A FREE GUIDE FROM ANTONIO RUBIO · TU CASA

The Quick Guide to

Commercial & Business Ownership

The five-minute version. Apartment buildings and buying a business, compared honestly.

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Se habla español.

THE SHORT VERSION

Commercial & Business Ownership

Everything that matters most, on one page. If a line here raises a question, the full guide answers it.

- **Multifamily beats a single rental on the math —** One roof and one lot serve several income streams, and a vacancy costs you a fraction of your rent instead of all of it.
- **Four metrics drive every commercial deal —** NOI, cap rate, DSCR (NOI ÷ annual debt service, where lenders commonly want 1.20–1.25 or better), and GRM as a rough screen.
- **Commercial lending asks about the building, not just you —** DSCR loans qualify on the property's cash flow. Terms are shorter, rates float more, and down payments generally run 25–30% or higher.
- **Small businesses are valued on SDE —** Seller's Discretionary Earnings is net income plus the owner's salary, personal expenses, one-time costs, interest and depreciation. Most sell for roughly 2–4 times SDE.
- **Asset purchase or stock purchase changes everything —** An asset purchase lets you leave unwanted liabilities behind and gives a better tax basis. A stock purchase means you inherit everything, known and unknown.
- **Ask why the owner is really selling —** Then check the answer against the financials. Retirement and health are ordinary. A trend they didn't mention is what you're looking for.

California, specifically

• Buying a business here is licensed real estate work. California defines a real estate broker as someone who negotiates the sale of real property or a business opportunity, so there is no separate California business-broker licence. Selling company stock instead is a securities transaction and a different body of law.

• Proposition 13 resets the property tax to your purchase price, so a broker's pro forma built on the seller's old tax bill will overstate NOI badly.

• An asset purchase covering most of a seller's inventory and equipment generally requires a bulk sale notice to creditors, run through escrow.

• Unpaid state sales tax can follow the business to you. The protection is a tax clearance certificate from the CDTFA, obtained before the seller is paid.

Path A: Buying an Apartment Building

1	**Define Your Criteria** Unit count, location, price range, condition and the return you actually need.
2	**Run the Numbers** NOI, cap rate and DSCR on every candidate — using real expenses, not the broker's pro forma.
3	**Secure Financing** DSCR loan, agency program or bank commercial loan, with terms confirmed in advance.
4	**Underwrite & Inspect** Verify the rent roll against actual leases, inspect the building, read every lease you inherit.
5	**Close & Transition** Notify tenants, transfer deposits and leases correctly, and put management in place day one.

WANT THE WHOLE THING?

The Full Guide Is Free Too

This is the summary. The full guide goes properly into every point above — the numbers worked out, the mistakes that cost the most, and the California rules in detail. It is free, there is no sign-up, and it is written in English and Spanish.

Download the full guide antoniorubiotucasa.com/.../05-commercial-and-business-EN.pdf

All five guides, both languages antoniorubiotucasa.com/library

ABOUT YOUR GUIDE

Antonio & Ana Rubio

Since 2005 I've helped families across Yuba City, Marysville, and the greater Yuba-Sutter region buy and sell real estate, in both English and Spanish. I work alongside my daughter Ana, a licensed agent since 2016, as a father-daughter team. Our promise is simple: we treat your move with the same care we'd want for our own family.

Find Antonio — Everywhere He Works

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