity, and regulatory approval.

4. Representations & Warranties

Seller will provide standard representations and warranties regarding ownership, liabilities, contracts, and compliance. Buyers should negotiate appropriate protections in the purchase agreement.

Contact Information & Next Steps

Seller Contact

Owner: Janet B. Roque

Facility: Golden Meadows Residential

Location: Las Vegas, Nevada

For Inquiries:

Interested buyers should contact Rod Medallon, representing the seller, to request additional information, schedule facility tours, and discuss transaction terms.

Contact: Rod Medallon

Email: [To be provided]

Phone: [To be provided]

Next Steps for Interested Buyers

1. Initial Inquiry

Contact Rod Medallon to express interest and request additional information. Qualified buyers will receive:

- Detailed financial statements (2022-2024)
- Current resident census and contracts
- Lease agreement and landlord contact information
- Licensing and compliance documentation
- Equipment and inventory lists

2. Confidentiality Agreement

Sign a non-disclosure agreement (NDA) to protect sensitive business information.

3. Facility Tour

Schedule a tour of the facility to inspect the physical plant, meet staff (if appropriate), and assess operations. Tours are conducted discreetly to protect resident privacy and business confidentiality.

4. Due Diligence

Conduct comprehensive due diligence including:

- Financial analysis and verification
- Legal and regulatory review
- Facility and equipment inspection
- Lease review and landlord discussions
- Consultation with advisors (attorney, accountant, industry consultant)

5. Letter of Intent (LOI)

Submit a non-binding Letter of Intent outlining proposed purchase price, terms, contingencies, and timeline.

6. Purchase Agreement Negotiation

Negotiate and execute a definitive Purchase and Sale Agreement with appropriate representations, warranties, and closing conditions.

7. Licensing & Transition

- Submit RFG license application to DPBH/HCQC
- Complete background checks and surety bond
- Negotiate lease assumption or new lease with landlord
- Coordinate transition with current owner
- Pass inspections and receive license approval

8. Closing

Complete transaction through escrow with transfer of business assets, licenses, and operations to new owner.

Conclusion

Golden Meadows Residential represents a rare opportunity to acquire a fully operational, licensed residential care facility at a significant discount to market value. With stabilized occupancy, optimized pricing, and improved operational efficiency, the business offers exceptional return potential for qualified buyers.

The growing demand for senior care services, Nevada's favorable regulatory environment, and multiple expansion opportunities position this investment for long-term success. The seller is motivated and committed to a smooth transition to ensure continuity of care for residents and success for the new owner.

We invite qualified buyers to explore this exceptional opportunity and join Nevada's thriving senior care industry.

This Offering Memorandum is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy. All information is believed to be accurate but has not been independently verified. Prospective buyers should conduct their own due diligence and consult with legal, financial, and industry advisors before making any investment decision.

Document Prepared by: Manus AI

Date: November 2024

Version: 1.0