

WESLEYAN BANK

WESLEYAN'S SERVICE WITH A SMILE FOR DENTAL ENTREPRENEUR



Oxford House Case Study

How Wesleyan Bank enabled husband and wife dentist duo to launch their dream business

The Business

Oxford House Dental Practice has been established for over 30 years. Originally starting out as a small practice it had grown in size with 21 members of staff. When the practice owners put it up for sale two years ago, it came into the sights of Kaival and Shreena Patel, a young couple, both dentists, who were keen to run their own surgery and viewed it as an opportunity with great potential.

The Challenge

The Patels were first time buyers entering a very competitive market. "Timing is critical when purchasing a dental practice," Kaival comments. "You need a sound business plan in place and crucially, solid financial backing early on in the process in order to be able to make an offer and secure the right deal. You're competing against many other potential buyers and if you don't know what you can borrow, you're behind the pack, especially as first time buyers."

Oxford House was a bigger investment than some of the others that the Patels considered, and it required them to borrow

a substantial amount of money. Certain local banks turned them down considering it to be a risky investment. Kaival explains, "With banks working on simple lending ratios you tend to get a 'yes' or 'no' answer with little interrogation of your business plan to see if it really is a worthy investment. Although we were first time buyers in the dental practice market and had not run a business before, we had done our homework, had a sound business plan and could see that there was a lot of growth potential in Oxford House."

The Solution

Keen to press ahead with an offer for Oxford House, the Patels were left in a predicament. They were referred by a peer dental practice to Wesleyan Bank.

Following an in-depth personal meeting and review of the Patels' business plan, Wesleyan Bank could see a young professional couple with ambitious business plans and a sound prospect in front of them. Wesleyan Bank quickly constructed a finance solution to cover all borrowing requirements at rates acceptable to the Patels.

Wesleyan Bank's solution covered multiple lending requirements such as practice goodwill, the property, and assets and equipment. "Raj, our dedicated account manager, was keen to get under the skin of what we wanted to achieve, quickly setting up a meeting to discuss the business plan and what we would be able to borrow. The whole experience was a breath of fresh air and it was clear he could see the potential of Oxford House too. He came back with an offer surprisingly quickly," said Shreena.

Because of the level of borrowing and size of the practice, senior approval was required from within Wesleyan Bank. However this didn't hold the process up. The account manager and the main credit underwriter quickly organised a board of directors meeting to gain approval for the funding. With this being our first venture, Wesleyan Bank wanted us to go through our business plan to determine our investment potential."

The Results

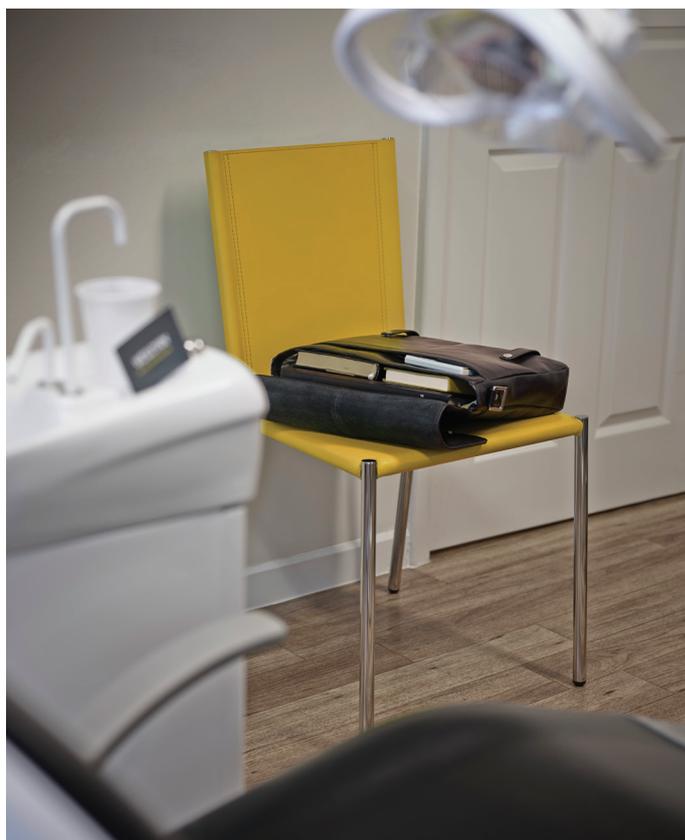
Success! The Patels were able to move quickly and offer a favourable deal for Oxford House. Wesleyan Bank's speedy response and decision meant they secured the practice they wanted with a solid finance plan behind them. Kaival comments, "By the time the process started we had everything up and running and in under a week, Wesleyan Bank had organised a valuer to visit the practice." Due to the financing partnership with Wesleyan Bank, Kaival and Shreena are now the proud owners of the practice and are looking to expand very soon. The deal is currently Wesleyan Bank's largest single dental acquisition loan.

The Benefits

Wesleyan Bank's friendly and flexible approach was critical to the Patels' successful purchase of Oxford House.

Kaival says, "Compared to other potential lenders, Wesleyan Bank were responsive and understood that while we were planning for the future we also had busy working lives too. They were happy to meet us at home in the evening in order to help the deal progress quickly. They were always keen to do business with us".

"They also cared about our future business plan which was important to us. Rather than just responding to our ideas, they gave advice as to how we might want to approach aspects of the business differently. This added value was really helpful. They also helped us realise we needed to plan for the future, looking at what else we needed to add to the plan to meet our ambition of owning and developing a high quality dental practice, such as purchasing new equipment - a 3D scanner for example".



"Using Wesleyan Bank for finance goes beyond just having a loan - they stay with you after you've bought the business and continue to support and advise you on what they think is the next best move." Kaival continues, "As first time buyers we didn't know exactly what the forecast for the business could look like. Wesleyan Bank helped out with deciding and structuring what we could spend in areas like marketing or equipment and gave us advice in terms of the business as well."

Kaival concludes, "Being able to gain the finance we needed to buy the practice, meant that we have now realised our dream of running a growing family run business where we can both work together."

As a result of Oxford House's success Kaival Patel has also been nominated for 'Young Dentist of the Year'.

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