



3480 Buskirk Ave., Suite 300, Pleasant Hill, Ca. 94523  
(925) 945-0550 Main (925) 945-1745 Fax Web Site: [www.Chase-Brokers.com](http://www.Chase-Brokers.com)

## **Interview**

### **Initial Contact**

You make an Initial phone call or email to Chase Business Brokers Inquiring about purchasing a business.

### **Background Information**

You will provide Chase Business Brokers with a completed non disclosure agreement (NDA) available on-line at various websites, by fax or by meeting in person in our Walnut Creek office.

## **1) Showing**

### **Touring the Business**

Chase Business Brokers will provide to you the name and address of the business you're Interested In, and then you can go on your own to *take a look* at the business. When you go, It's very important that you go as a *customer not as a buyer since* the employees are unaware the business is for sale. Some listings require u to set up an appointment for you to tour the business. This appointment is generally scheduled during non-business hours so as not to Interrupt or alert the employees or customers.

## **2) Offer**

### **Writing the Offer**

We will help you construct an offer using a California Association of Realtors form "Business Purchase Agreement" Your offer will be contingent upon your physical inspection of the business, your inspection of the financial records, the assignment of the premises lease or negotiation of a new lease and any other necessary contingencies (i.e. alcohol license transfer or other special licenses, financing, etc.

### **Presentation**

Chase Business Brokers will present your offer to the seller. We give the seller background information on you, your previous experience, your perspective on how you arrived at your price, terms and conditions, etc. We also present your financial statement, credit report, and resume and business plan.



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### **Response**

The seller will accept, reject or counter your offer. Chase Business Brokers will notify you of the seller's response. At this point you may accept, reject or counter the seller's response.

### **Mutual Acceptance**

When both parties agree to all of the terms and conditions of the sale and sign all amendments and counteroffers, the offer then becomes a purchase agreement signed both ways. At this time there may be contingencies or conditions that still need to be satisfied prior to closing.

## **4) ESCROW**

### **Deposit**

Your Initial deposit check (**\$5000. made payable to the escrow** company) is deposited and cashed which establishes the escrow holding *account, without* opening escrow. Chase Business Brokers will provide the escrow officer with copies of all documents relating to the sale.

### **Inspection-Book check-Landlord**

You will be given copies of the financial records of the business for your review. If buyer approves *the* books and records, that is indicated by removing the contingency in writing. The landlord contact will usually be the next step where the Broker introduces the buyer to the landlord for either a lease assumption or to have a new lease drawn up.

### **Contingency Removal**

As your requirements are met existing contingencies in the purchase agreement are removed. Once all contingencies are removed the purchase agreement becomes a binding agreement and the deposit is increased (at least 10% of the purchase price) and the escrow is opened. Escrow is not opened until all the buyer's contingencies have been removed.

### **Closing. Date**

The closing date or the close of escrow is the date when title to the business and normally physical possession of the business is transferred to the buyer. The closing papers are signed in the escrow company's office or through the mail prior to the closing date.

Note: Every business is different, the above are guidelines only.

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## **Inventory**

Arrangements are made for you and the seller and/or inventory service to take a physical inventory as it applies to the value of the salable items (food, beverages, etc.) and non-salable items (fixtures, equipment, etc.) usually one or two days prior to the close of escrow. A final contingency removal form is signed by both buyer and seller, indicating the inventory amount and that the fixtures and equipment Included In the sale is in working order.

## **The Closing**

All parties meet at the escrow office to sign the **closing** papers .or the closing papers are sent to the parties to be executed prior to the close of escrow.

## **Fees**

You will generally be responsible for your own accountants and attorney's fees, half of the escrow fees, security deposit for the premises lease and sales tax on the value of the fixtures and equipment that you allocate *as* part of the purchase price.

## **OFFER-TIMILINE**

Write offer.

When offer is

Buyer supply Broker with a list of requested financial documents for 'book check'.

Buyer receives financials, reviews and approves removing this contingency in writing.

Broker contacts landlord for introduction to Buyer.

Buyer-landlord contact or meeting results in acceptable lease terms.

Broker prepares 'opening escrow instruction'.

Buyer to get ABC application ([www.abc.ca.gov](http://www.abc.ca.gov)) and review.

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Buyer & Seller go to escrow to sign and open escrow. (Buyer receives a check-off list)

Escrow calls ABC for Buyer's appointment

Buyer to call the Health Department for transfer of ownership' inspection. (\$158.00)

ABC appointment, Buyer gets 'posting' and gives to Seller ASAP.

Health Department inspection, with Buyer & Seller. (Seller to make repairs/upgrades)

Health Department makes follow-up inspection and gives 'clearance', notifying ABC.

30 day posting expires; sign is removed notifying escrow for final ABC form.

ABC approves the license transfer notifying escrow.

Buyer & Seller make arrangements to sign closing escrow documents.

Inventory and final walk thru, are done by Buyer & Seller.

Inventory dollar amount given to escrow.

Final contingency removal signed by Buyer & Seller.

Escrow closes the following day = transfer of ownership.