

Title:

Business Buying Guide - Detail

Word Count:

445

Summary:

Business buying process can be easy with following step by step business buying guide. It is always good to check little things as much as possible when you buy [business for sale](http://www.busimarket.com) since business buying process takes a lot of details.

Keywords:

business for sale, businesses for sale, buy a business, sell a business, buying a business, selling a business

Article Body:

Business Buying Process

First, You have to determining your investment. Usually minimum down payment made by the buyer is 30% of the purchase price. For example, if the business purchase price is \$100,000 and loan amount is \$70,000 (70%), then the buyer's down payment needs to be \$30,000 (30%). Other possible expenses are inventories, supplies, escrow fee, license and permit fees, franchise transfer fee (if applies), etc.

And then you have to set criteria of desired business. Which includes location of business, type of business, price range of business, desired income of business.

After you decide your investment amount and criteria of business, you will need to find a right business that fit your needs. You can search business through online business listing service site like www.BusiMarket.com [Business For Sale](http://www.busimarket.com), local newspapers, or through local business brokers or real estate agents.

If you find a business that you want to purchase, you will need to evaluate the business through current owner's income information and your projected income for short term and long term.

And then you need to make decision to purchase business or not. If the business is right for you, you need to write a very descriptive and detailed contract

(Purchase and Sale Agreement).

When you are writing an offer, you have to make sure the contract includes the followings: Your offering price, Initial deposit amount, financing terms, closing date. Other terms and conditions that can be added to the contract is buyer's loan approval, lease and lease approval from landlord, buyer to obtain all necessary licenses and permits, franchisor's approval of ownership transfer, the buyer's Satisfaction of books and records, closing cost allocation, buyer training session, business equipment and fixtures in good working condition, inventories and supplies amount, seller's agreement not to compete, etc.

After you finish writing an offer, you need to present your offer to seller. Negotiate the price, terms, and conditions and settle with final price and terms and condition.

Now you will need to allocate the purchase price of business that you are buying. After you done purchase price allocation, you will need to apply for loan, license and permits.

and then you will need to obtain a lease or sublease. You will need to make sure you obtain the lease or get an approval of lease assignment before close of escrow no matter what happened.

And then on or the day before the closing date, you will need to review the equipment list that is provided at the time of the acceptance of the Purchase and Sale agreement and buy inventories and supplies. And then you can do the closing on the closing date.