

2021 Road Map to Practice Acquisitions

Acquiring a practice is one of the most significant purchases in a dentist's career, but it can also be one of the most challenging. There are several things you can do in both the pre- and post-transition period that can be critical to the success of the business. To help ensure a smooth journey, here are six "stops" you should consider taking along the way.¹

① Get started

As you set out, it's important to evaluate your buying power with your lender through an in-depth financial analysis. You should understand your credit, know your production capacities and be mindful of your liquid assets. Your lender can help you avoid common mistakes and find the best possible financing for your situation.

② Build a dental specific team

Take full advantage of resources that are specific to the dental industry, including attorneys, CPAs, consultants and lenders. It's never too early to start conversations with your team to ensure that you're on the right path to acquiring a practice. The industry knowledge of these professionals will also help you navigate the twists and turns of practice ownership once you're open for business and as your practice grows.

③ Identify a practice

There are a number of ways to find a location, including a listing from a broker, purchasing the practice you're associating in or being approached by a potential seller directly. Your team of industry experts can help you pinpoint a practice that fits the philosophy, location and demographics you want.

④ Make an offer

Once you've identified the practice, your attorney can help you put together a Letter of Intent to allow for any contingencies. The attorney can also help with the back-and-forth communication of the offer between you and the seller.

⑤ Due diligence

You'll want to fully review all aspects of the practice with a dental-specific attorney, who can help you examine:

- Financial information for the practice
- Utilities, leases and titles
- Marketing programs in place
- Systems and technology currently in use
- Current licenses and vendor information
- Any legal, regulatory or compliance issues

⑥ Business Banking Solutions

Be sure to obtain the banking services your practice will need, including a point-of-sale machine for processing credit cards, payroll services, business checking and savings accounts, and a business credit card. These tools offer a direct route to streamlining practice operations and managing your cash flow.



Congratulations—you've reached your destination!

You're now the CEO of your own business. From the beginning of your journey to the moment you achieve practice ownership, Bank of America can assist you at every stop through vast industry knowledge and customized financial solutions. To learn more about practice acquisition loans and current promotional rates, visit bankofamerica.com/practicesolutions or call 800.497.6076.²

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