



Deal Evaluation Template





Type something...




Deal Evaluation Template

Our North Stars

Many things can get you where you want to go, only their speed varies.


-  Is this our best option to get to \$20k MRR? (Opportunity Cost)
-  Are we purchasing an investment or a job? (Time Cost)
-  Is this an igloo, a house, or a castle? (Lifetime)
-  Is it a seed or a tree and how much water does it need? (Growth Potential)

Product Synopsis


-  Quickly Communicate what this company does to someone else

Due Diligence

Our Tests

-  It doesn't HAVE to pass every test but it SHOULD
- ☐ It must have one paying customer
- ☐ The purchase price should be no more than 4x ARR
- ☐ It cannot be replicate-able by nocode
- ☐ Opportunity for Expansion Revenue and Net Negative Churn
- ☐ Support Time Per hour / Profit per hour should not be below \$50
- ☐ We must be able to articulate what we would do after purchase and why that would grow the customer base

Market Strength Tests

-  Use every tool we can to learn about how well the business is doing. See what keyword it ranks for, see who its competitors are, see what people say about it, see what the owner says about it!

SEO

Rating (1-5):

Competitors

Rating (1-5):

App Store Ranking

Rating (1-5):

App Store Reviews

Rating (1-5):

Customers and the Numbers

Rating (1-5):

Miscellaneous Notes from Seller Conversation

- List


Review and Comparison Sites

Comparison sites

- ☐ capterra
- ☐ g2
- ☐ trustpilot

Evaluation

Product

-  Whats the core of the product like? Is it already solving a need and built in a way we can extend?

Rating (1-5):

Hows the product and pricing?

How big of a problem does it solve?

Are people paying for it?

Time Scale

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