Business valuation document checklist

What to assemble before a valuation engagement starts. Tax returns are a starting point, not a substitute for the package. Items that do not exist at your company rarely block the work, but complete records shorten the timeline and reduce follow-up requests.

CORE PACKAGE

What most engagements need

- [ ] **Historical financial statements.** Three to five years, or since inception for a newer company, plus year-to-date current.
- [ ] **Business tax returns.** Same window, federal and state.
- [ ] **Latest interim financial statements.** Through the most recent month-end available.
- [ ] **Ownership documents.** Cap table, shareholder or operating agreement, bylaws, partnership agreements, recent amendments.
- [ ] **Debt schedules and loan agreements.** Term loans, revolvers, ABL, mortgages, related-party debt, personal guarantees.
- [ ] **Depreciation schedules and fixed-asset listings.** With major capex history.
- [ ] **Owner and key-management compensation.** W-2s, K-1s, perks, family payroll, distributions.
- [ ] **Forecasts, budgets, or strategic plans.** If they exist.
- [ ] **Customer and vendor concentration.** Top 10 customers and suppliers with revenue or spend, contract terms, and length of relationship.
- [ ] **Material contracts.** Employment, non-compete, license, distribution, lease.
- [ ] **Prior appraisals, valuations, and financing packages.**

TRANSACTIONS

When the assignment supports a sale, buyout, ESOP, or fairness opinion

- [ ] Letter of intent and term sheet
- [ ] Draft or signed asset or stock purchase agreement
- [ ] Earnout terms and seller financing terms
- [ ] Debt to be assumed or paid at closing
- [ ] Lender diligence package, if applicable
- [ ] Quality-of-earnings analysis, if performed
- [ ] Prior offers or recent ownership-interest transactions

REAL ESTATE

When the company owns, leases from an affiliate, or holds property

- [ ] Deeds, plat maps, surveys
- [ ] Property sales history
- [ ] Lease abstracts and full executed leases with all amendments
- [ ] Current rent roll with tenant names, square footage, lease type, and term
- [ ] Historical NOI statements for income-producing properties
- [ ] Vacancy history
- [ ] Property tax bills and assessments
- [ ] Zoning materials and any entitlement documentation
- [ ] Environmental reports, if available
- [ ] Recent property appraisals

409A ENGAGEMENTS

The cap table is the foundation

- [ ] Complete cap table as of the valuation date
- [ ] Three to five years of financials, or since inception for a newer company, plus year-to-date
- [ ] Forward projections with explicit assumptions
- [ ] Corporate charter and bylaws, plus amendments
- [ ] Each round's financing documents: term sheet, charter amendments, stock purchase agreement
- [ ] Stock option plan and any sub-plans
- [ ] Recent common-stock transactions: tenders, secondaries, repurchases, transfers
- [ ] SAFEs and convertibles, with conversion mechanics
- [ ] Board materials relevant to the valuation date
- [ ] Debt summary: term loans, convertibles, revenue-based financing, ABL lines

ESTATE AND GIFT FILINGS

The return instructions set the record

Form 709 adequate disclosure calls for a description of the transferred property, the donor and donee relationship, and either a qualified appraisal as defined in the regulations or a detailed description of the valuation method. Form 706 asks the executor to explain how reported real estate values were determined, attach the appraisals, and provide financial data for closely held stock and partnership interests.

- [ ] Trust, transfer, and gift documents
- [ ] Prior gift-return materials
- [ ] Capitalization records as of the valuation date
- [ ] Support for any discount claimed
- [ ] Exact legal descriptions of transferred property
- [ ] Multi-year balance sheets and earnings data for closely held interests

LITIGATION AND DIVORCE

Wider request, narrower issues

Disputed matters widen the request list because the issues are fact-sensitive. Expect requests for pleadings and the operative agreements, personal and business bank records for the relevant period, compensation and perquisite detail, and any prior valuations or offers exchanged between the parties. Counsel decides how the engagement is structured and what is protected.

LHM Valuation Group · 1230 Rosecrans Ave, Suite 300, Manhattan Beach, CA 90266 inquiries@lhmvaluationgroup.com