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 **ID#: CBI035-D**

***FOR SALE:* 30 Years Established Asphalt Business with Over $4M in Assets**

*Skilled Staff and Management Create Opportunity for Passive Ownership!*

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| **Financial Overview** **List Price:** **$5,300,000****Gross Sales**

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| 2021 | 2020 | 2019 |
| $8,478,792 | $8,458,691 | $6,251,908 |

**Cash Flow**

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| 2021 | 2020 | 2019 |
| $1,202,882 | $1,387,946 | $909,516 |

* **Profit Margin**: 14%
* **Multiple**: 4.4

**Valuation**: 2021 Cash Flow x Multiple = Valuation $1,202,882 x 4.4 = $5,292,680 |  | **Funding Example** **Purchase Price**: **$5,300,000**

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| **15% Buyer Down Payment** | $795,000 |
| **15% Seller Financing or Equity** | $795,000 |
| **70% Bank Loan** | $3,710,000 |

*A 15% down payment of $795,000 returns $439,971 in the first year after debt payments!****Over 70% of Purchase Collateralized*****Description** Having been established over 30 years ago, this asphalt and paving business has built an excellent staff and management system which will allow new ownership the opportunity for passive ownership. The team consists of 15 FT W2 Employees + 12 seasonal laborers. They also boast an extremely efficient general manager who knows the ins and outs of the operation and provides support for billing, supply ordering, A/P and A/R, reporting, and contractual agreements. Based in South Dakota, this business offers services including asphalt, surface treatments, chip sealing, armor coating, and crack sealing. Their client base is made up of primarily State, County, and Municipal Governments as well as Corp of Engineers and they also handle some residential work. Included in the purchase of this business is over $4M in assets. Their fleet of equipment includes trucks ($479k), oil distributors ($796k), chip spreaders ($519k), dump trucks ($437k), tractors, trailers, rollers, and tanker trucks. On top of the great aspects of this business, their current work in progress exceeds $7.5M!The employees waste no time and often complete small projects while in the area for larger projects. Small projects can be completed in as little as one day, and they complete even their largest projects within 10 days. Billing is also done in a timely manner, with invoices going out on the day of completion of the project. On smaller, private projects, the cost is collected before the project even begins! Many of their projects come from throughout South Dakota and Nebraska, filling up their schedule by April by winning bids in each area. With enough current equipment to support an additional team, the resources are ready to go to expand the business if desired!Priced at $5,300,000, a down payment of $795,000 would return $439,971 in the first year. The assets associated with this business collateralize over 70% of the purchase. This South Dakota asphalt paving business is ready for their next step and is an excellent opportunity for any new owner, as the current responsibilities of the owner consist of only project oversight! |
| ***Assets Included in Purchase:* $4,420,414****Vehicles** & **Equipment**: Includes trucks ($479k), oil distributors ($796k), chip spreaders ($519k), dump trucks ($437k), tractors, trailers, rollers, and tanker trucks. **WIP:** $7.5M**Intangible Assets***: Excellent Reputation, repeat clients, and highly experienced team**\*amounts may vary, assets may be depreciated, replacement cost, or fair market value* |  |
| ***Business Information*** **Year Establishe**d: 30+ years**Location**: Sioux Falls, South Dakota **Service Area**: South Dakota and Nebraska, occasional work in Iowa and Wyoming **Services**: Asphalt, surface treatments, chip sealing, armor coating, and crack sealing**Clients**: State, County, and Municipal Governments; Corp of Engineers, some residential work **Lease**: Building with three office spaces, three outdoor parking lots, and 2,500 sq. ft.**Reason for Selling**: Retirement**Personnel**:15 FT W2 Employees + 12 seasonal laborers**Seller Training Period**: 1 year**Growth Opportunities**: There is enough existing equipment to support an additional team if desired**Current Owners’ Responsibilities**: Project oversight, no replacement needed as there is a GM in place |  |
|  ***- CONFIDENTIAL -*** Last Revised JB 7.19.22 |
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