

Stoney Brook Veterinary Hospital



“Jennifer Mills and CIT were tireless in getting this project approved and funded. Every time we ran into a problem or roadblock, she was there to help me find the right solution so that we could move forward. My experience was above and beyond the normal lender-borrower relationship.”

DR. KIM JONES
STONE BROOK VETERINARY HOSPITAL

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Housed in a modern new facility in Lebanon, N.H., Stoney Brook Veterinary Hospital is a general practice animal hospital serving pet owners in the Upper Valley region of New Hampshire and Vermont. The hospital is owned and operated by Dr. Kim Jones, who earned her doctor of veterinary medicine degree from Colorado State University in 2001. Dr. Jones and her staff of four pride themselves on providing high-quality pet care with the personal touch that can be found only in a small veterinary practice. Stoney Brook officially opened for business on March 16, 2009.

Challenge

An experienced and successful veterinarian, Dr. Kim Jones built a thriving practice providing mobile care and leasing space in area animal clinics. But it had always been her ambition to open her own animal hospital. Soon after moving to New England in 2004, Dr. Jones recognized the need for an animal hospital that could provide a level of care between that of a basic general veterinary practice and a specialty care facility for pet owners in the Upper Valley region.

She attempted to purchase an existing clinic in 2007, but that contract fell through 10 days before the scheduled closing when the property was appraised below the agreed-upon price and the seller refused to renegotiate. Overcoming her disappointment, Dr. Jones soon found an ideal location for an animal hospital on the former site of a recreational-vehicle sales business.

Dr. Jones developed a plan to acquire the property, tear down the current structure, and design and build a state-of-the-art animal hospital from the ground up. The local bank had no interest in supporting a new business start-up and rejected the doctor's loan application. Other potential lenders required a larger down payment that Dr. Jones was prepared to make.

She needed to find a financial services partner with the resources, experience and commitment to help her realize her vision of providing progressive, comprehensive health care for pets in the surrounding communities.

Solution

A representative of another medical practice financing company referred Dr. Jones to CIT Small Business Lending (SBL) because his company does not handle ground-up construction loans. SBL has extensive experience in commercial real estate, construction, and medical practice financing.

Part of CIT Corporate Finance, SBL offers a wide range of government-backed and conventional financial solutions for small businesses. CIT is the country's leading Small Business Administration (SBA) 7(a) lender and the top 7(a) lender to minority, women and veteran entrepreneurs.

SBL Regional Account Manager Jennifer Mills was impressed with the doctor's well-thought-out business plan and realistic financial analysis. After studying market trends and local demographics, she also agreed that a middle-range pet hospital was badly needed in the area in which Dr. Jones planned to build Stoney Brook. Jennifer concluded that the doctor had the experience and commitment to run a successful business and that a loyal group of pet owners was likely to follow her to the new location. Both factors reduced the level of risk sometimes associated with business start-ups.

CIT's extensive experience with veterinary clinics enabled the SBL team to develop a comprehensive financial solution that met Dr. Jones' requirements.

Results

CIT Small Business Lending agreed to provide financing for the Stoney Brook Veterinary Hospital in late 2007. Under the SBA's Preferred Lender Program, CIT was able to provide Dr. Jones with terms that were flexible and affordable. The loan was approved under the SBA 7(a) loan program in the amount of \$1,396,000. The funds were to be used for the purchase of the land, construction, equipment, and working capital.

The original construction timeline was pushed back because of several issues regarding the property and existing structures. A dispute with the previous owner was settled in mid-2008 so demolition and construction could begin. The hospital building was completed in early 2009 and outfitted in time for Stoney Brook to formally open in March 2009.

Dr. Jones noted that the practice is off to a great start and expresses confidence in its long-term success and potential to grow, both in size and in the range of medical procedures offered.