










Business Overview

RE: Hall County KOA Campground with Coast-to-Coast Customers

Specifications

 Price \$500,000	 Revenue \$461,775	 Cash Flow \$195,356
 Down Payment 15%	 Multiplier 3.00	 Industry Events/Recreation
 Location South of Grand Island	 Reason for Sale Retiring to Travel Nationwide	 Profit Margin 42%



SUMMARY OF THE BUSINESS – Award-winning campground with visitors from coast to coast. Located just off of I-80 near Grand Island, this KOA Campground provides an exceptional experience with spacious grounds and well-maintained facilities. Campers have their choice of staying in their own RV with long, level pull-through sites; pitching a tent or renting one of the 7 cabins available. With a pool, basketball court, playground, café, small store, and even a game room, guests never need look far for something to do!

As the home to the Nebraska State Fair, Grand Island provides this terrific camping location for this week and throughout the entire camping season. Open from April until October, this KOA is in the perfect spot for cross country travelers who are looking for a relaxing area to rest as they travel along I-80. There is an onsite pizza shop where campers can order from, as well as a small café and snack bar.

The owner is currently involved in the day to day operations of running this business. Responsibilities include payroll, maintenance, and taking reservations. A buyer would have the option to hire a manager to handle these responsibilities, or could step into the current owner's place.

After the first year a buyer can expect to receive a Net Operating Income (Profit) of \$120,038 after all debt services are paid.

Business Highlights

- Year Established: 1967, Under current owner since 2008
- Location: South of Grand Island along I-80 and near the Platte River
- Capacity: 100 Camping sites: 73 RV, 20 tent, and 7 cabins
- Demographics: 65% of campers are from out-of-state and 35% are in-state, average length of stay is 1.7 days
- Facilities: Main building – 1,800 sq. ft. (office, store, pizzeria, laundry room and bathrooms); rec building – 1,080 sq. ft. (game room and café); 3 storage sheds and 2 well houses, playground, pool
- Reason for Selling: Retiring to travel and camp around the country
- Employees: 9 Seasonal employees assisting owners during busy summer travel season (check campers in and out, complete general maintenance around campground), 2 employees are local, others are "Work Campers" that work for a seasonal camp space
- Seasonal Hours: Open April – October
- Seller Training Period: 90 Days
- Growth Opportunities: Add more cabin camp sites as they are continually booked up, use overflow area for more RV sites, add more monthly/ long term sites to meet demand
- Current Owner's Responsibilities: Runs campground and is involved in all operations, manages the finances, maintenance, and reservations

Financial Highlights

- List Price: \$500,000
 - *Opportunity to purchase real estate through a Nebraska licensed realtor for \$850,000.
- 2016 Gross Sales of \$461,775
- 2015 Gross Sales of \$428,342
- 2016 Cash Flow of \$195,356 (adjusted to \$92,870 if business and land purchased together)
- 42% Profit Margin
- Assets included in the purchase

- \$32,994 in pre-bookings for 2017
- 2-door cooler, 2 desktop computers, 4 washers, 4 dryers, game room Equipment, pool equipment, various furniture and fixtures for office; store, laundry room, residence, recreation building, and other buildings (storage, 2 well houses, 3 storage sheds) and more!

Cash Flow Analysis

Description of Financial Statement	P&L Statement	Tax Return	Tax Return	Notes
	2016	2015	2014	
GROSS SALES	\$461,775	\$428,342	\$359,999	
% Change Over Prev. Year	7.81 %	18.98 %		
Net Income Shown on Financial Statement	\$15,690	\$34,226	\$34,453	
ADDBACKS				
Depreciation	\$144	\$240	\$400	Non-cash item
Interest	\$0	\$0	\$245	Non-onward going expense
Travel	\$3,747	\$3,694	\$4,056	Travel unrelated to business
Auto-Personal Use	\$1,275	\$1,119	\$1,292	Personal use of auto unrelated to business
Rent Adjustment	\$174,500	\$142,500	\$103,500	
Annual Loan Payment	\$-102,486	\$-102,486	\$-102,486	Business & real estate (80% of \$1,350,000 = \$1,080,000) Loan for 15 years at 5% interest
TOTAL ADDBACKS	\$77,180	\$45,067	\$7,007	
Seller's Cash Flow = Total Addbacks + Net Income	\$92,870	\$79,293	\$41,460	

Profit Margin 20.11 % 18.51 % 11.52 %

- Business purchase price of \$500,000 – purchase the land through a certified real estate agent for \$850,000
 - Demonstrates business & real estate loan expenses, with an expected net income from past years
 - Sales income is fairly steady and has proven to increase steadily each year, meaning that with loans for both business & land, a buyer could see between \$60,000 - \$80,000 in income

RV Accommodations

- **64 full hook-up sites**
 - Water
 - Sewer
 - Electric with 30 & 50 amp on each pedestal
 - Cable TV
 - Picnic table
 - 8 sites are 90' long; 52 sites are 85' long; 4 sites are 50' long

- **7 partial hook-up sites**

- Water
- Electric, with some 30-amp and some 50-amp
- Picnic table
- Group fire pit
- Sites are 45' to 65' long, with one being 85' long

- **2 sites without hook-up**

- No picnic table or amenities
- one site is under the trees and is where a pop-up camper is put or an occasional tent wanting to be away from the tent area
- overflow parking area used for 'dry storage' for someone wanting to leave a rig for a while
 - 70' x 195'
 - also used at prime times when booking is full
 - can fit 5 or 6 rigs
 - could convert to an additional 4-5 deluxe patio sites

Tent Accommodations

- 10 dry tent sites around the pool and close to the south bathrooms
- 10 electric tent sites
 - Split-rail fence running down the middle with 5 tent spots on each side
- In-ground fire pit
- Picnic tables
- Accommodates one large group (scouts, college or church groups) or two small groups

Cabin Accommodations



- **K01 & K02 – Camping Cabins – built in 2002 & 1998**

- A/C or heater
- Full-size bed
- 1 set of bunks
- Sleeps 4
- Pets allows

- **K03 – Camping Cabin – built in 1998**

- A/C or heater
- Full-size bed
- 1 set of bunks
- 1 bunk over full-size bed
- Sleeps 5

- **KS1 & KS2 – Deluxe Studios – built in 2009**

- A/C or heaters
- Queen bed with pillow top mattress
- Small refrigerator

- Microwave
- Coffee maker
- Kitchen table & chairs
- Flat screen TV with cable
- Bathroom with shower
- 1 set of bunks
- Patio
 - Gas grill
 - Table & chairs
 - Fire pit
- Sleeps 4
- **KK1 – Deluxe Cottage**
 - A/C or heaters
 - Full-size bed
 - Bathroom with shower
 - 1 set of bunks
 - 1 double futon
 - Small refrigerator
 - 2-burner stove
 - sink
 - microwave
 - pots, pans, dishware
 - kitchen table & chairs
 - flat screen TV with cable
 - Patio
 - Gas grill
 - Table & chairs
 - Sleeps 6
- **KL1 – Deluxe Cottage (ADA Wheelchair Accessible) – built in 2014**
 - A/C or heaters
 - Queen-size bed
 - Bedroom accessible from front porch

- Full-size sofa sleeper with air mattress
- Kitchen table with 4 chairs
- Kitchen with wheelchair-accessible counters
- Full size refrigerator
- 2-burner range top
- 2 sinks
- Microwave
- Coffeemaker
- Dishware, silverware, pots, pans
- Flat screen TV with cable
- Roll-in shower
- ADA toilet & sink
- Loft
 - 2 twin mattresses on floor (room for 2-3 kids)
- Patio
 - Gas grill
 - Patio table & 6 chairs
 - Wheelchair ramp to front door
 - Fire pit
- Sleeps 6-7

Highlights of this KOA Journey Park

- The designation of KOA Journey Park signifies that it is an overnight park
- Abundant shade trees and level, grassy areas
- **Main Building**
 - 1,800 sq. ft.
 - Concrete block, 1-story
 - Office
 - Store

- groceries, supplies, gifts and logo items, beer, wine, and more
- Pizzeria
 - Freshly-made pizzas, wings, wing bits and bread sticks
- Laundry room
 - 4 washers and 4 dryers
 - Open 24/7
- Bathrooms
 - Men's
 - 2 showers with dressing areas
 - 2 toilets, 2 sinks, 2 urinals
 - Ladies
 - 4 showers with dressing rooms
 - 2 toilets, 2 sinks
 - Recently remodeled!
- **Recreation Building**
 - 1,080 sq. ft. wood-framed construction
 - Game rom
 - Chuckwagon Café
- Other buildings include a storage building, 2 well houses and 3 wooden storage sheds
 - Well houses contain the water well, a pressure tank and a Culligan water filter

Valuation Details

The Firm Business Brokerage used a Cash Flow Valuation to determine the Purchase Price of the business.

The formula used is as follows:

$$\text{Cash Flow} \quad \times \quad \text{Prescribed Multiple} = \quad \text{Fair Market Value}$$

Cash Flow is the sum of business net income plus any owner perks and any non-onward going expenses.

A multiple is prescribed by a 20 question, 100-point parameter ranking system that is used to analyze the current business health. Each question is based on a scale from 1 to 5: 1 being low, 2 below average, 3 average, 4 above average, 5 high. The average of the responses sum is the business' prescribed multiple.

With this information, the computation is as follows:

$$\$195,356 \quad \times \quad 3 \quad = \quad \$586,068$$

The Fair Market Value found above positions the business List Price at \$500,000

Funding Example

Purchase Price:	500,000
15% Buyer Down Payment:	\$75,000
10% Seller Financing:	\$50,000
75% Bank Loan:	\$375,000

Seller Financing 5-year term at a rate of 4.50% equals a monthly loan payment of \$932.

Bank Loan 7-year term at a rate of 5.25% equals a monthly loan payment of \$5,344.

After business expenses and annual loan payments of \$75,318, a buyer would retain a net operating income (profit) of \$120,038.

Please note that the decision of whether to extend a loan on any particular sale belongs to the bank, and this document does not guarantee specific terms or verify that financing is available.

To receive a full financial package and specific information regarding this business:

1. Complete the Qualified Buyer Documents (Non-Disclosure Agreement and Buyer Questionnaire) [on our website](#) or print, scan and return the attachments to info@TheFirmB2B.com
2. Call The Firm Business Brokerage at 402.998.5288 to schedule an appointment or conference call with a Broker.

The Firm currently has over 90 cash flowing businesses available. If you find that this is not a fit for you, please let us know and we would be happy to provide you with other opportunities.

The Firm makes no warranties or representation in consideration to the information provided above. All communication regarding this business must occur directly with The Firm Brokerage, LLC.