

## Negotiating factors:

- Owner financing.
- Structure part of the purchase price as consulting payment. Consulting payment is an immediate business expense vs. purchase price that needs to be amortized over 15 years
- Structure business sale as an asset sale
- Performance based earn out. Tying part of the purchase price to a performance based earn out will reduce the risk of paying too much for hyped expectations.
- Sharing details of the business valuation process with the seller has helped us bridge the gap between asking and offering price as it demonstrates to the seller a data-based value free of emotions.
- Compensation plan of old owner in case he/she becomes an employee of the acquiring company