A Neumann & Associates, LLC

Affiliated with Americas Largest Network of M&A Professionals

Business Profile **Engagement: 1492-2155**

Company Information

Line of business:	**Niche Industrial Mechanical Contracting Firm**
Location:	**Central New Jersey**
In Business:	**25+ years**
Employees:	**12**
Facilities:	**5,500 SF Warehouse/Shop & Office (leased)**
Reason for Sale:	**Retirement (consulting available)**

Company Assets:

• Net Working Capital	$250,000
• Leasehold Improvements	$0
• Office – Furniture, Fixtures & Computer	$80,000
• Vehicles, Trailers, Forklifts	$120,000
• Equipment & Tooling	$200,000
• Other	$0
Total Assets included in Sale	**$650,000**

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

Fiscal Year End	Revenue	Seller Discretionary Cash Flow
2023	$3,150,000	$500,000
2024	$3,300,000	$690,000
2025	$5,000,000	$1,250,000
2026 (e)	$4,000,000	$830,000

Executive Summary

This well-known **Industrial Mechanical Contracting Firm** has provided quality HVAC, ventilation and sheet metal fabrication services to the central NJ region for over 25 years. The Company has achieved consistent revenues and enjoys high operating margins with documented profitability. The sellers' 5,500 SF facilities (including sheet metal shop and warehouse) are perfectly suited to servicing the local target market.

The Company enjoys a **competitive advantage** by leveraging its locally recognized brand, niche industry expertise and impeccable reputation to provide its loyal commercial client base with an exceptional customer experience and fair pricing – stability and growth have been the result. This is a turnkey operation with experienced management and trained technicians in place plus an owner that is willing to stay on post-closing. It is projected that a new owner will obtain **compelling additional growth** by expanding the direct sales efforts to serve a wider territory with a minimal personnel investment of $100k to $200k per year. The company projects an accelerated revenue growth rate under such premise of 20% to 30% per year.

The Company has been **fully reviewed and conservatively appraised** by a well-known national valuation firm at 4.6x EBITDA. A full valuation report is included and there is $250,000 in Net Working Capital plus another $400,000 in Fixed Assets included in the deal. The business is pre-qualified by multiple SBA lenders subject to buyer's financials, and by implementing the proposed deal structure an owner-operator will obtain more than **$400k benefit in after-acquisition-debt cash flow or almost 70% 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	$596,000
Buyer Bank Financing	$1,788,000
Seller Financing @ 9.75% / 5 years	$596,000
Long Term Debt Assumption	$0
Total Purchase Price	**$2,980,000**

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

Buyer Benefits

1) Stable Business for 25+ Years – High Margins & Significant Growth Potential
2) Niche Expertise & Diverse Customer Base – Private and Government Accounts
3) Turnkey Operation – Key Management & Trained Technicians in Place
4) Acquisition Financing Approved for 80% of Deal – Almost 70% ROI in Year #1

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.