

Selling your business? - Follow these ten commandments to avoid wrecking the deal!

1. **Place A Reasonable Price On Your Business.** An inflated figure either turns off or slows down potential buyers, rely on your business broker to arrive at the best "win-win" price. An "unrealistic price" discourages many buyers from even looking at a business.
2. **Carry On "Business As Usual".** Don't become so obsessed with the transaction that your attention wanders from day-to-day demands, affecting sales, costs, and profits.
3. **Engage An Expert Business Broker.** A breach of confidentiality surrounding the sale of a business can change the course of the transaction and damage a business in the future.
4. **Prepare For The Sale Well In Advance.** A good business broker will prepare an offering portfolio for the business to have ready for qualified buyers. The business owners can help in the process by "housecleaning" - as well as a literal sprucing up of the facilities.
5. **Anticipate Information The Buyers And Their Financing Sources May Require.** In order to obtain financing, the buyer will need appraisals on assets. Lenders will require at least three years of tax returns and the most recent financial statement.
6. **Achieve Leverage Through Buyer Competition.** A good business priced properly many times will create interest from several buyers and create a competitive situation.
7. **Be Flexible.** Don't be the kind of seller who wants all-cash at the closing, or who won't accept any contingent payments or an asset transaction. Depend on the advice of your business broker - their knowledge of financing and tax implications.
8. **Negotiate; Don't Dominate.** You are used to being your own boss, but be prepared to learn that the buyer may be used to having his way, too. With your business broker's help, decide ahead of time "when to hold and when to fold."
9. **Keep Time From Dragging Down The Deal.** To keep the momentum up, work with your business broker to be sure that potential buyers stay on a time schedule and that offers and counter-offers move in a timely fashion.
10. **Be Willing To Stay Involved.** Even if you are feeling burned-out, realize that the buyer may want you to stay within arm's reach for a while. Consult with business brokers to determine how you can best effect a smooth transition.