A hire business is a fleet that earns only when it is out, and wears out either way.

Machinery and scaffolding rental turns over $13.7 billion a year across about 11,800 businesses at an average margin of 15.9%, and fixed assets make up about two-thirds of the industry's balance sheet (IBISWorld, August 2026). A hire business for sale between $700,000 and $5 million is a fleet plus the customers who keep it on hire. A lender funds the fleet against what it would fetch, and the goodwill against the cash flow left once the fleet is paid for and kept young. Split the price before you do anything else.

THE FLEET
earthmoving, access, scaffolding, cranes, forklifts

Valued machine by machine by a valuer who is not acting for the vendor, at market value and in an orderly and a forced sale, never at cost or written-down value. A register with serial numbers, year, hours, cost, finance owing and a year's hire revenue for each category.

Funded as equipment. The machines are the security.

THE CUSTOMERS AND SYSTEMS
the goodwill

Repeat contractors, supply arrangements with builders or miners, the booking and maintenance system, the branch's name in its market and the staff who know every machine. Hirers chase long arrangements with major contractors; customers on short hires of small machinery can switch at little cost (IBISWorld).

Funded on cash flow. The hardest dollar to borrow.

THE YARD
leased or owned

Secure storage, a workshop, a wash-down bay and room for trucks and trailers, often leased from the vendor. Rent is only about 2% of industry revenue, but a lease that ends inside the loan term, or a permit that limits hours or heavy vehicles, can end the business.

Funded as property, or protected by the lease.

Two ways to price the same business

The first is a multiple of earnings, which only works if the earnings have already paid for the fleet's renewal. IBISWorld's industry-wide ratio of enterprise value to EBITDA is **2.5 times** on the three-year average, from company accounts rather than sale prices. Consolidators pay more for scale: a listed scaffolding group agreed in mid-2026 to pay about $47.8 million for two businesses with about $12.8 million of combined EBITDA, **about 3.7 times** (our arithmetic on its August 2026 results presentation).

The second is the fleet at market value plus goodwill for the hire that will stay. Kennards bought Solution Plant Hire in March 2026; Master Hire bought East Side Hire in Warwick, Queensland, in 2025. National and regional hirers are your competition for the business, and your buyers when you sell.

ASK WHICH METHOD THE PRICE USES

On a multiple, ask whether the earnings are before or after a manager's wage and the fleet's renewal. On asset plus goodwill, ask for the appraisal behind the fleet figure. The same business looks cheap on one method and dear on the other.

Three values for one fleet

Basis	What it is, and why it matters
Market value	The price after proper marketing, without compulsion. What your offer and the equipment finance are sized on.
Liquidation, orderly	Sold piece by piece over a normal marketing period. Often what an asset lender looks at when it sets how much of the fleet to fund.
Liquidation, forced	Sold piece by piece, quickly, by a seller under compulsion. A wide gap below market value means a specialised fleet with few buyers, and less lending against it.

Definitions after the International Valuation Standards Council glossary. Lenders set their own bases. IBISWorld, **Machinery & Scaffolding Rental in Australia** (L6631), August 2026; Acrow results presentation, 24 August 2026. Not a valuation.

DO THIS BEFORE YOU OPEN A LISTING

Get your capacity assessed on rebuilt earnings, for the split you are buying: fleet, goodwill and working capital. Knowing what you can settle changes which listings are worth your time.

ASK FOR THESE SIX BEFORE YOU LOOK AT THE PROFIT

1. The fleet register, with an appraisal on market and liquidation bases

2. Utilisation and hire revenue by category, for twelve months

3. Capital spending against depreciation, for three years

4. The top ten customers' share of revenue, and their terms

5. Three years of rate cards, and the discounts given

6. Aged debtors, and the yard lease or title

The earnings are advertised before the owner is paid and the fleet is replaced.

In many businesses this size the owner runs the yard, quotes the big jobs and fixes machines on Saturdays, and a partner does the bookings and the books, unpaid. EBITDA, the number most listings quote, sits before depreciation, so it says nothing about the fleet that has to be bought again. Add last year's clear-out of old machines and a project that has ended, and the earnings move. A careful lender rebuilds them before it lends. So should you, before you offer.

The rebuild: asking $2.4 million with the fleet	Amount
Revenue: earthmoving, access and scaffolding hire to builders and civil contractors	$3,000,000
Earnings as presented (EBITDA), 2.7 times on the price	$900,000
The owner's management and repairs at market: about $99,000, the industry's average wage of $88,500 plus 12% superannuation, rounded	– $99,000
Bookings, books and payroll at market, replacing unpaid work	– $55,000
Profit on last year's ex-hire sales, which will not repeat	– $60,000
Fleet renewal the earnings do not pay for: three years of spending below depreciation	– $150,000
A tunnel-project hire that finished in 2025	– $80,000
What a careful lender assesses (5.3 times on the price)	**$456,000**

The business has not changed. Only your understanding of it has. Illustrative only, not a valuation and not a representation about any particular business; the average wage is IBISWorld's (L6631, August 2026). Lenders differ on whether they deduct fleet renewal; a careful one asks how the fleet will be kept young. The rebuild deducts only the shortfall: the vendor's existing fleet spending is assumed to continue.

STRESS-TEST THE HIRE RATES

The industry's price index rose about 1.8% a year from 2021-22 to 2025-26, behind inflation, as new entrants bid for work (IBISWorld). Ask for three years of rate cards, the discounts given to the five largest customers and the last ten quotes won and lost. A forecast that adds inflation to this year's rates assumes a pricing power the industry has not had.

Funding the $2.4 million: the cash flow decides	Amount
Fleet appraised at market value, 58% of the price	$1,400,000
Equipment finance at 80% of it, 5 years at 9.5%, 20% balloon	$1,120,000
Equipment repayments a year	$247,100
Total repayments the rebuilt $456,000 supports at 1.25 times cover	$364,800
Left a year for a business loan on the rest	$117,700
Business loan that supports, 7 years at 11%	about $573,000
Your equity: 29.5% of the price	**about $707,000**

Plus working capital: at the industry's 88 debtor days, about $723,000 of unpaid invoices builds up on $3 million of revenue before collections catch up. Plus a $224,000 balloon due in year five. On the advertised $900,000, the cash flow looked able to fund everything above the fleet loan. That gap is where hire business purchases fail.

THE FLEET SHOWS UP THREE TIMES

In the price, in the repayments and in the renewal, and all three come out of the same cash flow as the goodwill loan. A business that looks cheap on its earnings can be dear on its fleet.

RUN IT ON A REAL LISTING

The funding check on our hire page takes the listing's price, the fleet's market value, the earnings and the renewal shortfall, and shows the loans the cash flow supports and the equity to find: prevailfinance.com.au/buying-an-equipment-hire-business

Illustrative arithmetic: monthly principal-and-interest repayments; 1.25 times cover is the minimum one specialist business bank told us it tests (September 2026); the rates, terms, balloon and funded share are assumptions, not a quote. The Reserve Bank raised the cash rate to 4.60% on 29 September 2026, so any quote dated before then has moved. Debtors at 88 days: IBISWorld, 2023 figure. Not advice.

Check what is out on hire, then search the seller, not the machines.

Ask for the fleet register before the financials, and work through six checks: each one supports the price or moves it. Then search the Personal Property Securities Register, where most of a hire fleet cannot be found by serial number, and work through what does and does not move to a new owner.

Six checks on the fleet register

- ☐ **Age.** Larger operators aim for an average fleet age under five years (IBISWorld). An older fleet is a replacement bill inside your loan term, and each equipment lender sets its own age limits.
- ☐ **Utilisation.** Days on hire against days available, by category. One listed earthmoving hirer averaged 82% for its surface fleet and 67% underground in 2025-26 (Emeco). A category that sits idle is a fleet to sell, not goodwill to pay for.
- ☐ **Reinvestment.** Three years of capital spending against depreciation. The same hirer spent 106% of depreciation on sustaining capital in 2025-26. A shortfall is a cost you are buying.
- ☐ **Records.** Service, defect, inspection and registration history. For elevating work platforms the supplier is in most cases responsible for inspection and maintenance (Safe Work Australia, December 2025).
- ☐ **Revenue quality.** Hire income split from ex-hire sales, damage recovery, delivery and fuel. Strip the profit on disposals out before you apply a multiple.
- ☐ **Customers.** The top ten's share of revenue, their terms, change-of-control clauses, the standard hire contract. One contractor above a third of revenue is a finding.

SEARCH THE SELLER

On the PPSR only motor vehicles, aircraft, watercraft and some intellectual property are serial-numbered goods; AFSA lists machinery and equipment among those that are not. An excavator or backhoe counts as a motor vehicle only if it can travel faster than 10 km/h and has more than 200W of motor power. Search the seller's ACN, ABN and every former name: each grantor search covers only the identifier entered, and costs $2 online.

A MISSED SECURITY INTEREST STAYS WITH THE MACHINE

A security interest generally continues after a sale unless the secured party authorised it, and because a hire business holds machines to hire out, the Act's protections for buyers may not help you. Ask your lawyer, and make each financier's signed release a condition of settlement.

What moves with an asset sale

Item	Moves?
Finance over the fleet	It stays attached unless released. Grantor searches, payout letters, releases at settlement.
The seller's registrations against hirers	Only if transferred. A hire entered into since 20 May 2017 is a PPS lease if its set term, options included, runs more than two years, or an open-ended hire passes two years. Unregistered, the hire company is an unsecured creditor if the hirer fails.
Customer contracts	Only if assigned or novated to you. Consents before the contract goes unconditional.
Registered plant	Through the regulator. Design registration stays with the design; keeping items registered falls on whoever manages or controls the plant, which from settlement is you.
High risk work licences	No. They belong to the people who hold them. If the owner holds the only rigging, dogging or crane licence, it leaves at settlement.
Insurance and accounts	No. Quote insurance on the fleet register before you offer.

SHARES OR ASSETS

Buy the shares and the company keeps its registrations, its PPSR registrations against hirers and its contracts, with its history: incidents, claims, tax and disputes. Buy the assets and you search, re-register and re-paper everything above. An asset sale is GST-free as a going concern only if it is for payment, you are registered, both parties agree in writing, and the vendor supplies everything needed and trades until the day of sale (ATO). Your solicitor and accountant choose; we arrange the funding for either.

Australian Financial Security Authority, PPSR guidance, checked 2 November 2026; Personal Property Securities Act 2009 (Cth); IBISWorld, August 2026; Emeco Holdings 2025-26 results, 20 August 2026; Safe Work Australia; ATO, sale of a going concern. General information, not legal advice.

The 12 deal-killers.

Run every hire business past the list. One is a negotiation. Three is a walk, and at this stage walking costs you a few hours and a handful of searches. Anything touching the cash flow counts double, because a hire business purchase is funded on the earnings a lender can see after the equipment repayments and the fleet's renewal.

1. **One contractor carrying the business.** A builder, civil contractor or miner above a third of revenue.
   > **Meet them, and make settlement conditional on the arrangement continuing.**
2. **A finished project counted as recurring.** A tunnel, a mine contract or a storm clean-up that has ended.
   > **Normalise it out of the earnings you pay for.**
3. **Ex-hire sales inside the earnings.** A clear-out of old machines dressed as trading profit.
   > **Strip the profit on disposals out.**
4. **Hire rates you cannot hold.** Big customers on deep discounts, or rates above what competitors quote.
   > **Price the business on the rates the market will pay you.**
5. **A fleet valued at cost or written-down value.** A schedule at purchase price, not market.
   > **Appraisal on market, orderly and forced bases. A lender lends on it, and so should your offer.**
6. **A fleet running down.** Capital spending below depreciation for three years.
   > **Put the catch-up in the price, or in the vendor's column.**
7. **Finance on machines nobody searched.** Assets you assume come with the business that are financed, sometimes in another entity.
   > **Grantor searches on the ACN, ABN and former names; payout letters; clear title as a condition.**
8. **No maintenance, inspection or registration records.** No service history, no inspection logs, no certificates.
   > **The plant is worth less, and registrable plant cannot go out until registered. Price both.**
9. **Licences that leave with the owner.** The only rigger, dogger or crane operator is the vendor.
   > **Key staff staying, and a training plan before settlement.**
10. **A safety history nobody mentioned.** Incidents, improvement notices, claims.
    > **In writing before exchange. The duties are yours from day one.**
11. **Hire terms that do not protect the fleet.** No damage, loss or recovery terms; long hires never registered on the PPSR.
    > **Have the standard contract reviewed before you inherit it.**
12. **A yard lease that ends inside the loan term.** Or a permit that limits your hours or heavy vehicles.
    > **Settle the new lease before you settle the price.**

THREE SEARCHES, FIFTEEN MINUTES

Run **grantor searches** on the seller's ACN, ABN and former names: machines you assume come with the business are often financed. Then ask for the **registration certificates** and the **incident history** in writing. Any one of them can end a deal.

ANYTHING TOUCHING THE CASH FLOW COUNTS DOUBLE

One big contractor, a fleet running down and rates you cannot hold are not three findings among twelve. They are the cash flow, and the cash flow is the loan.

Score it: one column per business you assess

1 _____	2 _____	3 _____	4 _____	5 _____	6 _____
7 _____	8 _____	9 _____	10 _____	11 _____	12 _____

The fleet borrows against itself. The goodwill borrows against what is left.

Equipment finance against the fleet's appraised value; a business loan on the cash flow left after the equipment repayments; working capital for the debtor book. The Reserve Bank raised the cash rate to 4.60% on 29 September 2026, so any quote dated before then has moved.

THE FLEET

Usually a chattel mortgage, with a balloon if needed, sized on an appraisal. One non-bank: equipment finance to $750,000 on bank statements, no deposit up to $500,000 where no property is offered, excavators named (September 2026). Another raised capital at 80% of the market value of an unencumbered transport fleet (case study, August 2026).

On one rate card set before the 29 September rise, a non-property owner turning over $250,000 to $1.5 million was priced 2.6 points higher than a property owner. Age limits differ by lender.

THE GOODWILL

One specialist business bank wants about 30% of the price from the buyer on a standalone purchase of an established business, tests cover of at least 1.25 times and may set lower gearing for first-time operators (September 2026). A large business bank has no appetite for a buyer new to the industry outside professional services (October 2026).

A hire business is not asset-light: its fleet gives lenders something to hold. Vendor finance on part of the price, repaid after the senior lender, can close a gap.

WORKING CAPITAL

Debtors ran 88.4 days across the industry in 2023 (IBISWorld). In an asset sale the vendor usually collects what it is owed, so you pay wages, parts and fuel for up to three months before collections catch up. Budget it as part of the purchase.

One invoice financier funds up to $1 million and accepts a debtor book concentrated in one customer (September 2026). Check each financier's excluded industries before you rely on it.

Licences, registration and inspection

- ☐ **High risk work licences belong to people.** Scaffolding at three levels, dogging, rigging, crane and hoist classes, boom-type elevating work platforms with a boom of 11 metres or more, forklifts. In Victoria, excavators and scissor lifts need none; a licence lasts five years and costs $77.70 a class (WorkSafe Victoria, 2026).
- ☐ **Some plant must be registered.** Design registration in Victoria covers prefabricated scaffolding, boom-type platforms, mobile cranes over 10 tonnes and concrete placing booms, among others; item registration covers plant such as tower cranes. Get every certificate with the register.
- ☐ **Scaffold inspection.** Where a person could fall more than 4 metres: written confirmation from a competent person before use, and inspection after any incident or repair and at least every 30 days (Safe Work Australia).
- ☐ **Rules in motion.** A model code for elevating work platforms (December 2025), adopted in New South Wales; crane licensing changes consulted on to May 2026. A new licence class can take staff off hire while they train.

THE YARD: LEASE IT, BUY IT, CHECK IT

The lease has to outlast the loan, permit your use, hours and heavy vehicles, and survive the sale; settle a new lease with a landlord-vendor before the price. In Victoria a commercial or industrial property pays duty one final time on its first qualifying sale from 1 July 2024, then 1% a year of its unimproved land value from ten years later. In Victoria owners and tenants alike must manage contamination: think wash-down bays and fuel tanks.

TAX: ASK BEFORE YOU COUNT IT

The ATO lists a $20,000 limit for turnover under $10 million, for assets first used from 1 July 2023, with no end date shown (ATO, August 2026). But the small business depreciation rules exclude assets leased out, or expected to be, for more than 50% of the time on a depreciating asset lease (ATO, May 2026). Whether a fleet on short hires falls inside that exclusion is a question for your accountant.

WHO YOU ARE TALKING TO

Priyank assessed and approved business loans as a bank lending manager and commercial credit analyst, and has worked on hire business purchases as a broker. This guide asks what a credit team asks first: what the fleet would fetch sold piece by piece, how much is out on hire, what keeping it young costs, and who holds the licences.

Subject to lender criteria, security position and eligibility. Lender positions in writing, 13 August to 20 October 2026; indicative only, not a quote. Safe Work Australia; WorkSafe Victoria; WorkSafe Queensland; Victorian Department of Treasury and Finance; EPA Victoria; ATO. We arrange credit; we do not provide legal, tax or accounting advice.

Send the pack. Get an answer in 24 hours.

Send these to **priyank@prevailfinance.com.au** and within 24 hours you have our answer: fundable, not fundable, or what's missing. Once you accept our quote, your Action Plan follows in writing within one business day: what happens, in what order, the funding pathway scoped for that business, an indicative pricing band, and the finance clause date your contract needs.



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With gratitude

About the business

- ☐ The information memorandum and how the price was built
- ☐ Three years of financials and tax returns, add-backs itemised
- ☐ Twelve months of bank statements and the tax portal
- ☐ The fleet register: serial numbers, year, hours, cost, finance owing, an appraisal on market and liquidation bases
- ☐ Utilisation and hire revenue by category; the top customers with their share of revenue and terms
- ☐ The yard lease or title; registration, inspection and maintenance records
- ☐ The insurance schedule with its claims history

About you

- ☐ Statement of position, with the source of your deposit
- ☐ Two years of personal tax returns and notices
- ☐ Six months of loan statements, three months of transactions
- ☐ Photo ID and a resume of your hire, construction or operating experience
- ☐ The proposed buying entity, and a twelve-month plan

Our fee is quoted up front. If the numbers say walk, we will still tell you to walk.

The industry in numbers: IBISWorld, August 2026

Measure	Figure
Revenue, 2026-27	$13.7 billion
Growth this year; forecast to 2031-32	0.4%; 2.2% a year
Businesses; employees	11,786; 33,011
Revenue and profit per business	$1.2m; $184,800
Profit margin	15.9%
Wages; average wage	21.3% of revenue; $88,500
Fixed assets, share of total assets (2023)	68.7%
Debtor days, 2023; ten-year average	88.4; 94.7 days
Interest cover, 2023; three-year average	5.9; 7.1 times
EV to EBITDA, three-year average	2.5 times
Seven largest operators' combined share	about 23%

WHO HIRES THE FLEET

Building contractors pay 33.1% of revenue, infrastructure contractors 27.7%, households and trade contractors 15.4%, mine operators 11.6%. Cranes and access equipment earn 25.7%, earthmoving 24.6%, scaffolding 16.0%, forklifts 6.3%. Queensland holds 26.9% of businesses, New South Wales 26.2%, Victoria 22.5%, Western Australia 13.8%.

WHAT MOVES THE MARKET

Business numbers grew about 5.6% a year from 2020-21 to 2024-25 and prices trailed inflation. Melbourne's big tunnels were completed in 2025 and Sydney's Warringah Freeway upgrade finishes in late 2026; real iron ore export values are projected to fall 33.8% to 2030-31, while apartments and data centres lift demand for cranes and scaffolding. Larger hirers grow by buying regional ones.

Source: IBISWorld, **Machinery & Scaffolding Rental in Australia** (L6631), August 2026, figures adjusted for inflation to 2026-27; iron ore from the Resources and Energy Quarterly (June 2026), as cited by IBISWorld. Forecasts are forecasts, not records.

Indicative only. Pricing, gearing and approval are subject to lender assessment and full application. General information only, current at November 2026, not legal, tax, accounting or financial product advice, and it does not consider your objectives, financial situation or needs. Obtain advice from a qualified solicitor and accountant before acting. Worked examples are illustrative, not valuations, and do not refer to any particular business. Prevail Finance Pty Ltd · Australian Credit Licence 509527.