

ACQUISITION OPPORTUNITY #D-1858

HEATING OIL DEALER

PROFILE:

This residential heating oil dealer serves approximately 500 customers in Southwest Ohio and Southeast Indiana. Established and run as a family enterprise, with excellent customer service, competitive pricing and strong customer loyalty.

INVESTMENT HIGHLIGHTS:

- Long established dealer with more than 40 years of customer service
- 500 residential customers with high annual retention
- Consistently supplies 250,000 – 300,000 gallons of heating oil per year
- Seasonal business that can be easily run by a single owner-operator or merged with an existing dealer
- Backup delivery equipment allows significant expansion with no additional capital

PURCHASE PRICE:

The Company is offered for sale as an asset purchase, free and clear of debt and all liabilities to the highest bidder. Vehicles and fixed assets are valued at \$110,000; inventory at cost of \$30,000, and accounts receivable of \$178,000. Recent industry sales of independent heating oil dealers have established values of between \$500 - \$600 per customer account, plus assets. It is expected that a portion of the purchase price will be based on customer retention, consistent with the Company's past account performance.

Financial Summary: (000's)

	2004	2003	2002	2001
Sales	1,529	1,259	1,037	1,188
Gross Profit	204	155	175	166
ACF	44	(4)	76	63

Adjusted Cash Flow (ACF): Pretax profit of the business before owner's salary and perks, depreciation and interest.

Assets Included In The Sale:	
Vehicles, Shop & Office Equipment	110,000
Inventory at Cost	30,000
Accounts Receivable	178,000
Customer Accounts	
Total	318,000

FOR FURTHER
INFORMATION CONTACT:

 **Keate Partners Ltd.**
Suite 1600 Kroger Building
1014 Vine Street, Cincinnati, OH 45202
(513) 241-3700 Fax (513) 852-8325
www.keatepartners.com

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