

## **FOR SALE: Firearm Supply Store with Absentee Owner**

*Gun & Ammo Retail: 3,000 Firearms Sold Last Year!*

### Financial Overview

**List Price:** **\$1,900,000**

**Gross Sales**

2022
\$3,532,799

**Cash Flow**

4-year Avg.
\$563,292

**Low Multiple:** 3.1

**Valuation:** 4-Year Avg. Cash Flow (19-22) x Multiple = Valuation  
 \$563,292 x 3.35 = \$1,887,028

### Assets\*: \$1,250,000

**Inventory:** Seller will guarantee that inventory will stay at \$1,200,000.

**FFE:** \$50,000

### Business Information

**Products:** Sold over 3,000 firearms last year. Wide variety of new and used firearms for sports, protection, and recreational use, plus ammunition, scopes, sites, holsters, safes, etc.

**Services:** Firearm sales, gun trading, gunsmithing & cleaning to prepare firearms for off-season storage, scope installation, night sight installation, cleaning, reassembly, and function checks of firearms

**Customers:** Over 1,000 repeat customers who return for ammunition and Gun-Smith services. Local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, people wanting to protect their home.

**Personnel:** 6 employees; the general manager operates the company and is responsible for ordering inventory as well as scheduling and is willing to stay on after the sale. The remaining employees know how to run the day-to-day operations within the store.

**Current Owners' Responsibilities:** Passive Ownership – No role or responsibility.

**Location:** Harrisburg, Pennsylvania

**Service Area:** Mid-Atlantic

**Lease:** 3k sq. ft. building; \$2,600/month, low overhead

**Seller Training Period:** 1 Year. The General Manager wants to remain operating the company.

**Year Established:** 2014

**Reason for Selling:** Approaching retirement

**Growth Opportunities:** Develop a marketing strategy. Currently this business relies on billboards around the area to advertise their services. Collaborate with local shooting ranges, offer classes, and expand into E-commerce.

### Funding Example

**Purchase Price:** **\$1,900,000**

<b>15% Buyer Down Payment</b>	\$285,000
<b>10% Seller Financing</b>	\$190,000
<b>75% Bank Loan</b>	\$1,425,000

A 15% down payment of \$285,000 returns \$304,687 in the first year after debt payments.

**\*Inventory on hand collateralizes 80% of the bank loan!**

### Description

Selling over 3,000 firearms last year, the seller is guaranteeing \$1,200,000 in wholesale goods. Their inventory includes a wide variety of new and used firearms for sports, protection, and recreational use, plus ammunition, scopes, sites, holsters, safes, and more. They operate a beautiful and large shop over 3,000 Sq. Ft. with a lot of storage space for secured inventory. Another incredible asset of the business is the well-trained and experienced team who all have a long tenure within the company. The general manager of this company fully handles business operations, including online sales, which allows the business to be passively owned. The revenue, both online and in store, is generally split evenly between the sale of firearms and accessories. Their diverse outreach of customers includes local law enforcement agencies, first responders, military personnel, hunters, recreational shooters, people wanting to protect their home. With a decade of experience in the firearms industry, they are a full-service business offering services like firearm sales, gun trading, gunsmithing & cleaning to prepare firearms for off-season storage, scope installation, night sight installation, cleaning, reassembly, and function checks of firearms.

Priced at **\$1,900,000**, with a 4-year average cash flow of \$563,292 and a low multiple of 3.1, plus the 80% collateralized loan with \$1,250,000 in guaranteed assets, this business is primed for new ownership.

**- CONFIDENTIAL -**

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