5 Proven Ways to Boost the Value of Your Business

Welcome – You're About to Level Up Your Sale Game!

You've worked hard to build your business. Don't leave money on the table when it's time to exit. Here are 5 proven strategies to attract more buyers, increase competition, and secure the highest possible Sale Price.

Let's get started.

✅ VENDOR FINANCE (Seller I.O.U.)

What it is: You, the Seller, finance part of the purchase price, allowing the Buyer to pay you over time.

Why it works: Buyers don't need to come up with the full amount upfront, which means they can often afford a higher price. Vendor finance gives confidence to the Buyer that you believe in the business.

Working Example:

- Sale Price: $1,000,000
- Amount payable at Settlement: $700,000
- Seller finances $300,000 over 3 years at 7% interest
- Security: personal guarantee + registered charge over business assets and/or Buyer's property

Sample Clause (illustrative only):

1. SELLER TO LEND BUYER ON COMPLETION ("VENDOR FINANCE")

Conditional upon Completion the Seller agrees to Vendor Finance to the Buyer the sum of **$300,000** ("Loan Amount"), on registered security against the Business and Business Assets, on the following terms and conditions:

1. Loan Term:	36 months from Date of Agreement
2. Instalment Amount:	35 instalments of $8,333.33 on or before the last day of each month, and a final instalment of $8,333.45. Each Instalment Amount is in addition to any Penalty Interest pursuant to Special Condition 1 Item 5.
3. Lump Sum Repayments:	Borrower has option to make lump sum repayments without penalty. Borrower has option to pay out the loan early without penalty.
4. Interest	7% per annum
5. Penalty Interest	23% per annum calculated on a daily basis on the then unpaid balance of any outstanding Instalment Amounts due and payable for the period but reducible to NIL on any outstanding Instalment Amount paid within 7 days of the due date.
6. Special Conditions:	a) For the length of the Loan Term, the Buyer shall ensure that the Business is carried on in its usual way as a minimum requirement having regard to the nature of the business and past practice that apply as at commencement of the Loan Term. b) The Buyer must keep true and particular accounts and records of sales during the Loan Term. c) Where the Buyer has defaulted on a Loan repayment, the Seller may request from the Buyer a copy of the Buyer's financial reports in order to satisfy themselves that the Buyer has, as a minimum, carried on in the Business its usual having regard to the nature of the business and past practice that apply as at commencement of the Loan Term. d) The Buyer must provide all information requested by the Seller within 7 days of request. e) Upon the Seller receiving the Full Loan Amount, the Loan Term shall be at an end and the Seller shall change its name to a new name which excludes all or any of the words "World's" and/or "Best" and/or "**Owner**", and shall provide the Buyer at Completion with a confirmation issued by ASIC of that change of name, thereby enabling the Buyer to acquire ownership of the name "**World's Best Owner**" as and from the Completion of the Loan Term. f) The Loan Amount and any Penalty Interest must be paid in full to the Seller by the end of the Loan Term.
7. Security:	a) Business referred to in Item J of the Contract of Sale – Business; and b) Property located at "1 Gold Coast Hwy, Gold Coast QLD 4200". Failure by the Buyer to comply with any notice in writing by the Seller to repay the loan by reason of default the Seller shall give further notice in writing for the Buyer to surrender the Business trading at the Address to the Seller including the Business' Assets; and any agreement between the parties shall be at an end. Any monies paid by the Buyer shall be forfeit. The loan may be recorded by Loan Agreement and shall be prepared by the Seller's solicitor on the terms usually used by the Seller's solicitor for such a loan together with a Security Interest over the Business to be registered as a PMSI in the Personal Property Security Register. If the Buyer is a Company, then the Directors of the Company shall execute a personal guarantee guaranteeing the Buyer's compliance with its obligations under such security of a registered mortgage, such guarantees to prepared by the Seller's solicitor and delivered to the Seller on or before Completion Date.

	Each party shall bare their own costs and expenses (including stamp duty) involved in the preparation, stamping and registration of the registered mortgage and any Guarantees. Apart from the above conditions the other terms of the Loan Agreement are to be reasonable and acceptable to the Buyer's Solicitor.

* *Note to Reader:* The above clause refers to the Contract Business Sale adopted in Queensland Australia however can be amended to suit other jurisdictions.

✅ CONSIGNMENT PAYMENT

What it is: You retain ownership of stock and let the Buyer pay for it as it sells.

Why it works: Reduces the Buyer's upfront cash outlay, making your business much more attractive.

Working Example:

- Sale Price: $300,000 plus Stock at Value (approx. $400,000)
- Amount Payable at Settlement: $300,000
- Buyer pays for stock **as sold** over a 6-month period
- Seller retains legal ownership until stock is paid

Sample Clause (illustrative only):

"Title to the Consignment Stock shall remain with the Seller until paid in full. The Buyer shall provide a monthly reconciliation of sales and remit payment within **7** days. The Seller reserves the right to enter the Premises and recover any Consignment Stock not paid for."

✅ EARN OUT

What it is: You receive additional payments if the business meets agreed performance targets post-sale.

Why it works: Buyers reduce their upfront risk, while you benefit if the business performs well under their management.

Working Example:

- Sale Price: $2,000,000 payable on Date of Settlement
- Earn-Out: up to $500,000 extra if revenue exceeds $5m in the first 2 years
- Measured against agreed accounting method (e.g. average revenue based on last 3 years Profit & Loss)

Sample Clause (illustrative only):

"The Buyer shall pay to the Seller an Earn-Out Payment of **$500,000** for each Financial Year ending **30 June 2026** and **2027** in which Gross Revenue exceeds **$5,000,000**. Earn-Out Payments shall be calculated based on the accounting policies historically applied by the Business and verified by an independent accountant agreed between the parties."

✅ RETAIN MINORITY EQUITY (Partial Sale)

What it is: You sell a majority stake but keep a minority share to benefit from future growth or resale.

Why it works: Buyers like knowing you still believe in the business. You get an initial payout and possibly a **second payday** later.

Working Example:

- Seller sells 70% of shares for $3m
- Retains 30% Interest in the business
- Exit clause: Buyer must purchase Seller's 30% in 5 years at market valuation

Sample Clause (illustrative only):

"At Completion, the Buyer shall acquire **70%** of the issued shares in the Company, with the Seller retaining **30%**. The Buyer grants the Vendor a Put Option exercisable within **5** years from Completion requiring the Buyer to purchase the Seller's Remaining Shares at Fair Market Value as determined by an independent valuer."

✅ INCREASED PERCEIVED VALUE (Strategic Positioning)

What it is: You position your business as a **strategic acquisition** — offering unique customers, IP, or market access that Buyers see as highly valuable.

Why it works: Strategic Buyers (competitors, suppliers, investors) will pay **more than financial Buyers** because they see long-term synergies.

Working Example:

- Seller identifies that Buyer is a competitor who saves **$500,000** annually by acquiring
- Negotiated Sale Price: **$4m** (instead of **$3m** based on financials)
- Strategic value reflected in price, not structure — but terms can still protect Seller

⚠ SECURITY & PROTECTIONS

Across all deal structures, you can strengthen your position by including:

- **PPSR Registration** over assets until payments complete
- **Director's Guarantees** (for corporate buyers)
- **Retention of Title Clauses** (stock, IP, goodwill)
- **Charge/Mortgage over property** (if Buyer owns real estate)
- **Personal Covenants** preventing back-door dealing with staff/customers

Your Next Step Toward a Profitable Sale

You now have 5 proven strategies to help you achieve a stronger sale price — giving you an edge over most business owners. But simply knowing the strategies isn't enough. The real value comes when your business is **positioned strategically, priced correctly, and connected with the right buyers.** That's where the difference between an average outcome and a truly profitable sale is made.

That's where we come in. We help business owners like you:

- **Understand the true value** of your business in today's market
- **Position your business** so buyers compete for it — not the other way around

- **Negotiate terms** that protect your interests and maximise your profit

If you're even *thinking* about selling in the next 3–12 months, let's have a quick, obligation-free chat about what's possible. Your future buyer is already out there — let's make sure you're ready when they show up.

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