

# FOR SALE: Roof Inspection & Installation: 10 Million in Residential backlog for 2023

2 Locations with 2 General Managers and \$2.4M in receivables!

## Financial Overview

**List Price:** **\$2,900,000**

### Gross Sales

| 2022        | 2021        | 2020        | 2019        |
|-------------|-------------|-------------|-------------|
| \$7,277,202 | \$8,529,720 | \$6,601,069 | \$7,051,543 |

### Cash Flow

| 2022      | 2021        | 2020      |
|-----------|-------------|-----------|
| \$533,342 | \$1,448,643 | \$428,063 |

**Valuation:** 3 Yr. Avg. Cash Flow x Multiple = Valuation  
 \$803,349 x 3.6 = \$2,892,056

## Assets in Purchase: \$2,498,798

**Vehicles:** 15 pickups & 3 trailers.

**Contract Balances:** \$1,964,358 **AR:** \$468,166

**Equipment and office furniture:** \$66,274

**Intangible Assets:** Client list (5000+), website, 4.8 average rating from online reviews, social media followers

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

## Business Information

**Services:** Roof inspections & installation, gutter repair, siding, windows, floors, decks, drywall, overall storm restoration depending on customer needs

**Clients:** 95% residential; the largest client is less than 3%; 70% of customers come from referrals!

**Strategy:** Labor is all subbed out, there is no self-performance, keeping CapEx and liability low

**Recession Proof:** This business revolves around the repairs due to storms on the east coast and works with insurance companies

**Location:** 1 location in Manassas, VA and second satellite office 1 hour away

**Service Area:** 2-hour radius - Virginia, West Virginia, Maryland

**Personnel:** 19 between two locations – 2 office managers, 5 office staff members, and 7 sales representatives. Bookkeeping, marketing, & insurance work is outsourced

**Current Owner Responsibilities:** His direct report is the Sales Director, owner role is to maintain oversight of this division. He is willing to stay on board for 2-3 years, and that salary is accounted for in our cash flow.

**Seller Training Period:** 2-3 years

**Reason for Selling:** Strategic Buyer who can bring business and financial acumen.

**Year Established:** 2011

**Lease:** 3000/sq ft divided between both locations- 1500 sq ft is owned, but owner is willing to lease to the next owner

**Growth Opportunities:** Expanding services to commercial and government opportunities

## Funding Example

**Purchase Price:** **\$2,900,000**

|   |             |
|---|-------------|
| <b>10% Buyer Down Payment</b>                       | \$290,000   |
| <b>15% Seller Financing with 2-year SBA Standby</b> | \$435,000   |
| <b>15% Promissory Note</b>                          | \$435,000   |
| <b>60% Bank Loan</b>                                | \$1,740,000 |

## Description

This residential roofing business has been in service since 2011 and they have \$2.4M in receivables! they have 2 locations with their main location in Manassas, VA and the second satellite location an hour away, both locations have a General Manager to ensure smooth individual operations. The services offered include roof inspection and installation, gutter repair, siding, windows, floors, decks, drywall, and storm restoration which are utilized by over 5,000 clients in Virginia, West Virginia, and Maryland. The team consists of 19 employees including 2 office managers, 5 office staff, and 7 sales reps, this roofing business not only has an established chain of command but has also been able to keep their CapEx and liability low by outsourcing all of the labor. Their team works with clients' insurance companies to ensure that customers get the most out of their claim. The current owner only focuses on the oversight of sales and even with his minimal involvement in day-to-day activities, he is willing to stay on board with the business for 2-3 years post-close to ensure a smooth transition. Coupled with the high levels of customers coming in due to referrals (70%!), and their average online rating of 4.8, this business is primed for growth. The current owner is willing to carry 30% of the **\$2,900,000** purchase price, to show their established confidence in the company's ability to continue successfully. A 10% down payment of \$290,000 is what is needed to step into ownership of this projected 10 Million dollar revenue roofing company.

In the Northeast U.S., April through September is storm season, which is the busiest time of year for this company. After a hailstorm, there is a 50% chance that a roof will have a leak. They have learned to utilize this information by increasing their marketing to coincide with this optimum business opportunity. Because of this niche market, the business has proven to be pandemic and recession proof. Outside of their already incredible client base, there would be easy expansion into commercial and government work as well.

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