

FRANCHISE PURCHASE DUE DILIGENCE

You should contact at least 6-10 present fr'ees, preferably in markets similar to your potential marketplace, to determine what their experiences have been with the fr'or. Q's you should ask, items you should seek to get, include:

*Would you do this again?

*Are the financial projections they made regarding your investment accurate. If not, how much were they off?

*Was the training complete? On a scale of 1-10 how would you rate the training, 10 being best?

*How has the ongoing support from the fr'or been?

*What is your biggest complaint about what you have gotten from the fr'or?

*What do you think the fr'or did best?

*What was the biggest surprise you have gotten as a fr'ee, good or bad?

*Has your operation broken even yet? If yes, how many months did that take?

*Would you be willing to provide me with all or any portion of your P&L since you've become a fr'ee to help me decide if I want to buy a franchise? NOTE: always try to get as much financial information as possible, even if it is limited to the cost side, since it will help you put together a pro forma budget for your franchise.