TURK&CO

WHAT AGENCY OWNERS NEED TO KNOW NOW

Title M&A: Timing, Value and Strategy

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ALTA American Land Title Association

ALTA ONE™



ABOUT TURK & CO

A FINRA-registered investment bank built exclusively for the title insurance industry.

- Leadership team with decades of executive, legal and operational title industry experience
- Proven title industry M&A advisory and transaction execution
- FINRA registered Investment Bank (Member SIPC)

Howard Turk · Founder & Managing Director

ALTA Elite Provider 2026

MARKET FORCES

WHAT'S DRIVING MARKET ACTIVITY — SELLERS

1

Fear

AI, technology changes. Sell/de-risk or roll the dice.

2

Aging Population of Independent Agency Owners

Succession planning.

3

Risk Tolerance

Wire fraud, title claims, escrow losses.

4

E/O Insurance

May not be there when you need it.

5

Lack of Loyalty

You're only as good as your last deal.

MARKET FORCES

WHAT'S DRIVING MARKET ACTIVITY — BUYERS

1

Strategic Buyers Flush with Cash

Diversification: geography and product.

2

Low Cost of Money

3

Advent of Institutional Buyers

4

Unprecedented Capital on the Sidelines

Forcing investors to widen their mandates and risk tolerances in search of yield.

5

Accretive Synergies

Platforms seek roll-ups.

Who Is Buying — and Why?

1

BUYER PROFILE

Financially solid agencies (backed by Private Equity) wishing to grow:

- Accretive synergy / leverage scale
- Geographic footprint
- Expanded product offerings / cross-selling
- 7 to 9 year plan for some
- Advent of 'Super Agents'

Our top buyers right now

2

BUYER PROFILE

Private Equity — the second most likely buyer for platform agencies

- Institutional buyers (sometimes a bet on the future of American real estate)
- Unprecedented levels of capital on the sidelines have forced investors to widen their mandates and risk tolerances in search of yield
- Other investors, search funds
- Not all buy and hold

Underwriters

3

BUYER PROFILE

- Know the business and industry
- Have technological and other capabilities which can take business to the next level and into the future
- Tend not to value remittance and CPL fees in pricing methodologies
- Eager to improve market share, but not at expense of agents; selective as to where they buy
- May offer the highest value if agency is filling a need (depending on geography or product)
- Cultural fit issue for some agencies

Companies which create title business looking to capture the benefit of their economic output (often as a JV):

4

BUYER PROFILE

- Lenders
- Realtors
- iBuyers
- Home builders

Technology businesses (especially with AI capability)

VALUATION METHODOLOGY

HOW TITLE AGENCIES ARE VALUED

01

Multiple of Normalized EBITDA

Earnings before interest, taxes, depreciation and amortization after adjustment process.

→

02

Baseline EBITDA

Timeline (usually TTM). May weigh forward earnings.

→

03

Terms & Structure

Structure matters — who carries the risk of sustainability of business volume? Kicker? Reasonableness and reliability of future revenue and profitability projections reflected here.

Agencies with EBITDA Less Than $1.5M

< $1.5M

EBITDA

- Lower multiples
- More stringent terms
- Buyers are typically local, larger firms engaging in roll-ups, or underwriters
- Difficult to run a competitive process
- Curated pool approach

THE MOST SUCCESSFUL TRANSACTIONS OCCUR WHEN A COMPANY COMBINES:

1. **A compelling strategic rationale**
2. **Strong financial performance**
3. **Scalable operations**
4. **Capable management**
5. **A clear path to future value creation**

Ultimately, buyers are not purchasing a title company for what it has done in the past. They are purchasing it for what they believe it can become under their ownership. Every acquisition is intended to create value, whether through growth, expansion, consolidation, operational improvement, or strategic advantage.

BUYER DILIGENCE

ATTRIBUTES THE MARKET CARES ABOUT

1

Business Mix & Growth Potential

ABAs, product mix (residential versus commercial), and more.

2

Revenue Stability & Margin Strength

Business optimization.

3

Platform Footprint

Regional, single-state, or national.

4

Technological Prowess

Beyond your operating platform.

BUYER DILIGENCE

ATTRIBUTES THE MARKET CARES ABOUT

1

Corporate Concentration

Red flag at 5%

2

Management Team

Will they stay on or (if owners) roll equity? Operational independence. Key man issue.

3

Documented Workflows

Best-practices compliance.

4

Employee Turnover & Culture

TIMING THE MARKET

SELL NOW · KEY CONSIDERATIONS

1

Scarcity Premium Today

Few quality firms for sale. Buyers are motivated and well-capitalized. Higher multiple / temporary competitive tension due to recent Turk & Co engineered deals.

2

Preparation, Timing & Deal Structure

Critical to maximizing value.

3

Landscape Shifting

Tech and market changes. AI fear is real.

4

Optimize Value

Businesses sell for more when operating at their peak, not just when you feel "ready."

SELL NOW · KEY CONSIDERATIONS

1

Earnouts Matter

Proven deal structures let sellers de-risk today while sharing in future upside.

2

Risk & Reward

Taking on some performance risk often leads to higher total enterprise value.

3

Value Requires Time

Higher valuation requires sustained higher EBITDA long enough; time and risk are linked.

4

Volatility Risk

Waiting means facing more uncertainty and possible competition in a crowded seller's market. Multiples will likely decrease as more agencies hit the market.

SELL LATER · KEY CONSIDERATIONS

1

Robust Savings

Able to finance M&A for inorganic growth.

2

Strong Management

Skill set in managing growth environments as well as economic downturns.

3

Not Concerned with New Tech

Not concerned with keeping up with new tech.

4

Strong Margins

Production already optimized.

SELL LATER · KEY CONSIDERATIONS

1

Compounding Growth

Reasonable expectation of compounding growth.

2

No Succession Issue

3

No Desire to De-Risk or Exit

The Bottom Line

The decision to sell is personal, but should be informed, strategic, and aligned with your goals.

PREPARE FOR SALE

OPERATION READINESS

Workflow & Technology

- Create SOPs for all processes, and map all workflows
- Use automation to eliminate manual data entry, reduce turnaround times and labor costs
- Offshore (BPO) strategy creates variable cost
- Prepare a buyer-friendly walkthrough of tech stack
- Ensure modern, integrated title production and escrow software is in use
- Implement digital closing tools

PREPARE FOR SALE

OPERATION READINESS

Team, Metrics & Compliance

- Monitor **key metrics**; use dashboards to manage **productivity** and **service levels**
- Cross-train staff to **ensure business continuity** – avoid "single points of failure"
- Maintain updated **employee handbook** and **job descriptions**; mitigate **owner/founder dependency**
- Plan for **retention/succession** of **key staff**
- Conduct internal audits for **file accuracy** and **underwriter compliance**; address outstanding **regulatory issues**
- Annotated **claims history** (Title and E&O); verify **licensing** and **certifications** for staff and entity
- Maintain clean **underwriter audit logs** and underwriter **records**

PREPARE FOR SALE

$ FINANCIAL READINESS

Financial Statements & Reporting

- Clean, consistent, supportable and capable of surviving buyer due diligence
- Audited or reviewed consolidated **financial statements** (last 3 years and TTM)
- **Normalize earnings** (adjust for one-time/nonrecurring and personal expenses)
- Organize **monthly financials** and **cash flow** statements
- Create forward-looking, detailed and justifiable **financial projections** (2-3 years)
- Address any material **GAAP** issues
- Prepare **tax returns** (3+ years)

PREPARE FOR SALE

$ FINANCIAL READINESS

Performance, Metrics & Capital Structure

- Highlight **recurring revenue** streams; clarify **growth drivers**
- Analyze **customer concentration risk**
- Benchmark **key financial metrics** (especially margins, EBITDA); document **KPIs** and historical performance **trends**
- Evaluate **staffing efficiency** across departments; analyze and consolidate/renegotiate **vendor contracts** for better pricing
- Identify **rework or error-related costs**; maintain robust **reporting**
- Review and optimize **capital structure**; review **debt agreements** and associated covenants
- Settle or document any **shareholder loans**; clarify and quantify any **intercompany or affiliate transactions**

PREPARE FOR SALE

§ LEGAL, COMPLIANCE & DATA ROOM READINESS

Legal & Compliance

- Ensure corporate **governance documents** are current
- Review and clean up **capitalization table**
- Ensure all **IP** is registered and owned by the company
- Disclose or resolve any **legal or regulatory issues**
- Organize **key contracts** (Underwriter Appointments, JV Operating Agreements)
- Ensure **employment law** compliance and clear **HR policies**

PREPARE FOR SALE

§ LEGAL, COMPLIANCE & DATA ROOM READINESS

Data Room Readiness (VDR)

- [ ] **Have materials ready to enable Turk & Co to set up a secure virtual data room. Include:**
- [ ] Financial statements and tax returns
- [ ] Customer/vendor/lease/IP contracts
- [ ] Org chart and bios of key team members
- [ ] Employee agreements and option plans
- [ ] Incorporation docs, bylaws, licenses
- [ ] Insurance policies and IT infrastructure details

PREPARE FOR SALE

STRATEGIC POSITIONING

Positioning & Alignment

- Craft a compelling investment thesis and growth story
- Align on owner goals: timing, exit type, and desired future role
- Understand personal and business tax implications
- Set roles, communication plan, and timeline

PREPARE FOR SALE

STRATEGIC POSITIONING

Assemble Your Advisory Team

- **Hire experienced advisors:**
- **Investment banker** (we know a good one!)
- Transaction/M&A attorney
- Tax advisor or CPA
- Optional: wealth advisor

How to Sell

CHOOSING YOUR PATH

HOW TO SELL — TWO ROUTES

DO IT YOURSELF

- ✗ Market is limited to your network
- ✗ Selling a company is a full-time job
- ✗ How do you know you're truly getting what you are worth if you do not have competitive tension?
- ✗ Nobody is an expert at everything: transaction structure, due diligence review, tax expertise, financials, legal, etc.

HIRE AN EXPERT

Not all experts are created equal. Are they:

- ✓ Learning how to sell a title business on your dime?
- ✓ Taken seriously by buyers at the highest level?
- ✓ Experienced/proven track record in running a sale process to maximize value?
- ✓ SEC/FINRA compliant?
- ✓ Putting your interests first?
- ✓ Understanding of your non-financial goals (family, culture, legacy)?

THE TURK & CO. STRATEGIC SALE PROCESS™

STEPS 1–7 · DISCOVERY TO MARKET

1

Strategic Discovery

Understand the seller's financial, personal, tax, timing, legacy, employee, and post-closing objectives.

2

Business Assessment

Comprehensive review of TTM and historical performance, customer concentration, product mix, underwriter relationships, vendor contracts, operations, and legal considerations.

3

Valuation & Positioning

Prepare a valuation range based on market conditions, proprietary transaction experience, and buyer demand, while identifying ways to strengthen market position.

4

Transaction Strategy

Develop the optimal transaction strategy, including buyer profile, process design, confidentiality, timing, and transaction structure.

THE TURK & CO. STRATEGIC SALE PROCESS™

STEPS 1–7 · DISCOVERY TO MARKET

5

Buyer Selection

Identify and prioritize qualified strategic and financial buyers based on strategic fit, financial capacity, acquisition history, and certainty of closing.

6

Marketing Preparation

Prepare confidential marketing materials, management presentations, and Virtual Data Rooms designed to anticipate buyer diligence.

7

Confidential Market Outreach

Execute a discreet, highly targeted buyer outreach process beginning with an anonymous teaser and blank NDA.

THE TURK & CO. STRATEGIC SALE PROCESS™

STEPS 8–14 · BUYER MANAGEMENT TO CLOSE

8

Buyer Management

Manage buyer communications, information requests, and indications of interest while maintaining competitive tension throughout the process.

9

Management Presentations

Prepare and coach management for buyer meetings to ensure a consistent and compelling presentation.

10

Competitive Bid Process

Conduct a structured bid process designed to maximize value, improve deal terms, and strengthen negotiating leverage.

11

LOI Evaluation & Negotiation

Analyze and negotiate Letters of Intent with a focus on purchase price, structure, cultural fit, certainty of closing, and long-term success.

THE TURK & CO. STRATEGIC SALE PROCESS™

STEPS 8–14 · BUYER MANAGEMENT TO CLOSE

12 Confirmatory Due Diligence

Coordinate buyer diligence and work closely with legal, accounting, tax, and other advisors to maintain momentum and resolve issues efficiently.

13 Closing

Oversee documentation, coordinate all parties, resolve outstanding issues, and manage the transaction through a successful closing.

14 Post-Closing Support

Assist with transition matters, purchase price adjustments (i.e. working capital), and post-closing issues, as appropriate.

THE VALUE OF AN ADVISOR

WHY HIRE AN INVESTMENT BANKER?

1

Process, Not Just a Buyer

The primary value is not "finding a buyer." It is strategically designing and managing a disciplined process that maximizes outcome, including translating the title business metrics into language sophisticated buyers understand.

2

Competitive Tension

Process control creates competitive tension. Competitive tension drives valuation, terms, and leverage.

3

Full-Time Coordination

The due diligence process is complex (and a full-time job). The banker quarterbacks and coordinates the entire process to close.

4

The Right Buyer, Every Time

Industry expertise ensures the right buyers are approached, and the right partner ultimately rises to the top.

Value is maximized through disciplined process, competitive tension, and intelligent deal structure.

— Howard Turk, Founder and Managing Director, Turk & Co

Thank You.

Let's discuss what's next for your agency.



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