

Listing #: 18317 Title: Unlock Automotive Excellence: Elite Engine Rebuilding Company For Sale

SIC Code: 7538 Category: Automotive / Auto Engine Rebuilding

County: Confidential City: Confidential Zip/Postal Code: Confidential State/Prov: California Country: United States



| Status | Active |
|-------------------------------|-----------|
| Status | Active |
| Listed Price | \$495,000 |
| Down Payment | \$495,000 |
| Discretionary Earnings | \$85,328 |
| Revenue | \$834,346 |
| Total Assets Included | \$12,780 |
| Real Estate Included in Price | - |
| | |

Business Description

This is a great opportunity for the right individual take over a shop that has a very good reputation and with a large share of the local market. They have customers coming from 50 miles in every direction. A full-service automotive machine shop (with crankshaft regrinding) and parts supply and is recommended by most local auto parts stores and repair shops. Our customers bring in Domestic, Japanese, Agriculture, and Industrial engines in that we machine and rebuild and supply the parts. After 45 years of delivering quality work and parts for all sectors of engine rebuilding industry we are offering truly an opportunity of a lifetime.

Facilities/Location/Real Estate

Discover the flexibility you've been searching for with our lease-to-purchase option. This unique opportunity offers a versatile space totaling 7,500 square feet, meticulously designed to cater to your business needs:

- Dynamic Machine Shop: Embrace innovation in our expansive 4,000-square-foot machine shop, meticulously crafted to accommodate precision engineering and manufacturing.
- Premium Parts Department: Streamline operations in our dedicated 1,000-squarefoot parts department, where efficiency meets accessibility for all your inventory needs
- Versatile Storage and Office Space: Experience the perfect blend of functionality and comfort in our 2,500-square-foot storage and office area. This adaptable space includes restrooms and office facilities to support your team's productivity.



Contact Information
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Fiscal Year Ending Month: September

Historical Financial Summary

| Data Source | Annualized | Tax Return | Tax Return | Tax Return | (N) |
|---------------------|------------|-------------|------------|------------|-----|
| Year (Cash Flow) | 2024 | 2023 | 2022 | 2021 | |
| Gross Revenue | \$834,346 | \$1,026,527 | \$940,029 | \$885,287 | |
| Cost of Goods | \$149,928 | \$249,193 | \$253,264 | \$286,317 | |
| Gross Profit | \$684,418 | \$777,334 | \$686,765 | \$598,970 | |
| Expenses | \$702,210 | \$697,074 | \$692,838 | \$587,012 | |
| Net | \$-17,792 | \$80,260 | \$-6,073 | \$11,958 | |
| Benefits | | | | | |

| Interest Expense | \$4,088 | \$5,252 | \$13,023 | \$13,071 |
|------------------|-----------|-----------|-----------|-----------|
| Depreciation | \$0 | \$28,361 | \$19,299 | \$2,479 |
| Amortization | \$0 | \$0 | \$492 | \$492 |
| Total Add Backs | \$103,120 | \$141,812 | \$155,314 | \$120,712 |
| Owner Benefit | \$85,328 | \$222,072 | \$149,241 | \$132,670 |

Reason For Sale

The Seller is looking to Retire.

Products, Services & Licenses

Licensed with the Bureau of Automotive Repair, this establishment undergoes rigorous scrutiny to ensure compliance and uphold industry standards. This credential serves as a testament to their commitment to transparency and regulatory adherence, providing peace of mind to prospective buyers regarding the business's integrity.

Moreover, as esteemed members of the Association of Engine Rebuilders (AEAR), we engage in a continuous pursuit of excellence. Their membership, renewable annually, not only signifies our dedication to professional development but also grants access to invaluable resources and data. This affiliation serves as a powerful tool, enriching their expertise and enabling us to deliver exceptional service to our clientele..

| Operations | | Location | |
|-----------------------------------|--|--|---|
| • | | | |
| Year Established | 1978 | Type of Location | Commercial |
| Year Owned Form of Ownership | 1978 Corp C | Square Footage Lease/Month Lease Expires | 7,500 \$1,500 05/01/2024 |
| Absentee Owner | No | Terms & Options | Dynamic Machine Shop: Embrace innovation in our expansive 4,000-square-foot machine shop, meticulously crafted to accommodate precision engineering and manufacturing. Premium Parts Department: Streamline operations in our dedicated 1,000-square-foot parts department, where efficiency meets accessibility for all your inventory needs. Versatile Storage and Office Space: Experience the perfect blend of functionality and comfort in our 2,500-square-foot storage and office area. This adaptable space includes restrooms and office facilities to support your team's productivity. |
| Hours Owner Works Days & Hours | 40 Mon-Thurs 8am-5pm; Fri: 8am-3pm | Relocatable Home Based | No No |
| Number of Employees Managers | 10 ft 2 pt 1 | Franchise | No |

| Assets/Liabilities | Amount | Included in Sale | | Amount | Included in Sale |
|--------------------|----------|------------------|--------------|-----------|------------------|
| Accounts | \$12,780 | Yes | Real Estate | | - |
| Receivable | | | | | |
| Inventory | | - | Liabilities | \$100,203 | No |
| FF&E | | - | Other | | - |
| Leasehold | | - | Total Assets | \$12,780 | |
| | | | | | |

Assets/Liabilities Comments

This thriving business comes fully equipped to ensure a seamless transition for its new owner. Included in the sale is a comprehensive POS system boasting five terminals, facilitating efficient inventory management and sales processing.

Moreover, the acquisition encompasses a treasure trove of assets, including engine rebuilding equipment valued at \$3-400K, along with precision crank grinding machinery. Additionally, the inventory boasts thousands of dollars' worth of block crankshafts and cores, providing ample resources to

| Financing/Terms | | Lender Prequalifi | Lender Prequalified: No | | |
|-------------------------------|---------------|-------------------|-------------------------|--------------|--|
| Assumable Notes | Amount: \$0 | Mos: 0 | Rate: 0.00% | Mo. Pmt: \$0 | |
| Seller Financing - Business | Amount: \$0 | Mos: 0 | Rate: 0.00% | Mo. Pmt: \$0 | |
| Third Party Financing | Amount: \$0 | Mos: 0 | Rate: 0.00% | Mo. Pmt: \$0 | |
| Seller Financing - Real Estat | teAmount: \$0 | Mos: 0 | Rate: 0.00% | Mo. Pmt: \$0 | |

Financing Comments

Non Compete 100 miles 2 years

Training & Support 3 weeks \$0 costs

Competition

As the automotive landscape evolves, we're witnessing a shift towards consolidation, with fewer players dominating the market. While smaller shops exist in the vicinity, this listing stands out as a beacon of excellence and innovation. Remarkably, within a 50-mile radius, only one shop bears semblance to this establishment.

Distinguished as one of the largest and most renowned rebuilders in the county, it has earned a reputation through decades of unwavering dedication and commitment to quality. Their extensive experience and proven track record position them as leaders in the industry, setting the standard for automotive excellence.

Furthermore, their exceptional Google ratings serve as a testament to our unparalleled service and customer satisfaction. With glowing reviews from satisfied clients, they've cemented our place as a trusted authority in the automotive community.

Potential for Growth

Unlocking its full potential, this business holds vast opportunities for exponential growth. By implementing a strategic ad marketing campaign and expanding the team with additional skilled staff, we can catalyze its expansion trajectory to unprecedented heights. This proactive approach will not only enhance visibility and attract new clientele but also ensure seamless operations and superior service delivery, positioning the business as a formidable force in the industry.

Detail Income Statement Add Backs

| Data Source Year (Cash Flow) Revenue | Annualized 2024 | Tax Return 2023 | Tax Return 2022 | Tax Return 2021 | (N) |
|--|--------------------|--------------------|--------------------|--------------------|-----|
| Cost of Goods Sold | | | | | |
| Expenses | | | | | |
| Compensation of Officers | \$0 | \$87,550 | \$103,500 | \$84,483 | |
| Salaries and Wages | \$47,669 | \$0 | \$0 | \$0 | |
| Taxes & Licenses | \$0 | \$6,899 | \$0 | \$0 | |
| Interest | \$4,088 | \$5,252 | \$13,023 | \$13,071 | |
| Depreciation | \$0 | \$28,361 | \$19,299 | \$2,479 | |
| Amortization | \$0 | \$0 | \$492 | \$492 | |
| Employee Benefits | \$0 | \$0 | \$12,000 | \$12,187 | |
| Auto | \$4,800 | \$5,500 | \$4,500 | \$6,000 | |
| Travel | \$7,200 | \$8,250 | \$2,500 | \$2,000 | |
| Federal Income Taxes | \$24,238 | \$0 | \$0 | \$0 | |
| State IncomeTax | \$15,125 | \$0 | \$0 | \$0 | |
| Total Add Backs | \$103,120 | \$141,812 | \$155,314 | \$120,712 | |

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