



A Neumann & Associates, LLC
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Business Profile

Engagement: 1492-2096

Company Information

Line of business: Lawn Sprinklers – Installation & 700 Annual Service Contracts

Location: North New Jersey – Servicing 4 Counties

In Business: 25+ Years – Stable Revenue & Growth Potential

Employees: 10+ – Experienced Management & Techs in Place

Facilities: 1,000 SF Office Suite + ½ Acre Secure Yard

Reason for Sale: Retirement – Consulting Available & Will Lease License

Company Assets:

• Net Working Capital	\$40,000
• Leasehold Improvements	\$0
• Office – Furniture & Computer	\$10,000
• Vehicles, Trailers, Forklifts	\$60,000
• Equipment & Tooling	\$120,000
• Other	\$0
<u>Total Assets included in Sale</u>	<u>\$230,000</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>
2019	\$760,000	\$240,000
2020	\$830,000	\$290,000
2021	\$930,000	\$300,000
2022 (e)	\$950,000	\$320,000



Executive Summary

This well-known **Lawn Sprinkler Services Company** has provided expert irrigation solutions, product installation, and contractual maintenance services to an impressive roster of North New Jersey accounts for over 25 years. The Company has experienced significant revenue growth and enjoys high operating margins with documented profitability. The seller's 1,000 SF leased facility and secure yard is in a prime location with very attractive/flexible lease terms.

The Company enjoys a **competitive advantage** by leveraging a distinct "niche expertise and product mix" to provide its diverse client base with exceptional customer service and fair pricing - stability and growth have been the result. This is a turnkey operation with experienced management and dedicated technicians in place. It is projected that a new owner will obtain **compelling additional growth** by expanding the direct sales efforts (to additional commercial and residential targets) with a minimal personnel investment of \$100k to \$150k per year. The company projects an accelerated revenue growth rate under such premise of 25% to 35% per year.

The company has been **fully reviewed and conservatively appraised** by a well-known national valuation firm at 3.8x EBITDA (FY 2022). A full valuation report is included in the prospectus. There is zero debt to be assumed and the deal includes \$40k in net working capital plus \$190,000 in fixed assets. The business is pre-qualified by an SBA lender subject to buyer's financials, and by implementing the proposed deal structure an owner-operator will obtain more than **\$165k benefit in after-acquisition-debt cash flow** or over 90% ROI in Year #1.

A comfortable six-months **transition period** will be provided by an owner who truly wants to continue to see the business 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	\$186,000
Buyer Bank Financing	\$558,000
Seller Financing @ 8% / 5 years	\$186,000
Long Term Debt Assumption	\$0
Total Purchase Price	\$930,000

Buyer Benefits

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| 1) Stable Business for 25+ Years - Significant Revenue Growth Potential |
| 2) Diverse Customer Base with Recurring Revenue (700 Annual Service Contracts) |
| 3) Motivated Owner - Transition & License Lease - Management & Techs in Place |
| 4) Acquisition Financing Approved for 80% of Deal - over 90% ROI in Year 1 |

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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.