Acquiring Company pays $35 million for all of the outstanding stock in Target Company. The fair market value of Target Company’s tangible assets is $15.00 million and the fair market value of its intangible assets is $10 million. The fair market value of assumed liabilities is $5 million. What is the value of goodwill that must be shown on the balance sheet of the combined companies?

Corporate valuation is an important step in the M&A process. This often requires the estimation of the target’s (or bidder’s) cost of capital, which usually involves estimating the company’s beta. Describe in detail how you would estimate the beta for a publicly traded firm. Be careful to address the practical issues that arise in estimating beta and how you would surmount those issues.

**Please provide detailed answer in the next couple of hours.** **Please provide the answer in the Word doc. only**. **Thanks! ☺**