

FOR SALE: Condo & Apartment Janitorial – Niche in Carpet & Floor

General Manager handles day-to-day operations.!

Financial Overview

List Price:	\$990,000		
Gross Sales			
	2021	2020	2019
	\$854,715	\$665,149	\$755,657
Cash Flow			
	2021	2020	2019
	\$356,175	\$188,583	\$213,111

- **2021 Profit Margin:** 42%
- **Multiple:** 2.8

Valuation: 2021 Cash Flow x Multiple = Valuation
 \$356,175 x 2.8 = \$997,290

Assets Included in Purchase: \$286,000

6 Vehicles: \$258,000

- 3 Chevy 2500's & 3 GMC 2500's

Equipment: \$28,000

Intangible Assets: *Excellent long-standing reputation, high levels of repeat clients, exponential room for growth on current baseline.*

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

Business Information

Year Established: 1987

Location: Omaha, NE

Service Area: Omaha, Lincoln, and surrounding areas

Services: Carpet cleaning (85%), carpet patches and repair (10%), and other (5%): minor water damage repair, tile cleaning, and hard floor cleaning

Clients: Commercial Housing Units & Apartment Complexes (75%) and Residential Home Owners (25%)

Lease: 5,000 square feet

Reason for Selling: Shifting focus to non-competing rug cleaning business

Personnel: General Manager oversees the carpet and repair labor.

Seller Training Period: 6 months

Growth Opportunities: hiring outside sales representative, reimplementing previous marketing tactics, and expanding service area.

Current Owners' Responsibilities: General Manager handles day-to-day operations.

Funding Example

Purchase Price:	\$990,000
10% Buyer Down Payment	\$99,000
10% Seller Financing	\$99,000
80% Bank Loan	\$792,000

A 10% down payment of \$99,000 returns \$149,131 in the first year after debt payments!

Description

The current owner of this Janitorial company actively handles oversite, calls, scheduling, and financials but does not perform any carpet cleaning or repair labor. Approximately 75% of the client base for this Commercial floor cleaning business is made up of commercial housing units and apartment complexes whose landlords are looking for a spotless unit ready to be occupied by a new tenant. Their primary services offered include carpet cleaning (85%) as well as carpet patches and repair (10%) and miscellaneous services like minor water damage repair and hard floor/tile cleaning (5%). They also perform residential work for individual home owners when the opportunity presents itself. The current team operates out of a 5,000 square foot space in Omaha, NE and have over \$250,000 worth of assets to allow them to operate at their highest ability. These assets included in the purchase include 6 vehicles and all of the necessary equipment for the business to continue operating as it is. This business had over \$300,000 in profits in 2021 with only 7 carpet cleaning and repair workers. This business would be an ideal acquisition opportunity for an up-and-coming buyer looking to get a foot in the door of the carpet cleaning industry with their excellent and capable staff as well as the 6-month training period offered by the current owner.

Established over 30 years ago, this cleaning company has high levels of repeat clients and an excellent profit margin of 42%! This business could also be a unique opportunity for a cleaning service that is looking to add carpet and floor work to their available service repertoire. Either way, a new owner will have a significant number of additional projects available to them without additional investments and have the opportunity for growth by expanding their geographic service area or crew.

Priced at **\$990,000**, at 10% down payment of \$99,000 returns \$149,131 in the first year after debts, a 150% ROI! This business has an excellent local reputation and client base, an experienced staff, all of the needed equipment for current operations, strong growth potential, and a spacious location for operations. Everything that new ownership could possibly need to enjoy and build on this highly profitable business.

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