A Neumann & Associates, LLC

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Business Profile **Engagement: 1492-2166**

Company Information

Line of business: Automotive Repair and Maintenance (2 locations)

Location: Central New Jersey

In Business: 10+ years

Employees: 16

Facilities: 5,000 SF & 4,000 SF Repair Shops & Offices

Reason for Sale: Retirement (consulting available)

Company Assets:

• Net Working Capital & Inventory	$14,000
• Leasehold Improvements	$0
• Office – Furniture & Computer	$4,000
• Vehicles, Trailers, Forklifts	$0
• Equipment & Tooling	$280,000
• Other	$0
Total Assets included in Sale	$298,000

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

Fiscal Year End	Revenue	Seller Discretionary Cash Flow
2023	$2,500,000	$515,000
2024	$3,950,000	$675,000
2025	$3,600,000	$575,000
2026 (e)	$4,100,000	$700,000

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Executive Summary

This well-known and highly profitable **Automotive Repair and Maintenance Company** operates two locations in Central New Jersey. The firm enjoys significant operating margins and documented profitability with sales regionally. This business currently operates from two leased locations, 4,000 sq. ft. and 5,000 sq. ft. – both with repair shops and office space.

The company enjoys a **competitive advantage** by providing high quality specialized repair services, along with general automotive maintenance to a stable customer base.

It is projected that a new owner will obtain **additional growth** by expanding the marketing efforts with a modest investment and possibly staying open later in the week. The company projects a revenue growth rate under such premise of 10%+ per year. If the new owner wishes, additional growth of 25% or more could be achieved by investing in additional sales resources and targeting Fleet Management.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 4.2 x EBITDA (ttm). A full valuation report is included and there is $14,000 Net Working Capital and another $284,000 in Fixed Assets included in the deal. 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 close to **$390,000 benefit in after-acquisition-debt cash flow in Year #1 – 85% 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	$456,000
Buyer Bank Financing	$1,368,000
Seller Financing @ 9.75% / 5 years	$456,000
Long Term Debt Assumption	$0
Total Purchase Price	**$2,280,000**

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

Buyer Benefits

1) Stable business, for 10+ years – non-union shop
2) Motivated owner helping in the transition, incl. potential consulting agreement
3) Acquisition financing approved for 80% of asking price

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.

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