

# FOR SALE: Electric Firm focused on Public Transportation for Municipalities

*Install and Maintenance for Commuter Rail and Street Cars!*

## Financial Overview

**List Price:** \$14,500,000

### Gross Sales

### Cash Flow

| 2022         | 2021         |
|--------------|--------------|
| \$23,814,420 | \$22,645,098 |

| 2022        |
|-------------|
| \$3,238,872 |

**Valuation:** Cash Flow x Multiple = Valuation  
 \$3,238,872 x 4.5 = \$14,574,924

## Assets Included in Purchase: \$5,331,269

- Machinery & Equipment:** \$616,826
- Vehicles:** \$1,739,443
- Office Furniture & Software:** \$225,000
- Working Capital:** \$2,750,000
  - A/R avg:** \$6,750,000 – **A/P and LOC avg:** \$3,500,000
- Backlog:** \$35,001,431

## Business Information

**Services:** Electrical Infrastructure including: designing, installing, and maintaining above and below ground public transportation systems including work on rail, streetcar, commuter rail and traffic lights.

**Clients:** Primarily Municipalities

**Personnel:** 60+ Including a CFO, VP, Superintendent, a Senior Director of Project Managers, 5 Project Managers, 11 Electrical Foreman, 17 electricians and apprentices, railroad maintenance staff, 7 Administrative employees, equipment operators, warehouse labor and drivers.

**Recession Resistant:** Their work falls under the municipal umbrella: meaning if there should be a recession, their workflow will *not* be impacted. In fact, due to the recently passed US Infrastructure Bill, this business will grow significantly as \$66 Billion dollars has been set aside for public transportation infrastructure work.

**Seller Training Period:** Current owner plans on staying with the business after sale for 3 years and his ongoing salary is counted for in adjusted cashflow.

**Reason for Selling:** Strategic growth.

**Owner's Role:** Oversight.

**Location:** 3 offices, 2 in Washington and 1 in Oregon

**Growth Opportunities:** Expand geographic service area, specifically into Texas and Colorado. Many of their Prime and GC's have asked them to do their projects in these locations.

**Year Established:** 2012

## Funding Example

**Purchase Price:** \$14,500,000

|                                       |              |
|---------------------------------------|--------------|
| <b>75% Buyer Down &amp; Bank Loan</b> | \$10,875,000 |
| <b>15% Seller Financing</b>           | \$2,175,000  |
| <b>10% Equity Roll</b>                | \$1,450,000  |

## Description

Electrical firm engaged on Industrial and Government projects, where the "direct client" is a General or Prime Contractor. Their niche is in the "end client" being a Municipality with infrastructure needs. The expertise of this electrical firm is in designing, installing and maintaining above and below ground public transportation systems such as commercial street cars, and traffic lights. Serving the Pacific Northwest, with 3 strategically located offices in Washington and Oregon their team of over 60 is large enough to have multiple jobs with several crews simultaneously. They are boasting over \$35,000,000 in Backlog, spanning over 22 different projects. The senior leadership includes a CFO, VP, a Superintendent and a Director of Project Management. The staff is robust with 5 PM's, 17 Electricians, 7 Admin plus railroad maintenance, equipment operators and warehouse labor. This team allows the Owner to take extended vacations and time away from the office, where it runs like a well-oiled machine! In this region, the union is the only way to be able to perform public projects. Due to the recently passed US Infrastructure Bill, this business will grow significantly in the near future as \$66 Billion dollars have been set aside for transportation infrastructure work in Washington and Oregon!

The purchase of this business comes with over \$5M in assets including \$1.7M in vehicles, \$600k in equipment, along with working capital of \$2.7M+! The owner is looking for a strategic growth minded buyer to scale this business to new heights and plans on staying with the business for 3 years after the sale; his ongoing salary has been accounted for in the Cash Flow Analysis. Priced at **\$14,500,000**, the seller is willing to contribute a combined 25% via seller financing and/or equity roll to show good faith in the ongoing success of the company.

**- CONFIDENTIAL -**

Last Revised BV 3.22.2023