

BUSINESS OFFERING SUMMARY



John Naayers, President

Subprime Vehicle Finance Company

Business Description/Services/Footprint: This well-established Company acquires Retail Installment Sale Contracts (“RISCs”) from its unrelated network of vehicle dealers in NE Ohio at a discounted cash purchase price and then collects upon such from the vehicle buying customers. The RISCs contain an interest rate of 24.9% per annum. The Company also provides Extended Service Agreement and GAP Insurance products for its dealer network to sell to their vehicle buying customers.

Financial Performance: Company’s annual revenues are approximately \$4M with an annual EBITDA of approximately \$2M.

Receivables (RISCs): Company’s current level of receivables (RISCs) of approximately \$13.5M will historically yield an amount greater than that.

Why a Tremendous Opportunity – Major Attributes:

Tremendous Cash Flow and EBITDA

Turn-Key Smooth Running Operation

- Manager and Staff in place
- Dealer Network in place
- Fully equipped office in place
- Policies, Procedures, Systems and Forms in place (Compligo System and Hudson/Cook review)
- Franchise like structure

No licensing required since no direct financing provided (RISC acquisition)

Current Ownership’s Goals: maintain business at its current level; constantly refine and improve Dealer Network but no emphasis on growing it; pull out \$40,000/mo. plus pay taxes while keeping leverage below 50% of receivables (RISCs) and grow with remainder.

New Ownership can leave Company on autopilot and maintain current level of business or easily grow it and/or duplicate it by reallocating the cash flow with minimal increase in infrastructure or overhead.

Business is recession proof and actually increases during economic downturns.

Dealers are attracted to Company’s unique easy and simple RISC purchase program/criteria that focuses upon Customer (vehicle buying debtor) and Collateral (vehicle) Qualifications that are not dependent upon any “Blue Book” type valuations, plus, Company’s prompt response/decision making and funding.

Staff: 9 employees including a long term, fully capable and proven Manager.

Reason for Selling: Ownership simplifying life and preparing for retirement.

Asking Price: \$26.5M *This price includes the current level of receivables (RSICs) of approximately \$13.5M. Less receivables can be included to lower price, if desired.

If you have an interest in further exploring this opportunity, please contact me by phone or email. The signing of a Confidentiality Agreement will be required before the identity or Selling Memorandum will be released.