

Performance

BROKERAGE SERVICES

TEXAS & MIDWEST QUARTERLY

Q3 2025



THE BUYER’S PERSPECTIVE

What They’re Really Thinking When They Look At Your Store

You’ve built a strong business, and you know your store inside and out. But when it’s time to sell, the question isn’t just what your dealership is worth to you, the value becomes a two-way conversation, and buyers may see it through an entirely different lens.

Their perspective is shaped by data, risk, opportunity, and return on investment. And those perceptions ultimately drive what they’re willing to pay. Understanding how buyers evaluate a store is key to preparing yours for a successful sale. Here are some of the common questions they are asking:

“How much of this profit is real?”

Buyers rarely accept the data at face value. They rebuild EBITDA from scratch. They scrutinize add-backs for inflation or inconsistency, flag one-time expenses that seem to recur, and question pack structures, personal expenses, and any categories that seem excessive. Having clean financials with the least number of add-backs is ideal.

And not every dealership comes to market at peak performance. Underperformance in recent years doesn’t mean the store can’t still be positioned as a valuable opportunity. Many buyers make purchasing decisions based on forward-looking performance. If the store has strong fundamentals, brand potential, and market opportunity, a well-prepared offering can highlight the upside with a pro forma outlook, helping buyers see not just where the business is today, but where it could go.

“Do Earnings Support the Real Estate Value?”

Buyers don’t evaluate the business and the real estate in isolation, they consider the total investment and the return it can generate. If the real estate is priced above what the store’s earnings can reasonably support, the overall economics begin to break down. In many cases, the first thing to be reduced is goodwill. Buyers often treat the deal as one bucket, and if the real estate takes up more than its fair share, something else must give.

Even when a store is performing consistently, buyers are thinking long-term. They want confidence that the business can support not only today’s real estate costs, but also future capital needs, such as OEM image programs, facility upgrades, or fluctuating interest rates. It’s not just about whether numbers pencil today, it’s about whether they’ll hold up over time.

“Is this the right location for me and does the market support growth potential?”

Location matters, but not just in terms of population size or traffic count. Buyers evaluate whether the market presents a long-term opportunity. That includes local competition, demographic trends, and, importantly, the new vehicle planning potential. If your town is small and capped, it may not align with a buyer’s growth strategy.

But it goes deeper than that. Geography becomes personal. Is the location close to a buyer’s existing rooftops? Do they know the market and feel comfortable operating there? Can they recruit and retain the kind of talent they need to run the store? Even if the financials look strong, if the location doesn’t align with the buyer’s vision, they’ll likely move on.

“Is there a strong team in place to carry the business forward?”

When buyers evaluate a dealership, one of their biggest concerns is whether the business can run smoothly after the ownership transfer. They’re looking at the strength of the general manager, department heads, and the broader leadership team. Will they stay post-sale? Are they engaged, well-compensated, and aligned with the store’s long-term success?

Buyers also look closely at employee retention, CSI scores, and reputation in the community. A healthy culture and high-performing team can make or break a deal, because they directly impact continuity, customer trust, and day-one performance under new ownership.

“What’s the reason for a sale?”

Buyers are always looking for context. Is this a planned retirement? A strategic shift? Or are there operational or reputational issues under the surface? Understanding the “why” behind the sale helps buyers connect with the opportunity and see themselves in the next chapter.

Without a clear narrative, buyers may start to speculate, and that can slow momentum. A well-positioned story creates clarity, builds confidence, and shows buyers that the decision to sell was thoughtful and deliberative.

What this means for sellers

Buyers are no longer passive recipients of an asking price. They build their own valuations, question assumptions, and decide whether your store fits their strategic goals.

That’s why it helps to have an experienced advisor in your corner. At Performance Brokerage Services, we help sellers understand how buyers are likely to view their store, what they’ll value, what they’ll flag, and where the conversation may diverge. We work to present your business in the strongest light possible, backed by clean numbers, clear positioning, and a process that builds credibility.

You only sell your dealership once. Whether you’re ready now or just planning ahead, the earlier you understand the buyer’s perspective, the better prepared you’ll be to navigate what comes next.

WHAT OUR CLIENTS ARE SAYING

I had a great experience working with Eric Scott. He has always been consistent in bringing opportunities that might be of interest to me. He was quick to respond throughout the process, and the transaction went smoothly.

LEWIS AUTOMOTIVE GROUP

It was a very smooth process. Eric Scott of PBS understood exactly what was important to me. We’ve had many people approach us over the years, but this was the right fit. Everything went just the way it should.

CAROL GRADY

From start to finish, Emily and Matt provided exceptional support. Their communication was always clear, consistent, and proactive. We look forward to working with them again in the future.

LITHIA & DRIVEWAY

This was my third transaction with PBS, and once again, Emily and Matt delivered a seamless experience. Their professionalism and flexibility make them an overall pleasure to work with.

MOSAIC AUTO GROUP

Emily Bourne walked us through every aspect of the sale and made it quite stress free. The people of Performance Brokerage Services are truly professionals, and I wouldn’t hesitate to use them in the future.

VALLEY AUTOMOTIVE GROUP

Mark, Sr. and Mark, Jr. were outstanding to work with. Their understanding of the buyer, seller, and manufacturer’s wants and needs helped put the deal together in the right way. I look forward to working with them again.

GOLLING AUTOMOTIVE GROUP

Mark, Sr. and Mark, Jr. have a real passion for what they do and are extremely hardworking, knowledgeable, honest, and diligent. When the time came to sell our six dealerships, their expertise made for a seamless transaction.

SARCHIONE AUTOMOTIVE GROUP

Mark, Sr. and Mark, Jr. did an outstanding job keeping a very large, six-store deal on track. They were relentless in getting the deal to make sense for everyone involved, and the outcome was great on both sides.

KEN GANLEY AUTOMOTIVE GROUP

TEXAS & MIDWEST TRANSACTIONS



**PHILLIPS HYUNDAI
OF BRADLEY**
Bourbonnais, Illinois

Acquired by
Patriot Motors
from Phillips Auto Group



**SARCHIONE
AUTO GROUP**
6 Locations, Ohio

Acquired by
Ken Ganley Auto Group
from John & Joe Sarchione



**FIEHRER
BUICK GMC**
Hamilton, Ohio

Acquired by
Tom Gill
from Tom & Dan Fiehrer



**VALLEY
CHEVROLET**
Hastings, Minnesota

Acquired by
Tri-Rivers Chevrolet
from Valley Auto Group



**ZUMBROTA
FORD**
Zumbrota, Minnesota

Acquired by
Mosaic Auto Group
from Steve Johnson Family



**RAY LAETHEM
CDJR**
Detroit, Michigan

Acquired by
Golling Automotive Group
from Jeff Laethem



**ERNST
AUTO GROUP**
Columbus, Nebraska

Acquired by
Gregg Young Automotive Group
from John & Jim Ernst



**ZEIGLER NISSAN
OF GURNEE**
Gurnee, Illinois

Acquired by
Jason Prado*
from Zeigler Auto Group



**NORSEMAN
MOTORS, INC.**
Detroit Lakes, Minnesota

Acquired by
Muscatell Automotive
from Daniel Sauvageau



**KRUSEN
MOTORS**
Mt. Pleasant, Iowa

Acquired by
Coleman Automotive Group
from the McKinzie Family



**FORD
OF OTTUMWA**
Ottumwa, Iowa

Acquired by
Vaughn Automotive
from Gregg Young Automotive Group



**FRED MARTIN
OF YOUNGSTOWN**
Youngstown, Ohio

Acquired by
#1 Cochran Automotive
from Fred Martin



**CHAMPAIGN
CDJR**
Champaign, Illinois

Acquired by
Sam Leman
Automotive Group



**FORD OF
GALESBURG**
Galesburg, Illinois

Acquired by
Jason Prado & Rik & Ray Fregia
from Dan Kuna & Tony Lozich



**CHAMPION
CHEVROLET**
Avon, Indiana

Acquired by
Romain
Automotive Group



SUBARU
**MONEY
SUBARU**
Salina, Kansas

Acquired by
Midway Motors
from Mike Money



TOYOTA
**PREMIER
TOYOTA**
Amherst, Ohio

Acquired by
Kevin Wuepper
from Robert Fisher



**CHEVROLET GMC &
CDJR OF NAVASOTA**
Navasota, Texas

Acquired by
Chris Elliot of
EAG Automotive



**LAKESIDE
CHEVROLET**
Rockwall, Texas

Acquired by
Hiley Automotive Group from
Bob Holliman & Carl & Michael Grady



**MARTIN
KIA**
Bowling Green, Kentucky

Acquired by
Don Franklin Auto Group
from Martin Management Group



**MARK
CHEVROLET**
Wayne, Michigan

Acquired by
Golling Automotive Group
from Charles Cabana



**CHRISTIENSEN
MOTORS**
Audubon, Iowa

Acquired by
Emerald Chevrolet
from Christiansen Motors Inc.



**VAN HORN
FORD & CHEVROLET**
Newhall, Iowa

Acquired by
Sky Auto Mall
from Van Horn Automotive Group



SUBARU
**MUSCATELL
SUBARU**
Moorhead, Minnesota

Acquired by
Corwin Automotive Group
from Muscatell Automotive



**GMC OF
DODGE CITY**
Dodge City, Kansas

Acquired by
Lewis Automotive Group
from the G1 Group



**DICK MASHETER
FORD**
Columbus, Ohio

Acquired by
Oleg Kislyansky of Drive Choice
from Bob Masheter



**APPLE
CHEVROLET**
Northfield, Minnesota

Acquired by
Keffer Auto Group
from Apple Auto Group



**VALU
FORD & CHRYSLER**
Morris, Minnesota

Acquired by
Veero Auto Group
from Krusemark Automotive



**NORTH BRANCH
CHEVROLET**
North Branch, Minnesota

Acquired by
Tom Kadlec Automotive
from Lithia Motors



**PATRIOT
CHEVROLET GMC**
Ardmore, Oklahoma

Acquired by Jeremy Hodge
from Tatton Manning of
Patriot Auto Group

TEXAS & MIDWEST TRANSACTIONS

OUR TEXAS & MIDWEST TEAM



PAUL KECHNIE
Senior Partner
Texas & Midwest Offices

Austin, Texas
512. 839. 5250
paul@performancebrokerageservices.com



JAMIE FARLEY
Partner, Business Development
Texas & Midwest Offices

Skokie, Illinois
773. 558. 7703
jamie@performancebrokerageservices.com



MARK SHACKELFORD, SR.
Partner
Midwest Office East
Serving: OH, MI, IN, KY, & WV

Barberton, Ohio
330. 352. 5651
mark@performancebrokerageservices.com



MARK SHACKELFORD, JR.
Partner
Midwest Office East
Serving: OH, MI, IN, KY, & WV

Barberton, Ohio
330. 634. 3825
markjr@performancebrokerageservices.com



EMILY BOURNE
Partner
Midwest Office West
Serving: IL, WI, MN, IA, & NE

Skokie, Illinois
585. 957. 1593
emily@performancebrokerageservices.com



MATT WILLIS
Partner
Midwest Office West
Serving: IL, WI, MN, IA, & NE

Des Moines, Iowa
515. 360. 6755
mattw@performancebrokerageservices.com



ERIC SCOTT
Partner
Texas & Mid-South Office
Serving: TX, OK, MO, & KS

Austin, Texas
210. 889. 8770
eric@performancebrokerageservices.com

SHIFTING GEARS: PREPARING FOR M&A

The *Driving Performance Podcast* was launched to bring real conversations to the retail automotive industry, from ownership journeys to behind-the-scenes stories and everything in between. Within that, we created the “Shifting Gears” segment specifically to help dealership owners and operators prepare for the complexities of M&A. These episodes feature experts in legal, financial, and real estate disciplines, as well as buyers and capital partners, all sharing practical, hard-earned advice on what it takes to navigate a smooth transaction.

Whether you are years away from selling or just starting to think about what’s next, this segment was designed to be a resource for you. We’re proud to honor the guests who’ve generously shared their expertise to help dealers like you make informed, confident decisions about the future.



Tim Batchelor
The Third Path in Dealership M&A
“It used to be a binary situation: sell or don’t sell. Now there are other alternatives, often better, that help preserve family legacy and support continued growth.”



Travis Horton
Beyond the Balance Sheet: Planning Smarter for the Next Big Decision
“Real Estate has certainly impacted the amount of goodwill dealers are getting.”



Stephen Kay
Don’t Overlook the Dirt: What Dealers Need to Know About Real Estate
“Ultimately, real estate value will influence business value.”



Monica Hoenshell
How the Right M&A Attorney Gets You to the Finish Line
“Go in focused, ready to move as quickly as you can, and encourage your legal counsel to do the same.”



Greg Gilmore
Inside the Metrics that Matter to OEMs
“Not being accurate the first time is just a killer on these deals. You have to be accurate and give all the information in a nice professional manner.”



Jason Lumpkin & Connor Duncan
The Road to Dealership Ownership: Insider Tips
“Being a prudent saver and living below your means is going to position you a heck of a lot better when you make the decision to buy a store.”

Listen to Driving Performance. Real talk from real experts on dealership growth, succession, and strategy.

AVAILABLE ON:



Performance

BROKERAGE SERVICES

We pledge to do it right, every time, one client at a time.

Performance Brokerage Services is North America's highest volume dealership brokerage firm, specializing in buy-sell activity for automotive, RV, marine, powersports, commercial truck, and equipment dealerships.

With over 30 years of experience, 900 dealerships sold, and a 90% closing rate, our family-owned company is governed by an unwavering commitment to integrity and ethical conduct. We simply operate differently.

- We understand the decision to sell is often emotional and we take a no-pressure approach.
- With no upfront fees, retainers, nor reimbursement of costs, we are paid a success fee only, after you are paid.
- Our engagement agreements are fair, straight-forward, flexible, and with no fine print.
- We are so confident you will be satisfied with our service, we even allow for a termination clause.
- We do not hoard listings to build an inventory. We work hard to accomplish our clients' goals.

Headquartered in California and supported by regional offices in Utah, Texas, Illinois, Ohio, Florida, Virginia, New Jersey, Alberta, and Ontario, clients benefit from national exposure with local representation. With divisions dedicated to automotive, RV, marine, powersports, trucking, and equipment, our access to qualified buyers is unprecedented.

Contact your local office for a confidential consultation and a complimentary opinion of value on your business.

Value Statement

1. Befriend your client
2. Lead your client with your expertise
3. Put your client's interests ahead of your own
4. Under all circumstances, do the right thing
5. The success will follow

Confidentiality is the cornerstone of our business. All communications will be held in the strictest of confidence. No exceptions.



www.performancebrokerageservices.com