



WEBINAR

PREPARING TO BUY A DEALERSHIP: LEGAL, TAX, AND MARKET INSIGHTS

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THE CURRENT BUY-SIDE MARKET

SETTING THE STAGE

- Interest rates, OEM pressure, and tariffs are reshaping deal structures
- Shifting demand: which franchises and regions are hot—and which aren't
- How EV investments and new technology are influencing valuations
- Longer timelines and more complex negotiations compared to past years



How are today's economic and OEM conditions changing buyer behavior?

BUYER STRATEGIES & MARKET DYNAMICS

WHERE DEALERS SEE OPPORTUNITY

- Diversification across brands or regions to balance risk
- Motivations behind acquisitions: growth, consolidation, or succession planning
- Key metrics buyers are tracking: profitability, absorption rate, return on investment
- Market insights: how franchise mix, location, and inventory trends impact deals



What's driving the most active buyers right now?



GETTING DEAL-READY

PREPARING BEFORE ENTERING THE MARKET

- Build the right advisory team early (broker, attorney, accountant, lender)
- Why choosing the right attorney is critical—and how the wrong one can derail a deal
- Tax and accounting factors to review before making an offer
- The importance of due diligence and understanding total acquisition costs



LEGAL FRAMEWORK IN DEALERSHIP ACQUISITIONS

- Regulated Industry: OEM & State “Dealer” Laws
- Asset vs. Stock Purchase/Contribution

Phases of a Transaction:

NEGOTIATION



EXECUTION



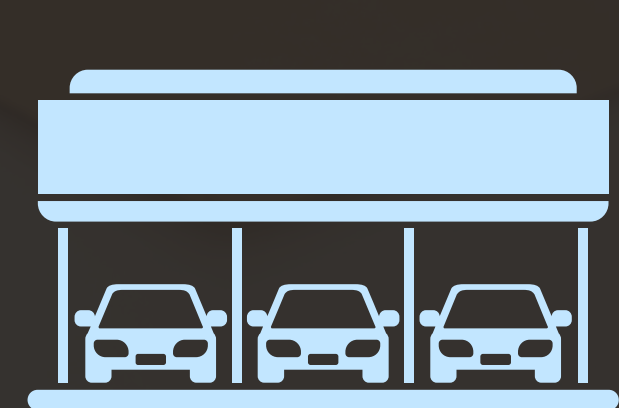
PRE-CLOSING



CLOSING



POST-CLOSING





KEY LEGAL RISKS

- Franchise “Obligations”
- Real Estate/Site Control
- Employment & Workforce Transition
- Compliance: F&I, Advertising, Privacy/Data, Intellectual Property, Licensing



What’s one risk area buyers often underestimate?

STRUCTURING & CLOSING THE DEAL

- Purchase Agreement: Reps & Warranties
- Third-Party Consents: OEM, Lenders, Landlords, Vendors
- Smooth Closing



What helps ensure a seamless handoff at closing?



**“EVERYBODY HAS A PLAN ‘TILL THEY GET PUNCHED
IN THE MOUTH” – MIKE TYSON**



FINANCIAL & TAX READINESS

PRACTICAL ACCOUNTING INSIGHTS FOR BUYERS

- Conduct thorough due diligence beyond the surface numbers
- Review key balance sheet areas: working capital, inventory, and fixed assets
- Evaluate purchase price allocation and understand tax implications
- Accounting treatment of goodwill, inventory, and reconditioning costs



What are some accounting surprises that can derail a closing?

PREPARING FOR A SMOOTH TRANSACTION

STEPS TO GET DEAL-READY

- Use structured checklists to ensure no financial areas are overlooked
- Plan for working capital adjustments and valuation differences
- Consider tax structuring options before committing
- Integrate accounting insights with legal and market factors for better decision-making



Which financial areas do buyers often underestimate before signing?



DEALERSHIP DUE DILIGENCE ACQUISITION CHECKLIST



SCAN ME

TAKEAWAYS FOR BUYERS

- Engage experienced legal, tax, and market advisors early
- Understand your financial and operational limits
- Focus on post-close integration planning
- Patience pays — the right opportunity is worth waiting for

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QUESTIONS?

THANK YOU! CONNECT WITH US:



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