

# Online Business — Master Due Diligence Checklist

Buyer-side evaluation checklist for acquiring websites & online businesses

<b>How to use</b>	Work through each tab. For every row, set the Status dropdown and record what you found in Findings / Notes. Tabs are grouped by topic; the last tab pulls it together into a valuation and verdict.
<b>Applies to</b>	Each check is tagged with the business model(s) it's relevant for. For online businesses the model and the way it makes money are essentially the same thing, so 'monetization' lives inside each tab rather than as a separate one.
<ul style="list-style-type: none"><li>• Content</li><li>• Ecommerce</li><li>• SaaS</li><li>• Marketplace</li><li>• All</li></ul>	<p>Blogs, media &amp; affiliate sites (ad + affiliate revenue).</p> <p>Physical/digital product stores (own store, Amazon, eBay, Etsy).</p> <p>Software, apps, membership &amp; subscription sites.</p> <p>Transactional / two-sided marketplace sites.</p> <p>Applies to every business type.</p>
<b>Priority</b>	Critical = verify before you commit money · High = important · Medium = thorough/nice-to-have.
<b>Status options</b>	Not started · In progress · Pass · Concern · Fail · N/A
<b>Golden rule</b>	Insist on LIVE, read-only access to analytics and every income account, and reconcile claimed revenue to actual bank deposits. Almost every serious problem is found, or hidden, here.

## Tabs in this workbook

<b>1. Financials &amp; Monetization</b>	How the business makes money, and whether the numbers are real, clean and transferable.
<b>2. Traffic</b>	Is the traffic real, diversified, engaged, and sustainable under new ownership?
<b>3. SEO &amp; Backlinks</b>	Search-visibility health, link-profile safety and penalty exposure.
<b>4. Content</b>	Originality, depth, freshness, authority and the true cost of maintaining it.
<b>5. Technical &amp; Site Health</b>	Is the site fast, crawlable, mobile-ready, secure and free of technical debt?
<b>6. Operations &amp; Transferability</b>	What it really takes to run this, and whether it can run without the seller.
<b>7. Team &amp; People</b>	Who works on the business, on what terms, and will they stay?
<b>8. Email, Social &amp; Community</b>	The owned audience: is it real, healthy, transferable and engaged?
<b>9. Legal, Compliance &amp; Risk</b>	Ownership, intellectual property, compliance and liabilities (evaluation stage).
<b>10. Niche, Market &amp; Competition</b>	Is the market durable, and is the business defensible within it?
<b>11. Valuation &amp; Verdict</b>	Pull it together: price the asset, list the red flags, and decide.

# 1. Financials & Monetization

How the business makes money, and whether the numbers are real, clean and transferable.

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
<b>Revenue verification</b>							
1	<b>Get live, view-only access to every income account (merchant dashboards, ad networks, affiliate dashboards) and screen-share verification of each.</b>	Sellers can fabricate or cherry-pick screenshots. Live access is the single most important financial check.	Screen-share call; request read-only logins to Stripe/PayPal/Shopify/Amazon Seller/Mediavine/affiliate networks.	All	Critical	Not started	
2	<b>Reconcile claimed revenue per channel against the source dashboards AND against bank/merchant deposits, line by line, for the last 12 months.</b>	P&L numbers that don't tie out to bank deposits = inflated or fictional revenue.	Export dashboard reports; match payouts to bank statements; flag any unexplained gap.	All	Critical	Not started	
3	<b>Cross-check revenue against traffic: revenue per visitor / per session. Does RPM / conversion correlate with the business model?</b>	Revenue that doesn't track with traffic suggests bought traffic, one-off spikes, or misreported income.	Divide net revenue by sessions (from GA); compare months and to industry norms.	All	High	Not started	
4	<b>Confirm whether any income is generated outside the website (owner's personal brand, network, other companies, list).</b>	Revenue that leaves with the seller is not transferable and shouldn't be paid for.	Direct question to seller + look for off-site fulfillment, personal-name checkout, cross-promotion.	All	Critical	Not started	
5	<b>For each revenue source, assess transferability: does the account / contract / rate move to the new owner?</b>	Mediavine and some ad networks DO NOT transfer — you must re-apply and may earn \$0 during the gap. Affiliate IDs, merchant rates may also reset.	Read each network's transfer policy; ask seller to confirm in writing; build the gap into your model.	All	Critical	Not started	
<b>Monetization model — Content / Affiliate</b>							
6	<b>List every advertising revenue stream (direct placements, network ads, contextual fill) and pull ≥6 months of history per advertiser.</b>	A site living on one ad network or one big direct advertiser is fragile. Contextual-only fill may mean direct sales never worked.	Advertiser RFI / request log; ad-network reports going back 6+ months.	Content	High	Not started	
7	<b>Check for pre-billed advertising or pre-sold long-term placements (sold 6-12 mo upfront at a discount).</b>	You may have to honour delivery with no incoming cash. Hidden liability.	Ask for all outstanding ad agreements; request pro-rata payout at transfer.	Content	High	Not started	
8	<b>Display-ads detail: provider, sessions, RPM/ePMV, ad density per 1,000 words vs niche norm.</b>	Above-norm ad density inflates short-term RPM but hurts UX and is easily cut by the network.	Mediavine/AdThrive dashboard; compare RPM and density to category benchmarks.	Content	Medium	Not started	
9	<b>Affiliate detail: number of programs, commission rates, number of buying-intent articles, CTA quality, conversion rate.</b>	Affiliate income concentrated in one program (e.g. Amazon Associates) is rate-cut risk.	Affiliate dashboards; count money pages; review CTA placement.	Content	High	Not started	
<b>Monetization model — Ecommerce</b>							
10	<b>Reconcile gross sales by channel (own store, Amazon, eBay, Etsy) and subtract platform fees &amp; credits separately.</b>	Fees, FBA charges and refunds are often omitted, overstating net profit.	Shopify + Amazon Seller exports; reconcile to deposits.	Ecommerce	Critical	Not started	
11	<b>Verify Cost of Goods Sold and check for an artificially low supplier price (esp. a supplier the seller also owns).</b>	Seller buys stock cheap from a related company to inflate margin pre-sale; rate won't extend to you.	Supplier invoices; confirm in writing that your COGS rate matches; price-check key products elsewhere.	Ecommerce	Critical	Not started	
12	<b>Returns / refunds / chargebacks: confirm they are in the P&amp;L and check the trend.</b>	Rising returns signals product-quality problems; chargebacks can get merchant accounts frozen.	Merchant + platform reports; compute return rate over 12 months.	Ecommerce	High	Not started	
13	<b>Inventory: count and value on hand, identify stranded/out-of-stock and slow-moving SKUs; confirm what's included in the sale.</b>	Dead stock you pay for; or out-of-stock bestsellers that have lost ranking/sales.	Inventory report + physical/marketplace count at closing.	Ecommerce	High	Not started	
14	<b>Product concentration: what spread of SKUs drives the majority of sales? Is the star product price-sensitive?</b>	If 1-2 SKUs carry the business and a competitor can undercut them, revenue is exposed.	Per-SKU sales report; price-check top SKUs against competitors.	Ecommerce	High	Not started	
<b>Monetization model — SaaS / Membership</b>							
15	<b>Check for pre-sold lifetime or long-term memberships where the seller kept the cash.</b>	You inherit ongoing support/hosting cost with no incoming revenue — can run at a net monthly loss.	Ask directly; review member tiers and signup history for 'lifetime' SKUs.	SaaS	Critical	Not started	
16	<b>Confirm cost of support, hosting and product updates is correctly included in the P&amp;L; reconstruct if not.</b>	Owners frequently omit their own labour and update costs, overstating profit.	Rebuild P&L with realistic support/dev/hosting line items.	SaaS	High	Not started	
17	<b>Review metrics in cohorts (by acquisition source and by month joined) for retention and Net CLTV trend.</b>	Declining retention / CLTV with rising support cost = product or content quality problem.	Membership-metrics worksheet, 12 monthly cohorts; compute churn & CLTV.	SaaS	High	Not started	

# 1. Financials & Monetization

How the business makes money, and whether the numbers are real, clean and transferable.

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
18	<b>Identify reliance on free APIs, web scraping or third-party feeds.</b>	These break without warning and can kill the product overnight.	Map every external dependency; confirm paid/stable agreements.	SaaS	High	Not started	
<b>Monetization model — Marketplace / Transactional</b>							
19	<b>Measure the viral coefficient and the share of growth that is referral/organic vs paid.</b>	Marketplaces that can't grow virally need heavy ongoing spend; <0.3 coefficient is weak.	Compute invites→signups; review referral traffic share.	Marketplace	Medium	Not started	
20	<b>Quantify fraud / chargeback / security load and the support time it consumes.</b>	Fraud and security can eat 40%+ of a small team's time and erode trust.	Review chargebacks, feedback scores over time, support-ticket categories.	Marketplace	High	Not started	
<b>Financial records &amp; quality</b>							
21	<b>Obtain core financial documents: P&amp;L and balance sheet, last 3 yrs of bank statements, tax returns, and a schedule of owner add-backs/benefits.</b>	Tax returns are the hardest number to fake and anchor the real earnings.	Financial-document request list; compare tax returns to the P&L.	All	Critical	Not started	
22	<b>Assess revenue trend (YoY and TTM) and whether it is growing, flat or declining; note seasonality.</b>	A declining trend justifies a lower multiple; seasonality affects the averaging window.	12-36 month revenue chart; Google Trends on top pages for seasonality.	All	High	Not started	
23	<b>Assess revenue &amp; product/channel diversity (concentration risk).</b>	One-channel or one-product businesses are riskier and worth less.	Pie of revenue by source; flag any source >~50%.	All	High	Not started	
24	<b>Confirm the revenue account / merchant account can be transferred, or that opening a fresh one is straightforward.</b>	If the income account can't move, cash flow stops at handover.	Read processor terms; confirm with the provider.	All	High	Not started	
25	<b>Sanity-check the asking multiple against category norms (Content ~2.7x, SaaS/Membership ~2.3-2.4x, Ecommerce ~2.8-3.0x, Marketplace ~2.8x of annual net profit).</b>	Paying an above-band multiple for an average asset destroys returns.	Compute price + TTM net profit; compare to the band; adjust for trend & risk.	All	High	Not started	

## 2. Traffic

Is the traffic real, diversified, engaged, and sustainable under new ownership?

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
<b>Verify the numbers</b>							
1	<b>Get live Google Analytics + Search Console access and verify claimed traffic against the live accounts.</b>	Screenshots are easily edited; only live access proves the numbers.	Read-only GA4 + GSC access; compare to seller's claims.	All	Critical	Not started	
2	<b>Pull the full multi-year monthly traffic trend and look for odd spikes, step-changes or decline.</b>	A recent spike before sale, or a steady organic decline, are classic red flags.	GA users/sessions by month, full lifespan + last 12 months.	All	Critical	Not started	
3	<b>Cross-check engagement metrics look natural: bounce rate, avg session duration, pages/session, new vs returning.</b>	Bot or bought traffic shows ~100% bounce, ~0s duration, no returning users.	GA engagement reports; compare to niche norms.	All	High	Not started	
<b>Source mix &amp; dependency</b>							
4	<b>Break traffic down by channel (organic / direct / social / email / referral / paid) and identify single-source dependency.</b>	Heavy reliance on one channel — especially organic search — caps the multiple and is the most common risk.	GA acquisition report; flag any channel carrying the majority of traffic.	All	Critical	Not started	
5	<b>Check page-level concentration: no single page (other than the homepage) should dominate visits (&gt;~10-13%).</b>	Reliance on one viral post or one high-profile backlink that could vanish overnight.	GA Behaviour > All Pages; % of total per page.	All	High	Not started	
6	<b>Click through the top traffic sources — do they make sense, and is any of it bought/ad traffic or odd referrals?</b>	Undisclosed paid traffic that stops at handover, or spammy referrals padding numbers.	Inspect referrers; ask seller about any paid campaigns; check for PPC subsidy.	All	High	Not started	
7	<b>Confirm traffic is from tier-1 / target countries and matches where the customers actually are.</b>	Traffic from low-value or off-target geographies converts poorly and may be fake.	GA geo report; compare to claimed customer base.	All	Medium	Not started	
<b>Algorithm &amp; sustainability</b>							
8	<b>Overlay the organic-traffic timeline against known Google algorithm-update dates.</b>	Drops aligned to core/Panda/Penguin updates indicate vulnerability or a prior hit.	Analytics Toolkit Algorithm Checker / Ahrefs traffic vs update timeline.	All,Content	High	Not started	
9	<b>Judge whether the traffic will stay stable under you and how much work that takes (content cadence, link-building).</b>	Traffic that needs constant feeding changes the real cost of ownership.	Estimate required monthly content/links; cost it.	All	High	Not started	
10	<b>For paid acquisition: identify which sources actually produce profitable conversions (don't judge a channel in isolation).</b>	A paid channel may look unprofitable but assist conversions, or vice-versa.	Visitor-acquisition worksheet; true cost per conversion per source.	Ecommerce,SaaS,Marketplace	Medium	Not started	

### 3. SEO & Backlinks

Search-visibility health, link-profile safety and penalty exposure.

#	Check / Question	Why it matters · Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
<b>Penalties &amp; risk</b>							
1	<b>Confirm there is NO manual action or site-quality message in Google Search Console.</b>	A live manual penalty can wipe out organic traffic; recovery is slow or impossible.	GSC > Security & Manual Actions.	All	Critical	Not started	
2	<b>Check the site has not been hit by an algorithm update (Panda/Penguin/core/Helpful-Content).</b>	Penguin-type link penalties are notoriously hard to recover from.	Correlate organic drops to update dates; penalty-indicator tools.	All	Critical	Not started	
<b>Backlink profile</b>							
3	<b>Pull the full link profile: referring domains, total &amp; do-follow links, links from DR&gt;20, link velocity.</b>	A thin or sudden-spike link profile is risky; quality referring domains matter more than volume.	Ahrefs / Moz Open Site Explorer; export referring domains.	All	High	Not started	
4	<b>Run a spam/toxic-link analysis and manually review a sample of low-DR links; check for &gt;8 spam flags.</b>	Auto-scores aren't enough — manual review finds PBNs and spam the tool misses.	Moz Spam Analysis (17 flags) / Ahrefs; manual sample of DR 0–2 links.	All	High	Not started	
5	<b>Check for a PBN (private blog network) being used to prop up rankings — ask the owner AND inspect the links.</b>	PBN links can be devalued or penalised, collapsing rankings after purchase.	Look for footprint patterns; ask seller directly and get a warranty.	All	Critical	Not started	
6	<b>Analyse anchor-text distribution: money-keyword anchors should not exceed ~10–20% of links.</b>	Over-optimised exact-match anchors look manipulative and invite penalties.	Ahrefs/Moz Anchor Text report.	All	High	Not started	
7	<b>Check linking-domain relevance and subnet (C-block) diversity.</b>	Many links from one network/owner look unnatural.	Open Site Explorer same-C-block CSV; review topical relevance.	All	Medium	Not started	
<b>On-page &amp; rankings</b>							
8	<b>Pull keyword rankings: number of ranking keywords, top-3 positions, and which keywords/pages drive the majority of traffic.</b>	Rankings concentrated in a few volatile keywords are fragile.	Ahrefs/Ubersuggest organic keywords; GA top landing pages.	All	High	Not started	
9	<b>Run sample pages through an on-page grader; check for keyword stuffing (&lt;~15 uses/page) and title/meta quality.</b>	Over-optimised pages risk devaluation; weak titles/meta cost clicks.	Moz On-Page Grader; Screaming Frog for title/H1/meta coverage.	All	Medium	Not started	
10	<b>Competitor/keyword-gap analysis: shared keywords, keywords unique to competitors, their DR and referring domains.</b>	Shows how defensible the position is and where the realistic upside is.	Ahrefs Competing Domains / keyword gap.	All	Medium	Not started	

## 4. Content

*Originality, depth, freshness, authority and the true cost of maintaining it.*

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Check originality / plagiarism on a random sample of 5-10 articles (and product descriptions).</b>	Stolen or duplicated content is a legal and ranking risk; manufacturer descriptions = duplicate content.	Copyscape; paste mid-article sentences 'in quotes' into Google; Siteliner for internal dupes.	All	High	Not started	
2	<b>Assess thin content: pages with very little unique value (e.g. &lt;math&gt;\leq 100&lt;/math&gt; words, auto-generated, stub pages).</b>	Thin pages drag down site quality signals and can trigger Panda-type issues.	GA + Screaming Frog word counts; sample low-value pages.	Content, Ecommerce	Medium	Not started	
3	<b>Count total pages / indexed pages, average word count, and posting cadence (last 90 days).</b>	Establishes content volume, freshness and the production effort behind it.	Sitemap + Screaming Frog; GSC index coverage.	Content	Medium	Not started	
4	<b>Identify outdated content (e.g. articles older than 90 days with zero ranking keywords) and the % that will be stale within 12 months.</b>	High refresh burden raises the real cost of ownership (esp. fast-moving niches).	Ahrefs pages with 0 KWs; manual review of dated content.	Content, SaaS	Medium	Not started	
5	<b>Evaluate E-E-A-T signals: real credited authors, author bios/credentials, outbound citations, About page.</b>	Weak E-E-A-T hurts rankings in YMYL niches and is increasingly weighted by Google.	Review author boxes, bios, external profiles, citations.	Content	High	Not started	
6	<b>Determine how much content is built around one author / the owner's personal brand.</b>	Owner-dependent content doesn't transfer and tanks value.	Check bylines, voice, on-camera presence, personal social tie-ins.	Content	High	Not started	
7	<b>Assess content quality &amp; UX: readability, depth, native-language quality, ad/pop-up load, images.</b>	Poor editing and intrusive ads raise bounce and lower conversion & trust.	Manual read of top pages; spelling/grammar tools; mobile view.	All	Medium	Not started	
8	<b>Estimate true content cost going forward (short/generic ~\$6-\$20, long in-depth ~\$50-\$200+ per article).</b>	Replacing the owner's free labour is a real recurring expense.	Cadence x per-article cost; factor into the P&L.	Content	Medium	Not started	

## 5. Technical & Site Health

Is the site fast, crawlable, mobile-ready, secure and free of technical debt?

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
<b>Crawl &amp; indexation</b>							
1	<b>Crawl the site for errors: broken titles/H1/meta/alt, 404s, redirect chains, orphan pages, paginated-page handling.</b>	Technical debt suppresses rankings and signals neglect.	Screaming Frog (free ≤500 URLs); GSC + Bing crawl reports.	All	Medium	Not started	
2	<b>Check crawl errors in GSC (404 'Not Found' tab) and confirm sitemaps contain only valid 200 URLs.</b>	404s in the sitemap and broken internal links waste crawl budget.	GSC Coverage; fix/redirect 404s; clean sitemap.	All	Medium	Not started	
3	<b>Verify redirect hygiene: a URL should redirect only once (no chains); www vs non-www and HTTP vs HTTPS resolve to one version.</b>	Redirect chains and duplicate hostnames split signals and slow the site.	Screaming Frog list mode; check .htaccess / server config.	All	Medium	Not started	
4	<b>Check robots.txt and noindex usage block only what should be hidden (internal search, cart, thin pages) and don't block JS/CSS.</b>	Mis-configured robots can deindex the whole site or hide it from Googlebot.	GSC robots.txt Tester; site: queries.	All	Medium	Not started	
<b>Performance &amp; security</b>							
5	<b>Measure page speed &amp; Core Web Vitals (LCP, CLS, TBT) on mobile and desktop for each main template.</b>	Slow pages and poor CWV hurt rankings and conversion.	PageSpeed Insights, GTmetrix, Pingdom.	All	High	Not started	
6	<b>Confirm the site is mobile-friendly across templates.</b>	Most traffic is mobile; failures cost rankings and sales.	Google Mobile-Friendly Test on each page type.	All	High	Not started	
7	<b>Confirm valid SSL and note its renewal date; check for mixed-content warnings.</b>	Expired SSL breaks the site and trust; checkout must be HTTPS.	Browser padlock; SSL checker; set renewal reminder.	All	High	Not started	
8	<b>Identify the platform/CMS and any custom or heavily-modified code (e.g. custom cart, Magento mods).</b>	Custom mods can break on core updates; sometimes cheaper to rebuild — factor that cost.	Inspect stack; ask about custom code & update history.	Ecommerce,SaaS	High	Not started	
9	<b>Confirm backups, versioning and uptime monitoring exist (or plan to add them at handover).</b>	No backups = catastrophic risk; downtime = lost revenue.	Check hosting backups; set up Pingdom/UptimeRobot.	All	Medium	Not started	
10	<b>Map all fundamental third-party dependencies (APIs, plugins, scripts, feeds) and their stability.</b>	A single broken dependency can take down core functionality or revenue.	List integrations; verify paid/stable status of each.	SaaS,Ecommerce	High	Not started	

## 6. Operations & Transferability

What it really takes to run this, and whether it can run without the seller.

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Map who does what, when, and with what tools — every recurring operational task.</b>	Hidden tasks and tribal knowledge surface here; otherwise you discover them after closing.	Ask seller to document the weekly/monthly workflow and tools used.	All	Critical	Not started	
2	<b>Quantify the owner's true time commitment per task, in hours, broken down.</b>	Sellers routinely understate hours; this determines whether the business fits your capacity.	Request an hours-by-task breakdown; pressure-test against output.	All	Critical	Not started	
3	<b>Assess owner-dependency: how much of the business runs on the seller's personal skill, relationships or presence?</b>	High owner-dependence (coaching calls, personal brand, key supplier relationships) destroys transferable value.	Identify every task only the owner can do; plan replacement/cost.	All	Critical	Not started	
4	<b>Determine which required skills you can do, learn or must outsource — and what outsourcing will cost.</b>	If you can't run it and outsourcing is expensive, the real net profit is lower.	Skill-gap list; get quotes for VA/dev/content/support.	All	High	Not started	
5	<b>Identify standard maintenance tasks and their ongoing operational costs.</b>	Recurring ops costs are often left out of the P&L.	List hosting, software, tools, subscriptions, contractors.	All	High	Not started	
6	<b>List all assets included in the sale: domains, content, product images, email list, customer records, social accounts, software/licences.</b>	Anything not explicitly listed may be excluded — including IP the business depends on.	Written asset schedule in the agreement; verify each exists.	All	Critical	Not started	
7	<b>Confirm support load and channels; for marketplaces/SaaS, monitor support volume for ≥2 weeks during DD.</b>	Support time is frequently understated and can dominate the workload.	Shadow the inbox/tickets; categorise volume and time.	SaaS, Marketplace, Ecommerce	High	Not started	
8	<b>For ecommerce: confirm alternative suppliers exist and key products are available elsewhere at similar prices; check special rates extend to you.</b>	Single-supplier or single-product dependence is a major continuity risk.	Request supplier list & agreements; price-check alternatives.	Ecommerce	High	Not started	
9	<b>Plan the transition: documentation handover, training meetings, and a defined seller-support period (e.g. X hours over X months).</b>	A clean transition prevents revenue loss in the first months of ownership.	Agree a written transition & support plan before closing.	All	High	Not started	

## 7. Team & People

Who works on the business, on what terms, and will they stay?

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Get the full list of employees, contractors and freelancers with role, pay, hours and status (employee vs contractor).</b>	Undisclosed labour means understated costs; misclassification is a liability.	Request a staffing schedule; reconcile to the P&L.	All	High	Not started	
2	<b>Review each person's agreement and confirm it can transfer or be re-signed with you.</b>	Key people who won't continue, or have no agreement, are a continuity and IP risk.	Read contracts; confirm willingness to continue; re-paper as needed.	All	High	Not started	
3	<b>Get to know key team members before closing and gauge their intention to stay.</b>	The business may depend on one VA or developer whose departure breaks it.	Intro calls during DD; identify single points of failure.	All	High	Not started	
4	<b>Check for any employee benefits, liabilities, owed payments, or disputes/grievances.</b>	Inherited liabilities and disputes are deal-affecting.	Request benefits schedule and warranty of no claims.	All	Medium	Not started	
5	<b>Verify any third-party contracts: vendors, suppliers, contractors — and their transferability.</b>	Contracts that lapse or can't transfer disrupt operations.	List contracts; check assignment clauses; verify with counterparties.	All	High	Not started	
6	<b>Plan how and when the change of ownership is communicated to key people, partners and customers.</b>	Botched communication can trigger churn of staff, suppliers or customers.	Draft a communication & introduction plan for handover.	All	Medium	Not started	

## 8. Email, Social & Community

The owned audience: is it real, healthy, transferable and engaged?

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Email list: confirm size, opt-in status, and that it transfers to you.</b>	A non-opt-in or non-transferable list has little legitimate value and CAN-SPAM/GDPR risk.	Export list stats from the ESP; confirm consent records; check transfer terms.	All	High	Not started	
2	<b>Email health: active subscribers (opened in last 90 days), average open rate, last contact date.</b>	A large but dead list is worth far less than the headline number.	ESP engagement reports; segment by activity.	All	Medium	Not started	
3	<b>Social accounts: follower counts per channel AND follower authenticity / engagement quality.</b>	Purchased or fake followers inflate perceived value; check for realistic, in-country, active accounts.	Spot-check followers; fake-follower checkers; engagement vs follower ratio.	All,Content	Medium	Not started	
4	<b>Average engagement per post (likes/shares/comments) reality-checked against tools and GA.</b>	Sellers can inflate share counts pre-sale with low-quality posting.	BuzzSumo + GA referral from social; review recent posting pattern.	Content	Medium	Not started	
5	<b>Confirm ownership and transfer path for every social/community account (and any podcast, YouTube, etc.).</b>	Personal accounts may not transfer; community goodwill can leave with the owner.	Verify account ownership; agree transfer in the asset list.	All	Medium	Not started	
6	<b>Community reputation: search forums/groups for negative sentiment about the brand or owner.</b>	Membership/marketplace brands polarise; negative reputation compounds and suppresses growth.	Google site/forum searches; review feedback scores over time.	SaaS,Marketplace	Medium	Not started	

## 9. Legal, Compliance & Risk

Ownership, intellectual property, compliance and liabilities (evaluation stage).

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Verify the seller actually owns the domain(s) and the business (WHOIS / registrar account, registration history).</b>	You can only buy what the seller owns; mismatched ownership is a deal-stopper.	WHOIS lookup; registrar screenshot; domain history (Wayback, DomainTools).	All	Critical	Not started	
2	<b>Confirm all intellectual property is owned by (or validly licensed to) the business and is included in the sale.</b>	Sites built on someone's IP (product, brand, content) collapse if that IP doesn't transfer.	IP schedule; assignment of IP in the agreement.	All	Critical	Not started	
3	<b>Trademark check: is the business/brand name trademarked, and does it infringe anyone else's mark?</b>	Infringement risk or an unprotected brand affects value and continuity.	USPTO TESS / EUIPO search on name & domain.	All	High	Not started	
4	<b>Compliance review: privacy policy, GDPR/CCPA, cookie consent, terms, ad-network policy (e.g. AdSense) compliance.</b>	Non-compliance risks fines and account bans (AdSense bans kill ad revenue).	Review policies; check ad-network/program terms compliance.	All	High	Not started	
5	<b>Image &amp; media rights: confirm the business has the right to use all images, fonts and media.</b>	Stock-image and font claims are a common, expensive surprise liability.	Ask for licences; reverse-image-search a sample.	All	Medium	Not started	
6	<b>Check for any legal action against the site or owner in the last ~36 months and ask for a warranty of no pending/known issues.</b>	Marketplaces and review/forum sites attract legal threats; inherited litigation is costly.	Direct question; request warranty in the purchase agreement.	All, Marketplace	High	Not started	
7	<b>Verify business age / history matches the seller's claims.</b>	Misstated age or a chequered history (penalties, rebrands) changes the risk profile.	Wayback Machine; domain history; archived versions.	All	Medium	Not started	
8	<b>Check for undisclosed liabilities, contracts or commitments tied to the business.</b>	Hidden obligations transfer with the business if structured as a stock/entity sale.	Request a schedule of contracts & liabilities; warranty of full disclosure.	All	High	Not started	
9	<b>Confirm the seller will sign a non-compete (define scope, niche and duration).</b>	Without it, the seller can rebuild and take the customers with them.	Negotiate non-compete terms; include in the agreement.	All	High	Not started	

## 10. Niche, Market & Competition

Is the market durable, and is the business defensible within it?

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Assess market size, growth (CAGR) and search-volume trend for the niche.</b>	A shrinking or fad niche caps upside regardless of current numbers.	Search-volume tools; Google Trends; industry reports.	All	High	Not started	
2	<b>Evaluate the moat / barrier to entry: is it understandable, with a durable advantage, or easily cloned?</b>	Low-moat businesses get competed away; durable advantages justify a higher multiple.	Moat / business-quality questions; competitor cloning assessment.	All	High	Not started	
3	<b>Map the top 3-5 competitors: what they do differently, their DR, referring domains, shared/unique keywords, age.</b>	Shows defensibility and realistic growth headroom.	Ahrefs competing-domains; manual competitor review.	All	Medium	Not started	
4	<b>Clarify the value proposition vs dominant platforms (Amazon, eBay, big incumbents).</b>	Sites with no edge over Amazon/incumbents struggle to retain customers.	Articulate why customers choose this over alternatives.	Ecommerce, Marketplace	Medium	Not started	
5	<b>Identify concrete growth levers and the workload/investment each requires.</b>	Separates real, costed upside from wishful 'potential'.	List levers (new channels, content, email, products) with cost & effort.	All	Medium	Not started	
6	<b>Check consistency of operating history (multi-year, not one good year).</b>	A single strong year can mask a volatile or declining business.	Review 3-4 year averages, not just the trailing 12 months.	All	High	Not started	

## 11. Valuation & Verdict

Pull it together: price the asset, list the red flags, and decide.

#	Check / Question	Why it matters - Red flag	How to verify (method & tools)	Applies to	Priority	Status	Findings / Notes
1	<b>Confirm the earnings base (TTM net profit / SDE) you are buying, with all add-backs justified.</b>	The multiple is meaningless without a clean, agreed earnings number.	Reconstructed P&L; documented add-backs; tie to tax returns.	All	Critical	Not started	
2	<b>Decide the averaging window (L12M vs L6M) given the trend and seasonality.</b>	Averaging choice can swing the price materially; sellers favour the flattering window.	Compare L6M vs L12M; choose the window that reflects the real run-rate.	All	High	Not started	
3	<b>Apply a defensible multiple for the model and adjust up/down for trend, risk and concentration.</b>	Risk-adjust the band rather than paying the headline asking multiple.	Category band × risk adjustment; document the rationale.	All	High	Not started	
4	<b>List every material red flag found across all tabs and decide if each is a price adjustment, a deal condition, or a walk-away.</b>	A structured red-flag register prevents emotion-driven decisions.	Roll up 'Concern'/'Fail' rows; classify each.	All	Critical	Not started	
5	<b>Stress-test the model: what happens to profit if the top traffic source / SKU / customer / ad account is lost?</b>	Pricing should survive the realistic downside, not just the seller's base case.	Run downside scenarios on each concentration risk.	All	High	Not started	
6	<b>Confirm you have enough working capital for the cash-flow needs (esp. ecommerce inventory cycles, ad-account gaps).</b>	Under-capitalisation sinks otherwise-good acquisitions.	Build a post-close cash-flow forecast incl. transition gaps.	All	High	Not started	
7	<b>Final verdict: proceed at price, proceed with conditions/holdback, renegotiate, or walk away.</b>	Force an explicit decision tied to the evidence.	Summarise verdict + conditions; e.g. holdback released as ad accounts transfer.	All	Critical	Not started	