

Acquisition Opportunity – Site Development Construction Company

The firm is involved in a wide range of site development projects in the Pacific Northwest ranging from commercial and residential to public works. The company has a solid team that focuses on accurate estimating, selective bidding, tight cost controls, and accurate invoicing of change orders. Consequently, the company enjoys higher gross margins than similar construction companies.

2020 and 2021 financial performance was impacted by Covid however the firm bounced back with 2022 revenues of nearly \$13M and an adjusted EBITDA of \$3.3 M. 2023 has a strong backlog of \$9M with the expectation of year end revenues of \$15M and resulting EBITDA of \$4.3M. The company has strong relationships and is currently partnering with developers of master planned communities that are less effected by external economic forces.

The owner desires to sell in order to diversify his investments as part of an estate plan. He is seeking a cash free, debt free sale. He is willing to remain involved during an ownership transition period. The real estate is owned by the seller and is available for lease by a buyer at fair market value.

This is an excellent opportunity for a buyer that desires to gain a foothold in the greater Puget Sound site development construction market. The company's market is projected to remain strong. There is room for growth without the need for additional CAPEX due to the amount and condition of the owned equipment.

Financial Summary

	2019		2020 Covid		2021 Covid		2022 '(1)		2023 Projection	
Revenue	11,105,103	100%	5,941,410	100%	5,993,391	100%	13,069,000	100%	15,000,000	100%
Gross Profit	2,740,509	25%	1,099,085	18%	1,342,036	23%	3,820,000	33%	4,950,000	33%
G&A	1,175,829	11%	680,925	11%	666,075	11%	1,060,000	8%	1,200,000	8%
Other Income	2,538	0%	131,326	2%	541,410	9%	0	0%	-	0%
Net Income	1,567,218	14%	549,486	9%	1,217,371	20%	2,760,000	21%	3,750,000	25%
Depreciation	217,701	2%	178,287	3%	130,214	2%		0%		0%
Interest Expense	4,575	0%	-	0%	-	0%	0	0%	-	0%
EBITDA	1,789,494	16%	727,773	12%	1,347,585	23%	2,760,000	21%	3,750,000	25%
Total Adjustments	1,470,309		331,083		(195,057)		528,421		530,000	
ADJUSTED EBITDA	3,259,803	29%	1,058,856	18%	1,152,528	19%	3,288,421	25%	4,280,000	29%

(1) Internal preliminary financials

(2) 2022 COGS/Gross Profit adjusted for \$500,000 inventory expense for material to be used in 2023

For additional information please contact:

Bob Champoux: rchampoux@rcadvisorysvcs.com 425-890-3857

Pete McDowell: pmcdowell@rcadvisorysvcs.com 425-577-3503

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