

FOR SALE: Over 3,000 Firearms Sold Last Year: Includes \$700,000 in Inventory

Guns & Firearms: Sell, Repair, and supply Ammo – Absent Owner!

Financial Overview

List Price: \$1,750,000

Gross Sales

2022 Annualized	2021	2020
\$4,125,752	\$5,028,881	\$5,818,647

Cash Flow

4 year Avg.

\$565,940

Low Multiple: 3.1

Valuation: 4-Year Avg. Cash Flow (19-22) x Multiple = Valuation
 \$565,940 x 3.1 = \$1,754,414

Assets*: \$750,000

Inventory: Seller will guarantee that inventory will stay at 40% of the purchase price. At this price it would be \$700,000.

FFE: \$50,000

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

Business Information

Services: Firearm sales, gun trading, gunsmithing & cleaning to prepare firearms for off-season storage, scope installation, night sight installation, total tear down, cleaning, reassembly, and function checks of firearms

Customers: Over 1,000 repeat customers who return for ammunition and Gun-Smith services. Local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, people wanting to protect their home

Products: Sold over 3,000 firearms last year. Wide variety of new and used firearms for sports, protection, and recreational use, plus ammunition, scopes, sites, holsters, safes, etc.

Location: Harrisburg, Pennsylvania

Service Area: Mid-Atlantic

Year Established: 2014

Personnel: 6 employees; general manager operates the company and is responsible for ordering inventory as well as scheduling and is willing to stay on after the sale. The remaining employees know how to run the day-to-day operations within the store

Current Owners' Responsibilities: Passive Ownership – No role or responsibility.

Seller Training Period: 1 Year. General Manager wants to remain operating the company.

Reason for Selling: Approaching retirement

Lease: 3k sq. ft. building; \$2,600/month

Growth Opportunities: Work with more distributors (the business currently has memberships with 12 distributors, but only works with 3) – working with more would allow for more online sales

Funding Example

Purchase Price: \$1,750,000

10% Buyer Down Payment	\$175,000
10% Seller Financing	\$175,000
80% Bank Loan	\$1,400,000

***Inventory on hand collateralizes 50% of the bank loan!**

Description

Selling over 3,000 firearms last year, the seller is guaranteeing \$700,000 in wholesale goods. The general manager of this company fully handles business operations, including online sales which allows the business to be passively owned. Their diverse outreach of customers includes local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, people wanting to protect their home. Their inventory includes a wide variety of new and used firearms for sports, protection, and recreational use, plus ammunition, scopes, sites, holsters, safes, and more. With years of experience in the firearms industry, they are a full-service business offering services such as firearm sales, gun trading, gunsmithing & cleaning to prepare firearms for off-season storage, scope installation, night sight installation, total tear down, cleaning, reassembly, and function checks of firearms. The revenue, both online and in store, is generally split evenly between the sale of firearms and accessories. They operate a beautiful and large shop over 3,000 Sq. Ft. with a lot of storage space for secured inventory. Another incredible asset of the business is the well-trained and experienced team whom all have a long tenure within the company.

Priced at **\$1,750,000**, with a 4-year average cash flow of \$565,940 and a low multiple of 3.1 plus the 50% collateralized loan with \$800,000 in guaranteed assets this business is primed for new ownership. While this company already works with 3 distributors, there is an opportunity for growth if a new owner expands their portfolio and utilizes the 9 remaining distributors the company has already built relations with.

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