

# Top 5 Reasons to Hire a Practice Broker

*Selling a dental practice is a complicated process. Don't go at it alone.*

Selling a dental practice is a complicated process that involves numerous steps including determining the market value of your practice, finding the right buyer, negotiating the purchase price, purchase agreement and lease assignment, and facilitating the transition of ownership (just to name a few). Employing the services of a trusted professional can make a tremendous difference in the success of your transition. Here are the top 5 reasons to hire a practice broker when selling a dental practice:

## ***To formulate a transition strategy to meet your individual needs***

Not all practices and all doctors are the same. A good dental practice broker will listen to your specific needs and goals to develop an individually tailored transition strategy that fits your situation. There are many ways to structure a practice transition, including a walk away sale, associate to purchase, phased sale, and partnership arrangement. When selling a dental practice, choosing the right transition strategy for you and your practice is the first step towards a successful transition.

## ***To confidentially market your practice to find a buyer who is the right fit***

Utilizing the services of a practice broker will provide you with the opportunity to market your practice to a broader range of

potential buyers, thereby increasing the likelihood of finding a doctor who is an ideal fit for your office as well as shortening the timeframe required to complete the sale. The broker will handle practice showings and oversee all communication with potential buyers and their advisors, which can take a significant amount of time and effort. Delegating this responsibility to a seasoned professional will allow you to focus on the operation of your practice and enjoy your personal time rather than spinning your wheels talking to countless potential buyers. To protect the value of your practice during the marketing process, the broker should require each potential buyer to complete a confidentiality agreement prior to receiving any information regarding your practice and show your office only after business hours.

## ***To maximize the value you receive for your practice.***

Your dental practice is one of your most valuable assets and the proceeds of the sale will likely be used to fund a significant portion of your retirement. Therefore, it's crucial that you maximize the value of your office at the time of sale. Determining the market value of your practice, articulating the practice value to potential buyers and their advisors, and maximizing the price you receive at closing are key responsibilities of a practice broker. Practice brokers are typically paid a commission based upon a percentage of the practice sales price. It is in their best interest to get you the highest possible price for your practice.

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## ***To represent your best interest during the transition process***

While a dental practice broker's goal should be to structure a win-win transaction for both parties, the broker should solely represent the best interest of the seller during the transition process. The broker also serves as a buffer between the buyer and seller to preserve the goodwill of the practice and relationship between the parties during negotiations.

## ***To provide a structured closing process to ensure a smooth and timely transition of ownership***

Navigating the closing process is often the most tedious and stressful part of selling a dental practice. Once you have identified a buyer for the practice, there are numerous

steps involved in completing the sale, including negotiating the practice purchase price, letter of intent, asset purchase agreement, assigning the lease, securing practice financing, announcing the sale to the staff and patients, etc. A dental practice broker will walk you through each step of the closing process to ensure a smooth and timely transition of ownership.

These are just a few of the reasons to employ the services of an experienced practice transition consultant when selling a dental practice. Planning in advance and building a strong team of advisors will ensure that your practice transition is a success.

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# The Dental Transition

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