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Is it time to expand my medical practice? 3 questions to consider - by Peter Kilkelly

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When you've reached the point of looking for new real estate to expand your practice, it's an exciting time. It usually means business is good. For some, it might also be time for a facelift. Maybe the Cape Cod-style home that for years has operated as a veterinary office or other practice has outlasted its charm. Or the older strip mall-style exterior could use a modern look on a more-traveled stretch of roadway.

Whatever your reasons are for seeking new real estate, you're entering into a period of information overload, and it's easy to overlook key elements.

Here are three questions you should be considering when evaluating your expansion.

Does the location really make sense?

You're probably rolling your eyes and hearing "location, location, location" in your head right now. Yes, everyone who attended a business 101 course knows it's all about location, but location doesn't just mean a point on a map or a particular zip code.

When it comes to buying new real estate or expanding a business, you need to do a few things to make sure a location makes sense for you.

First, where are the bulk of your clients coming from? You have addresses, so build a heat map and figure out where your sweet spot is. Maybe you're looking at a new location, but it would result in a large chunk of your existing customer base having to cross railroad tracks, a bridge, or, in some cases, even a county or state line. The move may seem like a short distance, but these are things that make customers think twice about sticking around.

Similarly, does the new location have a parking lot that's hard to turn into? It might be centrally located in a densely populated section of town, but if traffic patterns around the new piece of property – for example, having to quickly cross three lanes of traffic to get into a turning lane – make getting to appointments on time difficult, your customers will soon be searching for new options. Understanding where your invisible barriers exist is key.

Will we be able to grow physically if we need to?

Every town has different zoning laws. They could really impact your business if you're not well-versed in the rules and regulations. You could be buying 5,000 s/f of real estate to expand your practice, but might end up needing 7,500 down the line. Or, you might want to use some of your parcel for additional parking.

Knowing whether you can or cannot do those things on the front end could save you some hassle down the road.

Are there income-generating features, and if not, could I add them?

An easy way to increase the value of a property is to add income-generating features to it. New

England winters can be rough. Your customers and employees probably wouldn't mind covered parking if it's a possibility. Adding solar panels to covered parking structures or on your roof is one way to add income.

Another example would be adding billboards, if space allows, to bring in additional rental income.

Bottom line

It's a competitive market out there. You don't want to punish yourself in the long run by not considering every angle when it comes to finding your new space. Keep these questions in mind as you chart the next phase of your expansion.

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