

LISTING OPPORTUNITY

HVAC & Plumbing: \$1.1 Million Sales, \$240,000 Earnings

SPECIFICATIONS

 Price: \$195,000 + Inventory	 Revenue: \$1.1 Million	 Cash Flow: 2020: \$240,000
 Location: Santa Cruz County	 Service Area: Santa Cruz County	 Inventory: Approx. \$40,000
 Employees: 2 FTE + 1 FT Owner PT Owner for Books	 Reason for Sale: Retirement Transitional Support TBD	 Goodwill: 30 Yrs, ~500 Customers No Advertising, Referral Bus.

BUSINESS SUMMARY

Year Established: 1991 (Transitioned to S-Corp in 2004)
Services: HVAC, Plumbing, Electrical & Appliance Service Primarily for Residential
Equipment: 2 Vans & Related Trade Fixtures
Service: 40% HVAC, 40% Plumbing, 20% Other [Electrical, Appliance, Various]
Clients: Residential – 80% Direct with Client, 20% thru a Contractor
Lease: Home office
Personnel: 2 FTE + 1 FT Working Owner + 1 PT Owner for Books
2021 YTD (Jan 1-Jul 5) Half-Year Performance: \$556,669 Gross Sales, \$134,408 Net Cash Flow SDE

This acquisition opportunity is for a well-established, referral-based HVAC, Plumbing and Appliance installation and repair business in Santa Cruz area. The business is built thru referrals with calls to company phone numbers. There are no active marketing or social media campaigns.

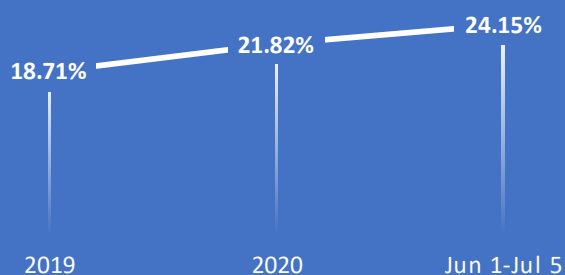
A buyer for this business will need to have appropriate California “General B” Contractor License or specialized contractor licenses in HVAC, Plumbing and/or Electrical with experience in HVAC & Plumbing residential services.

The retiring owner will offer training and transitional support to facilitate buyer’s success in the 100% acquisition of this business. Owner wants customers and buyer to be supported well in the transition. One of the FTE (family member) will not transfer with the sale. This is priced attractive to meet Seller requirements for a quick sale.

VALUE PROPOSITION

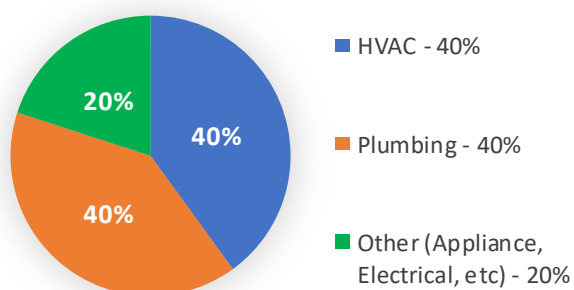
- 30 year Customer Base
- Referral-Based Business Thru Telephone
- Expandable - No Advertising
- Priced Below Market for Quick Sale - Retirement

PROFIT MARGIN

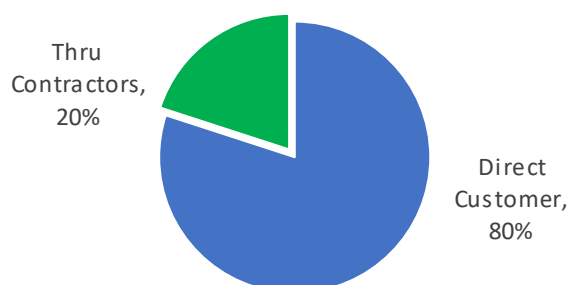


REVENUE BREAKDOWN

Revenue by Service



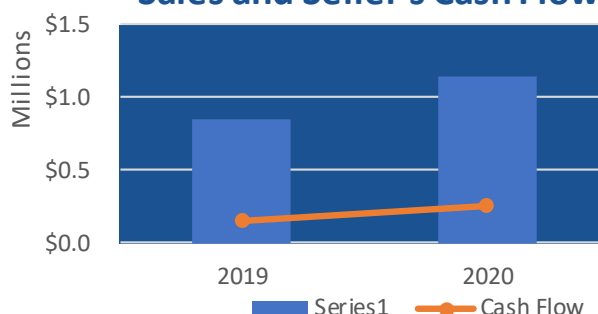
Revenue by Customer



FINANCIAL HIGHLIGHTS

- Listing Price: \$150,000 + Inventory
- 2020 Gross Sales \$1,138,955
- 2020 Cashflow (SDE): \$248,471
- 2019 Gross Sales \$844,792
- 2019 Cashflow (SDE) \$158,075
- 2021 YTD Sales [Jan 1 to Jul 5] is \$556,669
- 2021 YTD Cash Flow thru July 5, \$134,408

Sales and Seller's Cash Flow



CASHFLOW ANALYSIS

Financial Statement Source	Tax Return	P&L	YTD P&L
	2019	2020	Jun 1-Jul 5
Sales	\$844,792	\$1,138,955	\$556,669
<i>Less</i> Cost of Sales	\$523,125	\$684,302	\$308,326
<i>Less</i> Operating Expenses	\$79,956	\$142,345	\$100,747
<i>Equals</i> Net Income Before Taxes	\$241,711	\$312,308	\$147,596
<i>Plus</i> Depreciation	\$0	\$0	\$0
<i>Plus</i> Amortization	\$0	\$0	\$0
<i>Plus</i> Interest on Loans to Business	\$0	\$0	\$0
<i>Plus</i> Officer/Owner's Salary	\$3,500	\$9,500	\$3,000
<i>Plus</i> Estimated Payroll Taxes on Officer/Owner's Salary	\$315	\$855	\$270
<i>Equals</i> Preliminary Seller's Discretionary Earnings	\$245,526	\$322,663	\$150,866
Addbacks:			
Market Rate Salary Adjust Family Member	(\$30,230)	(\$42,562)	(\$7,100)
Market Rate Salary Adjust Other Employee	(\$50,000)	(\$50,000)	(\$25,000)
Payroll Tax Estimated	(\$7,221)	(\$8,331)	(\$2,889)
Insurance Premium - Working Family Member	\$0	\$26,701	\$18,531
Sum of Addbacks:	(\$87,451)	(\$74,192)	(\$16,458)
Total Seller's Discretionary Earnings (SDE)	\$158,075	\$248,471	\$134,408
Profit Margin	18.71%	21.82%	24.15%