

Acquisition Opportunity

DLPE– Well-established Residential/Commercial Landscaping Business

Corporation Type: S Corp Location: DFW, TX SIC Code: 0782



30+ year old, well established residential/commercial lawn and landscaping business operating in affluent market within Dallas/Fort Worth area. This is a great opportunity to acquire a repetitive book of business in a sought after marketplace. The business has approximately 40-50% of its revenue coming from lawn maintenance work that is predictable and repetitive, and the remainder coming from landscaping projects (new installations, plantings, repair-work), predominantly from their existing customers. Tremendous opportunity to grow. The owner, who has owned the business for over 30 years, is looking to retire.

ASKING
\$395,000

Terms

- With a down payment of \$39,500(10%), third party financing is available to finance the remaining balance over 10 years for a buyer with a requisite background that is qualified by the bank (the owner is willing to carry back 10% of the purchase price if needed). It will require a monthly payment of approximately \$3500. All notes will be personally guaranteed.

Top Details/Business Activity

- 30+ Years in business
- Average revenue per customer: \$9600/year
- Owner performs sales, management and field supervision duties
- Currently has 3 crew leaders that manage crews of 3-4 members
- Diverse mix of customers in high-value residential properties
- Approximately 75% Residential/25% Commercial
- No Customer Concentration - No one customers exceeds 10% of sales and top customers rotate every year based on projects
- Full Service Landscaping – property maintenance, enhancements, tree pruning and removal, stone work, irrigation repairs and drainage, lighting, pressure washing
- Bank financing is available to borrowers that have a requisite background as dictated by the bank
- Industry not seen as economically sensitive, with plenty of opportunity for growth

Strengths

- Well established reputation – strong and consistent customer base
- Stable revenue throughout the year
- Responsive to customers’ needs
- Stable labor force
- Well-equipped for regular workload demands

Weaknesses

- Little to no digital presence, no website
- Owner has not been aggressively pursuing expansion in the marketplace

Marketing Strategy

- There is no sales force, beyond the owner. Most new business comes from word-of-mouth referrals of existing customers’ neighbors, family and friends. The business is also listed in the neighborhood directory of businesses in an affluent section of DFW.

Reason for selling:

- The owner has owned the business for over 30 years. He is ready to retire.

Key Indicators (Accrual/Cash Basis):

Year (Financial Year End: XX/XX)	2020 Annualized \$'000	2019 \$'000	2018 \$'000	2017 \$'000
Revenue	715	742	737	557
Gross Profit	226	222	154	220
Adj. EBITDA*	139	142	219	137

*Profit before interest, tax, depreciation, amortization (non-cash items) including owner salary, one-time and discretionary expenses.

Included in offering:

- Assets: estimated \$50,000

Business Days and Hours

- Monday - Friday: 7:00 to 5:00
- Saturday: Scheduled Services Only
- Sunday: Closed

Employees:

- The Company has a total of 8-10 full time employees. The key employees are owner and crew leaders.

Support and Training

- The Owner genuinely desires an effective business transition with seamless customer service through to the buyer. They will train a buyer for 30 days. An additional consulting contract can be obtained.

Next Steps

- In order for us to release the Confidential Information Memorandum, complete the Non-Disclosure Agreement and Buyer Profile and return to:

David Lockey, Managing Director

DavidL@thevantgroup.com

(972) 458-8989, ext. 202



CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

Residential/Commercial Landscaping Business

Sale Price & Down Payment: \$395,000

1. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned ("The Recipient") enters into this Confidentiality Agreement with and for the benefit of The Vant Group ("the Broker").
2. The Broker has attached hereto or has provided or may subsequently provide to the Recipient in connection herewith certain technical, financial, and/or business information (collectively the "Information") regarding the Company (as above designated) to facilitate an evaluation by the Recipient whether to acquire the Company or stock or assets thereof. The Recipient acknowledges that the Information is highly confidential and proprietary to the Company.
3. The Recipient shall not at any time, without prior written consent of the Company, furnish, copy, reproduce or distribute, in whole or in part, directly or indirectly, the Information to anyone, except Recipient's financial advisors and investors, who may be furnished with the Information for the sole purpose of advising the Recipient as to the structure of any proposed purchase of the Company (or its stock or assets), and it will keep permanently confidential the Information and will use the Information only for the purpose set forth above. The Recipient shall be under no obligation to maintain as confidential any information which (a) Recipient can show by legally sufficient written evidence was in its possession prior to disclosure by the Broker and/or the Company; or (b) becomes generally available to the public in tangible form other than by acts or omissions of Recipient; or (c) is lawfully obtained from a third party. The Recipient shall not contact the Company to discuss the sale or purchase of the Company or the Information without prior written consent of the Broker.
4. The Recipient hereby indemnifies and holds harmless the Broker, and its agents, representatives, employees and attorneys, from and against any and all claims, liabilities, actions, causes of action and damages, arising from or relating to any injury or loss arising out of, from, or attributed to the transactions or matters subject hereof, or the actions, omissions, wrongful conduct or other breach of this Confidentiality Agreement by Recipient, which indemnification shall include, without limitation, reimbursement of attorney's fees and expenses incurred by the Broker in connection herewith.
5. The Recipient shall not enter into any agreement for the purchase of the Company or its stock or assets unless said agreement contains a provision wherein the parties thereto acknowledge that the Broker is the procuring cause of such agreement and the Broker is entitled to a broker's commission as agreed upon by the Company and the Broker.
6. While the Information is believed to be accurate, it is subject to change, error or withdrawal of offering, without notice. The Company and the Broker expressly disclaim any and all liability for representations or warranties, expressed or implied, contained in the Information, or, for omissions from it. The Company reserves the right to require the return of the Information at any time.
7. A facsimile transmission of this document is legal and binding.
8. The Recipient warrants that the undersigned is a duly authorized by the company to enter into binding legal contracts on its behalf.
9. This Agreement contains the entire agreement between the parties hereto with regard to the subject matter hereof. If one or more of the provisions contained herein shall be held to be invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect. This Agreement shall be binding upon the parties' heirs, successors and assigns, where permitted. This Agreement may not be assigned by the Recipient without the prior written consent of the Broker. No ambiguity herein shall be resolved presumptively against any party. This Agreement shall be construed in accordance with the laws of the State of Texas, and the obligations of the parties are performable in Dallas, County, State of Texas, where venue shall lie for any actions brought hereunder.

RECIPIENT:

Company Name

Street

Signature

City State Zip

Print Name

Phone

Date: _____

Fax