

Reference 2250

Acquisition Opportunity

HVAC COMPANY AND METAL FABRICATION COMPANY

Business Description: The HVAC Company designs, installs and services heating and air conditioning systems for commercial and industrial buildings. The business is divided between 75% new and 25% retrofit, with a small percentage of business in “follow-up” service work. Employees consist of 9 office and 70+ field personnel depending on the number and size of projects.

The Metal Fabrication Company supplies the HVAC Company as well as other commercial and residential heating and cooling contractors with fabricated metal ductwork and duct board. The Fabrication Company has installed a coil line to manufacture ductwork; this is state-of-the-art equipment that produces high quality products with great efficiency. The Fabrication Company also furnishes flashing and chase caps to building contractors. Employees consist of 3 supervisors and 14 full-time employees.

Distribution: The Owners do most of the marketing and sales. Sales are generated by designing and building at the contractor’s request (20%), submitting bids (50%), and submitting bids/proposals on projects listed online and in the AGC (30%). The Company books approximately 20% of the submitted bid projects. There is no outside sales staff.

Highlights:

- Both Companies are recognized for providing quality products and service, and have shown solid growth since their formation.
- The region in which the Companies operate continues to experience strong growth in residential and commercial /industrial construction.

The Transaction: The Owners are selling due to other interests but will remain available up to one year during the transition period to assist the new owner.

Financial Information: Sales for Y2006 should match Y2005. Projects in progress and backlog exceeds \$8M.

Financial Summary (\$000)

	2006e	2005	2004	2003
Revenues	13,100	13,132	7,401	6,119
EBITDA	2,100	2,166	727	957

Location	Audited Financials	Management Team in Place	Years in Business
Southeast	No	Yes	8

