G. Patel

CHECKLIST · BUSINESS AND REAL ESTATE

The Operator's Deal Checklist

How an operator evaluates a business or property before investing. Use it before you sign a lease, buy a building or back a business.



Gaurav "G" Patel

ENTREPRENEUR · AUTHOR · SPEAKER

Business first, square footage second

Real estate does not build a business. A strong strategy does.

I spent nearly two decades opening and operating restaurants and bars before I invested in real estate. I learned what makes a tenant succeed, what drives traffic and how a property earns its value.

That is why my first question is never “What is the budget?” It is “How does the business work?” A pretty space that does not support your operations is a liability with nice lighting.

Use this checklist before you sign. If you cannot check a box, find out why before you move forward.

SEEING VALUE OTHERS MISS

For nearly a decade, a 12-acre former Kmart site at Western Boulevard and I-440 in Raleigh sat vacant. Most people saw an empty building. We saw a site that could serve the city again, and acquired it for $14 million in 2025.

01 · The business

- [ ] I understand exactly how this business makes money.
- [ ] I know who the customer is and why they choose this business.
- [ ] The space or asset supports how the business operates, not only how it looks.
- [ ] The growth plan is realistic, and I know what has to be true for it to work.
- [ ] I have seen the business through a slow season, not only its best month.

02 · The market and location

- [ ] I know the demand drivers nearby: homes, jobs, schools, traffic.
- [ ] Access, visibility and parking fit how customers arrive.
- [ ] Neighboring businesses help this one, not compete with it.
- [ ] I have walked the site at different hours and on different days.
- [ ] Zoning and permitted uses support the plan.

Notes

03 · The numbers

- [ ] I know the occupancy cost this concept can carry, and this deal fits it.
- [ ] I have three years of financials, or a clear reason they do not exist.
- [ ] Net operating income is trending in the right direction, and I know why.
- [ ] I have a capital budget for roof, systems, parking and tenant improvements.
- [ ] Lease terms are clear: rent, escalations, expenses, options, assignment.
- [ ] Debt terms work in a downside case, not only the base case.
- [ ] I have stress-tested the deal: what if revenue drops or vacancy rises?

04 · The people

- [ ] The operator has a track record I have verified.
- [ ] Partners are aligned on goals, timeline and how decisions get made.
- [ ] It is clear who owns property management and who owns results.
- [ ] I would want to be in the trenches with these people on a bad day.

Notes

05 · Diligence

- [ ] Survey and title reviewed.
- [ ] Environmental review complete, with findings understood.
- [ ] Inspections done on the roof, structure and building systems.
- [ ] Permits, certificates of occupancy and code compliance confirmed.
- [ ] Existing leases and estoppels reviewed by an attorney.

06 · The long game

- [ ] I have a value-creation plan: what we will improve and how.
- [ ] I know the hold period and at least two ways out.
- [ ] This deal fits the portfolio I am building, not only this year's goals.
- [ ] I am willing to walk away if the deal does not fit the long-term vision.

WHEN TO WALK AWAY

When a deal looks great on paper but does not fit the long-term vision, walk away. Saying no to the wrong deal makes room for the right one.

This checklist is for education only. It is not investment, legal or tax advice. Work with your own attorney, accountant and advisors before any transaction.

G. Patel

Keep building.

I write about building companies, putting systems under them and recalibrating when life breaks. You are on the list, so new playbooks come to you first.

MORE FREE PLAYBOOKS

gpatel.co/resources

THE IDEAS BEHIND THE WORK

gpatel.co/ideas

THE #1 AMAZON BEST SELLER

F*ck Rock Bottom · gpatel.co/book

BRING G TO YOUR STAGE OR TEAM

gpatel.co/speaking