



Is This Childcare Market Crazy Or Is It Just Me?

It's not us. It's the market. We may have never had a market like the current market. Covid and the macro reactions to Covid have created unique conditions for people in the early education industry.

In my 30 years of experience at BFS® (started in my 20s), I have never seen a time where demand for centers and schools has so exceeded the supply of centers and schools on the market. Many owners are hesitating to sell because it has been difficult to secure and retain teachers, which means that children are on waiting lists instead of in classrooms. Other owners feel that the use of grant money has made expenses artificially high. These conditions are reality, but they are also fixable or explainable. Many people hesitate to sell if they feel that their financials aren't at the top. While we can never guarantee that every center or school will sell, I can tell you that centers and schools are definitely selling at solid prices while their numbers are not at the top.

If you own an early education company (childcare, preschool, Montessori school or private elementary school) with sustainable profits in this market, you have the proverbial golden ticket at just the right moment. I once read an article in Fortune magazine that stated that the average generic business broker only sells 16% of the companies listed with the brokerage. Sixteen percent...One Six, that's all.

In contrast, at BFS® we have sold more than 90% of our clients' centers and schools during the last few years, including the Covid years and in spite of rising interest rates. Of the current active BFS® clients, every one of them have anywhere from one to three offers on the table.

Whether you're considering selling because of life timing, economic timing, health issues, retirement or just a need for new challenges, this is the best seller's market I've seen in 30 years, including 2007. If you're a little bit curious about the value of your early education company, call us at 800-467-1774. We'll be glad to provide you with a free and conservative estimate of the value of your company in this market. All conversations are confidential.

If you don't already know us, ask us for references. We'll be happy for you to talk with our former clients. As always, we hope you find this information to be helpful.

Sincerely,

Brad R. Barnett, President / Principal Broker

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