

FOR SALE: Excavation & Dirt Work for Municipalities: Over Collateralized by \$2M

\$18M in WIP and over 50 Staff Members!

Financial Overview

List Price: \$5,900,000

Gross Sales

2022	2021	2020	2019
\$20,332,898	\$16,935,368	\$15,947,179	\$17,973,959

Cash Flow

2022	2021	2020	2019
\$1,680,000	\$1,286,552	\$332,894*	\$1,159,278

Valuation: 2022 2021 avg. Cash Flow x Multiple = Valuation
 \$1,483,276 x 4 = \$5,933,104

Assets Included in Purchase: \$7,337,443

Heavy Equipment: \$2,350,000 Backhoes, Loaders, Excavators, Dump Trucks

Equipment: \$811,500 Skid Steers, Rollers, Hydraulic Hammers, Asphalt Spreaders, Forklifts

Vehicles/Trucks/Trailers: \$466,000 Service Trucks, Pickup Trucks, Dump Trucks, Diesel Van & Truck, Trailers

A/R: \$1,389,008 A/P: \$2,250,149 Working Capital: \$3.6M

Leasehold Improvements: \$159,197

WIP: Over \$18,000,000

Sales Pipeline: Over \$34,000,000

Business Information

Services: Site work, concrete work, asphalt, excavation, drainage, water mains, landscaping

Service Area: New York City

Clients: NYC DOT, Dept. of Parks & Recreation, School Construction Authority/Board of Education, Port Authority of NY & NJ; 25-30% of business is MBE qualified

Year Established: 1979

Lease: 12,000 sq. ft., including office, shop, machines, storage; there is still about 8,000 sq. ft. of unused space that could be used for expansion!

Personnel: 50+ personnel including 20 core people (office & project managers & foremen); 30-50 union laborers depending on project needs

Reason for Selling: Retirement

Current Owners' Responsibilities: Owner 1: Passive – spends approximately 1 hour/day checking in on job sites; Owner 2: Admin/office oversight, approving financials/payroll

Seller Training Period: 2-3 years

Growth Opportunities: Add plumbing services, precast, fencing, hardscaping

Funding Example

Purchase Price: \$5,900,000

15% Buyer Down Payment	\$885,000
10% Seller Equity Roll	\$590,000
10% Seller Financing	\$590,000
65% Bank Loan	\$3,835,000

*A 15% down payment of \$885,000 returns \$417,798 in the first year after debt payments. In addition, this business is **over-collateralized** due to the assets included in the purchase price!*

Description

This business currently has over \$18M in backlog to be completed by early 2023 and includes assets worth \$7M+ which includes \$3.6M in working capital. Established in 1979 with a team of 20 core people in place, there is no shortage of trained professionals at hand, including office staff, project managers, and foremen. There are also 30-50 union laborers, who are contracted as needed. This company is frequently selected for both standard and unique paving projects for multiple government organizations, resulting in repeat clientele. The business handles work for some of the largest clients in NYC, including the NYC DOT, Department of Parks & Recreation, NY & NJ Port Authorities, and the Board of Education. Their services include concrete, excavation, asphalt, and paving work. The proof is in the performance with this NYC business as they have never defaulted on a project in their 43-year history. Any potential owner can feel confident knowing they will receive ample training on the ins-and-outs of this successful business. The current owners are ready to retire but have a vested interest in the continuing success of this business, to show good faith they are willing to finance 10% as well as hold a 10% Equity Roll.

While one owner is passive, he will continue his favorite part of the job- checking in on work sites in his truck for about an hour a day- for 3+ months after selling. The other owner currently works about 30 hours a week, and will provide training on administrative duties, such as approving financials and payroll, to get the new owner up to speed over the course of 2 to 3 years. Both owners started out on the project team and have worked their way up to ownership in the company, so they will be able to provide all pertinent knowledge of company operations. The business's pride and eye for detail has led to a stellar reputation & allowed them to soar above competition over the years.

At a purchase price of **\$5,900,000**, a buyer can expect to see a return of \$417,798 in the first year after debt payments. With natural growth opportunities available and a highly trained core staff, there is no limit to what this business could do!

- CONFIDENTIAL -

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