American Riviera Bank

BUSINESS EXIT PLANNING

INSIGHTS ON PLANNING YOUR EXIT, PROTECTING WHAT YOU'VE BUILT, AND LEAVING ON YOUR OWN TERMS

The best time to plan your exit is ***before*** you need one. Starting 5 to 10 years early gives you the runway to stregthen the business, build your team, and make decisions on your own timeline, not the business's.

10 ESSENTIALS FOR EVERY EXIT STRATEGY

PRIMARY OBJECTIVE

What are you trying to accomplish? A retirement, a sale, a family succession, a merger, or an orderly wind-down? This decision shapes everything else.

KNOW YOUR TIMELINE

When do you want to walk away ideally on your terms? A strong exit strategy takes years to prepare, not months.

BUSINESS VALUATION

Get a third-party opinion of what your business is worth today. It tells you your strengths, your risk factors, and gives you a starting point.

SUCCESSION & BUYER OPTIONS

Family transition, employee stock ownership plan (ESOP), strategic sale, or merger: each path has different requirements and changes how you prepare.

FINANCIAL READINESS

You'll want to understand cash flow, debt obligations, personal retirement and estate planning, and whether the sale will support the lifestyle you're expecting.

TAX & LEGAL CONSIDERATIONS

How you structure the sale has real consequences for what you keep. Talk to your CPA and attorney early, not after a deal is on the table.

OPERATIONAL DEPENDENCY

If you, or a small handful of key employees, left tomorrow, how much would the business suffer? Buyers look hard at this, and so should you.

CUSTOMER, VENDOR & EMPLOYEE TRANSITION

Continuity matters as much to your buyer as your numbers do. Protect the relationships that could weaken with new ownership.

RISK MANAGEMENT

Customer concentration, litigation exposure, succession risk, outdated financial controls. These quietly add to or take away from your value.

A TEAM OF TRUSTED ADVISORS

A CPA, attorney, wealth advisor, valuation expert, M&A advisor, and banker each play a distinct role. Bring them in early. The earlier, the smoother the transition.

EQUAL HOUSING LENDER
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MY FINAL ADVICE

Don't wait until circumstance forces the timeline. Get a valuation. Build a team around you, not just under you. Hand off your legacy on your terms, while still getting the value you've earned from decades of work.

ABOUT BRIAN DONOVAN



Brian Donovan, ARB Regional Commercial Relationship Manager serving Ventura County, specializes in structuring tailored credit solutions for middle market companies, non-profit organizations, and entrepreneurs. With nearly 40 years of lending experience, he provides his clients with all types of credit solutions from working capital lines to equipment financing, specialty financing as well as owner-occupied and investor commercial real estate at American Riviera Bank.

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