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Creina has enjoyed great success as a Business Broker, a Commercial Real Estate Agent and a Residential Real Estate Agent over many years since 1989. She is passionate about Business Broking and therefore focusses her expertise in this specialist niche.



Market Report



Good quality businesses are in demand as the Sunshine Coast market heats up!

The best time to sell a business is when demand is high or on the increase, which is right NOW!!

Over the last 3 months, we've again achieved higher than average business settlements, new contracts and sales enquiries from a variety of sectors and price points in the market. This increased buyer competition for quality businesses in several sectors is a real positive for business sellers.

This tone in buyer confidence is constant with many educated buyers actively searching for that 'right business' on the Sunshine Coast. Consequently, a variety of in-demand businesses are being sold, anything from an entry level café, coffee shop or takeaway, to the larger concerns such as wholesale distribution and retail businesses up to \$750K.

As mentioned in the Winter Market Report, a change in trend has begun locally with several larger type businesses (SALE PRICE = \$400,000 +), either selling or going to contract in recent months. This not only signals a lifting in confidence by buyers locally, but an opportunity for sellers to cash in on market conditions which haven't been around for several years. Unfortunately, some buyers haven't been able to acquire businesses that fulfil their requirements in this category, which demonstrates a shortness of supply at this level. This is also in line with the Jarot's Guide (Sept 2016) which also indicates a 23% fall in most recent months of the number businesses listed for sale in Queensland.

Good quality businesses are those that stack up financially at a particular price point in the market!! A business with financial records, sustainable profits, acceptable risk levels, functional P&E, a good lease, 5 day a week trading or less, is easy to learn and operate, and **justifiably priced correctly** are readily demanded.

Verified Businesses confirmed new enquiries on 'businesses for sale' on the Sunshine Coast is again up by 52% for the three months 'July to September 2016', compared with the corresponding months in 2015, which equates to around 800 individuals seeking to purchase in the area. The increases in demand have seen business prices stabilise a little; and the shortage of quality listings at several price points, has meant some buyers' decision-making timeframes have shortened.

Competitively priced Businesses with verifiable records continue to sell reasonably quickly with 51% of 'Businesses Sold' 'selling in 3 months or less' of listing. Food and Hospitality has again featured as the most popular sector in the last few months; with over 26% of sales coming from that particular group. Sales increases have also been achieved across a broad range of sectors including Retail, Wholesale Distribution, Automotive, Business Services and Home-based Businesses.

Where are the buyers coming from right now? Verified Businesses' buyer enquiry has been consistently strong from locals, and those from interstate or overseas at a rate of '280' new enquiries per month, over the past 3 months.

1 - With immigration on a high, there are good numbers of overseas buyers wishing to fulfil visa requirements through buying a business here on the Sunshine Coast, in order to bring family into the country and/or gain permanent Australian residency.

2 - Buyers relocating from interstate are attracted to resettle in the area, due to the appealing local climate and the overriding growth prospects the region has to offer in coming years, seen in the infrastructure spending of the Airport and Bruce Highway upgrades, the new CBD development, the University Hospital and the Caloundra South City development, 'Aura'.

3 - Local buyers are getting into business for the first time due to the above growth prospects, seeking to upgrade their business to a larger enterprise, or simply changing from what they are currently doing into something different.

Either way, the security and opportunities the Sunshine Coast region has to offer now and into the future, for both young families and those who are retiring in the next 10-20 years are all important considerations for buyers when looking to buy a business and settle in the region right now.

In summary, Businesses within most industry sectors which have solid financial records, have been trading successfully for 2-3 years, and have future maintainable earnings over \$200K p.a. for one working owner are in high demand right now, along with those that have moderate to low owner involvement and net profits of over \$100K. The Jarot's Guide (Sept 2016) also indicates "demand is strongest for businesses having profits between \$250,000 - \$400,000."

Many business owners don't know what their business is actually earning in the context of presenting it for sale. Therefore, if you want to learn what your business may be really earning, and what it might actually realise in today's market, you need a business assessment, the results of which might just pleasantly surprise you!

Selling your business should be a considered approach that follows due process, because it's probably one of the most important decisions you will ever make. **So talk to us today... after all, we sell more Verified Businesses as we have more Verified Businesses to Sell!!**

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

Craig Campbell, Principal, Verified Businesses
0419 747 709

Recent Statistics

Some Recent Numbers from the last 12 months

Fastest Sale Time	1 day
Most Popular Industry	Food/Hospitality
Average Sale Enquires	29-80
Number of Buyers on Database	6,083
Sales prices ROI range of most popular Category	27% -89%

Current Report - Sept 2016

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

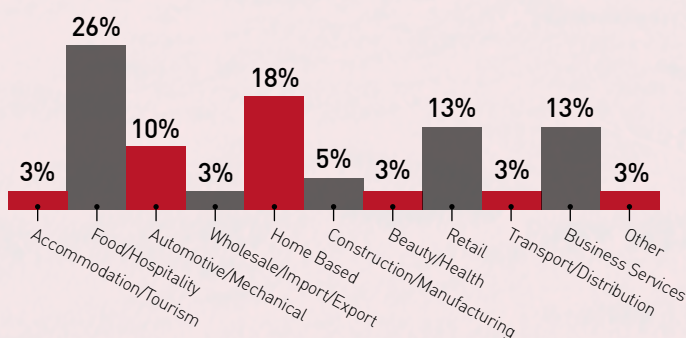


From June 2016 Report

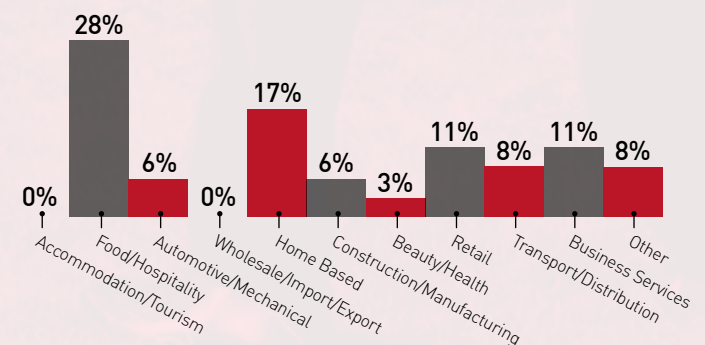
Sold last 12 months (Since Jul 2015) – by Months on the Market



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



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



Rockin' & Rollin'

At Verified we have noticed a significant increase in buyer enquiries for larger businesses. Since the start of the 2017 financial year, we've listed and sold 3 businesses in the \$1 million plus range and we have several disappointed buyers who missed out.

One of the businesses, a wholesale and distribution business, had 3 buyers fighting to buy it, including a 'back-up' contract ready to come into effect if the first proposal terminated. There are plenty of buyers in the higher category and they are coming from South Africa, New Zealand and the southern states. The Sunshine Coast is attracting more and more migrants because of the booming economy here, the lifestyle and the relatively cheap real estate prices. Any talk of doom and gloom in the media is just negative bull dust. There's never been a better time to invest in both real estate and a business on the Sunny Coast.

We've also found that good listings in smaller businesses have slowed significantly. We are finding it increasingly difficult to persuade business owners in the small to medium priced businesses to make the decision to sell. The reason is because they are now making money, after enduring some lean years since the GFC. Now that good profitability has returned, they want to enjoy the fruits of their hard labour before moving on.

Astute business people who buy a business in this market will only fail to make a substantial profit in their business if they are dud business operators. The time is perfect to take the limited risk of investing in a business. The huge Sunshine Coast University Hospital at Birtinya is rapidly nearing completion and recruiting is well underway for the large number of staff needed.



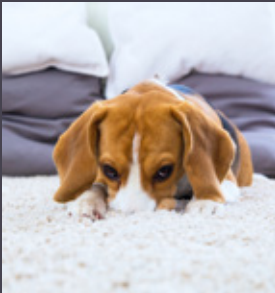
The Sunshine Coast Airport is nearing approval to upgrade it to a full international airport, and the 50,000 people due to take up residence in the Caloundra South 'Aura' development have already started building. Both state and federal governments are now talking in billions of dollars about the Bruce Highway upgrade to 6 lanes from Bribie Island to Caloundra, so it's "All Happening!" on the Sunshine Coast.

David Bentley
0418 903 300



Astute business people who buy a business in this market will only fail to make a substantial profit in their business if they are dud business operators.

Some of our recent Sales



**SOLD BY CRAIG CAMPBELL
"B2B COMMERCIAL &
DOMESTIC FLOORING"**

- Overseas buyer
- Quick settlement
- Strong internet enquiry
- Hassle-free contract
- Sellers couldn't be happier

\$750,000 + Stock



**SOLD BY CRAIG CAMPBELL
"CLASSIC TAKEAWAY"**

- First to inspect bought
- Overseas buyer
- Quick settlement
- Hassle-free contract
- Over 30 internet enquiries

\$40,000 + Stock



**SOLD BY DAVID BENTLEY
"AFTER HOURS MEDICAL
SERVICE"**

- 29 Buyer enquiries
- 3 Contracts
- I need another 1 like this!
- Buyer & seller ecstatic

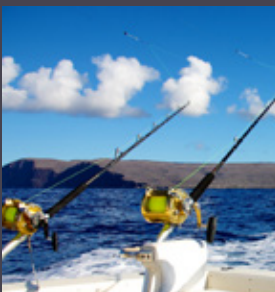
\$180,000 WIWO



**SOLD BY DAVID BENTLEY
"MOTOR MECHANIC"**

- 2 Buyers fought over it
- Clean quick settlement
- Buyer wants another in maroochydore
- These mechanical repair businesses sell fast!

\$175,500 + Stock



**SOLD BY BRETT BARTON
"FISHING & TACKLE"**

- Local buyer knew shop well
- Great brand
- Perfect addition for buyer
- Doing well after change of owner

\$200,000 + Stock (\$300,000)



**SOLD BY BRETT BARTON
"SIMPLE MECHANICAL WORK"**

- Plenty of enquiries
- Multiple inspections & offers
- Sold within 10% of asking price
- Seller now retired

\$170,000 + Stock



**SOLD BY DION EVERSHED
"MORE THAN A PRINT &
SIGNAGE SHOP"**

- Unique marketing business
- Nationwide clientele
- Overseas suppliers
- Happy sellers & buyers

\$100,000 + Stock



**SOLD BY DION EVERSHED
"GOURMET BURGER & GELATO
BAR"**

- Massive amount of buyer enquiries
- Beautiful beachside location
- International buyer
- Purchased sight unseen

\$39,000 + STOCK



Where to start...

What you need to think about when selling a business.

If you are a business owner considering selling, your main concern is usually centred on getting the highest possible price for your business. There are, however, several other points you should consider when selling.

Preparing to Sell

What do I need to do to prepare my business for sale?

What financial records do I need and how are they prepared for buyers and their accountants?

What is my plant and equipment worth? How much stock do I have, and how does that affect the contract price of the business?

How does my lease affect the sale of the business?

Presentation

How is my financial information handled and presented to buyers? How do I know it will remain confidential?

How do I get as many buyers as possible interested in my business? Does the business broker have a database of existing buyers? How do I know that the buyers are genuine and are in a position to buy the business?

Negotiation and Contracts

Is my business competitively priced in the market place? Am I getting the highest price I can for the business? Do I have the correct special conditions and clauses in the contract to ensure that the business sale will go as smoothly as possible?

Are there any special conditions to satisfy? Are there any potential obstacles that may need to be addressed?

What information will I have to provide for due diligence? Do I have to disclose my suppliers and client details before settlement?

Is there any GST payable on the sale of my business?



Settlement

What do I need to do to prepare for settlement? What happens on settlement day? Do I have any obligations after settlement?

As you can see there are many factors to consider when selling. As an experienced and professional business broker, I can answer these questions and guide you through the sales process from start to finish, leaving you free to focus on the running of your business. You will receive constant feedback from me so you know exactly what is happening, and can be confident that you have a dedicated team of professionals, with your best interests at heart, working for you.

If it's time to think about selling and you would like to discuss an exit strategy specific to your business, please contact me today.

Dion Evershed
0414 741 626



Introducing Creina Holland

Creina has enjoyed great success as a Business Broker, a Commercial Real Estate Agent and a Residential Real Estate Agent over many years since 1989. She is passionate about Business Broking and therefore focusses her expertise in this specialist niche.

Creina began her career in nursing and after graduating as a General Nurse, she completed Mental Health Nursing. She went on to specialise in working with young people in Psychotherapeutic roles until she was encouraged to join a Sales and Marketing business in Melbourne. Here she found that combining her communication skills with sales and marketing was a great recipe for success and she was rapidly elevated to a Sales Management position.

Upon returning to live on the Sunshine Coast in 1989, Creina ventured into Residential Real Estate and found she loved it and enjoyed several years of sales success.

In the mid 1990s Creina returned to the human services sector for several years working in Community, Local and State Government Youth Development Roles and then she later operated her own business.

From business ownership grew an interest in Business Broking and Commercial Real Estate, and Creina returned to the industry specialising in these fields. She enjoyed this field enormously and was rewarded with multiple sales awards. However, the Global Financial crisis impacted heavily on Commercial Real Estate and business sales, so Creina took a break from the industry for a while and worked again in human services. After looking for the right opportunity to return to Business Sales or Commercial Real Estate, Creina returned to the Industry in 2015 when the opportunity to rekindle her extensive experience presented itself. Creina has been based in Maroochydore, and is focussed on selling small to large businesses throughout the Sunshine Coast and beyond.



Creina has found that her diverse background and experience has provided her with great insight into people's needs and motivation and into the private and public sectors which has assisted her to better negotiate sales and to strategise with sellers to help them achieve the sales results they are seeking.

Creina Holland
0416 255 368

This year, Verified Businesses was a proud sponsor of "The Frog".



Left to Right: Dion Evershed (Verified Businesses), Kim Petherbridge (MSP Photography) & Craig Campbell (Verified Businesses), October 2016.

This year, Verified Businesses was a proud sponsor of "The Frog" car no.99 participant in the "Variety Qld – the Children's Charity" 2016 Charity Bash, 'Dusty Swags to Checkered Flags'. Kim Petherbridge, owner of MSP Photography South Brisbane and driver of The Frog said that the event was a tremendous success with a provisional amount fundraised of approx. \$1.45 million, and a fabulous trip away for everyone involved. The Bash participants kicked off in Warwick on 30th September 2016 and travelled via

dirt roads, through outback towns, and made their way to the finish line at Mount Panorama, Bathurst on 9th October 2016. Variety Qld – the Children's Charity is dedicated to empowering children who are sick, disadvantaged or have special needs to live, laugh and learn.

www.variety.org.au

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