

# HPG Business Sales

A G E N T S & V A L U E R S

## Selling Your Pharmacy

The key to a successful transaction is matching the buyer's needs very precisely with those of the vendor. We constantly have pharmacists looking for pharmacies to buy

Why use us?

- We understand your business.

We recognise that selling a pharmacy can be a very emotional decision particularly if it has been an integral part of your life for many years.

- We find out what you require from us.

Firstly, we discuss with you to discover what you wish to achieve by selling; the timescale you have in mind and whether you wish to stay on as a pharmacy manager. Maybe you would be looking for someone with particular skills to purchase your pharmacy.

Secondly, we take time to understand the buyer's acquisition criteria to make sure that we do not waste your time by showing pharmacists around who are not serious purchasers, or do not have the funding to complete.

- The Service

We provide support throughout the sales process.

- Producing a detailed sales pack.

This ensures that serious purchasers are able to assess the pharmacy quickly, enabling them to move swiftly to make an offer. The detailed sales pack also speeds up the fund raising process by providing potential lenders with key information.

- Ensuring that when offers are made the funds are in place to proceed.

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- **Negotiating on your behalf.**

We recognise that many pharmacists either do not have the time, the inclination or the skill to negotiate the best possible price for their business, so we take this responsibility on ourselves.

- **Acting as the intermediary for the legal process.**

This takes the pressure off you and minimises the disruption to your working day.

- **Recommending advisors if required.**

If you need reputable legal, accountancy or other advice we can put you in touch with professionals with experience of pharmacy issues.

## How we work

If required one of our experienced team will visit the pharmacy, to value the goodwill.

We will advise you on the price at which to market the pharmacy.

We will contact suitable pharmacists from our register of potential purchasers.

We will actively market the pharmacy by placing it on to our website, our mailing list and if required advertise the pharmacy in the Pharmaceutical Journal.

## Costs

We charge 2% of the total sale price for sole agency, and 3% for joint agency, with a minimum fee of £2,500. All fees are subject to VAT. This sum is payable on completion of a sale. If the freehold property is to be sold with the practice our commission on this element is 1% plus VAT.

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Before marketing your pharmacy you need to be prepared and we suggest you have the following information available:-

- Last three years accounts.
- 18 Months NHS statements
- 18 Months VAT returns
- Management accounts
- Stock Certificate
- A copy of the lease if applicable
- If the property is freehold, a freehold valuation.
- A copy of the deeds if applicable.
- If the freehold is owned but a lease is to be granted, a rental valuation?

**These valuations should be carried out by an accredited valuer who is on a bank panel.**

The following should also be taken into consideration:-

- Any outstanding rent reviews should be dealt with.
- Any dilapidations should also be dealt with.
- Staff contracts should be in place and up to date.
- Talk to your accountant regarding your tax position on disposal and whether you are selling assets or the shares in a limited liability company.

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When the pharmacy is being marketed you will need to take viewings from potential purchasers and carryout/be aware of the following:-

- Show purchasers the premises and any outbuildings.
- Describe day to day operations of the business.
- Talk about the local situation.
- If a purchaser asks for documentation refer them back to us, your agent.
- All negotiations should be done through us.
- We strongly advise that you do not make any commitments to any potential purchaser at the time of a visit. This could jeopardise your chances of getting a better offer at a later date.

## The Process

Once you have accepted an offer the following will happen:-

- You will instruct your solicitor to send out a contract.
- The agent will write to all parties setting out the details of the transaction.
- The purchaser will send a non-refundable holding deposit to the agent. To be deducted from the final amount they and you have to pay.
- The agent will apply for references for the assignment of the lease if applicable.
- The agent will keep in contact with all parties throughout the transaction to make sure matters are proceeding smoothly.
- When contracts have been exchanged the purchaser will pay a 5%-10% deposit.
- When completion takes place, there will be a stocktake and at this point the purchaser will pay an agreed amount until the stocktaker's certificate is produced. The balance will then be adjusted either way.