

AVAILABLE FOR ACQUISITION

Targeting Industry Buyers and Financial Groups with Related Holdings

Large Building Materials and Hardware Supplier

2018 REVENUE Est:

\$37,900,000

2018 EBITDA Est:

\$4,300,000

This Company is a building materials and hardware supplier specializing in interior and exterior millwork products with five locations throughout its metropolitan area.

This 28 year old Company offers an array of construction products, such as building materials, which includes drywall, lumber, plywood, etc. (66% of revenue), sheetrock (19%), hardware (8%), roofing (4%), and rebar/metal (3%). The Company customers include oilfield operators, residential and commercial developers, custom home builders, door and window installers, remodelers, and DIY home builders and renovators. The Company has five company owned store locations throughout the large metropolitan area. The Company is manned by a team of highly experienced professionals with extensive experience in the millwork and building material supply industry. The Company's reputation for this high level of expertise is crucial to the Company's success, as much of the target customer base selects suppliers based on word-of-mouth reputation, personal relationships, and past experiences.



Investment Considerations:

Management Will Remain through Transition: The owners are willing to stay with the Company during a transition period in order to ensure a seamless transfer of ownership.

Superior Name and Reputation: The Company enjoys an outstanding reputation for selling high-quality building materials and products along with excellent customer service and communication.

Attractive Market Demographics: The lumber wholesaling industry is expected to continue performing positively over the five years to 2022. Demand for the industry's products depends on the level of activity in downstream residential and nonresidential construction markets and on home remodeling activity, all of which are expected to grow over the period.

Outstanding Growth Opportunities: There exist several opportunities for this Company to significantly increase revenue and profit, including leveraging the Company's proven reputation to pursue sales of new product lines to existing customers and expand geographic markets. These opportunities are easily attainable given the appropriate investments in capital and human resources.

Strong Supplier Relationships: Management has built strong relationships with its suppliers by emphasizing prompt payment of invoices, resulting in favorable pricing. A steady supply chain has been developed capable of meeting the time-sensitive needs of customers.

Strong Historical Sales Growth: Sales increased from \$27,775,000 in 2016 to \$33,870,000 in the fiscal year ending December 31, 2017, representing an annual growth rate of 21.9%.

Strong Earnings: EBITDA as a percentage of sales increased from 10.9% in 2016 to 13.3% in 2017.



Fred Zweifel, Senior Managing Director
tel (972) 232-1100 fzweifel@generational.com

Client # 62053
Confidentiality Link: [NDA 62053](#)

DISCLAIMER: All information contained in this document has been provided by the subject company to Generational Capital Markets and while believed to be correct has not been verified. Accordingly, Generational Capital Markets makes no representations or warranties as to the accuracy and truthfulness of such information. The recipient hereof acknowledges that Generational Capital Markets shall not be liable for any loss or injury suffered by said recipient in any way connected to the delivery by Generational Capital Markets of this document. At all times Generational Capital Markets and its affiliate network