

The Nashville Restaurant Owner's Exit Guide

A practical roadmap to understand restaurant value, prepare for buyers and navigate a confidential sale in Nashville.

01 What restaurant buyers evaluate

Buyers evaluate sustainable cash flow, lease security, operating discipline and a team that can run without the seller.

Profitability and cash flow

Normalized earnings, consistent margins and clear supporting financial records.

Sales trends and mix

Dine-in, takeout, delivery, catering, events and beverage revenue by channel.

Food and labor discipline

Ingredient costs, portion control, scheduling, staffing and purchasing systems.

Location and lease

Remaining term, renewal options, assignment conditions and occupancy costs.

Team and management

Kitchen leadership, front-of-house coverage, retention and training systems.

Licenses and owner role

Permits, alcohol licensing where relevant, and duties still handled by the owner.

STRONG CASH FLOW, A TRANSFERABLE LEASE AND A RELIABLE TEAM BUILD BUYER CONFIDENCE.

Build a buyer-ready business

Preparation can reduce friction even when a sale is not imminent.

A Pre-sale readiness checklist

- ☐ Three years of tax returns, P&Ls, balance sheets, POS reports and adjustments
- ☐ Sales trends by daypart and channel, including catering, delivery and alcohol
- ☐ Food, beverage, payroll and occupancy costs with margin explanations
- ☐ Lease term, extensions, rent increases, assignment and landlord consent
- ☐ Health, business, occupancy and applicable liquor permits and inspections
- ☐ Employee roster, managers, key kitchen staff and retention considerations
- ☐ Equipment inventory: ownership, maintenance, financing and replacement needs
- ☐ Vendor agreements, inventory methods and food-safety operating procedures
- ☐ Owner responsibilities and a practical plan for management handoff

SELLER EXERCISE

Which key shifts, vendor relationships, menu decisions or financial tasks still require you? Identify two to document or delegate.

B Six stages of the selling process

01 Define exit goals

02 Understand value

03 Prepare for market

04 Market confidentially

05 Negotiate and diligence

06 Close and transition

Anticipate due diligence

Clear, organized answers help buyers understand opportunities and assess risk.

Financial performance

Can earnings be reconciled to tax filings, POS data, payroll and bank activity?

Lease and premises

Can the lease be assigned? What consent, deposits, guarantees or extensions are required?

Cost controls

Are food, beverage, labor, delivery and occupancy costs stable and explainable?

Team continuity

Which managers and kitchen leads will stay? Can the operation run without the seller?

Permits and condition

Are health records, relevant alcohol privileges and major equipment documented?

Transition and terms

What training, inventory count, working capital and approvals are needed for closing?

! Three avoidable mistakes

01 Using gross sales as the sole basis for asking price instead of supportable earnings.

02 Ignoring landlord approval, lease terms or licensing requirements until late in the deal.

03 Waiting for diligence to reconcile POS reports, payroll, inventory and tax records.

Your first 30 days

Four focused weeks to move from wondering about an exit to having a practical starting point.

WEEK 01

Define your exit goals

Set a target timeline, financial priorities and your preferred role after the handoff.

WEEK 02

Review earnings and sales

Reconcile financials and POS reports; review channel mix, food costs and payroll.

WEEK 03

Inspect transferability

Examine lease assignment, permits, equipment, staffing and owner-led duties.

WEEK 04

Map your sale strategy

Discuss valuation and readiness with a broker and qualified legal and tax advisers.

CONSIDERING SELLING YOUR NASHVILLE RESTAURANT?

Explore your value, prepare the business and plan a confidential transition.

Joe@legacy-eta.com

Educational information only. Transaction outcomes depend on individual facts and conditions. Consult qualified legal, tax and financial advisers.