

Construction Contractor Business Valuation

1. Introduction of RECA and Speakers – 5 minutes
2. Industry Background – 5 minutes
3. Why Contractors Need Valuations – 15 minutes
 - a. Estate or Exit Planning
 - b. Shareholder buyout
 - c. Buy-sell agreement
 - d. Buying a contractor
4. Which Methods Are Appropriate – 10 minutes
 - a. Income Approach
 - i. Capitalization of Earnings Method
 - ii. Discounted Cash Flows Method
 - b. Asset Approach
 - i. Tangible Assets
 - ii. Intangible Assets
 - c. Market Approach
 - i. Direct Market Comparison Method
 - ii. Guideline Public Company Method
5. Considerations for Valuing Construction Contractors – 20 minutes
 - a. Accounting Methods
 - b. Income Tax Issues
 - c. Types of Assets
 - d. Industry Risks
 - e. Operational Issues
 - f. Rules of Thumb
6. Contractor Valuations - Examples – 40 minutes
 - a. Income Method
 - b. Asset Method
7. Closing remarks and Questions – 5 minutes