A Neumann & Associates, LLC

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Business Profile **Engagement: 1492-2157**

Company Information

Line of business: Niche Metal Fabricator

Location: Northeast United States

In Business: 75+ years

Employees: 16

Facilities: 30,000 SF Warehouse & Office (leased)

Reason for Sale: Retirement (consulting available)

Company Assets:

• Net Working Capital	$210,000
• Leasehold Improvements	$0
• Office – Furniture & Computer	$10,000
• Vehicles, Trailers, Forklifts	$0
• Equipment & Tooling	$150,000
• Other	$0
Total Assets included in Sale	**$370,000**

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

Fiscal Year End	Revenue	Seller Discretionary Cash Flow
2023	$2,200,000	$275,000
2024	$2,900,000	$690,000
2025	$3,100,000	$1,100,000
2026 (e)	$3,300,000	$910,000

Executive Summary

This **Niche Metal Fabrication Company** is the leading, and in many cases, the only manufacturer of products in their primary industry. They also fabricate precision metal components for numerous other industries. The firm enjoys significant operating margins and documented profitability with sales nationwide and internationally. This business currently operates from a 30,000 sq. ft. leased warehouse with office space.

The company enjoys a **competitive advantage** by providing quality products and a reputation for on-time order delivery at competitive prices. Currently, there are no competitors that can supply the full complement of products this company produces. They are known in the industry as a premier supplier of fabricated metal components.

This company continues to grow its revenue through word-of-mouth referral business and general industry recognition as the premier provider. There is considerable opportunity to obtain **additional growth** by adding a sales team to promote products and services. The company also has the capacity and expertise to expand its customer base outside its current focus. The company projects a revenue growth rate of 15%+ per year under such premises.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 3.8x EBITDA (2025). A full valuation report is included and there is $210,000 in Net Working Capital and another $160,000 in Fixed Assets included in the deal. The business is pre-qualified by an SBA lender, subject to the buyer's financials, and, by implementing the proposed deal structure, an owner-operator will obtain over $430,000 **in after-acquisition-debt cash flow in Year #1 – over 60% return on equity investment**.

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. Seller will consider a mid-term consulting agreement thereafter. 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	$688,000
Buyer Bank Financing	$1,720,000
Performance Based Seller Note	$1,032,000
Long Term Debt Assumption	$0
Total Purchase Price	**$3,440,000**

Buyer Benefits

1) Stable business for 75+ years - union shop
2) Motivated owner helping in the transition, incl. potential consulting agreement
3) Acquisition financing approved for 70% of asking price

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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.