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**ID#: RTL010-B**

***FOR SALE:*** **Gun Retail and Restoration Location- 20% PM**

*Passively owned and $1.2M inventory included!*

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| **Financial Overview**  **List Price:** **$3,800,000**  **Gross Sales**   |  |  |  | | --- | --- | --- | | **2021** | **2020** | **2019** | | $5,028,881 | $5,818,647 | $3,693,314 |   **Cash Flow**   |  |  |  | | --- | --- | --- | | **2021** | **2020** | **2019** | | $1,029,895 | $486,067 | $420,343 |  * **Profit Margin**: 20% * **Multiple**: 3.7   **Valuation**: 2021 Cash Flow x Multiple = Valuation  $1,029,895 x 3.7 = $3,810,611 |  | **Funding Example**  **Purchase Price**: **$3,800,000**     |  |  | | --- | --- | | **15% Buyer Down Payment** | $570,000 | | **15% Seller Financing** | $570,000 | | **70% Bank Loan** | $2,660,000 |   ***\*Inventory on hand collateralizes 60% of the bank loan!***  **Description**    The purchase of this passively owned firearm store includes $1.2M of inventory guaranteed by current ownership! While many retail stores were hit hard by covid restrictions in recent years, this location has not only survived but thrived after doubling in cash flow and increasing their profit margin to 20%! Current staff consists of 1 part-time and 5 full-time workers including a general manager who fully handles business operations. Located in Pennsylvania, the current local customer base is very diverse including local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, and individuals seeking home protection. Thankfully, the store has a wide variety of available products to meet these demands including ammunition, scopes, sites, holsters, safes, and new and used rifles, handguns, and shotguns. In addition to these inventory availabilities, they offer such services as gun trading, gunsmithing and cleaning, off-season storage preparation, scope installation, night sight installation, total tear down and reassembly, and function checks. With the aforementioned inventory and services, an outstanding reputation built on customer services, and their established and knowledgeable staff this business is primed for a new owner to step in and enjoy the spoils of an annual cash flow over $1M.  The revenue, both online and in store, is generally split evenly between the sale of firearms and accessories. With an established customer base they sell approximately 3,000 firearms per year, with 1,000 of those sold to repeat customers. They work out of a 3,000 sq. ft. space and the current rent is $2,600/month, with 4 years left on the lease. They have 700 firearms in stock, valued at $1.2M which offers a bank loan that would be 60% collatorized.  Priced at $3,800,000, this business is in a prime geographic location, has a solid online sales representation, has a solid reputation and client base already in place, and is poised for continued growth. A new owner could offer more online products by working with more distributors; the company currently works with three distributors but has memberships with 12. Opening the store on Sundays would also lead to a boost in sales. |
| ***Assets\*:* $1.2M**  **Inventory**: Currently have 700 firearms in stock valued at $1.2M. Seller will guarantee that inventory will stay at $1.2M for sale.  **Intangible Assets***:* Excellent location, large number of repeat customers, well-known for customer service  *\*amounts may vary, assets may be depreciated, replacement cost, or fair market value* |  |
| ***Business Information***  **Year Established**: 2014  **Location**: Harrisburg, Pennsylvania  **Service Area**: Primarily locally based clientele  **Products:** Wide variety of new and used firearms for sports, protection, and recreational use, plus ammunition, scopes, sites, holsters, safes, etc.  **Services**: Firearm sales, gun trading, gunsmithing & cleaning to prepare firearms for off-season storage, scope installation, night sight installation, total tear down, cleaning, reassembly, and function checks of firearms  **Customers**: Local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, people wanting to protect their home  **Business Hours**: Mon-Sat: 10am-6pm; Closed on Sundays  **Lease**: 3k sq. ft. building; $2,600/month  **Reason for Selling**: Approaching retirement  **Personnel**: 5 FT & 1 PT; general manager operates entirety of daily business and all employees are capable of running the day-to-day operations of the store  **Seller Training Period**: 3-6 months  **Growth Opportunities**: Work with more distributors (the business currently has memberships with 12 distributors, but only works with 3) – working with more would allow for more online sales  **Current Owners’ Responsibilities**: Passive Ownership |  |
| ***- CONFIDENTIAL -*** Last Revised JB 4.29.2022 | | |
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