

BASIC VALUATION MULTIPLES

2-4x Adjusted EBITDA¹

1-2x SDE² + Fixtures,
Equipment, & Inventory

45-50% of Annual Revenues
+ Inventory



KEY VALUATION FACTORS

BUYER CONCERNS

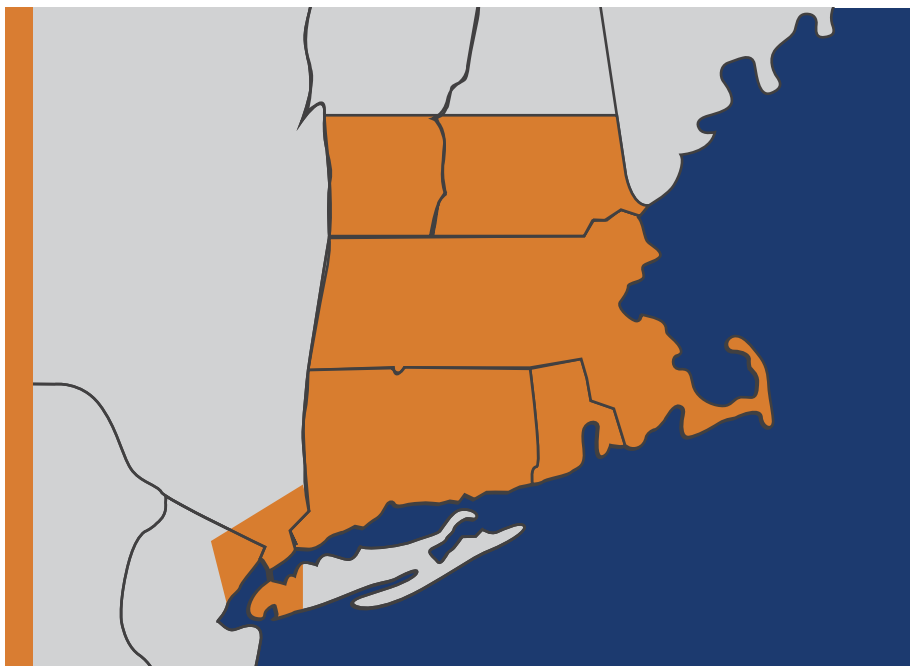
IMPACT ON SALE

CUSTOMER SERVICE	Relationship management is critical to customer retention.	<ul style="list-style-type: none"> • Good client retention rates and use of bidding software increase multiples • Deferred payment terms for customer relationships dependent on owner
EQUIPMENT	Type, age and condition of equipment meet operating needs.	<ul style="list-style-type: none"> • Sufficient equipment to effectively and efficiently complete projects increase multiples • Extraordinary CapEx investments post sale will negatively impact multiples
MANAGEMENT	Quality of management team and systems.	<ul style="list-style-type: none"> • Well-rounded management increases multiples • Overdependence on owners lowers multiples • Good financial management and reporting systems increase multiples
RELATED SERVICES	Diversifying services can even out seasonal cash flows and increase revenue.	<ul style="list-style-type: none"> • Value added services such as pest control, janitorial, and trash disposal increase multiples • Seasonal cash flow and labor issues decrease multiples
OTHER IMPORTANT CONSIDERATIONS	<p>Licensing</p> <p>Customer Concentration</p> <p>Revenue Growth</p>	<p>Reputation</p> <p>Marketing</p> <p>Economic Conditions</p>


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.

