

Q.	Why should I use a business broker?
A.	<p>Selling or buying a business is one of the most important financial decisions you will make. A Business Broker has the training and expertise to guide you through the process in a comfortable and efficient manner. He is a team player who will coordinate the efforts of your professional advisors, such as attorneys and accountants. He has handled many transactions and understands the complexities of selling and buying a business.</p> <p>During the process, the Seller's job is to do what he does best, which is to run the business as if he were going to keep it. The Broker's job is to confidentially market the business, find and screen the Buyers, educate them, negotiate the terms of the sale and provide a buffer for the emotional highs and lows that we all experience.</p> <p>The Buyer benefits because the Broker has already pre-qualified a business before he lists it. He has psychologically prepared the Seller for the sale. He has also done a lot of the legwork to assemble the financial information and background of the business. This helps to reduce some of the uncertainty for the Buyer and make this search more efficient.</p>
Q.	How do you handle confidentiality?
A.	<p>Transactions handled by Results Business Advisors are held parties. We require that a prospective Buyer review and sign a non-disclosure statement outlining his responsibility in having access to a Seller's confidential information. This occurs before any detailed information concerning a specific opportunity is released. We are committed to protecting the confidentiality of the business sale.</p> <p>We understand that public knowledge of a potential sale can affect the attitudes and actions of customers, employees, competitors, lenders, suppliers, or investors, and thus the value of the company. We also want to safeguard the employment status of a potential Buyer while he considers a very important change for his future. Go to our <a href="#">Confidentiality page</a> for more information.</p>
Q.	Why buy a business instead of starting one?
A.	<p>It may take more money than time to buy a business. It takes more time than money to start one. The break-even point for buying versus starting a business is the cost to buy equipment, rent a space, pay a staff, pay for advertising, establish contractual relationships and support yourself while you are building up a customer base.</p> <p>If you buy an established business, you have an income from the day you take over. You already know what can be accomplished by the business. If you start a business, you face a lot of uncertainty over the success and desirability of your product or service. Buying a business takes a lot of the risk out of your decision</p>
Q.	What is the best business to own?

A.	<p>It may take more money than time to buy a business. It takes more time than money to start one. The break-even point for buying versus starting a business is the cost to buy equipment, rent a space, pay a staff, pay for advertising, establish contractual relationships and support yourself while you are building up a customer base.</p> <p>If you buy an established business, you have an income from the day you take over. You already know what can be accomplished by the business. If you start a business, you face a lot of uncertainty over the success and desirability of your product or service. Buying a business takes a lot of the risk out of your decision</p>
Q.	How is an offer structured?
A.	<p>Most businesses sell for one-third to one-half down. The remainder is financed by the Seller, by a bank or through family resources. Sellers generally prefer to receive all cash at closing and some Buyers are able and willing to accommodate them. However, Buyers are usually trying to get the most bang for their buck and will want to leverage their down payment into the largest business they can buy. Although, Buyers may want to make a no-money or low-money down offer, it is very rare that they will succeed. Usually a business cannot earn enough to pay salary to the owner and service such a level of debt. In addition, the lender, whether it is the seller or a bank, wants the Buyer to show his commitment to the business by having vested financial interest in its success.</p>
Q.	What kind of financing is available?
A.	<p>Seller financing is usually the cheapest and easiest to obtain. It also tells the Buyer that the seller has confidence in the business. There are no loan fees and the interest rate is usually lower than the bank rates, but the term of the loan is often shorter. Seller notes make up the majority of Buyer financing. Most businesses sell for one-third to one-half down. The remainder is financed by the Seller, by a bank or through family resources. Sellers generally prefer to receive all cash at closing and some Buyers are able and willing to accommodate them. However, Buyers are usually trying to get the most bang for their buck and will want to leverage their down payment into the largest business they can buy. Although, Buyers may want to make a no-money or low-money down offer, it is very rare that they will succeed. Usually a business cannot earn enough to pay salary to the owner and service such a level of debt. In addition, the lender, whether it is the seller or a bank, wants the Buyer to show his commitment to the business by having vested financial interest in its success.</p> <p>Banks will loan money on businesses that show a strong earnings history on the tax returns. They require a lot of documentations and the payment of upfront fees. In recent years, bank loans, which are guaranteed by the Small Business Administration, have become very popular and more readily available. If all else fails, family is always an option.</p>
Q.	How long does it take to sell a business?

A.	<p>It usually takes longer to sell a business than a house or a commercial building. Because of the confidential nature of a business sale, a business broker cannot put a For Sale sign on the window. The average time to sell a business is usually between six to eighteen months. However, there are exceptions.</p> <p>Some businesses may sell within a month of being put on the market. Others may take several years to attract the right Buyer. A business broker seeks out and talks to Buyers everyday. The next one may be just right for a particular business.</p>
Q.	How do you advertise a business for sale?
A.	<p>Results Business Advisors uses various vehicles to market and advertise a Seller's business in the most confidential and discreet method possible. At Results Business Advisors, we realize the sensitivity of this issue and work diligently to protect the Seller's employees and vendors from knowing that their business is for sale.</p> <p>At the present time, Results Business Advisors uses a combination of internet marketing, local marketing sometimes in the form of newspapers, association publications and journals, referrals from past clients, accountants, attorneys, real estate professionals and have a strong data base of qualified Buyers.</p>