

Looking At The Numbers



What Should You Look For When Considering a Business to Purchase? Unfortunately, too many prospective buyers want to know the asking price first and then how much money can they make. These are the wrong questions to ask initially. You need to know how much cash the seller requires as a down payment. There is no point in looking at a business no matter how good the numbers are if the seller wants three times as much cash as you are willing to invest.

Remember the actual amount of money a business earns is usually much more than just the bottom line. A smart approach is to get more information on the business, and even make a visit, before ruling it out or getting too involved in the numbers. It's all part of the learning process.

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