

FOR SALE: Provider of Solar Equipment with Installation Coordination: \$26M in Backlog

Green Energy Business - no labor or self-performing, Seller will mitigate risk with 45% carry combo!

Financial Overview

Price: **\$15,500,000**

Gross Sales

2023 CONTRACTED	2022	2021
\$26,400,000	\$8,640,548	\$6,367,946

Cash Flow

2023 CONTRACTED	2022	2021
\$3,960,000	\$1,332,774	\$1,069,959

*2023 Cash Flow determined by using the 15% PM average

Valuation: 2023 x Multiple x = Valuation
 \$3,960,000 x 4 = \$15,840,000

Business Information

Backlog/ Contracted: \$23,700,000 with \$2,700,000 in Pipeline.

Services: Provider of Solar Power Equipment and Management of Installation. No labor or self-performed installation

Client Type: Commercial businesses, industrial municipalities, agricultural farms, nonprofit organizations, and schools

Recession Resistant: The recently passed US Infrastructure Bill will directly and positively impact this company. Also, the continued push for green energy will organically push this industry.

Staff: 8 core employees: 1 project manager, 1 admin liaison, 2 business development representatives, 2 in house design, 1 sales manager, and 1 outside sales rep. All labor is handled by subcontractors, they do not perform any of their own installation. The Project Manager holds an electrical certification, but because they use 100% subcontractors for electrical and installation work this is not necessary and new ownership does not need an electrical certification.

Reason for Selling: Strategic Growth

Current Owners' Responsibilities: Actively operates company, including financial management and some business development.

Owner Transition: Roll Equity and stay on for 4-5 years.

Location: Kansas City, Missouri. With service in Missouri, Kansas, Iowa, Illinois

Year Established: 2011

Equipment: \$125,000, including sky track, forklift, 2 trucks, 2 vans, and 1 trailer – Low Capex

New Ownership does not need to have electrical certifications: The Project Manager does hold a license; however, they use 100% subcontractors for electrical and installation work, no one in the core team is required to hold a license.

Funding Example

Guaranteed: \$8,000,000

Buyer & Bank cash at close	\$6,500,000
Promissory Note	\$1,500,000

Non-Guaranteed: \$7,500,000

20% Equity Roll	\$3,100,000
Earn Out with Benchmarks	\$4,400,000
• Over 5-years	

Description

Boasting over \$26 million in backlog, this well-established business has a versatile crew consisting of 8 core employees: Project Manager, 1 Client Liaison, 2 in Business Development, 1 Sales Manager, 2 in house design and 1 Sales Representative. This solar energy business meets with clients then designs systems for solar power equipment, and then coordinates the installation. They do not self-perform any installation labor. The current owner oversees his team but does not have any role in bidding, design, project maintenance etc. He has offered to stay with the company for 4-5 years plus he would like to roll equity at 20%. The current owner is looking to sell this business to a strategic growth buyer in order to add the business acumen needed to handle the massive upcoming growth.

In August of 2022, the Senate passed a bill that would provide major tax credits for renewable energy which would directly benefit the new owner. Additionally, the continued push for green energy will call for organic growth in this industry. Due to their business model, they have commercial businesses, industrial municipalities, agricultural farms, nonprofit organizations, and schools. With very low equipment CapEx while allowing them to operate in Missouri, Iowa, Kansas, and Illinois with the potential for regional expansion with emphasis on municipal contracts. Priced at **\$15,500,000** this business has a great outlook when it comes to scalability as well as vertical growth!