

BUSINESS ACQUISITION EDUCATION

The Existing Business Buyer's Starter Kit

Why acquiring the right operating company may offer a stronger path than relying only on a job, selling someone else's products, or building from zero

INSIDE A practical comparison, a partner-resource framework, an illustrative 75% / 15% / 10% capital stack, a competitor-to-alliance strategy, and a disciplined acquisition roadmap.

Prepared by Joy Revealed, LLC

Educational information only. Financing, qualification, business performance, and transaction terms vary.

01 | THE STRATEGIC CHOICE

Build ownership, not just activity

A job, a sales opportunity, a startup, and an acquisition can all be valid paths. The important difference is what already exists on day one.

CORE IDEA Buying an established business can allow a qualified buyer to step into an operating system rather than creating every part of that system from the beginning.

Path	What you begin with	Primary trade-off
Job	Defined role, paycheck, employer resources	Income and authority remain tied to the employer and position.
Sell another company's offering	Existing product and brand	You may control your effort, but not the product, pricing, policy, or enterprise value.
Start from scratch	Full creative control	Customers, staff, processes, credibility, and cash flow must be built and tested.
Buy an existing business	Operating history, customers, systems, staff, and vendor relationships may already exist	Requires careful diligence, financing, negotiation, transition planning, and ongoing execution.

Why ownership can matter

- A well-run company may produce value beyond the owner's personal labor because customers, employees, systems, and assets work together.
- The buyer may gain decision-making authority and participate in future enterprise value, subject to ownership terms and business results.
- Existing records can provide evidence for evaluation, although records must be verified and future performance is never assured.

BALANCED VIEW Buying a business is not automatically better for every person or every deal. It may be a stronger fit when the buyer wants ownership, accepts responsibility, and can verify that the company is durable and appropriately priced.

02 | THE ACQUISITION ADVANTAGE

What an operating business may already have

The appeal is not merely revenue. It is the possibility of acquiring a coordinated set of assets, relationships, and routines.

Customers and demand

An established customer base can reduce the uncertainty of proving whether anyone wants the offering. Buyers should still study concentration, churn, contracts, reviews, and changing market demand.

People and know-how

Experienced employees may understand production, service, scheduling, customer expectations, and common problems. Retention and transition plans are essential.

Processes and infrastructure

Billing, purchasing, sales, fulfillment, software, vendor relationships, equipment, licenses, and locations may already be functioning.

Financial history

Tax returns, bank statements, payroll records, customer data, and financial statements can help a buyer test the seller's claims. The quality and consistency of records matter.

A transferable reputation

A name, location, online presence, phone number, and referral network may shorten the time required to earn market trust - if that goodwill will transfer.

THE REAL PURCHASE A buyer is not simply purchasing a job or a stream of deposits. The buyer is evaluating whether a complete operating system can continue producing value after ownership changes.

Questions that protect the buyer

- What depends personally on the seller, and what can transfer?
- Which customers, employees, licenses, leases, and contracts could change after closing?
- Can revenue and expenses be verified through independent records?

03 | BUILD A CAPABLE BUYER TEAM

Resources matter more when they are organized

A prospective buyer may improve the strength of an acquisition by involving qualified people whose resources complement the buyer's own.

Resource	How it may help	What must be defined
Experience	Improves industry judgment, operating plans, lender confidence, and transition readiness.	Role, authority, time commitment, compensation, and accountability.
Skills	Adds finance, sales, operations, technology, legal, or integration capability.	Deliverables, decision rights, performance expectations, and replacement rights.
Credit / guarantees	May support a financing application when permitted by the lender and structure.	Liability, reporting, covenants, personal guarantees, and risk limits.
Capital	May fund equity, closing costs, reserves, improvements, or working capital.	Ownership, return expectations, distributions, priority, and exit terms.

Why the team approach can be powerful

- It can turn a personal gap into a defined team capability instead of pretending the gap does not exist.
- It can distribute work among people who are better suited to operations, finance, sourcing, or integration.
- It can demonstrate that the proposed ownership and management group has a practical plan to operate the company.

Partnership discipline

- Confirm that every person's contribution is real, documented, lawful, and acceptable to the lender and transaction professionals.
- Use written agreements covering ownership, voting, duties, guarantees, capital calls, distributions, disputes, disability, death, and exit rights.
- Do not borrow another person's credentials or present experience, funds, or control inaccurately. Disclose the actual structure.

IMPORTANT Adding partners does not erase risk. It exchanges individual limitations for shared capability - and creates governance obligations that must be handled carefully.

04 | ILLUSTRATIVE CAPITAL STACK

How 75% loan + 15% seller financing + 10% equity can work

This example shows a possible structure, not a promise, lending rule, or statement that every transaction can be financed this way.

Layer	%	\$1,000,000 example	Purpose and considerations
Senior acquisition loan	75%	\$750,000	Largest funding layer. Approval may depend on cash flow, collateral, buyer qualifications, guarantees, terms, and lender policy.
Seller financing	15%	\$150,000	Seller accepts a note for part of the price. Payments, interest, maturity, security, subordination, and standby requirements are negotiated and may be lender-controlled.
Buyer-group equity	10%	\$100,000	True at-risk capital supplied by the buyer or properly disclosed investors/partners, plus any separately required fees, reserves, and working capital.

WHY THE STRUCTURE CAN BE ATTRACTIVE Each layer serves a different purpose: the lender provides scale, the seller retains financial confidence in the transition, and the buyer group commits at-risk capital.

What makes it powerful - when supported by the deal

- Leverage can reduce the amount of equity required relative to an all-cash purchase, but it also creates fixed payment obligations.
- Seller financing may help bridge price, timing, or lender constraints and can align the seller with a successful transition.
- A 10% equity layer shared with a strategically aligned partner may preserve the buyer's liquidity for reserves and integration, depending on lender rules.
- A complete stack can demonstrate that several parties have evaluated and committed to the transaction.

COSTS AND LENDER CONTROL The example excludes closing costs, fees, reserves, working capital, inventory adjustments, repairs, taxes, and later investment. Test debt service against verified cash flow, and do not promise any layer before the senior lender approves the complete sources-and-uses schedule. Seller notes may require subordination or standby.

05 | FROM COMPETITOR TO ALLIANCE

Why a strategic industry partner may strengthen the 10% equity layer

A competitor may possess precisely the market knowledge, systems, personnel, purchasing power, or capital that a new buyer lacks.

The alliance logic

Instead of treating every industry operator as an adversary, a buyer can explore whether a qualified competitor sees strategic value in the acquisition. The operator might contribute capital, expertise, management support, supplier access, overflow capacity, or geographic reach in exchange for a clearly defined economic interest.

Potential contribution	Possible benefit to the acquisition	Risk to control
10% equity funding	Completes the proposed equity layer and preserves buyer liquidity.	Ownership dilution, control, capital-call duties, and lender approval.
Industry operating experience	Improves diligence, transition planning, and problem solving.	Conflicts of interest, divided attention, and reliance on one person.
Shared systems or purchasing	May improve efficiency or vendor economics after closing.	Integration costs, data access, antitrust, privacy, and contract restrictions.
Management bench	Provides qualified support during the transition.	Employee retention, accountability, compensation, and continuity.

A disciplined approach

- Lead with strategic fit: geography, customer segment, capacity, purchasing, or succession - not merely a request for money.
- Use confidentiality protections before sharing sensitive seller or customer information.
- Document valuation, ownership, voting, distributions, duties, buy-sell rights, non-solicitation, data use, and dispute procedures.
- Obtain lender, legal, accounting, and competition-law review before relying on the alliance.

COMPLIANCE PRINCIPLE Describe the alliance exactly as it exists. Do not label a passive lender as an experienced operator, hide beneficial owners, or imply guaranteed financing because an industry participant is involved.

06 | ACQUISITION ROADMAP

Move from interest to an informed decision

A sound process is designed to disprove a weak deal before capital is committed - and to prepare carefully when the evidence supports proceeding.

01 Define the target: Choose industries, geography, price range, owner role, minimum cash flow, and deal-breakers.

02 Build the buyer profile: List available experience, skills, capital, credit capacity, time, and gaps that require partners or advisers.

03 Source opportunities: Review brokered and direct opportunities while respecting confidentiality and applicable solicitation rules.

04 Screen quickly: Test seller motivation, financial consistency, customer concentration, transferability, and asking-price logic.

05 Submit a conditional offer: Use an LOI that is subject to diligence, financing, approvals, definitive documents, and other appropriate conditions.

06 Perform diligence: Verify financial, legal, tax, operational, customer, employee, technology, environmental, licensing, insurance, and commercial matters.

07 Finalize financing and governance: Confirm sources and uses, lender conditions, seller-note terms, equity documents, guarantees, and working capital.

08 Plan transition and close: Create a first-100-days plan, secure consents, confirm closing conditions, and close only when material issues are resolved.

WALK-AWAY POWER The objective is not to buy any business. It is to acquire only when verified facts, acceptable terms, financing, governance, and transition readiness support the decision.

07 | BUSINESS BUYER ASSESSMENT

Where are you strong - and where do you need support?

Mark one response for each statement. This is a planning tool, not a lending decision or guarantee of qualification.

HOW TO USE IT Choose YES when you can support the answer with facts or a clear plan. Choose NOT YET when the item still needs attention. A Not Yet answer is not failure - it identifies your next useful conversation.

#	Buyer foundation	Response
1	I can explain why I want to own an existing business and the role I want after closing.	Yes / Not yet
2	I have selected one to three industries that fit my interests, capabilities, and risk tolerance.	Yes / Not yet
3	I can devote consistent time to sourcing, screening, diligence, financing, and transition.	Yes / Not yet
4	I understand that ownership can require guarantees, additional capital, and active problem solving.	Yes / Not yet
5	I have defined a realistic purchase-price range and personal financial boundary.	Yes / Not yet
6	I know which responsibilities I can perform and which require experienced leadership.	Yes / Not yet
7	I am willing to walk away when records, price, terms, or risks cannot be validated.	Yes / Not yet

Write your acquisition focus

Preferred industries: _____

Geography or service area: _____

Role after closing: _____

One result I want from a planning call: _____

MOMENTUM MARKER Circle the single Not Yet answer that would make the greatest difference if it became a Yes. That becomes your first call topic.

08 | RESOURCE AND DEAL ASSESSMENT

Map the people, capital, and evidence the deal may require

The purpose is not to pretend that gaps do not exist. It is to turn each gap into a transparent plan, qualified resource, or decision rule.

#	Resource	Readiness statement	Response
1	Experience	An owner, operator, adviser, or partner can provide relevant industry judgment.	Yes / Not yet
2	Skills	The team covers finance, operations, sales, technology, and integration needs.	Yes / Not yet
3	Credit / guarantees	Potential guarantors understand the obligations and will be fully disclosed to the lender.	Yes / Not yet
4	Equity capital	The source of the down payment, fees, reserves, and working capital is identified.	Yes / Not yet
5	Industry alliance	A potential competitor or operator has a real strategic reason to participate.	Yes / Not yet
6	Seller financing	I understand that seller-note terms require negotiation and may be lender-controlled.	Yes / Not yet
7	Verification	I will require reliable support for revenue, expenses, cash flow, customers, and obligations.	Yes / Not yet
8	Transition	There is a credible plan for employees, customers, vendors, systems, and seller handoff.	Yes / Not yet

Your three most important gaps

1. _____
2. _____
3. _____

INTERPRETATION Mostly YES: organize your criteria and begin disciplined conversations. A MIX: identify the first two resources that would strengthen your position. Mostly NOT YET: start with education, boundaries, and a resource map before pursuing a specific deal.

09 | KEEP THE MOMENTUM

Turn your assessment into a focused call

Do not let the assessment become another document you read and forget. Use it to start one practical conversation about your next best step.

YOUR NEXT ACTION Email your completed answers - or simply your top three gaps - and request a Business Buyer Assessment Call. The purpose is to clarify your target, resources, questions, and next action. A call does not guarantee financing, a transaction, or a business result.

Step 1 | Prepare your message

Copy, personalize, and send the short message below:

Subject: Business Buyer Assessment Call

Hi Curtis,

I completed the Starter Kit assessment. My target industry is [insert]. My three biggest gaps or questions are:

1. [insert]
2. [insert]
3. [insert]

I would like to book a call about my next practical step. My phone number is [insert], and good days/times are [insert].

Thank you,
[Your name]

Step 2 | Send it while your answers are fresh

EMAIL CURTIS: curtisjuniebrown@gmail.com

Step 3 | Bring these three items to the call

- Your preferred industry or business type.
- Your top three assessment gaps or questions.
- The next action you believe you can complete within seven days.

FORWARD MOTION A useful call should end with a clearly defined next action - such as refining your target, speaking with a lender, identifying an operator, reviewing an opportunity, or strengthening your diligence plan.

10 | IMPORTANT INFORMATION

Use this guide as a starting point - not a promise

Business acquisition decisions should be based on verified information, qualified advice, acceptable risk, and transaction-specific requirements.

Important disclosures

This guide and assessment provide general educational information, not legal, tax, accounting, investment, lending, brokerage, or financial advice. They do not offer or guarantee a loan, business, income, approval, closing, profitability, or investment result. Financing terms, equity requirements, seller-note treatment, collateral, guarantees, qualifications, licensing, and program eligibility vary by lender, transaction, jurisdiction, and applicant. Business ownership involves risk, including possible loss of invested capital. Consult qualified professionals and verify all material information before acting.

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