How to sell a business, step by step: a guide for Greater Cincinnati owners

Most sales follow the same eleven steps. The owners who get through them cleanly are usually the ones who knew what was coming.

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Preparation-first business brokerage for owner-led companies.

Selling a business comes down to a set sequence. Decide what you need from the sale, find out what the business is worth today, get the financial records into a form a buyer's lender will accept, and fix what buyers will question first. Then talk with your accountant and attorney about taxes, choose who will run the sale, market the business confidentially, compare offers, get through due diligence, close and hand over the business. For an owner-led company in Greater Cincinnati, the preparation usually takes 12 to 24 months and the sale itself another eight to twelve.

This guide walks through how to sell a business one step at a time, in the order the steps usually come. It sits inside the bigger picture covered in The five stages of a business exit, which explains where the decision to sell comes from and what happens after closing. The steps below are the practical middle of that picture.

Step 1. Decide what you need from the sale.

Start with your own number. After the transaction fees, taxes and paying off debt, how much do you need to walk away with, and what do you want to be doing the year after closing? In *Walking to Destiny* (2023), Christopher Snider, who leads the Exit Planning Institute, calls the difference between what an owner needs and what they already have outside the business the Wealth Gap. For most owners the business is the only way to close it. An owner who knows the number can judge every offer against it. An owner who doesn't tends to judge offers against a friend's sale or a figure from an industry newsletter.

What you need to step away covers how to work out that number, including the gap between the price on the letter of intent and what reaches your bank account.

Step 2. Find out what the business is worth today.

The second number is what a buyer would likely pay now. If that covers what you need, the business can move toward market. If it doesn't, Snider sees two choices, lower the goal or build the value of the business before selling. His Value Gap, the distance between what the business is worth today and what a well-run company of the same size would be worth, shows where the work would pay off.

Value in an owner-led business usually rests on earnings the buyer can verify and keep, more than on revenue. What is my business worth? explains how buyers and their lenders arrive at a price.

Step 3. Get the financial records ready.

Many Main Street buyers rely on outside financing, so a lender usually reads the books before a buyer can close. The tax returns, the financial statements and the bank deposits need to tie to each other. Owner pay, personal expenses and one-time costs that run through the business get documented and added back, which is called recasting the financials. Each adjustment needs a receipt or a record behind it, because the buyer's lender will check it.

Three years of tax returns and financial statements is the usual starting request. Monthly statements that a buyer can follow without a phone call to the owner are worth more than a polished summary.

Step 4. Fix what buyers will question first.

With a two-year runway, *Walking to Destiny* recommends working through the business's weak spots in 90-day sprints, a few priorities at a time, before going to market. For most owner-led companies the list looks familiar. Customers who only deal with the owner. Procedures that live in the owner's head. A key supplier or customer without a written agreement. A lease that ends soon after closing. Each of these makes a buyer, and the buyer's lender, more cautious.

The work is to move customer relationships to other people in the company, write down how the work gets done, and clean up contracts and licenses. Before you go to market: what to fix first lays out the order.

Step 5. Talk with your accountant and attorney about taxes and structure.

Bring your own accountant and attorney in early, well before a letter of intent is signed. How the deal is structured, whether as a sale of assets or a sale of the company's stock or membership interests, and how the price is split among equipment, goodwill and a non-compete, changes the tax bill. Some tax planning only works if it is in place before a buyer is involved, and once the letter of intent is signed, the structure is hard to change.

Step 6. Choose who will run the sale.

Some owners sell on their own, usually when the buyer is already known. Most use a business broker, who prepares the marketing materials, finds and qualifies buyers, keeps the sale confidential

and manages the process through closing while the owner keeps running the business. How to choose a business broker in Cincinnati covers the questions to ask. If the sale includes a building or the lease of one, that part must run through an Ohio real estate licensee.

Main Street Exit Partners' approach to helping owners sell your business is described on its own page.

Step 7. Market the business confidentially.

Buyers first see a blind profile with no company name. Those who want more sign a nondisclosure agreement and complete a buyer profile covering their background and financial capacity, and only then see the confidential information memorandum. Information goes out in stages, with the most sensitive details last. How to sell your business confidentially explains the system.

Plan early which key employees need to know, and when. Panelists at an ACG Cincinnati member lunch in October 2026 described deals where a key employee learned about the sale late, understood how much the buyer needed them, and asked for a large payment to stay. A retention agreement worked out before buyers arrive is usually easier to arrange than one negotiated in the middle of a deal.

Step 8. Meet buyers and compare offers.

Serious buyers will want to meet the owner and see the operation, usually after hours or away from the business. Offers often arrive as a letter of intent covering the price, how it will be paid, the timeline and the conditions. Compare more than the price. Look at how much is paid at closing, and how much depends on a seller note or on results after the sale.

Before you sign, check that the buyer can close. A letter of intent usually gives the buyer exclusivity, which ends your talks with every other buyer for a set period, so a buyer who can't pay can cost you months. Many Main Street buyers rely on outside financing, often backed by the Small Business Administration (SBA), and lost financing is one of the more common reasons a signed deal fails late. Ask for proof of the down payment and a letter from the buyer's lender, and ask whether the buyer has bought a business before.

Step 9. Get through due diligence.

After the letter of intent, the buyer and the buyer's lender check everything the seller has said. In Grady's experience on the buy side of acquisitions, this is where deals most often slow down or fail. The causes are usually the same few. Financial statements that don't hold up. Something material the seller didn't disclose. Slow answers to the buyer's requests. And sometimes something the seller didn't know about either, such as an expired license or a contract term nobody had read in years.

Axial's review of 75 deals that signed a letter of intent in 2025 and then failed to close found diligence problems and earnings that didn't hold up behind nearly half of them. Those deals were

mostly larger than Main Street sales, but the pattern matches what smaller deals see.

Keep running the business as if no sale were coming. The same ACG Cincinnati panel described deals that ended because the company's results slipped while the owner's attention was on the sale. A buyer who sees revenue dropping during diligence will usually ask for a lower price, and some walk away.

Settle working capital early. Larger deals often break down late over how much cash, receivables and payables the buyer expects to be left in the business at closing. In many Main Street sales the seller keeps the cash and receivables and pays the bills, and inventory is the main item that changes hands, so the question is simpler. It still needs settling early, at the letter of intent or soon after, including how inventory will be counted and valued at closing.

Step 10. Close the sale.

The purchase agreement, drafted and negotiated by the attorneys, sets the final terms. Closing usually also involves the lender's documents, the transfer or assignment of the lease, licenses and permits, and the bill of sale or transfer of ownership interests.

If the business rents its space, the landlord usually has to approve the new tenant or a new lease, and a landlord who won't can stop a sale late. Bring the landlord in at the point your attorney and broker recommend, well before the closing date.

One Ohio rule catches some sellers off guard. When a business is sold, the seller files a final sales tax return within 15 days, and the buyer must hold back enough of the purchase money to cover unpaid sales tax until the seller shows the state's receipt or a certificate that nothing is due (Ohio Revised Code 5739.14). The commercial activity tax and employer withholding work the same way. The Ohio Department of Taxation issues its tax release certificate only after the sale, once every return is filed and paid, so part of the price can sit in escrow for a while after closing. Your attorney and CPA can plan for it so it isn't a surprise.

Step 11. Hand over the business.

Most sales include a transition period in which the seller introduces the buyer to employees, customers and suppliers and answers questions. It's often a few weeks to a few months, and it usually runs shorter than owners expect. When the buyer uses an SBA loan, the seller's role after closing is limited to a consulting arrangement of no more than 24 months in total. The day after the wire covers what to plan before closing, including what you'll do next.

How long it takes to sell a business

For most owner-led companies, preparation (steps 1 through 5) takes 12 to 24 months, and a sale-preparation panel at an ACG Cincinnati member lunch in October 2026 gave 12 to 18 months as a practical minimum. The sale itself (steps 6 through 11) usually runs eight to twelve months.

BizBuySell counted 39 Cincinnati businesses that closed in 2025, and they spent a median of 249 days on the market, about eight months, measured from listing.

Where to start

If a sale is a year or two away, the first steps cost little and keep options open. Work out your number, get a realistic view of what the business is worth today, and start on the records. Main Street Exit Partners is a business broker in Cincinnati for owner-led companies across Greater Cincinnati, Northern Kentucky and Southeast Indiana. A private conversation about where things stand is a reasonable place to begin, and preparation does not obligate you to go to market.

Common questions

What is the first step in selling a business?

Decide what you need from the sale before anything else. Work out how much you need to walk away with after fees, taxes and debt, and what you want to do next. Then compare that with what the business would likely sell for today. The gap between the two numbers tells you whether to start preparing for a sale now or spend time building value first.

How hard is it to sell a small business?

Harder than most owners expect, mainly because of the work it takes. The business has to be prepared, the records have to satisfy a buyer's lender, and the sale has to stay confidential while the owner keeps running the business. Most sales take months, and the long run of requests and negotiation wears both sides down, which is called deal fatigue. Many deals that reach a letter of intent still fall apart in due diligence. Preparation is what makes the difference.

What is the difference between an asset sale and a stock sale?

In an asset sale, the buyer purchases the business's equipment, inventory, customer relationships and goodwill, and the seller's company keeps most of its liabilities. In a stock sale, the buyer purchases the owner's shares or membership interests and takes the company as it is, liabilities included. Most small business sales are asset sales. The two are taxed differently, so ask your CPA and attorney before agreeing to either.

Sources

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Business sales involve legal, financial, operational, and personal considerations that vary by situation. You should consult your attorney, accountant, tax advisor, financial advisor, lender, and other appropriate professional advisors before making transaction decisions.

START WITH READINESS

Understand where your business stands.

A Confidential Exit Readiness Assessment is a private first conversation about where your business sits in the process, what buyers are likely to care about, and what a prepared path forward may look like. Preparation does not obligate you to go to market.

REQUEST A CONFIDENTIAL EXIT READINESS ASSESSMENT

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The Exit Library is designed to help owners understand the business-sale process before they are in the middle of it.

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