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The owner's guide

Selling a business, on one page: what happens, in the order it happens.

THE LOI

The buyer's written proposal: price, structure, timeline. Non-binding on the price; binding on some things, like exclusivity. Get your attorney before you sign it, not after. Ours comes with the funding and the conditions written in.

THE PEOPLE YOU'LL NEED

An attorney who does business sales, before the LOI. Your CPA, before the LOI — taxes are decided by the structure. A quality-of-earnings firm if your books are messy. A wealth advisor before you sign. A broker only if you want an auction and can wait.

WHAT TO GATHER

Three years of financials and tax returns, a customer breakdown, contracts and leases, licenses and insurance, the org chart, a year of bank statements. Shared after an NDA, never through a website.

HOW DILIGENCE WORKS

The buyer's accountant ties your numbers to bank statements and tax returns, reads the biggest contracts, meets the key people. The market's diligence now runs about five and a half months; ours stays on what could change the deal.

HOW LONG

The market: ten to twelve months from going to market to close at this size. With a direct buyer, the middle disappears. You'll have our expected timeline before you commit.

WHAT CAN MOVE THE NUMBER

Numbers that don't tie to the bank. A customer the business can't lose, leaving. Something material you didn't mention. A slow month can't. A timing difference can't.

YOUR ROLE AFTER

Stay in a defined role, ease out over an agreed period, or leave at close. Your choice, set in writing before close.

TELLING YOUR PEOPLE

Before close, almost nobody. At close, everyone, the same day, from you. After, customers and vendors hear it from the people they already know.