

FOR SALE: Disposal of Waste & Oil Field Clean-Up with Passive Owner

Environmental services in the energy sector!

Financial Overview

List Price: \$5,050,000 CAD

Gross Sales

Annualized	FYE 2022
\$6,300,000	\$5,165,300

Cash Flow

FYE 2022
\$1,278,622

- **Profit Margin: 25%**

Current Valuation: 2022 x Multiple = Valuation
 $\$1,278,622 \times 3.95 = \$5,050,556$

Business Information

Environmental Services: Disposal of drilling waste, turnaround & industrial clean up services dust suppression, culvert thawing & flushing, heavy equipment washing, and hydro testing.

Clients: Over 250 clients, with 50 repeat/reoccurring. Municipal and Local utility companies, Energy Organizations, and Exploration

Personnel: 23: 5 in Administration (Vice President of Operation, General Manager of Fleet & Dispatch, Billing Manager, Safety Officer, and Dispatch); 13 Operators, and 5 in the Shop

Current Owners' Responsibilities: Lives 2+ hours away, oversees from a far. Role is light oversight, a couple calls per week. Visits business about 8 times a year.

Service Area: In Alberta with focus in The Peace Region of Northwest Alberta

Lease: 11-acre industrial fully fenced yard site, 750 sq. ft. office w/ 4 maintenance bays.

Year Established: 1999

Seller Training Period: 1 year

Reason for Selling: Exit Planning for retirement.

Location: Fox Creek, Alberta

Assets Included in Purchase: \$3,245,754

Equipment/Vehicles: \$2,633,500: combo vacs, tank trucks, straight vacs, water trucks, mobile steamers, maintenance units, trailers

Inventory: \$135,000

A/R: \$874,235 **A/P:** \$396,981

Working Capital Included: ~\$477,254

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

Funding Example

Purchase Price: \$5,025,000 CAD

20% Buyer Down Payment	\$1,010,000
15% Seller Financing	\$757,500
65% Bank Loan	\$3,282,500

- **Bank Loan is 100% collateralized!**
- The total annual debt payment is **\$606,775**
- Buyer's Net Operating Income (NOI): **\$671,847**

Description

This company handles all aspects of the industrial clean up services and disposal & hauling of drilling waste for oil field productions. This company currently has 250 clients, of which 50+ of those are recurring with the typical client being a municipality or utility company. Their equipment & vehicles have a value of over \$2.6MM and consists of combo vacs, tank trucks, straight vacs, water trucks, mobile steamers, and maintenance units. This variety of equipment also gives them the ability to perform a mixture of maintenance, water delivery, vegetation control, water truck services, & mobile steaming. The Leadership Team is in place & consists of twenty-three employees. There are 5 in Administration (Vice President of Operation, General Manager of Fleet & Dispatch, Billing Manager, Safety Officer, and Dispatch); 13 Operators, and 5 in the Shop. The uniquely qualified team allows the owner to be able to live remote, more than 2 hours away, and only does light oversight of the business. Financing should be a breeze as this company is boasting a 25% Profit Margin and is 100% collateralized, plus there is roughly \$477K of working capital that is included in the purchase price as well.

At the purchase price of \$5,050,000 CAD, with a 20% investment from the Buyer, the Seller will show a vested interest in the business's success by holding a note for 15% allowing the bank to be at a 65% loan, making the business over 100% collateralized. The business has a focus in Alberta with clients across Canada. The company's leased space consists of an 11-acre industrial fully fenced yard site, a 750 sq. ft. office with 4 maintenance bays, and a 5-bedroom crew house.

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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.