

Business Sale Checklist

1. LIST OF "OWNER'S DISCRETIONARY INCOME."
2. Three years' profit and loss statements.
3. Federal Income Tax returns for the business.
4. List of fixtures and equipment.
5. The lease and lease-related documents.
6. Any agreements with suppliers or vendors.
7. A list of the loans against the business (amounts and payment schedule).
8. Copies of any equipment leases.
9. A copy of the franchise agreement, if applicable.
10. An approximate amount of the inventory on hand, if applicable.
11. Supporting documents for patents, trademarks, or copyrights.
12. Sales brochures, press releases, advertisements, menus or other sales materials.
13. The names of any outside advisors.

In addition, here are some of the questions that buyers may have. A prepared seller should have ready answers as well as the information to support them.

- Is the seller willing to train a new owner at no charge?
- Are there any zoning or local restrictions that would impact the business?
- Is there any pending litigation?
- Are any license issues involved?
- Are there any federal or state requirements, or environmental OSHA issues that could affect the business?
- What about the employee situation? Are there key employees? Do they have contracts?
- Are there any copyrights, secret recipes, mailing lists, etc?
- What about major suppliers or vendors?