

**PLEASE USE THESE FORMS ONLY!**

**QUESTIONNAIRE 1**

**Please Note:**

1. Enclose or fax a copy of your check for the evaluation with the questionnaire so we can start work immediately.
2. A signed copy of the "Order/Agreement must accompany the questionnaire.
3. We will not ship the appraisal until it is paid for.

Please send us your e-mail address and we will send you all new forms by e-mail. If you prefer the new forms on a disk using Microsoft Word, please let us know.

***Important questions that must be addressed prior to starting the appraisal.***

1. Do you want this to be a stock sale \_\_\_ or an Asset Sale Appraisal \_\_\_? (Please check one)
2. Is Real Estate part of this appraisal? If yes:

- What is the "Fair Market Value" of the land, building(s) and improvements?  
\$ \_\_\_\_\_ How was the value estimates:

NOTES \_\_\_\_\_

- Does the company pay itself (or the owner personally) a "Fair Market Rent"? If not, what would be the total rent per year? \$ \_\_\_\_\_

NOTES: \_\_\_\_\_

Please send us a copy of all financial statements, profit and loss statements, the latest balance sheet and, if possible, a depreciation schedule. (no originals please)

Finally, what did you charge your client for this appraisal? \_\_\_\_\_. This information is kept confidential and is only needed to keep the company knowledgeable about the appraisal should the client or his advisors ever call.

Fill in client's name and address as you want it to appear:

Seller: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Physical Address, if different: \_\_\_\_\_

\_\_\_\_\_

City/State/Zip: \_\_\_\_\_

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Circle accounting method

**Cash** **Accrual**

Are there any environmental concerns that you may have observed. If so, please explain.

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**PRICING:**

(Please check)

Opinion of Value \$795.00 \_\_\_\_\_ Range of Value \$395.00 \_\_\_\_\_

Stock Sale Valuation add \$400.00 \_\_\_\_\_

Industry and Economic Outlook Report – Please call for pricing \_\_\_\_\_

Rush Delivery \_\_\_\_\_ add \$100 UPS Next Day Service instead of Priority Mail, will be charged at cost to the representative.

Total for appraisal \$ \_\_\_\_\_

**Valuation Partner:**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Cell \_\_\_\_\_

E-mail: \_\_\_\_\_ (e-mail address required for Adobe download)

Description of Business: SIC Code: \_\_\_\_\_ (Found on Tax Return)

(If necessary use note pages. Tell us as much as possible or include company brochures/web site)

Reason for Evaluation: (Contemplation of Sale, Bank Financing, Estate Planning, etc.)

Effective Date of Evaluation: (Date of last Profit and Loss Statement reviewed)

If Client is other than the owner, Please list Owner's Name and Address:

**SEND TO NEW ADDRESS:** Connecticut Business Brokers  
24 laurelwood pond lane  
New hartford, CT 06057  
(800) 943-7778 Fax (860) 482-6819

**DISCRETIONARY NET PROFIT ANALYSIS**

**DATA INPUT 1**

**Warning #1**

DO NOT add back the interest expense incurred by "floor planning"

**Warning #2**

If revenue was generated by selling assets or unusual activities or came from sources other than this business or will not be transferred to a new owner- **DEDUCT THOSE AMOUNTS.**

**Warning #3**

If Real Estate is involved and the company does not pay "Fair Market Rent" – DEDUCT AN AMOUNT PER YEAR THAT WOULD BE FAIR MARKET RENT.

*THIS FORM IS CRITICAL - BE EXTREMELY ACCURATE!*

| Company's Year Ends: _____                        | <i>ANNUALIZED CURRENT YEAR</i> |                    |                  |   |
|---|--------------------------------|--------------------|------------------|---|
|   | 2000 ____                      | 200 ____           | 200 ____         | 200 ____<br>This Year<br>Annualized –Optional |
| NET PROFIT from an annual statement or tax return | <u>3 YEARS AGO</u>             | <u>2 YEARS AGO</u> | <u>LAST YEAR</u> | <u>THIS YEAR</u>                              |
| <b><u>DISCRETIONARY (Expenses)</u></b>            | _____                          | _____              | _____            | _____   |
| Owner wages and payroll tax                       | _____                          | _____              | _____            | _____   |
| Owner entertainment costs                         | _____                          | _____              | _____            | _____   |
| Owner vehicle costs                               | _____                          | _____              | _____            | _____   |
| Owner's personal insurance costs                  | _____                          | _____              | _____            | _____   |
| Travel or miscellaneous                           | _____                          | _____              | _____            | _____   |
| Non-essential business expenses                   | _____                          | _____              | _____            | _____   |
| Depreciation                                      | _____                          | _____              | _____            | _____   |
| Interest expense (See Warning #1)                 | _____                          | _____              | _____            | _____   |
| Bad debts expense (unusual)                       | _____                          | _____              | _____            | _____   |
| Owner's dues and subscriptions                    | _____                          | _____              | _____            | _____   |
| One time major expense                            | _____                          | _____              | _____            | _____   |
| _____   | _____                          | _____              | _____            | _____   |
| <b>Discretionary (Expenses) Total</b>             | _____                          | _____              | _____            | _____   |
| <b><u>DEDUCTIONS</u></b>                          | _____                          | _____              | _____            | _____   |
| Wages for unpaid or "Voluntary" relatives         | _____                          | _____              | _____            | _____   |
| Other income (Warning #2)                         | _____                          | _____              | _____            | _____   |
| Sale of Assets                                    | _____                          | _____              | _____            | _____   |
| Adjustment for Fair Market Rent                   | _____                          | _____              | _____            | _____   |
| _____   | _____                          | _____              | _____            | _____   |
| <b>TOTAL DEDUCTIONS</b>                           | _____                          | _____              | _____            | _____   |
| NET PROFIT  | _____                          | _____              | _____            | _____   |
| DISCRETIONARY (Exp) TOTAL                         | _____                          | _____              | _____            | _____   |
| TOTAL DEDUCTIONS                                  | _____                          | _____              | _____            | _____   |
| _____   | _____                          | _____              | _____            | _____   |
| <b>TOTAL CASH FLOW</b>                            | _____                          | _____              | _____            | _____   |
| _____   | _____                          | _____              | _____            | _____   |

**Connecticut Business Brokers has the right to change information reflected on this questionnaire for the final report based on its database and/or research. Owners/Field Rep Initials \_\_\_\_\_ / \_\_\_\_\_ Updated 07-28-04**



COMPANY INFORMATION AND RISK ANALYSIS TABLE

COMPANY INFORMATION

RISK ANALYSIS TABLE

| <u>Tangible Assets</u>                   | <u>Market Value</u> | <u>Topic</u>  | <u>Multiples Rating 1-5</u> |
|--|---------------------|---|-----------------------------|
| Machinery and Equipment                  | _____               | Labor   |                             |
| Leasehold Improvements:                  | _____               | 1=High turnover, 5=Excellent  | _____                       |
| Vehicles:                                | _____               | <u>Financial Strength</u>   |                             |
| Normal Inventory on Hand:                | _____               | 1=Severe unprofitability, 5= Excellent  | _____                       |
| Licenses/Patents:                        | _____               | <u>Facilities and Location</u>  |                             |
| Percent of Inventory that is obsolete    | _____               | %   |                             |
| Estimated percentage of error:           | _____ %             | 1= Unattractive/not adequate, 5=Excellent   | _____                       |
| Average age of Equipment (years):        | _____               | <u>Diversity of Accounts</u>  |                             |
| Economic Depreciation per year:          | _____ %             | 1=One account equals 25% or more of revenues, 5=Many accounts equal 25%                 | _____                       |
| <br><u>General Information</u>           |                     |   |                             |
| Years in Business:                       | _____               | <u>Competition</u>  |                             |
| Number of Partners and/or Family Members | _____               | 1=Many competitors, 5=No competitor   | _____                       |
| Number of Accounts the Company sell:     | _____               | <u>Predictability</u>   |                             |
| Number of Accounts that equal 25%:       | _____               | 1=Severe fluctuations in revenues/cash flow, 5=Revenues/cash flow extremely predictable | _____                       |
| Number of years left on Lease:           | _____               | <u>Marketability</u>  |                             |
| Total Number of Full Time Employees:     | _____               | 1=No buyers, 5= Many available buyers   | _____                       |
| Total Number of Part Time Employees:     | _____               | <u>Future Outlook</u>   |                             |
| Management Compensation for owners       | _____               | 1=Industry and business have dropped severely, 5=Fantastic outlook – no slowdown        | _____                       |
| Services (including all benefits):       | \$ _____            | <u>Owner Importance</u>   |                             |
| Percent owner will finance:              | _____ %             | 1=Owner will be impossible to replace, 5=Owner is absentee                              | _____                       |
| Percent interest owner will charge:      | _____ %             | <b>Total of all Topics</b>  | _____                       |
|  |                     | <u>Divided by 9 topics = Average rating:</u>  | <u>0.0</u>                  |