



Practice Transitions Made Perfect™

Newsletter Article Reprint

Death and Disability

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We have all been told that the only things certain in life are death and taxes. What if you found out there was a third?

In the dental practice, there, in fact, is a third possibility – disability. Too often, as consultants and brokers, we are called to facilitate the transfer of a dental practice under less than happy or ideal circumstances. Further, these circumstances dictate the necessity for prompt action and quick decisions.

Most dentists, we find, have not carefully planned for the unexpected circumstances of death or disability and are either faced with or leave estates with the responsibility of dealing with a dental practice. Many of the issues can be addressed in advance, if we think of it like a patient re-care or preventative program. The dentist can have a plan in place so that in the event of sudden death or permanent disability, the disposition of the practice will be automatically handled by professionals.

The critical period for the sale of the practice, especially in the case of death, is usually 30-45 days. A sale of the practice in this time frame will result in the estate recovering the highest value for the practice as goodwill and patient retention will be high. Typically, during this period, the surviving spouse or estate representative is often involved with other family issues and grieving. While others may become involved with trying to help the estate with respect to the practice, most of them are normally not familiar with or well versed in practice valuation or sales. After that initial period of time, the practice overhead continues to add up as the practice still employs staff and owes rent just to preserve the practice.

Pre-planning, however, can provide an immediate resource to the spouse, family and estate. A professional practice broker can assist by having a plan in place. This plan provides for determination of the Fair Market Value of the practice in conjunction with a marketing strategy and plan for the practice sale. The broker can qualify prospective purchasers and obtain financing for the transaction. The broker can also coordinate negotiations between the respective attorneys by providing appropriate purchase agreements and other necessary documents while also assisting both the estate and purchaser with lists of items that need to be completed.

ADS Florida, LLC as a professional practice broker and consultant firm has developed a program for dentists to assist in planning for this circumstance. Included in the program is the valuation of the practice which is updated annually. We familiarize you and your spouse or representative with the program and ADS Florida, LLC We can also familiarize your staff with our services. This service can make a transition after a life altering family event smoother for all involved. Please contact us at (800) 262-4119, or visit the link below to find out more about the program and schedule your consultation.

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Licensed Real Estate Broker and Exclusive Florida Broker for ADS - Nationwide

ADS Florida, LLC | 5100 Tamiami Trail North, Suite 106 | Naples, FL 34103 | <http://www.ADSflorida.com> | (800) 262-4119