



## Due Diligence Checklist

- License Fees.** Get copies of license agreements with short term or long-term guests, try to get as much information as possible so you have idea for pro rations, etc. Additionally, as you get closer to closing, make sure you get more information about current licensees.
- Advanced Deposits.** You need to know what deposits they have for reserved campsites for prorations.
- Property Taxes.** Get information to know what taxes are paid, including sales tax and property tax. Figure out if they have tax assessments.
- Back Title/ Title Search and Surveys.** Getting back title, search and surveys helps you get title insurance and update (lower cost) instead of starting from scratch. There might be customs in your area on who pays for what (NY for example is different by county)
- Seller-Owned Units and Titles.** You need to have titles, and make sure they can convey titles to all “vehicles.” This might include camper rentals, or even “cabins” that are still on wheels.
- Financial Information.** Get the P&Ls, get all information you can. Some lenders require more from sellers, for example tax returns. Do note this is often objectionable to sellers and needs some finesse.
- Contracts and Vendors.** Get a copy of all Service Contracts and any other service, employment, equipment leases, utility agreements, operating agreements, and other contracts currently in effect or expected to be in effect at or after the closing. Some owners might be hesitant to give you their vendor information ahead of time.
- Employment.** Request a list of the names, positions, and compensation of all current employees so you can make assessment regarding who you will keep on – again this might not be sent over until closer to closing, sometimes arguable.
- Plans.** Building plans, site plans, etc. The more information you can have about the facilities on the property the better.
- Permits and License.** Try to get copies of all certificates of occupancy, building permits, conditional use permits and variances, environmental operating permits, pool permits, dump station permits, propane permits, operating permits, liquor license, beer and wine license, food service license, etc. You will know what needs to be transferred or what you need to apply for to continue operations.

- Zoning and Building Codes.** If the seller will not give you this information, try to pull it yourself. If the municipality won't give you specifications as the non-owner, request authorizations from the owner to present to the town.
  
- Utilities.** Look into the utilities. Where is water, sewer, electric, gas, propane, etc. coming from? What vendors? How does it work? Get as much information as possible. This might include figuring out if the electric company has enough load in your area for expansion.
  
- Health and Water Reports.** Does the campground need a license from the health department? What have they said about the campground during inspections? Do they have to do monthly water tests? What have the results of that been.
  
- Environmental Reports.** Get copies of any environmental such as Phase I, Phase II or other environmental reports, hazardous waste audits, soil reports, drainage reports, floodway or floodplain reports, wetland reports, threatened, endangered, or protected species reports. Has the campground been in trouble before? Is there a spill that is still being monitored?
  
- Legal Compliance Reports.** Is the park compliant with all local, state and federal laws? What about the Americans with Disabilities Act of 1990?
  
- Legal Proceedings.** Are there any current proceedings against the campground? Will they be resolved before closing?
  
- Insurance.** What kind of insurance does the campground have to run their business?
  
- Repairs.** What have they recently repaired? What were they planning to repair?

This document was graciously shared with OHI by Towe Law Firm, P.C.

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