



A Neumann & Associates, LLC
 Affiliated with Americas Largest Network of M&A Professionals

Business Profile

Engagement: 1492-2084

Company Information

Line of business: Executive Search (Business, Institutional Services)

Location: Central Georgia

In Business: 13+ years

Employees: 9+

Facilities: 8,000 SF Office (leased)

Reason for Sale: Retirement after many years (consulting available)

Company Assets:

• Net Working Capital	\$30,000
• Leasehold Improvements	\$0
• Office – Furniture & Computers	\$63,000
• Vehicles, Trailers, Forklifts	\$0
• Equipment & Tooling	\$0
• Other	\$0
<u>Total Assets included in Sale</u>	<u>\$93,000</u>

Sales and Cash Flow:

(All Information Based On P&L/Tax Returns)

<u>Fiscal Year End</u>	<u>Revenue</u>	<u>Seller Discretionary Cash Flow</u>
2018	\$1,160,000	\$250,000
2019	\$1,200,000	\$450,000
2020	\$680,000 *	\$40,000 *
2021	\$1,370,000	\$595,000

* Covid-19 Impact



Executive Summary

This well-known **Human Resources - Executive Search & Placement Firm** has provided professional administrative placement services to a well-established and prestigious **national client base** for over 40 years. The company has experienced stable revenue performance coming out of the national health crises and enjoys significant operating margins with documented profitability. The principals have been networking and developing relationships that can be easily passed on. This business currently operates from an 8,000 sq. ft. leased office space.

The company enjoys a **competitive advantage** by its superb reputation especially in one highly respected niche. The company established regular marketing techniques to stay seen and heard in their industry. It is projected that a new owner will obtain **additional growth** by aggressively working the database of over 150,000 up-to-date contacts and by expanding the direct sales efforts with a minimal investment of \$40k plus commission. The company projects a revenue growth rate under such premise of 15%+ per year.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 3.3x EBITDA (ttm). A full valuation report is included and there is \$30,000 in Net Working Capital plus an additional \$63K in Fixed Assets included in the deal. The business is pre-qualified by an SBA lender subject to buyer's financials, and by implementing the proposed deal structure an owner operator will obtain more than **\$250,000 benefit in after-acquisition-debt cash flow in Year #1 - over 75% return on equity investment.**

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. Seller will consider a mid-term consulting agreement thereafter. A very well trained and highly qualified team will stay in place and support the new owner in all aspects of the business.

(ALL DATA BASED ON SIGNED TAX RETURNS)

Deal Structure (Proposed)

Buyer Cash Down @ Closing	\$332,000
Buyer Bank Financing	\$996,000
Seller Financing @ 8% / 5 years	\$332,000
Long Term Debt Assumption	\$0
Total Purchase Price	\$1,660,000

Buyer Benefits

1) Stable business, for 15+ years - non union shop
2) Motivated owner helping in the transition, incl. potential consulting agreement
3) Acquisition financing approved for 80% of asking price
4) Over 75% return on down payment with suggested deal structure

A NEUMANN & ASSOCIATES, LLC

Postal Box 500 • Atlantic Highlands • New Jersey 07716

Phone (732) 872-6777

InvestorInquiry@NeumannAssociates.com • www.neumannassociates.com

NOTE: All data is based on signed tax returns and financial records. A Neumann & Associates has made no investigation or verification of the information presented herein. No additional information will be released until the Buyer has been fully reviewed and sufficient cash is available.