Market Pulse Report
Second Quarter 2015

Scott Bushkie, CBI, M&AMI, IBBA Marketing Chair

Lisa Riley, Ph.D., CBI, IBBA Marketing Chair

Craig Everett, Ph.D.
Director, Pepperdine Private Capital Markets Project
This research was made possible with the support of the International Business Brokers Association (IBBA) and M&A Source.
ACKNOWLEDGEMENTS

We’d also like to thank the following people at The Graziadio School of Business and Management for their contributions:

David M. Smith, Ph.D.
Interim Dean

John K. Paglia, Ph.D.
Associate Dean, Associate Professor of Finance

Cynthia Chilton
Director of Marketing

Irina Shaykhutdinova
Research Associate
I. About the Market Pulse Report .......................................................... 5
II. Current Business Environment .......................................................... 7
III. Business Transactions Closed in the Last 3 Months ........... 14
IV. Business Expectations ................................................................. 84
V. About the respondents ................................................................. 87
I. About the Market Pulse Report

The International Business Brokers Association (IBBA) and M&A Source, in partnership with Pepperdine Private Capital Markets Project, have set a goal to provide quality information on a quarterly basis in order to become the go-to source for Main Street and Lower Middle Market transactions. The “Market Pulse Report” gives you timely and accurate data to help you build and maintain a successful and sustainable business.
About the Survey

• 25 questions
• Invited participants were members of the International Business Brokers Association (IBBA), IBBA Affiliates/Chapters, and/or M&A Source
• 249 completed responses
• Responses collected from July 1 to July 15, 2015
II. Business Transactions Closed in the Last 3 Months
Business Transactions that Were Closed in the Last Three Months by Deal Size

<table>
<thead>
<tr>
<th>Deal Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals valued under $499,999</td>
<td>47%</td>
</tr>
<tr>
<td>Deals valued from $500,000 to $999,999</td>
<td>17%</td>
</tr>
<tr>
<td>Deals valued from $1 million to $1.99 million</td>
<td>15%</td>
</tr>
<tr>
<td>Deals valued from $2 million to $4.99 million</td>
<td>10%</td>
</tr>
<tr>
<td>Deals valued from $5 million to $50 million</td>
<td>11%</td>
</tr>
</tbody>
</table>

Whole sample: 47%
Number of Business Transactions Closed by Respondents in the Last 3 Months

<table>
<thead>
<tr>
<th>Number of Respondents</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>&gt;10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of responses</td>
<td>90</td>
<td>33</td>
<td>10</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
# Change in the Number of New Clients by Deal Size in The Last 3 Months

<table>
<thead>
<tr>
<th>Deal size</th>
<th>Greatly decreased</th>
<th>Decreased</th>
<th>Stayed the same</th>
<th>Increased</th>
<th>Greatly increased</th>
<th>Score (1 to 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals valued under $499,999</td>
<td>4%</td>
<td>10%</td>
<td>45%</td>
<td>38%</td>
<td>3%</td>
<td>3.3</td>
</tr>
<tr>
<td>Deals valued from $500,000 to $999,999</td>
<td>1%</td>
<td>9%</td>
<td>41%</td>
<td>45%</td>
<td>4%</td>
<td>3.4</td>
</tr>
<tr>
<td>Deals valued from $1 million to $1.99 million</td>
<td>3%</td>
<td>13%</td>
<td>43%</td>
<td>38%</td>
<td>4%</td>
<td>3.3</td>
</tr>
<tr>
<td>Deals valued from $2 million to $4.99 million</td>
<td>5%</td>
<td>9%</td>
<td>48%</td>
<td>33%</td>
<td>5%</td>
<td>3.2</td>
</tr>
<tr>
<td>Deals over $5 million</td>
<td>4%</td>
<td>10%</td>
<td>45%</td>
<td>37%</td>
<td>4%</td>
<td>3.3</td>
</tr>
</tbody>
</table>
Percentage of Transactions Terminated without Closing in the Last Three Months

- Terminated: 53.3%
- Closed: 46.7%
Was it Buyer’s or Seller’s Market in the Last 3 Months?

<table>
<thead>
<tr>
<th>Deal Value Range</th>
<th>Buyer's Market</th>
<th>Seller's Market</th>
<th>Number of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals valued under $499,999</td>
<td>62%</td>
<td>38%</td>
<td>122</td>
</tr>
<tr>
<td>Deals valued from $500,000 to $999,999</td>
<td>56%</td>
<td>44%</td>
<td>104</td>
</tr>
<tr>
<td>Deals valued from $1 million to $1.99 million</td>
<td>42%</td>
<td>58%</td>
<td>103</td>
</tr>
<tr>
<td>Deals valued from $2 million to $4.99 million</td>
<td>37%</td>
<td>63%</td>
<td>78</td>
</tr>
<tr>
<td>Deals valued from $5 million to $50 million</td>
<td>22%</td>
<td>78%</td>
<td>81</td>
</tr>
</tbody>
</table>
Compared to the First Half of 2014, Respondents Have

<table>
<thead>
<tr>
<th></th>
<th>More</th>
<th>Same</th>
<th>Fewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>closed deals/transactions</td>
<td>35%</td>
<td>40%</td>
<td>26%</td>
</tr>
<tr>
<td>listings/engagements</td>
<td>54%</td>
<td>31%</td>
<td>15%</td>
</tr>
</tbody>
</table>
Compared to the First Half of 2014, Financing Deals Has Been

<table>
<thead>
<tr>
<th></th>
<th>Whole sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>easier</td>
<td>28%</td>
</tr>
<tr>
<td>similar</td>
<td>62%</td>
</tr>
<tr>
<td>tougher</td>
<td>11%</td>
</tr>
</tbody>
</table>
Business Transactions of All Sizes, Comparison
Median Time to Close a Deal (Months)
Median SDE Multiple Paid

- < 500K: 2.0
- 500K - 1M: 2.5
- 1M - 2M: 3.0
- 2M - 5M: 3.3
- 5M - 50M: 4.5
Median EBITDA Multiple Paid

- < 500K: 2.5
- 500K - 1M: 3.0
- 1M - 2M: 3.5
- 2M - 5M: 4.0
- 5M - 50M: 5.0
Multiple Type

<table>
<thead>
<tr>
<th>Type</th>
<th>&lt; 500K</th>
<th>500K - 1M</th>
<th>1M - 2M</th>
<th>2M - 5M</th>
<th>5M - 50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDE including working capital</td>
<td>22.3%</td>
<td>9.8%</td>
<td>34.3%</td>
<td>12.0%</td>
<td>3.8%</td>
</tr>
<tr>
<td>SDE not including working capital</td>
<td>69.6%</td>
<td>63.4%</td>
<td>28.6%</td>
<td>28.0%</td>
<td>3.8%</td>
</tr>
<tr>
<td>EBITDA including working capital</td>
<td>1.8%</td>
<td>12.2%</td>
<td>8.6%</td>
<td>32.0%</td>
<td>30.8%</td>
</tr>
<tr>
<td>EBITDA not including working capital</td>
<td>5.4%</td>
<td>12.2%</td>
<td>25.7%</td>
<td>16.0%</td>
<td>42.3%</td>
</tr>
<tr>
<td>TTM EBITDA including working capital</td>
<td>0.9%</td>
<td>0.0%</td>
<td>2.9%</td>
<td>8.0%</td>
<td>15.4%</td>
</tr>
<tr>
<td>TTM EBITDA not including working capital</td>
<td>0.0%</td>
<td>2.4%</td>
<td>0.0%</td>
<td>4.0%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Buyer Type</td>
<td>&lt; 500K</td>
<td>500K - 1M</td>
<td>1M - 2M</td>
<td>2M - 5M</td>
<td>5M - 50M</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td>---------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td>1st time individual</td>
<td>57.0%</td>
<td>49%</td>
<td>44%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>individual who owned a business</td>
<td>23.4%</td>
<td>28%</td>
<td>34%</td>
<td>24%</td>
<td>0%</td>
</tr>
<tr>
<td>existing company/strategic buyer</td>
<td>18.7%</td>
<td>23%</td>
<td>19%</td>
<td>36%</td>
<td>38%</td>
</tr>
<tr>
<td>PE firm - Platform</td>
<td>0.0%</td>
<td>0%</td>
<td>0%</td>
<td>16%</td>
<td>38%</td>
</tr>
<tr>
<td>PE firm - Add-on</td>
<td>0.0%</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>0.9%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
<td>8%</td>
</tr>
</tbody>
</table>
#1 Reason for Seller to Go to Market

<table>
<thead>
<tr>
<th>Reason</th>
<th>&lt; 500K</th>
<th>500K - 1M</th>
<th>1M - 2M</th>
<th>2M - 5M</th>
<th>5M - 50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recapitalization</td>
<td>1%</td>
<td>5%</td>
<td>0%</td>
<td>0%</td>
<td>27%</td>
</tr>
<tr>
<td>Burnt out</td>
<td>21%</td>
<td>8%</td>
<td>9%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Family issues</td>
<td>6%</td>
<td>15%</td>
<td>9%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Health</td>
<td>6%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>8%</td>
</tr>
<tr>
<td>New opportunity</td>
<td>14%</td>
<td>13%</td>
<td>19%</td>
<td>16%</td>
<td>8%</td>
</tr>
<tr>
<td>Relocation/moving</td>
<td>7%</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Retirement</td>
<td>39%</td>
<td>51%</td>
<td>56%</td>
<td>52%</td>
<td>31%</td>
</tr>
<tr>
<td>Unsolicited offer</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
<td>3%</td>
<td>0%</td>
<td>0%</td>
<td>15%</td>
</tr>
</tbody>
</table>
#1 Motivation for Buyer

<table>
<thead>
<tr>
<th>Motivation</th>
<th>&lt; 500K</th>
<th>500K - 1M</th>
<th>1M - 2M</th>
<th>2M - 5M</th>
<th>5M - 50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buying a job</td>
<td>53%</td>
<td>54%</td>
<td>38%</td>
<td>20%</td>
<td>8%</td>
</tr>
<tr>
<td>Better ROI than other investment</td>
<td>10%</td>
<td>8%</td>
<td>19%</td>
<td>24%</td>
<td>19%</td>
</tr>
<tr>
<td>Vertical add-on</td>
<td>8%</td>
<td>13%</td>
<td>13%</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Horizontal add-on</td>
<td>18%</td>
<td>21%</td>
<td>19%</td>
<td>24%</td>
<td>42%</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
<td>5%</td>
<td>13%</td>
<td>12%</td>
<td>15%</td>
</tr>
</tbody>
</table>
## Financing Structure

<table>
<thead>
<tr>
<th>Category</th>
<th>&lt; 500K</th>
<th>500K - 1M</th>
<th>1M - 2M</th>
<th>2M - 5M</th>
<th>5M - 50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buyers equity</td>
<td>62%</td>
<td>40%</td>
<td>35%</td>
<td>36%</td>
<td>36%</td>
</tr>
<tr>
<td>Senior debt</td>
<td>22%</td>
<td>45%</td>
<td>50%</td>
<td>33%</td>
<td>41%</td>
</tr>
<tr>
<td>Seller financing</td>
<td>12%</td>
<td>11%</td>
<td>12%</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
<td>Earn out</td>
<td>1%</td>
<td>3%</td>
<td>3%</td>
<td>12%</td>
<td>4%</td>
</tr>
<tr>
<td>Seller retained equity</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
II-I Business Transactions Valued under $499,999
Number of Closed Transactions: 112
Time to Close

Deals under 500K

- < 1 month: 1%
- 1 month: 5%
- 2 months: 19%
- 3 months: 17%
- 4 months: 4%
- 5 months: 7%
- 6 months: 14%
- 7 months: 4%
- 8 months: 4%
- 9 months: 4%
- 10 months: 5%
- 11 months: 1%
- 12 months: 7%
- 1.1 - 1.5 years: 6%
- 1.6 - 2 years: 1%
- > 2 years: 1%
## SDE Multiple Paid

Number of responses: 103

<table>
<thead>
<tr>
<th>Deals under 500K</th>
<th>0.5</th>
<th>0.75</th>
<th>1</th>
<th>1.25</th>
<th>1.5</th>
<th>1.75</th>
<th>2</th>
<th>2.25</th>
<th>2.5</th>
<th>2.75</th>
<th>3</th>
<th>3.25</th>
<th>3.75</th>
<th>4</th>
<th>5</th>
<th>8.25</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1%</td>
<td>1%</td>
<td>9%</td>
<td>6%</td>
<td>4%</td>
<td>8%</td>
<td>24%</td>
<td>18%</td>
<td>8%</td>
<td>7%</td>
<td>8%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
<td>2%</td>
</tr>
</tbody>
</table>

- Bar chart showing the distribution of deals under 500K with respective percentages for each multiple.
EBITDA Multiple Paid

Number of responses: 8

<table>
<thead>
<tr>
<th>EBITDA Multiple</th>
<th>Number of Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.25</td>
<td>13%</td>
</tr>
<tr>
<td>1.5</td>
<td>13%</td>
</tr>
<tr>
<td>1.75</td>
<td>13%</td>
</tr>
<tr>
<td>2</td>
<td>13%</td>
</tr>
<tr>
<td>3</td>
<td>25%</td>
</tr>
<tr>
<td>3.75</td>
<td>13%</td>
</tr>
<tr>
<td>4</td>
<td>13%</td>
</tr>
</tbody>
</table>
Multiple Type

- Deals under 500K
  - SDE including working capital: 22.3%
  - SDE not including working capital: 69.6%
  - EBITDA including working capital: 1.8%
  - EBITDA not including working capital: 5.4%
  - TTM EBITDA including working capital: 1%
Buyer Type

- 1st time individual: 57.0%
- Individual who owned a business: 18.7%
- Existing company/strategic buyer: 23.4%
- Other: 0.9%
#1 Reason for Seller to Go to Market

- Retirement: 39%
- Burnt out: 21%
- New/better opportunity: 14%
- Relocation/moving: 7%
- Family issues: 6%
- Health: 6%
- Recapitalization: 1%
- Other: 7%

Deals under 500K
Buyer Location (Distance)

<table>
<thead>
<tr>
<th></th>
<th>within 20 miles</th>
<th>within 50 miles</th>
<th>within 100 miles</th>
<th>more than 100 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals under 500K</td>
<td>54%</td>
<td>15%</td>
<td>9%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Table showing distribution of buyers based on distance.
Buyer Location (Global)

<table>
<thead>
<tr>
<th>Location</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>within city</td>
<td>47%</td>
</tr>
<tr>
<td>within state</td>
<td>28%</td>
</tr>
<tr>
<td>within country</td>
<td>21%</td>
</tr>
<tr>
<td>international</td>
<td>4%</td>
</tr>
</tbody>
</table>

Deals under 500K
#1 Motivation for Buyer

<table>
<thead>
<tr>
<th></th>
<th>Deals under 500K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buying a job</td>
<td>53%</td>
</tr>
<tr>
<td>Horizontal add-on</td>
<td>18%</td>
</tr>
<tr>
<td>Vertical add-on</td>
<td>8%</td>
</tr>
<tr>
<td>Better ROI than other investment</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
</tr>
</tbody>
</table>
Financing Structure

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buyers equity</td>
<td>62%</td>
</tr>
<tr>
<td>Senior debt</td>
<td>22%</td>
</tr>
<tr>
<td>Seller financing</td>
<td>12%</td>
</tr>
<tr>
<td>Earn out</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>

Deals under 500K

- Buyers equity: 62%
- Senior debt: 22%
- Seller financing: 12%
- Earn out: 1%
- Other: 2%
II-II Business Transactions Valued from $500,000 to $999,999
Number of Closed Transactions: 41
Time to Close

Deals from $500K to $1M

<table>
<thead>
<tr>
<th>Time</th>
<th>2 months</th>
<th>3 months</th>
<th>4 months</th>
<th>5 months</th>
<th>6 months</th>
<th>7 months</th>
<th>8 months</th>
<th>10 months</th>
<th>12 months</th>
<th>1.1 - 1.5 years</th>
<th>&gt; 2 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 months</td>
<td>7%</td>
<td>12%</td>
<td>22%</td>
<td>7%</td>
<td>15%</td>
<td>10%</td>
<td>2%</td>
<td>5%</td>
<td>7%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>3 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 - 1.5 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&gt; 2 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SDE Multiple Paid

Number of responses: 30

Deals from $500K to $1M

<table>
<thead>
<tr>
<th>1.25</th>
<th>1.75</th>
<th>2</th>
<th>2.25</th>
<th>2.5</th>
<th>2.75</th>
<th>3</th>
<th>3.25</th>
<th>3.5</th>
<th>3.75</th>
<th>4</th>
<th>4.5</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td>13%</td>
<td>20%</td>
<td>7%</td>
<td>13%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>
EBITDA Multiple Paid

Number of responses: 11

<table>
<thead>
<tr>
<th>Dealing from $500K to $1M</th>
<th>1</th>
<th>2.25</th>
<th>2.75</th>
<th>3</th>
<th>3.25</th>
<th>3.75</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>18%</td>
<td>18%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>18%</td>
<td>18%</td>
</tr>
</tbody>
</table>
## Multiple Type

<table>
<thead>
<tr>
<th></th>
<th>SDE including working capital</th>
<th>SDE not including working capital</th>
<th>EBITDA including working capital</th>
<th>EBITDA not including working capital</th>
<th>TTM EBITDA not including working capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $500K to $1M</td>
<td>9.8%</td>
<td>63.4%</td>
<td>12.2%</td>
<td>12.2%</td>
<td>2.4%</td>
</tr>
</tbody>
</table>
Buyer Type

- 1st time individual: 48.7%
- Individual who owned a business: 28.2%
- Existing company/strategic buyer: 23.1%
#1 Reason for Seller to Go to Market

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>51%</td>
</tr>
<tr>
<td>Family issues</td>
<td>15%</td>
</tr>
<tr>
<td>New/better opportunity</td>
<td>13%</td>
</tr>
<tr>
<td>Burnt out</td>
<td>8%</td>
</tr>
<tr>
<td>Health</td>
<td>5%</td>
</tr>
<tr>
<td>Recapitalization</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

Deals from $500K to $1M

Iowa Business Brokers Association, Inc.

Pepperdine University
Master the leader in you.
Buyer Location (Distance)

<table>
<thead>
<tr>
<th>Distance</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>35%</th>
<th>40%</th>
<th>45%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>within 20 miles</td>
<td>33%</td>
<td>33%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>within 50 miles</td>
<td></td>
<td>33%</td>
<td>13%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>within 100 miles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>more than 100 miles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Deals from $500K to $1M

---

IBBA INTERNATIONAL BUSINESS BROKERS ASSOCIATION, INC.®
PRIVATE CAPITAL MARKETS PROJECT
bschool.pepperdine.edu/privatecapital

PEPPERDINE UNIVERSITY
Graziadio School of Business and Management
Master the leader in you.
Buyer Location (Global)

- within city: 31%
- within state: 46%
- within country: 23%

Deals from $500K to $1M
#1 Motivation for Buyer

<table>
<thead>
<tr>
<th></th>
<th>Dealing with $500k to $1M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buying a job</td>
<td>54%</td>
</tr>
<tr>
<td>Horizontal add-on</td>
<td>21%</td>
</tr>
<tr>
<td>Vertical add-on</td>
<td>13%</td>
</tr>
<tr>
<td>Better ROI other</td>
<td>8%</td>
</tr>
<tr>
<td>investment</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>
Financing Structure

<table>
<thead>
<tr>
<th>Deals from $500K to $1M</th>
<th>Senior debt</th>
<th>Buyers equity</th>
<th>Seller financing</th>
<th>Earn out</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45%</td>
<td>40%</td>
<td>11%</td>
<td>3%</td>
</tr>
</tbody>
</table>
II-III Business Transactions Valued from $1 Million to $1.99 Million
Number of Closed Transactions: 35
Time to Close

<table>
<thead>
<tr>
<th>Deals from $1M to $2M</th>
<th>3 months</th>
<th>4 months</th>
<th>5 months</th>
<th>6 months</th>
<th>7 months</th>
<th>8 months</th>
<th>9 months</th>
<th>10 months</th>
<th>11 months</th>
<th>12 months</th>
<th>1.1 - 1.5 years</th>
<th>1.6 - 2 years</th>
<th>&gt; 2 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17%</td>
<td>3%</td>
<td>11%</td>
<td>11%</td>
<td>6%</td>
<td>3%</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
<td>9%</td>
<td>14%</td>
<td>9%</td>
<td>6%</td>
</tr>
</tbody>
</table>
Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Deals from $1M to $2M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business services</td>
<td>17%</td>
</tr>
<tr>
<td>Manufact.</td>
<td>14%</td>
</tr>
<tr>
<td>Consumer goods &amp; Retail</td>
<td>14%</td>
</tr>
<tr>
<td>Construction &amp; engineering</td>
<td>9%</td>
</tr>
<tr>
<td>Wholesale &amp; distribution</td>
<td>6%</td>
</tr>
<tr>
<td>Health care &amp; biotech</td>
<td>6%</td>
</tr>
<tr>
<td>Services - personal</td>
<td>6%</td>
</tr>
<tr>
<td>Information technology</td>
<td>6%</td>
</tr>
<tr>
<td>Services - financial</td>
<td>3%</td>
</tr>
<tr>
<td>Basic materials &amp; energy</td>
<td>3%</td>
</tr>
<tr>
<td>Restaurants</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>14%</td>
</tr>
</tbody>
</table>
SDE Multiple Paid

Number of responses: 22

<table>
<thead>
<tr>
<th>Deals from $1M to $2M</th>
<th>1</th>
<th>2.5</th>
<th>2.75</th>
<th>3</th>
<th>3.25</th>
<th>3.5</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5%</td>
<td>9%</td>
<td>14%</td>
<td>32%</td>
<td>18%</td>
<td>5%</td>
<td>5%</td>
<td>9%</td>
<td>5%</td>
</tr>
</tbody>
</table>
EBITDA Multiple Paid

<table>
<thead>
<tr>
<th>Deals from $1M to $2M</th>
<th>1</th>
<th>1.25</th>
<th>2</th>
<th>2.75</th>
<th>3</th>
<th>3.5</th>
<th>3.75</th>
<th>4</th>
<th>4.25</th>
<th>4.5</th>
<th>8.25</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>15%</td>
<td>15%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Number of responses: 13
Multiple Type

<table>
<thead>
<tr>
<th></th>
<th>SDE including working capital</th>
<th>SDE not including working capital</th>
<th>EBITDA including working capital</th>
<th>EBITDA not including working capital</th>
<th>TTM EBITDA including working capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $1M to $2M</td>
<td>34%</td>
<td>29%</td>
<td>9%</td>
<td>26%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Buyer Type

- 1st time individual: 44%
- Individual who owned a business: 34%
- Existing company/strategic buyer: 19%
- Other: 1%
#1 Reason for Seller to Go to Market

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>56%</td>
</tr>
<tr>
<td>New/better opportunity</td>
<td>19%</td>
</tr>
<tr>
<td>Burnt out</td>
<td>9%</td>
</tr>
<tr>
<td>Health</td>
<td>6%</td>
</tr>
<tr>
<td>Family issues</td>
<td>9%</td>
</tr>
</tbody>
</table>

Deals from $1M to $2M
Buyer Location (Distance)

<table>
<thead>
<tr>
<th>Deals from $1M to $2M</th>
<th>within 20 miles</th>
<th>within 50 miles</th>
<th>within 100 miles</th>
<th>more than 100 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34%</td>
<td>22%</td>
<td>3%</td>
<td>41%</td>
</tr>
</tbody>
</table>
Buyer Location (Global)

<table>
<thead>
<tr>
<th>Deals from $1M to $2M</th>
<th>within city</th>
<th>within state</th>
<th>within country</th>
<th>international buyer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34%</td>
<td>34%</td>
<td>28%</td>
<td>3%</td>
</tr>
</tbody>
</table>
#1 Motivation for Buyer

<table>
<thead>
<tr>
<th></th>
<th>Buying a job</th>
<th>Horizontal add-on</th>
<th>Better ROI than other investment</th>
<th>Vertical add-on</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $1M to $2M</td>
<td>38%</td>
<td>19%</td>
<td>19%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>Senior debt</td>
<td>Buyers equity</td>
<td>Seller financing</td>
<td>Earn out</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>-------------</td>
<td>---------------</td>
<td>------------------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>Deals from $1M to $2M</td>
<td>50%</td>
<td>35%</td>
<td>12%</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>
II-IV Business Transactions Valued from $2 Million to $4.99 Million
Number of Closed Transactions: 25
Time to Close

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 months</td>
<td>4%</td>
</tr>
<tr>
<td>3 months</td>
<td>4%</td>
</tr>
<tr>
<td>4 months</td>
<td>16%</td>
</tr>
<tr>
<td>5 months</td>
<td>4%</td>
</tr>
<tr>
<td>6 months</td>
<td>16%</td>
</tr>
<tr>
<td>7 months</td>
<td>4%</td>
</tr>
<tr>
<td>9 months</td>
<td>4%</td>
</tr>
<tr>
<td>10 months</td>
<td>8%</td>
</tr>
<tr>
<td>12 months</td>
<td>8%</td>
</tr>
<tr>
<td>1.1 - 1.5 years</td>
<td>16%</td>
</tr>
<tr>
<td>&gt; 2 years</td>
<td>16%</td>
</tr>
</tbody>
</table>

Deals from $2M to $5M
Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Deals from $2M to $5M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufact.</td>
<td>24%</td>
</tr>
<tr>
<td>Construction &amp; engineering</td>
<td>24%</td>
</tr>
<tr>
<td>Wholesale &amp; distribution</td>
<td>16%</td>
</tr>
<tr>
<td>Health care &amp; biotech</td>
<td>8%</td>
</tr>
<tr>
<td>Services - personal</td>
<td>8%</td>
</tr>
<tr>
<td>Basic materials &amp; energy</td>
<td>8%</td>
</tr>
<tr>
<td>Information technology</td>
<td>4%</td>
</tr>
<tr>
<td>Business services</td>
<td>4%</td>
</tr>
<tr>
<td>Consumer goods &amp; Retail</td>
<td>4%</td>
</tr>
</tbody>
</table>
SDE Multiple Paid

Number of responses: 10

<table>
<thead>
<tr>
<th>Deals from $2M to $5M</th>
<th>1.75</th>
<th>2.5</th>
<th>2.75</th>
<th>3</th>
<th>3.5</th>
<th>3.75</th>
<th>4</th>
<th>5.75</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>20%</td>
<td>10%</td>
<td>20%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>
EBITDA Multiple Paid

<table>
<thead>
<tr>
<th>EBITDA Multiple</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>7%</td>
</tr>
<tr>
<td>2.25</td>
<td>7%</td>
</tr>
<tr>
<td>3.25</td>
<td>13%</td>
</tr>
<tr>
<td>3.5</td>
<td>13%</td>
</tr>
<tr>
<td>4</td>
<td>13%</td>
</tr>
<tr>
<td>4.25</td>
<td>20%</td>
</tr>
<tr>
<td>4.5</td>
<td>7%</td>
</tr>
<tr>
<td>5.5</td>
<td>7%</td>
</tr>
<tr>
<td>6</td>
<td>7%</td>
</tr>
<tr>
<td>8</td>
<td>7%</td>
</tr>
</tbody>
</table>

Deals from $2M to $5M

Number of responses: 15
<table>
<thead>
<tr>
<th>Deals from $2M to $5M</th>
<th>SDE including working capital</th>
<th>SDE not including working capital</th>
<th>EBITDA including working capital</th>
<th>EBITDA not including working capital</th>
<th>TTM EBITDA including working capital</th>
<th>TTM EBITDA not including working capital</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12.0%</td>
<td>28.0%</td>
<td>32.0%</td>
<td>16.0%</td>
<td>8%</td>
<td>4.0%</td>
</tr>
</tbody>
</table>
#1 Reason for Seller to Go to Market

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>52%</td>
</tr>
<tr>
<td>Burnt out</td>
<td>20%</td>
</tr>
<tr>
<td>New/better opportunity</td>
<td>16%</td>
</tr>
<tr>
<td>Health</td>
<td>4%</td>
</tr>
<tr>
<td>Family issues</td>
<td>4%</td>
</tr>
<tr>
<td>Relocation/moving</td>
<td>4%</td>
</tr>
</tbody>
</table>

Deals from $2M to $5M

IBBA | PEPPERDINE PRIVATE CAPITAL MARKETS PROJECT

Master the leader in you.

67
Buyer Location (Distance)

<table>
<thead>
<tr>
<th>Distance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>within 20 miles</td>
<td>24%</td>
</tr>
<tr>
<td>within 50 miles</td>
<td>28%</td>
</tr>
<tr>
<td>more than 100 miles</td>
<td>48%</td>
</tr>
</tbody>
</table>

Deals from $2M to $5M
## Buyer Location (Global)

<table>
<thead>
<tr>
<th></th>
<th>within city</th>
<th>within state</th>
<th>within country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $2M to $5M</td>
<td>20%</td>
<td>40%</td>
<td>40%</td>
</tr>
</tbody>
</table>
#1 Motivation for Buyer

Better ROI than other investment: 24%
Horizontal add-on: 24%
Vertical add-on: 20%
Buying a job: 20%
Other: 12%

Deals from $2M to $5M
Financing Structure

<table>
<thead>
<tr>
<th></th>
<th>Buyers equity</th>
<th>Senior debt</th>
<th>Seller financing</th>
<th>Earn out</th>
<th>Seller retained equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $2M to $5M</td>
<td>36%</td>
<td>33%</td>
<td>18%</td>
<td>12%</td>
<td>1%</td>
</tr>
</tbody>
</table>
II-V Business Transactions Valued Over $5 Million
Number of Closed Transactions: 26
Deals from $5M to $50M:

- 2 months: 4%
- 3 months: 8%
- 4 months: 8%
- 5 months: 8%
- 6 months: 15%
- 7 months: 8%
- 9 months: 8%
- 10 months: 12%
- 11 months: 4%
- 12 months: 4%
- 1.1 - 1.5 years: 12%
- 1.6 - 2 years: 8%
- > 2 years: 4%
Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Deals from $5M to $50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture</td>
<td>35%</td>
</tr>
<tr>
<td>Business services</td>
<td>15%</td>
</tr>
<tr>
<td>Wholesale &amp; distribution</td>
<td>15%</td>
</tr>
<tr>
<td>Services - financial</td>
<td>8%</td>
</tr>
<tr>
<td>Consumer goods &amp; Retail</td>
<td>8%</td>
</tr>
<tr>
<td>Information technology</td>
<td>8%</td>
</tr>
<tr>
<td>Construction &amp; engineering</td>
<td>4%</td>
</tr>
<tr>
<td>Health care &amp; biotech</td>
<td>4%</td>
</tr>
<tr>
<td>Other ways</td>
<td>4%</td>
</tr>
</tbody>
</table>
SDE Multiple Paid

Deals from $5M to $50M

<table>
<thead>
<tr>
<th></th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>
Deals from $5M to $50M

<table>
<thead>
<tr>
<th>EBITDA Multiple</th>
<th>1</th>
<th>3</th>
<th>3.5</th>
<th>3.75</th>
<th>4</th>
<th>4.25</th>
<th>4.5</th>
<th>4.75</th>
<th>5</th>
<th>5.5</th>
<th>6</th>
<th>6.25</th>
<th>6.5</th>
<th>6.75</th>
<th>7.5</th>
<th>8.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>13</td>
<td>8</td>
<td>4</td>
<td>13</td>
<td>8</td>
<td>8</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>
Multiple Type

<table>
<thead>
<tr>
<th></th>
<th>SDE including working capital</th>
<th>SDE not including working capital</th>
<th>EBITDA including working capital</th>
<th>EBITDA not including working capital</th>
<th>TTM EBITDA including working capital</th>
<th>TTM EBITDA not including working capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $5M to $50M</td>
<td>4%</td>
<td>4%</td>
<td>31%</td>
<td>42%</td>
<td>15%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Buyer Type

- 1st time individual: 8%
- existing company/strategic buyer: 38.5%
- PE firm - Platform: 38%
- PE firm - Add-on: 12%
- Other: 8%
#1 Reason for Seller to Go to Market

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>31%</td>
</tr>
<tr>
<td>Recapitalization</td>
<td>27%</td>
</tr>
<tr>
<td>New/better opportunity</td>
<td>8%</td>
</tr>
<tr>
<td>Health</td>
<td>8%</td>
</tr>
<tr>
<td>Burnt out</td>
<td>4%</td>
</tr>
<tr>
<td>Family issues</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>15%</td>
</tr>
</tbody>
</table>

Deals from $5M to $50M
### Buyer Location (Distance)

<table>
<thead>
<tr>
<th>Distance</th>
<th>Deals from $5M to $50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>within 20 miles</td>
<td>12%</td>
</tr>
<tr>
<td>within 50 miles</td>
<td>15%</td>
</tr>
<tr>
<td>within 100 miles</td>
<td>15%</td>
</tr>
<tr>
<td>more than 100 miles</td>
<td>58%</td>
</tr>
</tbody>
</table>
Buyer Location (Global)

<table>
<thead>
<tr>
<th>Within State</th>
<th>Within Country</th>
<th>International Buyer</th>
</tr>
</thead>
<tbody>
<tr>
<td>27%</td>
<td>65%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Deals from $5M to $50M
#1 Motivation for Buyer

<table>
<thead>
<tr>
<th></th>
<th>Deals from $5M to $50M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Horizontal add-on</td>
<td>42%</td>
</tr>
<tr>
<td>Better ROI than other investment</td>
<td>19%</td>
</tr>
<tr>
<td>Vertical add-on</td>
<td>15%</td>
</tr>
<tr>
<td>Buying a job</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>15%</td>
</tr>
</tbody>
</table>
## Financing Structure

<table>
<thead>
<tr>
<th></th>
<th>Senior debt</th>
<th>Buyers equity</th>
<th>Seller financing</th>
<th>Seller retained equity</th>
<th>Earn out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals from $5M to $50M</td>
<td>41%</td>
<td>36%</td>
<td>13%</td>
<td>6%</td>
<td>4%</td>
</tr>
</tbody>
</table>
IV. Expectations
## Expectations of Business Listings / Engagements from New Clients in the Next 3 Months

<table>
<thead>
<tr>
<th>Deal size</th>
<th>Greatly decrease</th>
<th>Decrease</th>
<th>Stay the same</th>
<th>Increase</th>
<th>Greatly increase</th>
<th>Score (1 to 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals valued under $499,999</td>
<td>0.0%</td>
<td>5.1%</td>
<td>33.8%</td>
<td>56.6%</td>
<td>4.4%</td>
<td>3.6</td>
</tr>
<tr>
<td>Deals valued from $500,000 to $999,999</td>
<td>0.0%</td>
<td>4.2%</td>
<td>27.7%</td>
<td>63.9%</td>
<td>4.2%</td>
<td>3.7</td>
</tr>
<tr>
<td>Deals valued from $1 million to $1.99 million</td>
<td>0.0%</td>
<td>3.4%</td>
<td>36.1%</td>
<td>55.5%</td>
<td>5.0%</td>
<td>3.6</td>
</tr>
<tr>
<td>Deals valued from $2 million to $4.99 million</td>
<td>0.0%</td>
<td>3.2%</td>
<td>39.4%</td>
<td>52.1%</td>
<td>5.3%</td>
<td>3.6</td>
</tr>
<tr>
<td>Deals over $5 million</td>
<td>1.1%</td>
<td>5.3%</td>
<td>36.8%</td>
<td>53.7%</td>
<td>3.2%</td>
<td>3.5</td>
</tr>
</tbody>
</table>
# Expectations for Business Valuation Multiples in the Next 3 Months

<table>
<thead>
<tr>
<th>Deal size</th>
<th>Greatly decrease</th>
<th>Decrease</th>
<th>Stay the same</th>
<th>Increase</th>
<th>Greatly increase</th>
<th>Score (1 to 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals valued under $499,999</td>
<td>0.0%</td>
<td>8.8%</td>
<td>73.7%</td>
<td>17.5%</td>
<td>0.0%</td>
<td>3.1</td>
</tr>
<tr>
<td>Deals valued from $500,000 to $999,999</td>
<td>0.8%</td>
<td>5.9%</td>
<td>72.3%</td>
<td>21.0%</td>
<td>0.0%</td>
<td>3.1</td>
</tr>
<tr>
<td>Deals valued from $1 million to $1.99 million</td>
<td>0.8%</td>
<td>6.7%</td>
<td>68.9%</td>
<td>22.7%</td>
<td>0.8%</td>
<td>3.2</td>
</tr>
<tr>
<td>Deals valued from $2 million to $4.99 million</td>
<td>1.0%</td>
<td>6.2%</td>
<td>68.0%</td>
<td>21.6%</td>
<td>3.1%</td>
<td>3.2</td>
</tr>
<tr>
<td>Deals over $5 million</td>
<td>0.0%</td>
<td>10.3%</td>
<td>58.8%</td>
<td>30.9%</td>
<td>0.0%</td>
<td>3.2</td>
</tr>
</tbody>
</table>
V. About the Respondents
Details About the Respondents

Geographic Location

- 0
- 1-2
- 3-5
- 6-7
- 8-10
- 11-15
- 16-20
- more than 20

Map showing the geographic location of respondents across different states in the US.
Details About the Respondents
Typical Size of Business Transactions

Total number of responses = 249

* Number is more than number of respondents as many respondents overlap into 2 or 3 areas
Details About the Respondents
Memberships/ Multiple Memberships

IBBA: 49%
M&A Source: 35%
California Association of Business Brokers: 11%
Alliance of Merger & Acquisitions Advisors: 8%
Business Brokers of Florida: 7%
Texas Association of Business Brokers: 5%
New England Business Brokers Association: 4%
Carolina-Virginia Business Brokers Association: 4%
Ohio Business Brokers Association: 4%
Colorado Association of Business Intermediaries: 3%
Arizona Business Brokers Association: 3%
Midwest Business Brokers Intermediaries: 3%
Pennsylvania Business Brokers Association: 3%
Florida Business Brokers Association: 2%
Georgia Association of Business Brokers: 2%
Michigan Business Brokers Association: 2%
New York Association of Business Brokers: 1%
Mid-Atlantic Business Brokers Association: 1%
Nevada Business Brokers Association: 1%
Other (please specify): 13%
Details About the Respondents
Working Experience

- 22% Less than 1 year
- 18% 1 year
- 16% 2 years
- 9% 3 years
- 8% 4 years
- 8% 5 years
- 6% 6 years
- 4% 7 years
- 3% 8 years
- 3% 9 years
- 3% 10 years
- 3% 11-15 years
- 2% 16-20 years
- 1% > 20 years
### Details About the Respondents

#### Professional Credentials

<table>
<thead>
<tr>
<th>Certification</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBI</td>
<td>44%</td>
</tr>
<tr>
<td>MBA</td>
<td>27%</td>
</tr>
<tr>
<td>CBB</td>
<td>13%</td>
</tr>
<tr>
<td>M&amp;AMI</td>
<td>13%</td>
</tr>
<tr>
<td>CMEA</td>
<td>6%</td>
</tr>
<tr>
<td>CM&amp;AA</td>
<td>5%</td>
</tr>
<tr>
<td>CPA (non active)</td>
<td>4%</td>
</tr>
<tr>
<td>CPA (active)</td>
<td>4%</td>
</tr>
<tr>
<td>ABI</td>
<td>3%</td>
</tr>
<tr>
<td>BCB</td>
<td>3%</td>
</tr>
<tr>
<td>AM&amp;AA</td>
<td>3%</td>
</tr>
<tr>
<td>BCI</td>
<td>2%</td>
</tr>
<tr>
<td>CFA</td>
<td>2%</td>
</tr>
<tr>
<td>ASA</td>
<td>2%</td>
</tr>
<tr>
<td>CMSBB</td>
<td>1%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>24%</td>
</tr>
</tbody>
</table>

---

*IBBA* | *Pepperdine University* | *Private Capital Markets Project*
THANK YOU!

Scott Bushkie, CBI, M&AMI, IBBA Marketing Chair  
SBushkie@Cornerstone-Business.com

Lisa Riley, Ph.D., CBI, IBBA Marketing Chair  
lisa@fcbb.com

Craig Everett, Ph.D.  
Director, Pepperdine Private Capital Markets Project  
http://bschool.pepperdine.edu/privatecapital  
craig.everett@pepperdine.edu