



Should I buy an existing dental practice or build & open a new practice?

Over time many employed dentists consider opening their own dental practice, and mistakenly believe purchasing a practice is too expensive. However, many times the purchase of an existing practice is a better economic option, and easier to obtain financing.

To start a new dental practice, you will need to consider the following at a minimum:

Equipping three operatories at \$25,000 each		\$ 75,000
Construction - 2,200 sq. ft. at no less than \$175 per sq. ft.		\$385,000
Compressor and Vacuum equipment		\$ 25,000
CBCT Unit		\$ 50,000
Furniture, office equipment, computers and supplies		\$ 15,000
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		\$550,000
Plus		
The cost of marketing to build a patient base.	Estimated	\$100,000
Plus		
The lost compensation opportunity during the		
first 24 months you will build the patient base.	Estimated	\$130,000
	TOTAL	\$780,000

The above doesn't address the difficulty in finding competent staff for your new office, and the hassles of obtaining permits and dealing with contractors.

Alternatively,

There are numerous successful dentists seeking to retire and sell their practice. The average gross billings for a dental practice in 2022 was \$830,000. If you were able to buy that practice for 75% of gross billing, you would be paying **\$622,500**. So, your estimated savings to purchase an existing dental practice would be **\$ 157,500**. *You also receive the added benefit of an existing patient base & current staff.

Additionally, banks are much more willing to finance a known successful dental practice than an unknown new entity.