How the Money Works, and How to Talk to Owners

Advisors who understand where the money comes from sell differently. They stop pitching and start diagnosing, because they know what the client's problem is worth, what the market charges to solve it, and where their own check comes from at every step. This module gives you that map. Read it before your first live conversation.

Part One: How the Money Works

The firm has three layers of revenue

Layer one, the engagement. Every client relationship starts with the pilot: $15,000 floor, collected, ninety days. This is the layer you close every week. It is priced as an advisory engagement, not a marketing package, and nothing on this floor closes below the floor.

Layer two, continuation. When a pilot account continues, it continues at $45,000 a quarter minimum on a twelve month commitment. This is the layer that turns a close into a book. The Principal who holds the account earns ten percent of every collected dollar for as long as the account pays and they hold the seat.

Layer three, transactions. Capital placements, acquisitions, and exits. This is where the largest checks in this industry live, and it is the layer the whole ladder climbs toward. Transaction fees are governed by a signed deal split memo through the firm's broker of record, and the standing framework publishes with the comp plan on November 1.

Each layer feeds the next. The engagement earns trust and data. The data reveals the capital need or the exit. The transaction monetizes everything the first two layers built.

The market we price against

You are not selling into a vacuum. Business owners who want serious help already face a market with established prices, and you should know them cold, because they make our floor look like what it is: the lowest-priced serious seat at the table.

In the lower middle market, sell-side advisors charge monthly retainers of $10,000 to $50,000 for three to six months, or a $25,000 to $75,000 engagement fee up front, before any result. Their real compensation is the success fee at close: typically four to six percent on deals under $25 million, with minimum fees around $150,000 even on small deals. A $25 million sale routinely costs the owner about $60,000 in retainers plus roughly a million dollars at close. Capital raises run the same shape: five to eight percent on equity, one to three percent on debt, plus the retainer. Growth consulting from name firms starts at five figures a month.

Say those numbers out loud until they feel normal, because to the buyers we serve, they are normal. When an owner hears $15,000 for ninety days of work aimed at revenue they already own, from a firm with more than $1.1 billion in active deal flow, the price is not the objection. The decision is whether they believe the problem is real. Your job is the diagnosis, not the discount.

Who gets paid on a transaction

When a deal happens in this industry, the fee divides between four functions, at our firm and at every firm:

1. **Origination.** Whoever sourced the relationship. This is why sourcing is a career skill, not grunt work; in this industry the person who found the deal is paid like it.
2. **The relationship.** The seat that holds the account and carries the client through the process. On our floor, that is the Principal.
3. **Execution and the house.** The people who run the process, and the firm whose name, compliance, insurance, and infrastructure make the deal possible.
4. **The regulated rail.** When a transaction involves securities, a registered broker-dealer must conduct that part, and it is paid for that role.

You do not need to memorize percentages, because on every transaction the split is fixed in writing before the work starts, in a deal split memo signed through the broker of record. What you need to remember is simpler: the seat you build now, the accounts you source and hold, is the seat those memos pay.

The three lanes, in plain words

Owners will ask what we can and cannot do, and the honest answer is a strength, so learn it.

- **Lane one: business sales we handle directly.** The sale of a private company under federal size thresholds can be advised in-house under the M&A broker framework, papered through our broker of record.
- **Lane two: securities work through regulated partners.** Capital raises and anything else that is a securities transaction runs through a partnered registered broker-dealer. The client engages both: us for strategy and growth, the partner for the regulated work. This is the standard structure across the industry, and it is exactly what our regulatory line means: Omnira Partners operates as a parent brand and advisory firm; formal securities transactions and broker-dealer services, where required, are conducted through partnered regulated entities.
- **Lane three: your lane.** Advisors never take transaction-based compensation on securities and never give securities advice. Your compensation keys off the engagement layers and off memo-papered M&A economics. When a conversation turns into "help us raise money" or "help us sell," you have done your job perfectly: flag it, and the firm routes it to the desk and the right rail.

One sentence to internalize: **we never wing the regulated part, and we never need to, because the structure already exists.**

Why the pilot is the wedge

Here is the strategic reason we lead with database reactivation and growth work instead of walking in selling deals, and it is worth understanding because it answers the "aren't you just marketing?" objection before it arrives.

The pilot is diligence the client pays for. To reactivate a database we receive the owner's contact base, revenue history, ticket sizes, and margins. Ninety days later we know the business's numbers better than anyone who has not audited it, and the owner has watched us keep small promises with real results. That is the exact position from which the biggest conversations start naturally: your numbers say you could acquire the shop across town with the new SBA financing; your books say you are exit-ready and the market is paying multiples you have not heard. Grow, then acquire, then exit. Firms that open with "let us sell your company" start from a cold ask. We start from inside the P&L.

Part Two: Talking to Owners

The frame: advisor, not agency

An agency sells activity: posts, ads, campaigns, leads. An advisor sells what the P&L and the balance sheet get out of it. Every sentence you say should be denominated in revenue, margin, and enterprise value, never in impressions or leads. The moment you sound like the fourth marketing call an owner got this week, you have left the advisory floor.

Wrong: "We run database reactivation campaigns with AI followup." Right: "You have revenue sitting dormant in a list you already paid to build. We reactivate it under your name, in ninety days, and the same numbers tell us what your company could fund or command after that."

The market story, in your own words

The opening context, built from the canonical facts: private equity has put more than $25 billion into home services. About 800 companies have been bought since 2022, and 76 percent of the market is still independent. Owners who sell first are exiting at four to seven times earnings while consolidated platforms trade near twenty. The largest generation of owners in American history is retiring, two to three million businesses over the next decade. And as of October 1, SBA rules allow 100 percent financed expansion acquisitions for matching businesses.

Delivered as one line: "The companies in your industry are being bought at a pace nobody is telling the owners about, and the ones who understand the numbers first are going to be the buyers instead of the bought. That is the conversation we bring."

You are the messenger of the biggest news most of these owners have never heard. Act like it: calm, specific, unhurried.

The diagnosis conversation

You are not pitching; you are examining. Ask, listen, and quantify. The core ladder:

1. "How many past customers and dead leads are sitting in your system right now?" (The dormant asset. A thousand contacts or more is our lane.)
2. "What is your average ticket, and what is a reactivated customer worth over a year?" (Denominates the problem in dollars. Ticket and repeat rate tell you if the needle moves.)
3. "If twelve of those came back in ninety days, what does that do for you?" (Their inputs, their math, their claim. Never yours.)
4. "Are you trying to grow this, buy something, or get it ready to sell?" (The three-door question. Every answer is a door we hold.)
5. "If growth showed up, could you staff it? If capital showed up, could you deploy it?" (Capacity and capital hunger, the signals for layers two and three.)

Listen for three signals: a growth gap they can name, capital hunger, and any hint of buying or exiting. Log all three every time; the signals are worth as much as the close.

The numbers rules

These are not suggestions. They are how this floor stays credible and legal.

- **The calculator makes the claims, with their inputs.** You never promise a result. You enter their numbers, their ticket, their list size, and read the target back as a target. Estimates, never guarantees, and the assumptions stay visible.
- **No funding promises, ever.** Qualification comes first, through the one dollar credit report step. "Let's find out what you qualify for" is the entire promise.
- **Recording consent, every call.** Open with the consent line. Several of our lead states require everyone on the call to agree.
- **No securities advice, no exceptions.** Raise talk, investor talk, anything securities-shaped gets flagged and routed. "That is exactly what our desk and our regulated partners handle; let me set that conversation up properly" is a strong sentence, not a weak one.
- **Disqualify without apologizing.** An owner below the needle test or without the database is a referral or an acquisition target, not a discount. Saying no cleanly is a graded skill on this floor.

The objections, answered from the economics

"So this is marketing?" "Marketing agencies sell activity. We sell what your P&L gets out of the work, and we price against the advisory market, not the agency market. The same engagement that reactivates your revenue also maps what your company could fund or command. No agency is holding that second door."

"Why fifteen thousand?" "It is the smallest serious number in this market. Owners a notch above you are paying sixty thousand in retainers before anyone shows a result. Fifteen is the floor here because the work starts inside revenue you already own."

"What happens after the ninety days?" "Day ninety is a decision with your numbers on the table. If the pilot paid for itself, most owners continue quarterly, and continuation starts at forty five thousand a quarter because by then we are operating inside the business. If the numbers say you should be acquiring or preparing to exit, that is the conversation we set up next, with the regulated partners where required. And if the numbers say stop, you stop."

"Why should I trust a new firm?" "Fair question. We put our math in writing, our targets are computed from your inputs, and the firm runs more than 1.1 billion dollars in active deal flow. But mostly: the engagement is ninety days and starts with revenue you already own. You are not betting on us. You are betting on your own list."

The close

The close is a sequence, not a moment: diagnosis conversation, one dollar report where capital is in play, pilot at the floor, collected, start date. Every step is small, concrete, and theirs to say yes to. You are not talking anyone into anything. You are showing an owner their own numbers and holding the doors open.

Same closer. Different table. Now you know why the table pays.
