



## Auto Repair with Real Estate



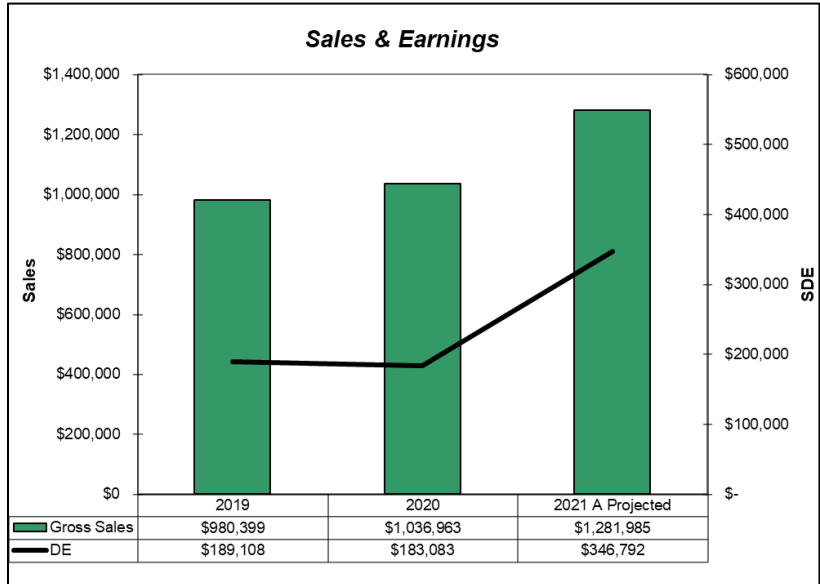
### OFFERING

Don't miss this rare opportunity to own a successful and profitable auto repair facility. The Company has been established and locally owned since 1991.

The Company offers a wide range of auto repairs services with the focus on meeting or exceeding customer expectations. It has one of the highest customer satisfactions in the industry of over 95%.

Their exceptional service and local reputation are the reason families throughout the area continue to send their vehicles to this company. The company has invested in newer equipment. "We have added and updated most of our equipment, which is state-of-art."

The owner is looking forward to retirement and is ready to pass the baton to a new owner and assist for a smooth transition.



**Notes:** Overall owner's benefit from the auto repair business and the rental income from the ownership of the real property is estimated to be \$414K in 2021.

### INDUSTRY TRENDS <sup>(1)</sup>

- The average auto repair shop has about 4-5 employees and generates \$709,000 in annual revenue.
- The automobile repair industry includes 78,600 firms that operate 82,500 shops, employ 345,600 workers, and generate \$55 billion in annual sales.
- The auto repair industry is separate from dealerships that provide repair services as well as the aftermarket industry, which manufactures and supplies components for vehicle repair.
- The automobile repair industry is highly fragmented. A vast majority of independent service shops are family-owned.
- The average car is 12.1 years old. A shift toward older vehicles tends to benefit the auto repair industry, as it indicates customers are more likely to take them to a mechanic for service.

(1) Source: Vertical IQ – Auto Repair Shops

### Return on Investment Table Similar to SBA Financing Structures

	SBA	Notes
SDE and Real Property Rental Income	\$332,986	19'-21's Weighted Average of Combination of SDE + Rent Income
Officer's Replacement Salary	\$100,000	Assumption
Earnings Available for Debt Service	\$232,986	
<b>Purchase Price</b>	<b>\$1,350,000</b>	
Down Payment	\$270,000	Down Payment 20%
Financed Amount	\$1,080,000	
<b>Total Project Cost</b>	<b>\$1,350,000</b>	
Total Loan Amount	\$1,080,000	
<b>Loan Terms</b>		
Amortization (Years)	25	
Monthly Payment	-\$6,632	5.5% Interest rate
Annual Payment	-\$79,586	
<b>Return on Investment (ROI)</b>	<b>\$153,000</b>	
<b>ROI</b>	<b>57% cash on cash</b>	
Debt Service Coverage (Most banks require > 1.25)	2.93	Based on SDE after Buyer Salary

**Notes:**

R.O.I. scenario is based on the following assumptions: Officer's Replacement Salary is \$100,000, financing with 20% down payment, 5.5% interest rate, 25 year amortization. SDE is Seller's Discretionary Earnings. Above figures are estimation only. This is for informational purposes only and buyer is advised to consult with his or her respective advisers.

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