

Case Study

Accounting Practice Acquired by Private Equity Group

\$3M

Purchase
Price

4.4X

Adj EBITDA
Multiple

1.5X

Revenue
Multiple

42

Buyer
Showings

110

Days to
Close

Transaction Overview:

The owners of a well-established accounting practice turned to Sunbelt Business Advisors and True North M&A (TNMA) as their exclusive financial advisor to explore the sale of their business. Their accounting and tax planning capabilities cover a wide array of clients, including individuals, businesses, and non-profit organizations. The owners, looking to retire, wanted to ensure that the company's legacy continued and believed it would flourish under the guidance of another player in the financial services sector. With a high-margin practice and established relationships with a diverse range of clients in place, the company was well-equipped to support growth and deliver reliable financial solutions.

Buyer Synergies and Results:

The accounting practice attracted strong interest from both private equity groups (PEGs) and industry players due to its financial performance and the depth of its professional team. The firm's experienced CPAs and staff reduced transition risk and ensured continuity of client service, making it a compelling acquisition.

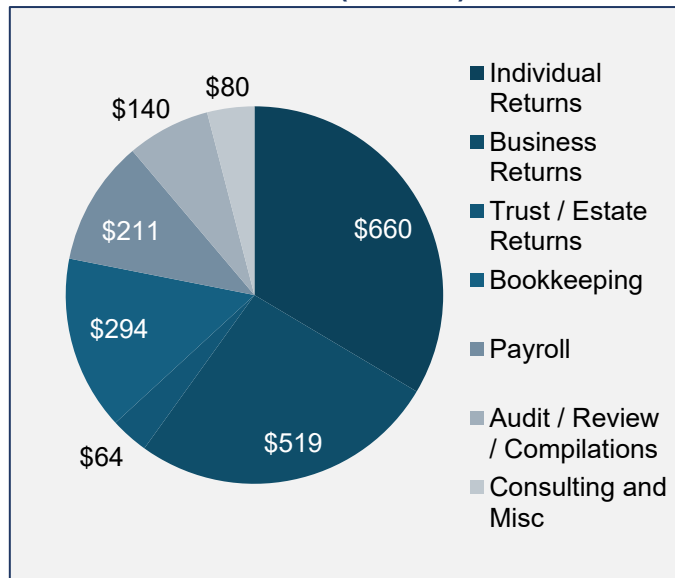
The selected buyer, a PEG with a strong national platform, recognized the opportunity for the team to thrive under its larger organization. The PEG offered \$2.2M in cash at close with an additional \$0.8M in performance-based earnouts over two years.

Of the three owners, one planned to stay for one year, another for two to five years, and the third for five to ten years. Employment agreements were successfully negotiated with support from Sunbelt and True North, leaving all owners satisfied with the outcome.

Key Takeaways:

Sunbelt Business Advisors and True North M&A demonstrated exceptional execution and market reach by completing a targeted 4-week marketing campaign that engaged over 40 qualified strategic and financial buyers. Their ability to generate strong competitive interest in a short timeframe highlights the firms' deep network, precision in buyer targeting, and proven process for creating value in the lower middle market. This strategic approach not only maximized deal exposure but also secured favorable terms and a smooth transition—underscoring Sunbelt and True North's differentiating strength in delivering superior outcomes for business owners seeking both financial and legacy continuity.

Revenue Breakdown (In 000s):



Client Breakdown:

