Homestretch

Seven things a buyer will ask in the first call

Serious buyers ask these in a predictable order. They are deciding quickly whether your business is worth a deeper look. Owners with good answers ready look organized, and that helps the price.

1. **Why are you selling, and why now?**
   Buyers check whether there is something they should worry about.
   Have ready: a short, honest, specific reason. Vague answers make buyers nervous.

2. **What does the business earn, and how do you know?**
   Expect questions on three years of revenue and profit, and whether the numbers tie to your tax returns.
   Have ready: three years of tax returns and statements that match, and a receipt or invoice for any personal or one-time expense you count as profit.

3. **What would happen if you were away for a month?**
   This is the owner-dependence question. It tells a buyer whether they are buying a business or a job.
   Have ready: who runs each part of the business, and how customers are served without you.

4. **Who are your customers, and why do they choose you?**
   Buyers look for concentration, how long customers stay, and whether revenue recurs.
   Have ready: your top five customers by revenue, how long each has been with you, and why each chooses you.

5. **Who are the key employees, and will they stay?**
   If a manager or lead technician could leave, the buyer will price it in.
   Have ready: the people who matter most, their tenure, and any agreements you have with them.

6. **Are your profits and sales growing, steady or slipping?**
   Buyers pay more for a business that is growing and earning healthy margins, and less when either is sliding.
   Have ready: sales and profit by year, your profit margin, and a plain explanation of any dip or jump.

7. **What could go wrong?**
   A good buyer asks about disputes, licensing, regulation, supplier changes, and any debts or leases you have guaranteed.
   Have ready: the risks you already know about, said calmly with a plan. Owners who raise risks first build trust.

How to prepare

1. Write a one-page answer to each question.
2. Gather the supporting documents: three years of tax returns and statements, a customer list, an employee list and key contracts.
3. Say the answers out loud, especially the uncomfortable ones.
4. Treat any weak answer as your to-do list for the next 12 months.

Prepared by Matt Behrens, who has spent 15 years buying businesses. Educational guidance, not legal, tax or investment advice. Share detailed documents only after a buyer signs a confidentiality agreement.

Free Buyer's-Eye Score
homestretchexit.com/quiz