

Can buyers still get loans?

Even in today's market specialty lenders offer up to 100% plus working capital for buyers. The criteria has remained constant although lenders are looking at the trends of revenue as part of their approval process. Specialty lenders called "cash flow lenders approved loans based on 3 primary elements: (A) Cash flow of the practice; (B) Buyers credit score and personal debt obligations; and (C) buyers time licensed. Lenders determine if the profit from the practice can pay the annual debt on the loan, give the buyer enough income to pay their personal bills, and leave enough cushion in case the revenue drops after the transition. The most important element for you as a seller is to file your returns on time, maintain up to date monthly financials and prior year's month by month comparisons.