

# THE ULTIMATE FRANCHISE CHECKLIST: 10 Essential Steps Before You Invest

## STEP 1: SELF-ASSESSMENT & GOAL SETTING:

- ☐ **Define your personal and financial goals.**  
What's your desired lifestyle, income, and comfort level with risk?

## STEP 2: FINANCIAL READINESS CHECK:

- ☐ **Determine your liquid capital, net worth, and credit score.**  
Understand your borrowing capacity.

## STEP 3: RESEARCHING THE INDUSTRY & FRANCHISES:

- ☐ **Identify industries that align with your interests and the market demands in your desired area.**  
Research potential franchisors.

## STEP 4: THE DISCOVERY PROCESS BEGINS:

- ☐ **Start initial conversations with franchisors.**  
Attend discovery days if applicable.

## STEP 5: REVIEW THE FRANCHISE DISCLOSURE DOCUMENT (FDD):

- ☐ **Meticulously read and understand the FDD's 23 items.**  
Pay close attention to Items 19 (Financial Performance) and 20 (Franchisee Information).

## STEP 6: DUE DILIGENCE & VALIDATION:

- ☐ **Speak with as many current and former franchisees as possible.**  
Ask them about their experience, costs, and relationship with the franchisor.

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## STEP 7: PROFESSIONAL LEGAL REVIEW:

- ☐ ***Hire a franchise-specialized attorney to review the FDD and the Franchise Agreement.***

## STEP 8: FINALIZE YOUR FINANCIAL PLAN:

- ☐ ***Determine your liquid capital, net worth, and credit score.***  
Understand your borrowing capacity.

## STEP 9: LOCATION & LEASE NEGOTIATION:

- ☐ ***Work with the franchisor on site selection and finalize the lease for your new location.***

## STEP 10: SIGN THE FRANCHISE AGREEMENT & PREPARE FOR LAUNCH:

- ☐ ***With all steps complete and all questions answered, sign the agreement and begin the training process.***

**DON'T EMBARK ON THIS JOURNEY ALONE.  
THE PERFECT FRANCHISE IS YOUR PARTNER  
FOR EVERY STEP ON THIS CHECKLIST,  
ENSURING YOU MAKE THE MOST INFORMED  
DECISION FOR YOUR FUTURE.**

**TAKE THE FIRST STEP TOGETHER.**

