

FOR SALE: 13 Architects in Firm with over 2 million in Backlog

Owner and SVP to remain 5+ years with 25% seller carry!

Financial Overview

List Price: \$4,100,000

Gross Sales

TTM	2021	2020
\$5,770,148	\$5,712,632	\$6,005,808

Cash Flow

2022 Annualized	TTM	2021
\$2,715,201	\$1,029,565	\$945,464

- **2021 Profit Margin:** 18%
- **Multiple:** 4

Valuation: TTM Cash Flow x Multiple = Valuation
 \$1,029,565 x 4 = \$4,118,260

Assets Included in Purchase: \$2,658,244

Equipment: \$1,491,473

- **Computer Equipment & Software:** \$976,933
- **Office Equipment:** \$373,294
- **Leasehold Improvements:** \$141,546

Accounts Receivable: \$1,166,771

**amounts may vary, assets may be depreciated, replacement cost, or fair market value*

Business Information

- **Year Established:** 2004
- **Location:** Oklahoma & New York
- **Services:** Higher education (30%), K-12 education (30%), multifamily housing (30%), and hospitals (10%).
- **Lease:** 6,800 sq ft between two offices
- **Reason for Selling:** Transition & Retirement Planning
- **Personnel:** 31 employees including 2 SVP's, 1 CFO, 11 architects, interior designers, and administrators.
- **Seller Transition Period:** 5 years
- **Current Owners' Responsibilities:** Supervision, planning, client relations

Funding Example

Purchase Price: \$4,100,000

10% Seller Financing	\$425,000
15% Equity Roll (if desired)	\$637,500
75% Financing & Buyer Cash	\$3,187,500

Description

This architecture firm has a main focus on buildings pertaining to the higher education and K-12 sector, with 4.1M in backlog, they are poised for an acquisition. Included in the purchase is over \$2.6 million in assets, including equipment (computers, software, office equipment, leasehold improvements) and accounts receivables. The current owner is open to carrying 25% of the purchase to show good faith as well as the vested interest in the success of the business after sale. This firm has nearly 20 years of experience under their belt, and their leadership team has been well mentored. The team consists of 31 employees including 2 SVP's, 1 CFO, 11 architects, interior designers, and administrators. All employees are full-time, well-trained and experienced in their positions. This firm's extensive experience within the resident client base allows them to regularly win projects over larger national entities. This local reputation and familiarity has allowed the business to attain and maintain a customer base made up of 90% repeat clients.

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 without expending unnecessary resources. Both owners will stay on until retirement, providing both industry expertise and client relations. Strong growth opportunities exist for this architectural firm, with only a small percentage of the regional school district market tapped and a lot of space for winning additional multifamily contracts. Even with only two locations (Oklahoma & New York), they are currently working with clients in Arkansas, Oklahoma, Texas, Colorado, Florida, Connecticut, New Mexico, Kansas, Missouri, and the New England Area.

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