

# Selling Your Business WHAT YOU NEED TO KNOW

## Key Takeaways and Action Points

### Planning for an Eventual Business Sale

- Surround yourself with trusted experts early to create value in your company.
- Create and maintain company metrics to evaluate your performance.
- Prepare yourself emotionally and financially for the sale.
- Determine an appropriate buyer – family member, employee, or outside investor.
- Organize your team consisting of strong management, CPA, attorney, and wealth manager to optimize your eventual exit and execute your wishes for the business transition and potential retirement.
- To maximize your value, look to exit when you are at or close to the top and your business is growing.



### Who are Your Potential Buyers?

*There are specific steps to consider if you are selling to an insider for a family-owned business or someone externally.*

#### Insider

- Establish a plan to gift your business over time.
- Establish a grantor retained annuity trust, or GRAT.
- Obtain a buy-sell agreement if your business is a partnership.
- Transfer ownership of your business to your employees through an Employee Stock Ownership Plan (ESOP).

#### Outside Investor

- Establish and document that your business will maintain profitability after exit.
- Current market value will be determined and might be higher than an insider/family transaction.
- Establish metrics to determine and evaluate your performance relative to industry.
- Establish how the business will run and grow without your presence.

## Considerations:

- Hire an investment banker or business broker.
- Hire a third-party CPA firm.
- Carefully consider your spending and hiring plans.
- Develop a mini-business plan and executive summary.



## Consider Life after Sale: What Comes Next?

*Think about the future of your business as one of your most valuable investments.*

## Schedule a complimentary consultation with Modera.

The advisors at Modera are ready with a team of seasoned professionals from many disciplines to help you navigate the eventual sale of your business. We have a comprehensive approach to financial planning that involves your other trusted professionals/advisors to coordinate efforts for your exit strategy.

If you'd like help to guide you through the important wealth management considerations for your business and your personal financial situation, please call us. We'll arrange a [complimentary consultation](#) to help you determine what may make sense for you.

### Disclosures

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