Deal Rescue Checklist

Keep a stalled business sale alive in a crisis, a recession or a rough patch.

FREE CHECKLIST

1. On hold or dead?

- [ ] Is the contract still in force? Check every deadline
- [ ] Has the buyer formally withdrawn? (If not, it's on hold)
- [ ] Is financing delayed, or withdrawn with no alternative?
- [ ] Does the seller still want to sell?
- [ ] Are both sides still taking your calls?

2. First checks

- [ ] What exactly is the buyer worried about?
- [ ] What does the seller need: price, timing or certainty?
- [ ] What has changed in the business's numbers?
- [ ] Are the landlord and lender still on board?
- [ ] Which deadlines need extending in writing?

3. Options to bridge the gap

- [ ] Lower price (protect the seller from panic pricing)
- [ ] More seller financing
- [ ] Longer payout, with the note secured
- [ ] Earnout tied to clear, measurable targets
- [ ] Delayed closing, with new dates and an end date in writing
- [ ] Different transition or training period
- [ ] Lease assignment or extension from the landlord

> *"Deals are not dead. They're on hold, which is the truth. ... Anything to keep it alive." Abe Jenners*

4. Remote closing

- [ ] Process agreed: who signs what, and when
- [ ] Documents shared through a data room, not email
- [ ] Identities verified (video call if needed)
- [ ] Notarization rules checked where the deal closes
- [ ] E-signature for every party
- [ ] Funds, keys, codes, accounts and passwords handed over

5. When to let it go

- [ ] The buyer has formally withdrawn
- [ ] Financing is gone with no alternative
- [ ] The seller has taken the business off the market
- [ ] Saving it would seriously harm either client

Then

- [ ] Call your backup buyers
- [ ] Keep both sides on a drip campaign

6. Scripts for the hardest calls

To a nervous buyer: "I understand. Nobody knows exactly what the next few months look like. Before you decide anything, let's look at what would make this work for you: a different price, more seller financing, a longer payout or a later closing. The deal is on hold, not dead."

To a seller who wants to cut the price: "I'll support whatever you decide. Before you do, let's look at what the business has earned, what it's likely to earn once this passes, and whether better terms could get you a better price than a big cut."

To a buyer who's gone quiet: "Just checking in on the [business]. We're still under contract, and the seller is still committed. Can we set a time this week to talk about next steps?"

Protect the seller from panic pricing

- [ ] Review what the business has earned
- [ ] Estimate earnings once the crisis passes
- [ ] Compare a price cut with better terms
- [ ] Make sure the decision is the seller's, fully informed

Businesses that tend to keep selling

- [ ] Laundromats and dry cleaners
- [ ] Auto repair
- [ ] Food production and essential food service
- [ ] Businesses bought by buyers who know the industry

> *"Deals are still happening, but not nearly at the same prices. Or things are on hold indefinitely." Josh Factor, founder of Vertica CRM, March 2020*

General information, not legal or financial advice. Full article: "Business Brokering in the Time of Coronavirus: How to Keep a Business Sale Alive in a Crisis" at businessbrokerscrm.com.