

## Executive Summary

### High Growth Specialty Trade Contractor w/Incredible Potential

**INDUSTRY**

Demolition/Abatement

**LOCATION**

Los Angeles, CA

**ESTABLISHED/OWNED**

2005/2018

**EMPLOYEES**

17 Admin; 18 Project Managers; 115 Technicians

**OWNER HOURS**

Full-time

**NON-COMPETE**

As sought / negotiated

**TRAINING**

As negotiated/May remain w/Rollover equity

**LEASE/BUILDING**

Office / Warehouse

**LEASE**

\$15.4k/mo (lease until 5/2024 w/a 3 year option)

**SIZE**

11.6k square ft (9k office)

**INVENTORY**

\$ N/A

**ACCOUNTS RECEIVABLE**

\$ 7.0M (average)

**WORKING CAPITAL**

Cash Free / Debt Free (\$2.0M approx.)

**EARNST MONEY**

\$200k

**ASKING**

\$18.5M

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**SUMMARY**

This multi-faceted specialty trade contractor has achieved remarkable growth over the past 2 decades. The vertically integrated contractor, which complements the construction trade, offers a breadth of services with state-of-the art equipment and a seasoned, growth-oriented crew. The company boasts a proven track record of notable large-scale projects for a coveted client base and maintains a commitment to upholding stringent standards to accomplish their projects in a safe and environmentally friendly manner. The entity has a storied-history and has established a reputation for overcoming these challenges on-time, on budget, per the job requirements, in compliance.

**FACILITIES / ASSETS**

The contractor operates out of an 11.6k square foot office/warehouse with a dedicated 150 person staff (*with access to an additional 200 as needed*) and possesses over \$8M worth of equipment (\$2.5M owed), with over \$2M in remaining book value. The contractor, which can bond for \$50M, has completed jobs valued at over \$13M. and maintains a \$3M ml line of credit. Its owner will remain through a transition period or long-term with rollover equity. Licensing in 3 states and 6 categories will remain in place post close.

**COMPETITION**

This prominent contender sets itself apart in each of its lines of business by its unwavering commitment to safety, its innovative, environmentally sustainable work practices, innovative forward-thinking solutions, and its remarkable corporate culture that has resulted in a deep bench comprised of loyal staffers. Clients embrace the firm's seasoned workforce that pride themselves in being the "best in class" in their trade.

FINANCIALS	2023	2022	2021
Revenue	\$ 43.8M	\$ 36.3M	\$ 34.6M
COGS (job)	\$ 19.6M	\$ 14.5M	\$ 16.0M
COGS (labor)	\$ 12.1M	\$ 13.0M	\$ 11.5M
Net Income	\$ 1.9M	\$ 1.9M	\$ 1.4M
Adjusted CF *	\$4.9M - \$6.0M	\$ 5.2M	\$ 6.8M

\* Includes net income & benefits from 2 associated entities that will be included

**GROWTH OPPORTUNITIES**

- ✓ Awarded \$249M Military related contract over 5 years (w/12 others)
- ✓ Capitalize on the existing \$25M in backlog booked
- ✓ Maintain a yard to time inventory purchases and material sale value
- ✓ Incentivize seller to focus on Business Development
- ✓ Aggressively pursue bids in new geographies (underway)
- ✓ Consider union membership (underway)