



JUBILEE CAPITAL

TRANSFORMING SMB EXITS INTO OWNERSHIP FOR THE NEXT GENERATION

TARGET: 25%+ IRR | LONG HOLD | CASH DISTRIBUTIONS

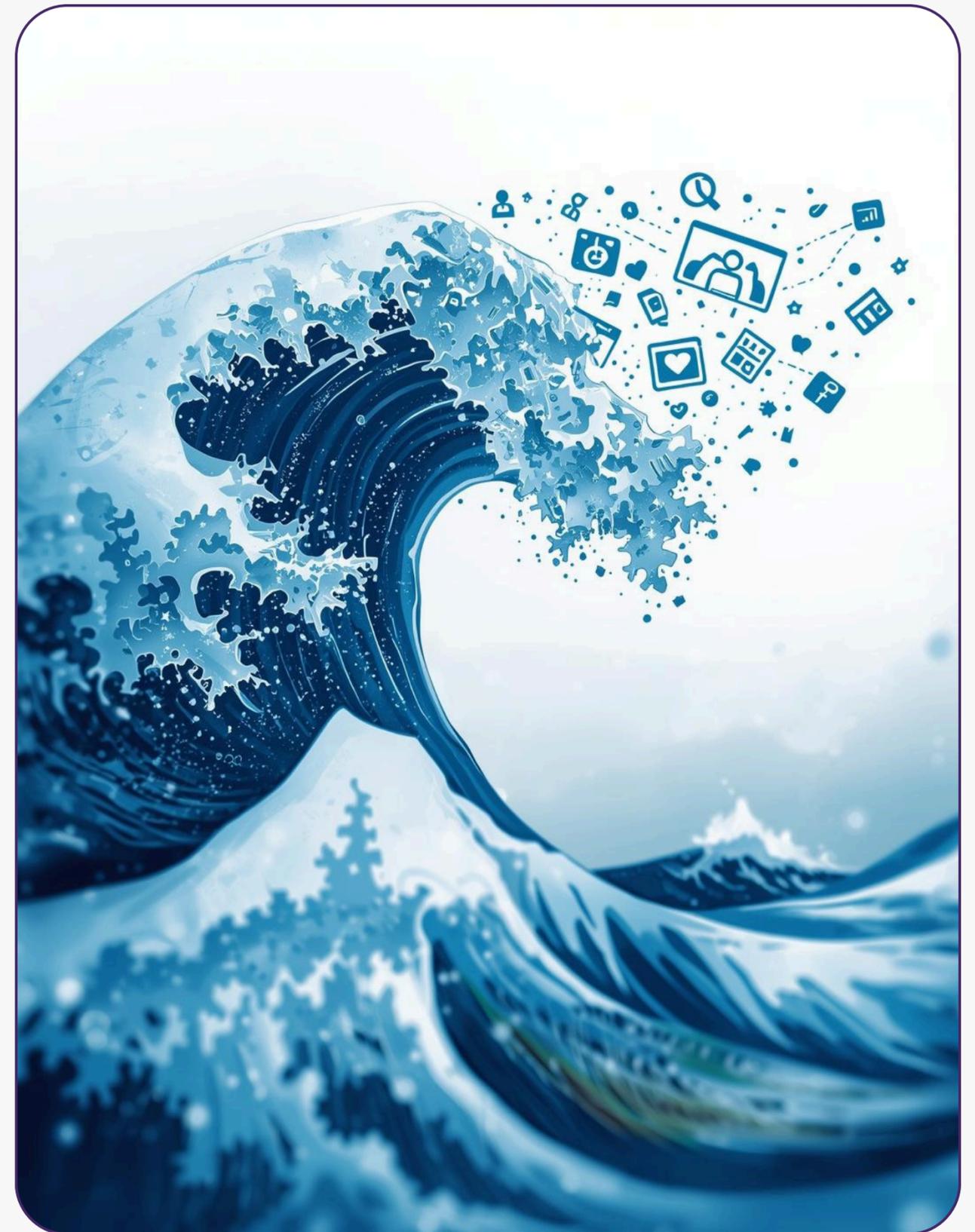
THE OPPORTUNITY

THE OWNERSHIP TRANSITION WINDOW

A GENERATIONAL SHIFT IS UNDERWAY.

- 80% OF BUSINESS OWNERS ARE OVER 55
- 150,000+ SMALL BUSINESSES TRANSITION ANNUALLY
- ONLY 20–30% TRANSFER SUCCESSFULLY TO FAMILY

WITHOUT LOCAL BUYERS, INSTITUTIONAL CAPITAL CONSOLIDATES.



WHY IT MATTERS

**BUSINESS OWNERS THINK
THERE IS ONLY 1 OPTION:
EXIT**

70% OF BUSINESSES WILL CLOSE OR CONSOLIDATE

TRADITIONAL PRIVATE EQUITY WILL:

- STRIP IT FOR PARTS
- CENTRALIZE CONTROL
- HARVEST AND EXIT



THE HUMAN COST

LOCAL OWNERSHIP IS COMMUNITY HEALTH

WHEN CONSOLIDATION OCCURS:

- WAGES DECREASE
- VENDOR SPEND LEAVES THE REGION
- DECISION-MAKING CENTRALIZES
- WEALTH LEAVES
- CONTROL LEAVES
- PRIDE LEAVES

#DONT-BE-GARY-INDIANA



THE NEW MODEL

BUY AND HOLD

WHAT IF “EXIT” WASN'T THE ONLY CHOICE?

BUY AND HOLD LETS IMPACT INVESTORS:

- ACQUIRE ESSENTIAL SERVICE BUSINESSES
- INSTALL PROFESSIONAL OPERATORS
- UPGRADE SYSTEMS AND MARKETING
- HOLD LONG-TERM
- DISTRIBUTE FROM OPERATIONS



STEWARDSHIP CAPITAL

- **CAPITAL AS GUARDIAN**
NOT EXTRACTOR
- **PAYOUT VIA OPERATIONS**
NOT EXITS
- **OPERATOR MENTORSHIP**
NOT EXPERIMENTATION



HOW THE MODEL WORKS

**ACQUIRE BUSINESSES
UPGRADE SYSTEMS
INSTALL NEW OPERATORS**

- **DOUBLE REVENUE VIA MARKETING SYSTEMS**
- **DOUBLE PROFITABILITY VIA SYSTEMS**
- **4X EBITDA**

- **CAPITAL DISTRIBUTIONS:**
 - **30% INVESTORS**
 - **10% NEW OPERATOR/OWNER**



EXAMPLE: Acme HVAC

\$3Mil Rev, 15% profit = EBITDA \$450,000

Purchase: 3x EBITDA = \$1.35Mil

JC: 10% = \$135K

Note: 10yrs @8.5% = 1.215Mil (Payment = \$185,000/yr)

New Operator = \$150K (100K + Benefits)

- Website / CRM / Automation \$25,000
- Marketing / Ads \$75,000
- Sales Rep \$50,000
- Process Consultant \$25,000
- Working Capital Buffer \$75,000

Total Modernization Budget \$250,000

EBITDA after Modernizing and Staffing:

- \$450,000 (No EBITDA change)
- \$150K (Operator)
- \$135K (Downpayment)
- \$185K (New Debt)
- \$120K (Cushion)
- \$250K (Modernizing)
- \$390K**

EBITDA after Modernizing and Staffing:

- \$900K (2X EBITDA)
- \$150K (Operator)
- \$135K (Downpayment)
- \$185K (New Debt)
- \$120K (Cushion)
- \$250K (Modernizing)
- + \$60K**

EBITDA after Modernizing and Staffing:

- \$1.35Mil (4X EBITDA)
- \$150K (Operator)
- \$135K (Downpayment)
- \$185K (New Debt)
- \$120K (Cushion)
- \$250K (Modernizing)
- + \$510K**

REPAYMENT IN 18 - 24 MONTHS

BUSINESS SIZE

**ESSENTIAL SERVICES
TO LIGHT MANUFACTURING**

\$3M - \$10M REVENUE

3X MULTIPLE

- WORD OF MOUTH MARKETING
 - LOW TECH ADOPTION
 - NON-DEGREE + TRADES MIX
-
- HIGH EQUIPMENT LEVERAGE
 - ACTIVE GOVERNMENT CONTRACTS
 - ACTIVE CORPORATE CONTRACTS



TARGET RETURNS

**25% IRR (RISK ADJUSTED)
3-YEAR CAPITAL RETURN**

YEAR 1: RAISE & RESEARCH

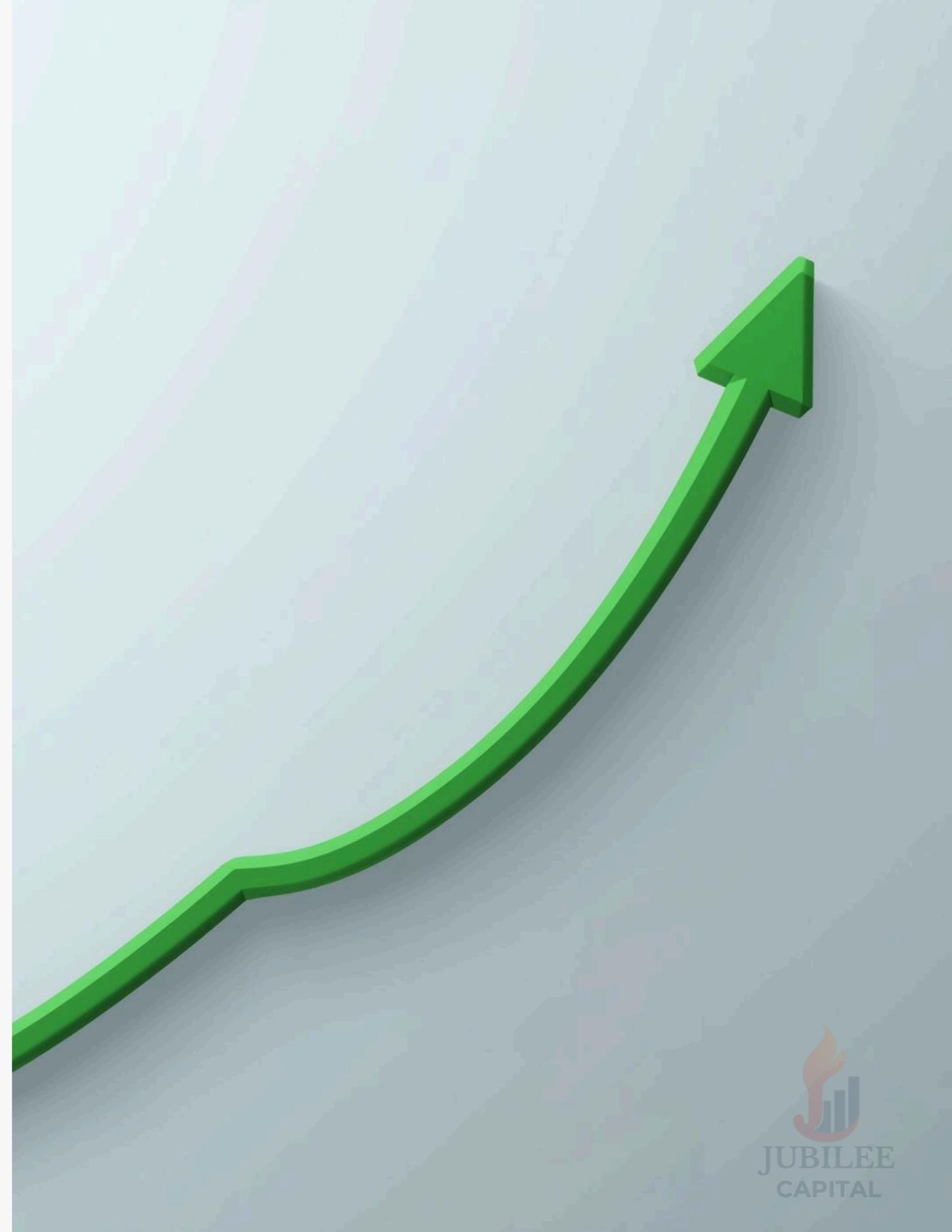
YEAR 2: 6 COMPANIES

YEAR 3: 8 COMPANIES & PAYBACK

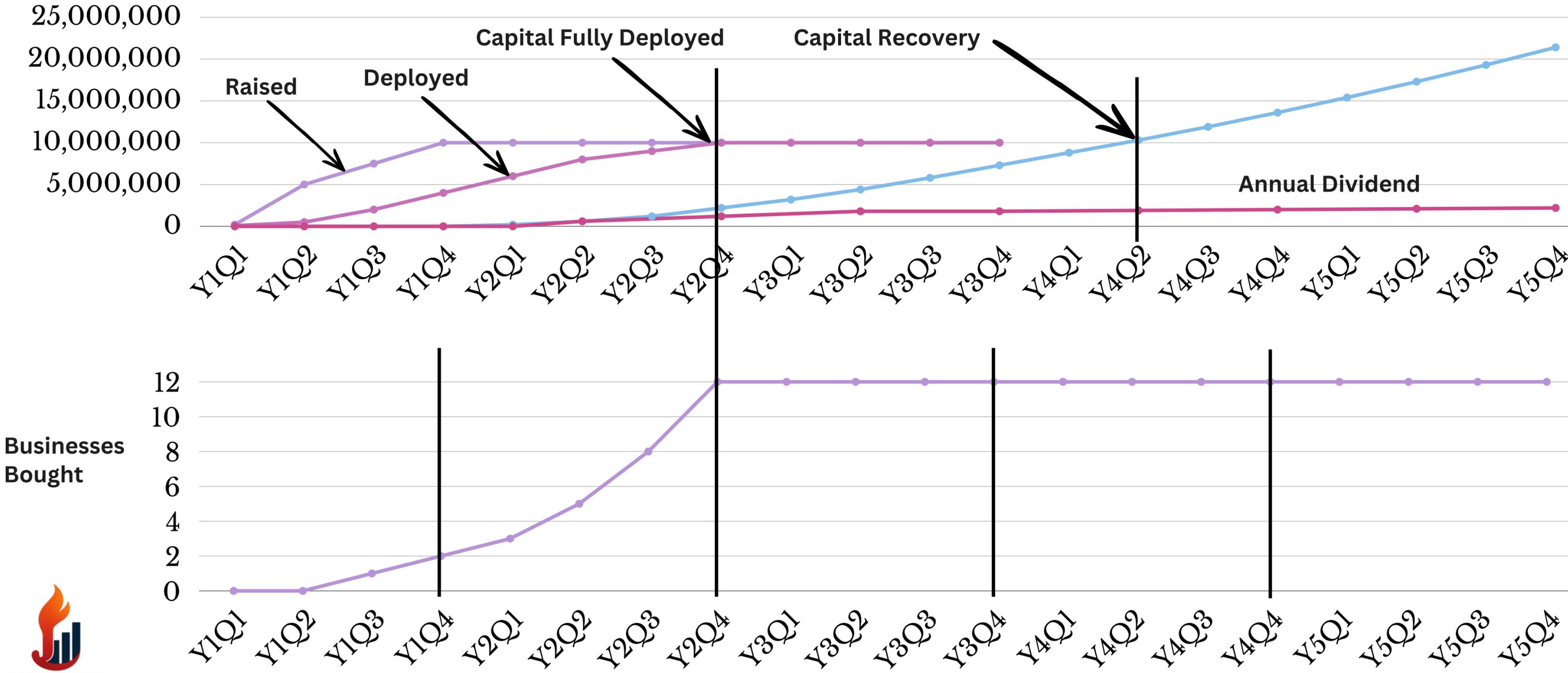
YEAR 4: CAPITAL RETURNED

100% ASSET RETENTION

RETURNS ARE DEPENDENT ON MARKET CONDITIONS, AND THERE IS NO GUARANTEE OF FUTURE EARNINGS. CIRCUMSTANCES AND DUE DILIGENCE MAY RESULT IN A SALE.*



FUND SPEND PLAN

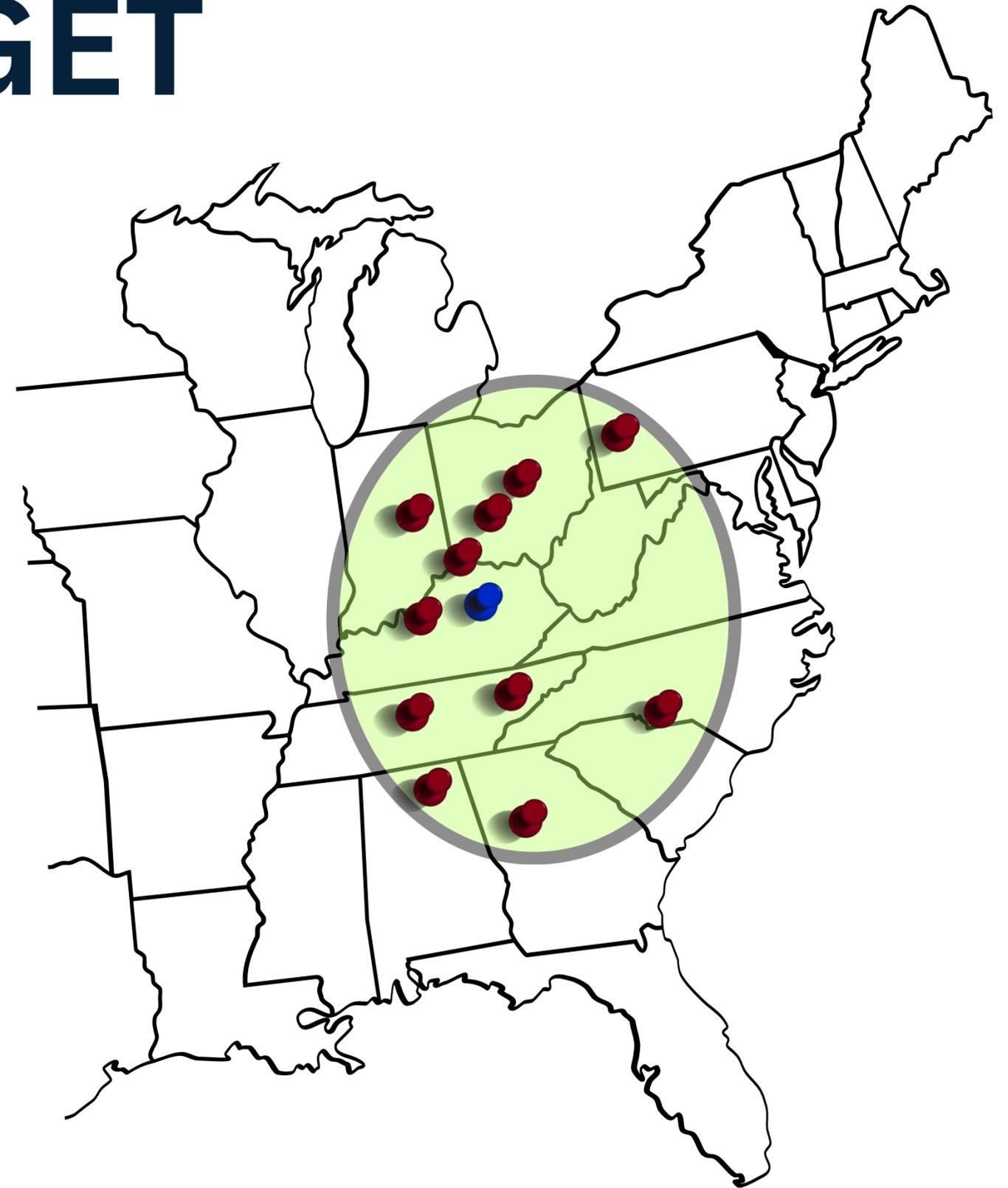


risk-adjusted, theoretical example; not a guarantee of future earnings

GEOGRAPHIC TARGET

5-HR DRIVE FROM LEXINGTON, KY

- LEXINGTON, KY
- LOUISVILLE, KY
- CINCINNATI, OH
- COLUMBUS, OH
- NASHVILLE, TN
- HUNTSVILLE, AL
- ATLANTA, GA
- INDIANAPOLIS, IN
- PITTSBURGH, PA





**JUBILEE
CAPITAL**

DREW SUTTON

C.859-333-3373

DREW@JUBILEE.CAPITAL

