

CASE STUDY – M&A – KES, Knoxville, TN

project date 2018-2019

<https://kesinc.com/>

YES! represented KES ownership in the sale of their suite to a new operator

Center Facts

- Total square footage – 24517 sq. ft
- 81 offices
- 3 conference rooms and 1 large 25-person training room
- 86 Virtual Members
- Cashflow positive and high client retention rate



Challenges

The center was held in a 2-partner relationship and owned the office space as an office condo in the development. One partner was eager to sell, looking to retire. The other partner was very resistant to selling and created several roadblocks to finalizing the sale. YES!, over several months, was able to sell the second partner of the clear upside to selling the business as it was in a strong occupancy and cash flow position and retain ownership of the property. They would continue to collect rent from the new business owner while eliminating the burden of operating the executive suite business.

Result

Achieved close to a 4 multiple of EBITDA and very little loss of revenue for new owner. Both the buyer and seller were happy with the outcome of getting to an achievable transaction with a strong business that retained it's value in 2020 even during COVID outbreak.

Seller's Testimonial

"Wendy is a true expert and trusted advisor. All along, I felt she was protecting my investment and substantiating the value I wanted through her knowledge, research and proof points necessary to hold our ground. As a result, she excels at negotiating all the pieces that come into play and have to be worked through for a deal to work out. The sale wouldn't have been as successful without her."