



# Anatomy of a Dealership Transaction

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Thursday, March 19, 2026

# April Education and Training Classes

**April 21**

Reaching Your Real  
Used Car Potential

**April 23**

Notary Public Training  
& Test Prep

**April 28**

Service Advisor's  
Guide to Selling  
Service & Repair



**Visit [www.gnyada.com/education](http://www.gnyada.com/education)  
to register**

# Sales Tax Seminar

**Center for Automotive Education & Training**

Tuesday, May 12, 2026:

- 9:30 AM – 12:00 PM

## Learn How to Handle Sales Tax

Sales tax issues can be complicated and confusing and may lead to costly errors. This seminar will cover the most common sales tax questions received by GNYADA.

Visit [www.gnyada.com/events](http://www.gnyada.com/events) to register



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# Anatomy of a Dealership Transaction

## Best Practices and Fundamentals

GNYADA - March 2026

Andy Church – Eastern Region VP



# Topics



**MERGERS &  
ACQUISITIONS**



**REAL ESTATE**



**DATA  
INTELLIGENCE**



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# DSMA EXPERTISE



**2,500+**

Dealership Valuations



**500+**

Dealerships Sold



**\$7B+**

Generated in Client Value



We Sell a Business Every

**2.5 Days**



**13K+**

Potential Buyers



**171 Days**

On Average to Close a Deal

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# OUR SERVICES

**DSMA has built a full suite of essential services to provide comprehensive coverage to all our clients, including:**

- Seller Representation
- Buyer Representation
- OEM Application Support
- Dealer Profile Packages
- Open Point Packages
- First-Time Buyer Support
- Business Valuations
- Capital Sourcing

# GLOBAL REACH

WITH LOCAL UNDERSTANDING

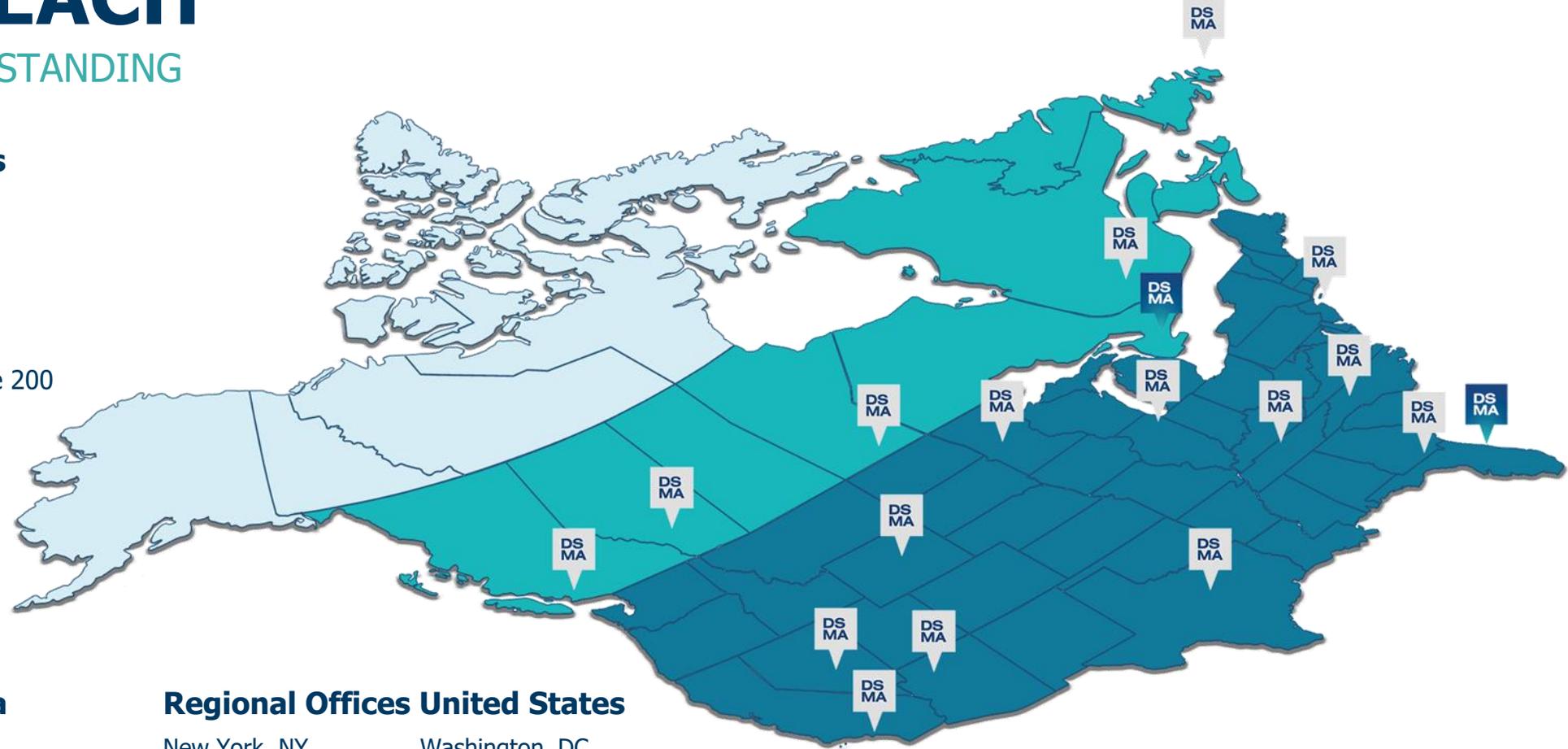
## Corporate Headquarters

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Jacksonville, FL      Dallas, TX  
Myrtle Beach, SC      Denver, CO  
Nashville, TN      Detroit, MI  
San Francisco, CA      Las Vegas, NV  
Seattle, WA

# Anatomy of a Dealership Transaction

- Valuation
- The Deal Team
- Letter of Intent (LOI)
- Due Diligence
- Deal Structure
- Real Estate
- OEM Approval
- Closing



# Meet our Dealers\*



**BOB**



**HENRY**

\*All Dealers are fictional and for illustration purposes only. They do not exist

**DS**   
**MA**  
REAL PEOPLE.  
REAL DEAL.

# Valuation – Provides Buyer Confidence



- Up to date Financials
- Documented Add backs
- Logical Answers to questions
- Knows his strengths and weaknesses
- Logical Asking GW = Strong Offers



- Just give me the number
- I don't need to provide Financials
- Add backs on a napkin
- Messy Approach = Lower offers
- More Deals fall apart

# The Deal Team – Good Advisors = Less Risk



- Experienced Auto Attorney
- Experienced Valuation Provider
- Experienced Buy/Sell Advisor
- Meets Regularly with Team
- One Plan, One Timeline, One Goal



- Inexperienced Attorney
- Sees Advisors as Cost
- I know my Goodwill
- I can do it on my own Deal

# Letter of Intent – Setting the Framework



- Outlines Expectations
- Handling of Inventories
- Sets Conditions for Closing
- Provides Exclusivity
- Creates Deposits
- If it's not clear in the LOI, it's a risk



- No Biggie - It's Non-binding
- Let the Attorney's fight it out later
- No Exclusivity
- No Deposit
- Vague Terms create risks to the Transaction

# Due Diligence – Make or Break Moment



- Sets up a Data Room
- Has Documentation ready for DD
- Answers Questions in a timely manner
- Know's his Balance Sheet
- Know's condition of Real Estate
- Fast answers keep momentum and trust



- Not Organized
- No sense of Urgency
- Doesn't respond to questions in a timely manner
- Doesn't have documentation
- Delays kill Buyer confidence

# Deal Structure – Smooth or Rocky Waters



- Favors Asset Sale
- Has CPA and Tax Attorney Involved
- Understands Implications on Inventories
- Know's New and Used Inventory Status
- Structure Drives taxes, risk, and Timeline



- Too early to meet with CPA and Tax Attorney
- My RE Appraisal is only 10 years old
- We can change structures midstream, how hard can that be?

# Real Estate – Accelerate or Kills the Deal



- Has a recent Appraisal
- Phase 1 Environmental
- Facility is Image Compliant
- Dealership is Clean and well maintained
- Parking lots as in good shape
- Open to a Lease on the right terms



- My RE Appraisal is only 10 years old
- Image Compliant? I have no idea
- Some Fixed Assets are not working
- Weeds growing through the Parking lot
- Shop not clean / Abandoned mystery corner
- Possible Environmental issues

# OEM Approval – No Approval No Deal



- Formally Notifies the OEM
- Ensures all his information is timely
- Open communication with the OEM
- Open communication with the Buyer



- I really don't like those people
- Don't worry OEM will be fine
- I'll notify when I have more time
- They shouldn't have any requests

# Closing – Preparation = Success



- Notifies Employees in Advance
- Parts Inventory done in Advance
- New/Used Inventory List provided in Advance of closing day
- All Contracts Transitioned
- Team on site for Closing Day



- I'll tell my Employees when the money is in my Bank account!
- Buyer must purchase all my Inventories at my numbers!
- I don't need anyone to help close, that's the buyers job



**BOB**



**HENRY**

## 2 Dealers, Same Market, Very Different Results

\*All Dealers are fictional and for illustration purposes only. They do not exist

# Henry Approach = More Risk and Less Profits

- Messy Books, Inflated Expectations
- Vague or No LOI
- Slow, reactive DD
- Real Estate Addressed too Late
- Advisors in Silos
- Deal Falls apart multiple times
- Goodwill price is reduced



**✘** Deals Don't fail on Price.. They fail on Process!

# Bob is a Happy!

- Clean Financials before Valuation
- Strong, clear LOI
- Fast, organized Due Diligence
- Real Estate handled in parallel
- OEM Approval treated as critical path
- Advisors aligned weekly



The Price isn't the Difference – It's Preparation!

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**Be  
like  
Bob!**



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# THANK YOU

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