



BUSINESS REPORT

Date: **18th May 2024**

Business Reference: **35542**

About the Business:

Fitment centre: fits and sells shocks, second-hand and new tyres

Business fits and sells second-hand and new tyres as well as shocks and will fit brakes Change in ownership of business could see revenue double Building for R1,75m is also for sale but excluded from the listed price

Fitment centre: fits and sells shocks, second-hand and new tyres



Sector: **Services**

Asking Price:

R **1,100,000**

Monthly Profit:

R **27,856**

Asset Value:

R 35,835

Stock Value:

R 700,000

Yearly Net Profit :

R 334,276



Business Report

Fully describe the business's activities?

Business sells and fits new and second hand tyres with alignment and balancing as well as shocks and brakes.

How does the business operate on a daily basis?

Walk in customers as well as bookings from dealers to fit tyres and do wheel alignment and shocks.

What Advertising/Marketing is carried out?

Only word of mouth

What competition exists?

There are other similar businesses but they are generally more expensive

How could the profitability of the business be improved?

Approach more dealers in the area to use your services. More advertising and awareness

Give a breakdown of staff/ functions/ length of service?

1 Wheel alignment technician 19 years
1 Stripper and fitter 1 year
1 stripper and fitter vacancy

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Do any have management potential?

No

How involved is the Owner in running the business?

This business is owner operated and managed

When does the current lease end?

Owner seller the building and this is currently excluded from the selling price. The seller wants to sell the building as well

The price for the building is R1,75m and includes business rights. This can be bonded if not paid as part of the purchase. Refer to last question under 'Conclusion'

What are the trading hours?

Monday to Friday 8am to 4:30pm
Saturday 8am to 1pm

What are the main assets of the business?

2 car lifts
3 strippers
2 balancers
1 wheel alignment machine
Security system and computer
Generator

Strengths?

Well known
Good prices
High rate of return customers

Weaknesses?

Retail hours
Needs owner involvement

Opportunities?

Become preferred supplier to second hand car dealers in the area which could easily double profits
Lift roof of wheel alignment bay to accommodate taxis
Negotiate contracts with other motor dealers in the area. This can easily be done and would double revenue

Threats?

None that were identified

What is the reason for the sale?

Owner relocating

What is the total asking price including the property?

The business including goodwill, stock and assets are valued at R1,8 m
The property is valued at R1,75 m

The total price is R3,55 m