



Advising Automobile Dealers LLC

a Texas Limited Liability Company

Email: info@AdvisingDealers.com – Website: www.AdvisingDealers.com

What Does Advising Automobile Dealers LLC Charge?

Over the years, we have helped many car people. We live through referrals and earn our fee by putting much effort and knowledge into structuring and closing sales. We are consultants, not brokers. The prospectus we prepare takes as much work as an appraisal and we are not inclined to offer free assessments. We do not merely introduce you to a buyer or seller and then take a fee. We help you through the entire transaction and are with you at the closing.

Another distinction between us and brokers is that in some instances after we completed our analysis we advised our clients to keep their dealerships. One of the more notable instances is documented on our website with an endorsement from Barbara Meister. Mrs. Meister is the sister-in-law of Lew Wolff, the owner of the Oakland Athletics baseball team.

Mrs. Meister's husband passed away, leaving her with a number of domestic and import franchises, including several RV franchises, and a number of substantial pieces of real estate. John Pico was referred to her by her lawyers. She retained him and he spent a couple of months analyzing the businesses and real estate, at the end of which time he concluded it would be better for Mrs. Meister to keep the stores and get new management. He then met with her and her advisors (attorneys, accountant and family members) and presented his analysis and conclusions. They agreed with him, he helped her get new management and she still owns the stores today. That advice meant the loss of an opportunity to sell the packages and receive substantial "Final Fees," but it was the right thing to do for the client.

Unlike some lawyers, accountants and some other consultants, we generally do not bill by the hour because we believe it counter-productive to our clients' interests to base our fees on the philosophy: "The longer you take, the more you make".

Therefore, we structure our fee arrangements to provide we receive the same fee no matter how long it takes us to complete a project. As a result, we are constantly motivating the rest of your team to keep things "moving along". As a side-effect of this structure, we try to make ourselves available 24/7, because important questions do not necessarily arise between the hours of 9:00 AM and 5:00 PM, Mondays through Fridays.

A transaction must be completed before we receive our "Final Fee", which is typically seven two (2%) of the assets, excluding new and used vehicles; however, on larger transactions we have a "sliding" scale. With respect to other transactions, we base our fee upon the particulars of our assignment, and it is agreed upon with our client before we are retained.

When buying a store, we generally set a flat fee instead of a percentage. Otherwise, the more our client pays, the more we would be rewarded. Similar to our thoughts with regard to

Advising Automobile Dealers LLC
We Can Make the Difference



"hourly" billing, we feel that a fee arrangement based upon the premise "the more you pay, the more we get," would be counter-productive.

Unlike brokers, we charge an up-front retainer that is deducted from our total fee which is payable at the close. (You may view our contract at our website.)

We believe that a retainer helps separate serious clients from those who are "just testing the waters" and not sure they really want to do business. Time and advice are our stock and trade. Consequently, if someone is not serious about a transaction, we are not interested in squandering our resources. If a person is serious, we have enough references and experience to justify our fee.

When we enter into a contract, we want to be sure our client is serious and we do not want to invest the time to analyze the store and prepare a prospectus only to have the client tell us they just wanted an idea of what their store was worth.

A transaction is not complete and we do not get our "Final Fee" until the buyer's check is cashed. Obtaining Letters of Intent, Asset Purchase Agreements, Stock Agreements, Real Estate Agreements, Non-Competition Agreements and the like is as meaningful as your team having the lead at halftime in a football game. It means nothing until the deal closes, the check clears and the game is over.

We do not do not earn our fee by matching buyers with sellers via generic advertising in Automotive News, or via multiple listings. We do more than introduce buyers and sellers and supply a few forms.

We analyze the dealership, prepare proforma, and use our contacts with factories, lenders, escrow companies, appraisers, and other automotive related professionals in order to maximize the potential of closing a satisfactory transaction for our client. We work maybe half-a-dozen transactions at a time and are available 24/7 to everyone with whom we interact. See our brochure: What we do for Sellers.

When working a transaction within the contiguous 48 states, we make our own flight arrangements, pay for our own hotel, and buy our own meals. We pay to visit and entertain prospective buyers. We don't write-down we spoke to someone five minutes here, or seven minutes there, or get involved in minutia like billing for phone calls and copies. We focus on making the deal and having it close. we make our money by closing deals.

In short, if we are going to invest our energy, dedication, time, experience and long-nurtured contacts into helping a dealer, we want the dealer to have a stake in the game also. Consequently, if a dealer is not willing to bet on himself/herself, we are not willing to willing to bet either.

Thank you for considering Advising Automobile Dealers LLC. If you feel, after we review the information and discuss your particular situation with you, that we are the people for you, we will visit you to reach a fee agreement, explain some preliminary moves you need to take to prepare, and begin putting a package together for you.

Website: www.AdvisingDealers.com

Email: info@advisingdealers.com

**Advising Automobile Dealers LLC
We Can Make the Difference**