

Buying a Business

Key things to check

Businesses come in many shapes and sizes, and this list will not cover everything, but here are some key things to consider.

- **Lease** - If the business has a lease, landlord approval condition is usually a minimum 10 working days
- **Employee info** – what do you know? Find out what employees employment terms are, any current employment issues and who you will want to retain
- **Accounts** – have you seen business accounts, have you had accountant advice?
- **Conditions** – what conditions do you need, common ones are:
 - Finance
 - Landlord approval
 - Due diligence – what else do you need to know?
 - Liquor licence
- **Chattels** – what chattels come with the business? You can decide what chattels you want to buy at the contract stage.
- **Stock** – this is usually a separate purchase amount, but should be within certain stated percentage variations. You can decide what stock you want to buy at the contract stage. There will be a stocktake just before or just after settlement.
- **Intellectual property** – do you want the trading name, website, domain name, phone numbers, email addresses
- **Forward bookings** – If the business has forward bookings, will the deposits received by the vendor be paid to you?
- **Vendor assistance** – do you need/want vendor assistance – how long for?
- **Restraint of trade** – needs a time limit as well as a geographical limit, eg, 50 km radius of premises for 3 years

Contact us for advice whenever you are looking to buy a business.

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