

Deal Criteria For ASE & GWT

- ASE is a full-service M&A Advisory Firm, and Edgar Fernandez is a Managing Director
- GWT is an IT-Services Focused Private Equity Firm, and Edgar is the Vice Chairman
- We pay 5% or pro-rata success-based referral bonus for introductions to companies looking to sell. It's 5% of the asking price, and ASE is industry & geography-agnostic!



We put a man on the moon 54 years ago!

And luckily for you, closing M&A deals isn't rocket science, and it can be systemized! ASE has a dedicated professional for each bullet point in our assembly line. And in all honesty, having your own financial ducks in order is one of the fastest ways to leverage other people's money (OPM). To that respect, ASE also has The Become Lender-Ready Program and a complimentary Financial Education Platform. Our Deal Assembly Line is only a tiny part of our Become Your Own Private Equity Firm Consulting Kit. If you're making more than \$500k a year in sales and want to take your business to the moon, email me, and buckle your seat belt for take off!

Now here is some clarification on a few of the points in our infographic. The Debt Coverage Service Ratio (DSCR) is how many times per month a company's net profit can pay for the debt service used to acquire the company after an M&A transaction is closed. Integration is the final phase of the M&A lifecycle, where you optimize the company with systems, marketing, and by rallying the troops. The Entrepreneurial Operating System (EOS) is an operating system for businesses that has proven to get companies higher multiples upon exit over and over. Profits First is a model that flips the profit equation into Sales - Profit = Expenses. Hopefully, this post connected some dots for you whether you work with us or not. And tag us in a social media post if you implement any of this and get results; we love seeing others win!

- If you send us the DUE DILIGENCE CHECKLIST - Short Version below for any of your deals, we can check it with our capital partners for you to get it funded.
 - But no broker deals! Unless it's an old deal where the broker and seller are both desperate to sell.
- Chairman's funding
 - For the fastest funding, deals must have at least \$20M in sales
- If you have IT deals, you can say you work with:
 - <https://www.greatwesterntechnologies.com/>
 - GWT is looking for IT Services Companies, IT SaaS, and IT E-learning companies with a minimum EBITDA of \$2M and a head count of 10.
- If you have non-IT deals, you can say you work with Acquire Scale & Exit (ASE):
 - <https://www.acquirescaleandexit.com/>
- Our Denver network:
 - Our Denver team is looking for service-based companies in Denver with a headcount of at least 10.
- **How you can leverage my team and me:**
 - Fractional CMO Services & Exiting consulting industry agnostic
 - 7-Figure Growth System - all marketing & biz infrastructure w/ guarantee
 - Structuring your deal stack and connecting you to lenders in our circle
 - Financial Engineering to get deals to pay for themselves, we have over 216 + methods of buying companies
 - Finding business buyers or sellers in our network
(Industry & Geo Agnostic)
 - **We can help your business buy other businesses and marketing assets for as close to zero out of pocket as possible.**
 - We have business buyers and need finders to send us deals. Right now, we have leads for you to call!
 - [M&A Wholesell Training](#)
 - [Setter Contract & Package](#)
 - [Setter Job Description](#)

Anyone with deals and business leads can leverage our team and systems without being a setter after an initial screening and background check.

- Pricing Consulting for PE, family offices, and large companies from The Price Whisperer!
 - [Click Here To See Our Case Studies](#)
 - [Free Video On Pricing Strategy & Shareholder Value](#)
- IT services from GWT for companies with 1k - 5k heads. We pay a referral bonuses!
- Full Stack software development for real estate and fintech companies.
- For debt financing google mortgage calculator to get your monthly debt payment
 - Then do: $(\text{monthly debt payment}) / (\text{Free Cashflow}) * 100 = \text{Debt Coverage service ratio}$. At least 1.5 but 2 or more is best.
- We write a monthly piece for <https://acquisitionaficionado.com/> and enjoy working with Len, the owner. It's a fast-growing M&A magazine and the only M&A Magazine that can build 3rd party trust for your business.
 - [Here is our Sponsor Deck - Let's Get You Featured](#)
 - **We're flexible on the price if you're looking to get the authority of a book in a fraction of the time with a fresh new medium; let's do some business together!**
- **We can get you a referral bonus for everything above!**

Substack M&A Training & Newsletter

How can we say that we have the best M&A and business newsletter in the industry without saying that we have the best M&A and business newsletter in the industry? Well, we can't, so take advantage of the weekend and make some creative neural connections for your business with our newsletter!

<https://asebizgrowth.substack.com/>

***Capital Sources Start Here:**

\$50M+ Deals Get Exclusivity From Our 40 Private Funds

Finncy

Finncy is your one-stop shop for business lending.

We offer 7+ different funding vertical solutions, 100+ lenders, one simple application, and no impact on your credit.

We also have the become lender-ready program for credit repair; it's \$329 for month 1, then \$165 every month after that until \$3,500 is paid off. :

- We make sure that your entity is registered at the state and federal level
- Rebuild your personal credit
- Establish and build business credit for you with Ty Crandall
- Write a lender-approved business plan for you
- Help set up your logo, email, and website

Our mission is to help 3,000 businesses before the end of the decade.

To accomplish that, financial strategy sessions are on the house!

Or, if you already know what loan you're looking for, fill out the form at your convenience:

Funding Link:

<https://acquirescaleandexitll.finncy.com/>

[The Everyone's Approved Program For Coaches And Consultants](#)

The Fast & Proven Investment Bank for M&A

This investment bank partner has proven itself to quickly fund financially healthy deals.

Typically, we require the following data and materials, see below:

- Deck or Business Plan or Executive Summary
- Cash Balance Sheet or unaudited Financials are fine
- Desired Capital Structure & Size
- Monies invested by sponsors to date in the project or company (rough \$\$ estimate works) (This is not enterprise value, but how much money has been invested in the business to date).

We review dealflow every week and move fast, so I am more than happy to take a look.

Our minimums are \$1M for Credit, \$3M for Debt, & \$5M for Equity raises.

(International thresholds are \$25M USD)

Financial Model Preparation Instructions

Lastly - All financials must be in one PDF with the balance sheet, Cashflow statement, and P&L as a financial model showing the trailing 3 years, and future/proforma 2-year projections. See the attached pictures for an example of what the final submission has to look like. This can be done for you on Fiverr.

<https://www.fiverr.com/masterdataentry>

<https://www.fiverr.com/mfaisal3096>

Here are the Fiverr instructions.

Hello, I need the attached balance sheet, cashflow statement, and P&L combined into one clean PDF and excel financial model.

- Please see the attached images for 2 examples of good formatting.
- And all 3 financial statements need the trailing 3 years financials with 2 year proforma projections.
- If no pro forma has been made you'll need to find a person that can do proforma projections with 20% growth rate per year for 2 years into the future.
- My recommendation is to mirror a Budgeto <https://budgeto.com/en/> report format to create these in a professional way. You send them the PDF and Excel versions of the financials: P&L, Cash Flow, and Balance Sheet.
- Make the year columns increase from left to right, for example, 2018, 2019, 2020, 2021, and 2022.

Financial reports ?

Report: Profit and Loss Budget: Digicon Starting: 2020 Ending: 2026 Historical up to: 2022/07 Generate

Detail level: View by Month Edit historical data

	2020	2021	2022	2023	2024	2025	2026
REVENUE							
Sales	49,620	1,374,167	259	-	-	-	-
Profit and Loss	-	-	-	-	-	-	-
Cash Flow	-	4,523,174	-	-	-	-	-
Balance Sheet	49,620	5,897,341	259	-	-	-	-
Ratios	N/A	11,785 %	-100 %	-	-	-	-
Costs & Funding	58,106	21,105	129	-	-	-	-
Commissions	-	-	-	-	-	-	-

Note: In the original image, a red circle highlights the 'Balance Sheet' row in the left-hand menu, and a red arrow points to the 2020 column header.

i/report/general/D#

SBA & Commercial Lender Cerebro Capital - No real estate financing available!

Submit your application through our link:

<http://platform.cerebrocapital.com/Refer/ASE>

What we do is connect investors and companies who need debt-based financing to our network of 800+ middle market lenders (commercial and non-bank – USA Only)

Deal Types: Debt transactions only (we do not facilitate equity deals although are often deployed alongside in M&A transactions). Corporate C&I loans for working capital, growth capital, business acquisition, recapitalizations, equipment financing, etc.

We do NOT work with investments real estate or project financing.

Loan sizes between \$2MM - \$200MM – To get started, all you have to do is access our FinTech platform and fill out the intake form.

It takes less than 15 minutes to complete. Once you do, our algorithm analyzes the numbers to determine if the deal is viable.

Then, we send it out to our network of lenders. If the deal submitted fits into their investment parameters, they'll send back term sheets, and you can decide what to do from there. An experienced Capital Markets team assists clients in deal structuring and complex processes.

Real Estate, Construction, and M&A Capital

ASE has NYC partners that will assist investors in a variety of disciplines, including but not limited to office, retail, industrial, multi-family, hospitality, senior housing, and healthcare. We try to provide value for our clients by finding immediate upside or high-yield long-term investments for the properties that they invest in.

M&A - This partner also funds \$500K+ M&A deals with a 1.5 + DSCR and a 20% cash downpayment on the total ask. For deals under \$5M, SBA will most likely be used.

Financial Education Platform

Let's face it, you're probably paying too much in taxes, and with interest rates going up, it's getting harder and harder to fund deals!

Getting the 10% - 20% down payment for a loan is one of the biggest headaches for M&A, real estate, and all other entrepreneurs. Often we find that our entrepreneurs and senior managers are paying too much money in taxes and don't have the cash available.

ASE has several tax & finance professionals who can help you get in the right position to be able to build up your cash reserves so that you are ready when the right opportunities come up. If you already have deals in place and need help with this, we are happy to make introductions to our network or the professionals who can help you with your situation.

Be ready for that next once-in-a-life team deal with our personal and business financial education platform.

ERC - Coronavirus (COVID-19) Economic Relief Legislation

Has your business been impacted by COVID but still supporting your employees? You could be eligible for a refundable retention credit of up to \$26,000 per employee.

The CARES Act was signed into law on March 27, 2020, to address the negative economic impact of the COVID-19 pandemic. Within the CARES Act, Congress created the Employee Retention Credit ("ERC"), a fully refundable payroll tax credit, to provide aid to employers impacted by the COVID-19 pandemic.

ASE has an experienced partner ready to file your ERC application!

<https://ercspecialists.com?fpr=edgar61>

Data-Based Lender

<https://www.gulpdata.com/>

Yes, they really lend on data; we thought it was too good to be true too! We have no affiliation.

Whole Life Insurance

[Bank on Yourself: Using Life Insurance as a Source of Liquidity - Nerd Wallet Infinite Banking](#)

[How To Finance REAL ESTATE w/ Whole Life Insurance | IBC Global, Inc - YouTube](#) - It's the same Concept for M&A

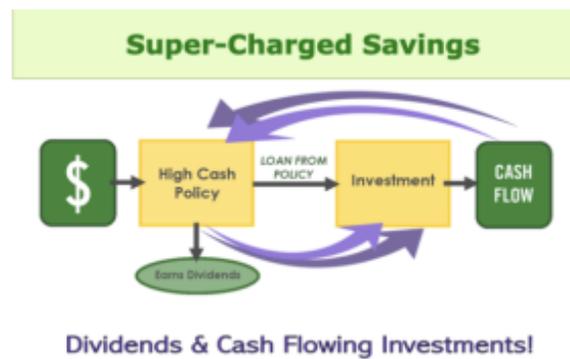
[Real Estate Investors: Maximizing Cash Value & Flexibility - How To Get It RIGHT | IBC Global](#)

Don't forget about the rest of the benefits that come with life insurance that the wealthy use:

- Reduced Taxes - through government incentives, Uncle Sam doesn't want you on social security when you retire.
- Debt Management
- Living Benefits
- Retirement Benefits
- Death Benefits
- Emergency Funds
- Liquid Cash Reserves

ASE has licensed professionals that can tailor a 10/90 whole life policy for you to fund deals or a tax-free retirement vehicle that will bring you in \$10k - \$20k per month.

Don't worry; we're not going to sell you on our first call; we actually want to make sure that it's a good fit because we have a really good reputation, and we want to maintain that because that's what sells it for us it's like every one crushes, and we have to analyze your financial standing to prescribe the best vehicle(s) and plan for you.



This is how whole life insurance works:

1. There is a mandatory monthly, quarterly, or yearly premium that must be saved.
2. You pick a floor and a ceiling; the floor is the mandatory amount that you have to save yearly.
3. The ceiling is for when you have a good year and want to save more which is encouraged.
4. The money that you put into the policy is called the cash value, it never moves, and it builds on a 6% dividend per year.
5. Once the whole life policy is collateralized, you can loan yourself 45% of the cash value for a mortgage, investments, or other business ventures.
6. The interest rate that you choose on this loan goes to growing your cash value, and it's a tax right off. Also, the loaned amount is not taxed.
7. During the term of the loan, your cash value never changes as long as you repay the loan back.
8. When you pay back the policy loan, you can give yourself another loan.

For example, if you have \$1,000,000 of the cash value in a policy. You can loan yourself \$450k for a mortgage down payment. The original \$1M in cash value never leaves your policy and keeps growing by 6%. The interest on the \$450k loan goes to you, and it's a tax right off. When you pay back the \$450k, you can take out another loan for another deal. So if you take out and pay back more than two policy loans for 45% of the cash value, you're now leveraging that \$1M for an extra \$350k +.

The whole life can also be used for retirement income. Every \$1M in a whole-life policy gives you \$60k per year in tax-free income from the 6% dividend.

DUE DILIGENCE CHECKLIST - Short Version

Mandatory Requirements

1. Number of employees (at least 10): _____
2. Years in business: _____
3. Location (Within a 2-hour flight of Denver is best): _____
4. Revenue (\$10M is ideal): _____
5. Gross Profit: _____
6. EBITDA/SDE (20% is healthy): _____
7. Cash Flow: _____
8. Desired multiple (1-4 is best): _____
9. Asking Price: (\$) _____
10. Cash on hand: (\$) _____
11. Acct. Receivable: (\$) _____
12. Note Receivable: (\$) _____
13. Securities: (\$) _____
14. Raw Materials: (\$) _____
15. Work in Process: (\$) _____
16. Inventory: (\$) _____
17. FF&E: (\$) _____
18. Vehicles: (\$) _____
19. Real Estate: (\$) _____
20. Sales: (\$) _____
21. ARR: (\$) _____
22. Last 4 years' balance sheets, cash flow statements, and P&Ls
 - a. If it's a small deal under \$10M tax returns and Bank Statements help
23. Set Planned Exit Date: _____

Good To Know

1. Tech Stack?
2. Growth Lifecycle?
3. Moat (Certifications/IP/Tech/Sticky Contracts)?
4. Culture (For example, team focused vs lone wolfs), and core values?
5. Market Cyclicity?
6. Soft Assets?
7. Asset Marketability?
8. Supply/Demand Risk?
9. Socio-Political Risk?

10. Capacity w/o Capex?

11. Reason for selling?

12. Is it off market?

If Real Estate Is Involved:

- The most recent appraisal that's available.
- The deed for purchase documents.
- Tax bills, Leases, Service contracts
- Financial statements and reports, Title insurance policy
- Any surveys, building inspection reports, and environmental studies
- Any site plans, and Architectural drawings
- Zoning documents, Governmental permits
- Approvals and certifications
- Disclose the existence of any property or building-related litigation

If they can get as much of the below as possible, I'll have my team review it:

- Purchase contract
- PFS & 3 years Tax Returns for Guarantors
- Business Plan of Presentation Deck w/ Sources & Uses
- Resumes (Borrower Experience)
- Available 3rd party reports (i.e. Appraisal)
- Funds available to put as a down payment on the purchase
- If they have a data room set up, they can simply forward a link.

Calculating DSCR

Loan amount: \$240,000.00

Loan term: 10 years

Fixed Interest: 6.062%

First, Google search for "mortgage calculator" and scroll past the first ad.

1. Enter the total loan amount of \$240,000.00.
2. Enter the loan term; an example SBA loan would be 10 years.
3. Enter the interest rate of 6.062%.
4. On the right, you'll see your monthly debt service of \$1,449.00. So, the target company's free cash flow (net profit) should be at least 1.5 times \$1,449.00 or \$2,173.50 ($\$2,173.50 / \$1,449.00 = 1.5$), but a 1.5x DSCR would only leave \$724.50 to run the business. An even better 2x DSCR would be $2 \times \$1,449.00 = 2,898.00$ in monthly free cash flow.
5. The DSCR equation = (free cashflow) / (monthly debt service) = DSCR.
6. So, if the example company had \$10,000.00 in monthly free cash flow, you would calculate: $\$10,000.00 / \$1,449.00 = 6.901$ DSCR. This means the company can support the monthly debt service 6.9 times per month.

Calculator

Monthly payment | Purchase budget

Include taxes & fees

1. Loan amount: \$ 240,000

2. Loan term: 10 / 6 ARM

3. Interest: 6.062 %

4. Monthly payment: \$ 1,449

Calculated amount only includes the fixed part of the loan. Interest rates during the variable part of your loan may change. More on [cfpb.gov](https://www.consumerfinance.gov)

Disclaimer • Feedback

Core Businesses To Acquire For Zero Out Of Pocket

- Resources
 - Affiliates
 - Customers
 - SOPs
 - Operations and development teams
- Service
 - Financial
 - Business
 - Publishing
 - Advertising
 - Brokerage
- Product
 - Related
 - Upsell/Downsell
 - Cross-Sell
 - Substitute
 - Complementary
- Supply & Distributors
 - Manufacturers
 - Suppliers
 - Distributors
 - Retail Site
- IP
 - Patent
 - Customer list
 - Trademark

- Software/SAAS
- Copy rights
- Media
 - Advertising
 - Broadcasting
 - Print Publications
 - Digital Media
 - Production Studios

Traffic Assets For Marketing That You Can Acquire For Zero Out Of Pocket

- IP Integrations
 - Patent C R
 - URLS
 - Trade secrets
 - Processes
 - Brands
 - Logos
 - Code
- SEO Swipes
 - Blog, Vlog
 - Website
 - Videos
 - Images
 - Shopping
 - Lists

- Tools
- Guides
- List Lifts
 - Customers
 - All Suppliers
 - Pixels
 - Newsletters
 - SOP
 - Opt-in
 - Coders
 - Subs
 - Email
- Product Picks
 - Amazon listings
 - Etsy
 - Ecom Landers
 - Brand Stores
 - Google Shopping
 - Ebay Stores
- Show Sales
 - Trade shows
 - Conferences
 - Podcasts
 - Summit
 - Radio
 - TV
 - Events
 - Interviews
 - Expos
 - Syndicates

- Group Grabs
 - Meetup
 - Mastermind
 - Networking Group
 - Stock Group
 - Associations
- Social Siphons
 - FB Page/Group
 - LI Group
 - IG acct
 - YT Channel
 - Pinterest

***List of Vetted Business Buyers:**

[Click here for our list of vetted buyers that have done deals before and can get us a finders fee.](#)

***Available Acquisitions:**

Disclaimer these deals are usually a better fit for a strategic buyer; because great deals don't last very long on here. At the same time, since it's not a public site, there isn't as much competition as public sites. So you ought to check the deal sheet weekly. New deals are added to the bottom of the list. Reach out to us for the NDA and full CIM on any of these deals

Profitable Forex E-Learning Signal Platform

\$800k Real Estate Media Assets

\$4M Utah RV Park

\$130M Scaffolding and Heavy Machinery Rental

Disclaimer these deals are usually a better fit for a strategic buyer; because great deals don't last very long on here. At the same time, since it's not a public site, there isn't as much competition as public sites. So you ought to check the deal sheet weekly. New deals are added to the bottom of the list. Reach out to us for the NDA and full CIM on any of these deals

US company that has a \$2.3B buy side mandate

Buy Side Mandate Criteria



- \$1M-\$250M ARR
- Low/No Growth
- Low-Earning/Money-Losing
- Industry Agnostic
- High Interest in Telecom, Ed Tech, Compliance, Inventory Management
- 100% Buyout



- \$3M-\$300M ARR
- 20%+ YoY Growth
- Industry Agnostic
- High Interest in Telecom, Healthcare Services, Ed Tech, Compliance, Inventory Management, Fintech, Martech, Consumer/eCommerce
- Growth Capital, Majority to 100% Buyout



- \$5M-\$40M EBITDA
- 20%+ YoY Growth
- High Interest in Alternative Site, Behavioral, DME, Healthcare IT, Home Care, Pharma, RCM
- Growth Capital, Majority to 100% Buyout



- \$5M-\$40M EBITDA
- 20%+ YoY Growth
- High Interest in Beauty, Food Processing, Paper & Packaging, Pet Food, Private Label Manufacturing, Specialty Distributors
- Growth Capital, Majority to 100% Buyout



- Profitable
- Any Growth Profile
- Specialty Chemicals, Infrastructure, Environmental & Utility Services, Highly Engineered Products, Industrial Safety & Maintenance, Compliance, Process Equipment, Material Handling, Engineered Components
- Industrial Technology
- Growth Capital, Majority to 100% Buyout



- Profitable
- Any Growth Profile
- Payments, Processing, Consumer Finance, SMB Finance, Specialty Finance, Online Lending
- Growth Capital, Majority to 100% Buyout



- Profitable
- Any Growth Profile
- Education & Training, Information & Data, Consumer Services, Human Capital, Real Estate Tech and Services, Security Alarm Monitoring, Compliance, Transportation & Logistics, Sports & Entertainment, Suppliers & Distributors
- Growth Capital, Majority to 100% Buyout

2023 Funding Criteria

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**ACCESS TO
OVER 200 FUNDS**

2023 CAPITAL CRITERIA

Tailored Capital



Debt & Mezzanine Funding
For M&A And Real Estate
Deals over \$2.5M



Straight Equity For Deals
Over \$15M, But Equity Is Not
Easy This Year!



Efficient Factoring



Our Partners 2 Most Active
Funds Are In Oil & Gas and
Cannabis.

Basic Vetting Includes:

Executive Summary, Deck,
Full Financial Model,
Business Plan, And The
Principal's Bios.