

FOR SALE: HVAC Sale and Install of Home Appliances

90 years established with 8 on staff!

Financial Overview

List Price: **\$345,000**

Gross Sales

2022
\$1,266,596

Cash Flow

2022
\$84,652

Funding Example

Purchase Price: **\$345,000**

10% Buyer Down Payment	\$34,500
10% Seller Financing	\$34,500
80% Bank Loan	\$276,000

Loan is Overcollateralized

Description

This Home appliance business offers sales, installation, and servicing of appliances which accounts for 33% of revenue, HVAC accounts for an additional 33%, and electrical/ plumbing make up the remaining percentage. The purchase of this business includes \$471,327 in assets, which overcollateralizes the loan, and allows a new owner to continue operations. Included in these assets are vehicles and trailers, Equipment, Inventory and the Accounts Receivable. There are 8 total staff members including 1 service lead and 2 service techs, 1 install lead and 1 install tech, two office managers, and 1 delivery assistant. This established team has allowed the owner to be passive, assisting with oversight and management as needed. This business is located in Iowa City and has clients throughout the many small towns within a 50-mile radius of the business. While there are a few other appliance stores in the area, very few offer installation and maintenance of these products. This business operates out of 2 standalone buildings, building one has 1,600 sq. ft. set aside for parts and service and a 2,000 sq. ft. showroom, the second building is 4,000 sq. ft. where the appliances are housed. Established In 1929, they have an excellent local reputation and deep roots within their community. This business has ample room for growth in the service side of their industry. Due to their niche maintenance services, partnering with outside appliance sales businesses to offer appliance servicing could offer exponential growth.

Priced at **\$345,000**, a buyer would be receiving an unmatched reputation as the only business in the area that can offer the customer service and hospitality that can only be offered by a small, Midwest based pillar of their community! The current owner is looking to sell the business in order to change industries and explore other non-competing interests moving forward. He has spent a lot of time building not only this business, but also his community and has extreme vested interest in the ongoing success of the business. As a show of good faith, he has offered 10% seller financing and will stay on board for 6 months-1 year post-close.

Assets Included in Purchase: \$471,327

Vehicles and trailers: \$214,000

Equipment: \$56,000

Inventory: \$126,210

A/R: \$75,117

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

Business Information

Year Established: 1929

Location and Service Area: Iowa City, Iowa

Services: 33% HVAC, 33% Electrical and Plumbing, and 33% servicing of appliances.

Facility: Building 1: 2,000 sq. ft. showroom, 1,600 sq. ft. service/parts, 2,000 sq. ft. 2nd-floor storage; Building 2: 4,000 sq. ft. warehouse.

Reason for Selling: Moving on to next chapter in life.

Personnel: 8: 1 service lead and 2 service techs, 1 install lead and 1 install tech, 1 office and sales rep, 1 receptionist, and 1 delivery assistant.

Seller Training Period: 6 months- 1 year

Growth Opportunities: The service aspect of the industry has exponential growth opportunities as this aspect of their business is unique to the area. Partnering with outside appliance sales businesses to offer appliance servicing could offer exponential growth.

Current Owners' Responsibilities: Passive ownership as the owner has a full-time job outside of this business. He assists with oversight and management.

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Last Revised: BV 3.23.2023

The Firm makes no warranties or representation in consideration to the information provided above. All communication regarding this business must occur directly with The Firm Advisors, LLC. The Firm does not sell real estate. The Firm solely advises on exit strategy.