

Strategy:	Seeks Acquisition	Average Gross Yearly Revenue (3 years):	\$188,400+
Office Location:	Novato, CA	Average Monthly Revenue / Expenses:	\$15,700+ / \$4,500
Website:	https://Sellingapractice.com/CAM	Asking Price:	\$149,500

Summary

Unique opportunity to own a booming, all-cash community acupuncture practice in the heart of exclusive Marin County. Community Acupuncture of Marin, currently the practice of Ronit Ashkenazi and associates, is located in a beautiful office near the center of Novato's downtown. This award-winning clinic has been thriving for 14 years, and the opportunity to create an even more abundant practice is available to you from the moment you step in.

Imagine making well over \$188,000 per year working only two days per week, without ever billing insurance, and having staff to take over when you need a break. No additional marketing necessary--the reputation of this practice, including top Google rankings and #1-in-area reviews, keeps a steady flow of new patients streaming in. Work more than two days a week, accept insurance or do some marketing and you have to opportunity to add even more success to this exceptional practice.

Whether you are a practitioner who is just starting out or an established clinician with some years under your belt, Community Acupuncture of Marin offers you the chance to hit the ground running. Step into this rare, once-in-a-lifetime, turn-key opportunity to learn from a well-established practitioner and run the practice of your dreams in one of the most beautiful, sought-after areas in the country. Call or email us today, come by and spend some time with us, and be thriving within a few short months.

The Setting

Novato is located in northern Marin County, one of the most picturesque and affluent areas in the country. The town of about 50,000 is just across the Richmond Bridge from the East Bay and only 20 minutes north of the Golden Gate Bridge, all of which allows the clinic to draw from much of the larger San Francisco Metropolitan Area—4.5 million people, all within reach of the office.

Novato's proximity to the rest of the Bay has made it a popular place to live for many high-income commuters, and yet the city retains an attractive rural atmosphere largely because of its low population density and the high amount of open space and parks. The restored downtown is a welcoming place for visitors and residents to shop and dine. Well-known high-tech companies have made their home here, including one of the foremost non-profit biomedical research institutes. Novato also has its highs and lows: one of the highest ranked school districts in the state, and one of the lowest crime rates.

The clinic is located in a professional building shared with other healthcare practitioners near the center of town. The 1,400-square-foot office consists of a beautiful waiting/reception area; a consult room; a massage room; a large community acupuncture space with five luxury recliners and two treatment tables; abundant storage; and access to two bathrooms (one inside the office, one just outside). The space is modern and tastefully decorated, and the office is close to the freeway, as well as bus and train lines. Parking is easy and free.

Patient Demographics

Community Acupuncture of Marin is a non-specialty practice, seeing a broad array of sub-clinical and acute conditions as well as chronic issues that have not responded to other medical interventions. The clinic has a particularly strong focus on orthopedics & pain care, in addition to women's health, fertility, and digestive conditions.

The clinic has about a 3:1 mix of women to men. Most patients find us through a well-established referral network and by word-of-mouth, while a large number also come through the practice's website, social media, and exceptional on-line reputation.

Community Acupuncture of Marin is 100% cash pay—no insurance billing! Both the current owner and her main associate each average 200 patient visits per month, or about 25 per day (2 days per week), and a new associate was recently added. Patient information, chart notes, and scheduling are all kept electronically, and an active MailChimp email newsletter list of more than 4,500 contacts keeps the practice humming.

Modalities Utilized

The practice has been uncomplicated in the methods used to treat patients, primarily employing simple Zang-Fu and channel theory diagnosis and treatment methodologies. Given the community acupuncture model, the clinic primarily uses Richard Tan's Balance Method and Dr. Tung points. Cupping and moxibustion are not used, and about 30% of the clinic's income comes from herbal supplements.

The current owner is happy to provide years of past calendars to prove consistently high patient volume.

Income and Expenses

The following income and adjusted expense summaries are derived from an average of income and expenses from the past 36 months ending December 31, 2019. Note that the current owner only works two days per week, taking up to five weeks off per year.

Income

Gross yearly revenue: \$188,400+ (\$15,700+/month).

Expenses

Average adjusted expenses: ~\$54k yearly (~\$4,500/month)

Adjusted expenses are the net expenses that a new owner would have to take on in order to run the business at the same level of revenue as the current owner. Thus, elective variable expenses such as continuing education, transportation, etc. are removed from gross expenses to calculate adjusted expenses.

Net Profit

Average \$134,300/year (\$11,195/month)

Pricing and Terms

\$149,500.

The asking price is based on a conservative professional valuation of just under \$175,000, with an average yearly gross for the past three years of more than \$188,000. The owner's motivation to sell in a timely fashion has allowed her to generously factor in a significant discount off of the valuation. She expects the right person will retain the patients and transition smoothly, making this a great opportunity for the buyer.

The purchase will be structured as an asset purchase agreement and may be drawn up between buyer and seller (preferred) or by attorneys, at the discretion of both parties.

Approval of the buyer is subject to a credit check, and loans from medical practice brokers, banks, or the Small Business Administration (SBA) may be available to finance the transaction depending on the buyer's creditworthiness. The seller may also be willing to hold the loan for the right buyer.

Upon purchase, the new owner will receive all patient records and equipment, in addition to supplement inventory. The current owner will also transfer to the new owner all clinic-related intellectual property, including the clinic phone number, website and other domains owned by the practice, social media accounts, Yelp account details, MailChimp mass email program, and JaneApp clinic management software (EMR, scheduling, patient billing and outreach).

The business currently has two part-time acupuncture associates. Both may be interested in assisting with the transition and/or staying on with the practice if so desired by the new owner.

The landlord is willing to transfer the lease and the current owner will facilitate interaction with the landlord in order to secure favorable lease terms.

Many potential owners may not have experience in the community treatment model, and the current owner would be willing to stay on for a mutually-agreed-upon length of time to train a new owner in her techniques and to assist in the transition, if so desired by the new owner, at no additional cost.

The current owner's goal is to surrender the practice by the end of 2020.

Opportunities for Growth

While the current practice nets a healthy return, a motivated buyer could significantly increase their income upon acquisition through a number of simple changes.

- *Accept insurance.* Community Acupuncture of Marin is proud to be a low-maintenance, all-cash practice. An enterprising new owner could certainly attract more business if desired by accepting and billing insurance.
- *Work more hours.* The current owner works 2 days per week and does not work weekends. The office space is available 24/7. Accepting more new patients, opening up the clinic on weekends, and working more hours would obviously increase revenue.
- *Cut back on staff.* By taking over time currently occupied by other staff, a new owner could have more revenue of their own and less staff overhead costs.
- *Rent out space.* The practice could easily support other practitioners during the times when the office is unoccupied. The massage room may be rented out part- or full-time, and with over 20 chairs in the storage space, the larger community area has been used for support groups, group classes, events and demonstrations.
- *Do more marketing.* The practice does very little overt marketing outside of its web presence and occasional use of the mass email program. There is a database full of patient information and email addresses available to connect and market directly to current and former patients, but the clinic has been busy enough that it hasn't been using these resources very often. Leveraging these and other methods to market directly to current and former patients, as well as existing and new potential referral sources, offer great opportunities for an increase in new patients and a return of pre-existing patients.
- *Improve online presence.* The current owner has been extraordinarily successful without putting a lot of continued effort into blogging and social media. Paying more attention to the website, Facebook page, adding Instagram, going after Yelp reviews, etc. are all ways of improving the online presence of the business in order to generate more revenue.

Take advantage of this exceptional opportunity to own your own all-cash, low-maintenance community acupuncture clinic in an exquisite location. Call (415) 450-7336 or email ronit@healingartsofmarin.com today.