
Your Complete Checklist to Purchasing a Veterinary Practice

Valuation, due diligence, and the purchase agreement steps
specific to buying a veterinary practice or hospital.

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Purchasing a veterinary practice can be an arduous yet exciting process, and it is likely one of the largest financial commitments you will make in your career. Between evaluating cash flow, valuing goodwill, and reviewing client retention, veterinary acquisitions carry considerations that are distinct from other healthcare practices. This checklist walks through what to consider at each stage of a practice purchase.

PART 01

Choose Your Location and Practice Type

- ☐ Check veterinary association journals for practices that are for sale
- ☐ Research locations to confirm they support the type of practice and client base you want
- ☐ Consider whether you will offer the same services as the current owner, cut back, or add new ones
- ☐ Confirm the practice is in compliance with applicable federal regulations

SCHEDULE YOUR COMPLIMENTARY CONSULTATION

Not Sure Where to Start?

A short call with our team can help you think through location and practice type before you get deep into a search.

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PART 02

Evaluate Cash Flow and Value

- ☐ Confirm cash flow is sufficient to cover overhead, your salary, and any acquisition loan
- ☐ Compare recent sale prices of similar veterinary practices in the area, where that data exists
- ☐ Get a formal valuation from a qualified veterinary valuation specialist, not just an online calculator
- ☐ Remember a proper valuation accounts for far more than top line revenue

PART 03

Complete Due Diligence

Due diligence is how you uncover what you are actually purchasing, so there are no surprises down the road.

- ☐ Review the seller's license history for any complaints, and discuss even a single one directly with the seller
- ☐ Request complete financial statements rather than relying on projections alone
- ☐ Check the accuracy of the accounts receivable report and how much clients owe the practice

- ☐ Investigate client retention and recall, and review client records if retention looks weak
 - ☐ Look into staff turnover and understand the reasons behind it
 - ☐ Confirm the business name and any intellectual property are properly registered
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Reviewing a Practice for Purchase?

Our attorneys work alongside your accountant to review financials, contracts, and red flags before you sign.

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PART 04

Assemble Your Advisory Team

- ☐ Build a team that includes a veterinary focused attorney, accountant, and industry consultant
 - ☐ Choose advisors with specific experience in healthcare and veterinary practice transactions
 - ☐ Lean on your team to analyze financial documents and evaluate legal documents for red flags
 - ☐ Use your advisory team to streamline negotiations and due diligence rather than going it alone
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PART 05

Structure Financing and the Purchase Agreement

- ☐ Compare veterinary practice loans, which are typically among the most lender friendly in small business financing
 - ☐ Review the full purchase price structure: cash, seller financing terms, and any earn out provisions
 - ☐ Address asset allocation for tax purposes, covering equipment, goodwill, and covenants not to compete
 - ☐ Review liability exposure, including malpractice claims history and any outstanding legal matters
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PART 06

Close and Transition

- ☐ Check off every item on your due diligence checklist before you sign the purchase contract
 - ☐ Confirm licenses, permits, and any required DEA registrations transfer properly
 - ☐ Plan how the transition will be communicated to staff and to clients
 - ☐ Work with experienced professionals throughout so your first day as owner goes smoothly
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Ready to Purchase Your Practice?

Our veterinary attorneys guide veterinarians through every step of a practice purchase, from due diligence to closing. Schedule a complimentary consultation to talk through your plans.

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This checklist is provided by Dental & Medical Counsel, P.C. for general informational purposes only and does not constitute legal, financial, or tax advice. Every transaction is different, so speak with a qualified veterinary attorney before making decisions about your specific practice purchase.



About Ali Oromchian

Founding Attorney, Dental & Medical Counsel, P.C.

Ali Oromchian, JD, LL.M. is the founding attorney of Dental & Medical Counsel, P.C. and one of the nation's leading legal authorities on topics relevant to dentists, doctors, optometrists, and veterinarians. Since its creation, DMC has been regarded as one of the pre-eminent health care law firms devoted exclusively to healthcare professionals.

His clients seek his advice on dental and medical practice transitions, the creation of corporations and partnerships, associate contracts, estate planning, employment law matters, office leasing, and state board defense.

Ali is a frequent speaker on employment law, practice transitions, negotiation strategies, contracts, and estate planning throughout North America, having spoken for the American Dental Association, California Dental Association, Hawaii Dental Association, American Association of Orthodontics, California Society of Pediatric Dentistry, NVision, Vision Source, and countless other state and local dental, medical, and optometric societies.

He is a graduate of the University of California at Davis, where he received a Bachelor of Arts with Honors in Political Science and Rhetoric and Communications, and of the University of California, Davis School of Law, where he received his Juris Doctor. He went on to earn an LL.M. with Honors from The George Washington University Law School. Ali is a member of the California Bar and the Bar of the District of Columbia.