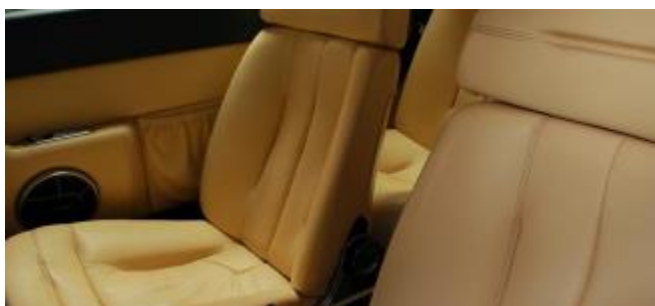


Business Overview

RE: Leather & Vinyl Repair with 125K in Profit

Specifications

 Price \$345,000	 Cash Flow \$125,245	 Revenue \$178,864
 Profit Margin 70%	 Down Payment 15%	 Equipment \$37,000
 Location Corpus Christi	 Employees Owner/Operator	 Service Area Nueces and San Patricio counties



SUMMARY OF THE BUSINESS –

Earn over \$120,000 in cash flow and a large Corpus Christi territory with this vinyl & leather repair business. In 2016, the owner/operator earned a 70% profit margin working Nueces and San Patricio counties. Seller handles all work for local AutoNation, BMW and Volkswagen dealerships, and also does repair services for 8 other auto dealers. As there is currently no storefront, there is no overhead expense. The business has been in operation since 2001, but the seller is looking to move onto new investments, and requires the capital from a sale to do so.

Services range from vinyl and leather repair, to stain and odor removal. Auto clients can also receive paint repair, dent removal and wheel refinishing. Most clients are in the auto industry, but a new owner would see

huge growth by expanding into restaurants, doctor's offices and private homes.

While the seller had employees in the past, he has since downsized to suit his needs. However, a subcontractor for upholstery replacement is used, and that cost is covered by mark up to the end user.

As mentioned before, growth exists in expanding to sectors outside of auto repair. Many establishments have leather, vinyl and plastic that receive wear and tear. Another great growth area would be in residential and commercial vinyl repair.

If you love an open work schedule, working with your hands, and working in different settings, this is the perfect opportunity for financial independence.

Business Highlights

- Established 2001
- Location and Service Area: Corpus Christi, TX - serving Nueces and San Patricio counties
- Number of Clients: does major repair work for 8 local dealerships, and all work for AutoNation, BMW, and Volkswagen dealers in town
- Building: currently there is no storefront or overhead charges (seller had shop at one point but downsized for his needs)
- Reason for Selling: capital for new investments
- Employees: Owner/Operator - hire subcontractors to handle more jobs
- Seller Training Period: As needed
- Growth Opportunities: expand services to restaurants and doctor's offices; hire employees to cover clients
- Current Owner's Responsibilities: seller is owner/operator working out of truck and home garage

Financial Highlights

- List Price: \$345,000
- 2016 Gross Sales: \$178,864
- 2016 Cash Flow: \$125,245
- Assets included in purchase: \$37,000
 - Equipment: Cleaning chemicals & equipment, various tools
 - Intangible Assets: Client list and territory

Client Base

- The current owner is mostly involved in auto reconditioning, but with little effort, services can be expanded to:
 - Restaurants
 - Hotels
 - Medical facilities
 - Gyms
 - Marinas
 - Casinos
 - Bars
 - Furniture stores
 - Private homes
- Current customers are 8 dealerships, some of which are AutoNation, BMW and Volkswagen
 - Interior reconditioning
 - Subcontracts upholstery replacement (marks up this service to end user, i.e., dealership)

Services



- Auto paint repair
- Vinyl, leather & plastic repair
- Vinyl siding repair
- Stain & odor removal
 - Furniture stains
 - Carpet stain & odor
 - Carpet & fabric repair

- Paintless dent repair
 - Dings, dents, dimples and hail damage
- Upholstery repair
- Wheel refinishing

Growth Opportunities

- Add employees to increase market coverage
 - Seller had subcontractors at one point but chose to keep business smaller
 - Adding subcontractors and opening a small storefront would help to drive traffic
- Move into the restaurant industry and doctor's offices
 - Services translate well into cleaning stains on carpets/fibers/vinyl/plastic
- Nearest competitor will be transitioning out of the industry within the next few years, opening up new customers to take hold of

Valuation Details

The Firm Business Brokerage used a Cash Flow Valuation methodology to determine the Purchase Price of the business. The formula used is as follows:

$$\text{Cash Flow} \quad \times \quad \text{Multiplier} \quad = \quad \text{Price}$$

“Cash Flow” is the sum of net income plus any owner perks and non-onward going expenses.

“Multiplier” is a prescribed number between 1 and 5 determined by a 100-point, 20-question rating system used to determine the business valuation (average is 3).

The Cash Flow for 2016 is \$125,245. The prescribed multiplier is 3.

With this information, the computation result follows:

$$\$125,245 \quad \times \quad 3 \quad = \quad \$375,735$$

The List Price for the business is set at \$345,000, a discount of \$30,000 as the seller is ready to move into a new industry.

Funding Example

Purchase Price: **\$345,000**

15% Buyer Down Payment: **\$51,750**

10% Seller Financing: \$34,500

75% Bank Loan: \$258,750

Seller Financing 5-year term at a rate of 4.5% equals a monthly loan payment of \$643.

Bank Loan 7-year term at a rate of 5.25% equals a monthly loan payment of \$3,688.

After business expenses and annual loan payments of \$51,970, a buyer would retain a profit of \$73,275. A 15% down payment of \$51,750 results in a 141% return on investment in the first year!

A lender is required to have a minimum 1.5 coverage ratio for any business loans extended. At a proposed Purchase Price of \$345,000 with the terms listed above, the coverage ratio is 2.41.

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.

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
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.