

LYNCH MECHANICALS

3715 Rosemont Ave, Camp Hill, PA, 17011

[238220] Plumbing, Heating, and Air-Conditioning Contractors

Owner: Graham Lynch, Owner

Phone: (717) 761-1966

URL: lynchmechanicals.com

INDUSTRY FINANCIAL INSIGHTS - 2018

PEER GROUP OWNER EARNINGS AT PROJECTED FIRM LEVEL

14.74%

\$122,147

Financial Metrics: Sales Class: \$500,000 - \$999,999

(Peer industry and sales class average % basis)

STANDARD COMPANY SPEND AT PROJECTED REVENUE

Gross Margin	49.31%	\$408,622
Officer-Owner-Compensation	8.17%	\$67,720
Depreciation	1.15%	\$9,495
Operating Expenses	42.28%	\$350,366
Operating Income	7.03%	\$58,256
After Tax Net Profit	5.42%	\$44,914
Owner Earnings	14.74%	\$122,147
Accounts Receivable: Total Assets	23.02%	\$31,622
Accounts Payable: TLNW	13.34%	\$18,325
Net Worth: Assets	44.28%	\$60,827

INDUSTRY STANDARD BENCHMARKS

Accounts Payable: Revenue	2.21
Current Ratio	1.93
Days Payable	15.92
Net Working Capital Revenue	0.05
Days Receivable	13.93
Interest Coverage	18.59
Current Liabilities: NW	0.71
Loans-Notes Payable: Net Worth	0.17
Modified Z Score	8.49
Total Liabilities: Net Worth	1.26

BUSINESS OPERATION DETAIL

Location Sales:	\$500k-\$999k
Employment:	4
Corporate Sales:	N/A
Corporate Employment:	N/A

BUSINESS VALUE INSIGHTS SEPTEMBER 2019

EARNINGS APPROACH - MEDIAN

\$266,267

VALUE APPROACH

	INCOME	EARNINGS
Quartile 1	\$234,765	\$205,642
Median	\$324,511	\$266,267
Quartile 3	\$436,797	\$340,229

Bizminer Vestimate® Value basis derived from projected company sales; peer group average earnings %; and industry valuation multiples.

MARKET ANALYSIS INSIGHTS

SEPTEMBER 2019

Plumbing, Heating, and Air-Conditioning Contractors
[238220]

TOTAL INDUSTRY SALES

\$456,395,510

FIRM SALES RANK

110 OF 253

INDUSTRY MARKET OVERVIEW - HARRISBURG PA METRO AREA

Industry Operations	253
Business Sales Rank	110 of 253
Annual Market Sales Volume	\$456,395,510
Average Site Sales	\$1,803,935
Average Small Business Sales	\$1,066,974

MARKET PENETRATION

Market Sales per Person	\$808
US Sales per Person	\$781
Opportunity Index	0.97
Market Sales per Household	\$1,838
US Sales per Household	\$1,852
Opportunity Index	1.01

MARKET AREA POPULATION AND INCOME

Population	565,008
Households	248,264
Per Capita Income	\$32,315
Median HH Income	\$55,840

INDUSTRY FINANCIAL INSIGHT TERMS

Industry peer group percentage averages are applied to the company's estimated revenue.

Gross Margin: Business Revenue minus Cost of Sales

Officer/Owner's Compensation: Total wage compensation for services of company officers

Depreciation: Current portion of non-cash depreciation-amortization-depletion

Operating Expenses: Discretionary Expenses (excludes Cost of Sales and Interest Paid)

After-Tax Net Profit: Net Profit after payment of income taxes

Owner Earnings: Officers Compensation+Net Profit+Depreciation

Net Worth/Assets: Net Worth as a percent of Total Assets

Accounts Receivable: Total Assets: Short-term receivables as a percent of Total Assets

Accounts Payable:TL& NW: Short-term receivables as a percent of Total Liabilities+Net Worth

Days Payable: 365/(Cost of Sales/Accounts Payable ratio)

Days Receivable: 365/(Business Revenue/Receivables)

Current Ratio: Current Assets/Current Liabilities

Interest Coverage: [Earnings before Interest, Taxes Due, Depreciation-Amortization]/Interest expense

Current Liabilities: Net Worth: Current Liabilities/Net Worth

Total Liabilities: Net Worth: Total liabilities/Net Worth

Modified Z-Score: A modified form of the Altman Z-Score which evaluates default risk

Net Working Capital: Revenue: (Current Assets-Current Liabilities)/Business Revenue

Accounts Payable:Revenue: Accounts Payable/Business Revenue

Loans-Notes Payable:Net Worth: Loans-Notes Payable/Net Worth

BUSINESS VALUE INSIGHT TERMS

Bizminer Vestimate® Value basis derived from projected company sales; peer group average earnings %; and industry valuation multiples. Median ranges reflect a range of market conditions and business performance at this revenue scale.

You should not use Bizminer Vestimates® in place of a professional valuation or as the basis of any specific business-related or other financial transaction; nor to secure a business or personal loan.

Owner Earnings (Cash Flow) Approach: Revenue/Owner Earnings market valuation approach

Sales Approach: Revenue/Annual Sales market value approach

Median and Quartiles: Median: the point at which 50% of a sample is above and 50% of the same below the value.

Quartile 1 lies at the mid-point between the median and the lowest value; Quartile 3 between the median and the highest value.

MARKET ANALYSIS INSIGHT TERMS

Market Area: The selected market parameters for this industry. Where there are at least five identified industry establishments, default market parameters are:

15 MILE RADIUS

44-45 Retail Trade

72 Accommodation-Food Services

811-812 Other Services

METRO

23 Construction

42 Wholesale Trade

48-49 Transportation-Warehousing

51 Information

52 Finance and Insurance

53 Real Estate- Rental and Leasing

54 Professional-Scientific-Technical Services

56 Administrative-Support-Waste-Remediation

61 Educational Services

62 Health Care-Social Assistance

71 Arts-Entertainment- Recreation

813 Religious-Grantmaking-Civic-Professional and Similar Organizations

US-NATIONAL

11 Agriculture-Forestry-Fishing-Hunting

21 Mining-Quarrying- Oil & Gas Extraction

22 Utilities

31-32-33 Manufacturing

55 Management- Companies & Enterprises

Industry Map: Displays the closest operations in the same industry as the selected firm

Competitors: The number of same-industry operations within the market area.

Industry Market Sales Volume: Aggregate industry market sales

Average Site Sales: Average annual revenue of industry market operations in the market area.

Average Small Business Sales: Average annual sales of single site firms with <25 employees in the market

Firm Sales Rank: Sales rank based on this location's estimated revenue among all same-industry market operations

US and Market Sales per Household: Sales per household using the US as a comparison basis for the local market or, if a national market, displaying that value.

Per Capita Income: Average area income per person

Median Household Income: Median (mid-point) area income per household

DATA SOURCES AND LIMITATIONS

BizMiner data is widely accepted for industry analytical work, benchmarking, valuations, forensics and litigation. Raw data analyzed for BizMiner reports is sourced from an array of the nation's government and private statistical sources. None of these raw data sources creates the final measures reflected in BizMiner industry profiles. In total, BizMiner accesses over a billion sourced data points from 15 million business operations for each of its twice annual updates covering a 3-5 year time series. Historical data and BizMiner algorithms are used to inform and test projections for non-reporting firms. Data elements are sourced specifically from:

- IRS Statistics of Income
- IRS SOI Corporation Tax Book
- IRS Sole Proprietorship Tables
- US Economic Census
- US Census Quarterly Financial Reports
- US Census County Business Patterns
- Bureau of Labor Statistics Monthly Employment Reports
- Bureau of Labor Statistics Monthly Unemployment Reports
- Bureau of Labor Statistics Annual Wage Survey
- Bureau of Labor Statistics Industry Productivity Reports
- Bureau of Labor Statistics Price Indices
- Bureau of Labor Statistics Consumer Price Index
- National Agricultural Statistical Service
- US Census Retail Trade Report
- InfoGroup, Inc.
- DealStats
- American Community Survey

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