

FOR SALE: Installation & Flooring Retail with Beautiful Showroom

Owner moving out of state – must sell

Financial Overview

List Price: **\$384,000**
Gross Sales
Previous 12 Months: \$712,615*
Owner Profit/Cash Flow
Previous 12 Months: \$122,258*
Profit Margin: 17%
Multiple: 2
Valuation: 2-Year Avg Cash Flow x Multiple = Price
 \$202,290 x 2 = \$404,580

Price is set at \$20,000 below valuation as the owner is moving out of state and would like to sell quickly.

**Seller purchased in July 2016 – numbers are from August 2016 through May 2017*

Assets Included in Purchase: \$164,928

Equipment: \$72,733 – office furniture and fixtures, new computers, website, forklifts, pallet jacks, wet saws, Bulldog machine

Vehicles: 2004 Ford E250 Econoline delivery van

Intangible Assets: Strong reputation

Inventory: \$50,000 in carpet, tile, stone, hardwood, laminate and vinyl

A/R: \$42,195

**amounts may vary*

Business Information

Years in Business: 23

Location and Service Area: Central Nebraska

Clients: Homeowners, commercial buildings managers, contractors, hospitals, assisted living facilities

Services: 20% install only, 80% sell & install

Building: 6,000 sq. ft. showroom and office space;
15,000 sq. ft. offsite warehouse

Reason for Selling: Moving to Texas

Employees: 1 FT Office Manager, 10 subcontractors

Hours: Mon – Fri 9am to 7pm, Sat 9am to 5pm

Seller Training Period: 90 days

Growth Opportunities: Bid more commercial projects, partner with nearby retailers for referrals

Current Owner's Responsibilities: Seller spends 32 hours/week handling billing, developing the business, taking measurements and providing estimates

Funding Example

Purchase Price: **\$384,000**
10% Buyer Down Payment: \$38,400
10% Seller Financing: \$38,400
80% Bank Loan: \$307,200

Bank loan 54% collateralized by assets.

A 10% down payment of \$38,400 would profit \$61,130 after debts.

Description

For the past 23 years, this flooring retail and installation business has thrived on repeat clientele. Housed in a 6,000-sq. ft. facility with a showroom and office space, the current owner is profiting over \$100,000. Located in central Nebraska, customers consist of homeowners, building managers, contractors, hospitals and assisted living facilities. An offsite warehouse holds \$50,000 worth of inventory, which consists of carpet, tile, stone, hardwood, laminate and vinyl.

Employees include a full-time office manager and 10 subcontractors to install the flooring. The owner currently works 4 full days per week handling billing, developing the business, taking measurements and providing estimates. While around 20% of customers request installation only, about 80% choose to buy and install flooring through the company.

Included in the purchase is over \$164,000 in assets, consisting of \$72,000 in equipment and machinery. With a purchase price set at \$384,000, a buyer paying 10% down (\$38,400) would profit \$61,130 after debts in the first year. This represents a 159% return on investment.

Next Steps

For a detailed financial package, please contact Cortney Sells or one of The Firm Business Brokerage's professionals at 402.998.5288 or email Confidential@TheFirmB2B.com.