

YOUR BUSINESS MATTERS™

Enjoy Your Business and Your Life



Ed Alexander, Esq.
Business Attorney

Legal Gold Rush: Seizing the **High ROI** **Opportunity** of Buying Law Practices

By Ed Alexander



Lawyers have before them today a lucrative opportunity not available to other business owners.

And I'm certain this opportunity won't last long . . .

The opportunity is buying a law practice.

A properly run law practice will generate between 25% and 40% of gross fee revenue in owner benefit. A firm grossing \$1MM should generate between \$250,000 and \$400,000 for the owner (including the owner's salary).

And the value is between 1.8 and 2.3 times that owner's benefit.

This means that, if you paid cash for a firm, your return on investment would be between 55% and 43%! Nice.

But, say you didn't pay cash. Rather, you put down 30% and borrowed the balance at today's (high) SBA guaranteed loan interest rate of 11.5% for ten years.

If that firm only generated an owner benefit of 25% of gross fee revenue, that owner benefit would pay the loan and you'd still get a more than 38% return on your invested cash.

Where else can you get that kind of ROI and control your risk through your management, marketing, and legal skills?

Plus, rather than having to locate space, open a new office, fit it out with equipment, hire a team, and begin marketing, you'd have an instant firm with an existing client base, in place team, and furniture, fixtures, and equipment and revenue and net income from day one.

But, there's more!

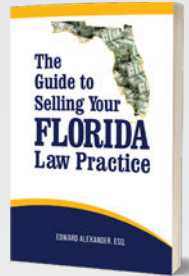
A Publication of
Alexander Business Law

February 2024

FREE DOWNLOAD:

Selling your Florida Law Practice

Failing to plan your exit is one of the most costly mistakes you can make. Our guide explains the sale process and shows you how to estimate the value of your firm, how to prepare your firm for sale, and much more.



To get your FREE copy, call (407) 649-7777 or go to www.LawPracticeExits.com

PATHWAYS TO PARTNERSHIP SUCCESS

Alexander Business Law specializes in empowering law firm and business owners to exit, expand, and maximize profitability. Our founder, Ed Alexander, has guided countless entrepreneurs toward achieving both personal freedom and financial prosperity. Our approach focuses on helping you enjoy your business and your life. Reach out to us at (407) 649-7777 or Kim@AlexanderBusinessLaw.com.

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“WHAT OTHERS ARE SAYING ABOUT ALEXANDER BUSINESS LAW*

“I was able to confidently move forward.”

“Thanks to Ed's guidance, I was able to confidently move forward with a business opportunity that I might have otherwise hesitated on. I highly recommend Attorney Ed to anyone seeking legal counsel and business advice.”

Audrey Chisholm, Esq.

My Cross Florida BIKE TOUR By Ed Alexander

Bicycle touring offers a unique blend of adventure, endurance, and the joy of exploring new landscapes at a pace that truly lets you absorb your surroundings. In November, a longtime friend and I biked the Cross Florida Trail from Tampa to St. Petersburg, then on to Brooksville and Titusville.

Our start was an Amtrak train from Orlando to Tampa. Once in Tampa, we biked across the Gandy and down along the beautiful waterfront parks to St. Petersburg proper. The city's thriving arts scene, including the famous Salvador Dali Museum, pier, and local cuisine, make it worth a visit.

Leaving St. Petersburg, our route took us along the Pinellas Trail to Clearwater where we stayed for the first night.

The Pinellas Trail is a gem, paralleling the Gulf of Mexico through a number of small towns, such Dunedin and Tarpon Springs. For lunch the second day we had craft beer and barbeque at de Bine Brewing in Palm Harbor. Nirvana.

After that, it was off to Starkey Wilderness Park for our first night of camping. The trail goes through the park for six miles during which we were treated to a diverse range of Floridian landscapes, including lush forests and past wetlands teeming with wildlife.

Leaving the park the trail heads north along a highway. We had a headwind and, with the traffic noise, it wasn't my favorite part of the trip. Then it was down the Good Neighbor Trail to the Withlacoochee Trail where we camped for the second night.

The portion of the trail between Ridge Manor and Groveland is unpaved and the main road, State Route 50,



A photo taken with the NASA Vehicle Assembly Building in the background as we finished the cross Florida bike tour.

has no shoulder and lots of high speed traffic. So we headed through the dirt roads of the Withlacoochee State Forest, with stretches of sugar sand that can be quite challenging but also rewarding for those looking for a bit of off-road adventure.

Our next stops were in Clermont and Sanford as we negotiated the Orlando metro area using the West Orange and Seminole Wekiva Trails.

The final part of the tour was from Sanford, north over Lake Monroe and to Titusville on part of the River to Sea Loop trail. This is a remote area even though it is so close to Orlando. School of Hard Knocks experience taught me to bring enough food for this part of the trip!

We ended in Titusville, and promptly went for food and a beer at Brix Project.

Our weather was great and overall the trip was wonderful. Of course, there were times that were difficult. But I would (and likely will) do it again. □

QUOTE OF THE MONTH

"If people like you they will listen to you, but if they trust you, they'll do business with you."

ZIG ZIGLAR

Happy Valentine's Day

DSVDATETPADVQWLMBKKI
CLOVEHHAOGNHFLIRTBIC
TAIPQVSFEPMCRVXLCWSS
HEASOWBDMRXKCLEOHMSG
RHAQWHFOCUPIDNRXIKWJ
NXDNBEYPUBNSAREQVZNY
XHFNNAEGJQTCQEMNAZXA
OZJOORATYKUSEDIILWCU
XWXHUTCHHWXEEVCJR VH X
OISAFROOKEHSTECUYSDV
WDSLSJTAUTALEYTXINGC
LQOWOEQEDRWRFYLTQXW
OFUOFVDLEMTFTFBAAXTL
ADLKDLEBENISHLVEEDCA
NSMOENOBTVTRHNILAAMX
THAMADLWIPVHEICJJURW
TTTYKZCLERTGQRPARDTP
HYEJJXFZVRDVSUYFFQCY
ZHSCYROJHYS SHIPKGYYY
DDMRCHOCOLATEKS BPIDN

Poem	Heart	Sweetheart	Soulmates
Kiss	Love	Fourteenth	Bouquet
Flowers	Xoxo	Chocolate	Chivalry
Cupid	Date	Lovebirds	Admirer
Flirt	Red	Courtship	Beauty

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Legal Gold Rush: Seizing the High ROI Opportunity of Buying Law Practices

There are underperforming firms that sell for less. For some of them a portion of the purchase price will be contingent on future performance.

If you have the skills to fix their problems, these firms can be an even better goldmine.

You buy the firm's revenue at a low or contingent purchase price and correct the problems to bring back proper performance (i.e., turn the firm around), thereby achieving even higher returns on your invested capital and simultaneously creating a salable asset. (Similar to buying real estate with owner financing and improving it, only with much greater profit potential.)

Why do I think the opportunity won't last long?

Because private equity firms are salivating at the cash flow generated by law firms. And they know very well how to improve business performance to increase value.

Non-lawyer (i.e., private equity) ownership of law firms is coming. Arizona already permits non-lawyers to own law firms and it appears Texas is not far behind. Once that happens, money will be chasing firms and this opportunity will be gone.

If you're thinking about buying a firm but don't know where to begin, we're here to help. Call us to set a purchase discovery call today at (407) 649-7777. □

— Ed

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THANK YOU FOR YOUR REFERRALS!

This month, we'd like to thank **Ayasha Brooke** and **Jason Greene** for believing we are the right firm to help their friends and business colleagues. Your support gives us the ability to reach more individuals and make a positive difference in their lives. If we can help anyone you know that needs our services, please send them our way!

A Personal Message From Ed Alexander

As we welcome in the New Year, take a moment to reflect, enjoy, and celebrate your 2023 victories and accomplishments. This year let's promise ourselves to find joy in our professions and in our personal lives. Making time for your mental and physical health and your family is as crucial as making time for your business. Our work is only part of who we are, but it's not all that we are! Happy 2024.

- Ed



*Stories of People Just Like You Who Have Reinvented
Their Businesses in a Way that Serves Their Lives*

**Read about how our client saved
himself from a disastrous tax
problem and potential litigation
when the employee left.**

The succession plan for your law firm is one of the biggest choices you will have to make regarding one of your most valuable assets. Failing to plan for your inevitable exit from your firm is one of the most costly mistakes you can make. Yet attorneys everywhere often put off succession planning until it is forced on them by life. **An unplanned exit will be an unprofitable exit.**

Request this booklet to see how your fellow attorneys successfully exited from their firms, the methods they utilized, and the benefits they achieved. And how you too can stop doing work you don't like, keep doing work you love, and finally enjoy your firm and your life.

**To get your FREE copy, call (407) 649-7777 or go to
www.LawFirmExitSuccess.com**

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