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If you find a business that you would like to buy, you will need to consider a number of points before deciding whether to purchase it. Take a good, close look at the business and answer the following questions. They will help you determine whether the business is a sound investment.

- ❑ Why does the current owner want to sell the business?
- ❑ What type of growth potential does this business have?
- ❑ If the business is in decline, will you be able to save it and make it successful?
- ❑ Is the business in sound financial condition? Have you seen audited year-end financial statements for the business? Have you reviewed the most recent statements? Have you reviewed the business's last five tax returns?
- ❑ Have you seen copies of all of the business's current contracts?
- ❑ Is the business now, or has it ever been, under investigation by any government agency? If so, what is the status of any current investigation? What were the results of any past investigation?