

## Business Overview

### RE: Relocation, Storage & Records Management Company

## Specifications

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 Price \$1,200,000	 Cash Flow \$367,026	 Revenue \$1,150,425
 Equipment \$735,129	 Location Siouxland	 Lease 15,000 sq. ft. warehouse and office space
 Profit Margin 30%	 Service Area Tri-state area	 Employees 15



## SUMMARY OF THE BUSINESS –

For over 30 years, this relocation and storage company has served the Siouxland and the tristate area, growing from a one-man operation into the go-to for local and interstate moves. Gross sales have topped \$1.1M for the last two years, with the company seeing a cash flow nearing or surpassing the \$300,000 mark. Operating at a 26% profit margin in 2016, this company still has room to grow.

Offices and storage are located in a 15,000-sq. ft. facility. The seller employs 15 individuals, 7 of whom are drivers. A General Manager and Office Manager work with the seller in the office, where a part-time bookkeeper assists for 15 to 20 hours per week. Additionally, there are 5 manual laborers for moving and storage duties.

Included in the purchase price is \$735,129 in assets. Over half of that is comprised of trucks, trailers and vans used for jobs. There is ample equipment to aid in storage and moving, as well as necessary office furniture and equipment to outfit operations.

While the company has a large share of the area market for relocations, growth exists in increasing storage services and opening a second location in a non-competing radius. Looking to sell as part of a retirement strategy, the seller is looking forward to assisting in a smooth transition to encourage continued company profitability and employee retention.

## Business Highlights

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- Years in Business: 30+
- Location and Service Area: Siouxland
- Commercial Clients: Medical, Banking, Financial, Education, Insurance and more
- Competition: Minimal – this company handles a majority of local moves (70%) and a large number of interstate relocations (60%)
- Building: 15,000 sq. ft. warehouse and office space
- Reason for Selling: Retirement planning
- Employees: 15
- Seller Training Period: Negotiable
- Growth Opportunities: Increase storage services, consider opening a second location in a non-competing area with the current location; establish relationships with realtors to gain referrals
- Current Owner's Responsibilities: Oversees all operations & sales, and handles hiring

## Financial Highlights

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- List Price: \$1,200,000
- Gross Sales
  - 2017 - \$1,113,973 Annualized

- 2016 - \$1,150,425
- 2015 - \$1,140,487
- Cash Flow
  - 2017 - \$330,234 Annualized
  - 2016 - \$298,625
- YOY Sales Trends:
- Profit Margin: 30%
- Assets Included in Purchase:
  - Equipment: \$300,129 –
    - \$13,690 in desks, cabinets, copiers, etc.
    - \$286,439 in shelving, moving equipment, ladders and more
  - Vehicles: \$435,000 – vans, trucks, trailers (please note that there is \$95,000 in outstanding debt on recent vehicle purchases that would be assumed by the buyer)
  - Intangible Assets: 100% 5-star reviews on Google, outstanding reputation

*\*amounts may vary*

# Cash Flow Analysis

Description of Financial Statement	P&L Statement January - August	Tax Return	Tax Return	Tax Return	Notes
	2017	2016	2015	2014	
<b>GROSS SALES</b>	\$742,649	\$1,150,425	\$1,140,487	\$1,038,087	
<i>Annualized</i>	<b>\$1,113,973</b>				
<b>Net Income Shown on Financial Statement</b>	\$170,970	\$200,849	\$243,822	\$197,085	
<b>ADDBACKS</b>					
Compensation to Owner	\$36,667	\$55,000	\$55,000	\$64,878	
11% Tax on total W2 Salaries	\$4,033	\$6,050	\$6,050	\$7,137	
Depreciation	\$0	\$16,917	\$16,319	\$7,742	<i>Non-cash item</i>
Interest	\$0	\$1,909	\$2,425	\$1,188	<i>Non-onward going expense</i>
Contributions/Donations	\$50	\$0	\$0	\$0	<i>Non-onward going expense</i>
Non-Business Telephone	\$800	\$1,200	\$1,200	\$1,200	<i>Personal expenses</i>
Life Insurance Premiums	\$947	\$0	\$0	\$0	<i>Owner's life insurance premium</i>
Meals & Entertainment	\$0	\$0	\$0	\$1,061	<i>Personal expenses</i>
Travel	\$3,955	\$0	\$0	\$5,297	<i>40% of travel is personal</i>
Auto Insurance Premiums	\$0	\$2,300	\$2,300	\$2,300	<i>Owner's auto insurance premium</i>
Retirement Plan	\$2,734	\$14,400	\$0	\$0	<i>401K for owner</i>
<b>TOTAL ADDBACKS</b>	\$49,186	\$97,776	\$83,294	\$90,803	
<b>Seller's Cash Flow = Total Addbacks + Net Income</b>	\$220,156	\$298,625	\$327,116	\$287,888	
<i>Annualized</i>	<b>\$330,234</b>				
Profit Margin	29.64 %	25.96 %	28.68 %	27.73 %	

- 30% profit margin in 2017

## Services

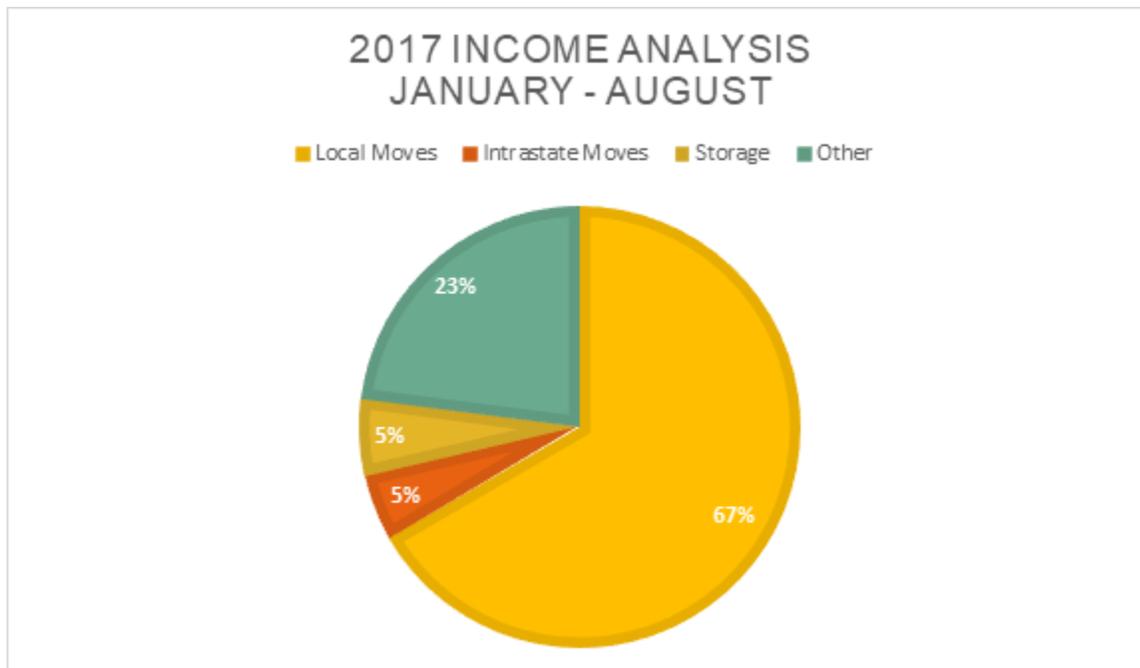
- Local moving
  - Roughly 70% of local moves of household goods are conducted through this company
- International relocation
- Long distance moves

- 60% of interstate relocations in the area are handled by this company
- Storage
  - Items are carefully packed and catalogued for safe storage and easy access
- New product receiving and distribution
  - New products are received and stored until ready for placement in a facility
  - The products are moved to the location when ready and set up
  - Companies needing these services range from hotels to restaurants and more

Jobs are split 80% local and 20% interstate.

## Income Analysis

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- By far, the largest income producer is local moves (67%)
- Through all of 2016, local moves brought in \$497,623
- In comparison, through August of 2017, \$404,411 in income has come in through local moves
  - Based on company-wide growth, 2017 should see \$606,616 in income from local moves alone

## Commercial Clients

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Company serves clients across 16 industries for moving, storage and records management

Medical	Real estate	Banking	Financial
Private industry	Education	Accounting	Meat industry
Design	Dental	Insurance	Foundations
Automotive	Law enforcement	Food processing	Electronics

## Employees

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- 15 employees
  - 7 drivers
  - Office Manager
  - General Manager
  - Part-time Bookkeeper
  - 5 manual laborers

Seller maintains CDL licensure, oversees operations and sales and handles hiring. Per week, the owner spends roughly 45 hours working in and on the business, but was absent for a total of 8 weeks spread out in 2016.

## Assets

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Vehicles - \$435,000\*

- Chevy Pack Van (2) - \$50,000
- Freightliner Straight Truck (3) - \$176,000
- Tractor Trailer (2) - \$63,000
- Trailer (2) - \$81,000
- SUV's (2) - \$65,000

\*please note that there is \$95,000 owed on recent vehicle purchases that would be assumed by the buyer

Equipment - \$300,129

- Shelving - \$157,575
- Moving equipment - \$74,466
  - Ladders, lifts, dollies, ramps, and more
- Miscellaneous - \$54,398

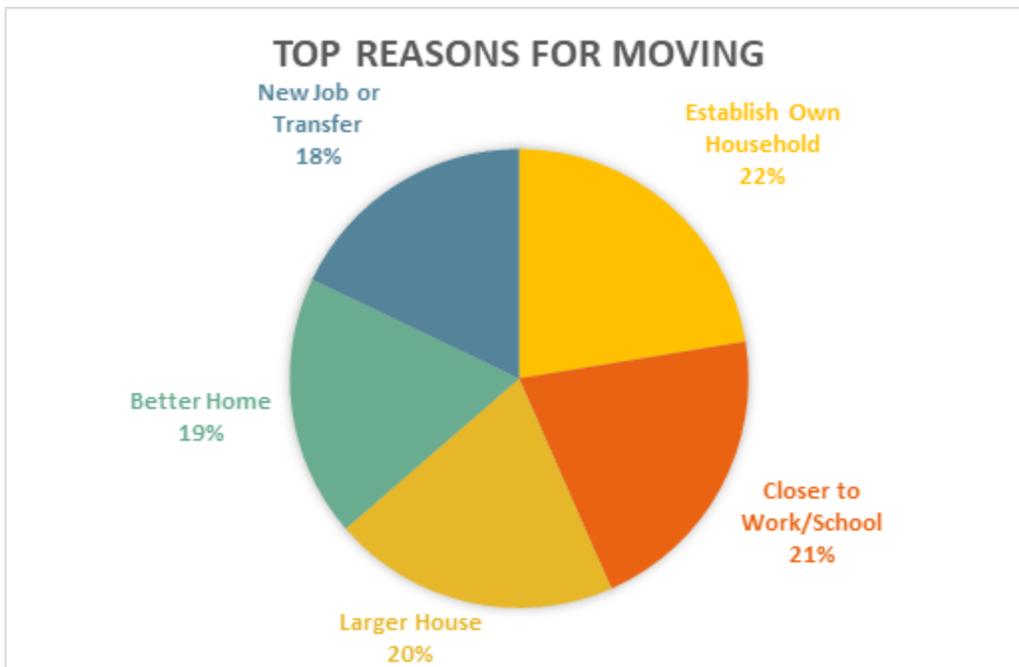
- Folding tables, containers, carts and more
- Office - \$13,690
  - Desks, cabinets, computers/printers, copiers and phone equipment

A detailed asset list is available upon receipt of a signed Non-Disclosure Agreement.

## Midwest Moving Statistics

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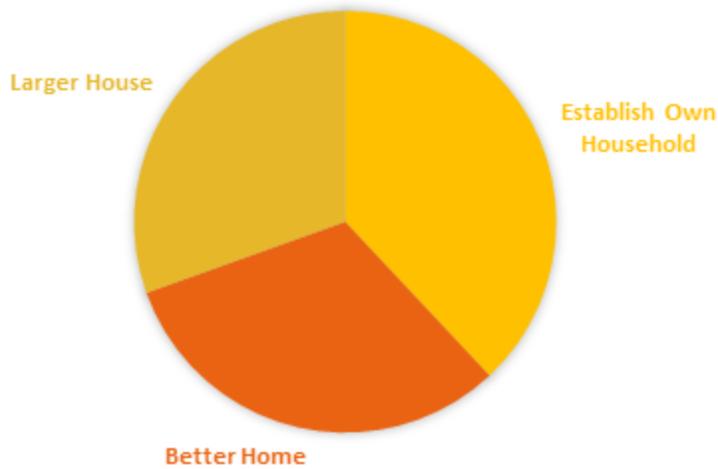
Nationwide



Nationwide trends are driven more by logistical needs than lifestyle changes.

Midwest

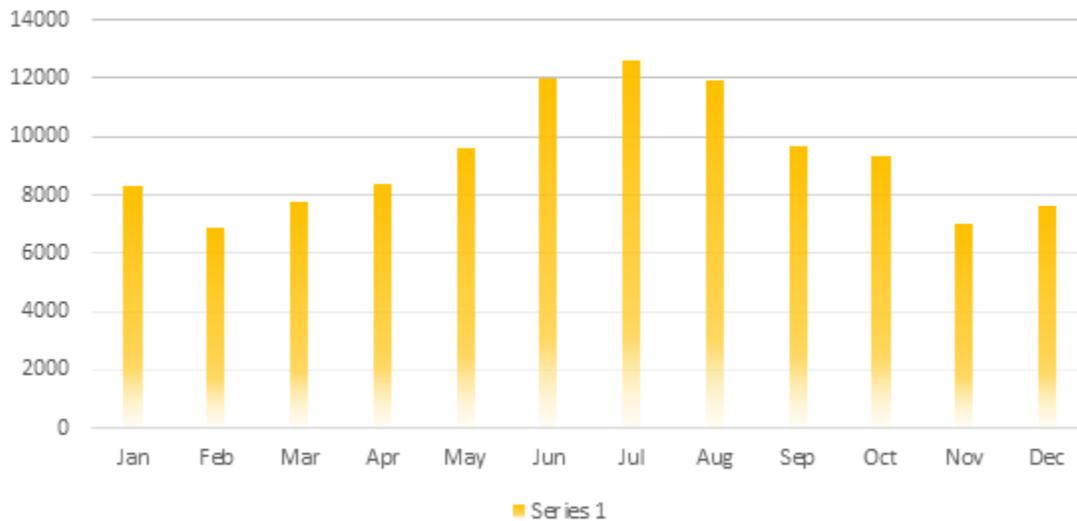
## TOP REASONS FOR MIDWEST MOVES



The top 3 reasons for moving in the Midwest all require spendable income, indicating a robust and growing economy to sustain relocation companies.

## Seasonal Moving Trends

### SEASONAL MOVING TRENDS



As expected, peak moving season runs from May to September.

July has nearly twice as much activity as February, the slowest month.

*\*Data pulled from a national moving company's research*

To receive a full financial package and specific information regarding this business:

1. Complete the Qualified Buyer Documents (Non-Disclosure Agreement and Buyer Questionnaire) [on our website](#) or print, scan and return the attachments to [info@TheFirmB2B.com](mailto:info@TheFirmB2B.com)
2. Call The Firm Business Brokerage at 402.998.5288 to schedule an appointment or conference call with a Broker.

The Firm currently has over 90 cash flowing businesses available. If you find that this is not a fit for you, please let us know and we would be happy to provide you with other opportunities.

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