

FOR SALE: Architecture Firm with over 90% Reoccurring Client Base

K-12 Architecture Practice: 25% Seller Carry!

Financial Overview

List Price: \$4,450,000

Gross Sales

2022	2021
\$5,936,140	\$5,712,632

Cash Flow

2022	2021
\$986,534	\$930,642

- **2021 Profit Margin:** 17%
- **Multiple:** 4.5

Valuation: 2022 Cash Flow x Multiple = Valuation
 \$986,534 x 4.5 = \$4,439,403

Assets Included in Purchase: \$2,717,293

Equipment: \$1,491,473

- **Computer Equipment & Software:** \$976,933
- **Office Equipment:** \$373,294
- **Leasehold Improvements:** \$141,546
- **Accounts Receivable:** \$1,225,520

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

Business Information

- **Services:** Higher education (30%), K-12 education (30%), multifamily housing (30%), and hospitals (10%).
- **Over 90% Return/Repeat Clients** with 20-25 projects active at a time
- **Personnel:** 31 employees including 2 SVP's, 1 CFO, 11 architects, interior designers, and administrators.
- **Location:** Oklahoma & New York
- **Year Established:** 20 years
- **Reason for Selling:** Transition & Retirement Planning
- **Seller Transition Period:** 5 years
- **Current Owners' Responsibilities:** Supervision, planning, client relations

Funding Example

Purchase Price: \$4,450,000

10% Seller Financing	\$445,000
15% Equity Roll (if desired)	\$667,500
75% Financing & Buyer Cash	\$3,337,500

Description

Focused on K-12 and University work, this firm will flourish with the new infrastructure bill and will not fall victim to any looming recession. With 2 locations and a full established staff of over 30 members, this business is able to handle work for 20-25 projects a time! The team consists of 31 employees including 2 SVP's, 1 CFO, 11 architects, interior designers, and administrators. This well-developed team is able to simultaneously work on 25 projects at any given time. All employees are full-time and experienced in their positions and their leadership team has been well mentored. This firm is currently working with clients in Arkansas, Oklahoma, Texas, Colorado, Florida, Connecticut, New Mexico, Kansas, Missouri, and the New England Area. Even with such a diverse client base, their client base is made up of 90% return customers! This architecture firm has a main focus on buildings pertaining to the higher education and K-12 sector. Included in the purchase is over \$2.7 million in assets, including equipment (computers, software, office equipment, leasehold improvements) and accounts receivables. The current owner is open to carrying 25% of the purchase to show good faith as well as the vested interest in the success of the business after sale. Both owners will stay on until retirement, providing both industry expertise and client relations. This firm has nearly 20 years of experience under their belt, and have been able to accumulate an excellent reputation spurred on by happy customers which has led to 90% repeat clientele.

Priced at **\$4,450,000**, strong growth opportunities exist for this architectural firm, with only a small percentage of the regional school district market tapped and a lot of space for winning additional multifamily contracts. This firm's extensive experience within the resident client base allows them to regularly win projects over larger national entities. This business also currently only has hospital clients making up roughly 10% of their customer base and with their current team, resources, and connections this would be an excellent opportunity for growth without expending unnecessary resources, and with their excellent rate of return customers, every new client is a resource that will return dividends over the years!

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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 Advisors, LLC. The Firm does not sell real estate. The Firm solely advises on exit strategy.