BUYER PLANNING RESOURCE

Buyer Due Diligence Starter

Use this guide to define a realistic acquisition target and organize the questions that should be answered before closing. Your attorney, accountant, lender, and other specialists should determine the final scope.

Before requesting confidential information

- ☐ Define target industries, geography, price range, and desired owner role
- ☐ Confirm available cash, post-closing reserves, and financing path
- ☐ Identify required income, return expectations, and acceptable working hours
- ☐ Prepare a concise buyer profile and relevant operating experience
- ☐ Execute required confidentiality agreements and respect seller privacy

Initial opportunity screen

- ☐ Understand the seller's reason for sale and the owner's actual duties
- ☐ Compare asking price with supportable SDE, assets, and market evidence
- ☐ Identify customer, platform, employee, and supplier concentration
- ☐ Review location, lease term, assignment conditions, and rent exposure
- ☐ Confirm included inventory is saleable and supported by a closing count

Offer and financing preparation

- ☐ Clarify price, included inventory, working capital, deposits, and closing adjustments
- ☐ Make contingencies, diligence period, financing, training, and closing terms clear
- ☐ Coordinate SBA or conventional lender requirements before deadlines
- ☐ Address landlord, franchise, licensing, and third-party approvals early
- ☐ Use qualified counsel for the purchase agreement and legal due diligence

VERIFICATION FRAMEWORK

Confirm the business behind the presentation

Do not rely on a memorandum, tax return, or seller explanation in isolation. Reconcile the information across independent records and investigate inconsistencies.

Financial and tax verification

- ☐ Federal tax returns, P&Ls;, balance sheets, bank deposits, and sales reports
- ☐ SDE calculation and every proposed owner add-back
- ☐ Payroll, sales tax, income tax, debt, liens, and unusual related-party expenses
- ☐ Revenue by customer, product, location, channel, and month
- ☐ Normalized rent, payroll, insurance, repairs, and replacement capital needs

Operational and legal verification

- ☐ Employees, contractors, compensation, benefits, and retention risk
- ☐ Lease, equipment, vehicles, included saleable inventory, licenses, and transferable contracts
- ☐ Customer reviews, refunds, complaints, warranties, and pending disputes
- ☐ Technology accounts, intellectual property, phone numbers, and digital assets
- ☐ Required approvals and a written transition and training plan

Acquisition target

TARGET PRICE

AVAILABLE EQUITY

INCOME REQUIRED

PREFERRED CLOSING WINDOW

A disciplined buyer screen saves time and prevents enthusiasm from replacing verification.

Schedule a buyer acquisition consultation