

Information we would like to see to perform a Business Valuation:

- ✓ **Three years of Profit & Loss Statements (P&L's) from your CPA or generated by a program such as Quick Books (December if calendar year), and/or Tax Returns (1st page of filed returns and Other Deductions, Line item 19, please provide Statement detailing deductions). We need the last year at a minimum if that is all you have it will affect value because we cannot determine trends with only 1 year;**

- ✓ **An estimate of the fair market value of the assets or equipment that is being transferred with a sale. Fair Market Value is the value it would take to replace the item in its current condition on the market today. Fair market value is typically not the cost on the books or the value on the books in its depreciated state. It is usually a number somewhere between new value and depreciated value from the books (Balance Sheet or Depreciation Schedule on the tax return);**
 - Other assets that could affect value are:
 - Franchise Value
 - Intellectual Property
 - Lease (under market or over market)
 - Key man insurance

- ✓ **Inventory. Cost of inventory plus freight-in if any, that will go with the sale of the business;**

These are the basic items we need to determine a Business Valuation. Any other items you may think that could affect value such as owner being the only employee are helpful as well.

Sincerely,

National Business Brokers, Ltd.

