



PRACTICE
REAL ESTATE

CLIENT CASE STUDY

"I Don't Know Any of This Stuff": How a First-Time Veterinary Practice Owner Navigated Complex Commercial Real Estate

BREAKING FREE FROM CORPORATE CONSTRAINTS

Dr. B was a high-producing veterinarian at a corporate practice in the Northeast, but the corporate structure was limiting her vision for patient care. As a mother of three children under 10, she wanted the flexibility to practice medicine her way while maintaining work-life balance. "I want to be in business Monday through Friday and be home with my children when I'm home with my children," she explained to her Practice Real Estate Group (PRG) agents.

Bank of America's healthcare lending team connected her with PRG agents Chris Maiorana and Stephanie Principe, who cover the New England market. She was ready to break free from corporate medicine's rigid protocols and upselling requirements that didn't align with her personalized approach to animal care. Living in a nice community west of Boston, she wanted to keep her commute to around 30 minutes to prioritize family time.

THE CHALLENGE OF FINDING THE PERFECT BLANK CANVAS

Dr. B's initial property tours revealed the complexity of translating her vision into reality. During her first site visit with Stephanie, they toured a beautiful office complex that looked promising online. However, when they walked through the existing setup, Dr. B felt overwhelmed trying to envision how the current layout would work for her practice.

"When we walked out, she said, 'I don't know what to do,'" Stephanie recalled. "And I was like, 'We don't have to do anything. This is not the one.'"

Dr. B later reflected on that early confusion: "I didn't think any of this was going to work. I couldn't see how pets would get from the parking lot to the space, and there were all these other offices." The experience highlighted a common challenge for first-time practice owners - difficulty visualizing patient flow and operational logistics in existing spaces.

What became clear through multiple property tours was that Dr. B needed to see spaces from a patient experience perspective. She was looking for visible, easily accessible locations with good parking where pet owners could comfortably bring their animals from car to clinic without navigating complex building layouts.

PRG'S STRATEGIC APPROACH THROUGH MARKET KNOWLEDGE

Rather than continuing with trial-and-error property tours, PRG leveraged a space Chris had been working on for six months. He had previously been negotiating this location for a dental practice, but when that deal fell through due to the dentist's health issues, he recognized it could be perfect for Dr. B's vision.

The space was a raw, unfinished suite in an \$80 million mixed-use development featuring 160 residential apartments above ground-floor commercial space. This blank canvas approach proved ideal for Dr. B, who had struggled to envision her practice within existing buildouts.

PRG reinforced their location recommendation with comprehensive demographic and competition analysis from their internal research team. "I like data," Dr. B admitted during the process. "

The demographic reports showed me so much information that was super detailed. Just looking at that report made me feel a lot more comfortable choosing a location." The data validated that the location had strong fundamentals beyond just the captive residential audience, giving Dr. B confidence in a data-driven decision rather than relying on gut feelings alone.

OVERCOMING LANDLORD RESISTANCE TO VETERINARY USE

The biggest obstacle wasn't financial terms but rather educating the landlord about veterinary operations. The developer had never worked with a veterinarian and was concerned about noise disrupting the residential tenants above. Their primary concern was protecting their investment in selling the 160 residential units. "The landlord was really requiring soundproofing because they're thinking we're going to have dogs barking all the time," Chris explained. "The reason for this project is to make money on the residential side, so they don't want anything that could hurt those sales."

PRG addressed these concerns by thoroughly educating the landlord on modern veterinary practice operations. They explained that Dr. B wouldn't be doing overnight hospitalization, boarding, grooming, or doggy daycare - just routine veterinary medicine. They also pointed out that a fitness studio in the same development would likely generate more noise than the veterinary clinic.

The education process extended to explaining the value of medical tenants as "sticky" long-term renters who pay consistently and rarely fail, making them ideal anchor tenants for any development.

THE SOLUTION THAT SECURED ABOVE-MARKET TERMS

PRG's approach of combining landlord education with strong negotiation resulted in exceptionally favorable lease terms. They secured \$230,000 in tenant improvement allowance - significantly above market for the region and term length.

Additionally, Dr. B received three months of free rent to accommodate her buildout timeline.

"The TI was a lot," Stephanie noted. "They even said to us at one point, 'Hey, we can't do too much more than this,' but they gave her this substantial amount."

A late-stage challenge emerged when the landlord required both Dr. B and her husband to sign personal guarantees due to state marital property laws. When her husband refused to sign, PRG worked creatively to keep the deal alive by having Dr. B put down a larger security deposit while reinforcing why she was an ideal tenant through detailed communication about veterinary practice stability and success rates.

"I don't know any of this stuff," Dr. B confessed about the legal complexities. "I never thought I would need to know what these lease clauses mean, and I'll probably forget it in a couple of months anyway." This honest admission reflected the reality that many first-time practice owners face when navigating commercial real estate.

RESULTS THAT EXCEEDED EXPECTATIONS

The 10-month process from introduction to lease signing resulted in Dr. B securing her ideal location just 10 minutes from home. The raw space allowed her to design exactly the patient experience she envisioned, while the captive residential audience provided a built-in customer base.

The above-market tenant improvement allowance meant Dr. B could build out her practice to her exact specifications without compromising on quality due to budget constraints. The reasonable rental rate positioned her for profitability from opening day, scheduled for mid-January following her buildout completion.

"She's very happy with the experience and excited to get going," Chris reported from their recent site visit. Dr. B's final assessment was straightforward: "I wanted this to happen more quickly, but I understand why it took the time it did. At the end of the day, I got exactly what I was looking for."

Practice Real Estate Group is dedicated to guiding healthcare practice owners through their most critical real estate decisions. We provide the data, expertise, and market knowledge needed to identify locations positioned for success, then negotiate lease terms that protect and empower our clients' practices. Our commitment extends from initial market analysis through opening day and beyond, ensuring every location decision supports long-term practice growth.

Call us at (512) 956-5076 or send us an email at info@practicerealestategroup.com to explore your healthcare real estate needs.