

INTRODUCTION

Business Valuation Resources (BVR) publishes the *BIZCOMPS®/BVR Deal Review™* on a recurring basis when the *BIZCOMPS* database is updated. The purpose of the *BIZCOMPS/BVR Deal Review* is to provide general trend information on valuation multiples and operating ratios for transactions contained in the *BIZCOMPS* database, available at bvresources.com/BIZCOMPS. Additionally, this publication contains a brief excerpt from BVR's *Economic Outlook Update™*.¹

¹ The *Economic Outlook Update (EOU)* is a monthly and quarterly publication published by Business Valuation Resources that provides details on the state of the U.S. economy and provides a forecast for the future. The *EOU* covers everything from general economic conditions and energy prices to stock and bond markets. To purchase a current or historic issue of the *EOU*, or to view a sample issue, click [here](#).

The *BIZCOMPS/BVR Deal Review* is organized into two sections: (1) *BIZCOMPS* valuation multiples and operating ratio trends for all industries; and (2) an excerpt and graph from BVR's most current *Economic Outlook Update* publication.

In the tables and graphs, we present medians, averages, and harmonic means, depending on the data.

WINTER 2017

INTRODUCTION	1
BIZCOMPS SUMMARY DATA	2
Exhibit 1: BIZCOMPS Summary Information	2
Exhibit 2: BIZCOMPS Median Valuation Multiples - All Industries, Organized by Annual Gross Sales and Year	3
Exhibit 3: BIZCOMPS Harmonic Mean Valuation Multiples - All Industries, Organized by Annual Gross Sales and Year	3
Exhibit 4: BIZCOMPS Median Operating Ratios - All Industries, Organized by Annual Gross Sales and Year	3
Exhibit 5: Harmonic Mean of Sale Price/Annual Gross Sales Valuation Multiple	4
Exhibit 6: Median of the Sale Price/Annual Gross Sales Valuation Multiple	4
Exhibit 7: Harmonic Mean of the Sale Price/SDE Valuation Multiple	5
Exhibit 8: Median of Sale Price/SDE Valuation Multiple	5
Exhibit 9: BIZCOMPS Median Sale Price/Annual Gross Sales by Industry	6
Exhibit 10: BIZCOMPS Harmonic Mean Sale Price/Annual Gross Sales by Industry	7
Exhibit 11: BIZCOMPS Median Sale Price/SDE by Industry	8
Exhibit 12: BIZCOMPS Harmonic Mean Sale Price/SDE by Industry	9
Exhibit 13: Median SDE/Annual Gross Sales Operating Ratio by Industry	10
Exhibit 14: Median Rent/Annual Gross Sales Operating Ratio by Industry	10
ECONOMIC OUTLOOK	11
EXHIBIT 15: Key Economic Variables Actual 2004-2016 and Forecast 2017-2026	11

BIZCOMPS Definitions

Annual gross sales: Annual gross sales (\$000s), normally net of sales tax

Seller's discretionary earnings (SDE): Net profit before taxes and all compensation to one working owner plus amortization, depreciation, interest, other noncash expense, and non-business-related expense (\$000s)

Sale price: Actual sale price (\$000s), inventory has been deducted if it was included in sale price

SDE/annual gross sales: Seller's discretionary earnings divided by annual gross sales

Sale price/annual gross sales: Sale price divided by annual gross sales

Sale price/SDE: Sale price divided by seller's discretionary earnings

Rent/annual gross sales: Yearly rent divided by annual gross sales

BIZCOMPS is a private transaction database that contains details on private-business purchases by private buyers. As of Feb. 21, 2017, the BIZCOMPS database contained 13,162 transactions.

BIZCOMPS contains data variously described as guideline transaction, comparable sales data, business comparable, and/or market data. Specifically, BIZCOMPS compiles and reports information on 21 data points highlighting the financial and transactional details of the sales of private companies.

Exhibit 1 provides summary information by year for the BIZCOMPS database. It's clear from the data that the downturn in the economy starting in 2009 has affected the number of closed business sales being submitted to the BIZCOMPS database.

BIZCOMPS SUMMARY DATA

Exhibit 2 presents, by year, two median valuation multiples for all industries based on three annual gross sales ranges.

Exhibit 3 presents, by year, two **harmonic mean** valuation multiples for all industries based on three annual gross sales ranges.

Looking at both tables, companies with annual gross sales greater than \$700,000 tended to have the lowest median and harmonic mean sale price/annual gross sales multiple. They also had the highest sale price/SDE multiple. In general, both multiples started declining in 2008 and 2009, with some rebounding in later years.

Exhibit 1: BIZCOMPS Summary Information

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Count	1,466	993	1,484	1,003	1,076	1039	1,232	694	751	618	501
Median Annual Gross Sales (\$000s)	\$427	\$447	\$409	\$462	\$403	\$453	\$497	\$508	\$473	\$491	\$540
Average Annual Gross Sales (\$000s)	\$805	\$941	\$804	\$943	\$858	\$903	\$1,071	\$1,058	\$958	\$1,316	\$1,213
Median Sale Price (excludes inventory) (\$000s)	\$195	\$195	\$168	\$180	\$158	\$180	\$198	\$201	\$180	\$180	\$235
Average Sale Price (excludes inventory) (\$000s)	\$355	\$415	\$349	\$378	\$327	\$386	\$422	\$457	\$412	\$415	\$473

<p>Adam Manson Director of Valuation Data</p> <p>Sarah Andersen Publisher</p> <p>Kenny Woo Economics and Data Editor</p> <p>David Foster CEO</p> <p>Lucretia Lyons President</p> <p>Retta Dodge Customer Service Manager</p>	<p><i>BIZCOMPS/BVR Deal Review</i> (ISSN 2161-5934) is published periodically by Business Valuation Resources, LLC, 1000 SW Broadway, Suite 1200, Portland, OR, 97205-3035. Please contact us via email at customerservice@BVResources.com, via phone at 503-291-7963, via fax at 503-291-7955, or visit our website at BVResources.com.</p> <p>The annual subscription price for the <i>BIZCOMPS/BVR Deal Review (BDR)</i> is \$179. Low-cost site licenses are available for those who wish to distribute the <i>BDR</i> to their colleagues at the same address. Contact our sales department at 503-291-7963, extension 2; via fax at 503-291-7955; or visit our website at BVResources.com. Editorial and subscription requests may be made via email, mail, fax, or phone.</p> <p>Although the information in this publication has been obtained from sources that BVR believes to be reliable, BVR does not guarantee its accuracy, and such information may be condensed or incomplete. This publication is intended for information purposes only, and it is not intended as financial, business valuation, investment, legal, or consulting advice.</p> <p>Data source: <i>BIZCOMPS</i> (Las Vegas: <i>BIZCOMPS</i>, 2017). Used with permission of Pacific Services, Inc.</p> <p>No portion of this document can be republished without the express written consent of Business Valuation Resources, LLC.</p>
--	---

Exhibit 4 presents, by year, two median operating ratios for all industries based on annual gross sales ranges.

It's clear from the table that SDE and rent as a percentage of annual gross sales are greater for smaller companies. Companies with annual gross sales of less than \$300,000 had the highest percentage of SDE/annual gross sales through the years, while companies that had annual gross

sales greater than \$700,000 had the lowest percentage of SDE/annual gross sales. It appears that rent/annual gross sales is variable from year to year.

Exhibit 5 represents the harmonic mean of the sale price/annual gross sales multiple by annual gross sales ranges and year. The harmonic mean experienced small changes across all annual gross sales ranges between 2009 and

Exhibit 2: BIZCOMPS Median Valuation Multiples—All Industries, Organized by Annual Gross Sales and Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Annual Gross Sales Range	Sale Price To Annual Gross Sales									
\$0-\$300K	0.62	0.54	0.56	0.59	0.58	0.58	0.56	0.49	0.53	0.51
>\$300K-\$700K	0.43	0.41	0.39	0.40	0.43	0.41	0.39	0.39	0.39	0.44
>\$700K	0.37	0.40	0.36	0.32	0.32	0.32	0.33	0.37	0.41	0.37
Annual Gross Sales Range	Sale Price To SDE									
\$0-\$300K	1.72	1.58	1.65	1.62	1.60	1.61	1.75	1.56	1.73	1.60
>\$300K-\$700K	2.00	1.93	1.77	1.73	1.93	1.81	1.80	1.88	1.85	2.16
>\$700K	2.41	2.16	1.92	2.02	2.02	2.04	2.13	2.29	2.21	2.36

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

Exhibit 3: BIZCOMPS Harmonic Mean Valuation Multiples—All Industries, Organized by Annual Gross Sales and Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Annual Gross Sales Range	Sale Price To Annual Gross Sales									
\$0-\$300K	0.47	0.43	0.46	0.48	0.47	0.46	0.33	0.35	0.43	0.42
>\$300K-\$700K	0.33	0.33	0.32	0.30	0.33	0.22	0.16	0.29	0.30	0.31
>\$700K	0.23	0.21	0.20	0.20	0.20	0.15	0.21	0.24	0.13	0.23
Annual Gross Sales Range	Sale Price To SDE									
\$0-\$300K	1.35	1.37	1.47	1.43	1.48	1.47	1.30	1.18	0.82	1.47
>\$300K-\$700K	1.46	1.54	1.44	1.47	0.91	1.37	0.68	1.55	1.53	1.53
>\$700K	2.01	1.79	1.64	1.35	1.74	1.64	1.83	1.96	0.96	1.74

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

Exhibit 4: BIZCOMPS Median Operating Ratios—All Industries, Organized by Annual Gross Sales and Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Annual Gross Sales Range	SDE to Annual Gross Sales									
\$0-\$300K	35%	34%	34%	36%	34%	35%	33%	29%	32%	33%
>\$300K-\$700K	21%	24%	24%	22%	23%	25%	22%	22%	22%	21%
>\$700K	18%	17%	17%	16%	16%	17%	18%	16%	16%	18%
Annual Gross Sales Range	Rent to Annual Gross Sales									
\$0-\$300K	12%	13%	12%	12%	12%	10%	8%	13%	14%	12%
>\$300K-\$700K	8%	8%	8%	8%	7%	9%	7%	7%	8%	7%
>\$700K	4%	4%	4%	4%	4%	4%	4%	4%	5%	5%

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

2011. Then, in 2012 and 2013, there was a sharp decline in the small and medium ranges while the large gross annual sales range seemed to be unaffected and had marginal increases. Both the small and medium sales ranges experienced rebounds by 2014, while the large gross annual sales range experienced a very sharp decline in 2015 before rebounding in 2016.

and year. Across all annual gross sales ranges, there was a steady decline from the peak of 2007 through the 2008 recession. While all various ranges gradually recovered over time, the small and medium annual gross sales ranges experienced another decline between 2011 and 2014. After reaching their bottom in 2014, the small and medium ranges began to recover in 2015. In 2016, however, only the medium range continued upward while the small range decreased. Meanwhile, the large range peaked in 2014 before declining in 2015, only to rise again in 2016.

Exhibit 6 shows the median of the sale price/annual gross sales multiple, segmented by annual gross sales range

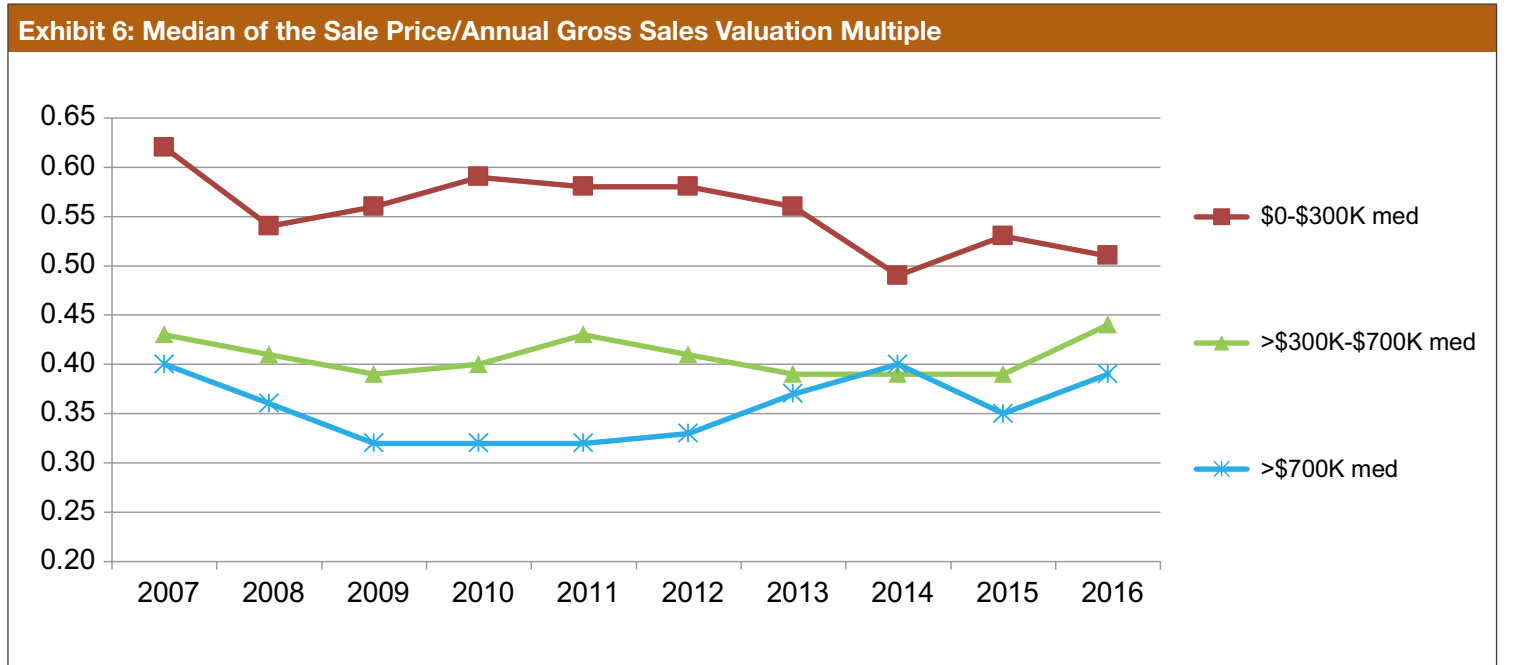
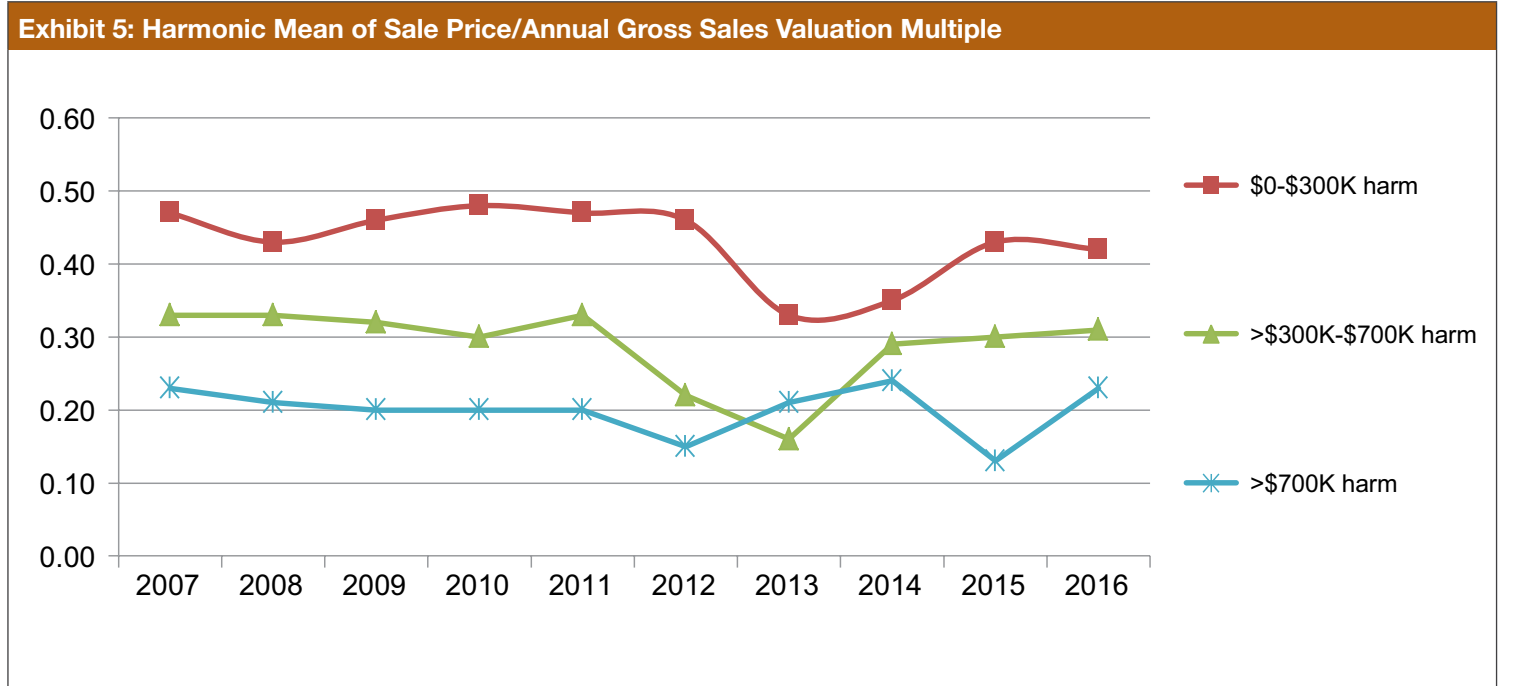


Exhibit 7 shows the harmonic mean of the sale price/SDE multiple, segmented by annual gross sales range and year. There does not appear to be a clear pattern with the sale price/SDE multiple compared with the sale price/annual gross sales multiple. The smallest annual gross sales range remained fairly flat from 2007 to 2012 and then experienced a steady decline through 2015, only to rebound in 2016. The medium annual gross sales range remained flat from 2007 to 2010 and then experienced volatile swings until 2015, before rising slightly in 2016. The largest annual gross sales range peaked in

2007, before declining until it reached its bottom in 2010. Since then, the largest annual gross sales range began an upward trend, reaching another peak in 2014 before suffering a very sharp decline in 2015, only to rebound in 2016.

Exhibit 8 shows the median of the sale price to SDE valuation multiple/annual gross sales ranges and year. There was a decline across all annual gross sales ranges between 2007 and 2009. From 2010 to 2015, all ranges experienced a recovery from the 2009 bottom. As of 2016,

Exhibit 7: Harmonic Mean of the Sale Price/SDE Valuation Multiple

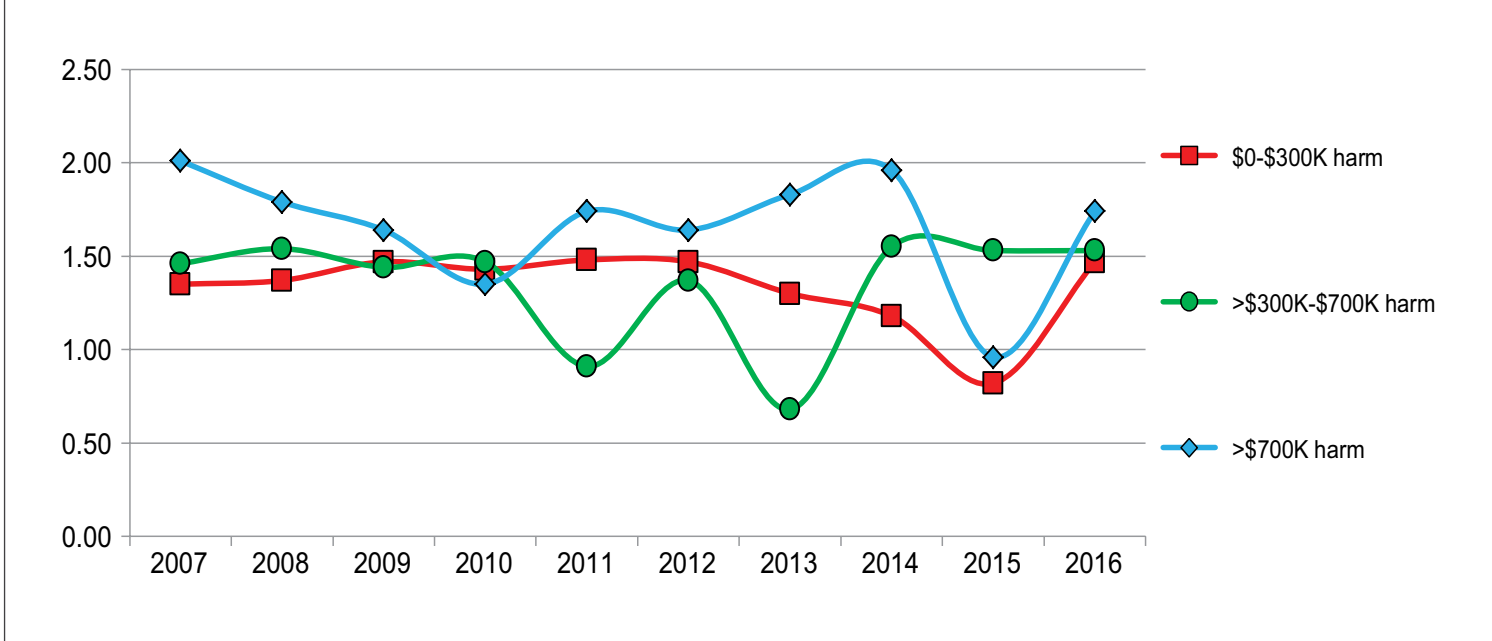
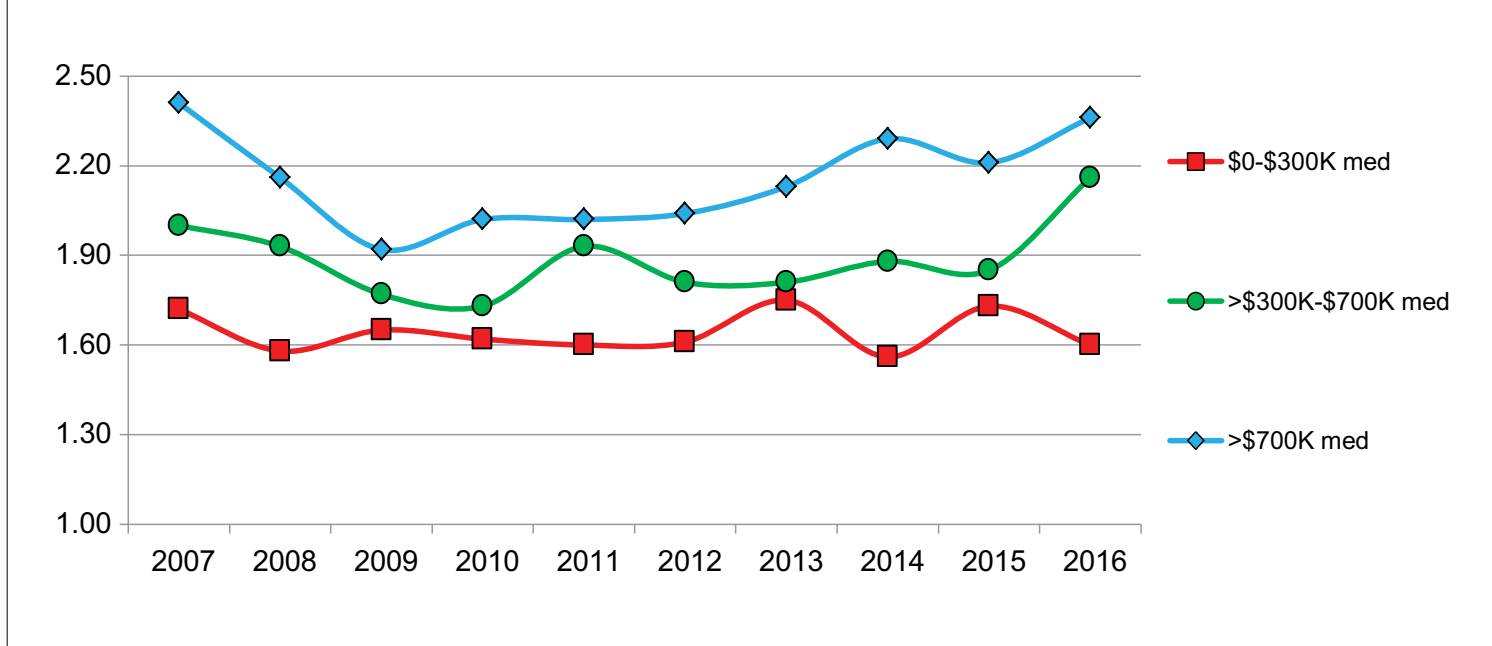


Exhibit 8: Median of Sale Price/SDE Valuation Multiple



only companies with revenues between \$300,000 and \$700,000 have had the median multiple values surpass prerecession levels.

Exhibits 9, 10, 11, and 12 and their respective graphs present median and harmonic mean multiples, segmented by major industry groups (as identified by SIC code ranges) and by year.

The bold dashed black line in each graph displays the value for “all industries” combined. The general trend with the “all industries” line in all four graphs is a peak in 2007 and a general decline after that. The median sale price/annual gross sales and median sale price/SDE “all industries” line decreased through 2009, and rose in 2010 and 2011, and then remained fairly steady. However, the harmonic mean sale price/annual gross sales and the harmonic mean sale

Exhibit 9: BIZCOMPS Median Sale Price/Annual Gross Sales by Industry											
SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	0.46	0.43	0.41	0.34	0.39	0.35	0.39	0.44	0.37	0.43
2011-3999	Manufacturing	0.65	0.51	0.48	0.51	0.54	0.57	0.63	0.50	0.54	0.52
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	0.54	0.71	0.42	0.67	0.48	0.64	0.44	0.46	0.58	0.58
5012-5199	Wholesale Trade	0.40	0.36	0.36	0.34	0.40	0.38	0.39	0.33	0.31	0.37
5211-5999	Retail Trade	0.36	0.34	0.32	0.34	0.34	0.30	0.32	0.32	0.31	0.33
7011-9999	Services	0.57	0.52	0.52	0.53	0.52	0.53	0.52	0.48	0.50	0.51
1521-9999	All Industries	0.46	0.43	0.41	0.43	0.43	0.41	0.41	0.41	0.41	0.42

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

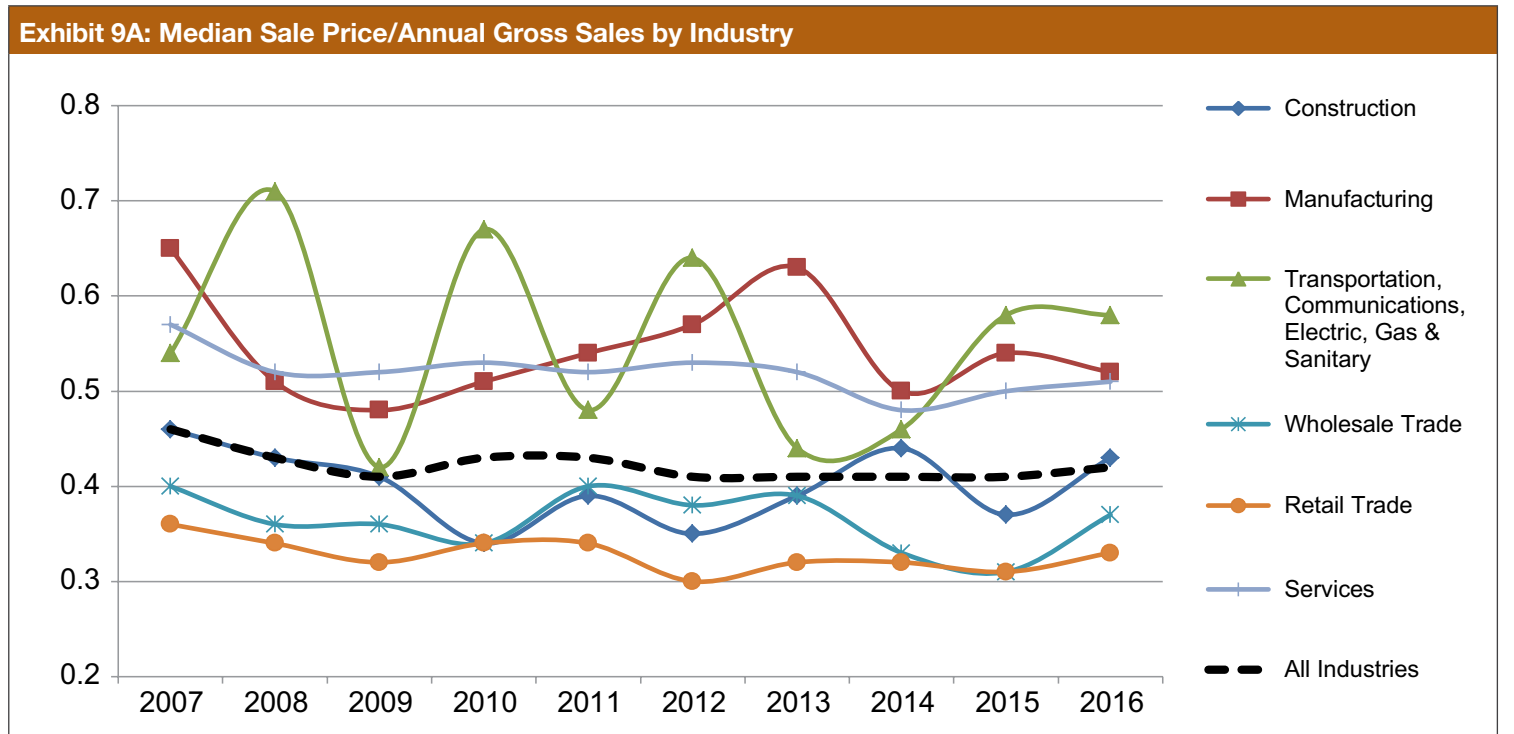


Exhibit 10: BIZCOMPS Harmonic Mean Sale Price/Annual Gross Sales by Industry

SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	0.34	0.29	0.24	0.29	0.36	0.30	0.32	0.27	0.28	0.33
2011-3999	Manufacturing	0.47	0.40	0.39	0.40	0.36	0.37	0.39	0.36	0.40	0.36
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	0.36	0.51	0.30	0.40	0.25	0.36	0.26	0.23	0.39	0.41
5012-5199	Wholesale Trade	0.28	0.24	0.29	0.27	0.31	0.25	0.29	0.24	0.18	0.27
5211-5999	Retail Trade	0.22	0.23	0.21	0.24	0.22	0.16	0.18	0.24	0.22	0.25
7011-9999	Services	0.46	0.44	0.37	0.36	0.39	0.23	0.20	0.34	0.18	0.37
1521-9999	All Industries	0.31	0.30	0.28	0.29	0.29	0.21	0.21	0.28	0.21	0.28

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

Exhibit 10A: Harmonic Mean Sale Price/Annual Gross Sales by Industry

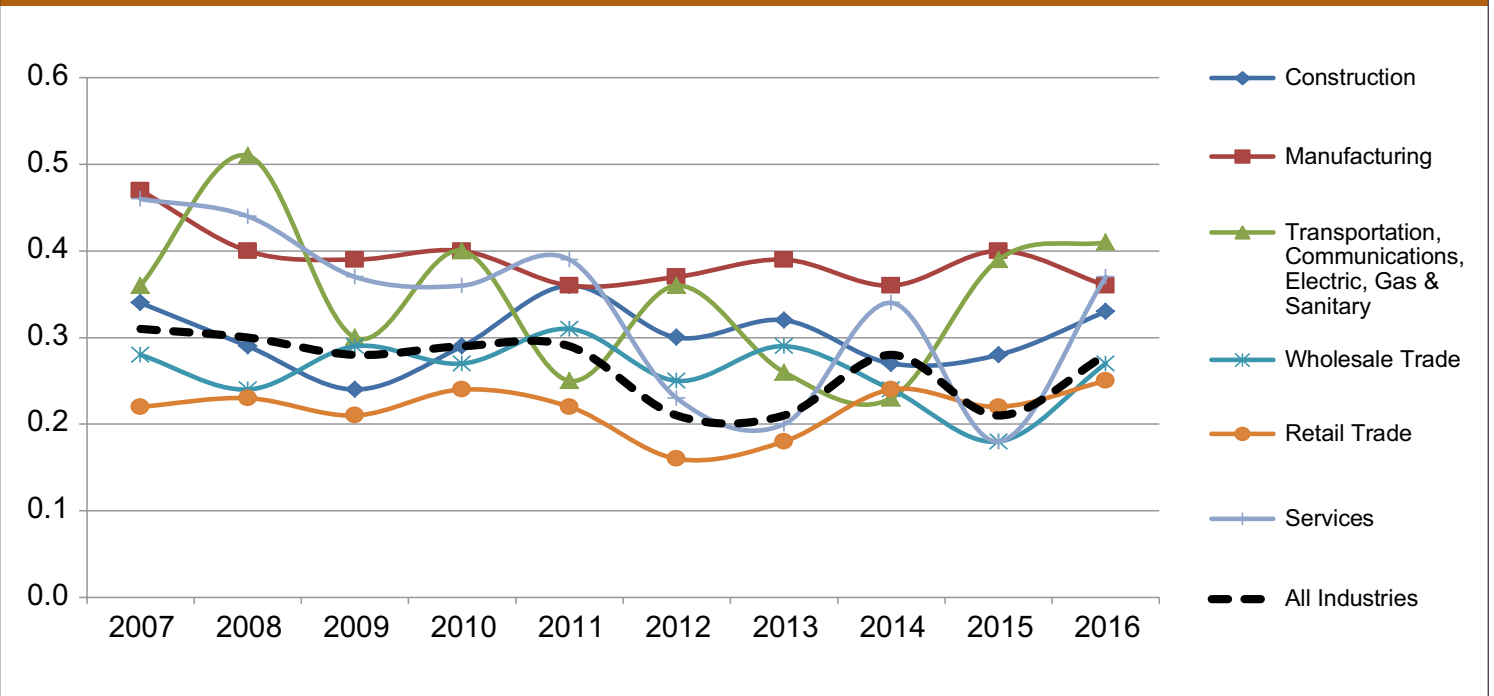


Exhibit 11: BIZCOMPS Median Sale Price/SDE by Industry

SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	1.93	2.19	1.67	1.38	2.02	2.42	2.09	1.93	1.96	2.25
2011-3999	Manufacturing	2.54	2.33	2.06	1.95	2.21	2.14	2.50	2.44	2.28	2.31
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	1.81	2.00	1.68	2.07	1.35	1.74	1.84	2.00	2.59	2.25
5012-5199	Wholesale Trade	1.87	2.10	2.06	2.18	2.28	1.97	1.74	2.08	2.12	2.32
5211-5999	Retail Trade	2.03	1.69	1.72	1.67	1.75	1.63	1.79	1.83	1.77	1.94
7011-9999	Services	2.00	1.88	1.68	1.73	1.84	1.94	1.87	1.92	1.95	2.10
1521-9999	All Industries	2.02	1.85	1.76	1.73	1.89	1.84	1.88	1.91	1.95	2.13

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory.

Exhibit 11A: Median Sale Price/SDE by Industry

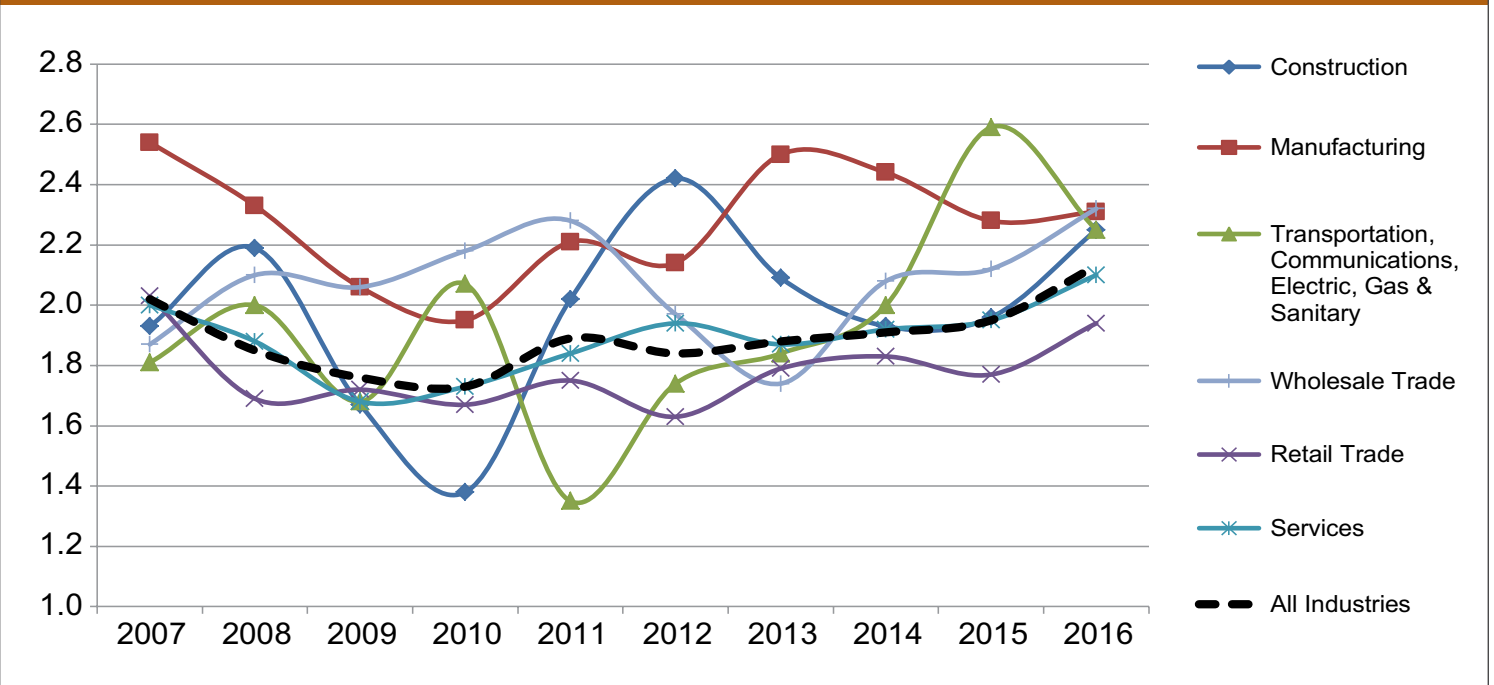
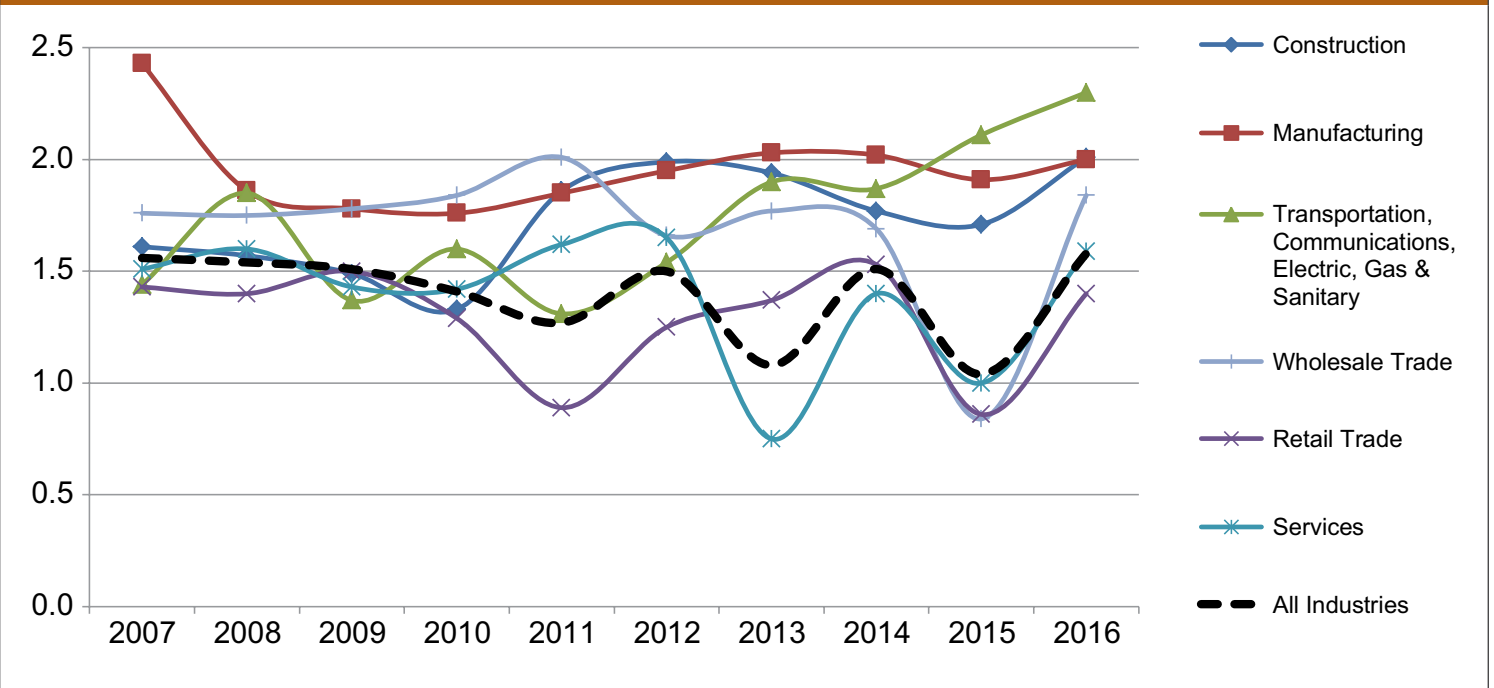


Exhibit 12: BIZCOMPS Harmonic Mean Sale Price/SDE by Industry

SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	1.61	1.57	1.49	1.33	1.86	1.99	1.94	1.77	1.71	2.01
2011-3999	Manufacturing	2.43	1.86	1.78	1.76	1.85	1.95	2.03	2.02	1.91	2.00
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	1.44	1.85	1.37	1.60	1.31	1.54	1.90	1.87	2.11	2.30
5012-5199	Wholesale Trade	1.76	1.75	1.78	1.84	2.01	1.66	1.77	1.69	0.84	1.84
5211-5999	Retail Trade	1.43	1.40	1.50	1.29	0.89	1.25	1.37	1.53	0.86	1.40
7011-9999	Services	1.51	1.60	1.43	1.42	1.62	1.65	0.75	1.40	1.00	1.59
1521-9999	All Industries	1.56	1.54	1.51	1.41	1.27	1.50	1.08	1.51	1.04	1.58

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies. Sale price excludes inventory

Exhibit 12A: Harmonic Mean Sale Price/SDE by Industry



price/SDE continued to decline through 2015 (except for a slight incline in harmonic mean sale price/SDE in 2012 and 2014 and a slight incline in harmonic mean sale price/annual gross sales in 2014). In 2016, the harmonic mean sale price/SDE increased in all seven categories, while the harmonic mean sale price/annual gross sales increased across six of the seven categories.

Exhibit 13 presents the median SDE/annual gross sales ratio based on major industry groups (as identified by SIC code).

Exhibit 14 presents the median rent/annual gross sales ratio based on major industry groups (as identified by SIC code).

Exhibit 13: Median SDE/Annual Gross Sales Operating Ratio by Industry

SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	22%	21%	23%	21%	21%	19%	18%	21%	19%	19%
2011-3999	Manufacturing	21%	24%	22%	23%	22%	23%	24%	21%	25%	19%
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	26%	32%	30%	35%	25%	32%	20%	23%	23%	22%
5012-5199	Wholesale Trade	19%	17%	21%	18%	19%	18%	18%	16%	16%	14%
5211-5999	Retail Trade	18%	20%	18%	20%	20%	19%	19%	19%	17%	19%
7011-9999	Services	30%	30%	30%	30%	28%	29%	28%	25%	25%	26%
1521-9999	All Industries	23%	24%	23%	24%	23%	23%	22%	21%	21%	21%

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies.

Exhibit 14: Median Rent/Annual Gross Sales Operating Ratio by Industry

SIC Code Range		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1521-1799	Construction	1%	2%	2%	3%	2%	2%	3%	3%	3%	3%
2011-3999	Manufacturing	5%	5%	6%	5%	5%	5%	4%	5%	6%	5%
4011-4971	Transportation, Communications, Electric, Gas & Sanitary	5%	7%	5%	8%	5%	5%	3%	4%	2%	8%
5012-5199	Wholesale Trade	3%	5%	4%	4%	3%	3%	2%	3%	5%	3%
5211-5999	Retail Trade	9%	9%	9%	8%	7%	8%	7%	9%	9%	8%
7011-9999	Services	10%	9%	8%	9%	8%	9%	6%	7%	8%	8%
1521-9999	All Industries	8%	8%	7%	8%	7%	7%	6%	6%	7%	6%

Note: Each data point in this chart was based on a minimum of 10 transactions by private buyers of private companies.

Regarding the median SDE/annual gross sales ratio, five of the seven industries (includes the “all industries” group) hit or tied their 10-year low in 2014 or 2015, with the other two industries reaching their 10-year low in 2016. Six of the seven industries reached or tied their peak values between 2007 and 2012; manufacturing reached its peak value in 2015.

Regarding the median rent/annual gross sales ratio, five of the industries were at their lowest point (in this case, a low value is more favorable) in 2013, while four of the seven industries hit their 10-year peak in 2015.

ECONOMIC OUTLOOK²

The most recent release of The Livingston Survey (the Survey) predicts higher growth for the second half of 2016 than had been predicted in its prior survey. The Survey, conducted by the Federal Reserve Bank of Philadelphia, is the oldest continuous survey of economists’ expectations. It summarizes the forecasts of economists from industry, government, banking, and academia. The participants

² This excerpt is from the fourth-quarter 2016 *Economic Outlook Update (EOU)* a monthly and quarterly economic publication published by Business Valuation Resources that provides details on the state of the U.S. economy and an outlook for future quarters. The *EOU* covers everything from general economic conditions and energy prices to stock and bond markets. To purchase a current or historic issue of the *EOU*, or to view a sample issue, visit www.bvresources.com.

project real GDP to grow at an annual rate of 2.7% in the second half of 2016 and 2.2% in the first half of 2017. They believe that GDP will grow 2.3% annually over the next 10 years.

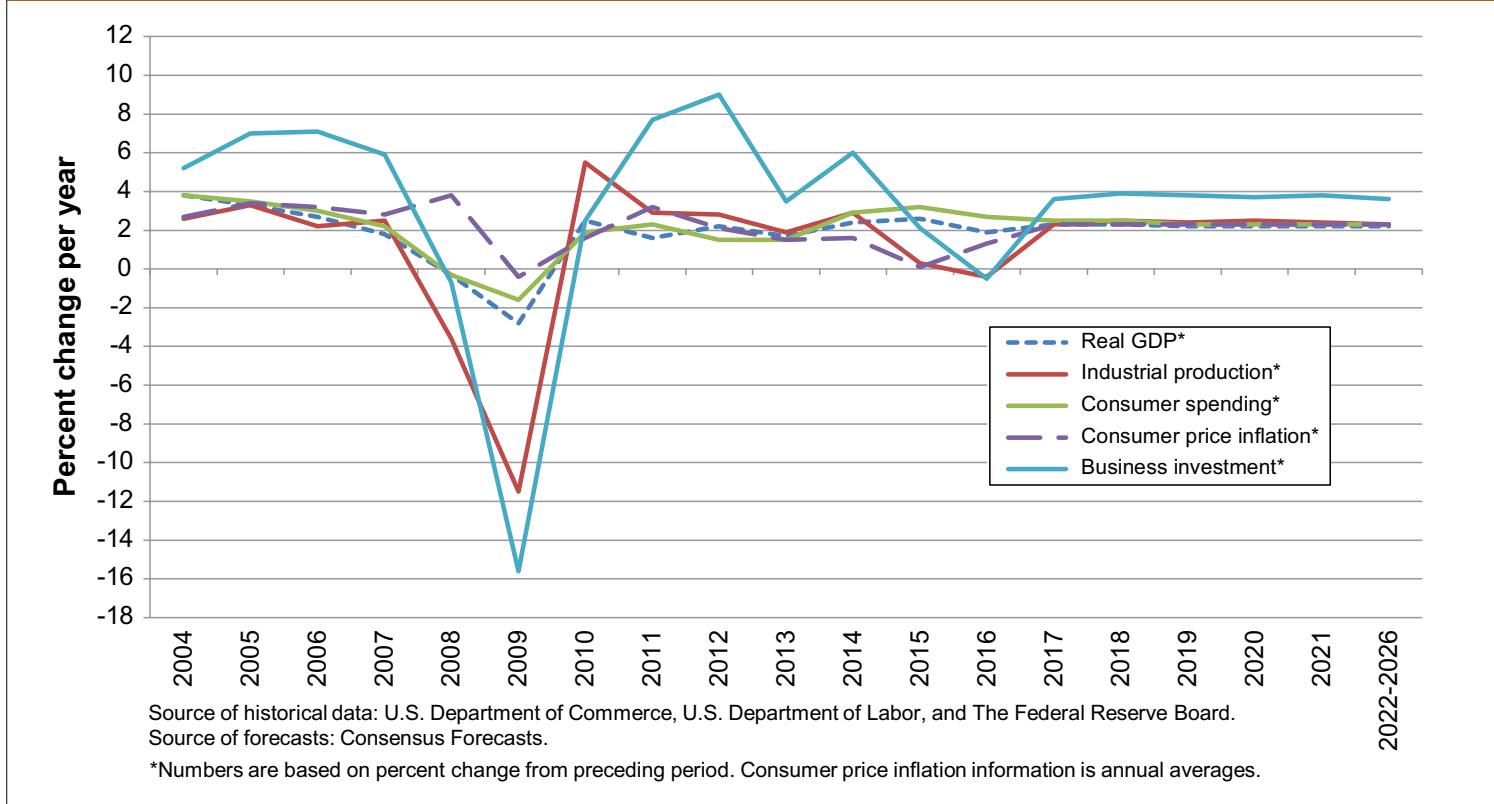
The Survey forecasts the unemployment rate to be 4.9% in December 2016 and to fall and then remain at 4.7% into June 2017.

The forecasters in the Survey expect consumer price inflation (CPI) to be 1.3% in 2016 and 2.4% in 2017. The Survey expects CPI to average 2.3% over the next 10 years. The Survey also expects producer price inflation (PPI) to be -1.0% in 2016 and 2.7% in 2017.

The Survey predicts the interest rate on three-month Treasury bills will be 0.55% at the end of December 2016. From there, the forecasters expect that the rate will increase to 0.83% in June 2017, to 1.12% in December 2017, and to 2.00% in December 2018. They predict the interest rate on 10-year Treasury bonds will reach 2.30% at the end of December 2016. According to the Survey, the rate will then rise to 2.50% in June 2017, to 2.75% in December 2017, and to 3.35% in December 2018.

The forecasters have increased their previous projections for future S&P 500 index values. They expect the S&P 500 index

EXHIBIT 15: Key Economic Variables Actual 2004-2016 and Forecast 2017-2026



will sit at 2,200.0 by the end of December 2016, 2,254.8 at the end of June 2017, 2,314.5 at the end of December 2017, and at 2,400.0 at the end of December 2018.

The Energy Information Administration predicts that the West Texas Intermediate crude oil spot price will average approximately \$43.33 per barrel in 2016 before rising to \$52.50 per barrel in 2017, compared with \$48.67 per barrel in 2015. The EIA expects retail prices for regular-grade gas to average \$2.15 per gallon in 2016 before increasing to \$2.38 per gallon in 2017, compared with \$2.43 per gallon in 2015.

The Energy Information Administration believes the Henry Hub natural gas spot price will average \$2.51 per million Btu (MMBtu) in 2016 and \$3.55 per MMBtu in 2017, compared with \$2.63 per MMBtu in 2015. The cost of coal delivered to electric generating plants, which averaged \$2.23 per MMBtu in 2015, is expected to average \$2.13 per MMBtu in 2016 and \$2.18 per MMBtu in 2017. Residential electric prices, which averaged 12.65 cents per kilowatt-hour (kWh) in 2015, are expected to average 12.5 cents per kWh in 2016. This price is 2.1% lower than the U.S. residential price in 2015. The Energy Information Administration expects the annual average U.S. residential electricity price to increase by 2.6% in 2017 and by 2.5% in 2018.

The National Association of Realtors' Realtors Confidence Index for future conditions increased in December, remaining generally optimistic. The RCI for the outlook of single-family homes trended up 2.0 points in December, to 76.0, and remained up 4.0 points from one year ago (strong = 100; moderate = 50; weak = 0). The RCI for the outlook for townhomes increased 3.0 points in December, to a reading of 61.0, while the outlook for condos increased 2.0 points, to 56.0. The RCI is a key indicator of housing market strength based on a monthly survey of over 50,000 real estate practitioners. Practitioners are asked about their expectations for home sales, prices, and market conditions.

NAR recorded existing-home sales in 2016 at 5.42 million (+3.3%) compared to 5.52 million (+1.8%) in 2017. It believes that new single-family home sales will be 565,000 (+12.8%) in 2016, before increasing to 620,000 (+9.7%) in 2017. NAR believes the median existing-home price will be \$234,200 (+5.3%) in 2016, before increasing to \$243,300 (+3.9%) in 2017. NAR believes the median new-home price will increase to \$306,600 (+3.4%) in 2016, before rising to \$314,700 (+2.6%) in 2017. It expects housing starts to increase to 1,177,000 (+5.8%) in 2016, then to 1,311,000 (+11.4%) in 2017. NAR believes the 30-year fixed mortgage rate will average 3.6% in 2016, before rising to 4.4% in 2017, and the 5-1 hybrid adjustable rate mortgage will average 2.9% in 2016 and 3.2% in 2017.

Pratt's Stats—Private Company M&A Transaction Database

The screenshot shows a search interface with the following sections:

- SUBSCRIBER SEARCH** and **RESET FORM** buttons at the top.
- COMPANY DESCRIPTION** section with dropdown menus for SIC Codes and NAICS Codes. Below these are checkboxes for "Include Secondary SIC Codes?" and "Include Secondary NAICS Codes?".
- Target Name:** a text input field.
- Target Business Description:** a text input field.
- Target Structure:** a dropdown menu.
- Franchise:** a dropdown menu.
- Development Stage Company:** a dropdown menu.
- Real Estate Acquired:** a dropdown menu.
- Sale Country:** a dropdown menu.
- Sale City:** a dropdown menu.
- Sale State:** a dropdown menu.
- Sale Region:** a dropdown menu.
- Acquirer Type:** a dropdown menu.

\$895.00/year

See complete samples at
bvresources.com/prattsstats

Pratt's Stats boasts the most complete financial details available anywhere on nearly 26,000 acquired private companies, with up to 149 data points that include 6 valuation multiples and 13 financial ratios. Each transaction includes detailed data vital in applying the market approach, deriving a selling price, or performing a fairness opinion analysis.

Benefits of using Pratt's Stats:

- Defend your position in court with evidence from nearly 26,000, 100% sold private company transactions in all the major industries
- Calculate with absolute confidence—complete ratio analytics let you easily select valuation multiples with the smallest coefficient of variation
- Perform customized searches by buyer type, 900 NAICS and 800+ four-digit SIC codes, sale date, revenue range, total assets, and more—and export the data you need directly into Microsoft Excel®
- Reference the most comparables—new middle-market transactions are added every month and BVR analysts rigorously check every transaction to ensure data integrity

Learn More & View Complete Sample Transactions at:
bvresources.com/prattsstats