

FOR SALE: Fabrication of Precast Stone for Masonries

Recession Resistant with 75% Municipal Work!

Financial Overview

List Price: \$2,250,000

Gross Sales

TTM	2021	2020
\$2,946,591	\$2,103,153	\$2,108,302

Cash Flow

TTM	2021	2020
\$592,039	\$679,456	\$451,679

- **Profit Margin:** 32%
- **Very Low Multiple:** 3.3

Valuation: Cash Flow x Multiple = Valuation
 \$679,456 x 3.3 = \$2,242,205

Assets Included in Purchase: \$1,546,615

Vehicles & Equipment: \$1,400,000

Working Capital: \$146,615

- **A/R:** \$384,868 **A/P:** \$238,253

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

Business Information

Services: Manufacturing and Fabrication of cast stone for exterior walls. They do not handle installation.

Location: Chicago, IL with service area throughout Chicagoland, primarily in the NW suburbs.

Clients: 90% Repeat Client Base. Largest client is only 11% and the average tenure of clients is over ten years! Their primary clients are all B2B with masons being the direct client, not the end user. They handle municipal work (75%), commercial work (20%), and high-end residential work (5%)

Recession Resistant: With 75% of their work being municipal, there will not be any impact on this business should there be a recession. In fact, due to the newly passed US Infrastructure Bill, this business will have organic growth opportunities.

Personnel: 21: 1 production manager, 1 plant manager, 1 supply manager/job scheduler, 1 drafter, 1 sales rep, 2 mold shop staff, and 12 plant production laborers

Lease: 17,000 sq. ft. manufacturing plant

Current Owners' Responsibilities: 20-25 hours of bookkeeping, and some deliveries to check on quality control. He only has 3 direct reports.

Seller Training Period: 1-2 years

Reason for Selling: Retirement

Year Established: 2010

Funding Example

Purchase Price: \$2,250,000

12.5% Buyer Down Payment	\$281,250
12.5% Seller Financing	\$281,250
75% Bank Loan	\$1,687,500

***Loan is 100% Collateralized!**

After loan payments the buyer will make over \$350,000 in net profit!

Description

This business handles the fabrication of precast stone for masonries and 75% of their work is done for municipal contracts. Due to this extremely stable client base, there will not be any impact on this business should there be a recession. In fact, due to the newly passed US Infrastructure Bill, this business can expect organic growth opportunities in the upcoming year. To add to the stability of this business, they currently have a 90% repeat client base made up of B2B work with the masons being the direct client, not the end user. The services offered include creating a mold and color matching stones for historical buildings that need stones which are no longer available or for eye-catching statement pieces in new locations. Clients that take advantage of these fully customizable stones primarily include museums, commercial locations, and high-end multi-family housing units. This operation only handles the manufacturing and fabrication of the cast stone, they do not handle any installation of the products in exterior walls.

This Chicago based establishment offers a niche service and, because of this, their nearest competition is 30 miles away. This organization has nearly 20 employees with experts in management including a production manager, plant manager, supply manager; along with 1 drafter, 1 sales rep, 2 mold shop and 12 plant production workers. This team allows the current owner to only work 20-25 hours handling bookkeeping and some deliveries out of personal preference. The seller has offered a training period of 1-2 years to ensure a smooth transition of ownership as well as to finance 12.5% of the purchase price as a show of good faith.

Priced at **\$2,250,000** this business is ready for a new owner to step in and continue operating on the foundation laid before them. With an excellent staff, reputation that's been established since 2010, and large warehouse with a significant amount of unused space, this niche business is primed to offer a new and excited owner exponential growth opportunity with minimal additional investments needed.

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