










LISTING OPPORTUNITY

Shipping, Packing, Fine Art Crating & Mailbox Rental Services

Rare, Fully Authorized for UPS, Fed-EX, & USPS Shipping Services & Freight



SPECIFICATIONS

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

The presented acquisition opportunity is for a highly reputable shipping, packaging and mail-box rental store that has been established for 20 years within the high-income community in which it serves.

Trusted for being the "Go To" place for crating items which require extra care, such as fragile, rare, and high-value items.

Additional services are provided for a more full-service experience to clientele such as providing a drop-off space for packages being shipped through FedEx, UPS, and other shipping establishments. Additionally, mailbox rental services provide recurring income stream while creating regular foot traffic to the store. Additional income generators include a copy center, key duplication services, on-site computer rental and a retail section which offers common packaging, shipping, and mailing supplies.

An new owner can increase revenue stream opportunities immediately with the addition of notary and live scan fingerprinting services.

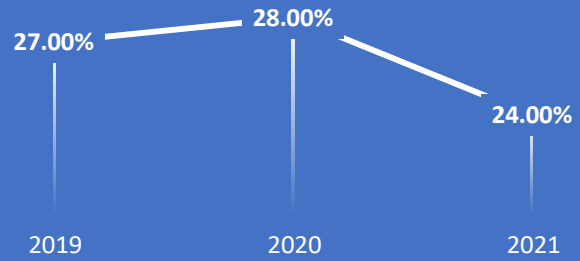
The location of this business is the "Icing on the Cake", featuring a quaint picturesque retail district with unmatched charm & ambiance.

The retiring owner will offer training and transitional support to facilitate buyer's success in the 100% acquisition of this business.

VALUE PROPOSITION

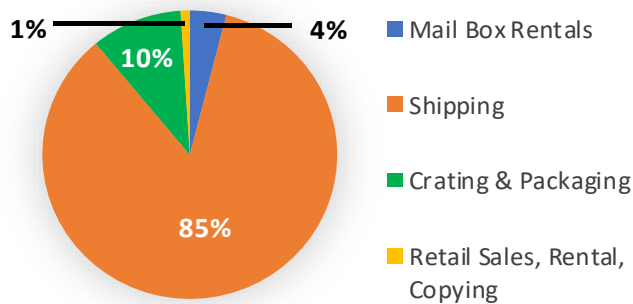
- 20 Years of Established Reputation
- Stellar customer reviews
- Loyal repeat clientele
- Priced Below Market for Quick Sale - Retirement
- Substantial Growth Potential
- Upscale Unique Retail District
- Pandemic Resistant

PROFIT MARGIN

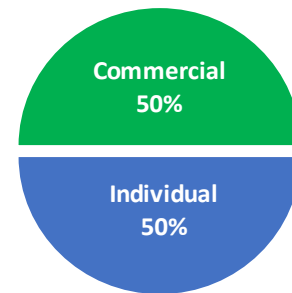


REVENUE BREAKDOWN

Revenue by Service



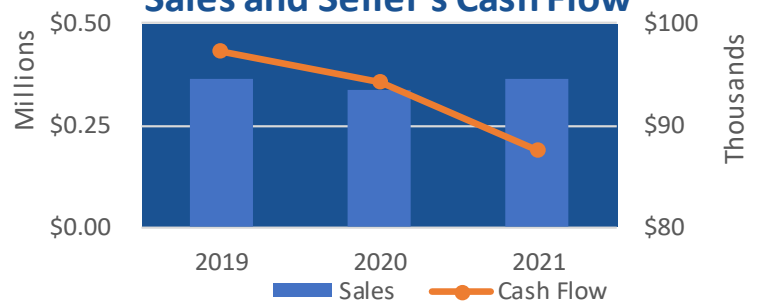
Revenue by Customer



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 2019	Tax Return 2020	P&L 2021
Sales	\$363,254	\$336,577	\$362,304
Less Cost of Sales	\$159,863	\$125,056	\$185,726
Less Operating Expenses	\$196,851	\$166,927	\$159,566
Equals Net Income Before Taxes	\$3,270	\$44,594	\$17,013
<i>Plus Depreciation</i>			
<i>Plus Amortization</i>			
<i>Plus Interest on Loans to Business</i>	\$1,368	\$4,947	\$381
<i>Plus Officer/Owner's Salary</i>	\$66,977	\$49,490	\$49,597
<i>Plus Payroll Taxes on Officer/Owner's Salary</i>	\$6,698	\$4,949	\$4,960
Equals Preliminary Seller's Discretionary Earnings	\$78,313	\$103,980	\$71,951
Addbacks:			
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
Sum of Addbacks:	\$15,900	\$18,625	\$15,692
Total Seller's Discretionary Earnings (SDE)	\$97,296	\$94,213	\$87,643
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

20% Buyer Down Payment	\$68,000	Buyer's equity \$68,000
80% Bank Loan	\$272,000	10-Year term at a rate of 5.50% = Monthly loan payment of \$2,843.39

- Cash Flow (3 YR. Average): \$93,051
- Annual Payment to Bank: \$34,121
- Net Profit (After Expenses and loan payment): \$58,930

Numbers above
result in an 63%
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 2.73 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.