

## Business Types

Middle Market Lower Middle Market Upper Main Street Traditional Main Street Overview

Large Publicly Traded Companies

Substantial Privately Held Companies

Larger Than Main Street, Mature Companies

Small Companies, "Moms & Pops"

Earnings Measured in Millions, After Tax

Small millions to 10s of millions

\$750K to small millions Greater Than \$300K

In The Area of \$100K - Expressed as Discretionary Earnings

P/E Ratios 5 to 15 X Earnings

3 to 5 X Earnings 2 to 4 X Discretionary Earnings

1 to 3 X Discretionary Earnings

Terms of Sale Cash, Stock, Debit Assumption

Same as Middle Market with some Owner Carry

Asset Purchase, Down Payment of 1-2 Times Earnings + Sellers Note, Sometimes 3rd Party Financing Asset Purchase,

Down Payment of 50% - 100% of DE Plus a Sellers Note For The Balance Management Professional With Many Layers

Structured & Disciplined, Owner Involvement Varied

Owner is Primary Element in Company Operations

Owner Wears Most of the Hats