

BY TRICIA MANCINI | NO COMMENTS | BIZ OPPORTUNITIES, ENTREPRENEURSHIP, INVESTING

10 Things That Can Kill The Sale Of A Business



When you have a business that you want to sell, you want the transaction to be as smooth as possible. There are some things that can quickly kill a deal with a buyer and leave you stuck with the business. Here are ten things to watch out for.

Improper Preparation

One of the biggest mistakes a seller can make is to not be prepared for the sale. There are certain documents and information that you need to have available to buyers. If a buyer asks for this information and you don't have it, it could ruin a sale.

Unqualified Deal Team

If your deal team is not qualified to come up with a professional way to approach the buy, things could go south quickly. Without a qualified team, you are likely to make mistakes that could ruin your reputation and the sale.

Lack of Confidentiality

You have to be confident about your business and your abilities to sell it. If you doubt it, **the buyer will assume something is wrong**. If you are able to make it seem like the buyer is getting a good deal and that you are confident the business will do well in new hands, you are much more likely to sell it.

Incorrect Legal Advice

When you sell a business, you will need to consult an attorney to ensure that everything is done properly and there are no issues with the sell. Make sure the attorney you choose is experienced with business sales and is giving you correct information. Incorrect information could mess up the transaction and interfere with other selling options. This is a very easy way to **kill the sale of a business** if things are not in order.

Insufficient Financial Reporting

When a person buys a business, they want to see how well the business has done in the past. Nobody wants to buy a failing business that will cause them to lose money. Make sure you have accurate financial records that you can show the prospective buyer to help them see how well the business has done for you.

No Planning for the Time after a Deal Is Done

There will be a period of time after you make the deal that the paperwork and other things are dealt with. During this time, you still have to have a plan. A buyer may change their mind even. This is when you need to make plans for your future so you can move on easily after the sale is complete.

Setting the Price Too High

Of course, you want to sell your business for as much as possible, but don't make the mistake of setting the price too high. This will only scare buyers away. Ask a fair price and leave some room for some negotiations.

Owner Dependency

If your business can't run without you, it could be a bad sign for buyers. Buyers want something they can easily make their own and set up the way they want. If your business only works for you, it might not work for someone else.

A Nonresponsive Seller

You will get a lot of calls and questions about your business when you post it for sale. You need to be available to answer these questions. If a buyer wants to meet or talk, you will also have to make yourself available.

Being Untruthful

You should never lie about your business to sell it. Buyers will find out the truth and lose all trust in you. In some cases, they may even take legal action against you.

Whether you're a seasoned **entrepreneur** or someone who has worked their whole life and fell into business ownership. Selling a business is usually a new experience for most. Follow the above steps to not get burned and make the healthiest deal for both you and your buyer. Good luck!

Be Sociable, Share!

