

Acquisition Opportunity

DEST17 – Steel Fabrication Company w/ Real Estate

Location: Dallas Fort Worth Metroplex



Fast growing company that fabricates and erects steel as well as miscellaneous and decorative metalworks including stainless steel, aluminum and brass for retail, commercial, multi-family, hospitality, educational and specialty construction projects. The business has been in business for just over 3 years and grown every year. There are several manager level employees who run departments. The seller acts as the General Manager and estimator. To lessen the business's dependence on him, he brought on an experienced estimator to continue to grow the business.

ASKING
\$5,500,000

Key Details

Top Details

- Experienced in Structural Steel and Decorative & Specialty Metals
- 20 Full Time employees
- Since 2016, worked with over 55 different General Contractors
- Since 2016, worked on over 175 projects
- Projects throughout Texas
 - 80% in DFW area
- Responsible manager level employees
- Growth minded culture
- 60% stronger backlog year over year
- Diverse fabrication experience
- Clean financials – no frivolous owner's addback

Strengths

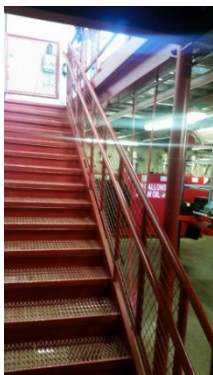
- Strong Gross Margins – Nearly 50%
- Healthy Backlog – Over \$4M
- Diverse Fabrication Capabilities
- Capacity to grow to \$10M annually
- Just in time inventory
- Experienced & motivated staff

Weaknesses

- Need for working capital
- Project Based
- Name recognition is still growing

Marketing Strategy

The business has a proven marketing strategy in place. This strategy has helped the company grow from \$800k in revenue to over \$4M in less than 3 years, while not depressing margins. The strong and growth oriented staff also embrace the marketing strategy and works hard to keep the business growing.



Key Indicators:

Year	TTM (9/1/16 – 8/31/17) \$'000	2017 (Jan-Aug) \$'000	2016 \$'000	2015 \$'000
Revenue	4,458	3,068	3,671	793
Gross Profit	2,120	1,399	1,889	438
Adj. EBITDA*	1,036	642	1,079	135

*Profit before interest, tax, depreciation and amortization (non-cash items)

Included in offering:

- Real Estate: **\$1,000,000**
- Working Capital: up to **\$1,000,000**
 - Up to \$200,000 cash
 - up to \$800,000 of Accounts Receivables.
- FF&E: **\$250,000**
- All debts on the company will be paid off by the seller at closing.

Reason for selling:

The owner feels the business has outgrown his capacity to effectively manage the company on a day to day basis. He believes he is an excellent director level manager, but the rigors of operating a \$5M+ company is not what he wants to keep doing at this stage of his life. He would like to retire with his wife and go on a mission. The owner is willing to remain with the company for a reasonable amount of time to insure a smooth transition.

Next Steps:

In order that we may obtain our client's permission to release the Confidential Information Memorandum, please register your interest by completing the Non-Disclosure Agreement (including the Buyer Profile) and return to:

Dwayne Evans, Managing Director
Dwayne@thevantgroup.com
(972) 458-8989 ext. 204

CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

Steel Fabrication Company Sale Price & Down Payment: \$5,500,000

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



BUYER'S PERSONAL PROFILE - CONFIDENTIAL INFORMATION

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: Home (____) _____ Office (____) _____ Cell (____) _____

Email Address: _____

Present Occupation/Business: _____

How Did You Learn Of Our Company? Internet Ad Referral Other: _____

Type of Business Preference

(Retail, Wholesale, Manufacturing, Service, Etc):

1. _____
2. _____
3. _____

Location Preference:

1. _____
2. _____
3. _____

Cash In Banks	\$ _____	Notes Payable	\$ _____	x
U.S. Govt Securities	\$ _____	Liens On Real Estate	\$ _____	
Accounts & Notes Receivable	\$ _____	Other Liabilities	\$ _____	
Value Of Businesses Owned	\$ _____	TOTAL LIABILITIES	\$ _____	
Other Stocks And Bonds	\$ _____			
Real Estate	\$ _____	Salary	\$ _____	
Automobiles -- Number ()	\$ _____	Dividends & Interest	\$ _____	
Other Assets	\$ _____	Other Income	\$ _____	
TOTAL ASSETS	\$ _____	TOTAL INCOME	\$ _____	

Monthly Income Required: \$ _____ Down Payment Available: \$ _____

Personal Net Worth: \$ _____ Require Immediate Income?: _____

Who Else Would Be Involved In The Decision Process? _____

Have You Ever Filed For Bankruptcy? _____ Have You Ever Been Arrested? _____

Fields of past Business experience:

1 _____ 2 _____ 3 _____

I Hereby Attest That The Above Is A True Representation On My Financial Status. I Agree To Provide, Upon Request By Broker Or Seller, Financial Statements, References And Other Pertinent Information Evidencing Such Financial Sufficiency If Necessary

Signature: _____ Date: _____

A Personal Or Business Financial Statement Will Be Required Of All Potential Buyers Before Receiving Financial Information On Any Listing