

# Lower Prices Plus Seller Financing Provides a Great Time to Buy

**By Mike Handelsman**

While economic conditions show signs of improvement, many potential business buyers are still thinking twice about buying a business. However, the increased availability of seller financing combined with lower business prices has actually created an ideal situation for buying.

It's true that the tight credit environment has made it increasingly difficult to access financing from lenders for a business purchase, but at the same time this lack of availability has necessitated that business sellers become much more flexible when it comes to offering financing. More and more sellers are recognizing the fact that they have to be willing to finance at least part of a business sale in order to attract buyers and successfully close transactions.

In light of this, BizBuySell.com allows buyers to quickly and easily filter through business-for-sale listings to determine which ones have seller financing available. The financing details appear alongside other essential information such as business description and location, asking price and cash flow. Now, aspiring small business buyers can concentrate only on businesses that have indicated they are willing to provide seller financing by sorting listings using the seller financing criteria.

With easy access to listings of seller-financed businesses, the dream of owning a business can become more of a reality for aspiring buyers, who are growing in number. As a result of layoffs and challenging economic conditions, a growing number of people are realizing that buying a business is a viable, attractive alternative to searching for a traditional job.

In addition to it being easier than ever to access seller financing, business buyers can take advantage of declining sale prices, as business sellers have not only had to become more flexible in offering financing, but also settle for lower prices. This means that if you've been thinking about buying a business, now could be the perfect time to do so.

Although it can be particularly risky to attempt to succeed with a new business in any economy, if a seller is willing to finance part of a sale, buyers can take comfort in the fact that the seller has a good level of confidence in the business and its ability to thrive even in tough times. If that isn't incentive enough for aspiring buyers, decreasing prices might be just what it takes to give them the confidence to take the final step.

As always, buyers must undertake all of the necessary research and due diligence before entering into a small business purchase. It's more important than ever to understand exactly what you are buying. BizBuySell.com recommends that buyers engage trained professionals (e.g. a business broker, accounting firm or due diligence consultancy) to help them assess the business before signing a purchase agreement.

SOURCE: Buyer Bulletin, BizBuySell.com, March 2010