

 Phone: 402-998-5288

 Confidential@TheFirmB2B.com

 **ID#: XXX000**

***FOR SALE:* South-East Michigan Piping Company**

*$1M in backlog for 2022!*

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Financial Overview** **List Price:** **$1,300,000****Gross Sales**

|  |  |  |
| --- | --- | --- |
| 2021 | 2020 | 2019 |
| $2,167,310 | $2,850,712 | $2,718,706 |

**Cash Flow**

|  |  |  |
| --- | --- | --- |
| 2021 | 2020 | 2019 |
| $226,131 | $347,503 | $2,206 |

* **Profit Margin**: 10%
* **Multiple**: 3.75

**Valuation**: Cash Flow x Multiple = Valuation $347,503 x 3.75 = $1,300,000 |  | **Funding Example** **Purchase Price**: **$1,300,000**

|  |  |
| --- | --- |
| **10% Buyer Down Payment** | $130,000 |
| **15% Seller Financing or Equity** | $195,000 |
| **75% Bank Loan** | $975,000 |

*A 10% down payment of $130,000 returns $150,124 in the first year after debt payments!***Description** This South-East Michigan Piping Company presents a huge opportunity for a strategic owner. With an excellent reputation and $1M in backlog for 2022, as well as huge growth opportunities in marketing and hiring, this business is extremely rewarding for the ambitious owner. The seller is looking to stay on for 2-3 years to help set the business up for great success in the face of growing competition. The company boasts a team known for quality, punctual work delivered with a personal touch. With 25% of their work in pipe-fitting and 75% in plumbing, including both reworking existing pluming and installing new, this company has earned their high reputation and enjoys a strong base of repeat clientele due to the quality and timeliness of their work. Situated in a growing industry in a strong location, clear growth opportunities present the strategic owner a route to great rewards in the face of growing competition. The current owner only does cold calls when they have time, and a marketing campaign can elevate this business to an even larger client base, which will then be subject to a high repeat client percentage. A well planned hiring campaign to bring in more laborers offers another path to growth. The team works out of 5,000 sq. ft. building with 3,500 sq. ft. dedicated to the shop, and 1,500 sq. ft. to the office. There is plenty of room to expand operations and bring in more laborers. Servicing clients throughout the South-East Michigan area, this business returns $150,124 in the first year after debt payments, with a 10% down payment of $130,000.  |
|  |  |
| ***Business Information*** **Year Establishe**d: 2006**Location**: Livonia, Michigan**Service Area**: Southeast Michigan**Services**: Pipe-fitting (25%) and plumbing (75%)**Clients**: General contractors.**Lease**: $2250, month to month lease. 5,000 sq ft, 3,500 shop, 1,500 office.**Reason for Selling**: Seeking to sell to strategic new owner who will grow the business and overcome competition. **Personnel**: 4 PT and 7 FT. All FT employees are field technicians. 2 estimators, a bookkeeper, and an admin.**Seller Training Period**: 2-3 years. **Growth Opportunities**: Increase marketing presence (currently owner only does cold calls). Hiring campaign to bring in more laborers.**Current Owners’ Responsibilities**: 60-65 hours a week. Oversees estimates, visits job sites once a week.  |  |
|  ***- CONFIDENTIAL -*** Last Revised NG 04/22/2022 |
| *The Firm makes no warranties or representation in consideration to the information provided above. All communication regarding this business must occur directly with The Firm Advisors, LLC.**The Firm does not sell real estate. The Firm solely advises on exit strategy.* |