

Business Sale Overview

Here is an overview of the process when selling a business:

1. Determine the market value of the business

- Review past business performance and analyze trends
- Recast financial statements for previous three years
- Analyze business opportunities available to new buyer
- Facilitate a Business Valuation
- Determine whether the business is marketable

2. Prepare the business for sale

- Collect copies of all required documentation
- Initiate authoring of necessary corporate resolutions
- Review & summarize lease
- Review contracts (supplier, customer, franchisor, etc.)
- Summarize growth opportunities
- Develop list of sizzle points
- Summarize competition
- Summarize weaknesses
- Recommend completion of deferred maintenance
- Make recommendations on record keeping, procedural documentation, etc.
- Pre-qualify business for SBA funding

3. Publish business briefings

- Publish 1 -page summary for print and internet listings
- Publish confidential executive briefing

4. Market the business

- Review universe of potential buyers
- Prepare target marketing plan
- Review current buyer database
- Contact potential buyers via direct mail, phone and email
- Compose & publish print advertisements
- List on relevant websites

5. Qualify prospective buyers

- Conduct preliminary telephone interviews
- Get prospective buyers to complete our buyer questionnaire, financial statement and confidentiality agreement
- Conduct office interview
- Get credit check authorization
- Educate buyers on the process of buying a business
- Insulate seller from tire kickers

6. Facilitate meetings and negotiations

- Prepare both parties for buyer/seller meetings
- Arrange buyer/seller meetings and tour of business
- Facilitate negotiations

7. Prepare all necessary agreements

- Prepare basic agreement, addendums and counter offers
- Provide both parties with a recommended list of due diligence items
- Prepare buyer and seller disclosure statements
- Develop a transaction time line
- Summarize promissory note terms for escrow attorney

8. Facilitate due diligence

- Develop contingency sign-off list
- Compile due diligence materials
- Coach both parties on the due diligence process

9. Assist in financing the purchase

- SBA funding:
 - Preliminary interview
 - Pre-qualify buyer
 - Mini-business plan
 - Prepare applications
 - Liaise with preferred lenders
- Summarize promissory note for escrow attorney
- Meet with private third-party investors

Close the transaction

- Draft escrow instructions
- Allocate the purchase price
- Prepare document package for escrow company
- Obtain franchisor approval
- Obtain lease assignment
- Develop hand-off plan
- Proof/revise documents
- Coach all parties and coordinate work flow

Transfer Possession

- As agreed and documented