JPS Paint Center

415 S. Main Street | Cottonwood, Arizona

Offering Memorandum

Business asking price:

$175,000 including inventory

KELLY & CALL COMMERCIAL

Real Estate and Business Brokerage

Confidentiality and Disclaimer

This Offering Memorandum contains select information pertaining to the business, affairs and assets of the company known as JPS Paint Center, located at 415 S. Main Street, Cottonwood, AZ (hereinafter the "Company").

This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Company. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Kelly and Call Commercial. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Kelly and Call Commercial from sources it deems reliable.

Neither Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections, form their own conclusions, and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum, you agree you will hold the contents confidential and will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Kelly and Call Commercial expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Company and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Company unless and until a written agreement for the purchase and sale of the Company has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of this Company or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Company including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Company, or information provided herein or in connection with the sale of the Company shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Kelly and Call Commercial or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Company.

This Offering Memorandum is deemed to represent the state of affairs of the Company currently, but does not represent or constitute an indication that there has been no change in the state of affairs of the Company since this Offering Memorandum was prepared.

JPS Paint Center

JPS Paint Center has served homeowners, contractors and auto body professionals across the Verde Valley since 1994. The sale offers a buyer an established customer base, respected product lines and the option to remain in a high-visibility Main Street location.

JPS Paint Center is a full-service paint and coatings retailer serving two distinct markets: residential and commercial painting, and automotive refinishing. On the architectural side, the store carries Benjamin Moore finishes, Lenmar and Old Masters wood finishes, concrete floor coatings and roof coatings. On the automotive side, it supplies PPG Deltron and Shopline refinish products and formulates auto paint to match manufacturers' colors, a specialized capability that sets it apart from general home improvement retailers.

The store also holds exclusive rights to the Southwestern Palette by Ken Kamps. The collection is a line of earth-toned colors drawn from the region's rocks, trees and ground cover, and it was custom-formulated in the store. As an ALLPRO member, JPS purchases sundries and tools at pricing that keeps it competitive with big-box retailers. Its reputation rests on product knowledge and hands-on customer guidance.

For a buyer, the business offers an established brand, dependable supplier relationships and a customer base built over three decades.

Highlights:

- Operating Since 1994 – More than 30 years of operating history and a loyal customer base throughout the Verde Valley
- Established Product Lines – Benjamin Moore architectural finishes for residential and contractor customers, along with PPG Deltron and Shopline automotive refinish systems
- In-House Color Formulation – Automotive paint custom-formulated to match manufacturers' original colors, plus the store's exclusive Southwestern Palette color collection
- Flexible Location Options – The buyer may assume the current lease, negotiate a new lease or relocate the business
- Owner Financing Available – The owner will carry the sale with an appropriate down payment

Business Summary

415 S. Main Street

The business operates from Suite A at 415 S Main Street, on Cottonwood's primary thoroughfare. The site is near Safeway, Walgreens, local banks and restaurants. A center turn lane and two entrances and exits give customers easy access, and 30 on-site parking spaces support steady retail traffic.

Inside, an open front showroom connects directly to the warehouse, with a breakroom and two private offices. The layout supports retail display, inventory storage and color-mixing operations. C-1 zoning allows a range of uses, including retail with warehouse inventory, personal services, medical or dental offices, corporate office space and light industrial.

Suite A currently leases at $12.44 per square foot, Gross. A buyer may continue the existing lease, negotiate new terms or move the business to a new location.

Leased Location

JPS Paint Center	2024	2025	August 2026	Annualized 2026	3 Year Average
Revenues	$669,905	$532,408	$335,533	$503,300	$568,537.50
Addback	$18,000	$18,000	$18,000	$18,000	$18,000
SDE	$61,449	$51,285	$57,909	$86,864	$66,532.50
Average mulipier	2.25	2.25	2.25	2.25	2.25
Business Value based on SDE	$138,260	$115,391	$130,295	$195,443	$149,698

- SDE = Net Income + Inventory Adjustment + Officer Salaries + Meals & Entertainment + Depreciation.
- Addback estimated at $1,500/month to cover personal health insurance, cell phone, personal vehicle insurance, and personal gas.

Assets	Market Value	Ask Price
Inventory (minus AP)	$135,000	
Equipment - used value	$75,000	
Vehicles	Not Included	
Goodwill	$150,000	
Total	$360,000	$175,000

Retail paint stores typically sell for 2.0x to 3.0x SDE (Seller's Discretionary Earnings), with most deals landing between 2.2x and 2.7x. Measured against revenue, they typically sell for 0.15x to 0.35x of annual gross revenue, and most fall between 0.20x and 0.30x.

Why The Range Is Modest

Paint stores are valued much like other small independent retailers. They are usually owner-operated, face stiff competition from Sherwin-Williams, Home Depot and Lowe's, carry heavy inventory on modest margins, and tend to grow only as fast as their local market. Because margins are thin, a revenue multiple is only a rough proxy: it is essentially the SDE multiple multiplied by the SDE margin. A $1M paint store therefore sells for a smaller share of its revenue than a service business with 30% margins.

What Pushes The Multiple Higher (2.7x–3.0x+)

- Recurring contractor and commercial accounts
- A manager who runs day-to-day operations
- Exclusive territory or strong dealer affiliation, such as Benjamin Moore
- Multiple locations or a scalable model
- Diversified revenue from sundries, rentals, color matching or custom tinting
- Clean financials, low customer concentration and a long-term lease

What Pulls It Lower (2.0x or below)

- Heavy reliance on the owner's relationships and decisions
- Flat or declining sales
- Aging inventory or lease uncertainty
- A single small location with SDE under roughly $150K–$200K

Cottonwood, Arizona

Cottonwood is located in central Arizona's Verde Valley, at an elevation of roughly 3,300 feet along the Verde River in Yavapai County. Known as the "Heart of Arizona Wine Country," the town combines a walkable historic Old Town — lined with tasting rooms, restaurants, and shops — with easy access to the Verde River Greenway, Dead Horse Ranch State Park, and the red-rock scenery of nearby Sedona. Hiking, birding, river recreation, and wine tourism draw both residents and visitors, giving Cottonwood a small-town character paired with a genuinely diversified visitor economy.

Cottonwood serves as the commercial, medical, and retail hub of the Verde Valley, with a city population of roughly 12,500 supporting a broader trade area of 40,000 to 55,000 residents across the surrounding communities of Clarkdale, Camp Verde, Sedona, and Cornville. Positioned along State Highways 89A and 260 near Interstate 17, the town sits about 90 minutes north of Phoenix and an hour south of Flagstaff, making it a natural retail and service center for the region. Cottonwood Airport supports general aviation and adds to the town's regional accessibility.

Yavapai College's Verde Valley Campus, located in nearby Clarkdale, extends associate degree, transfer, and career-technical programs — including a notable viticulture and oenology program tied to the area's growing wine industry — to residents throughout the Verde Valley. Verde Valley Medical Center, one of the region's most respected diagnostic and treatment facilities, is Cottonwood's largest employer and anchors a broader healthcare sector that serves the whole valley.

Cottonwood's economy is diversified across healthcare, retail trade, tourism and hospitality, wine and agriculture, and light manufacturing, giving it a more balanced base than many resort-dependent Arizona towns. This blend of a stable regional trade center with a growing tourism and wine industry provides a well-rounded and resilient customer base for commercial enterprises of every type.

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