

*Performance*

BROKERAGE SERVICES

# TEXAS & MIDWEST MARKET INSIGHTS

Q1 2026



# The Strategic Advantage of a CURRENT DEALERSHIP EVALUATION



## Most dealers have a number in their head.

It may be based on recent performance, conversations with peers, industry publications, or input from their accountant. What many have not done, however, is validate that estimate against the specific factors that make their dealership unique in today's market.

A dealership's value is not determined by applying a published multiple to reported net profit. Nor is it accurately captured by taking a straight average of EBITDA, particularly when the COVID years produced extraordinary and unsustainable earnings. Assumptions that were reasonable several years ago may no longer reflect today's realities.

Valuation is far more nuanced.

Two dealerships with similar financial statements can command drastically different values. Brand strength, market demographics, sales effectiveness, management depth, facility compliance, capital requirements, real estate structure, competitive landscape, and buyer appetite all influence value. Buyers build their own projections and underwrite based on future cash flow expectations, which often

differ meaningfully from historical averages. Ultimately, a dealership is worth what a qualified buyer believes it can earn going forward, not simply what it earned in the past.

Published brand multiples and transaction summaries often reflect a somewhat narrow segment of the market, frequently involving public companies or large dealer groups.

**More than 90 percent of dealership owners, however, operate between one and five rooftops.** The behavior and data of this majority segment cannot be overlooked. It forms the foundation of real-world dealership valuation. These transactions are shaped by circumstances, motivations, and structures that rarely translate into a simple rule of thumb.

Likewise, many traditional accounting valuations rely on standardized methodologies that may not incorporate current buyer behavior, live transaction dynamics, or real time demand for a specific franchise in a specific market. Even well-intentioned estimates can miss critical drivers of value if they are disconnected from active market intelligence.

## Share of Owners by Number of Dealerships Operated

# OF DEALERSHIPS	2016	2018	2020	2022	2024	2025
1-5	94.3%	94.0%	93.7%	92.7%	91.4%	90.7%
6-10	3.8%	4.1%	4.2%	4.8%	5.3%	5.8%
11-25	1.5%	1.5%	1.7%	2.1%	2.6%	2.8%
26-50	0.1%	0.2%	0.3%	0.3%	0.5%	0.6%
51+	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%

Source: NADA

**The majority of dealership owners operate between 1-5 rooftops, where real-world valuation is primarily defined.**

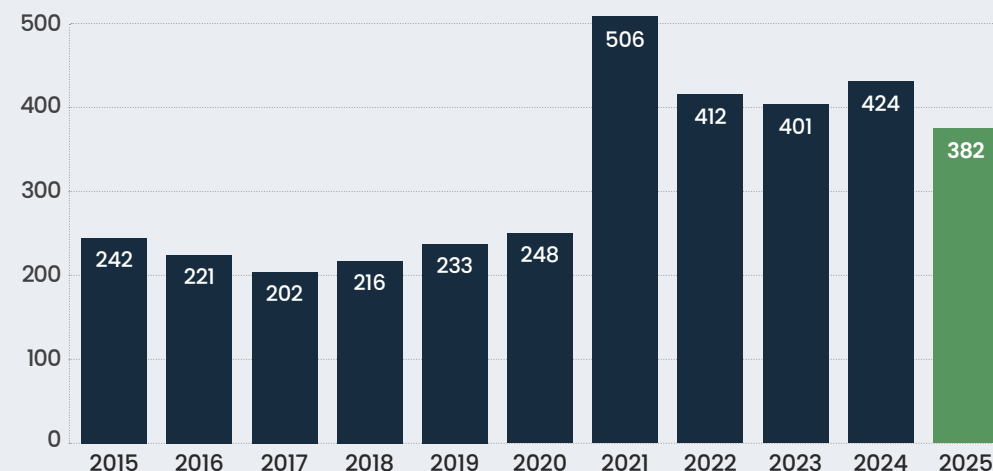
## The dealership buy-sell market remains active.

2025 delivered record transaction volume for our Texas & the Midwest office, and early 2026 activity suggests continued strength. Capital remains available. Buyer demand is steady. At the same time, profits have normalized from peak levels, underwriting has become more disciplined, and structure matters more than it did several years ago. These shifts directly affect how dealerships are evaluated today.

A current, market-based evaluation provides clarity, and it helps answer important questions:

- How is the market truly viewing my franchise and performance?
- How are buyers adjusting for the extraordinary earnings of recent years?
- Is my real estate aligned with what the business can reasonably support?
- Where does my store stand relative to recent, comparable transactions?
- What operational factors are enhancing or limiting value?

## U.S. Dealership Transactions by Year



Source: Source: Automotive News, The Banks Report, SEC Filings, Performance Brokerage

**Current market behavior, not historical averages, is driving how dealerships are evaluated today.**

For many dealers, the dealership represents the majority of personal net worth. Understanding how that asset is viewed in the current market does not necessarily represent an intent to sell. It demonstrates prudent ownership.

A thoughtful evaluation can support succession discussions, capital planning, and long-term growth or retirement decisions. It can also identify areas where operational adjustments today may proactively strengthen value tomorrow.

Our evaluations reflect real-time transaction data and active buyer engagement. They are grounded in

current market behavior, not theoretical multiples or broad brand averages.

An evaluation is not a commitment to go to market. It is information. When handled confidentially and thoughtfully, it becomes a strategic advantage, even if the decision to sell is still years away.

If you would like a confidential and realistic perspective on your dealership's position in today's market, our team is always available as a resource.

We provide complimentary, market-based evaluations, with no obligation, and complete discretion.

# TEXAS & MIDWEST TRANSACTIONS

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**CARVER TOYOTA  
OF COLUMBUS**  
Taylorsville, Indiana  
Acquired by  
Carlock Automotive Group from  
Roy J. Carver, Jr. and Ashley Jannie



**SARCHIONE  
AUTO GROUP**  
6 Locations, Ohio  
Acquired by  
Ken Ganley Auto Group  
from John & Joe Sarchione



**COLUMBIANA  
FORD**  
Columbiana, Ohio  
Acquired by  
Prestige Auto Group  
from Pillar Automotive



**KOLOSSO  
TOYOTA**  
Appleton, Wisconsin  
Acquired by  
Kocourek Automotive  
from Bill & Barb Kolosso



**ZUMBROTA  
FORD**  
Zumbrota, Minnesota  
Acquired by  
Mosaic Auto Group  
from Steve Johnson Family



**APPLE VALLEY  
BUICK GMC**  
Apple Valley, Minnesota  
Acquired by  
Kunes Auto Group from  
Jim Paul of Valley Automotive Group



**NORSEMAN  
MOTORS, INC.**  
Detroit Lakes, Minnesota  
Acquired by  
Muscatell Automotive  
from Daniel Sauvageau



**ZEIGLER NISSAN  
OF GURNEE**  
Gurnee, Illinois  
Acquired by  
Jason Prado\*  
from Zeigler Auto Group



**VALLEY  
GMC**  
Hastings, Minnesota  
Acquired by  
Kunes Auto Group  
from Valley Automotive Group



**MONEY  
SUBARU**  
Salina, Kansas  
Acquired by  
Midway Motors  
from Mike Money



**MARTIN  
CDJR**  
Cleveland, Texas  
Acquired by  
Kedge Cook  
from Brian Bounds



**FRED MARTIN  
OF YOUNGSTOWN**  
Youngstown, Ohio  
Acquired by  
#1 Cochran Automotive  
from Fred Martin



**FORD OF  
GALESBURG**  
Galesburg, Illinois  
Acquired by  
Jason Prado & Rik & Ray Fregia  
from Dan Kuna & Tony Lozich



**PREMIER  
TOYOTA**  
Amherst, Ohio  
Acquired by  
Kevin Wuepper  
from Robert Fisher



**GREGG YOUNG  
CDJR**  
Plattsmouth, Nebraska  
Acquired by  
Janssen Auto Group  
from Gregg Young Automotive Group



**HYUNDAI OF  
DODGE CITY**  
Dodge City, Kansas  
Acquired by  
Legacy Auto Center  
from The G1 Group



**FIHRER  
BUICK GMC**  
Hamilton, Ohio  
Acquired by  
Tom Gill  
from Tom & Dan Fiehrer



**COAD CHEVROLET &  
COAD FORD**  
Anna, Illinois  
Acquired by  
JP Sides Automotive Group from  
Rick Kennard and Tim & Mike Coad



**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



**KARL  
FORD**  
Story City, Iowa  
Acquired by  
Casey, Nick & Matt Johnson  
from Karl Auto Group



**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



**PHILLIPS HYUNDAI  
OF BRADLEY**  
Bourbonnais, Illinois  
Acquired by  
Patriot Motors  
from Phillips Auto Group



**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



**DUTCH MILLER  
GMC**  
El Dorado, Kansas  
Acquired by  
Wilson Auto Family  
from Dutch Miller Auto Group



**VALU  
FORD & CHRYSLER**  
Morris, Minnesota  
Acquired by  
Veero Auto Group  
from Krusemark Automotive



**TEAM CHEVROLET  
GMC**  
Alice, Texas  
Acquired by  
Payne Auto Group  
from Mike Terry Auto Group

\*Co-Brokered, Representing Buyer

## Our Texas & Midwest Team



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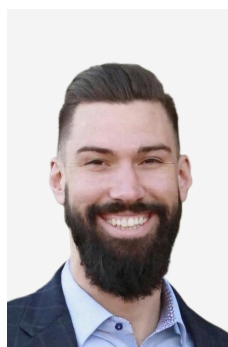
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## Understanding Today's Transaction Landscape

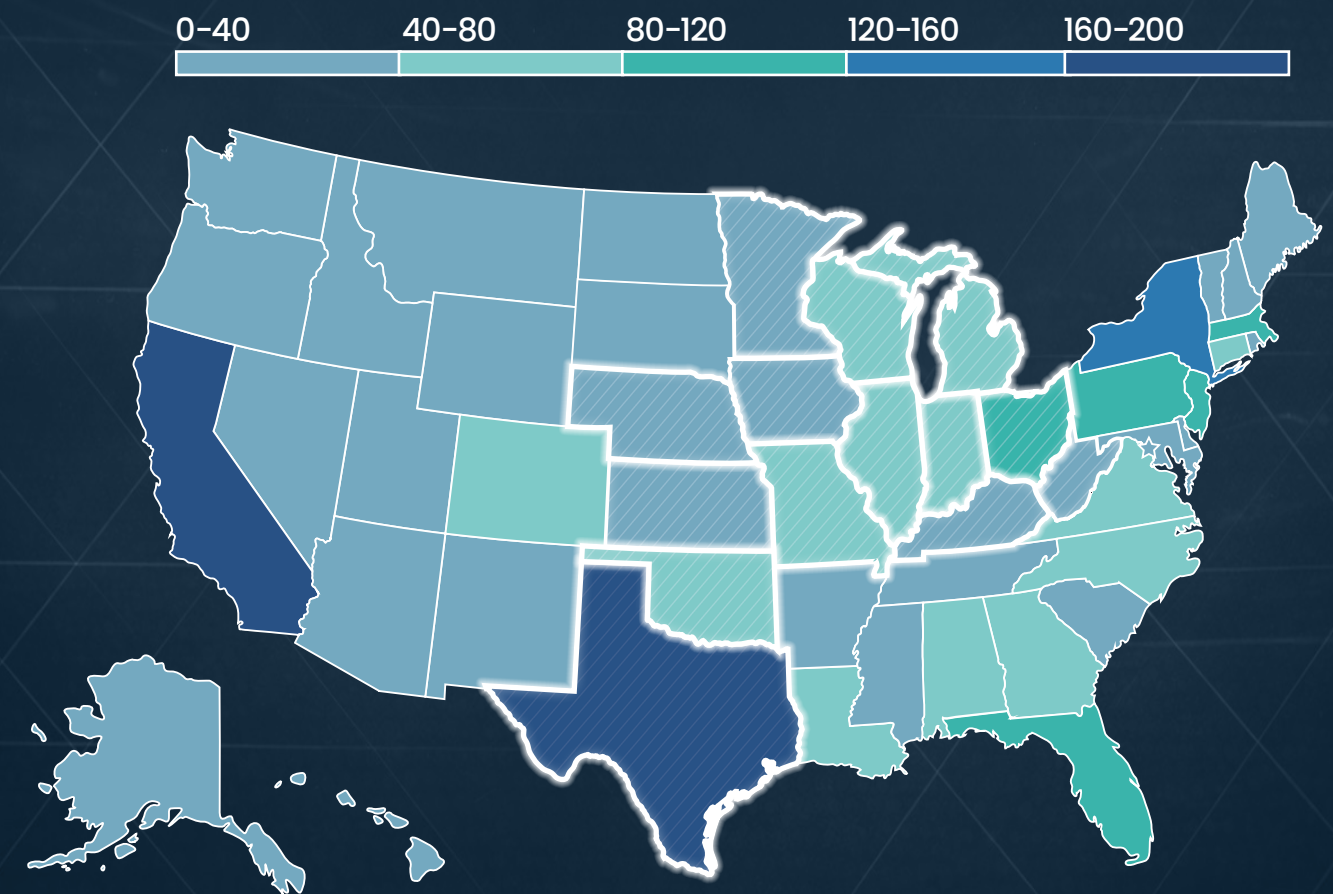
Dealership transactions across the U.S. offers a clear view into where buyer demand is most concentrated. Not surprisingly, larger and more populated states continue to lead in overall activity, driven by higher dealership density and greater volume operations.

What stands out, however, is the consistency and strength of activity throughout the Midwest. While major metro areas continue to be strong, the Midwest distinguishes itself through consistent demand across a multiple markets. These areas continue to attract serious buyers who are drawn to stable operations, meaningful upside, and long-term fundamentals.

We are seeing this momentum firsthand. The Texas & Midwest region experienced a particularly strong year in 2025, with our team closing a record 35 transactions in the region. That level of activity reflects not only sustained buyer demand, but also the depth of relationships and market knowledge our team brings.

As we move into 2026, the landscape remains active and encouraging. Capital is available, buyers continue to pursue growth, and well-positioned dealerships are generating interest. For many dealers, this creates an opportunity to better understand where they stand and plan strategically for what comes next.

Dealership Transactions by State (2021-2025)



Source: Automotive News

# 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 12 regional offices across the United States and Canada, clients benefit from national exposure to the largest and most qualified dealers across all dealership industries. We pledge to do it right, every time, one client at a time.

Contact our offices 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.**

