

A steal not a deal

By Russ Allred, MBA

My colleague Perry Angress and I just sold a restaurant for \$35,000. It was developed just 4 years ago as a franchise and the owner invested over \$400,000 to open the doors. The equipment was new and the tenant improvements were franchise quality. The seller was plagued with bad health and the business was losing money. He was forced to liquidate. The buyer got a steal not a deal.

As business brokers we attempt to create transactions that are fair to both parties. We evaluate a business based on its assets, but especially its ability to produce cash flow. At Sunbelt Business Brokers and Advisors of Bakersfield, our service area is the Central Valley of California. The number of business sales is limited. We could not survive long as a business if we didn't promote equitable transactions, but sometimes we come across a seller that must sell and who is willing to unload the business expeditiously. We spend thousands of dollars promoting business sales, but in these circumstances it is not cost effective for us to invest a lot in marketing dollars. The best opportunities usually go to a buyer who we know has the means and desire to buy quickly.

My network of business professionals is extensive. I don't have the time to call everyone directly when I know the deal will turn quickly. If you want the chance to pick up a steal, you need to be on our mailing list and follow these newsletters. We also publish every opportunity for which we have a compensation agreement on our website www.sunbeltnetwork.com. You can monitor all our opportunities at your convenience. Each of our brokers has access to all of our listings, so it is to your benefit to select the broker that you prefer and keep in touch. Here's to your success!