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The Complete Roadmap to Practice Startups: Lease/Buildout

Once you decide you'd like to complete a practice startup by leasing an existing dental office buildout or building out your own a new "shell" location:

1. **Professional Team.** Find your professional advisors that specialize in Practice acquisitions (*Attorney, Accountant, Lender, Practice Consultant, Lease Negotiator, Equipment Supplier, Software Supplier, and Insurance Agent*).
2. **Practice Entity.** Choose Business Entity (*Attorney*) with tax advice (*Attorney, Accountant*). Formation is later.
3. **Real Estate Entity.** Choose Property Ownership Entity if applicable (*Attorney*) with tax advice (*Attorney, Accountant*). Formation is later.
4. **Loan Prequalification.** Apply for and obtain Loan Prequalification (*Lender*).
5. **Practice Criteria.** Identify important Practice criteria, such as community type (urban, suburban, rural), property type (medical building, strip mall, shopping center, free-standing), demographics, square footage, number of operatories, gross income, specialty, upgrade required vs. turnkey, partnership vs. immediate purchase (*Practice Consultant*).
6. **Target Location.** Identify important property criteria, such as community type (urban, suburban, rural), property type (medical building, strip mall, shopping center, free-standing), demographics, square footage (*Lease/Buildout Consultant, Real Estate Broker*).
7. **Tour Neighborhood and Building.** Tour your targeted building and neighborhood to confirm it matches your criteria for location, amenities, ambiance, visibility, traffic, etc. (*Lease/Buildout Consultant, Real Estate Broker*).
8. **Tour Premises.** Tour your targeted premises to confirm it matches your criteria for nearby businesses, ambiance, etc. (*Lease/Buildout Consultant, Real Estate Broker, Contractor, Equipment Supplier*).
9. **Letter of Intent.** Review, negotiate and sign a Letter of Intent to lease or purchase (*Real Estate Broker, Lease/Buildout Consultant, Contractor, Attorney*).

If the Letter of Intent is accepted ...

If the Letter of Intent is accepted ...

10. **Due Diligence.** Inspect the Premises and common areas. Confirm ADA compliance, and that all Premises systems and fixtures (HVAC, electrical, plumbing, natural and dental gas, cabinetry, drains, cable, alarm, sprinklers) are in working order (*Lease/Buildout Consultant, Property Inspector*). If purchasing existing improvements, inspect all cabinetry and equipment to confirm all is in working order. Confirm that the Premises systems, structure, doorways and layout are sufficient for any intended equipment purchases (*Equipment Supplier, Lease/Buildout Consultant*).
11. **Loan Commitment.** Provide required documentation to Lender, much of which was obtained through due diligence (*Lease/Buildout Consultant, Lease Negotiator, Real Estate Broker*). Finalize formal loan commitment (*Lender*).
12. **Insurance Applications.** Investigate and prepare (but not yet submit) applications for insurance: life, disability, general liability, business interruption, malpractice, workers compensation, auto, employment practices, umbrella, construction bond, etc., all as required by Lender (and Landlord if applicable) or as otherwise desired (*Lender, Insurance Agent*).
13. **Insurance Panel Planning.** Investigate potential insurance panels (*Practice Consultant*).
14. **Equipment/Software/Website Planning.** Investigate and prepare applications and orders (but not yet submit) for equipment/software purchases (*Equipment/Software Supplier*). Investigate domain purchase, website hosting, website design and online advertising (*Web Designer*). Investigate employee benefit packages (*Insurance Agent*).
15. **Vendor Planning.** Investigate and prepare (but not yet submit) applications and orders for credit card processing, postage meter and copier and other small office equipment purchases and leases, signage, advertising, and office and dental supply purchases and accounts.

If due diligence is successfully completed ...

16. **Purchasing Entity.** Form Property Ownership Entity, if applicable (*Attorney*).
17. **Business Entity.** Form Business Entity (*Attorney*).
18. **Bank Accounts.** Set up entity bank accounts (*Lender*).
19. **Loan Documents.** Review and sign loan documents (*Attorney, Lender*).
20. **Final Contract.** Review, negotiate and sign your purchase contract or lease (*Lease/Buildout Consultant, Real Estate Broker, Attorney*).

If Property Sale Contract or Lease is signed ...

If Lease is signed ...

21. **Lender Check-in.** Deliver signed documents to Lender. Confirm all required paperwork has been submitted, and the deadline date for funding with the same loan terms.
22. **Insurance Policies.** Submit applications for insurance on buildout: life, disability, general liability, umbrella, construction bond, etc., all as required by Lender and Landlord, or as otherwise desired (*Lender, Insurance Agent*).
(Skip to 28-35 if no Buildout Required)
23. **Buildout.** Obtain all keys and entry/alarm codes from Landlord. Obtain temporary or permanent utility services required for Premises buildout. Plan and commence Premises buildout (*Lease/Buildout Consultant, Contractor*).

If Property Sale Contract is signed ...

24. **Escrow.** Deliver signed documents to Escrow. Review, revise and sign escrow instructions and proposed settlement statements (*Attorney*).
25. **Title, Disclosures, Condo Association Package.** Review mandatory seller disclosures, preliminary title report and underlying documents, and association packages; and negotiate changes in contract if required (*Attorney*).
26. **Lender Check-in.** Deliver signed documents to Lender. Confirm all required paperwork has been submitted, and the deadline date for funding with the same loan terms.
27. **Insurance Policies.** Submit applications for insurance on purchase and buildout: life, disability, general liability, umbrella, construction bond, etc., all as required by Lender as otherwise desired (*Lender, Insurance Agent*).

Before Completion of Buildout ...

28. **Insurance Policies.** Purchase insurance: life, disability, general liability, business interruption, malpractice, workers compensation, auto, employment practices, umbrella, construction bond, etc., all as required by Lender or as otherwise desired (*Lender, Insurance Agent*).
29. **Insurance Panels.** Submit applications for insurance panels (*Practice Consultant*).
30. **Current Employment.** Give termination notice with your current work situation.
31. **Business & Vendor Planning.** Complete website modifications (*Web Designer*). Submit applications for utility, equipment and software lease and license purchases. Submit applications for credit card processing, postage meter and copier and other small office equipment leases, and office and dental supply accounts. Purchase equipment/ software (*Equipment Supplier, Software Supplier*). Purchase domain and website hosting, and design website (*Web Designer*). Design and purchase letterhead and business cards (*Printer*). Arrange for deliveries and installations timed to completion of buildout. Design signage consistent with Lease/CC&R requirements (*Sign Contractor*).

Upon Completion of Buildout ...

32. **Vendor Deliveries and Installations.** Submit orders for utilities, credit card processing, postage meter and copier, and other small office equipment purchases, signage, advertising, and office and dental supply purchases. Install signage. Install new equipment and computers with appropriate software (*Equipment/ Software Supplier, Sign Contractor*).
33. **Employees.** Set up benefit packages (*Benefits Coordinator*). Prepare and obtain signatures on Non-Disclosure Agreement for all staff members, and written agreements with professional contractors (*Attorney*).
34. **Website.** Take modified website live with applicable online advertising (*Web Designer and IT Director*). Calendar date for removal of Seller's information from website.
35. **Notifications.** Submit notifications to governmental agencies as required (*Attorney*). Send out grand opening letter to patients and referral sources (*Printer*), and commence other advertising.

Additional information (links below available at www.trans.dental/insight.html):

Avvo Legal Guides: [Business Startup Checklist: Corporations](#)
[Business Startup Checklist: Partnerships](#)
[Safely Choose a Tradename](#)

Other: [Stop Embezzlement & Security Breaches](#)
[Dual Representation Brokers](#)
[Frequently Asked Questions](#)