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 **ID#: AEI0232-E**

***FOR SALE:* Architecture Firm Poised for a Merger with 30% Seller Holdback**

*Over $4 Million in Backlog for Nationwide Client Base!*

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| **Financial Overview** **List Price:** **$4,375,000****Gross Sales**

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| 2022 *Annualized* | 2021 |
| $6,124,350 | $5,922,554 |

**Cash Flow**

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| 2021 |
| $1,201,592 |

* **Multiple**: 3.65

**Valuation:** 2021 Cash Flow x Multiple = Valuation $1,201,592 x 3.65 = $4,385,810 |  | **Funding Example** **Purchase Price**: **$4,375,000**

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| **15% Seller Financing** | $656,250 |
| **15% Equity Roll**  | $656,250 |
| **70% Financing and Buyer Cash** | $3,062,500 |

**Description** This architecture firm is poised for a merger with over $4 million in backlog for their nationwide client base! The current owner handles general oversight of the business’s operations and has offered a five-year transition period as well as a 30% holdback. Seeing as the industry average for seller financing or holdback is 10%, this elevated offer is not only a show of good faith in the ongoing success of the business, it shows the seller’s ongoing vested interest in the financial success of the business after sale. With over 15 years of experience under their belt, this industry leading team primarily works with both higher education and K-12 educational institutions as well as multifamily housing units and hospitals. Their team consists of 31 employees including 2 SVP’s, 1 CFO, several architects, interior designers, and administrators. Based in New York City, this business has been able to accumulate an excellent reputation spurred on by happy clients which has led to a solid referral pipeline of for new customers. This business currently only has hospital clients making up roughly 10% of their customer base and with their current team, resources, and connections this would be an excellent opportunity for growth. A strategic new owner with experience in the architecture and engineering field would not only get 5 years to fully transition into the business and a foot into the New York market, the business also includes over $1 million worth of assets to continue operating as it has been. The current owner is looking to retire in the next 5-7 years, which is why now is an excellent time for a strategic buyer to step into the business and build on the current growth patterns and opportunities. Priced at $4,375,000 this business is primed to return year over year success to anyone in a related industry. Someone that knows how to operate in this field would be able to not only enjoy the expected organic growth pattern brought forward by the world’s focus on education and building new opportunities, but put forth new growth opportunities without having to utilize exponential resources on accumulating additional assets.  |
| ***Assets Included in Purchase:* $5,252,000 b** * **AR:** $705,000
* **FFE:** $447,000
* **Backlog:** $4,100,000
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| ***Business Information*** * **Years Establishe**d: 15+ years
* **Location**: New York City
* **Service Area**: Nationwide
* **Services**: Higher education (30%), K-12 education (30%), multifamily housing (30%), and hospitals (10%).
* **Reason for Selling**: Retiring
* **Personnel**: 31 employees including 2 SVP’s, 1 CFO, several architects, interior designers, and administrators.
* **Seller Transition Period**: Up to 5 years
* **Growth Opportunities**: With their current resources, a viable growth opportunity would include expanding into the hospital client pool.
* **Current Owner Responsibilities**: Oversight
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|  ***- CONFIDENTIAL -*** Last Revised JB 9.14.2022.  |
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