
A FREE CHAPTER FROM

Done Deal

Exit Without Regret

How to Prepare, Promote, and Protect the Sale of Your Business

CHAPTER 24

You Have an Offer. Now What?

What an offer really means, how to handle a lowball, what never to say to a buyer, and how to work more than one offer at the same time.

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CHAPTER 24

You Have An Offer. Now What?

After the meetings, the emails, and the site visit, the buyer signals they're ready to make an offer. Now you wait. Do not reach out to them. I know the urge is there, especially if this is your first offer and you've been holding your breath for weeks. But contacting the buyer at this stage tells them something you don't want them to know: that you're eager. Eager sellers get lower offers. Let them come to you.

When the offer arrives, there's a moment of genuine satisfaction. Someone looked at what you built and said they wanted it. Then you read the number, and that satisfaction can turn to anger quickly. The price is lower than you expected, maybe far lower. That reaction is normal and almost universal. But what you do with it determines everything that follows.

The buyer is not attacking you. To them, your business is a financial transaction, an asset to be acquired on the best possible terms. Your job is to approach it the same way. The chapters ahead walk you through how to do so.

What an Offer Really Means

Low-Ball Offers

Few moments sting as much as when someone questions the value of something you've poured your heart into. At some point, a low-ball offer will likely land in your lap. The buyer's mission is to acquire your business for the lowest possible price. If you accept, they've done their job well. You can't fault the attempt.

First-time buyers often equate buying a business with buying a home or a car. You may find that comparison unfair, but for them it feels genuine. Many have spent hours reading what online experts say about minimizing capital when buying a business, and some have recently discovered AI as their new advisor. They arrive confident in numbers they don't fully understand.

This is exactly why information control matters throughout the process. Everything you say before an offer arrives can be used in the negotiation. A casual comment during a site tour, "The doctor says I need to slow down," ends up in a buyer's notes as "motivated seller." They're not doing anything wrong. They're using what you gave them.

When the lowball offer arrives, thank the buyer and counter with your price, making only minimal concessions. You're testing whether they'll move toward your number. Keep in mind, though, that your number has to be grounded in reality. Many sellers have a figure in mind, the amount they need to retire or start the next chapter. But as covered in the valuation section, what you need has no bearing on your business's value. Value is based on earnings and market conditions, not personal financial goals.

A low opening offer is just that, an opening. It doesn't reflect your worth or your business's true value. Counter, stay composed, and let the process work.

Offers Backed by “Expert Advice”

Some buyers arrive with ammunition. A friend sold a business. A relative works in finance. They’ve gathered what they consider evidence that your business isn’t worth your asking price, and they’re prepared to walk you through it.

The most common version of this centers on your finances. The buyer points out that your books show a net loss or minimal profit. What they don’t understand, and what you’ll need to explain, is that small-business owners routinely draw above-market compensation and use legal tax strategies to reduce taxable income. Minimizing profit for tax purposes is standard practice. To a first-time buyer, it looks like a red flag. To anyone who’s been in the room for these deals, it’s routine.

Your response should verify the accuracy of their proposal, not to debate intent. Does the price multiple align with industry standards? Are they crediting you for both direct and indirect compensation? Is the non-compete reasonable? Work from facts. Buyers armed with secondhand advice and stacks of evidence can almost always be brought back to a straightforward earnings multiple. Knowledge and patience get you there.

Strategic or Professional Buyers

A low offer from a professional buyer, someone who has completed multiple acquisitions, presents a different challenge. This isn’t someone who read three articles online and called a friend. They’ve reviewed your financials, analyzed your market position, and sat across the table from sellers. They know how this works, and they’re counting on the fact that you don’t.

That experience is real, but it isn’t disqualifying. You know your business better than they ever will at this stage. That’s your leverage.

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Professional buyers use pressure methodically. They'll enumerate every flaw in your business to justify a lower number. They'll present terms as non-negotiable. They'll move slowly, knowing that time creates urgency on your side. Recognize these tactics for what they are: not verdicts on your business. Stay on the facts, hold to the valuation work you've already done, and be prepared to justify your number with data: earnings, growth trajectory, market conditions, and any strategic value that isn't visible in the financials alone.

On patience: give yourself time to consider their offer and counter deliberately. Professional buyers expect back-and-forth and respect sellers who hold their ground. But don't let negotiations drag on. Time kills deals. The longer a transaction stays open, the greater the risk that the buyer loses focus, market conditions shift, or outside advisors complicate what started as a straightforward deal. Set clear response deadlines throughout the negotiation. This isn't about appearing rushed; it's about keeping the deal alive and on your terms.

There's also a genuine upside to working with a professional buyer. They're more likely to have financing in place, less likely to manufacture a crisis during due diligence, and better able to see a deal through to closing. The opening offer may sting, but you're dealing with someone who can deliver. Negotiate hard on price and terms, and remember that a completed deal at a good price beats a perfect price that never closes.

One Offer

Ideally, you receive multiple offers. Often, you don't. Many businesses sit on the market for months or years before a single offer arrives, and when it does, it can feel like your only shot. It may be. That doesn't change how you handle it.

Don't reveal how long you've been on the market or that this is

your only offer. That information benefits them, not you. In most cases, they won't know unless the process has dragged on visibly, and if it has, that's a separate problem.

What you have is an offer. Someone looked at your business and said they wanted it. There's an old real estate observation that the first offer is often the best. No one can prove that universally, but the point is sound: don't dismiss any offer just because it's the only one in front of you.

Step 1: Evaluate the Offer

Analyze the offer across three dimensions: price, terms, and conditions. Go back to the priorities you set before the business went to market and compare the offer against them. Does the price meet your valuation goals? Are the payment structure and timeline workable? Do the conditions reflect what you need from this sale? If it falls short in critical areas, that's what negotiation is for. An initial offer is a starting point, not a final answer.

Step 2: Don't React Emotionally

Most offers come by email, which gives you time. Use it. Never send a reaction before you've thought it through, whether the offer excites or offends you. An email telling a buyer their offer is insulting ends the negotiation before it starts. A simple acknowledgement is enough: "Thank you for your offer. I'll review it and be in touch shortly." It's professional, it buys you time, and it signals nothing about your position.

Step 3: Maintain Your Leverage

Don't volunteer weakness. Specifically, never tell the buyer:

- "This is my first offer."
- "I haven't received any other offers."

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Both hand the buyer exactly what they need to press harder. If they ask whether you're entertaining other offers, you can say honestly, "I'm still actively engaging with interested parties." If you're listed on business-for-sale platforms and inquiries are still coming in, that statement is accurate. You maintain control of the narrative without misrepresenting anything.

Step 4: Control the Process

The leverage dynamic shifts once you accept an offer. Much of your negotiating power shifts to the buyer during due diligence, so you want to resolve as much as possible beforehand. Counter, negotiate terms, and push on conditions. Do it all before you sign.

Multiple Offers

Multiple offers don't happen by accident. They happen when you've run a process that confidentially exposed your business to the full range of qualified buyers. If you've done that and offers are arriving, here's what most sellers don't know: you don't have to choose one and negotiate it to completion before moving to the next. You can work with all of them at the same time.

Start by laying out all the offers side by side. Compare each buyer's offer against what you wanted. Price matters, but so does structure: how they want to pay, what they expect from you after the sale, and how quickly they can close. Every buyer brings different motivations, and those differences show up in the details of their offers. A spreadsheet makes this comparison straightforward and helps you avoid basing decisions on the most recent offer you read rather than the one that serves you best.

As you evaluate, don't ignore intangibles. Some buyers will connect with you in ways that don't show up in the numbers. Shared

industry experience, genuine concern for your employees, and a track record of keeping businesses intact rather than stripping them. If one buyer gives you confidence that your legacy will be respected, that's worth something. It doesn't mean you take less money, but it can reasonably influence how hard you push on certain terms.

There is no rule requiring you to negotiate offers in sequence, finishing one before starting another. This is not first-come, first-served. You can counter all offers simultaneously, asking each buyer for exactly what you want. As buyers drop out or fail to meet your terms, you continue with whoever remains. You can even counter your preferred offer again after the others have exited, since that buyer has no way of knowing the field has narrowed.

You can also accept more than one offer at the same time.

That surprises most sellers, but it's legitimate. The mechanism is a contingency clause: you accept each offer subject to the nonperformance of the offer ranked above it. You rank the offers in order of preference, accept all of them in that sequence, and each buyer below the top knows their offer is contingent on the preceding deal falling through.

Managing this requires care. Buyers not in the top position will want to know why. You don't owe them the competing price, but you do owe them an honest explanation. If the other offer was simply higher, say so. If the preferred buyer offered better terms for your employees or your business's continuity, say so. Most buyers can accept losing to a better offer. What they can't accept is feeling misled. Be clear that the milestones in the top offer are aggressive and that subordinate offers remain live if those milestones aren't met. That keeps secondary buyers engaged rather than walking away.

Your advisors need to be part of this process. Stacked contingent acceptances have legal and financial implications, so you want counsel before you send acceptance letters.

KEEP READING

Read it before the buyer calls.

That was one chapter of thirty-one. The rest of the book walks through the whole sale in the order you will meet it: what the business is worth, what a buyer will see that you do not, how to find the right buyer without the word getting out, what happens when offers arrive, and how to protect the deal through diligence, financing, and closing.

Done Deal: Exit Without Regret is available in four formats.

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Paperback on Amazon a.co/d/0gG4NMyn

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If a buyer has already called

Skip the book for now and schedule a conversation. The offer has a clock on it. The book does not.

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