

Seller's Frequently Asked Questions (FAQ's)

Why should I use a Business Broker to sell my business?

Business Owners who have sold a business on their own will likely tell you it is long, stressful process. Selling your own business can actually hurt the value of your business as it takes your focus away from the day to day operating of your business at a critical time when you should be increasing or at least maintaining your current business. When a Business Broker assists you in the process it can pay off in more ways than just the price obtained. Business Brokers will help properly value your business, reach out to buyers they already have, reach a larger number of new buyers, allow you to continue running your business rather than taking your focus away, maintain confidentiality and most importantly assist with the closing of your transaction based upon experience and training. The most common mistake potential Sellers make is comparing the selling of their business to selling a house.

Why First Choice Business Brokers?

With unsurpassed experience since 1994, offices across the U.S. and some of the most highly trained Business Brokers in the industry First Choice is the "Clear Choice" when it comes to choosing a Business Brokerage to represent you. Our Business Brokers are experts in the field of business valuation, business sales, business marketing and buy/sell negotiations to satisfy both buyers and sellers alike.

How is my business for sale kept confidential?

Unlike the sale of a home or even commercial building businesses do not have a "for sale" sign. Business Sales must be kept confidential; all buyers are required to sign a NDA (Buyer Confidentiality Agreement) prior to detailed information about your business being provided. This helps to prevent employees, suppliers, customers and competitors from finding out your business is for sale.

How will my business be advertised?

With First Choice Business Brokers your business will be on the highest rated Websites specifically for your area as well as national and international sites. Other advertising mediums may be employed based on your type of business.

How do I know how much my business is worth?

FCBB's proven methods of valuing and marketing will put your business in the best possible position to sell. First Choice Business Sales Professionals are some of the most highly trained professionals in the industry.

How long will it take to sell my business?

The average properly priced business tends to sell in approximately three to six months however this time frame can vary greatly based on the income of your business (and how easy it is to prove), type of business, the terms offered and the area in which your business is located. Your local First Choice Business Sales Professional will provide you with more information on your local market.

Will Buyers be visiting my business?

After a Buyer has signed an NDA (Buyer Confidentiality), reviewed initial information and expressed a further interest in your business your FCBB Agent will schedule a meeting for the Buyer to view your business at a time that is appropriate for your type of business.

How do Buyers write offers to buy my business?

Most Buyers looking at your business will be represented by a Professional Business Broker who will assist them in writing an offer that expresses their price, terms, contingencies (if any) and request for further documentation (if any). The offer will then be presented to you for your approval by your FCBB Agent and/or the Buyer's Agent.

Who will handle all the inquiry calls on the sale of my business?

Your First Choice Business Sales Professional is trained to deal with incoming inquiries (often tire kickers) and help determine which of those Buyers might be ready to move to the next level.

Who will handle the negotiations on the sale of my business?

Your First Choice Business Sales Professional is trained to deal with negotiations on the sale of your business. Your FCBB Agent will help navigate you through the entire process; we'll be with you every step of the way.

How long will I have to train the person who buys my business?

This is a negotiable point but we have found that most Buyers will ask for 30 days. Some types of businesses only require a week or two of training while other more complicated businesses may require a longer familiarization period. If a longer period is required we often find that Seller's will negotiate a consulting fee after a certain period of time.

After I sell my business can I open another one at some point in the future?

All Buyers will ask that you sign a covenant not to compete within a certain area and/or time period.

Will I need to finance part of the purchase price of the business?

There is no requirement that you "carry paper" on your business however in today's market it is very common that Buyers will ask for some type of Seller Carry Note which in reality opens your business to a larger pool of Buyers.

When should I notify my employees that I am selling the business?

While you may have a close relationship with your employees it has been proven time and time again that the best time to tell your employees is when you introduce them to the new owners. This may be

difficult for you emotionally however experience dictates that silence is the best practice. The exception to this rule would be if a "key" employee is part of the negotiation for the Buyer to keep them on after the sale is complete. In this case there may be some advance notice required to this person and this person alone. Your First Choice Business Brokers will guide you through the proper timing for this very important part of the business sale - timing is everything!

Will my First Choice Agent qualify the Buyer by checking their credit?

First Choice does not check the credit of Buyers however through the offer and acceptance process you may request that the Buyer provide you with a copy of their credit report. This is not often asked of the Buyer as the property owner and/or landlord will likely be obtaining a credit report for their review.