

FOR SALE: Architecture Practice with 7 Million in Signed Contracts – Looking for a Strategic Buyer

Owner Will Stay for 5 Years and Carry a Combined 20% of Purchase!

Financial Overview

List Price: \$1,025,000 CAD

Gross Sales

2022	2021	2019	2018
\$984,638	\$876,102	\$1,135,674	\$1,013,304

Cash Flow

2022
\$195,974

- **AVG. Profit Margin:** 25%
- **2023 Contract Value:** \$1,120,372
- **2024 Contract Value:** \$4,259,455
- **AR:** \$114,062

Valuation: 4 year Avg Cash Flow (18,19,21, 22) x Multiple = Valuation
 \$250.631 x 4.1 = \$1,027,587

Business Information

Reason for Selling: Owner wants to merge his firm with a buyer to take on the business side of the company while he continues operating the architecture and design.

Seller Transition Period: 5 years

Personnel: 7; 1 owner/architect + 3 architects and 3 architectural technologists

Year Established: Over 20 years

Clients: 90% plus reoccurring clientele. Developers, Engineers, General Contractors

Service Area: Greater Toronto Area

Services: Full-service architecture firm in industrial sector condos and interiors

Current Owner's Responsibilities: Some design of projects. Management of the associate Architects.

Growth Opportunities: Expand the business by working as a partnership and increasing number of projects

Funding Example

Purchase Price: \$1,025,000

15% Buyer Down Payment	\$153,750
10% Vendor Take Back	\$102,500
10% Equity Roll	\$102,500
65% Bank Loan	\$666,250

Description

Looking for a Strategic Buyer to merge with, this Toronto based Architecture firm has over 7 million in Committed contracts! Having been in business for over 2 decades, they have a well developed team of 4 Architects and 3 in Administration. The seller can stay on board for 5 years, managing the design team, which are where his talents flourish. He has also offered a 20% vendor carry in a combination of Promissory note or equity roll, this shows his vested interest in the continued success of the firm going forward. The firm practices in several Industry sectors with 90% reoccurring clients.

Priced at **\$1,025,000**, this is an incredible opportunity for a new owner to step in and focus on recruiting and business development, while partnering with the current owner to expand. Most clients are obtained through word-of-mouth referrals and are often repeat clients, proving this firm's commitment to listening and working collaboratively with their clients throughout the projects. This partnership will result in more work being sought after and more projects brought into the fold, giving great potential for increased revenue and business expansion.

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