

OUR SELLING PROCESS:

1. Relationship / Trust / Agreement

A. Documentation / Authorization

B. Valuation / Pricing

2. Marketing / Advertising

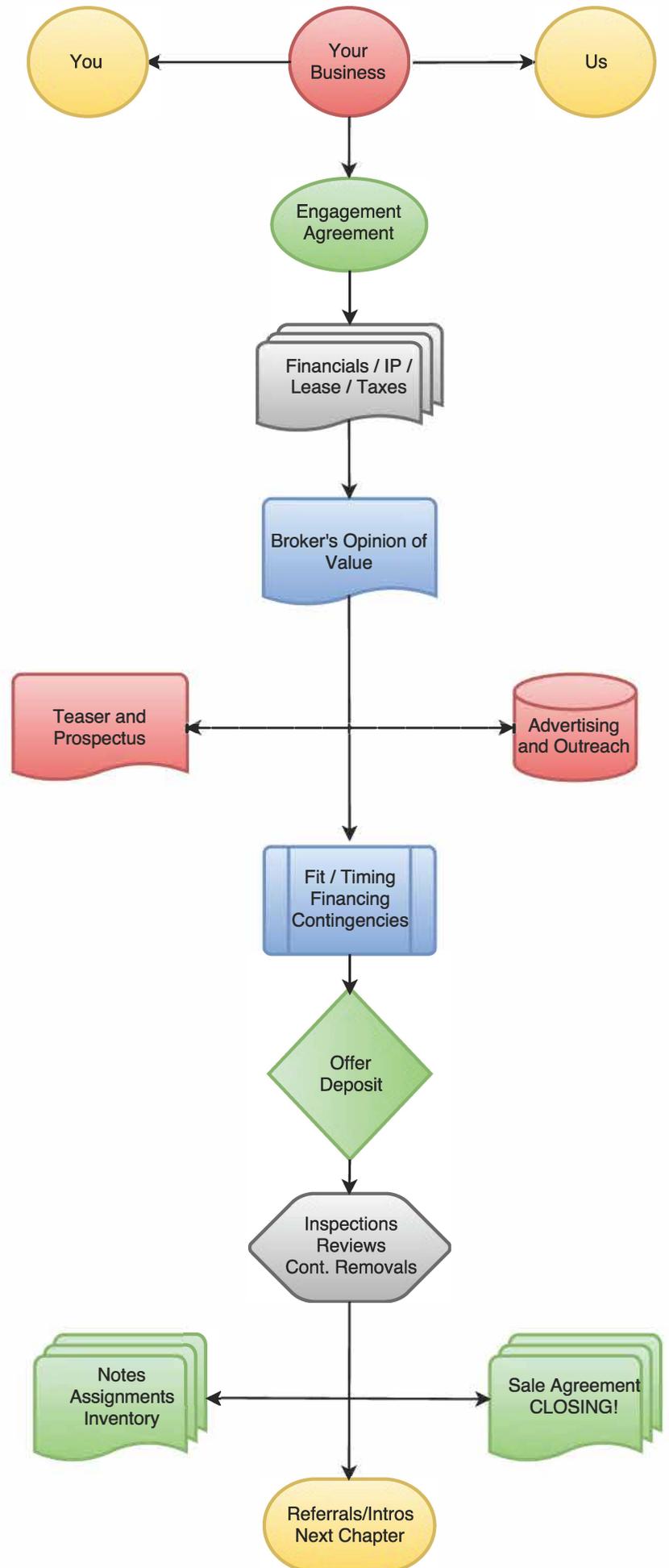
3. Buyer Screening / Qualification

4. Offers / Negotiation / Acceptance

5. Due Diligence / Coordination

6. Prep Sale Agreement / CLOSING!

7. Post Sale Follow up / Support





STEP-BY-STEP SELLING PROCESS

1. Relationship / Trust / Agreement

Step one is getting to know each other. We want to understand your needs, motivations and expectations. We want to know as much about your business as possible – its history, products, services, customers and competitors. We also need you to understand how we work and our commitment to you as your broker. We may not be a good fit for each other – that’s fine, we may be able to refer you to someone who will be a better fit. If we are a good fit to work together, it is absolutely critical that we trust one another, be on the same page with how this process is going to work, then execute a listing agreement.

A. Documentation / Verification

This first step also involves you assembling and delivering to us all the documents we need to value and price your business. We’ll need three years of financial statements and tax returns. We’ll need 12-months of bank statements. We’ll need a copy of your lease, list of equipment, inventory, intellectual property and other assets. We dig deep, because you can be sure most serious buyers will as well, and they will expect us to know everything about your business. We will also have a conversation about discretionary spending, which will impact the next step. All of this information is kept strictly confidential.

B. Valuation / Pricing

Upon receipt of your numbers, we prepare a Broker’s Opinion of Value (BOV) and recommend the upper and lower ranges of the sales price. The price range will be contingent upon third-party comps of similar businesses in similar locations and circumstances. It will also be based partly on your willingness to offer seller financing. (It’s a fact that businesses that are partly seller-financed sell faster and for a higher price than non-seller-financed businesses). The number one reason most businesses fail to sell is that the sellers have an unrealistic expectation of its worth. We need to agree on this point from the get-go.

2. Marketing / Advertising

Step two is marketing. We will prepare a confidential teaser and prospectus on your business, then advertise it on multiple business MLS and M&A exchanges. We will also send the teaser to our extensive database of potential buyers. We have personal and trusted relationships with many buyers. We will share the teaser with other business brokers and M&A professionals whom we have co-broker relationships with. We will also advertise your business on the appropriate industry trade platforms and newsletters. We know the ones that get results. Even though we will advertise your business broadly, we use a rifle to target the most likely buyers.

3. Buyer Screening / Qualification

Step three is fielding inquiries and qualifying potential buyers. We screen all potential buyers to eliminate tire-kickers – those that can't afford it, or are not ready to buy a business. We make sure they can pay cash, or are bank/SBA approved. Qualified buyers must sign a non-disclosure agreement before we tell them about your business and share the prospectus. This step may involve arranging a phone call or face-to-face meeting with you after we have qualified the buyer. We will not waste your time; you still have a business to run. Walk-throughs can be disruptive if not orchestrated properly.

4. Offers / Negotiation / Acceptance

Step four is securing written offers and presenting them to you for consideration. We usually insist upon an earnest money deposit. We will not present you with a bunch of unqualified verbal offers. When we present you with an offer, it will be a serious one. If it is not a full price offer, we'll explain the prospective buyer's reasoning and help you weigh the trade-offs between accepting it, countering it, or waiting for a better offer. We will also try to minimize the number and type of contingencies the buyer wants, and make sure they are fully prepared to commence due diligence, should you decide to accept the offer.

5. Due Diligence / Coordination

Step five is due diligence. This is where most deals fall apart. If we have done our job properly and you have been totally forthcoming with the numbers and information requested, the buyer should find no surprises. If anything, we want the buyer to be pleasantly surprised and delighted. Our job is to coordinate inspections, reviews and verifications, so we can remove the contingencies and get to a closing. We'll need your cooperation and that of your landlord, suppliers, financiers and counsel, to pull together all of the documentation needed to verify that the business is everything you represented it to be.

6. Closing Preparation / Sales Agreement / CLOSING

Step six is closing prep, sales agreement and CLOSING. Our standard closing documents are based on hundreds of prior successful transactions. They are tailored to meet the individual needs of you and your buyer at the time of sale. They are coordinated by either an attorney or an escrow company. We can recommend a good one who knows how to expedite and close the deal, not stall it. Your inventory, among other debits and credits, will be calculated the day before closing. If seller financing is involved, we'll help coordinate the loan agreement. Our job at this stage is to make life easier for all the parties involved.

7. Post Sale Follow Up and Support

Step seven is post sale follow up and support. Hopefully, you loved the job we did – you will have no doubts that we earned our commission. And hopefully, we won't have any over-powering desire to strangle you (*that's broker humor, no doubt it won't apply to you*). We never like to say "goodbye and good luck." We like to say, "How can we help you with the next chapter of your life?" Whatever it is, we can make introductions and referrals. We can be a sounding board and connector. You will have made new friends and business associates for life.

Now....let's get busy selling your business!