

Understanding “Proformas” – What Funeral Home Owners Should Know

Dear Funeral Home Owner,

At 4BSF, we’ve spent over 20 years helping funeral home owners navigate successful transitions with clarity and confidence. One of the most common concerns we’ve seen arises from the use of proforma financial statements — documents often prepared by brokers or consultants to illustrate projected financial performance.

These proformas are hypothetical financial forecasts, built on assumptions about how the business *might* perform under new ownership. While sometimes well-intended, they can include minimized expenses, overly optimistic revenue projections, and above-market valuations that may not reflect your business’s true market position.

As someone who has dedicated years to building your business — often at personal sacrifice — it’s natural to want to realize the full value of your legacy. However, these proformas can sometimes be used to create emotionally charged expectations, ultimately leading to exclusive listing agreements that may not serve your best interests.

Common Risks of Over-Reliance on Proformas

- Overpriced listings that deter serious buyers and don’t meet lender criteria
- Prolonged listing periods with few or no offers
- Exclusive agreements requiring a commission — regardless of who finds the buyer
- Clawback clauses holding you liable for commissions long after termination
- Dual compensation where brokers receive fees from sellers, buyers, and lenders — often reducing your net proceeds and transparency

4BSF Approach: Independent, Confidential, No Pressure

At 4BSF, we are not brokers. We are transaction specialists focused on helping funeral home owners make informed, confident decisions.

We offer:

- Independent business valuations based on actual tax records and market comparables
- Direct connections to buyers and lenders — no inflated pricing or unrealistic projections
- Low-cost, transparent deal structures without exclusive lock-ins or hidden fees



Thinking of Selling?

Let's have a confidential, no-obligation conversation about your goals — and how to protect your time, your proceeds, and the legacy you've built.

Sincerely,

Matt Manske

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Personalized support through every step of your transition