

ACQUISITION CASE STUDY



Loan Amount:
\$325,000

Location:
Virginia

Loan Type:
SBA 7a

As an Army Veteran with an MBA and a consulting background, Bill Haig wanted to combine his passions for entrepreneurship and fitness but faced the challenge of selling an unfamiliar business model to traditional banks. Haig identified a multi-unit, independent fitness concept for sale, but the banks he initially spoke to did not understand the intricacies of purchasing an existing fitness center that would adequately support him through the transitional period. Additionally, Haig lacked enough cash to make the 20%-25% down payment required by conventional lenders and didn't have real estate or fixed assets to pledge as collateral for the loan.

After learning about Live Oak Bank and our industry expertise, Haig reached out to explore potential loan options for his project. After reviewing his financial statements and project budget, we decided the existing business showed strong historical cash flow that would support the debt of the business purchase. A deeper understanding of the historical margins, compared to industry standard within the fitness space, allowed

us to include an additional \$55,000 in the budget to assist with a new marketing campaign.

Based on the historical cash flow of the business and Haig's solid background, Live Oak was able to approve the fitness center purchase with only a 15% down payment, allowing him to preserve his cash while entering first-time ownership.

“ *The decision to go with Live Oak was one of the best moves I made with my business purchase. Their entire team and process has been incredibly polished and professional from start to finish.* **”**

-Bill Haig



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