



# HOW MUCH MONEY IS NEEDED TO BUY AN AMERICAN BANK?

**MERGERS CORP**

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*At MergersCorp M&A International we help our clients confidentially buy and sell privately held businesses, aligning the interests of all parties for mutual success and satisfaction.*

*It is our goal to make the process of either buying a new business or selling your current business as smooth and efficient as possible. We know how important confidentiality is to our sellers and we treat it with the utmost importance.*



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# How Much Money Is Needed To Buy An American Bank?

Are you planning to invest in banking? Purchasing a bank comes with many benefits and guarantees your financial independence.

If you are tired of long loan processing lines and filling many papers, here is an opportunity. Investing in a bank will help you earn more money and create a legacy.

With that in mind, how much money do I need if I want to buy my own bank? First, buying a bank requires a strategic plan and enough capital.

Moreover, you need extensive guidance from experts. Here is a guide to help you understand what is expected of you to buy a bank.





## 1. How to buy an American bank

In America, privately held banks can easily change ownership. Companies like MergersCorp will sell you privately owned banks, and here you can make a favorable deal.

The price varies with the geographic location, credit problems, and sources of earnings.

Dealing with such a company guarantees registered and untroubled banks. You don't need to hire consultants to research for you.

Before any purchase or sale, this company makes sure they do extensive research and identify any problem. You will be guided throughout the purchase on how to buy a bank.



## 2. Factors affecting the price of an American bank

### • Cost

If you need to buy a bank, you must consider how much money is required to build a bank. There are websites online where you can view the bank's list for sale and choose the one that has an affordable and reasonable price.

The physical size of land and the bank determines the money needed to build it. Know the cost of the earth, materials, labor, exterior landscaping costs, and technology costs. You will be on a safe side if you consider all these factors and allocate enough money to build a bank.

### • Location

A bank for sale located in a strategic and high populated area costs more since you will recover this money within a short time. You will need to concentrate on local share and not national share and, for this reason, choose a strategically located bank.

Understand that populated areas with high-income earners will increase the selling price of a bank. However, such a place will earn you more money since it guarantees more customers.





#### • Rules for buying an American bank

Bank earnings determine the amount of money you need to buy a bank. For this reason, you must be ready to negotiate and make a deal that favors you and your clients. Follow all the regulations given by FDIC to be on the safe side and avoid high risks.

However, understand that the price is affected by the source of earnings. The higher the earning authorities return, the higher the price.

To build a bank, you need enough capital to pay for building your brand, paying the board of directors, and advertising your services. Business plan and budget will come in handy, making it for you to make the right decisions.

#### 3. How much money is needed to start an American Bank?

Generally, you will need \$12 to \$20 million as starting capital for a bank. However, this value differs with the size of the bank, set objectives, and ongoing expenses. It would help if you also considered the target market, source of earnings, and how much you can charge your customers.



Don't grapple with your bank investment plans.  
MergersCorp M&A has an extensive list of the bank for  
sale and experts to guide you throughout the purchase.  
Buying a bank is now easy since you have a reliable  
partner to save you a lot of time and meet all your needs.





# Our M&A Process

TARGET APPRAISAL	APPROACH	DUE DILIGENCE	NEGOTIATION & CLOSE	POST MERGER INTEGRATION (PMI)
Key Areas				
<ul style="list-style-type: none"> <li>Target &amp; market analysis;</li> <li>Initial assessment of synergies &amp; value drivers;</li> <li>Indicative valuation;</li> <li>Go or No-Go decision;</li> <li>Preparation of transaction documents (NDA – Non-disclosure Agreement/LOI- Letter of Intent);</li> <li>Select Transaction team;</li> <li>Appoint advisors;</li> <li>Consider funding ability.</li> </ul>	<ul style="list-style-type: none"> <li>Initial approach letter;</li> <li>Signing of NDA;</li> <li>Prepare &amp; share initial information requests;</li> <li>Formulation of LOI (Letter of Intent) &amp; possible negotiations;</li> <li>Initial meeting and Q&amp;A;</li> <li>Circulate information on the Target to the Transaction team.</li> </ul>	<ul style="list-style-type: none"> <li>Set scope of due diligence;</li> <li>Set up VDR (virtual data room);</li> <li>Coordinating of due diligence, further meetings and Q&amp;A sessions;</li> <li>Consider points relevant to the Post-Merger (PMI) phase;</li> </ul>	<ul style="list-style-type: none"> <li>Revisit indicative valuation &amp; prepare detailed valuation based on due diligence findings;</li> <li>SPA negotiations with the seller;</li> <li>Development of final structure (share/asset deal) and final valuation;</li> <li>Approvals;</li> <li>Signing of SPA &amp; Close.</li> </ul>	<ul style="list-style-type: none"> <li>Consider the extent of integration;</li> <li>Development of 100 Day PMI Plan;</li> <li>Consider short &amp; long term objectives;</li> <li>Estimate requirements to capture synergies;</li> <li>Determine resource needs &amp; optimal allocation.</li> </ul>
Parties Involved				
<ul style="list-style-type: none"> <li>CFO;</li> <li>Head of M&amp;A;</li> <li>Accountants;</li> <li>Corporate finance advisors;</li> <li>Consultants.</li> </ul>	<ul style="list-style-type: none"> <li>Senior management;</li> <li>CEO, CFO, CTO;</li> <li>Strategy director;</li> <li>Head of M&amp;A;</li> <li>Head of Business Development;</li> <li>Consultants.</li> </ul>		<ul style="list-style-type: none"> <li>Company general counsel;</li> <li>Lawyers;</li> <li>Senior management.</li> </ul>	<ul style="list-style-type: none"> <li>Company general counsel;</li> <li>Lawyers;</li> <li>Senior management/HR.</li> </ul>

The background of the advertisement features a stylized American flag on the left side, with its stars and stripes. On the right side, there is a stack of US dollar bills, including a prominent \$100 bill featuring Benjamin Franklin. The entire image has a dark, semi-transparent overlay to ensure the text is legible.

# LOOKING TO BUY A BANK?

CONTACT US NOW  
FOR MORE INFORMATION

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