










## LISTING OPPORTUNITY

### Franchised Shipping, Packing, Crating, Mailbox Rental, & Much More

Authorized UPS, Fed-EX, Freight, and USPS Shipping Center



#### SPECIFICATIONS

 <b>Price:</b> \$340,000	 <b>Revenue:</b> \$354,045 (3-Year Avg)	 <b>Cash Flow:</b> \$93,051 (3 Year Avg)
 <b>Location:</b> Monterey Peninsula	 <b>Service Area:</b> Coastal Monterey County	 <b>Profit Margin:</b> 26%
 <b>Employees:</b> 1 Full Time Store Manager 1 Part Time Owner	 <b>Reason for Sale:</b> Retirement	 <b>Goodwill:</b> 20 Yr. Reputation, Great Reviews

#### BUSINESS SUMMARY

- Year Established: 2001
- Services: Custom Packing for high-value items, Mailbox Rental, Shipping, Supplies, ETC.
- Equipment: \$44,600 Value
- Inventory: \$13,000 Value
- Clients: Individuals, Art Galleries, Specialty Shops
- Lease: 1400 sq. ft. Shop, Lease Assumable, Monthly Lease \$3,200
- Personnel: 1 Full time manager (14 years), and 1 owner part time

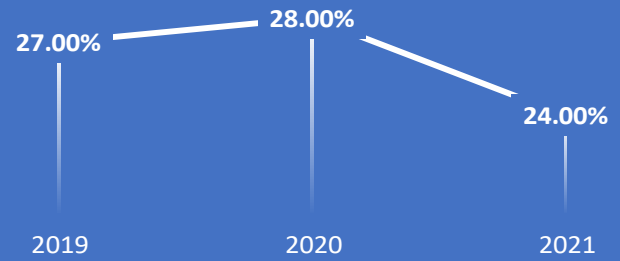
This acquisition opportunity is for a well-established, highly reputable 20 years in business, shipping, packaging and mailbox rental store. Within the high-net-worth communities they serve, this shop is known and trusted for being the “Go To” place for crating items that require extra care, especially fragile, rare, and expensive items. Additional services they provide, include dropping off packages for FedEx, UPS, and others. Mailbox rentals provide a recurring income stream and create regular foot traffic for retail sales when they have shipping needs. Additional profit centers include a copy center, key duplication, and on-site computer rental. The retail sales area offers common packaging, shipping, and mailing supplies. Bringing in notary and live scan fingerprinting services would create extra revenue as well.

The location of this business is the “Icing on the Cake”, featuring a quaint picturesque retail district with unmatched charm & ambiance. The retiring owner will offer training and transitional support to facilitate buyer’s success in the 100% acquisition of this business.

## VALUE PROPOSITION

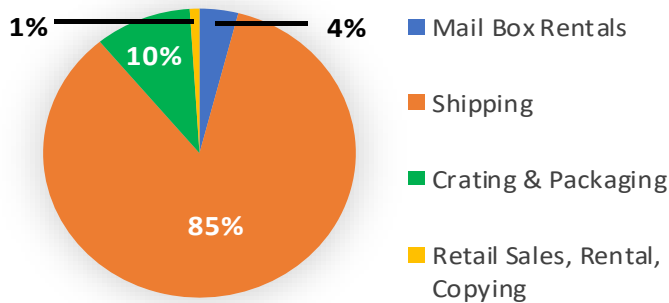
- 20 Years of Established Reputation
- Stellar customer reviews
- Loyal repeat clientele
- Priced Below Market for Quick Sale - Retirement
- Substantial Growth Potential
- Upscale Unique Retail District
- Pandemic Resistant

## PROFIT MARGIN

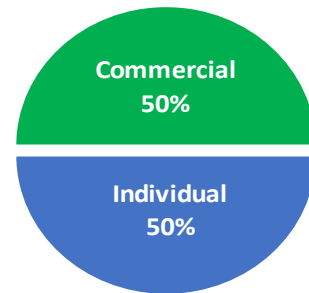


## REVENUE BREAKDOWN

### Revenue by Service



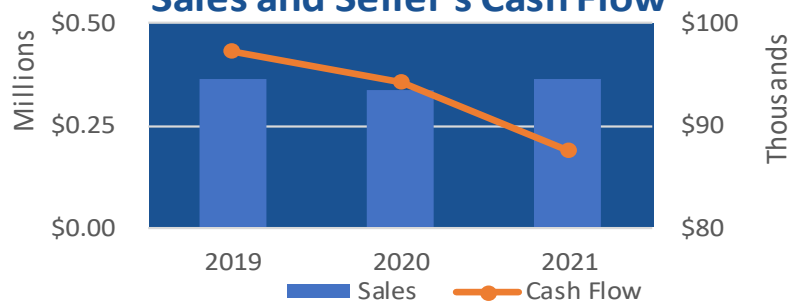
### Revenue by Customer



## FINANCIAL HIGHLIGHTS

- \$340,000 price includes \$57,600 FF&E
- \$346,663 Gross Sales (3 Year Average)
- \$99,812 SDE 3 Year Average
- \$363,254 2019 Gross Sales
- 26% Gross Margin (3-Year Average)

### Sales and Seller's Cash Flow



## CASHFLOW ANALYSIS

Financial Statement Source	Tax Return	Tax Return	P&L
	2019	2020	2021
<b>Sales</b>	\$363,254	\$336,577	\$362,304
<i>Less</i> Cost of Sales	\$159,863	\$125,056	\$185,726
<i>Less</i> Operating Expenses	\$196,851	\$166,927	\$159,566
<i>Equals</i> Net Income Before Taxes	\$3,270	\$44,594	\$17,013
<i>Plus</i> Depreciation			
<i>Plus</i> Amortization			
<i>Plus</i> Interest on Loans to Business	\$1,368	\$4,947	\$381
<i>Plus</i> Officer/Owner's Salary	\$66,977	\$49,490	\$49,597
<i>Plus</i> Payroll Taxes on Officer/Owner's Salary	\$6,698	\$4,949	\$4,960
<i>Equals</i> Preliminary Seller's Discretionary Earnings	\$78,313	\$103,980	\$71,951
<b>Addbacks:</b>			
Meals & Entertainment	\$7,056	\$7,843	\$10,920
Auto Expenses for Owner's Benefit	\$5,841	\$5,454	\$3,083
Insurance Premium - Working Family Member	\$1,368	\$3,693	
Owners' Pension Plan			
Non-Business Phone, Internet & Cell Phone Expenses	\$1,635	\$1,635	\$1,689
<b>Sum of Addbacks:</b>	<b>\$15,900</b>	<b>\$18,625</b>	<b>\$15,692</b>
<b>Total Seller's Discretionary Earnings (SDE)</b>	<b>\$97,296</b>	<b>\$94,213</b>	<b>\$87,643</b>
Profit Margin	27.00%	28.00%	24.00%

## FURNITURE, FIXTURES & EQUIPMENT

2 POS stations, each with computer, shipping & office software, UPS, USPS, and FedEx label printer, thermal receipt printer, credit card machine w/thermal printer, laser barcode scanner, and report printer. Mailbox rental area includes 4 front load mailbox units w/cabinets. Retail area includes 24' of slat wall, 8' of shelving, 7 custom sales desks, key machine & blanks. The office items include 1 computer w/office software, printer/scanner/fax, 3 four drawer suspension file cabinets, and a 10X9 cubicle with desk & cabinets. The copy center includes a leased Sharp copier MX-M465 and computer for on-site rental. The packing center includes 12 linear ft. of custom shelving units for boxes, 12 linear ft. of wire shelving units for packing support and 2 custom packing tables. The workshop includes 1 custom shop table with corrugated pad shelving, 2 loose fill ceiling dispensers, 2 heavy duty 4' shelving units, shelving unit for scrap plywood, table saw, chop saw, misc. tools & chest, hand truck and dollies. Signage includes one city approved outdoor sign.

## ASKING PRICE

The asking price is determined using a cash flow methodology. Cash flow is the sum of net income from the business plus any non-cash expenses, non-recurring items and any seller's personal expenses. A multi-factor multiplier is applied to the cash flow based on the condition of the business. For this business, a three-year average cash flow is applied making the business price more favorable to the buyer. The multiplier applied in this case is, 3.65 X below the market in favor of the buyer.

**CASHFLOW X PRESCRIBED MULTIPLE = FAIR MARKET VALUE**

With this information, the computation is as follows:

$$\underline{\$ 93,051 \times 3.65 = \$ 340,000}$$

The fair market value found above positions the listing price as:

**\$340,000**

## FUNDING EXAMPLE

**Purchase Price: \$340,000**

<b>20% Buyer Down Payment</b>	\$68,000	Buyer's equity \$78,000
<b>80% Bank Loan</b>	\$272,000	10-Year term at a rate of 5.50% = Monthly loan payment of \$3,386

- Cash Flow (3 YR. Average): \$93,051
- Annual Payment to Bank: \$40,632
- Net Profit (After Expenses and loan payment): \$52,419

Numbers above  
result in an 67%  
return on cash in the  
first year.

A lender is usually required to have a  
**1.25 coverage ratio** for a business  
loan extended.

At a proposed purchase price of  
**\$340,000** with the terms listed  
above, the coverage ratio is 2.29 X

\* Please note that the decision of whether to extend a loan on any sale belongs to the bank, and this document does not guarantee specific terms or verify that financing is available.