



LEGACY
ENTREPRENEURS

A Guide to

Selling Your Business

Disclaimer

This guidebook is provided for general educational and planning purposes only. It is not legal, tax, or financial advice. While we aim to provide accurate information based on typical business sale processes in Tennessee, each transaction is unique and may involve different facts, laws, and regulations.

You should consult your attorney, accountant, or other licensed professional before making any decisions related to the sale or purchase of a business. Legacy Entrepreneurs disclaims any liability for actions taken based on the information contained in this guide.

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Introduction

For many owners, this business has been more than a job—it's been a way of life. You've built something meaningful, served your community, created a space where memories are made, and provided a livelihood for your team. Deciding to sell is never easy, but by partnering with Legacy Entrepreneurs, it can be a successful transition that honors what you've built.

This guidebook outlines the three core phases of a successful business sale:

1. **Phase 1: Consultation & Discovery** – Understand your goals, gather key documents, and receive a preliminary opinion of value.
2. **Phase 2: Preparation & Marketing** – Finalize the valuation, create marketing materials, and launch the confidential listing.
3. **Phase 3: Buyer Negotiation & Closing** – Qualify buyers, negotiate terms, support due diligence, and close the deal smoothly.

Inside, you'll find document checklists, workbook prompts, and practical guidance to support you through each step. Your broker is here not just to list your business—but to simplify the journey, anticipate questions, and help ensure your legacy is respected every step of the way.

Callout Boxes in This Guide:

Tips and Explanations

These boxes provide an extra layer of detail to topics discussed in the body of the guide.

Referrals Available

A business broker can do a lot, but not everything! These sections will describe where we can provide a referral to a trusted expert.

Phase 1: Consultation & Discovery

This is the first step in determining whether you're ready to sell and what your business might be worth.

We begin with a conversation—about your goals, what you've built, and where you want to go. Based on basic financials, we can often provide a preliminary opinion of value without needing every document up front. You'll get clarity before making any commitments.

Goals:

- Understand your exit goals
- Collect preliminary documentation
- Provide an initial free opinion of value (if basic financial details are shared)
- Determine a price range
- Sign a listing agreement when you're comfortable moving forward

Your Business Is Just a Piece of the Puzzle

Ask for referrals to financial planners and wealth managers who can provide a holistic personal wealth plan

How We Help:

- We clarify the story behind your business and prepare early documentation to reduce confusion later.
- We'll also identify any red flags or risks early, so they don't delay a deal later.
- Identify areas where third party assistance may be favorable such as bookkeepers who can make your financial records crystal clear to review.

Key Broker Activities:

- Conduct introductory consultation
- Review initial financials and documents
- Offer preliminary opinion of value based on revenue, net income, and known add-backs (e.g., family on payroll, personal vehicle expenses)
- Estimate preliminary price range
- Explain the selling process and timeline
- Discuss the listing agreement and provide clarity on what it commits you to
- Execute a listing agreement once you're confident in the partnership and direction

Bad Books Kill Deals

Ask for referrals to CPAs and bookkeepers who can keep your financials organized or do a clean-up. Buyers may walk away from a deal if they can't understand your books on their own.

Document Checklist:

- Last 3-5 years of tax returns
- Last 3-5 years of profit and loss statements
- Year-to-date financials
- Estimate of FF&E (furniture, fixtures, and equipment)
- Summary of any owner add-backs (vehicle, family payroll, etc.)
- Description of property and status (own vs. lease)
- Summary of any recent or upcoming capital expenditures

Workbook Page: Seller Goals

- Why are you selling?

- What is your ideal timeline?

- What price range would make this worthwhile?

- Are there any key staff or lease issues to consider?

Workbook Page: Basic Financial Snapshot (for Free Opinion of Value)

- Annual revenue (last full year): _____
- Annual net income/SDE: _____
- Any known add-backs (describe):

Example Add-Backs for Valuation

| Category | Example Description | Add-Back Type |
|--------------------|---|-----------------------|
| Owner Compensation | Salary above market rate | Discretionary Expense |
| Family Payroll | Spouse or child on payroll but not active in biz | Discretionary Expense |
| Vehicle Expenses | Truck or SUV used with significant personal use | Non-Operational |
| Travel & Meals | Owner-only conferences or dining not business-related | Non-Operational |
| One-Time Expenses | Remodel, rebrand, or new POS system | Non-Recurring |
| Non-Cash Expenses | Depreciation | Accounting Adjustment |

Workbook Page: Property and Lease Info

- Do you own or lease the property? _____
- Square footage of the space: _____
- Age of roof and major mechanical systems (HVAC, plumbing, etc.):

- Major improvements performed in the last 10 years:

- Monthly rent or mortgage payment: _____
- Lease term remaining: _____
- Are you open to including real estate in the sale? _____
- Is there a landlord approval process for lease transfer? _____
- Any known issues with the property (zoning, HVAC, fire suppression, etc.)?

Phase 2: Preparation & Marketing

This phase is about preparing your business to attract serious buyers.

We turn your business into a compelling opportunity. Beyond spreadsheets and reports, we craft a narrative that highlights your business's potential. For less confidential listings, we may even create a walkthrough video to showcase the ambiance, equipment, and location to serious buyers.

Goals:

- Finalize valuation
- Prepare marketing materials
- Confidentially list the business

How We Help:

- We write professional teaser ads and long-form business descriptions that stand out.
- We build a complete information package (CIM) that buyers and their advisors can use to evaluate the opportunity.
- We list on high-visibility platforms like our website, and on third party marketplaces popular with buyers.
- We share the listing with our network of buyers.

Key Broker Activities:

- Perform full financial normalization (SDE/EBITDA)
- Write teaser ad for public listing
- Create a Confidential Information Memorandum (CIM)
- Launch listing on website, BizBuySell, LoopNet, Axial etc.

Document Checklist:

- Lease agreement or property deed
- List of FF&E with conditions (furniture, fixtures, and equipment)
- Copy of key business permits (if applicable)
- Copies of recent bank statements (last 6 months)

What is Financial Normalization?

Before listing your business, we analyze and adjust the financials to reflect the true owner benefit. This includes adding back non-operational expenses and removing one-time or discretionary items. The goal is to present a clear picture of cash

- Vendor and supplier list
- Employee list with roles, tenure, and retention likelihood (no names)
- Photos of the business (interior/exterior/key equipment)
- Social media and Google/Yelp links
- Insurance policy summary (liability, property, workers' comp)
- Summary of customer contracts (if applicable)
- Copy of business license

What Buyers Look for

Buyers want stable earnings, clean books, and a business that isn't dependent on the current owner. Having systems, staff, and clear records makes your business more sellable.

Workbook Page: Business Strengths & Risks

- What are your business' strongest selling points?

- What opportunities for significant growth can a new owner pursue?

- What operational weaknesses should be disclosed?

Workbook Page: Ideal Buyer Profile

- What skills or experience would help a new owner succeed?

- Would the new owner need to be an operator, or could they be semi to full absentee?

Workbook Page: Incentives and Dealbreakers for Future Negotiation

- Are you open to seller financing?

- Do you want to maintain any equity in the business?

- Are you willing to offer training?

- Are there any dealbreakers?

Phase 3: Buyer Negotiation & Closing

This final phase involves screening buyers, negotiating terms, and ensuring a successful close.

As inquiries roll in, we manage the conversations, screen for serious interest, and help answer tough questions. Once we receive a Letter of Intent (LOI), we help you navigate due diligence and make sure all parties stay aligned.

Goals:

- Identify qualified buyers
- Facilitate due diligence
- Negotiate deal terms
- Support through closing

How We Help:

- We motivate buyers with fast responses and clear next steps.
- Coach seller and buyer on procuring necessary permits and licenses.
- We provide trusted referrals to CPAs, attorneys, and SBA lenders to reduce buyer uncertainty.
- For you, the seller, we can introduce financial advisors and wealth managers to help you plan post-sale.
- We manage deadlines and details so you don't have to.

SBA Pre-Qualification

We can share financial details with lenders to “pre-qualify” loans for the sale. Any loan is highly dependent on the buyer, not a pre-qualification. However, it does attract buyers by signaling high business quality

Key Broker Activities:

- Qualify buyer's financials and intent
- Introduce buyers to lenders if they request financing support
- Preview the deal to lenders who can pre-qualify their interest in supporting a buyer's acquisition
- Share lender-ready documents (normalized P&L, add-backs, equipment list, lease summary) only when buyer interest and alignment are clear
- Manage confidentiality (NDAs)
- Coordinate Q&A and site visits
- Support offer structuring (LOIs, asset purchase agreements)
- Work with escrow agents and attorneys
- Support buyer due diligence (gather additional documents as needed)

Buyer Interaction Workflow

| Step | What Happens | Who Is Involved |
|-----------------------------|--|---------------------------|
| 1. Inquiry | Buyer expresses interest | Broker-only |
| 2. NDA & Buyer Profile | Broker screens buyer's capital, experience, and goals | Broker-only |
| 3. CIM Sent | Buyer receives Confidential Information Memorandum | Broker-only |
| 4. Initial Follow-Up | Broker checks in to answer questions, gauge fit | Broker-only |
| 5. Buyer Fit Evaluation | "Do you see yourself running this business?" | Broker-only |
| 6. Price Alignment | Buyer shares pricing expectations based on CIM | Broker-only |
| 7. Seller Meeting | If buyer is serious and price range is competitive | Buyer, Seller, Broker |
| 8. Post-Meeting Docs | Buyer receives more sensitive docs (leases, payroll) | Broker shares selectively |
| 9. Formal Offer | Buyer submits Letter of Intent (LOI) | Buyer initiates |
| 10. Diligence & Exclusivity | Upon LOI acceptance, buyer gets exclusive diligence period | All parties |

Note on Information Flow:

We encourage transparency, but limit document access until we know a buyer is real, serious, and aligned. Typically, 2-3 follow-ups post-CIM and a seller meeting are enough. If a buyer needs more than 6-8 documents or multiple rounds of questions before making an offer, we'll reevaluate their fit or propose a firm deadline to submit an LOI. screening buyers, negotiating terms, and ensuring a successful close.

Document Checklist:

Documents the seller must provide:

- Lease assignment or draft of new lease (if owned by landlord)
- Most recent inventory (if applicable)
- Copy of current insurance or policy statement (for transfer or proof)
- Checklist of current licenses the business needs to operate

Documents generated during this phase:

Phase 3: Buyer Negotiation and Closing

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- Signed NDA (non-disclosure agreement)
- Buyer financial questionnaire
- Letter of Intent (LOI)
- Final Asset Purchase Agreement (APA)
- Closing day checklist (utilities, licenses, POS access, keys, etc.)

Common Licenses and Permits for Business Sales

| License / Permit | Issuer | Notes |
|---------------------------------------|----------------------------------|---|
| Business License | County and City Clerk | Buyer must apply for a new license under their legal business name. They must register that LLC with the state and file a DBA (Doing Business As) if operating under a different business name. |
| Sales Tax Permit | TN Dept. of Revenue | New TN Sales & Use Tax account required. |
| Certificate of Occupancy | Local Codes Department | Often remains valid if no renovations occur—verify if business type or layout changes. |
| Zoning or Use Permit | Local Zoning or Planning Dept. | Confirm business type is permitted at the location. Especially critical for logistics, construction yards, and light manufacturing. |
| Contractor or Trade Licenses | State or Local Licensing Board | Required for certain construction and service businesses (e.g., plumbing, electrical, HVAC, general contracting). |
| Environmental or Hazardous Use Permit | EPA / State Environmental Agency | May be required for manufacturers or businesses handling chemicals, waste, or regulated emissions. |
| DOT / Vehicle Registration | Department of Transportation | Logistics and service businesses may need vehicle registration, DOT numbers, and proof of commercial insurance. |

The information in this table is intended to summarize common requirements. However, licensing and permitting rules vary by city and county, and are subject to change. Buyers should verify all requirements with the appropriate local and state agencies. This summary does not constitute legal advice.

Post Closing: The Next Monday

Selling your business can be an emotional and complex decision. But you're not doing this alone. We're here to help you navigate the process, showcase your business with care, and find the right buyer to carry it forward.

What Happens After Closing?

Our support doesn't end at the sale. We assist with:

- Transition planning and knowledge handoff
- Referrals to trusted wealth managers and financial advisors
- Celebrating your exit and helping you think about what's next

This is a new chapter for you—and we'll help you turn the page confidently.

Contact us to begin your consultation and get a preliminary opinion of value.

Appendix A: Valuation Notes & Benchmarks

Relationship Between Valuation using EBITDA Multiples and Net Profit Margins

| Industry | Low Multiple | Median Multiple | High Multiple |
|---|--------------|-----------------|---------------|
| Restaurants / Food Service | 1.3x | 2.1x | 2.8x |
| Construction (Project-Based) | 1.5x | 2.2x | 3.0x |
| Specialty Trades (HVAC, Electrical, etc.) | 1.8x | 2.6x | 3.5x |
| Manufacturing (Light to Mid-Sized) | 2.0x | 3.0x | 4.0x |
| Warehousing / Distribution | 2.0x | 2.7x | 3.5x |
| Transportation / Trucking | 1.5x | 2.3x | 3.2x |
| Retail (Brick & Mortar) | 1.2x | 1.7x | 2.3x |
| Professional Services | 2.0x | 2.8x | 3.8x |
| eCommerce / Online Retail | 2.2x | 3.0x | 4.2x |
| Healthcare Services (Non-Medical) | 2.0x | 2.9x | 4.0x |

The figures presented are for illustrative purposes only and do not constitute a guarantee of value, sale price, or business performance. Actual results may vary significantly based on individual business operations, market conditions, buyer appetite, and due diligence findings. This is not financial, legal, or tax advice. Business owners should consult qualified professionals before making decisions based on these estimates.

Notes About Valuation

- These are general benchmarks. Some businesses may sell below these multiples—or may not be marketable at all—if they lack clean books, have declining revenue, are highly owner-dependent, or don't show clear future upside.

- On the flip side, businesses with \$1M+ in SDE, reliable recurring revenue, professional management, and scalability can command multiples above the high end shown here.
- Multiples reflect Seller's Discretionary Earnings (SDE), a key metric that normalizes profitability by adding back personal and non-recurring expenses.
- Benchmarks are derived from BizBuySell Insight Reports, PeerComps data, real-world brokered transactions, and lender-supported deal metrics.
- Each business we list is individually analyzed using a proprietary database of sold business comparable, adjusted for industry, geography, size, and growth trends to ensure we recommend an accurate and defensible price range.

Example Valuation From Legacy Entrepreneurs

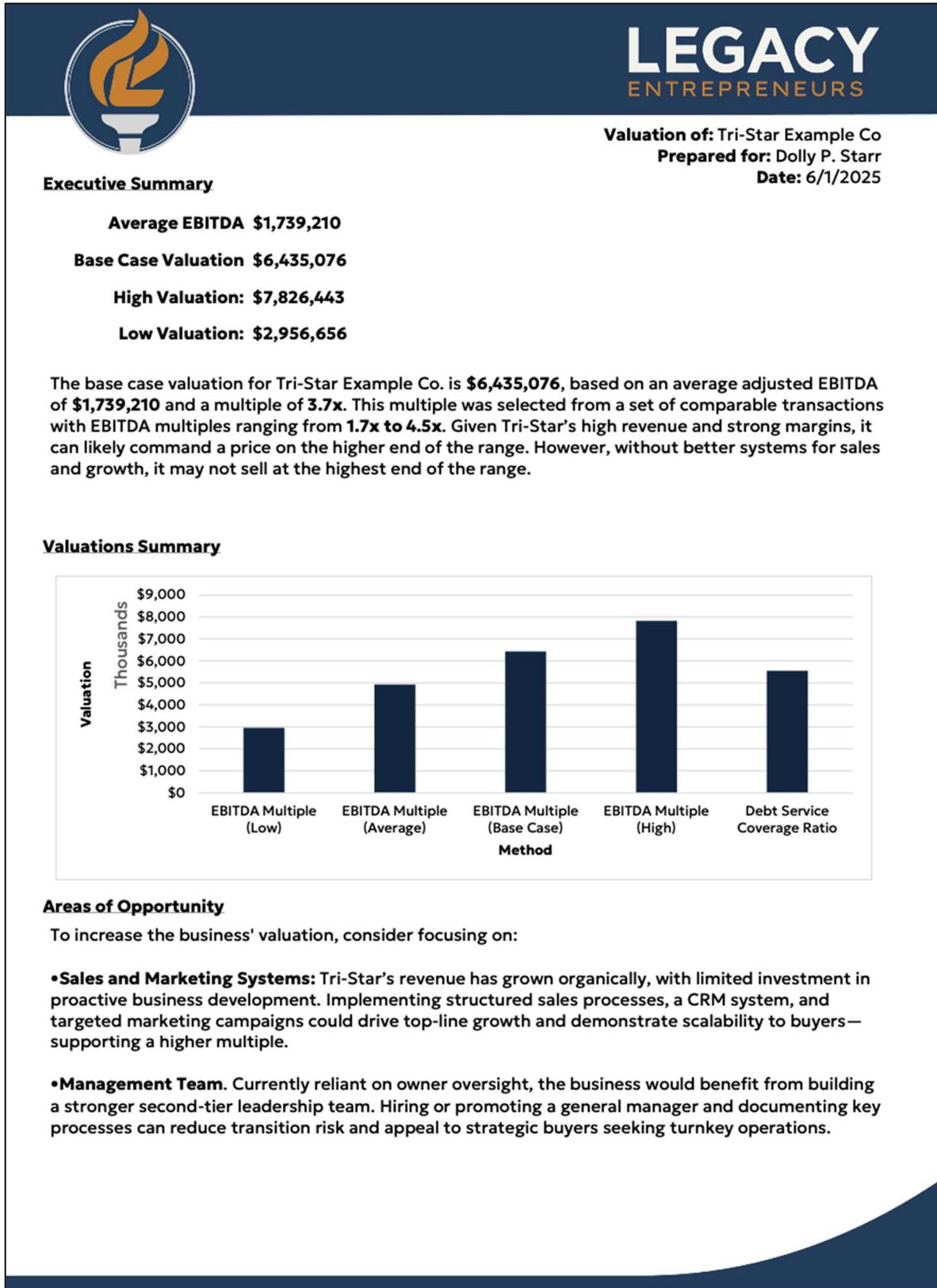
The following pages include a sample valuation prepared for Tri-Star Example Co., a fictional business used to illustrate how we approach pricing recommendations. This example reflects a moderately sophisticated and mid-sized business—one with clean books, multiple revenue streams, and some operational complexity.

This valuation was created using our internal methodology, which includes financial normalization, industry benchmarks, and market-based multiples.

For larger or more complex businesses, especially those with high capital intensity, significant owner add-backs, real estate holdings, or intercompany transactions—we may recommend engaging a trusted third-party valuation partner to deliver a certified opinion of value.

Our goal is always to provide a clear, defensible price range that helps sellers understand their market position and prepares buyers and lenders for successful due diligence.

Example Valuation from Legacy Entrepreneurs



Example Valuation from Legacy Entrepreneurs (Continued)

| Comparables | | | | | | |
|-----------------------------|------------------|---|----------------|---------------|-------------------|------------------------|
| Summary | | | | | | |
| | Multiple | Notes | | | | |
| Recommended Multiple | 3.7x | Recommend 3.7x. Tri-Star Example Co is closer in revenue size to comparable with a higher multiple, but current processes and systems need improvement. | | | | |
| High Multiple | 4.5x | | | | | |
| Average Multiple | 2.8x | | | | | |
| Low Multiple | 1.7x | | | | | |
| Transactions | | | | | | |
| Description | Sale Date | State | Revenue | EBITDA | Sale Price | EBITDA Multiple |
| Example Comp 1 | 1/15/2024 | TN | 6,500,000 | 1,450,000 | 5,075,000 | 2.3x |
| Example Comp 2 | 6/10/2023 | GA | 7,200,000 | 1,600,000 | 5,440,000 | 4.5x |
| Example Comp 3 | 3/22/2022 | NC | 5,800,000 | 1,350,000 | 4,590,000 | 1.7x |

Example Valuation from Legacy Entrepreneurs (Continued)

EBITDA Multiple Method

The EBITDA multiple method estimates a business's value by applying a market-based multiple to its average adjusted EBITDA. This approach is commonly used in small business valuations because it focuses on core operating performance while excluding non-cash and non-recurring items. It is especially appropriate for small businesses with steady earnings, clean financials, and limited debt, as it reflects what a buyer is likely to pay based on comparable transactions in the market. The method is straightforward, aligns with how lenders and buyers assess value, and helps account for both profitability and risk.

| Base Case | Notes |
|----------------------|--|
| Base Case Valuation | \$6,435,076 |
| Average EBITDA | \$1,739,210 |
| Recommended Multiple | 3.7x Recommend 3.7x. Tri-Star Example Co is closer in revenue size to comparable with a higher multiple, but current processes and systems need improvement. |

Multiples from Comps

| | |
|------------------|------|
| High Multiple | 4.5x |
| Average Multiple | 2.8x |
| Low Multiple | 1.7x |

Valuation Range

| | |
|---------------------------|-------------|
| Implied High Valuation | \$7,826,443 |
| Implied Average Valuation | \$4,927,761 |
| Implied Low Valuation | \$2,956,656 |

| Financial Summary | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Revenue | 5,900,000 | 6,250,000 | 6,800,000 | 7,400,000 | 8,200,000 |
| Expenses | 4,425,092 | 4,659,857 | 5,253,601 | 5,880,268 | 6,768,796 |
| Net Income | 1,474,908 | 1,590,143 | 1,546,399 | 1,519,732 | 1,431,204 |
| Add Backs | 237,498 | 262,727 | 276,324 | 166,023 | 191,090 |
| EBITDA | \$1,712,406 | \$1,852,870 | \$1,822,723 | \$1,685,755 | \$1,622,294 |

Example Valuation from Legacy Entrepreneurs (Continued)

Debt Service Coverage Ratio

The DSCR method estimates a business's value based on the maximum loan amount it can support, assuming standard lending terms. By using historical net income and applying a target DSCR—typically 1.5x—we calculate the size of a loan a lender would be comfortable underwriting. This loan amount is then used as a proxy for the maximum price a buyer using bank financing could reasonably pay.

For small businesses, where a buyer's use of a loan is likely, this is a practical valuation method. It reflects real-world deal structure and buyer constraints, grounding the valuation in what the business can afford to service through its cash flow.

Summary

| | |
|-----------------------------|--------------------|
| Average Tax Return: | \$1,353,298 |
| Maximum Loan Amount: | \$4,994,959 |
| Valuation: | \$5,549,954 |

Tax Returns

| Year | Return | Notes |
|----------------|--------------------|-------|
| 2020 | 1,310,401 | |
| 2021 | 1,460,616 | |
| 2022 | 1,414,634 | |
| 2023 | 1,357,962 | |
| 2024 | 1,222,875 | |
| Average | \$1,353,298 | |

DSCR Valuation

| | |
|-------------------------|----------------|
| Net Income | \$1,353,298 |
| DSCR | 1.5x |
| Lender Interest Rate | 12.5% |
| Loan Terms (Years) | 10 |
| Buyer Equity % Down | 10% |
| Max Annual Debt Service | \$902,198 |
| Loan Payment Factor | \$0.18 |
| Maximum Loan Amount | \$4,994,959.03 |
| Valuation (Max Price) | \$5,549,954.47 |

Appendix B: Example Confidential Information Memorandum



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Confidential Information Memorandum

Profitable Warehousing & Logistics Business with Long-Term Contracts

Tri-Star Example Co.

Offered At: \$6,500,000



JOSEPH STEIGMAN | 615.240.7901 | JOE@LEGACY-ETA.COM

All information contained herein is confidential and subject to the terms of the non-disclosure agreement.

Confidentiality Notice and Disclaimer

All information contained herein has been exclusively provided by the Seller. Legacy Entrepreneurs has not verified the accuracy of the information and will not assert any claims regarding the financial viability of the Business. The Buyer is solely responsible for verifying the accuracy of any information provided regarding the Business and shall hold harmless Legacy Entrepreneurs, its owners, employees, advisors, and agents for any inaccuracies in such information. The Buyer is highly encouraged to seek the expertise of an independent due diligence expert.

All information contained herein is highly confidential. Please adhere to all the terms of the confidentiality agreement. Do not disclose this confidential information to any third party and do not approach anyone associated with the business including, but not limited to, employees, customers, owners, vendors, contractors.

Business and Transaction Snapshot

| | |
|-----------------|--|
| BUSINESS NAME | Tri-Star Example Co |
| OFFERED AT | \$6,500,000 |
| LOCATION | Tennessee |
| ADDRESS | 123 Cumberland River Dr, Nashville TN |
| FACILITIES | 25,000 sq ft warehouse with 4 dock doors and integrated office space |
| PROPERTY | Leased; assignable 5-year lease with renewal options |
| ANNUAL REVENUE | \$6,910,000 |
| ANNUAL EBITDA | \$1,739,210 |
| TOTAL FFE | \$650,000 (includes trucks, trailers, small machinery, tools) |
| TOTAL INVENTORY | \$85,000 (transient client goods not owned by business) |
| REASON FOR SALE | Retirement |

This is a “cash free, debt free” asset sale. Liquid assets, accounts receivable, accounts payable, and other liabilities are not being transferred and are not included in the sales price.

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Business Overview

Tri-Star Example Co. is a profitable warehousing and logistics business based in Middle Tennessee, serving commercial clients with fulfillment, cross-docking, and last-mile delivery solutions. The company operates from a 25,000 sq ft facility and maintains a fleet of modern trucks to support efficient regional distribution. With over \$8 million in annual revenue and a five-year average EBITDA exceeding \$1.5 million, Tri-Star has built a reputation for reliability, speed, and customer service. The business is fully equipped with racking, forklifts, inventory management systems, and a skilled team, making it a turnkey opportunity for strategic or financial buyers seeking growth in the logistics sector.

Strengths

Tri-Star Example Co. benefits from a stable base of long-term logistics contracts with regional manufacturers and distributors, providing recurring revenue and predictable cash flow. The company operates from a strategically located 25,000 sq ft warehouse near major interstates, enabling efficient same-day and next-day fulfillment across Middle Tennessee. Its fleet of 10 late-model trucks and robust warehouse systems allow for high throughput with minimal downtime. A well-trained team of warehouse staff and drivers, combined with standardized SOPs and route optimization tools, ensures reliable service and operational consistency—reflected in the company’s five-year average EBITDA of over \$1.5 million.

Opportunities

Sales and Marketing Systems Tri-Star has achieved consistent growth primarily through referrals and repeat logistics contracts. By implementing structured sales processes, leveraging CRM systems, and building a focused marketing strategy, a buyer can expand into new industry verticals and geographic markets.

Management Team Day-to-day operations are still owner-led, especially in client acquisition and scheduling. Bringing in a general manager and formalizing dispatch and operations management would enhance scalability and reduce transition risk.

Facility

| | |
|-------------------|--|
| FACILITY OVERVIEW | Tri-Star operates from a secure and well-maintained distribution facility with dedicated office space, loading infrastructure, and warehouse automation systems designed for high-turn logistics. The space is leased and optimized for short-haul and regional delivery operations. |
| LEASE PAYMENT | \$13,750 per month triple net (NNN) |
| LEASE END DATE | December 31, 2027 |

Property

| | |
|-------------------|--|
| PROPERTY OVERVIEW | The property is in a light industrial park with proximity to major interstates, ideal for warehousing and freight operations. The building was renovated in 2019 and includes modern safety, lighting, and HVAC systems. |
| PROPERTY SIZE | 1.9 acres (fenced, paved, truck-accessible) |
| BUILDING AREA | 25,000 sq ft (22,000 sq ft warehouse + 3,000 sq ft office) |
| LOAN PAYMENT | N/A – Business leases the property; no real estate debt associated with the transaction |

Current Owner Responsibilities

| | |
|-------------------------------|---|
| HOURS PER WEEK | 30-35 hours |
| OWNER RESPONSIBILITIES | High-level oversight, customer relationships, and strategic planning. Key responsibilities include managing major client accounts, approving new contracts, reviewing financial performance, and coordinating with the operations manager on staffing and scheduling. Day-to-day logistics, dispatch, and warehouse functions are handled by existing staff. The owner does not perform delivery driving or physical warehouse labor. |

Key Management and Employees

| ROLE | DESCRIPTION | EMPLOYEE TYPE | POST SALE RETENTION |
|-----------------------|---|---------------|---------------------|
| Operations Manager | Oversees dispatch, scheduling, warehouse coordination | FT | High |
| Lead Driver | Manages routes and ensures client satisfaction | FT | Moderate |
| Warehouse Supervisor | Supervises inventory, loading and safety procedures | FT | High |
| Officer Administrator | Handles billing, client communication, and scheduling | FT | High |

ALL INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND SUBJECT TO THE TERMS OF THE NON-DISCLOSURE AGREEMENT



Financials

| | 2024 | 2023 | 2022 |
|-----------------|-------------|-------------|-------------|
| GROSS REVENUE | 8,200,000 | 7,400,000 | 6,800,000 |
| COST & EXPENSES | 6,768,796 | 5,880,268 | 5,253,601 |
| EBITDA | \$1,622,294 | \$1,685,755 | \$1,822,723 |

FINANCIAL NOTES

Add backs to derive EBITDA were:

Owner Compensation Above Market Rate. The owner draws a salary and benefits package above what would be required to replace their duties with a general manager. The excess is added back to reflect normalized earnings.

Personal Vehicle and Fuel Expenses. Certain vehicle costs and fuel charges booked through the business are for the owner's personal use and are not necessary to operate the company.

One-Time Legal and Consulting Fees. Non-recurring legal and professional service expenses related to estate planning and tax restructuring were incurred in 2022 and are added back.

Travel and Meals. Personal or non-operational travel and meal expenses are excluded from adjusted EBITDA.

Depreciation and Amortization. These non-cash expenses are standard add-backs in earnings normalization and have been included in adjusted EBITDA.

Non-Operating Owner Benefits. Health insurance premiums and mobile phone plans for the owner and their family are included in expenses but are not essential for future operations.

Disclaimer: All data on this business is provided by the Seller for information purposes only, and no representations are made by Broker as to the accuracy of same. Broker has made no independent verification of the data contained herein. Buyer is advised to perform its own due diligence and seek the advice of professionals prior to purchasing the Business.

ALL INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND SUBJECT TO THE TERMS OF THE NON-DISCLOSURE AGREEMENT



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Adjusted Income Statement 2024

| | STATEMENT | ADJUSTMENT | REVISED | NOTES |
|---------------------------------|--------------------|------------|--------------------|--|
| Fulfillment Services | 4,200,000 | | | |
| Final Mile Delivery | 2,600,000 | | | |
| Short-Term Storage | 900,000 | | | |
| Cross-Docking | 500,000 | | | |
| Total Revenue | \$8,200,000 | | | |
| Driver Payroll | 1,150,000 | | | |
| Warehouse Payroll | 950,000 | | | |
| Fuel and Vehicle Maintenance | 520,000 | | | |
| Packaging and Supplies | 300,000 | | | |
| Total COGS | \$2,920,000 | | | |
| Gross Profit | \$5,280,000 | | | |
| Rent and Utilities | 180,000 | | | |
| Insurance (All Lines) | 72,000 | | | |
| Office and Admin | 220,000 | | | |
| Software & Tech | 68,000 | | | |
| Marketing | 45,000 | | | |
| Total Operating Expenses | \$585,000 | | | |
| Net Income | \$1,431,204 | | | |
| Owner Salary | 95,000 | 95,000 | | Compensation above GM market rate |
| Owner Vehicle and Meals | 37,000 | 37,000 | | Personal vehicle, travel, and meals |
| Depreciation | 32,000 | 32,000 | | Non-cash accounting depreciation items |
| Owner Benefits | 24,000 | 24,000 | | Owner/family health and 401k benefits |
| Adjusted EBITDA | \$1,622,294 | | \$1,622,294 | |

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Adjusted Income Statement 2023

| | STATEMENT | ADJUSTMENT | REVISED | NOTES |
|---------------------------------|--------------------|------------|--------------------|--|
| Fulfillment Services | 3,900,000 | | | |
| Final Mile Delivery | 2,200,000 | | | |
| Short-Term Storage | 850,000 | | | |
| Cross-Docking | 350,000 | | | |
| Total Revenue | \$7,300,000 | | | |
| Driver Payroll | 1,120,000 | | | |
| Warehouse Payroll | 890,000 | | | |
| Fuel and Vehicle Maintenance | 500,000 | | | |
| Packaging and Supplies | 280,000 | | | |
| Total COGS | \$2,790,000 | | | |
| Gross Profit | 4,510,000 | | | |
| Rent and Utilities | 178,000 | | | |
| Insurance (All Lines) | 69,000 | | | |
| Office and Admin | 210,000 | | | |
| Software & Tech | 66,000 | | | |
| Marketing | 42,000 | | | |
| Total Operating Expenses | \$565,000 | | | |
| Net Income | \$1,519,732 | | | |
| Owner Salary | 92,000 | 92,000 | | Compensation above GM market rate |
| Owner Vehicle and Meals | 35,000 | 35,000 | | Personal vehicle, travel, and meals |
| Depreciation | 30,000 | 30,000 | | Non-cash accounting depreciation items |
| Owner Benefits | 23,000 | 23,000 | | Owner/family health and 401k benefits |
| Adjusted EBITDA | \$1,685,755 | | \$1,685,755 | |

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Adjusted Income Statement 2022

| | STATEMENT | ADJUSTMENT | REVISED | NOTES |
|---------------------------------|--------------------|------------|--------------------|--|
| Fulfillment Services | 3,700,000 | | | |
| Final Mile Delivery | 2,000,000 | | | |
| Short-Term Storage | 800,000 | | | |
| Cross-Docking | 300,000 | | | |
| Total Revenue | \$6,800,000 | | | |
| Driver Payroll | 1,100,000 | | | |
| Warehouse Payroll | 860,000 | | | |
| Fuel and Vehicle Maintenance | 480,000 | | | |
| Packaging and Supplies | 270,000 | | | |
| Total COGS | \$2,710,000 | | | |
| Gross Profit | \$4,090,000 | | | |
| Rent and Utilities | 176,000 | | | |
| Insurance (All Lines) | 67,000 | | | |
| Office and Admin | 205,000 | | | |
| Software & Tech | 64,000 | | | |
| Marketing | 40,000 | | | |
| Total Operating Expenses | \$552,000 | | | |
| Net Income | \$1,546,399 | | | |
| Owner Salary | 90,000 | 90,000 | | Compensation above GM market rate |
| Owner Vehicle and Meals | 34,000 | 34,000 | | Personal vehicle, travel, and meals |
| Depreciation | 29,000 | 29,000 | | Non-cash accounting depreciation items |
| Owner Benefits | 23,000 | 23,000 | | Owner/family health and 401k benefits |
| Adjusted EBITDA | \$1,822,723 | | \$1,822,723 | |

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Equipment

| DESCRIPTION | VALUE |
|---|---------|
| 2022 Freightliner M2 Delivery Truck | 115,000 |
| 2021 Ford Transit Van | 38,000 |
| 2019 Hino 268 Box Truck | 42,000 |
| Crown Electric Forklift Model SC 5200 | 26,000 |
| Toyota Gas Forklift Model 8FGCU25 | 23,000 |
| Warehouse Racking Systems (Pallet Flow & Selective) | 85,000 |
| RF Scanners and Barcode Printers (6 units) | 12,000 |
| Industrial Dock Plates and Yard Ramps | 10,000 |
| Warehouse Management Server & Software Setup | 15,000 |
| Office Furniture and Workstations (8 Desks) | 8,000 |

Photos

Photo below is a stock photo as an example. Actual CIMs will use actual photos of the business to highlight services, products, facilities, and equipment



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