



## **Worksheet 073 - Why you need a broker with Warwick Peters**

In today's episode we continue our discussion on **Phase 11: Selling your business.**

Accredited business broker Warwick Peters with [Ray White Commercial](#) joins us to talk about how to prepare your business for a sale.

Warwick helps businesses to discover where their profitability lies and how best to structure themselves prior to a sale.

He also helps sellers to analyze what problems exist in any given company and how to fix them.



## Timing is everything

One of the biggest mistakes companies make when trying to sell is going too fast.

It can take as long as two months to get a business ready for a sale.

The other issue is when to sell.

The best time is usually during the first quarter right after Easter.

That means you have to get the business ready for a sale during the Christmas season.

Once the business is on the market it can take another two months before a sale is finalized.

That is usually followed by another month for the due diligence process.

**The entire process can take as long as six months.**



**When do you want to sell your business by? Have you allotted enough time for yourself?**



## Understand what a buyer wants

Warwick has a number of recommendations for companies preparing for a sale.

If you have a reasonably large business only about 25% of potential buyers will want to purchase the company outright.

**Around 75% want to buy the company and continue to have it managed by someone else.**

Buyers will want a deal where the owner stays on for six months to train up the new management team.

That means if you want to sell you need to bring on a replacement manager right away.

Having a great set of accounts is critical.

You need to show at least five years of continuous growth.

You also need detailed documentation that details the process of the business.

# BusinessLegal : Lifecycle

**Is there someone that can take over the management of your company today?  
Detail what skills that person will need to possess.**

# BusinessLegal : Lifecycle

## Learn more by ordering the book

Whether you want to have a large company or a small lifestyle business, you must pay attention to the legal aspects right from the start.

The Business Legal Lifecycle is a handbook for you to use in your business on a regular basis.

The key areas that Jeremy Streten covers in the Business Legal Lifecycle are:

**How to successfully set up your business**

**Why and when you need to pay attention to the legal aspects of your business**

**Who you should consult with along your business journey**



**[BusinessLegalLifecycle.com.au](http://BusinessLegalLifecycle.com.au)**