

Business Offering Report

Mickey's Plumbing & Heating



This Business Offering Report was created using the dynamic suite of online tools at
BizByOwner.com

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Your Report will include 7 key sections plus exhibits that will create the professional profile for your business—and show a buyer its potential. You choose what information to include in each section

	Section Length
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Business Summary	
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Customize this section and highlight your business' strengths	
B. Business Overview	2 – 8 Pages
Services & Description	
Franchise Brand	
Choose from up to 16 key sections to focus on in your presentation	
C. Markets and Customers	1 – 2 Pages
Help buyer's understand your marketplace and customers	
D. Competition	1 Page
This section highlights your company's position in the marketplace	
E. Organization	1 – 3 Pages
Help buyer's understand your company's personnel structure	
F. Company Location & Facilities	1 Page for Each Location
Profile your company's facility	
G. Financial Summary	4 Pages
This section profiles your company's financial performance	
H. Exhibits	1 – 3 Pages
Present you income statements and balance sheet—professionally	

A. EXECUTIVE SUMMARY

Partial sample of the
Report's *Executive
Summary*

Business Summary

Founded in 1982, Mickey's Plumbing & Heating is one of the most established and successful Plumbing & Heating businesses in the Tri County area! The Company offers a full range of plumbing and heating services, including forced air and hot water heating systems. The company focuses on residential service but also supports commercial accounts and new construction. Service accounts for 90% of the Company's business, and an estimated that 90% of that is loyal, repeat customers! Sales and profitability have been solid historically and increased ...

Financial Summary

As shown in Table 1, the Company's revenue has grown consistently over the last four years. Net income and discretionary cash flow have also increased each year. The ownership predicts continued of growth into 2006 with a 5% increase in revenue to...

Table 1	2003	2004	2005	2006 Projected
Sales	\$ 758,942	\$ 814,060	\$ 1,080,860	\$1,125,000
<i>Sales Growth</i>	-	7.3%	32.8%	4.1%
Net Income	\$63,156	\$70,738	\$146,076	\$158,200
<i>NI Growth</i>	-	12.0%	106.5%	8.3%
DCF	\$219,190	\$181,007	\$274,560	\$275,000
<i>DCF* Growth</i>	-	(17.4%)	51.7%	0.2%

Your Business Offering Report is automatically created based on an easy-to-complete questionnaire. Every section is fully customizable, by you, for your business.

Sample text will help guide you, and every buyer prospect will be impressed by your professional, comprehensive presentation

B. BUSINESS OVERVIEW

Partial sample of the Report's *Business Overview* section

Services & Description

The Company is a leading plumbing and heating contractor and offers a full range of plumbing and heating services. The majority of revenue derives from its highly dependable, recurring service business versus less dependable new construction projects.

Revenue Breakdown

Service comprises the largest component of the companies revenues, and within that, residential service is almost 90%.

Service: 80 Percent

Residential Service: 90% Commercial Service: 10%

Construction: 20 Percent

Residential Construction: 60 Percent Commercial Construction: 40 Percent

Quickly adapt the Report to your specific needs with sections like Franchise Brand (shown below), Business Divisions, Locations, History and Licensing Requirements

Franchise Brand

Franchising is one of the most successful business models ever created. It has been estimated that the success rate of franchised businesses is 80% compared to 50% or worse for non-franchised businesses. Franchise advantages include professional advertising, multiple store cross-traffic, and established systems. Franchise systems are just a few of the reasons why franchising is the most prudent business investment decision you ever make.

Special sections, like Franchise Brand for franchise businesses, will have pre-created, professional intro-text for you!

The franchise agreement will govern all relationships between the new owner and the Franchiser and supercedes any and all representations made

herein. The Franchiser will have its own qualification criteria that any purchaser must meet. In addition, the franchiser may require training at the franchiser's location. Any prospective buyer must receive the Franchiser's Uniform Franchise offering Circular (U.F.O.C.).

Franchise: Super Plumbing International, Ltd.

Mickey's Plumbing is a Super Plumbing International franchise business. Super Plumbing began franchising in 1984 and has grown to 484 locations in the United States and Canada. There are 9 franchises in the Company's market. Royalties equal 6% of sales and there is a 4% advertising coop fee.

Protected Territory

The franchiser does not allow for protected territories.

Franchiser/Licensors Training

The franchiser will require the buyer to attend two weeks of training in Atlanta.

Upgrade Requirements

There are currently no upgrade requirements from the franchiser at the time of sale.

Transfer Fees

The franchiser currently charges a \$10,000 transfer fee that will be paid by the seller.

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C. MARKETS AND CUSTOMERS

Partial sample of the
Report's *Markets And
Customers* section

Overview

Plumbing & Heating

The Company works in two primary market segments: service (80%) and new construction (20%). It is expected that 2006 will remain a strong year for new construction and remodeling, but more important for the company are trends in service. Service demand is driven by several complimentary factors including population growth, age of equipment and rate of reinvestment in new equipment. Colorado grew 30% in the 1990's and the State of Colorado has predicted the population will grow by up to one million more in the next ten years. This should be...

U.S. Economy

The U.S. economy appears to have fully recovered from the 2001-2002 recession that lingered in many sectors into following quarters. The unemployment rate has continued to decline and, according to the U.S. Department of Commerce...

Company's Current Market

The Company serves primarily the Tri County area of Fairfield County, Broomfield County, and North Ames County.

Tri County Area

From <http://www.tricounty.co>:

The Tri County Area is large and diverse, featuring everything from the spectacular scenery of Rocky Mountain National Park (a national treasure) to lush farmland, and ...

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D. COMPETITION

Partial sample of the
Report's *Competition*
section

Primary Competition

Company	Estimated Market Rank
Ace Plumbing and Heating	1
Next Door Heating and A/C	3
Superior Services LLC	4
Every Day AC Etc,	5

Although there are competitors in our market area, our entrenched position due to our longevity in the market place has allowed us to remain highly consistent in our level of market penetration.

Sample text makes it easy to right a great Report—quickly modify our sample text for your business or create your own.

Our online tools help you prepare the absolute best Business Offering Report in the marketplace.

E. ORGANIZATION

Partial sample of the
Report's *Organization*
section

Owners' Role

Name	Title
------	-------

Rick Pike	President
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Rick Pike runs the day-to-day operations of the company.

Donald Beezley	Secretary/Treasurer
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Donald is a Master Plumber and semi-retired.

Although Rick Pike runs the day-to-day operations of the Company, there are two skilled managers who have the ability to perform 90% of the required daily tasks.

The professional intermediaries at BizByOwner understand what buyers are looking for.

We have carefully crafted each section of this Report—and your entire Business Offering Package—to include the critical information quality buyers are hungry for.

F. COMPANY LOCATIONS & FACILITIES

Partial sample of the
Report's *Company
Locations* section

Business Location(s)

The company occupies the following location(s):

<u>Nature of location(s)</u>	<u>Address</u>	<u>Status</u>
North Avenue Condo	1200 North Avenue Broomfield, GA	For sale or lease

Location Detail

Detailed data for each location listed above, including detailed descriptions, offering price and lease terms, as applicable, begins on the next page.

Our facilities profile tool helps you create an intelligent profile for each location your business operates—including home-based businesses.

It will include important details like facility descriptions and lease or sale terms

Join BizByOwner to see the full, dynamic presentation of your facilities and your business.

G. FINANCIAL SUMMARY

Partial sample of the
Report's *Financial
Summary* section

Sales and Profitability

Sales

The sales results for 2004 and 2005 establish an increasing trend and add support to the annual sales projection of \$1,125,000 for 2006. The projected increase is based on an increase in advance orders, a price increase and a more aggressive marketing program planned for 2006.

Profitability

Net income has increased substantially in 2005 due to better cost controls and improved margins resulting from a price increase initiated in January. Discretionary Cash Flow has also increased each of the last three years, from \$162,000 in 2004 to \$251,000 for 2005, and a projected \$265,000 for 2006.

Table 2	2004	2005	2006 Projected
Sales	\$814,060	\$1,080,860	\$1,125,000
Net Income	\$70,738	\$146,076	\$158,200

Recasting Cash Flow

Since privately owned companies tend to keep reported profits and thus taxes as low as possible, financial recasting is a critical ingredient to understanding the earnings of the business enterprise. Recasting provides an economic view of the company allowing...

The way you present financial information may be the most important part of your presentation. BizByOwner will show you how to do it right.

BizByOwner's Financial Module will help you do just that.

H. EXHIBITS

Exhibits will include your Income Statement, Balance Sheet and F, F & E list.

BizByOwner's Financial Module will set up your income statement and balance sheet in a professional format. And our proprietary discretionary cash flow calculator will present your company's profitability and cash flow in the manner required by today's buyers.

Scroll down to see a sample Income Statement.

Join BizByOwner today and get on the road to the successful sale of your business.

Income Statement

Period Ending & Information Source

	2003	2004	2005	2006
	Financial Statement	Financial Statement	Financial Statement	Projected
Total Sales	\$758,942	\$814,060	\$1,080,860	\$1,125,000
Total Cost Of Sales	\$171,973	\$245,373	\$320,169	\$302,400
Gross Profit	\$586,969	\$568,688	\$760,691	\$822,600
Operating Expenses				
Accounting	\$4,575	\$6,500	\$6,094	\$6,000
Advertising	\$17,628	\$33,760	\$61,203	\$65,000
Auto Expense	\$15,682	\$30,829	\$28,730	\$40,000
Bank Fees	\$613	\$846	\$5,251	\$5,000
Contract Labor	\$6,789	\$745	\$26,387	\$30,000
Depreciation	\$28,389	\$6,310	-	-
Dues/Fees/Subscriptions	\$250	\$785	\$530	\$500
Insurance--Life/Health Employees	\$15,726	\$19,243	\$36,791	\$38,000
Insurance--Life/Health Owners	\$37,734	\$33,509	\$36,873	\$38,000
Insurance--Liability	\$23,436	-	-	-
Insurance--Workman's Comp	\$14,570	\$31,231	\$18,732	\$20,000
Interest Expense	\$12,806	\$8,211	\$4,873	\$4,500
Leases--Equipment	\$6,463	\$3,470	\$492	\$500
Licenses & Permits	\$2,657	\$2,360	\$5,738	\$5,800
Meals & Entertainment	\$1,206	\$1,496	\$1,391	\$1,500
Miscellaneous	\$897	\$8,479	-	-
Office Supplies	\$14,957	\$15,270	\$13,297	\$14,000
Other Supplies	\$6,839	\$1,318	\$3,106	\$3,000
Payroll--Employee--If NOT in Cost of Sales	\$186,858	\$178,749	\$250,254	\$275,000
Payroll--Owner's--If NOT in Cost of Sales	\$70,300	\$61,895	\$64,799	\$65,000
Payroll Taxes	\$23,440	\$19,556	\$736	\$800
Postage & Shipping	\$280	\$1,766	\$2,189	\$2,500
Rent	\$13,759	\$20,209	\$25,200	\$26,000
Repairs & Maintenance	\$192	-	\$140	\$200
Retirement Plan Contributions	\$5,130	-	\$7,369	\$8,000
Telephone	\$11,017	\$9,445	\$12,406	\$13,000
Utilities	\$1,621	\$1,968	\$2,037	\$2,100
Total Operating Expenses	\$523,813	\$497,950	\$614,615	\$664,400
Other Income	-	-	-	-
Other Expenses	-	-	-	-
Net Income Before Taxes	\$63,156	\$70,738	\$146,076	\$158,200
Interest Expenses	\$12,806	\$8,211	\$4,873	\$4,500
EBIT	\$75,962	\$78,949	\$150,949	\$162,700
Depreciation & Amortization	\$28,389	\$6,310	-	-
EBITDA	\$104,351	\$85,259	\$150,949	\$162,700
Business Income Taxes (if C Corp)	-	-	-	-
Net Income After Taxes	\$63,156	\$70,738	\$146,076	\$158,200