The HVAC Owner's Seller Readiness Guide

A practical starting point for understanding value, organizing your records and planning a confidential sale.

1. Start with the earnings

Annual revenue shows scale. It does not show what a buyer can earn after payroll, materials, dispatch, marketing, vehicle costs and management. Organize a reconciled view of earnings before choosing a multiple.

SDE: earnings available to a single owner-operator, including supportable owner compensation and adjustments. **EBITDA:** earnings before interest, taxes, depreciation and amortization. A management-run company needs realistic replacement costs. Multiples for SDE and EBITDA are not interchangeable.

2. Use benchmarks carefully

BizBuySell's reported 2021-2025 HVAC sales show sold-business SDE multiples of 1.99x at the lower quartile, 2.58x at the median and 3.33x at the upper quartile. This historical small-business cohort is a comparison, not an appraisal or prediction. Larger contractors and institutional platforms may need different evidence.

The website calculator shows this arithmetic without hidden adjustments. It does not calculate taxes, debt, working capital, transaction costs or equity proceeds.

3. Put your goals beside the numbers

Decide what matters beyond the headline price: cash at closing, timing, your future role, your employees, continuity for customers and the treatment of your brand. Share your priorities with your advisor before evaluating buyers.

Start a confidential conversation

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Call 832-712-4162 or visit SellHVACBusiness.com.

An initial conversation does not authorize a public listing or buyer outreach. Agree on scope, fees and disclosure safeguards before proceeding.

Your Seller Readiness Checklist

Review these 16 items. A missing record is a preparation task, not a readiness score or a prediction of sale value. You do not need every item complete to begin a conversation.

Financial clarity

[ ] Three years of tax returns and annual financial statements are organized.

[ ] Monthly results reconcile to year-end accounts.

[ ] Owner compensation and proposed add-backs have supporting documents.

[ ] Service, maintenance, installation and project margins are separated.

Customers and contracts

[ ] Top customers and concentration are documented.

[ ] Maintenance agreements, renewals and cancellation terms are available.

[ ] Backlog, warranty obligations and receivable aging are current.

[ ] Customer data can be shared safely in stages.

Operations and people

[ ] Management responsibilities and owner involvement are documented.

[ ] Technician roster, compensation and retention risks are understood.

[ ] Fleet, equipment, inventory and liens are scheduled.

[ ] Applicable licenses, insurance and contract transfer questions are identified.

Your exit plan

[ ] My preferred timing and post-sale role are clear.

[ ] I have considered employee, brand and customer continuity.

[ ] My CPA and attorney can advise on tax, structure and documents.

[ ] I can explain what I need from a transaction beyond its headline price.

Keep identifying records private. Agree on staged disclosure and appropriate confidentiality arrangements before sharing tax returns, employee details or customer lists.

Compare the Whole Offer

Use these questions when a buyer approaches you or when several offers are on the table.

Price and proceeds

What is paid at closing? What is held back? Separate guaranteed cash from earnouts, seller notes and rollover equity. Clarify debt repayment, fees, taxes and working-capital adjustments.

Buyer capacity and fit

Who is the legal buyer? Is funding committed? What approvals remain? Ask about operating experience, management plans and the future of your employees, customers and brand.

Your responsibilities after closing

What role, hours, compensation and transition obligations would you accept? Which restrictions or personal guarantees are requested? Put material commitments into the agreements.

Conditions and diligence

What must happen before closing? How long does exclusivity last? What is the diligence schedule? How will sensitive information be protected, especially when the buyer is a competitor?

Where to go next

Offer comparison worksheet
HVAC due diligence guide
Private equity and buyer guide

Sources and scope

BizBuySell: HVAC Business Valuation Benchmarks (reported 2021-2025 sales).
bizbuysell.com/learning-center/valuation-benchmarks/hvac/
SBA: Close or sell your business.
sba.gov/business-guide/manage-your-business/close-or-sell-your-business

Prepared October 6, 2026. Practical review questions are not numerical valuation adjustments. This guide provides education; company-specific valuation, legal and tax decisions require individual professional review. Sunny's credentials and background are linked in the website's advisor profile.