

DEAL CALCULUS

HOW TO TELL IF YOU HAVE A DEAL OR NO DEAL



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Deal

Qualified Sponsor:

He or she has experience and a verifiable Transactional Resume (aka a "Deal Sheet").

Has a net worth, or strong experience.

Is making a meaningful equity contribution.

Sponsor / Operator is local to the asset.

Strong basis at buy:

The numbers make sense.

Good geographic market.

Asset is desirable and bankable (One of the "Four Food Groups").

Narrative is clear and understood.

Exit strategy is thoughtfully defined and clear.

There are multiple plans to execute the key event(s).

There is a business plan that outlines what needs to be done, when and where.