

Business Overview

**RE: Absentee Owned Mudjacking Services**

Expand your construction & remodeling business, or run absentee for a nice investment!

**Specifications**

 Price \$115,000	 Cash Flow \$55,052	 Revenue \$404,127
 Account Receivable \$28,000	 Down Payment 10%	 Equipmen t \$48,100
 Service Area Omaha and 30-mile radius	 Reason for Sale Main business needs sole focus	 Employees 4



## SUMMARY OF THE BUSINESS –

If you're looking to expand your construction & remodeling services, or would like an absentee investment, this foam jacking and concrete lifting business is a nice addition for your company or portfolio. Started in May 2013, this business has continued to steadily grow, and offers all your concrete lifting needs, including caulking and sealing.

With a labor staff of 2 working 5 days per week, roughly 5 to 6 jobs are completed each day, with the average ticket running from \$400 to \$500. An office manager and a salesman schedule clients and take bids. While the business is seasonal, work can be completed in winter, weather permitting. The labor staff handles shop maintenance when outside work cannot be done during the off season.

The seller currently uses a 180-sq. ft. office that he is willing to lease during a transition period for \$1,400/month triple net. An owner/operator does not need to utilize an office, especially if he/she decides to handle contracts and sales. Clients rarely stop by the current office, so even an absentee owner could have the salesman and office manager work from home.

With a proposed purchase price set at \$120,000, a 10% down payment of \$12,000 would provide a 300% return on investment in the first year. This could easily increase if a buyer chooses to handle sales and contracts also.

## Business Highlights

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- **Year Established:** May 2013
- **Location and Service Area:** Omaha and 30-mile radius
- **Services:** foam jacking, caulking, sealing
- **Lease:** Only available during transition period – 180 sq. ft. office with 1,200 sq. ft. storage area at \$1,400 per month NNN
- **Reason for Selling:** Owner's main business needs full focus
- **Employees:** 1 sales, 1 office manager, 2 laborers
- **Hours:** 5 days per week, completing 5-6 jobs per day
- **Seller Training Period:** 90 days
- **Growth Opportunities:** An owner/operator could add approximately \$70,000-year by working on contracts and taking over sales

## Financial Highlights

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- List Price: \$115,000
- 2017 Gross Sales: \$404,127
- Assets included in purchase: \$76,100

- Construction Equipment - \$45,700
- Furniture & Fixtures - \$2,400 (computer, scanner, printer, iPad)
- A/R – all accounts paid by customer at time of completion
  - Work is typically scheduled approximately three weeks out
  - \$28,000 in signed contracts
- Intangible Assets – excellent reputation and website

# Cash Flow Analysis

Description of Financial Statement	P&L Statement Jan-July 24	Tax Return	Notes				
	2018	2016	2015	2015	2014	2013	
<b>GROSS SALES</b>	\$173,881	\$341,247	\$292,652	\$292,652	\$239,456	\$61,173	<i>Started in May 2013</i>
<b>Net Income Shown on Financial Statement</b>	\$44,473	\$6,478	\$13,722	\$13,722	\$21,304	\$4,116	
<b>ADDBACKS</b>							
Compensation to Owner	\$0	\$3,681	\$9,265	\$9,265	\$0	\$0	
11% Tax on total W2 Salaries	\$0	\$405	\$1,019	\$1,019	\$0	\$0	
Depreciation	\$0	\$3,263	\$9,647	\$9,647	\$0	\$0	<i>Non Cash Item</i>
Interest	\$5,617	\$6,872	\$3,466	\$3,466	\$3,105	\$0	<i>Non-onward going expense</i>
Meals & Entertainment	\$427	\$777	\$1,171	\$1,171	\$730	\$0	<i>Personal items run through the business</i>
Advertising	\$0	\$6,287	\$4,422	\$4,422	\$0	\$0	<i>Son's Motocross Team</i>
<b>TOTAL ADDBACKS</b>	\$6,044	\$21,285	\$28,990	\$28,990	\$3,835	\$0	
<b>Seller's Cash Flow = Total Addbacks + Net Income</b>	\$50,517	\$27,763	\$42,712	\$42,712	\$25,139	\$4,116	
Profit Margin	29.05 %	8.14 %	14.59 %	14.59 %	10.50 %	6.73 %	

- 29% increase in sales between 2014 and 2016
- 82% increase in sales since starting operations in May 2013

## Employees

- **Lead Applicator-** \$15/hour for 45 – 60 hours/week
  - Runs the job site
  - Interacts with customer on payments, questions or issues
  - Levels the concrete
  - Inspects all work

- Caulking
- Loads and drives truck
- Turns in paperwork to the office and receives work orders and instructions for the next job
- **Helper-** \$12/hour for 45 – 60 hours/week
  - Monitors equipment
  - Drills holes and saw cuts
  - Caulking and cleaning
  - Loads and drives truck
- **Secretary-** \$13.50/hour for 40hours/week
  - Answers phones and handles emails
  - Schedules appointments for sales
  - Schedules jobs
  - Collects payments
- **Sales-** \$47,000 salary with 3% IRA match
  - Runs sales calls
  - Talks & emails with customers
  - Instructs crew or visits job site if needed
  - Helps problem solve with crew



Owner manages the secretary and salesman, runs the company credit cards, and handles payroll and books.

As the business is seasonal, the lead applicator and helper are only employed during the winter as needed. Most of the time the current owner is able to keep them busy in the shop with equipment repairs, and, weather permitting, jobs are still completed during the winter. The secretary and salesman work the full year.

## Mudjacking vs. Foam Jacking - 90% of business



Mudjacking uses a grout based material infused with mud and Portland cement. It is hydraulically pumped under the concrete to fill in voids and raise the concrete. Foam jacking uses a polyurethane foam material that

is injected beneath the concrete. When mixed, it expands and fills in the voids. The polyurethane material's density always remains intact.

Settled concrete is commonly a result of poor soil conditions below a slab. Because of this polyurethane has become a popular repair method because the material is so lightweight it will not further burden the already weak soil.

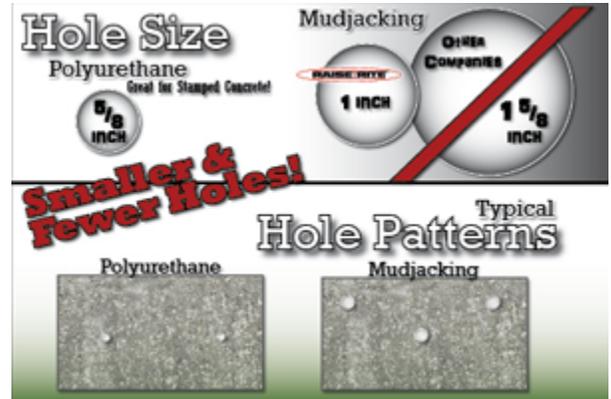
Both methods achieve the same results: raise and support sunken or unstable concrete slabs by drilling holes and pumping material under the slab. All drill holes are patched with concrete.

Mudjacking uses a grout material that is infused with Portland cement or simply just MUD. This mixture is hydraulically pumped under the slab to fill voids and raise the concrete. Mudjacking material weighs on average 100 lbs. per cubic foot.

Foam lifting uses a polyurethane foam material that is injected under the slab. When the components of this material are mixed, a reaction causes the material to expand. This expanded foam fills any voids and raises the concrete. This material is 100% water proof; it will never break down nor lose density. Additionally, it perfectly contours to the size and shape of the voids to fully completely support the pavement with 100% coverage. After it is installed it is permanent and weighs about 2 lbs. per cubic foot.

Mudjacking involves drilling a series of 1" or bigger holes in a slab of concrete so the material can be pumped under the settled slab.

Foam jacking drills a nearly invisible 5/8" holes and the process calls for considerably fewer holes than traditional mudjacking.



## Sealing & Caulking Services - 10% of business



Properly sealing and caulking your concrete can prevent bigger problems from occurring. Unsealed cracks can allow water to seep underneath and erode the soil, which then causes the concrete to settle and crack. Over time untreated cracks will enlarge further, accelerating the erosion of your concrete.

Applying protective sealant extends the life of your concrete by sealing cracks and joints. Whether you have a newly poured slab or want to prevent your current concrete from developing further issues, sealing is crucial.



AquaPel is a new generation, 100% reactive, waterborne sealer. Ideal for use on interior and exterior, above grade, traffic bearing concrete. It penetrates concrete surfaces and chemically bonds directly with the substrate which results in a surface that is highly resistant to the attacks of both moisture and salt.

AquaPel's unique, odorless, very low VOC formulation offers permanent, non-yellowing protection. The accelerated chemical reaction produces a stable and predictable hydrophobic surface within 7 days

### Features and Benefits

- Penetrating protection against moisture, snow, deicers, chloride salts, rebar corrosion.
- Non-flammable, non-volatile, waterborne formulation
- Advanced Silane-Siloxane Sealer.
- Odorless/VOC compliant formula
- Invisible, non-darkening
- Environmentally safe!

Caulking is an important step in stopping water from getting under the concrete slabs, which can lead to erosion and/or a frost heave. It will also improve the appearance of the concrete surfaces.

If you have any surface cracks, we recommend that those areas be caulked with a polyurethane caulk. This type of caulk is available at most hardware/home improvement stores.

## Pricing & Scheduling

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- Minimum charge of \$350
  - Average ticket is \$400 - \$500
- Jobs are scheduled out by 3 weeks
  - Complete 5 – 6 jobs per day
- Service area of Omaha, Papillion, Bellevue, La Vista, Gretna, Elkhorn and Council Bluffs
- 10% to 15% of clients are repeat
  - Realtors, builders, and foundation contractors

## Equipment - \$45,700

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- Injection Foam Machine
- Injection Foam Hose *\$40,000 replacement cost*
- Injection Foam Gun and Gun Parts
- Injection Transfer Pumps and Hoses
- 16" Skill Concrete Saw - \$1,200
- Concrete Drill and Drill Bits - \$500
- Hand Grinder - \$200
- 2 Caulk Guns
- Broom-shovel
- Leaf Blower
- Paint Pump and hose for Water Applicator
- 30 Gallon Air Compressor Ingersol Rand - \$2,200
- 8KW Generac Generator - \$1,000
- Extension Cords
- Case of Caulk
- Small Miscellaneous tools

## Supplies

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- Computer

- Cordless phones
- iPad for estimates
- Printer/scanner
- Website
- Trade show banners/stands
- HIBU advertising listing and SEO presence
  - Monthly plan that will be signed over at sale of business
- 2 B sides of chemicals at \$950 each
  - Seller can add 2 A sides for \$950 each to make a complete set

To receive a full financial package and specific information regarding this business:

1. Complete the Qualified Buyer Documents (Non-Disclosure Agreement and Buyer Questionnaire) [on our website](#) or print, scan and return the attachments to [info@TheFirmB2B.com](mailto:info@TheFirmB2B.com)
2. Call The Firm Business Brokerage at 402.998.5288 to schedule an appointment or conference call with a Broker.

The Firm currently has over 90 cash flowing businesses available. If you find that this is not a fit for you, please let us know and we would be happy to provide you with other opportunities.

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 Brokerage, LLC.