

Title:

Broken Woes of the Business Broker

Word Count:

510

Summary:

Business brokers don't have it easy. It seems as though many brokers have their stories of how they have dealt with unhappy clients trying to cut out of the deal after escrow is closed.

Keywords:

business broker

Article Body:

Business brokers don't have it easy. It seems as though many brokers have their stories of how they have dealt with unhappy clients trying to cut out of the deal after escrow is closed. Some business brokers can tell their woes of how they were shorted on their commission, and many will claim that miscalculations are all too common.

Informing the Buyer

Anyone looking to sell their business needs to have as many interested buyers interested as possible; getting the word out is the most important thing to do in the beginning. That way you always have back up buyers if anyone drops out. And as always, the more information you can provide about the business for sale, the more chances you have on it being sold. The less information you provide in your advertisement, the less quality you are presenting to the potential buyer.

Basically the best thing to do is to provide all the information there for the potential buyer. Holding back because it will attract people to inquire more is a big mistake.

Miscalculation

Miscalculating the amount of home equity can be absolutely detrimental to the loan process. The equity is necessary mostly because the lender needs at least some home equity to secure the deal. But it's necessary to also check out where home prices have dropped because there could be many more homes for sale in the same area because of this. Checking the rates of other homes in the area and

comparing helps a great deal in the decision process. If it's absolutely necessary to use equity to secure financing, you must compare prices no more than six months old.

Financing

Majority of people looking to buy a business are going to finance. Many try to avoid Small Business Administration loans because of how long they take to be processed. It's very important for business owners and sellers to be involved in the financing process from the very beginning so that there are no surprises around the corner.

Certification

Business broker certification means that you are registered with a government agency. There are several levels of certification, and different types might be required in specific situations. Potential buyers have the ability to investigate the certification of brokers as well. A large brokerage could be certified in general, without the broker checking the certification of the transaction themselves.

When people find a broker who has taken it upon themselves to be certified this is seen as more valuable to the buyer. This is assurance of the broker's capabilities, and with such large competition out there, can be essential to the broker's business.

The broker might even be required to demonstrate through a different form of certification that the work was done in the buyer's best interest, without bringing success solely to the broker throughout the transaction. That being said it's important to realize that it's possible to choose a broker who is certified to the buyer's level of satisfaction, even before the process has begun.