



GOLD
FAMILY WEALTH

The Exit Illusion:

How Smart Founders Avoid Regret, Extract Tens of Millions, and Win on Their Own Terms

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and Jerry D. Prince



“Selling your business isn’t the end—it’s the final test of everything you’ve built. Most owners flunk it.”

If you're the founder of a successful business with \$20 - \$200 million —in enterprise value, the sale of your company isn't just a financial event. It's a legacy moment.

And yet, countless owners sleepwalk into it. They fail to prepare. They misunderstand buyer psychology. They fumble both the pre and post-sale transition. And when it's over, many are not just disappointed with the number—they're disillusioned by the entire experience.

But that doesn't have to be your story.

This is your playbook to exit not just successfully—but brilliantly. Inspired by strategies used by the ultra-wealthy and informed by the hard truths revealed in the twenty-five years in working with hundreds of successful business owners and their professional advisors. The following article will reveal the most common mistakes founders make when selling...and how the elite avoid them.



MISTAKE #1:

Waiting Until You're Tired to Start Planning

When your company is worth \$20–200M+, you're no longer just selling a business. You're selling a wealth engine. But most owners don't think like sellers until they're mentally checked out. That's like entering the Olympics with a sprained ankle. Many times I get a call saying, "we just signed and LOI to close in 60 days for "X" can you help?" Of course, there are some solutions we can explore; however, the **Ultra-Wealthy Play** is to start the exit runway 3–5 years out. Then you have the appropriate runway to ensure you maximize the value of your business, build autonomous leadership, harden systems, optimize cash flow quality, and reduce concentration risks. Additionally, you will have the time to identify and address any gaps in both your business and personal world as well as to structure the next phase of your life post exit.

MISTAKE #2:

Letting Your Emotions Set the Price

You built it from scratch. You sacrificed everything. But sentiment doesn't get priced into a multiple. Strategic acquirers and private equity firms are buying future cash flow—not your past effort.

Ultra-Wealthy Play:

Commission multiple independent valuations based on EBITDA, industry comps, and buyer type. Use the empirical data to define a defensible, premium price—and let your emotions take a backseat.

MISTAKE #3:

Picking a Buyer Instead of Running a Process

The biggest check isn't always the best deal. Sophisticated buyers structure earn-outs, clawbacks, and deferred comp to look attractive. But only a disciplined sale process exposes the real economics.

Ultra-Wealthy Play:

Hire a sell-side M&A advisor and/or Investment Banker who can generate multiple bidders and orchestrate a competitive process and help negotiate the best deal.

MISTAKE #4:

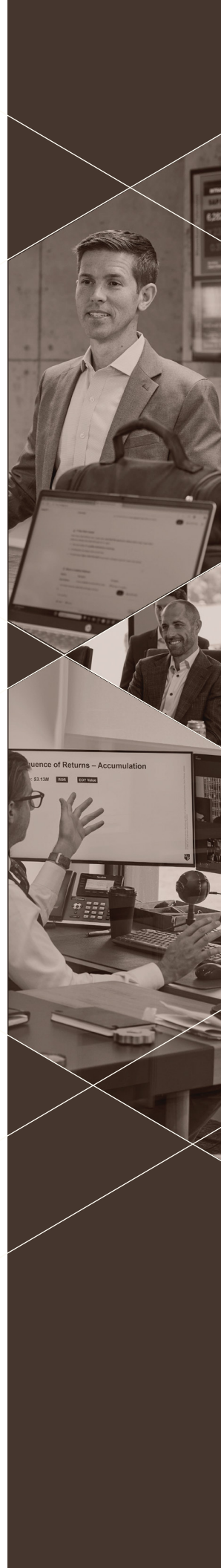
Leaving Millions on the Table in Tax

Many eight and nine-figure exits get sliced in half because of poor tax planning. The IRS can become your silent partner—unless you act early.

Ultra-Wealthy Play:

Working with top-tier wealth management/family office style firms to help coordinate with a tax strategist before going to market. Explore QSBS optimization, charitable trusts, installment sales, gifting strategies, legal structures and advanced investment solutions designed to mitigate tax.

Tip: *The sooner you take steps to mitigate taxes, the more solutions and strategies are available to you.*





MISTAKE #5:

Underestimating Buyer Diligence

In mid-market M&A, due diligence is ruthless. Soft numbers, messy systems, or unclear contracts can torpedo a deal.

Ultra-Wealthy Play:

Conduct a pre-mortem due diligence audit to clean up books, lock contracts, and resolve legal risks. Look at both the financials and non-financials, your operating agreements, buy-sell, stock incentives for employees, path to equity for key stakeholders and much more.

MISTAKE #6:

Going It Alone

Unless you've sold multiple eight-figure companies, you're outgunned. You might be selling your business for the first time and strategic and private equity buyers have done this countless times. With a team of experienced professionals to advise you on your deal would be the equivalent of me a 47 year old financial professional with three spine surgeries in the past three years playing against Michael Jordan in a one v one game in his prime.

Ultra-Wealthy Play:

Build your deal team—M&A advisor, tax strategist, attorney, and wealth planner that specializes with exit planning. This is the team that will make you money and ensure the best shot at the most successful exit on your terms.

MISTAKE #7:

Ignoring Wealth Transfer

A liquidity event impacts your family for generations. Without planning, wealth can become a burden. This is important both pre and post exit, if your business is worth \$50 million and you get hit by the proverbial bus—your business is not liquid aside from a potential for fire sale prices, your estate would be exposed to ~15MM in estate taxes and without any planning or liquidity, this can cause major issues for your heirs and your legacy.

Ultra-Wealthy Play:

Establish the appropriate legal structures, trusts, insurance policies and educate heirs, and implement a family governance framework before close.

MISTAKE #8:

Failing to Articulate Your Legacy

You're selling your business—but what will you do after? A few years ago a friend of mine in the business who is quite experienced in the M&A space had a very successful client who accepted an offer to sell his company for \$250 million. In the eleventh hour, he called my friend and walked away. Baffled as this was life changing money, the client stated, "I'm already rich and this business is my entire identity, what else can I possibly do?"

Ultra-Wealthy Play:

Define your next chapter. Whether it's a family office, philanthropy, or mentoring, purpose sustains wealth. In the scenario above had this client planned ahead he could have used his 250MM plus his intellectual capital to become an angel investor in companies in this space and mentor them- this would be much more advantageous to his industry and the countless business that could have used his experience.

Final Thought

If you're a founder with \$20–200 million (or more) of value on the line, your exit must be more than transactional. It must be transformational; this is your legacy don't wing it. Think about the mark you want to leave on this world and execute your exits with precision, purpose, and vision.

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ABOUT THE AUTHORS

Jerry D. Prince

Jerry develops educational and support services for high-net-worth families and the professionals who assist them. The aim is to empower these families to make smart decisions and enable professionals to provide exceptional value.

For high-net-worth families, Jerry has created resources that address:

- Building a family dynasty.
- Maximizing family wealth when selling a family business.

For professionals in the private wealth industry, Jerry has created resources that address the following:

- How to provide high-net-worth families with family office services.
- How to ensure that high-net-worth families receive the most cost-effective and aligned financial solutions available.
- Strategies for building a network of specialists who can collaborate effectively to offer diverse expertise to high-net-worth families.

Jerry lives in Redding, CT, with Jen, three cats, and the brilliant Eclair.

Michael Ryan Gold

Michael is the founder and CEO of Gold Family Wealth leading a high performing private wealth management firm that provides family office services. Michael is the driving force behind Gold Family Wealth with an MBA specializing in Quantitative Finance and Leadership from the Stern Business School at NYU, a CERTIFIED FINANCIAL PLANNER® professional, Certified Exit Planning Advisor and over twenty-five years of experience Michael developed a mastery of financial strategies, solutions and a technical expertise.

Michael's firm is regularly engaged by successful entrepreneurs and ultra wealthy families as an advisor and strategist to help them think through their business exit strategies and critical issues and opportunities relating to their personal wealth plans.

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