Weigh a partnership buy-in

Preparation for an independent accountant, valuer or attorney.

Bring to the conversation

- Written purchase price, ownership share and payment terms
- Dated financial statements and the basis for any income projection
- Financing documents, ownership rights and departure provisions

A 15-minute discussion

2 minutes / Gather
Name the decision and the documents available. Mark a missing fact as unknown rather than filling it with a guess.

5 minutes / Work the example
Read the fictional inputs and reproduce the calculation. Name one omitted fact that could change the comparison.

5 minutes / Use the worksheet
Record private facts, their document or page, and the date. Keep estimates separate from written terms. Sharing personal numbers is optional.

3 minutes / Leave with a question
Write one unresolved question, who can answer it and a date to revisit it. Keep the worksheet for that conversation.

Keep personal details private

Use the fictional example in a group. Keep personal documents and completed worksheets private. A participant can share selected questions directly with a professional; Andwise receives no completed worksheet. Arithmetic does not establish eligibility, coverage, legal rights or the value of a practice.

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A payback calculation depends on the income assumption

Fictional example	Income assumption A	Income assumption B
Cash purchase amount	$180,000	$180,000
Assumed extra annual net income	$36,000	$18,000
Simple payback period	**60 months**	**120 months**

Method

Purchase amount divided by (extra annual net income / 12). Uses the partnership tool's simple payback function.

What this leaves unresolved

This fictional cash purchase excludes financing and assumes constant extra net income. Payback does not establish valuation, fairness, ownership rights or future distributions. A projection needs evidence separate from this arithmetic.

Questions for the conversation

- Which financial records support the extra net-income assumption?
- How do debt service, dilution and changes in distributions affect the comparison?
- What rights, liabilities and departure provisions need independent review?

Sources and current versions

All figures are invented teaching inputs. Exercise prepared 2026-10-24; linked rules show their own check dates.
https://www.joinandwise.com/decide/partnership