### In This Issue



- Who Pays the Broker?
- Recently Sold
- Available Listings
- Meet Our Team!

For Buyers and Sellers of Businesses- \$0-100MM Revenue

# **Business Team Newsletter**

**Spring Edition** 

## Scroll down to see sold and new listings.

Who Pays the Broker(s) on the Sale of a Business?



By Ian MacLachlan

There has been a lot of press recently about class action lawsuits, large verdicts and settlements involving the National Association of Realtors and its members regarding the division of commission between the brokers for the seller and the buyer in residential real estate transactions. The claim is that the current system does not allow the buyer to decide how much commission she should pay even though the total commission comes off the top of the seller's sale price proceeds.

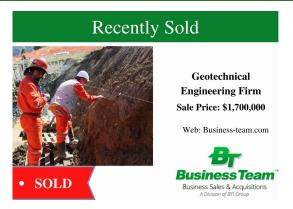
It is puzzling that a system that seems to have worked pretty well for a hundred years and for many millions of transactions should be challenged and possibly disrupted.

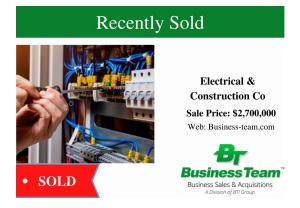
Fortunately, for business owners and buyers, there is little such turmoil in

the marketing and sale of a business. To begin with, there is almost no cooperation between business brokers outside of their own brokerage firm because of the reluctance to share fees - typically a much higher percentage than residential real estate. While this is embedded in the business brokerage industry, it is not in the best interest of the seller as the business will only be available to the listing broker's buyers. (Part of the dominance and success of the NAR and Multiple Listing System (MLS) is its vast outreach providing access and incentive to thousands of agents).

Recognizing that business brokerages, for the most part, are one, two or at best a few person entities, and were not inclined to share their listings with anyone, we at Business Team determined that as an internal "Team" we could become equivalent in effectiveness as MLS has proven to be in real estate. All of our 70+ members are required to share fees and cooperate, the results - 7,000 + transactions, providing the business seller access to a very large pool of buyers, resulting in a quicker sale at market price.

## Done Deal!









## Recently Sold



• SOLD

Children's Clothing Boutique

Sale Price: \$600,000 Web: Business-team.com



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### Recently Sold



Information Tech Service Provider Sale Price: \$500,000

Web: Business-team.com



• SOLD

### Recently Sold



• SOLD

#### Digital Marketing Provider

Sale Price: \$750,000 Web: Business-team.com



Business Sales & Acquisitions
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## Recently Sold



• SOLD

SOLD

Oil Change & Auto Service

Sale Price: \$475,000

Web: Business-team.com



### Recently Sold



**Hygiene Solutions** 

Sale Price: \$375,000 Web: Business-team.com



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### Recently Sold



Furniture Store

Sale Price: \$350,000 Web: Business-team.com





# **Businesses for Sale**



### Award Winning Landscape Business for Sale

Listing #:10382 Location: Northern California Gross Sales: \$2,899,885 Adjusted Earnings: \$464,879 Asking Price: \$1,599,000



# Profitable General Engineering Company

Listing #: IR11227
Location: Southern California
Gross Sales: \$6,591,584
Adjusted Earnings: \$610,957
Asking Price: \$4,500,000



#### **Silicon Wafer Production**

Listing #:11210

Location: Northern California Gross Sales: \$2,718,351 Adjusted Earnings: \$615,183 Asking Price: \$4,500,000



### Exclusive Winery, Vineyard, & Wine Club

Listing #: EG10183

Location: Oregon Gross Sales: \$759,686 Adjusted Earnings: \$174,802

Asking Price: <u>\$600,000</u>



# Established Rebar Fabrication Company

Listing #: 11229 Location: Northern California Gross Sales \$7,684,032 Adjusted Earnings: \$683,121 Asking Price: \$3,000,000





# Established Electrical Contracting Company

Listing #:11178

Location: Northern California Gross Sales: \$19,776,676 Adjusted Earnings: \$1,833,789 Asking Price: \$3,500,000



### **Leading Kitchen & Bath Cabinetry**

Listing #:10740

Location: Northern California Gross Sales:\$5,409,490 Adjusted Earnings:\$990,414 Asking Price \$2,300,000



# Profitable Retail Spa and Hot Tub Business

Listing #: SA10918 Location: Northern California Gross Sales: \$2,706,593 Adjusted Earnings: \$516,311 Asking Price: <u>\$1,050,000</u>



#### **Specialty Wholesale Food Distributor**

Listing #: PH11040 Location: Northern California Gross Sales: \$4,929,988 Adjusted Earnings: \$458,473 Asking Price: \$2,950,000



#### Pet & Feed Store with 41yr History

Listing #: SF11223
Location: Northern California
Gross Sales: \$4,312,122
Adjusted Earnings: \$856,324
Asking Price: \$2,900,000



# <u>Profitable Industrial Tire Retreading</u> <u>Business</u>

Listing #: FR11160
Location: Northern California
Gross Sales: \$2,329,278
Adjusted Earnings: \$318,718
Asking Price: \$1,950,000



# Non-Surgical Hair Replacement Specialists

Listing #: 11091
Location: Northern California
Gross Sales: \$1,556,447
Adjusted Earnings: \$380,245
Asking Price: \$1,125,000

### Semiconductor Equipment Manufacturer

Listing #:11013
Location: Northern California
Gross Sales: \$5,575,763
Adjusted Earnings: \$1,124,921
Asking Price: \$6,500,000



#### **Janitorial & Construction Maintenance**

Listing #: 11094

Location: Northern California Gross Sales: \$2,932,096 Adjusted Earnings: \$346,869 Asking Price: \$799,000



# LCB Design Firm with Equipment & Full Crew

Listing #: EG10796 Location: Oregon

Gross Sales: \$1,446,663

Adjusted Earnings: \$169,454

Asking Price: \$899,000



## Profitable Kitchen & Bath Design

### <u>Business</u>

Listing #: 10997

Location: Northern California Gross Sales: \$1,514,684 Adjusted Earnings: \$233,333 Asking Price: \$510,000

## Meet Our Team

# An Interview with Joel Higginbotham

Why did you choose to join the business brokerage industry?

I've always enjoyed learning about businesses and how they operate. I thought it would be fun to help people sell their business, and while I was familiar with venture investment firms, I didn't really know about the business



broker profession. I was in the dental industry at the time and during trade shows I always seemed to gravitate to the booth of the dental practice salespeople (the people who help dentists sell their practices). Over the years and after many conversations with these professionals, I decided to make the leap. After 13 years of working in sales in the medical and dental industries, I decided to become a business broker.

And what drew you to Business Team? I interviewed with a few business brokerage firms and one agent I talked to told me I had to call Business Team. I joined Business Team because of the experienced team. I came in like a sponge ready to soak up everything I could learn. Our weekly sales meetings (with the entire 70+ agent salesforce) are like a brain trust where all agents get the benefit of what other agents have experienced, how they have met challenges and overcome obstacles to help guide clients smoothly and successfully through the process of selling their business. In addition, every deal I am involved in teaches me something that I can use to advise the next client, by better clarifying the process or giving additional options. It's a rewarding career and I'll admit it, I fall in love with every business a little bit the more I learn about each one.

Joel has earned the Top 10 ranking recognition brokerage-wide within Business Team for the past several years. Connect with him to advise you on your business sale.

Joel Higginbotham Cell: 916-359-9721

E-mail: joel@business-team.com

Read More!







For additional information, please visit our website. www.business-team.com

SEE ALL LISTINGS



### Lara Larkin -Editor

Associate with our Sacramento office bringing over 30 years of experience in the financial services industry to help business owners successfully exit and move on to their next chapter.

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