SDE & Market Context Workbook

Hillside Landscaping LLC — prepared 29 July 2026

Important

Prepared automatically from information you supplied. All figures are owner-reported and have not been audited or independently verified. ExitKit is not a business broker, a law firm, or an appraiser, and nothing here is legal, tax, accounting, or appraisal advice. Review this document with a licensed attorney and an accountant in your state before relying on it or signing anything. Fields marked [OWNER TO COMPLETE] must be finished by you.

What this workbook is, and what it is not

This workbook calculates seller's discretionary earnings from figures you entered and places them alongside multiple ranges published by third parties for your industry. It is context for a pricing conversation. It is not a certified appraisal, not a valuation opinion, and not a prediction of what any buyer will pay. Two businesses with identical earnings routinely sell for very different prices. The asking price is your decision, best made with your accountant and, if the sums are meaningful to your retirement, a financial adviser.

Your seller's discretionary earnings

Seller's discretionary earnings, or SDE, is what the business earns for one full-time owner-operator before that owner's own compensation and personal expenses. It is the figure nearly every buyer of a business this size will work from. The calculation below uses the figures you entered.

Line	Amount
Net profit as reported	$68,000
Owner's salary and payroll taxes	$72,000
Owner's health insurance	$9,600
Personal vehicle expenses	$6,200
Depreciation and amortisation	$18,400
One-time and non-recurring costs — storm damage repair, 2025	$4,800
Total add-backs	**$111,000**
Seller's discretionary earnings (SDE)	**$179,000**

All figures are owner-reported and have not been independently verified. A buyer will ask you to support each add-back.

How buyers will read these add-backs

Add-back	What a buyer will probe
Personal vehicle expenses	Only the personal share. If trucks are genuinely needed to run the business, a buyer will not accept them as an add-back.
Depreciation and amortisation	Buyers will ask what the equipment actually costs to replace. Heavy depreciation with worn-out equipment is a price conversation.
One-time and non-recurring costs	Buyers challenge this line more than any other. Be prepared to show what each item was and why it will not recur.

Published market context for your industry

Businesses in the landscaping & lawn care category are discussed at 2.76× to 3.21× SDE across the published sources listed below. That band is where two or more independent sources agree; any source quoting outside it is named in the note beneath. Applied to your SDE:

Published multiple	Applied to your SDE
2.76× (lower end of the published band)	$494,040
2.98× (midpoint of that band)	$533,420
3.21× (upper end of the published band)	$574,590

The midpoint is arithmetic, not a forecast: it is simply the middle of the published band, and carries no claim that most businesses sell there.

This is context for a conversation, not a valuation and not a price. Two businesses with identical earnings routinely sell for very different sums depending on how transferable they are, how clean the books look, what the lease says, and who happens to be looking. Where your business lands inside or outside this range is a judgement for you and your accountant.

One source (FieldRoutes) cites up to 6x for landscaping businesses with strong recurring maintenance contracts. The band shown is where two or more sources agree; recurring contract revenue is the factor that moves a landscaping business toward the upper end.

Sources for these figures

Source	Published	What it says
Peak Business Valuation	undated; site footer 2026	SDE multiples for landscaping businesses often range from 2.76x to 3.21x SDE.
Raincatcher	2026-05-11	Smaller, owner-operated landscaping companies are valued on Seller's Discretionary Earnings (SDE). The typical range is 2x to 4x.
FieldRoutes	2024-06-19	The SDE is then multiplied by an industry multiple, typically in the 2x to 6x range, to determine the estimated value.

What buyers look at in this industry

Buyers weigh recurring maintenance contracts far more heavily than one-off install work. Route density and contract renewal rates carry the value.