



HAS SOLD MORE BUSINESSES
IN THE WORLD THAN ANYONE.®

Out of Area Confidential Buyer Profile

**Business Ventures of Tampa Bay, Inc.
565 South Hercules Avenue
Clearwater, FL 33764-5747
Phone (727) 499-6500
Fax (727) 536-3080**



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Date _____

Assoc. Name _____

Buyer Name _____ Spouse/Partner _____

Buyer Address _____

Wk Phone _____ Hm Ph _____ Fax _____

Email Address _____

Partner: Wk Ph _____ Hm Ph _____ Fax _____

"How did you discover VR Mergers & Acquisitions?" _____

Newspaper _____ Yellow Pages _____ Online _____ Mailer _____ Referral _____ If so, persons name _____

"Are you familiar with the area?" Yes _____ No _____

"When will you be ready to move?" _____ Months

"Do you have a house here?" Yes _____ No _____

"Do you have Family or Friends living in the area?" _____

"Are you ready to come and look at available businesses for sales?" Yes _____ No _____

"When will you be ready to move?" _____ Months

Please attach or fax financial information if requested.

"What do you do now?" _____

"What type of businesses have you owned?" _____

"Why do you want to own your own business?" _____

"What will you do if you don't buy a business?" _____

"What are your strong points?" _____

"What are your weak points?" _____

"Who doesn't support your decision to own your own business?" _____

Who will be your business advisors?" _____

"What types of businesses don't you want?" _____

"What types of businesses would you consider owning?" _____

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Construction | <input type="checkbox"/> Printing | <input type="checkbox"/> Concrete Prods Mfr | <input type="checkbox"/> Fabricated Metal Product |
| <input type="checkbox"/> Sanitary Services | <input type="checkbox"/> Wholesale Trade | <input type="checkbox"/> Food Stores | <input type="checkbox"/> Eating & Drinking Places |
| <input type="checkbox"/> Personal Services | <input type="checkbox"/> Business Services | <input type="checkbox"/> Auto Repair Services | <input type="checkbox"/> Repair Services |
| <input type="checkbox"/> Food Product Mfr | <input type="checkbox"/> Apparel | <input type="checkbox"/> Apparel Stores | <input type="checkbox"/> Furniture & Fixtures Mfr |
| <input type="checkbox"/> Textile Mill Prod Mfr | <input type="checkbox"/> Plastics Mfr | <input type="checkbox"/> Paper & Allied Prod Mfr | <input type="checkbox"/> Chemicals & Allied Product Mfr |

Each Office Is Independently Owned and Operated



- Automotive Dealers Service Stations Misc. Retail Bldg Materials & Hardware
- Hotels Health Services Engineering Home Furniture & Furnishings Stores
- Accounting Agricultural Prod Agricultural Services Transportation
- Communications Security General Merchandise Insurance Agents
- Real Estate Legal Services Recreation Services Educational Services

"What hobbies or interests do you have?" _____

"What geographic area(s) are you interested in?" _____

"What is your educational background (what have you studied)?" _____

"How many months have you been looking?" _____

"What have you looked at?" _____

"If it had good potential would you consider a turnaround business?" _____

"How much capital have you set aside?" Total \$ _____

Initial Invest. \$ _____ Closing Exp. \$ _____ Operating Exp \$ _____

"How will the total amount change over the next 3 months?" (Increase? Decrease because living off it?) _____

"Source?" Cash (bank, CD, IRA, money market, credit union, _____ \$ _____

"Have you been pre-qualified by a SBA lender? Which lender?" _____

"What is the minimum monthly income required? Absentee or actively involved?" _____

Other (real estate, auto, ins., credit cards, stock, _____ \$ _____

_____ \$ _____

Other investors _____ \$ _____

"If you need a little bit more where can you get it?" _____

"Considering the money you have, you can generally expect a business valued between \$ X and \$ X, returning your initial investment in the first year or so. Does this fit your expectations?" _____ Price \$ _____

"Who, other than yourself, will be involved in the purchase decision?" _____

"Who, other than yourself, will be involved in the operation of the business?" _____

"How much time will you have to operate the business?" _____

"What would keep you from owning your own business?" _____

"When we find a business that suits you, how many months before you can take possession?" _____

"Have you contacted any other Business Sales Associates in area?" Yes ___ No ___ If yes, who? _____

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Buyer Profile Meeting Process:

1. By phone interview and complete an Out of Area Confidential Buyer Profile.
2. Review "Buyers Wants & Concerns."
3. Explain "The Closing Attorney."
4. Review the "Buyer Meeting and Tour Process."
5. Request that the Buyer send their Bio or Personal Resume
6. Review and have Buyer complete "Buyer Confidential Non-Disclosure Agreement Broker Disclosure".
7. Review and have Buyer complete "Buyer Confidential Financial Statement".
8. Review "Acknowledgement and Agreement Memo Record of Showing".

BUYERS' WANTS AND CONCERNS

The following wants and concerns of every purchaser drive the resale marketplace:

1. **Furniture, Fixtures and Equipment** - They want:
 - A. A complete list of the furniture, fixtures and equipment.
 - B. To be in good working order.
 - C. To pass all inspections necessary to conduct the business.
 - D. To know the fair market value.
2. **Lease** - They want to read a complete and true copy and want to know:
 - A. The monthly rent.
 - B. If there are any triple net costs (insurance, property taxes, common area maintenance) and, if so, the amounts.
 - C. About Association dues, if any.
 - D. When the lease expires and what are the options and terms to renew.
 - E. If there is any special provision, such as a demolition clause or repair obligation.
3. **Proof of Sales, and Purchases** - They want to see:
 - A. State Sales Tax Returns.
 - B. The Profit and Loss Statements (past and current).
 - C. Schedule C of the 1040 Tax Return or 1120 Tax Return.
 - D. And understand what makes the business "tick", i.e. how many transactions per day, breakdown of sales by category, Costs of Goods, etc.
 - E. A breakdown of your purchases.
4. **A Return on Investment** - They want a return of about 10% on their initial investment or down payment.
5. **Living Wage** - After they pay the debt service on the note (if any), they want to make a reasonable living wage, generally to continue their current standard of living.
6. **Leverage** - They need sufficient working capital to be successful, therefore:
 - A. In many cases the buyer will need to provide working capital.
 - B. In some cases, working capital is included in the purchase price.
7. **Training** - Since most buyers are first-time buyers, they will require training.
 - A. Typically there is a predetermined time that is included in the purchase price. Any additional time that is needed shall be negotiated between the buyer and seller.
8. **Covenant Not to Compete** - They want you to agree not to compete.
 - A. They are afraid that you will go into competition with them because you know all of their customers and the business.
 - B. A reasonable time period and radius is expected based on the industry and specific situation.
9. **The Reason You Want to Well** - They:
 - A. Need to be assured there is a logical reason for your selling.
 - B. Are often fearful that you may be selling because there is an undisclosed fact about the business which will hurt (or potentially hurt) the business.
 - C. Experience a heightened concern when you want all cash. When you are willing to carry a note on the business, they are reassured that you have an interest in their success.
10. **Franchise Agreement or Any Licensing Agreement (if applicable)**- They want to read the agreement and want to know:
 - A. When does the agreement expire?
 - B. What are the royalty and advertising fund provisions of the agreement?
 - C. What are the transfer fees?
 - D. What training is required by Franchisor and what is the cost?
 - E. What does the Franchisor provide?

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11. **What we Call the KICKERS** - (Most of these items can be addressed or overcome in negotiations. The important thing is for us to know about them up front so there aren't any surprises to scare the purchaser away). For Example:

- A. Are you in compliance with health codes, zoning, ordinances, etc?
- B. Do you have any equipment leases? If so, are they assumable?
- C. Do you have any secured obligations against the business (liens, loans, etc.) ? How can they be handled?
- D. Do you owe any state or federal taxes?

12. **Prompt Response to Offers** - Respond to offers immediately because:

- A. Purchasers usually consider more than one business.
- B. The more time you allow the buyer to think about the decision, the more doubts he may have and the more opportunity others will have to advise him against buying.

THE CLOSING ATTORNEY

In almost every case a ***closing attorney*** will handle the final details of the purchase and sale of a business. We use a neutral (third party) closing attorney experienced in business sales. The rule of this attorney is not to guarantee that one side gets every possible advantage at the expense of the other side but rather to ***implement the decision the two parties have already negotiated between themselves and to mediate the resolution of any disagreements that may arise in the closing process.*** The costs of the neutral attorney are split between buyer and seller.

You may have your own attorney review the documents to insure that the agreement you have reached in negotiations is being implemented in the closing documents

Listed below are some of the documents and functions that a third party attorney provides. Depending on the type of deal, bank vs. seller note, and whether or not the sale or real estate is involved, some documents and functions are not necessary.

Documents and Functions Provided by Closing Attorney

- Title, lien, tax, & judgment search
- Asset Purchase Agreement, with warranties & indemnities
- Bill of Sale
- List of Assets for Bill of Sale & Security Agreement
- List of Liabilities
- Promissory Note
- Security Agreement(s)
- Prepare UCC-1 Financing Statements
- Assignment of Lease or New Lease
- Assignment of Work in Progress
- Transfer/Assignment of Equipment Leases
- Assignment of Service Contracts

- Prorating of taxes, utilities, wages, benefits, etc.
- Accounting of Funds/Closing Statement to Buyer
- Accounting of Funds/Closing Statement to Seller
- Employment Contract
- Non-Compete Agreement
- Second Mortgage/Deed of Trust
- Certificate of Good Standing
- Review draft of closing documents with Buyer/Seller
- Corporate Resolution authorizing the sale of assets
- Corporate Resolution authorizing purchase of assets

- Corporate Resolution authorizing borrowing of money
- Corporate Resolution authorizing entering into lease
- Review of documents with each side
- Conduct Closing Meeting
- Receive, hold, disburse funds
- File UCC-1 Financing Statements.

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Buyer Tour and Meeting

Initial Meeting is to introduce Buyer to the business. (30 minutes to 60 minutes)

1. Tour the facility first! This allows Buyer and Seller to open up dialog.
2. Buyer and Seller should give introduction of background and Sellers overview of the business.
3. Examples of current orders or projects and type of client. Also value – scope – geography of orders or projects.
4. Review Organizational Chart/Key Employees – describe their duties.
5. How does the company market its services or products?
6. What are potential growth opportunities for a new owner?
7. Reason selling? There is no wrong reason.
8. If a Buyer or Seller asks questions that either are not comfortable answering, both should respond that they will get back to each other through the Associate or Broker.
9. Try to stay on the subject matter, which is business. Do not overwhelm anyone with too much unrelated information.

Remember, we never really know levels of interest or aptitude until Buyer and Seller personally meet and tour the business. Also remember, the first visit should be for 30 to 60 minutes, no longer.

**BUYER CONFIDENTIAL NON-DISCLOSURE AGREEMENT
BROKER DISCLOSURE**

Our agreement with the Seller requires that we obtain a Non-Disclosure and evidence of financial ability before disclosing the name and location of his/her business. This information will be kept confidential.

In consideration of the broker, Business Ventures of Tampa Bay, Inc. ("Broker") providing the information on businesses for sale, I/we understand and agree:

1. (a) That any information provided on any business is sensitive and confidential, and that its disclosure to others may be damaging to the businesses and their owners.
 (b) Not to disclose, for a period of three years from the date I/we sign this Non-Disclosure Agreement, any information regarding these businesses to any other person who has not also signed this Agreement, except to secure the advice and recommendations of my business advisors (accountants, attorneys, etc.). "Information" as used in this Agreement shall include the fact that the businesses are for sale, plus any other data provided.
 (c) Not to contact the business owners or their landlords, employees, suppliers or customers except through Broker. All correspondence, inquiries, offers to purchase and negotiations relating to the purchase or lease of any business presented by Broker will be conducted exclusively through Broker.
 (d) Not to circumvent or interfere with Broker's contract with the Seller in any way, I/we understand that if I/we interfere with Broker's contract right to its fee from Seller, I/we may be personally liable to Broker for payment of the Seller's fee. We understand that should I/we become a manager or otherwise connected with any of the businesses shown or offered to me/us for sale, or should I/we buy, trade, lease or exchange any of the businesses disclosed to me/us, then a fee will be due to Broker. I/we understand that if I/we make the purchase through Broker, I/we will not be liable for the fee to be paid by Seller to Broker.
2. That all information regarding businesses for sale is provided by the Seller or other sources and is not verified in any way by Broker. Broker has no knowledge of the accuracy of said information and makes no warranty, express or implied, as to the accuracy of such information. Understanding that, I/we shall make an independent verification of said information prior to entering into an agreement to purchase any business. I/we agree that Broker is not responsible for the accuracy of any of the information I/we receive or fail to receive, and I/we agree to indemnify and hold Broker and its agents harmless from any claims or damages which may occur by reason of the inaccuracy or incompleteness of any information provided to me/us with respect to any business I/we might purchase.
3. That should I/we enter into an agreement to purchase a business, I/we will provide a financial statement and a personal and business history, and I/we authorize the Seller to obtain through standard reporting agencies financial and credit information about me/us or the companies I/we represent.
4. That Broker is not an agent for me/us, but is an agent for the Seller and has a contract providing for a fee to be paid to Broker by Seller upon sale, trade, lease, or transfer of Seller's business or property.
5. I/we acknowledge that we will receive confidential information about the Seller's business, operations, customers, and employees and agree not to start a business similar to the sellers listed above and not to solicit or contact Seller's employees or customers for a period of three years from the date herein. In the event Buyer for whatever reason does not purchase the business, Buyer agrees to immediately return to Broker any and all materials related to Seller without retaining any copies

I/we acknowledge that I/we have received an exact copy of this Agreement and that I/we have read this Agreement carefully and fully understand it.

Signature	Date	Business Ventures of Tampa Bay, Inc.
Print Name		Broker Signature Larry F. Lawson II
Street Address		Company Name, 565 South Hercules Avenue
City, State, Zip		Street Address Clearwater, FL 33764-5747
Signature	Date	Associate
Street Address		Date
City, State, Zip		

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**BUYER
CONFIDENTIAL FINANCIAL STATEMENT**

Name: _____

Address: _____

Home Phone: _____

Assets

Cash on Hand and in Banks	\$
U.S. Government Securities	\$
Accounts, Loans and Notes Receivable	\$
Cash Surrender Value Life Insurance	\$
Value of Businesses Owned	\$
Other Stocks and Bonds	\$
Real Estate	\$
Automobiles- Number ()	\$
Household Furnishing and Personal Effects	\$
Other Assets (itemized)	\$
	\$
Total Assets	\$

Liabilities and Net Worth

Notes Payable	\$
Liens on Real Estate	\$
Other Liabilities (Itemized)	\$
	\$
Total Liabilities	\$

Source of Income

Salary	\$
Dividends and Interest	\$
Bonus and Commissions	\$
Real Estate Income	\$
Other Income	\$
	\$
	\$
Net Worth	\$
Total Income	\$

The undersigned certifies that this information was provided by him/her and is true and correct.

Date: _____ Signature: _____



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