



# Buying Process

FOR BUSINESS ACQUISITIONS



## Step 1

### Submit Inquiry

Submit inquiry on a business for sale, meet with Broker and sign digital NDA to access the Buyer Presentation.



## Step 2

### Review Presentation

Thoroughly review the Buyer Presentation (Confidential Information Memorandum).



## Step 3

### Buyer/Seller Meeting

Meet with the seller to address any uncertainties and ask questions.



## Step 4

### Prepare Offer

Work with your Intermediary to prepare an offer (LOI - Letter of Intent).



## Step 5

### Negotiation

Engage in negotiations to finalize any remaining terms, with your intermediary present.



## Step 6

### Due Diligence

Document review, bank financing, and lease assignment with your Intermediary.



## Step 7

### Condition Removal

Complete the removal of all conditions and finalize the Definitive Agreement.



## Step 8

### Closing

Collaborate with Intermediary and legal counsel to prepare for closing.



# Financing

FOR BUSINESS ACQUISITIONS

## Bank Requirements for a Business Loan:

- Corporate ownership chart (showing corporation and percentages of ownership by beneficial owners, trusts, etc. )
- Statement of Personal Affairs Form for any owner with > 25%
- Copy of Government issued ID for any shareholder > 25%
- Application for Financing Form
- Bank statement or investment statement for confirmation of downpayment
- 2-year financial projections/forecast
- In-house comparative financial statement YTD
- Accounts Receivable list
- Accounts Payable list
- Inventory list
- Equipment list
- Lease agreement
- 3 years of accountant prepared YEFS (depending on loan size and institution, they may require Compiled Statements, Review Engagement or Audited)
- Copies of contracts or PO's
- For real estate: appraisal by bank approved appraiser. Depending on FI an environmental report, by a bank approved firm, (phase I or II) may be required.
- Business plan may be required
- Site visit may be required
- Twelve month trailing (TTM), 24 may be required.