



A Neumann & Associates, LLC
Affiliated with Americas Largest Network of M&A Professionals

Business Profile

Engagement: 1492-2071

Company Information

Line of business:	<u>Site Development, Commercial & Residential Excavation</u>
Location:	<u>Mid-Atlantic</u>
In Business:	<u>25+ Years</u>
Employees	<u>50+</u>
Facilities	<u>4500 SF Warehouse and 1500 SF Office (leased)</u>
Reason For Sale	<u>Step back and pursue other interests</u>

Company Assets:

• Net Working Capital	\$125,000
• Leasehold Improvements	\$10,000
• Office – Furniture & Computer	\$45,000
• Vehicles, Trailers, Forklifts	\$1,272,000
• Equipment & Warehouse Fixtures	\$92,000
• Other	\$0
<u>Total Assets included in Sale</u>	<u>\$1,544,000</u>

Sales and Cash Flow: (All Information Based On P&L/Tax Returns)

<u>Fiscal Year End</u>	<u>Revenue</u>	<u>Seller Discretionary Cash Flow</u>
2018	\$7,600,000	\$1,100,000
2019	\$9,800,000	\$2,400,000
2020	\$11,000,000	\$3,700,000
2021 (e)	\$12,300,000	\$2,400,000



Executive Summary

This regional **site development and excavation company** is located in the Mid-Atlantic Region of the United States. Due to competitive positioning, the company had tremendous revenue growth across 3 primary services lines in the commercial and residential areas, plus additional complimentary revenue that leverages existing assets to increase revenue and profitability. The company has enjoyed significant operating margins and documented profitability through the current period.

The company enjoys a **competitive advantage** by being a full-service site contractor in both the Public and Private sector. With longstanding contracts, outstanding service reputation and consistent growth path, this company has a solid foundation upon which to significantly grow further under the leadership of a new owner.

It is projected that a new owner will obtain **additional growth** by expanding the direct sales and outbound marketing efforts with additional resources and focus. The company projects a revenue growth rate under such premise of 8-12%+ per year, with significant, additional revenue expected due to the most recent 110 Billion Biden infrastructure bill, squarely targeted at this company's market segment.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 3.4x EBITDA (ttm). A full valuation report is included and there is \$125,000 in Net Working Capital plus another \$1,419,000 in Fixed Assets included in the deal. The business is pre-qualified by a SBA lenders subject to buyer's financials, and by implementing the proposed deal structure an owner operator will obtain more than **\$1,400,000 benefit in after-acquisition-debt cash flow in Year #1 - 80% return on equity investment.**

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. A very well trained and highly qualified team will stay in place and support the new owner in all aspects of the business.

(ALL DATA BASED ON SIGNED TAX RETURNS)

Deal Structure (Proposed)

Buyer Cash Down @ Closing	\$1,846,000
Buyer Bank Financing	\$3,418,000
Seller Financing @ 8% / 5 years	\$1,846,000
Long Term Debt Assumption	\$275,000
Total Purchase Price	\$7,385,000

Note: If applicable, all real estate offered by ANA Commercial Real Estate, LLC

Buyer Benefits

1) Stable business, for 25+ years - non-union shop
2) Motivated owner helping in the transition
3) Turnkey operation with necessary equipment, employees and clients - positioned to grow

A NEUMANN & ASSOCIATES, LLC

Postal Box 500 • Atlantic Highlands • New Jersey 07716
Phone (732) 872-6777

InvestorInquiry@NeumannAssociates.com • www.neumannassociates.com

NOTE: All data is based on signed tax returns and financial records. A Neumann & Associates has made no investigation or verification of the information presented herein. No additional information will be released until the Buyer has been fully reviewed and sufficient cash is available.