

## BASIC VALUATION MULTIPLES

**1-3x** Adjusted EBITDA<sup>1</sup>

**2.0-2.5x** SDE<sup>2</sup>

**60-75%** of Annual Sales



## KEY VALUATION FACTORS

### BUYER CONCERNS

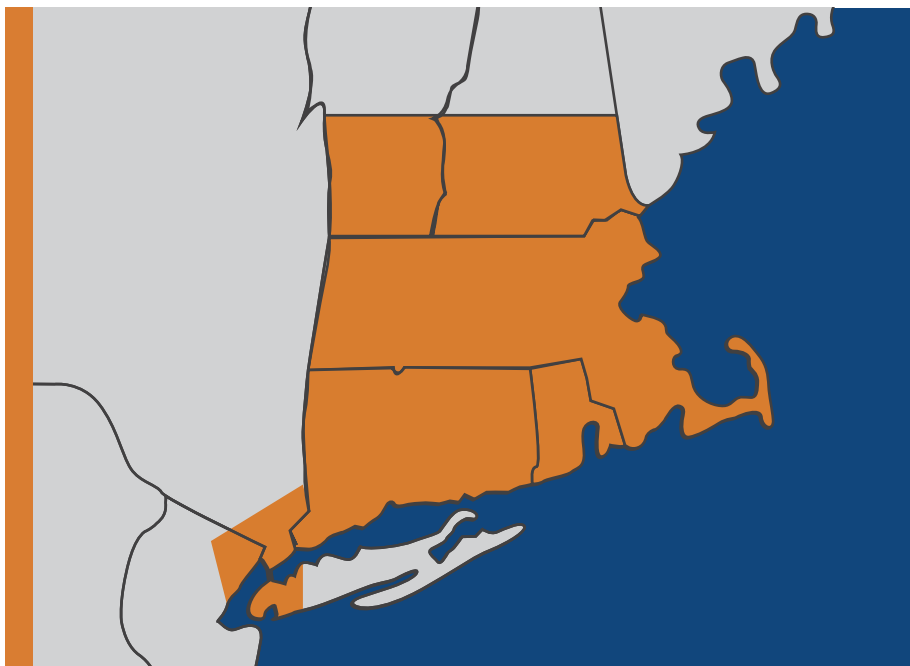
### IMPACT ON SALE

<b>BUSINESS MIX</b>	Complementary products and services build revenues and customer loyalty.	<ul style="list-style-type: none"> <li>Complementary product sales increase cash flow and multiples</li> <li>Services such as massage, exercise classes, and other health and wellness services increase multiples</li> </ul>
<b>REPUTATION</b>	Referrals are critical to long-term success.	<ul style="list-style-type: none"> <li>High referral rates and repeat customers increase multiples</li> <li>Deferred payment terms for customer relationships dependent on owner</li> </ul>
<b>STRATEGIC PARTNERSHIPS</b>	Partnerships quickly build competencies, increase referrals and extend services offered.	<ul style="list-style-type: none"> <li>Large scale partnerships increase multiples</li> <li>Lack of partnerships and additional services decreases multiples</li> </ul>
<b>MANAGEMENT</b>	Quality of management team and systems.	<ul style="list-style-type: none"> <li>Well-rounded management increases multiples</li> <li>Overdependence on owners lowers multiples</li> <li>Good financial management and reporting systems increase multiples</li> </ul>
<b>OTHER IMPORTANT CONSIDERATIONS</b>	Specializations & Certifications Economic Growth Customer Service Insurance Contracts	Location Services Offered Local/Regional Outlook Revenues per Therapist


These are only a few variables and do not constitute a complete valuation. Contact us for a no charge, no obligation **Opinion of Value** that defines our view on the current business valuation and the terms under which it would be sold.

## COMPANY OVERVIEW

VR Business Sales New Haven represents owners of businesses valued between \$500,000 and \$25 million or with annual revenues from \$1 million to \$25 million. Operating within a wide range of industry segments, the office provides exceptional merger and acquisition advisory services to companies operating within a wide range of industry segments in Connecticut, Southern New England and Metro NY. Independently owned and operated.



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Jeff has over thirty years of business experience including positions in engineering, manufacturing, marketing, business startup and acquisition. He owned and operated an import/export firm as well as a manufacturing company. Jeff offers a wealth of practical experience when advising clients on selling or buying a business and brings a level of professionalism to the process that makes him one of the best recognized and most admired business intermediaries in Connecticut. Jeff is one of the few business brokers in New England that has secured the prestigious designations of Certified Business Intermediary (CBI) from the International Business Brokers Association (IBBA) and a Mergers & Acquisition Master Intermediary (M&AMI) from M&A Source. He is also a member of the Board of Directors for M&A Source.

