Chapter 4: Selecting a Location

Finding The Right Community
The choice of a location for your practice is one of the most important decisions you will make. Like many dentists, you may decide to practice in an area near your family or school. Or, you may be exploring the possibility of moving to a place that is new to you. In either case, you will want to evaluate the community’s ability to meet your personal, economic and professional needs before you make your final decision.

Personal Preferences
Your personal preferences, and those of your family, will influence your selection of a practice site. To be comfortable and satisfied with a community, a variety of factors should be considered.

Be weather-wise. Is the year-round climate acceptable to you and your family? If you have lived in the area, you’ll know the extremes of the weather. If you haven’t lived there, ask year-round residents what the seasons are like.

Are there other families in the area of similar age, background, who share your values? Will you and your family be comfortable and accepted in the community? Your professional success may depend on your personal comfort level.

Are real estate values and cost of living compatible with your intended lifestyle? Consider not only how you will live now, in the early years of your practice, but how you may want to upgrade your housing in 10 to 20 years.

Are career opportunities available for your spouse? This may be important financially, as well as professionally.

Are you comfortable with the recreational and educational opportunities in the area? The quality of schools and parks take on increasing importance as young couples become young families.

Evaluate cultural and social activities as well. If you are used to living in a major urban area with extensive cultural opportunities, moving to a rural or suburban area may mean a loss of activities.

Are appropriate houses of worship available? These institutions can provide valuable social and professional contacts as well as providing a solid framework on which to base your family in the community.

Economic Potential
In considering a community’s economic potential, you really are attempting to answer just one question: Does this community need another dentist? The nature of the local marketplace should be considered, since it will have an important bearing on the answer to this question.

Begin to answer this question by determining the community’s dentist-population ratio. You may wish to refer to the ADA publication, Facts about States or calculate your own ratio based on census data and a tally of local practitioners.

The nation averages approximately one dentist per approximately 1700 people. If the community has a ratio better than this, it may warrant your closer inspection as a possible community in need of your professional services.

However, to rely on ratio alone would be to oversimplify the community’s situation. You should thoroughly investigate other economic parameters to get an accurate picture of the area’s need for a dentist. You should also look at how stable the population is, if it is primarily a working or bedroom community, and other demographic statistics.

Appraise not only the demand for dental care, but also how the demand presently is being fulfilled. For example: What are the ages of established dentists in the community? If some will retire soon, the ratio will change. Do the dentists all practice full time? Part-time practices decrease the ratio of available dentists to patients. New dentists in the area who are not yet working to full capacity will also affect the ratio.

Per capita income and per capita retail sales will indicate the propensity of the area’s consumers to spend money. These figures, provided in Federal Reserve Bank economic statistics reports and
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Bureau of Labor Statistics abstracts, are generally available at the public library. The local Chamber of Commerce also may be able to provide such information at no cost.

Chain stores’ management spend considerable money and time choosing locations for their stores. If an economically healthy chain has located in a community, the area probably has been given an economic vote of confidence.

Stability and growth of the community also will be important to your dental practice. Investigate population trends. Note the number of apartment buildings and vacancy rates, as well as the price range of houses; the higher the cost of homes, generally the more stable the community. Check on local industry, unemployment rates and the prevalence of dental insurance. In a one-company town, the business community can be hurt greatly by a strike, move or shutdown of the company.

Finally, consider possibilities for supplementing your income. New dental practices often take time to become self-sufficient, so you may wish to live in an area providing opportunities for such employment as teaching or serving as a consultant for an insurance company.

**Professional Desirability**

Professional desirability is a third major consideration in choosing a location for your practice. If you have determined that the locale you’ve selected can support you and your family socially and economically, finish your selection process with these professional factors:

Are you licensed in the state? If not, can you obtain a license in the state?

Would this community accept the type of dentistry you wish to practice? This goes beyond the obvious: a pediatric dentist would not set up a practice in a retirement community. Rather, you must evaluate the community’s “dental I.Q.”

Do people value health? Do they advocate “look good, feel good?” Do they believe and support preventive health measures?

Are dentists in the area friendly? In your exploration of the community’s dental manpower situation, you should be able to determine if the level of professional support you need is available.

Are qualified office and auxiliary personnel available at reasonable salaries? Check the newspaper ads and talk with representatives of the state or local dental society.

Is the local dental society active? Check with the state dental society regarding component activities if you cannot locate a local dental society.

**Resources**

Numerous resources exist to help you make a wise decision in choosing a practice location.

*The local dental society and dental supply house* can provide additional information about the area’s economy, possible office locations, practices for sale and professional contacts.

*National listing services and World Wide Web*  
There have been some attempts to develop national listing services for dental practice sales and associateships. Information concerning currently functioning national listing services can usually be obtained by contacting the practice administration faculty at your nearest dental school. Some of these can be accessed via the World Wide Web. You could use your favorite Web search engine to locate some of these pages.

The Careers & Classifieds feature found at [www.ada.org](http://www.ada.org) brings together an extensive list of educational and career resources for dentists. For example, you can search the complete classified advertising listings from each issue of *The Journal of the American Dental Association* and find: ADA Career Fact Sheets, Brochures and InfoPaks, a condensed version of the *Directory of Dental Placement Services* and information on the Health Volunteers Overseas program.

Visit local financial institutions and the local Chamber of Commerce to learn about the community’s business outlook.
Talk to general practitioners and specialists in the area. If you don't have personal contacts in the profession, work through the state and local dental societies to set up interviews. These contacts may also be useful later, when you begin to accept referrals.

Selecting and Leasing an Office

Your top priority in selecting an office should be a good location. Situating your practice on a busy, well-traveled street with plenty of parking and access to public transportation is an excellent way to gain maximum exposure quickly.

Another favorable location for a new practice is in a professional medical-dental complex near a hospital. Such a site is convenient for referrals and provides exposure to a health-oriented population. Such buildings usually are modern and attractive, presenting a positive and professional image that exemplifies modern health care. A professional building near a busy shopping center combines the benefits of this type of building with a high traffic location.

An office in your home or a multi-purpose office building may be more economical in terms of rent. However, they may tend to isolate you from the public, as well as from other professionals.

Dental practices located in downtown areas are desirable in many cities where urban living is fashionable. It also affords you the opportunity of serving patients near their place of employment. In some areas, however, downtown sites are deteriorating. Proceed with caution and talk candidly with other health professionals before committing to such a site.

Your practice isn't going to remain static; your office should have the potential to grow. Keep this in mind when making your site selection. (Basic design requirements of a dental office are outlined in Chapter 6.)

Signing a Lease

The most important part of your new office is not the walls or decor but the lease. With lease payments likely to be one of the higher practice expenses, it makes sense to negotiate the most favorable lease that the market will allow. A lease constitutes a legal contract; as such you should have the advice of a lawyer before you sign anything.

For your own peace of mind, be sure that the lease accurately reflects the space to be rented and that the amount of the rent increases, and method of payment are stated clearly.

The space should be in good condition; if it is not, note any exceptions in the lease and be sure provisions for repairs are included.

The lease should state who will be responsible for repairs and maintenance; who will pay storm damage; and who will pay for improvements to comply with building and fire codes. It should also outline who pays the utility bills, insurance and any increase in taxes. Don't forget about other business issues, such as parking, signage, environmental and zoning concerns, and use restrictions.

With your attorney try to negotiate reasonable renewal and have sublease options.

Who is responsible for the expenses of installing office equipment and whether you must restore the building to its original condition when you leave are negotiable items.

A practice management consultant familiar with the area or a real estate attorney with experience in the area should be able to review local market conditions with you and recommend equitable lease provisions. Local dentists can also be valuable resources in locating and leasing office space.

For more information, log onto http://ADA.org/members/resources/pub/adviser/0304/adviser_03.asp.