

	Highly Marketable Business	Your Business
<p>INCREASING REVENUE Business buyers today look for operations with Revenue Increases of at least 5% per year for the last 3 years.</p>		
<p>COMPLETE DOCUMENTATION OF FINANCIAL Buyers today want provable cash flow. A truly marketable business will be capable of providing the following financial records for at least the last 3 years:</p> <ol style="list-style-type: none"> 1. Federal Tax Returns 2. Income Statements 3. Balance Sheets 4. Sales Tax Returns 5. Payroll Records 		
<p>CONTINUITY OF OWNERSHIP Have you been the current owner for at least the last 5 years?</p>		
<p>LONG TERM/FAVORABLE LEASE Buyers look for businesses with leases of at least 10 years remaining with annual increases of about 3%. Most buyers strongly prefer a gross revenue to rent ratio of no more than 6-8%.</p>		
<p>PRICING The pricing of a business for sale is the single most important factor determining whether or not it sells. Regardless of how well positioned a business may be relative to the other factors we have mentioned, an overpriced business will often remain on the market for a very long period of time, receiving minimal buyer attention.</p>		
<p>TERMS OF SALE Other than pricing, the terms of sale are the most critical component determining the marketability of a business. For businesses that are incapable of producing complete documentation of financials (see above) sellers should expect to finance 50% - 70% of the sale.</p>		
<p>CONDITION OF PREMISES The condition of the operations is extremely important, especially if the business deals directly with the public. A neglected facility is frequently the reason why buyers walk away from transactions or make offers significantly lower than the asking price.</p>		
<p>EXISTING MANAGEMENT AND PERSONNEL Having good people in place is very important. Poor morale and inattentive workers are negative factors that jeopardize deals.</p>		