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 **ID#: TRA037-E**

***FOR SALE:*** **Commercial Janitorial Services on 4 Hawaiian Islands**

*40+ Employees & Strong Recurring Client Base!*

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| **Financial Overview** **List Price:** **$1,975,000****Gross Sales**

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| 2022 Annualized | 2021 | 2020 |
| $2,391,694 | $2,934,087 | $2,489,135 |

**Cash Flow**

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| 2022 Annualized | 2021 | 2020 |
| $658,262 | $761,237 | $610,556 |

* **Profit Margin**: 26%
* **Multiple**: 2.9

**Valuation**: 3 Yr. Avg (20,21,22) Cash Flow x Multiple = Valuation $676,685 x 2.9 = $1,962,387 |  | **Funding Example** **Purchase Price**: **$1,975,000**

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| **10% Buyer Down Payment** | $197,500 |
| **15% Seller Financing** | $296,250 |
| **75% Bank Loan** | $1,481,250 |

*A 10% down payment of $197,500 returns $339,417 in the first year after debt payments!***Description** Since 2005, this commercial janitorial business with 43 employees has offered its diverse services to the Hawaiian Islands! With four locations, one on each of Hawaii’s most populated islands (Kauai, Oahu, Maui, Molokai), this business benefits from excellent name recognition, resulting in repeat clients and little need for advertising. Their services include but aren’t limited to office cleaning and deep cleaning commercially. Along with the variety of services, included is $504,164 in assets conjoining with a very low multiple of 2.9! Being 95% recurring, these 27+ repeat commercial clients include some of the largest entities in Hawaii, such as industrial agricultural companies. They also have the exclusive license in Hawaii to clean one of America’s most popular drapery brands and are Green Seal certified. Their experienced general managers and technicians are self-sufficient, helping to generate over $2.9 million in sales in 2021, and leaving the owner with minimal responsibilities. The increase of cleanliness and hygienic standards has helped to increase revenue which has been maintained through 2021, as companies, and employees, have a greater appreciation and demand for a clean and sanitary workplace. Their Green Seal certification ensures the highest quality standards in cleaning practices, instilling a high level of trust between this cleaning business and their repeat clientele. Between this certification and their drapery cleaning license, they can provide exclusive services that cannot be found anywhere else in Hawaii. Any potential owner can feel comfortable knowing that the current owner will train for a one year to assist in learning the ropes of contract renewals and management on multiple islands. A new owner will have the flexibility to continue to run the business as is or expand as desired into the residential sector or to other Hawaiian Islands. Priced at $1,975,000, this business will produce $339,417 after debt payments in the first year! |
| ***Assets Included in Purchase:* $504,164****Vehicles:** $74,300 (several crew vans)**Inventory:** $79,877**Equipment:** $149,987 (wet/dry vacuums, drying systems, HEPA filters, carpet cleaners, etc.)**Working Capital:** $200,000 (AR/AP average)*\*amounts may vary, assets may be depreciated, replacement cost, or fair market value* |  |
| ***Business Information*** **Year Establishe**d: 2005**Location**: Hawaii, 4 locations**Service Area**: Kauai, Oahu, Maui, and Molokai**Services**: Commercial janitorial services such as office cleaning, deep cleaning, etc.**Clients**: 27+ Commercial Clients, 95% recurring client base**Lease**: Kauai (1600 sq/ft office, 1500 sq/ft warehouse), Maui (1500 sq/ft shared office and warehouse), Oahu (240 sq/ft storage space), Molokai (container storage)**Reason for Selling**: Moving to Continental US**Personnel**: 43 employees, including janitorial techs and general managers for each location**Seller Training Period**: 1 year+**Growth Opportunities**: Expand into residential cleaning**Current Owners’ Responsibilities**: Owner performs office work such as, handling contract renewals and oversees the general managers. |  |
|  ***- CONFIDENTIAL -*** Last Revised SF 7/27/22 |
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