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Your dedicated Verified Commercial
Broker... YOU'RE IN SAFE HANDS

As a seasoned and versatile
sales professional in the Verified
team, I can offer extensive
commercial experience, local
market knowledge, and a real
passion for the industry.



Market Report

Larger businesses start to sell as more buyers move into the buying zone across the coast!

The market for businesses on the Sunshine Coast is an 'extremely healthy one'. Here at Verified Businesses, we have seen good numbers of both business sale settlements and new contracts over the last quarter. Buyers are diligently searching for that 'right business' which matches their individual circumstances, budget, level of involvement and skill set. This could be anything from an entry level café, coffee shop or takeaway, to a larger concern in wholesale distribution, manufacturing or childcare. This high level of activity is set to continue as not only local and Brisbane based buyers search the market, but also as increasing numbers of overseas buyers, attracted by everything the Coast has to offer, consider relocating here. The attractive local climate, new housing estates, increasing infrastructure in education, medical facilities, and the security and opportunities the region has to offer young families, are all important considerations for buyers when looking to settle in the region.

Larger businesses with sale prices over \$500,000 have been going to contract in recent weeks, signalling a lifting confidence in the market on the Coast, with many buyers not being able to acquire the business that fills their requirements in a number of cases in these categories. Businesses with profits in excess of \$250,000 are also well sought after.

Not surprisingly, Businesses that are in most demand are those that stack up!! That is, those with good financial records, sustainable earnings that are heading in the right direction, modern fully functional Plant and Equipment, easy to learn and operate, home-based or have good leases in place, operating only 5 days per week, or are earning at least \$75,000 for a working owner per annum. What's most important for sellers is, if your business is well sought after by two or more buyers, then a premium price may be achieved. How does this happen? - through your business being correctly price positioned and professionally marketed by your broker when it first enters the marketplace, so that your business attracts all the 'hot buyers', who are ready and waiting to buy, and educated on the local market!!

Our own research shows that Verified Businesses has around one third of all the businesses for sale on the Sunshine Coast, (those listed with brokerages). So it's really important to remember when listing your business, list with the brokerage that can provide you with the most buyers to help facilitate a sale with the best sale price. That is, as we say, we sell more Verified Businesses as we have more Verified Businesses to Sell!!



Verified Businesses has seen confirmed new enquiries on 'businesses for sale' on the Sunshine Coast up by a massive 56% for the six months 'January to June 2016', compared with the corresponding months in 2015, which equates to around 1,300 individuals seeking to purchase in the area. The increase in demand has not seen any significant upward movement in business sale prices, as supply has also increased, with the number of businesses for sale in Queensland up from 1,976 in June 2015 to 2,783 in June 2016, or a 43% increase, (Jarot Business Guide, July Qtr 2016).

Sought after Businesses continue to sell reasonably quickly with 58% of 'Businesses Sold' 'selling in 3 months or less' of listing, up 2% in the 12 months ending July 2016, compared to the 12 months ending March 2016. Food and Hospitality has again featured as the most popular sector in the last few months, with over 28% of sales coming from that particular group. This is down 2% on our prior market report, with increases in sales being recorded across a broad range of sectors: Automotive, Retail, Construction, Transport and Tourism.

Where are the buyers coming from? Buyer enquiry is still consistently strong from locals, interstate and overseas buyers at a rate of 200 to 300 new enquiries per month at Verified Businesses. With immigration on a high, there also continues to be good numbers of overseas buyers wishing to fulfil visa requirements, bring family into the country, and gain permanent Australian residency here. Buying a business is seen as a popular option for most.

Those businesses with sustainable net profits of over \$150,000-\$250,000 p.a. for one working owner are in high demand right now, along with businesses that have moderate to low owner involvement and net profits of over \$100,000. Therefore, if you have a business to sell that matches this description, now is a great time to sell!

Craig Campbell, Principal, Verified Businesses
0419 747 709

Recent Statistics

Some Recent Numbers

Fastest Sale Time	4 weeks
Most Popular Industry	Food/Hospitality
Average Sale Enquires	34-63
Number of Buyers on Database	5,820
Sales prices ROI range of most popular Category	50% -198%

Current Report - June 2016

Sold last 12 months (Since Jul 2015) –
by Months on the Market

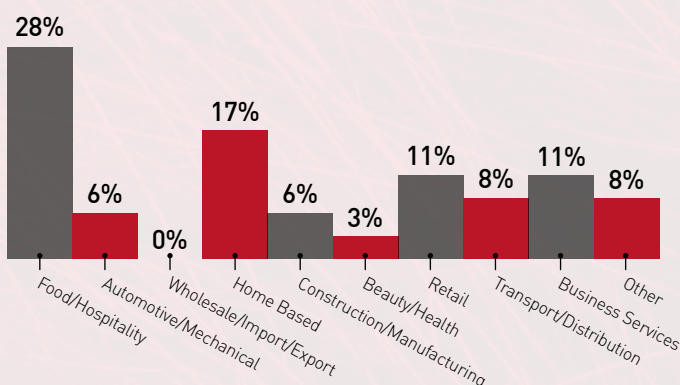


From April 2016 Report

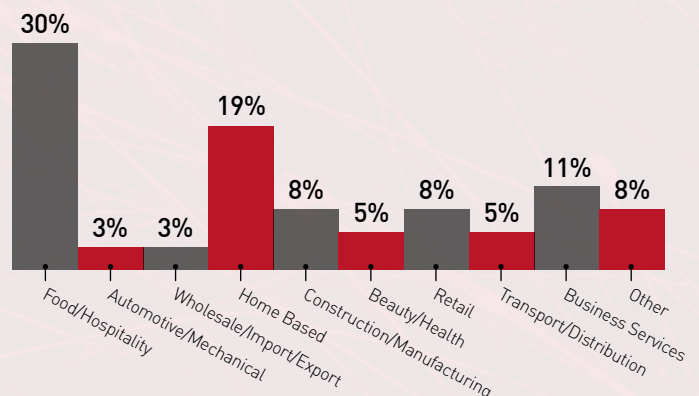
Sold last 12 months (Since Mar 2015) –
by Months on the Market



Sold last 12 months (Since Jul 2015) –
by Sector



Sold last 12 months (Since Mar 2015) –
by Sector



Just Sold: South East Trading

“Third time’s a charm,” they say...

After 10 years in Business Broking, you see all manner of businesses and what people do for a living either as a job to get a wage or a business to get a return on their investment. In the 10 years, I have sold everything from a \$12,000 hair salon to a \$2million hardware store and freehold, but one business has stood out for me from all the others.

My first ever list and sell was a small distribution business that sold all manner of items from cameras, batteries and sunscreen, but most importantly Bushman’s Insect Repellent. At the time of settlement, it sold for three times the net profit to the owner and that was a great achievement which I was very proud of. The business sold to a Eumundi couple who took the business and ran with it and it went from \$200,000 turnover to just under \$1million. After 5 years almost to the day, I sold that business again for a three times multiplier to a Noosa-based buyer who had the same accountant. Well, after another 4.5 years, I’ve done it again and sold the business for three times the net profit with this year’s turnover growing from the last. Wholesale & Distribution businesses are very popular and viable business opportunities, and generate plenty of interest from a variety of buyers. It has been very rare throughout my time as a broker to see businesses sell for three times their net return. This operation was well presented & structured and required little overheads & time to run.



The last owner changed the structure of the business which reduced the time he needed to work the business, and certainly reduced the time he had to spend on the road in a sales role. He was working on average 14 hours per week with his key customers having stock delivered direct from manufacture to the client distribution centre. This effectively reduced his stock holdings as well.

You feel proud of what you do when you get great results for your sellers, and find buyers that get the businesses they are looking for.

When the current owners are eventually ready to move on, I hope to sell this first-class business again for a premium price.

Brett Barton
0408 607 344



You feel proud of what you do when you get great results for your sellers, and find buyers that get the businesses they are looking for.

Some of our recent Sales



SOLD BY CRAIG CAMPBELL "ICONIC LOCAL BAKERY"

- Four inspections
- Large number of enquiries
- Quick settlement
- Buyer from Gold Coast

\$48,000 WIWO



SOLD BY VERIFIED BUSINESSES "HINTERLAND MOTORCYCLE SALES & REPAIRS"

- Strong internet enquiries
- Several buyers
- One contract
- Hassle free settlement

\$55,000 + Stock



SOLD BY DAVID BENTLEY "MOTORCYCLE RENTAL & ACCESSORY SALES"

- Seller couldn't be happier
- Now retired on his Harley
- Buyer already powering onwards
- Internet marketing did the trick

\$45,000 + Stock



SOLD BY DION EVERSHED "BEST LITTLE CAFE"

- Purchased by local chef and wife
- Consistent internet enquiries
- Other buyers missed out
- I need more of these!!

\$25,500 WIWO



SOLD BY BRETT BARTON "WHOLESALE & DISTRIBUTION"

- 77 Registered buyers
- Local buyer purchased
- Well structured business
- Sold 3x net return

\$485,000 + Stock



SOLD BY BRETT BARTON "GOURMET FOOD STORE"

- Buyers relocated from Brisbane
- 46 Registered buyers
- All the best, John, Kylie & family!
- Big congrats to Grant & Nadine!

\$175,000 + Stock



SOLD BY DALE CHORLEY "CRANE TRUCK HIRE"

- 26 Enquiries
- 2 Buyers competed
- Optimum price achieved
- Vendor very happy

\$102,500 WIWO



SOLD BY DALE CHORLEY "CRACKER HOME-BASED BUSINESS"

- Unique business
- Specialist skills needed
- International buyer
- Happy vendor & buyer

\$110,000 + Stock



Selling your business is a serious job.

Is it Time for the Rise and Rise of Small Business on the Coast?

In communities like the Sunshine Coast, it is common knowledge that the economic engine driving our success is the triumph of small business. There is a genuine feeling that the small business sector is finally beginning to awaken from a very dormant 3 years.

Buyer enquiries are increasing highlighting strong confidence levels, and sales have been on a steady increase since the start of this financial year. Wherever you want to point your finger; the mining boom – interest rates – government assistance – or a change in State Government; the simple fact is that the buyer pool is bigger and this buyer pool is increasingly willing to commit.

Acting in conjunction with this is a large number of business owners who see this next rise in enquiry as the ideal time to sell and commit their funds to other ventures, or if it is that time in their lives, to their Super Funds. Let's face it – it has been a difficult time trying to sell in recent years.

So the questions remain, how as a buyer do you buy the right business? and how as a seller do you attract the right buyer?

On the buyer's side, above all, the most important box to tick is to be in a position to buy when the right business is presented to you. Have your finance in place – you must have your accountant and solicitor fully aware of your intentions and ready to act on your behalf when a contract is signed. Time delays are the single largest reason why small business transactions fail to complete.



From the seller's side, consistently have everything in order. You must have up-to-date financials, lease, key personnel in place, and your debtors/creditors under control. It goes without saying, pricing your business for sale is critical, so you need to seek advice on this and listen to your Broker for sound advice on what else has been selling.

Brett Barton
0408 607 344

Introducing our newest broker

Dion Evershed - Your dedicated Verified Commercial Broker

YOU'RE IN SAFE HANDS.

As a seasoned and versatile sales professional in the Verified team, I can offer extensive commercial experience, local market knowledge, and a real passion for the industry.

My role, as I see it, is to work closely with buyers and vendors, listen to their needs, expertly guide them through the sales or purchase process, and enable them to achieve exceptional results. My comprehensive industry and real estate experience is also complemented by Advanced Diplomas in Business and Project Management.

I feel privileged to be part of a like-minded, impressive, and truly dedicated, team of experts at Verified; and part of a business which is focused on the principles of honesty, integrity, quality, attention to detail, and an unwavering dedication to meet and exceed client expectations.

Having worked in sales for over 15 years, and having founded and run my own successful Sunshine Coast-based real estate agency; I can offer my clients sound advice, an in-depth knowledge of the market, professionalism, reliability, and an ability to anticipate and avoid the potential obstacles that may arise. We all lead busy lives and I can help to take the stress out of the process and ensure that everything runs smoothly.

With hands-on experience in successfully effecting business turnarounds and in rebuilding, restructuring, and managing a successful franchise and its team from the ground up, I can also offer excellent commercial acumen and firsthand understanding of the operational challenges my clients face.

I began my career in real estate back in 2001, as a sales professional, working for a local residential agency based in Noosa for five years. This was where I established my knowledge base and where my passion for commercial sales really began.

Having built a firm foundation in the industry, I was then ready to run my own agency, so went on, with a partner, to found and develop a thriving, fresh, and innovative, Sunshine



Coast agency from scratch. The business also featured branding reflecting our Sunshine Coast lifestyle and climate. This role included managing all hands-on aspects of the business from the ground up, from shop fit-out to all operational aspects of the business; and building a strong, recognisable, brand, client base, and substantial rental portfolio. The business subsequently grew to hold a prime position in the local market.

To broaden my commercial experience, I then moved into hospitality/FMCG franchise management, in Brisbane; and with a lot of hard work and dedication transformed a struggling franchise into a profitable, vibrant, operation. I also learned a great deal along the way. Prior to this, I was a retail sales manager for an electrical wholesaler.

As you can see, I am not afraid of hard work, or a challenge. So when you list your business with me, you can be confident that you have an experienced professional working for you, and that you are in safe hands.

Just call me on my mobile if you have any questions, or need advice, and I will be delighted to assist.

Dion Evershed
0414 741 626

Experience you can trust and results you are able to count on; with Verified Businesses you can be confident.



AIBB Registered Business Valuer Class 2016

HOW MUCH IS MY BUSINESS REALLY WORTH?

We are Qualified Registered Business Valuers!!! (RBV)

After successfully purchasing Verified Businesses from the former principal, David Bentley, a few months back, and with the likelihood of David retiring some time this century, I decided to ensure the RBV qualification continues on here at Verified Businesses, through undertaking the Australian Institute of Business Brokers (AIBB) course and obtaining the Registered Business Valuer qualification (RBV) myself. Providing business valuations as a part of the services we deliver here at Verified Businesses will be essential into the future. Not only will it be of value to those who require an in-depth valuation of their business for a range of purposes, but this qualification also increases the quality of our Business appraisals in the brokerage side of our business.

Undertaking this training over the past 6 months has been extremely informative and very insightful, and a great way of keeping abreast of what's actually happening in the market. The lectures were very helpful, and fellow business valuers were great to make acquaintances with and discuss some of the latest trends and techniques for establishing the 'market value' of many types of businesses. The industry is continually changing and we need to keep learning new ways of giving the best service to our clients.

The 'Market Value' of the 'Going Concern'!! From dealing with many buyers and sellers in the past, what has become clearly apparent is that these two basic conditions or circumstances are something which some business brokers

just haven't got a good handle on at all. The 'Going Concern Asset' of the business, i.e. "the Going concern value is the value of an asset to the enterprise as a going concern, or in other words, the value of the assets 'in use' as a Going Concern. Most business valuations and nearly all good business appraisals are therefore prepared on the basis of a going concern". The second is the idea of 'Market Value', which is the estimated amount that a business will sell for between a willing buyer and a willing seller on a given date in an open market. 'Market Value' assumes that both parties involved hold a reasonable level of knowledge regarding the relevant facts. This means, at the end of the day, it's what the buyer and seller agree on in the eventual sale of the business, which is the ultimate value of the business enterprise. Therefore, as experienced business brokers, we need to help clients by providing them with the 'price range' that their business is likely to sell within, to attract those buyers who are likely to agree to that price for a particular type of business.

THE FIRST STEP TO SELLING YOUR BUSINESS IS FREE!!!

If you are a business owner and are genuinely interested in selling your business, you really should give us a call for a free business appraisal. After completing your free appraisal, we can help confirm the likely outcomes and selling ranges of your business, and help you plan future exit strategies, by reinforcing your decision to either sell or hold on to your business.

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