



## **TEN COMMANDMENTS FOR BUYERS**

- I. Thou Shall Not Be Greedy!**  
Sellers deserve a fair price for the years they have spent developing the business. Be prepared to pay for the goodwill of the business.
- II. Thou Shall Have A Good Reason For Buying!**  
Buying a business is hard work! It takes commitment! Spend time deciding why you want the responsibility of owning a business.
- III. Thou Shall Provide Background Information!**  
Be prepared with a resume and financial statement. Remember, the seller will most likely be your banker and will want to know that you can run the business successfully.
- IV. Thou Shall Keep An Open Mind!**  
There are no perfect businesses.
- V. Thou Shall Keep In Mind Tax Benefits!**  
Remember tax benefits are realized from intangible as well as tangible assets.
- VI. Thou Shall Offer A Reasonable Down Payment!**  
A low down payment indicates a lack of commitment. When sellers question commitment, serious negotiations are in jeopardy.
- VII. Thou Shall Realize Businesses Are Priced on Profits!**  
A business making huge profits with few assets could save you money later in capital outlay for expansion.
- VIII. Thou Shall Remember Time Is Of The Essence!**  
After all parties have agreed upon price and terms it is important to quickly proceed toward closing.
- IX. Thou Shall Be Prepared To Meet The Landlord!**  
Landlords usually have little to gain by cooperation. Therefore, come to meetings armed with resume and financial statement.
- X. Thou Shall Avoid Surprises!**  
Disclose pertinent information early and avoid surprises that might destroy your credibility.