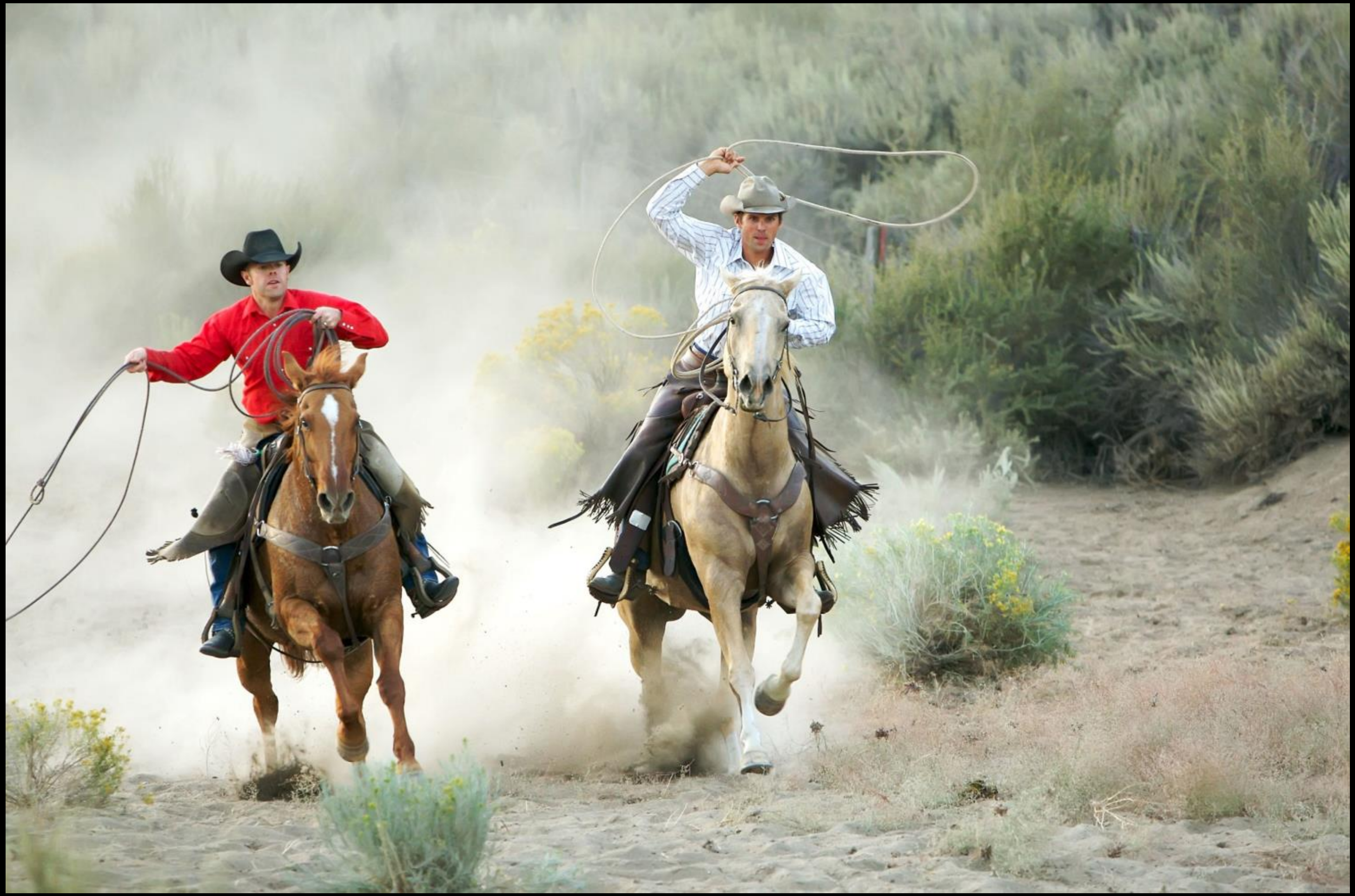
Business Sales & Acquisitions
Commercial Real Estate’s Wild West Specialty

Unique Elements to Business Brokerage

1. Selling Intangible Assets
2. Limited Relevant Market Comparables
3. Valuation is a Combination of Investment, Finance, & Accounting; Asset Valuation; and Art Appraisal
4. Marketing in an Environment of Confidentiality
5. Asset Class Requires Direct Management
6. Transaction Impacts Lives
7. Financing / Investment from Multiple Sources
8. Multiple Tier Negotiations
9. Significant Trailing Liability Issues
10. Sophisticated Tax Allocation



Confidential Sales Environment

Mitigation of Customer, Employee, & Vendor Disruption

No Public Reporting of Transactions

Mt. Baker Roofing

Fisherman's Marine & Outdoor

Patio Cover People
Specializing in Enhanced Livability

Vape Jet

Ertell's Electric

Play It Again Sports

NWS Medical Scientific
Sales . Service . Asset Management

Saburo's

Bridgetown Brew Systems

integrity networks

Montage Pet Lodge
Since 1978

Montessori Schools of Snohomish County
MSSC

Chinook Plumbing

WG Washington Generators & Solar

point S

Setareh Biotech

eMATHinstruction
Teaching Math Just Got a Whole Lot Easier.

TOM BIHN

Portland Precision Manufacturing Co.

Lost River Winery

Justice Systems Corp

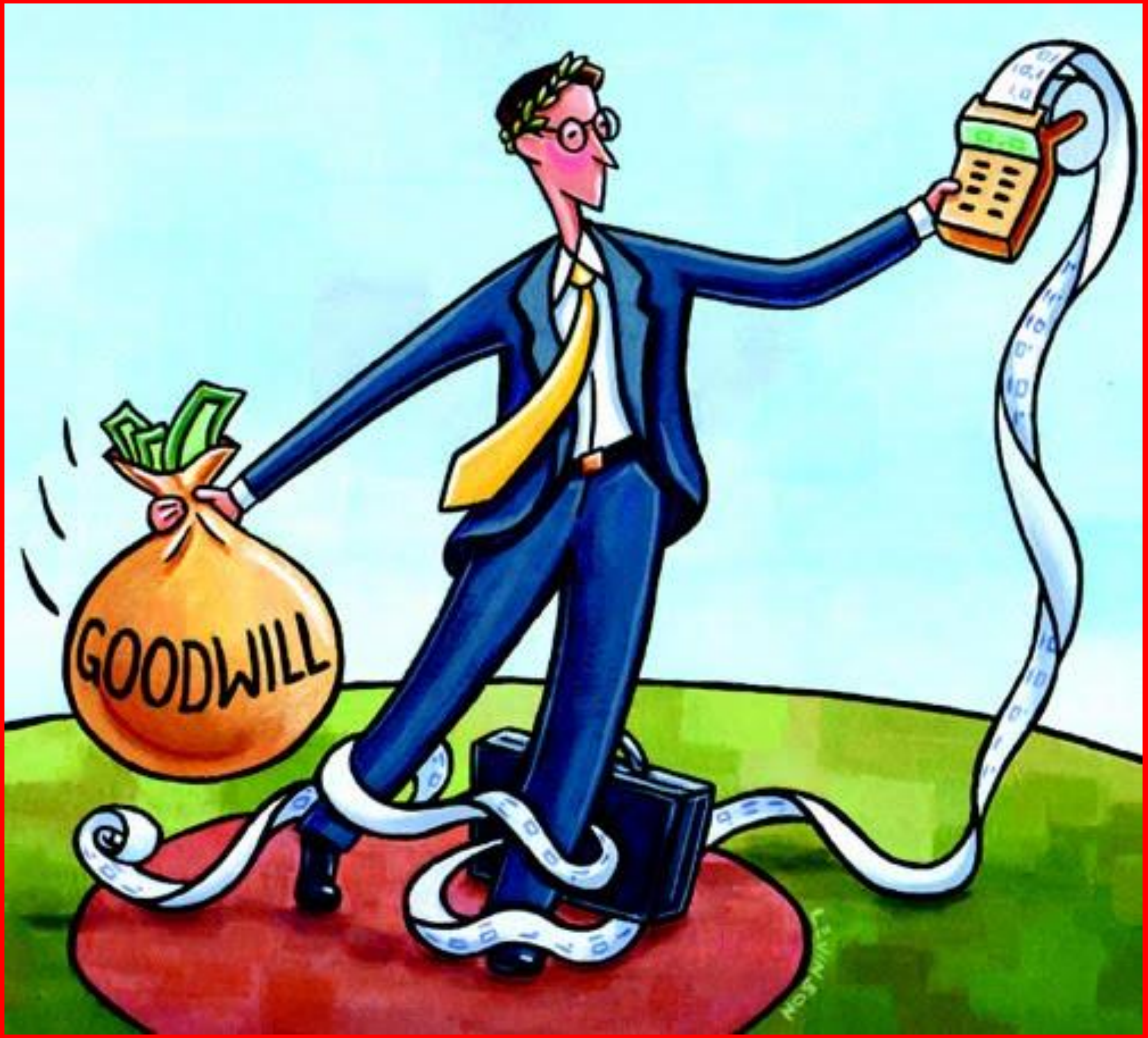
Alpine Transportation, Inc.

US Electric
Ultimate Solutions
Marine Control Systems and Automation Solutions

CAP Rates Associated with Business Brokerage Transactions

- Current Range: 2 to 7
- 15 – 50% Return on Investment
- Factors impacting Multiple
- 1. Industry
- 2. Location
- 3. Size
- 4. Infrastructure
- 5. Business Model
- 6. Risk

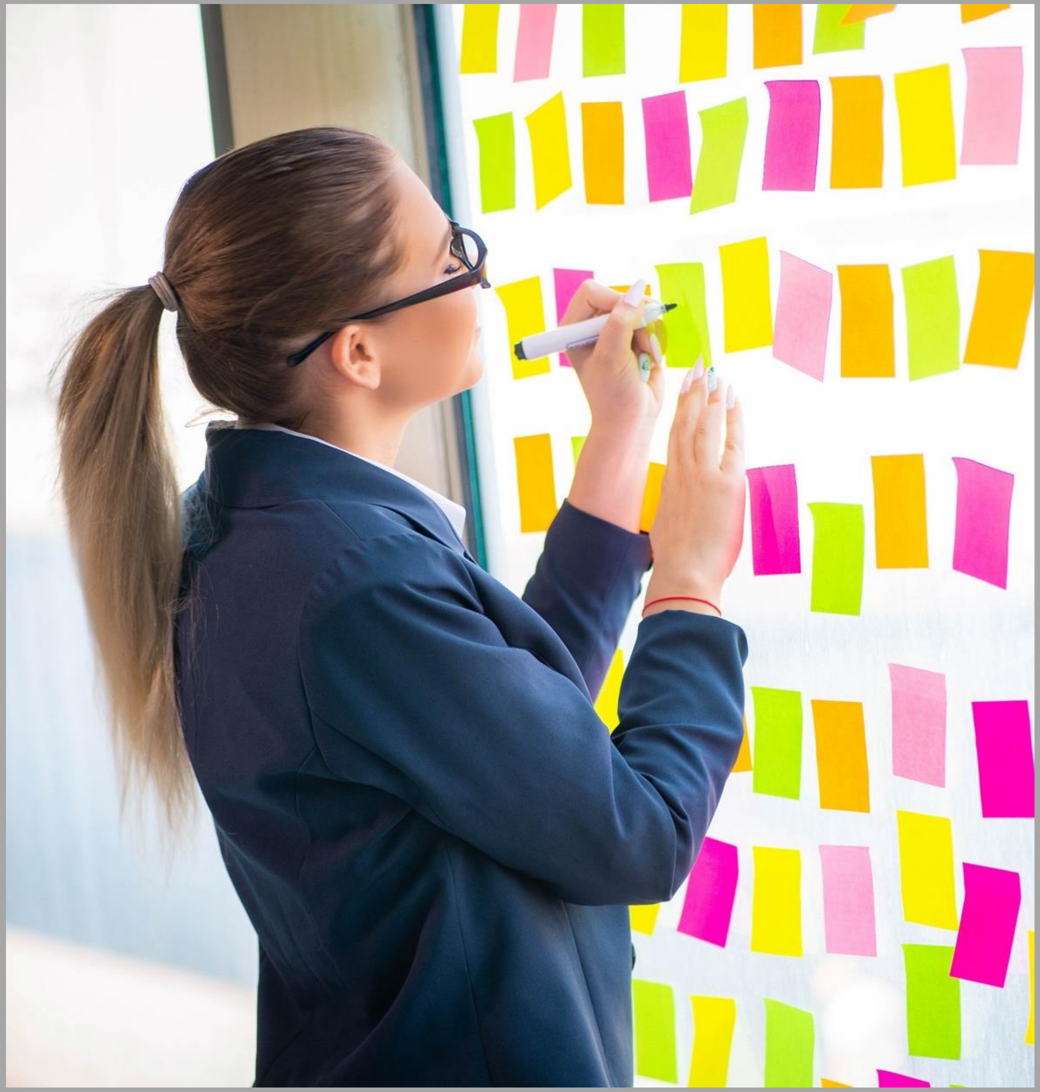
Financing the Acquisition of a Business or Owner-Occupied Property (Testing Valuation)



- SBA 7(a) Loans (Business Acquisition)
- SBA 504 Loans (Real Estate Acquisition)
- More Available than Conventional Loans for Entrepreneurs
- Maximum/Minimum Amounts
- Capital Injection Requirements
- Amortization Periods
- Interest Rates (Fixed vs. Variable)
- Debt Service Coverage Ratios
- Other Considerations

Potential Transactional Elements of a Business Brokerage Deal

Deal Structure
Sale Price
Seller Financing
Variable Compensation Elements
Transition Employment/Consulting
Tax Allocation / Tax Mitigation Strategies
Real Estate
Equipment
Representations/Warranties/Indemnification
Non-Competition & Non-Solicitation Agreements
Employees
Financing/Investment
Agreements
Due Diligence / QOE
Environmental Issues
Patents/Trademarks/Copyrights
Licensing
Customers
Vendors
Immigration/Visas



New Franchises

FRANNET
LOCAL. TRUSTED. FRANCHISE EXPERTS.

FBA
FRANCHISE BROKERS ASSOCIATION

ADVANTACLEAN
...for a healthy home and business

Orangetheory FITNESS | KEEP BURNING

dogtopia

PIRTEK

DQ HAPPY TASTES GOOD

THE Little gym
Serious Fun.

Snapology

Arby's

medspa810

FIVE STAR PAINTING
a neighborly company

Creamistry

menchie's frozen yogurt

FASTSIGNS
More than fast. More than signs.