

FOR SALE: B2B Manufacturing of Custom Doors

Established over 40 years with 9 on staff!

Financial Overview

List Price: \$965,000

Gross Sales

2022	2021
\$1,305,501	\$1,110,297

Cash Flow

2023 Ann.	2022	2021
\$464,431	\$255,218	\$177,633

- **2022 Profit Margin:** 20%
- **Low Multiple:** 2.7

Valuation: '22-'23 Avg. Cash Flow x Multiple = Valuation
 \$359,824 x 2.7 = \$971,524

Assets Included in Purchase: \$710,931

Office Equipment: \$17,995

Heavy Equipment: \$550,323

- **Current Asset Value on Equipment list:** \$456,400
- **Replacement Value on all equipment:** \$1,880,240

Vehicles and Trailers: \$26,982

Building improvements: \$21,758

- **Working Capital:** \$93,873
 - A/R: \$124,930
 - A/P: \$31,057

Business Information

Services: Manufacturing of doors including Louver panel doors, cabinets and lockers. They also fabricate molding.

Location: Grand Junction, CO is 45 minutes from facility, in the growing community of Montrose.

Service Area: Nationwide

Clients: 98% B2B with 2% B2C per request.

Facility: The spacious plant is 14,298 sq. ft. with ample room for expansion.

Personnel: 8 Fabrication Technicians and 1 Bookkeeper.

Year Established: 40+ years

Reason for Selling: Aging Owner.

Current Owners' Responsibilities: Owner 1 is more clerical while owner 2 oversees production.

Seller Training Period: 6 months.

Growth Opportunities: Implementing a marketing/advertising strategy.

Funding Example

Purchase Price: \$965,000

10% Buyer Down Payment	\$96,500
10% Seller Financing	\$96,500
80% Bank Loan	\$772,000

A 10% down payment of \$96,500 returns \$216,493 in the first year after debt payments!

Description

This company has successfully specialized in the manufacturing of doors for over 40 years. The majority of their production, approximately 95%, is focused on fabrication of doors, catering to the commercial sector. They have recently expanded their offerings to include "low-end" mass produced door products as well. In addition to doors, this company also manufactures lockers specifically designed for PGA clubs and courses. They produce custom-made products, but do not engage in the design process. Instead, the B2B clients submit the design, which is then brought to life through their manufacturing capabilities. This company does not have to install the doors, nor do they work with the end user. The established team in place consists of a Bookkeeper and 8 Fabrication Technicians. They primarily operate as a business-to-business (B2B) company, with approximately 98% of their sales being made to other businesses. In terms of materials used, they specialize in working with wood and plywood. They do not engage in metalwork or plastics. Additionally, they do not provide any hardware or finishing services. Their manufacturing process solely involves working with raw materials and does not require the use of chemicals or spray finishes.

Priced at **\$965,000**, this business has established itself as a reputable player in the door manufacturing industry. The current owner is selling this business in order to plan for retirement and has offered to carry 10% of the purchase price in order to show vested interest in the continued success of the business. Additionally, the seller has agreed to a 6 month transition period in order to provide a smooth transition. A 10% down payment of \$96,500 returns \$216,493 in the first year after debt payments!

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