

Western Maryland General Dentistry  
**MERGER FINANCIAL DATA SUMMARY FOR PRACTICE 9157**

The following statistics are based on assumptions that the subject practice will continue to be operated as it has been in the past. Variation from past performance are 1) increase in fees for each year; 2) no production increase occurs; and 3) overhead expenses increase each year. Fee and overhead increases are based on estimates of inflation and can be adjusted.  
 The purpose of this summary is to demonstrate the individual practice revenues and profitability of this particular practice.

**PRACTICE FINANCIAL SUMMARY**

AMOUNT OF INCOME PERSONALLY GENERATED BY PURCHASER	\$452,077
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$158,227
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NOW CONSIDER THE PRACTICE PROFIT. THIS IS AN AMOUNT OVER AND ABOVE THE COMPENSATION FOR PURCHASER'S PRODUCTION.

THE PROFIT IS THE BENEFIT OF OWNERSHIP OF THE PRACTICE.  
 ONLY PRACTICE OWNERS REALIZE PRACTICE PROFIT.

IN THIS PRACTICE, THE PROFIT, AFTER ALL EXPENSES AND SALARY COMPENSATION TO THE PURCHASER IS PAID AMOUNTS TO	\$262,498
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THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF	51%
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TO COMPARE THIS OPPORTUNITY TO OTHER OPPORTUNITIES, WHETHER THEY ARE ASSOCIATESHIPS OR OTHER PRACTICES TO PURCHASE, LOOK AT SEVERAL KEY DATA POINTS.

	SUBJECT PRACTICE
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1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$262,498
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$38,428
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$300,927

Western Maryland General Dentistry					
MERGER FINANCIAL DATA FOR PRACTICE 9157					
The following summary illustrates a projected year's income and expenses for the subject practice which incorporates an increase in fees and overhead expense but no increase in production. This summary is not a representation or warranty of future practice performance. Purchasers should obtain qualified legal and accounting counsel prior to any purchase decisions. <b>NOTE: Practice price does not include accounts receivable.</b>					
<b>PRACTICE INCOME</b>					
EXPECTED GROSS COLLECTIONS				\$452,077	100.0%
HYGIENE COMPONENT				\$103,978	23.0%
DENTIST COMPONENT				\$348,099	77.0%
RETAINED SELLER					
ASSOCIATE					
PURCHASER				\$452,077	100.0%
<b>VARIABLE EXPENSES</b>					
WAGES, PAYROLL TAX, ETC.				\$95,479	21.1%
LABORATORY				\$15,921	3.5%
CLINICAL SUPPLIES				\$12,954	2.9%
OTHER VARIABLE EXPENSE				\$6,648	1.5%
<b>TOTAL VARIABLE EXPENSE</b>				<b>\$131,002</b>	<b>29.0%</b>
<b>FIXED EXPENSES</b>					
PHONE, UTILITIES				\$3,000	0.7%
LEGAL & ACCOUNTING				\$3,500	0.8%
INSURANCE				\$1,500	0.3%
OTHER FIXED EXPENSE				\$8,478	1.9%
<b>TOTAL FIXED EXPENSE</b>				<b>\$16,478</b>	<b>3.6%</b>
<b>PRACTICE DEBT SERVICE</b>					
INTEREST				\$17,655	3.9%
PRINCIPAL				\$24,444	5.4%
<b>TOTAL DEBT SERVICE</b>				<b>\$42,099</b>	<b>9.3%</b>
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$452,077	100.0%
EXPECTED EXPENSES				\$147,480	32.6%
PRACTICE DEBT SERVICE				\$42,099	9.3%
<b>EXPTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>				<b>\$262,498</b>	<b>58%</b>
PURCHASER PRODUCED PRODUCTION				\$452,077	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$24,444	5.4%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$13,984	3.1%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$300,927</b>	<b>67%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$294,000	67%
WORKING CAPITAL				\$22,000	
TOTAL PRACTICE LOAN				\$316,000	
PRACTICE LOAN INTEREST RATE				6.00%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$3,508	9%
<b>PURCHASER CASH FLOW CONSIDERATIONS</b>					
MONTHLY PRACTICE PAYMENTS				\$3,508	9%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$4,852	13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$158,227	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$160,355	51%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$318,582	
<b>LESS PRACTICE DEBT SERVICE</b>				<b>(\$42,099)</b>	
<b>PRACTICE SALARY + PROFIT + TAX SAVINGS - LOAN</b>				<b>\$276,483</b>	

Western Maryland MERGER DATA FOR PRACTICE NUMBER 9157	
The following data is provided by the owner of the practice. It is believed to the best of the owner's knowledge to be a true and accurate representation of the facts of the practice. It is the responsibility of any purchaser to verify all information contained herein and to seek qualified counsel in the interpretation and verification thereof.	
OFFICE DATA	
SQUARE FOOTAGE OF OFFICE	1,700
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	8
PROXIMITY OF PARKING PLACES	Very close to front door
# EQUIPPED OPS	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	1
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	2
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
DO YOU OWN YOUR BUILDING? YES OR NO	YES
DO YOU WISH TO SELL THE BUILDING? YES OR NO	YES
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$150,000
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$734
ANNUAL REAL ESTATE INSURANCE COST	\$1,428
DATE OF LEASE i.e. "6/1/2016"	
DATE LEASE ENDS - i.e. "1/1/2020"	
IS THERE AN OPTION TO PURCHASE?	
RENEWAL OPTIONS	
BUILDING VALUE TO BE USED	\$150,000
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$1,075
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$7.59
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Take 1 year off and/or help work with new dentist to start
DAYS/WEEK CURRENTLY WORKED	3.0
HOW MANY DAYS WOULD YOU PREFER TO WORK FOR BUYER	
DESIRED WORK DAYS/WEEK 1ST YR	
DESIRED WORK DAYS/WEEK 2ND YR	
DESIRED WORK DAYS/WEEK 3RD YR	
DESIRED WORK DAYS/WEEK 4TH YR	
DESIRED WORK DAYS/WEEK 5TH YR	
DESIRED WORK DAYS/WEEK 6TH YR	
COVID INFORMATION	
DATE CLOSED FOR COVID	
DATE REOPENED FOR COVID	
DATE OF LATEST PRACTICE REVENUE	
AMOUNT OF LATEST PRACTICE REVENUES	
AMOUNT OF ANY PPP OR EIDL LOANS	

<b>PRACTICE DATA</b>	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	Word of Mouth
DESCRIBE EXTERNAL MARKETING	Website, community calendar
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Pretty much
WHAT TYPE RECALL SYSTEM	Postcards 1 month before; phone call 2 days ahead
WHAT TYPE COMPUTER SYSTEM	Easy Dental
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,700
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	60
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	15
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	10
HOW FAR AHEAD IS DENTIST SCHEDULED?	2-1/2 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 months
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	10%
% OF PATIENTS PAYING CASH	10%
% INCOME FROM INSURANCE	60%
% OF PATIENTS WITH INSURANCE	60%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	30%
% OF PATIENTS WITH MEDICAID	30%
% PRACTICE INCOME FROM REDUCED FEE PLANS	30%
% OF PATIENTS WITH REDUCED FEE PLANS	30%
<b>SCHEDULING DATA</b>	
MONDAY	8 AM - 5 PM
TUESDAY	8 AM - 5PM
WEDNESDAY	8 AM - 12 PM
THURSDAY	8 AM - 4 PM
FRIDAY	8 AM - 12 PM
SATURDAY	
OWNER HOURS WORKED PER WEEK	24
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	24
DENTIST PATIENT VISITS PER YEAR	2,250
HYGIENE PATIENT VISITS PER YEAR	1,500
NUMBER OF DAYS WORKED PER YEAR	142
NUMBER OF WEEKS WORKED PER YEAR	50
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	
ACCOUNTS RECEIVABLES - 31-60 DAYS	
ACCOUNTS RECEIVABLE - 61-90 DAYS	
ACCOUNTS RECEIVABLE >90 DAYS	

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	25%
OPERATIVE	25%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	13%
FIXED PROSTHETICS	12%
ENDODONTICS	3%
PERIODONTICS	
ORAL SURGERY	17%
COSMETIC	5%
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Impactions, Ortho, Perio Surgery, Implants
REVENUES SOURCES	
IS ANY OF YOUR REPORTED INCOME FROM ANY OTHER SOURCE THAN PATIENT TREATMENT FROM THIS PRACTICE?	No
IF SO HOW MUCH IN CURRENT PERIOD?	
IF SO , HOW MUCH FOR LAST YEAR?	
IF SO HOW MUCH FOR THE PREVIOUS YEAR?	
WHAT IS THE SOURCE OF THIS OTHER INCOME?	
FEE SCHEDULE	
ADULT PROPHY 01110	\$85
TWO SURFACE ANTERIOR COMPOSITE 02331	\$200
CORE BUILD-UP 02950	\$250
CROWN - GOLD/PORCELAIN 02750	\$1,300
ANTERIOR CANAL ROOT CANAL 03310	\$750
PANORAMIC X-RAY 00330	\$110
TWO SURFACE POSTERIOR COMPOSITE 02392	\$230
CROWN - PORCELAIN CERAMIC 02740	\$1,100
LABIAL PORCELAIN VENEER 02962	\$1,100
BICUSPID ROOT CANAL 03320	\$900
AVERAGE OF FEES	\$603
PERCENT OF FEE PARITY	110%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	25,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	17,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	thirty--one
	WITHIN Cumberland
MAJOR EMPLOYERS IN AREA	CSX, Western Maryland Health System, State and Federal Prison
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	
YEAR BEGINNING PRACTICE IN CITY	1994
YEAR BEGINNING PRACTICE IN CURRENT LOCATION	1999
RIGHT OR LEFT HANDED	Right
PURCHASE OR SCRATCH START	Purchase



<b>CONFORMITY DATA</b>			
DOES YOUR PRACTICE MEET OSHA STANDARDS? WHY NOT?	Yes		
DOES YOUR PRACTICE MEET HIPAA STANDARDS? WHY NOT?	Yes		
ANY DISCIPLINARY ACTION IN LAST 7 YRS? EXPLAIN	No		
ANY PRACTICE LAWSUITS FILED IN PAST TEN YRS. EXPLAIN	No		
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY?	NO		
<b>INSURANCE EXPLANATION</b>			
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD			
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?			
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?			
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?	\$1,000		
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	\$100		
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	\$1,428		
<b>TAXES AND LICENSES EXPLANATION</b>			
TOTAL EXPENSE FOR TAXES			
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?			
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?			
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?			
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	\$734		
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	\$1,305		
<b>PENSION EXPLANATION AND 401k COMBINED</b>			
TOTAL EXPENSES FOR PENSION PLAN			
HOW MUCH OF TOTAL IS FOR STAFF			
HOW MUCH OF TOTAL IS FOR OWNER?			
<b>BENEFITS EXPLANATION</b>			
TOTAL EXPENSE FOR EMPLOYEE BENEFITS			
HOW MUCH OF TOTAL IS FOR STAFF?			
HOW MUCH OF TOTAL IS FOR OWNER?			
PLEASE LIST THE TOP TE	<b>% OF PRX INCOME</b>	<b>% OF YOUR FEE</b>	
<b>PLAN NAME - BE SURE TO LIST DELTA PREMIERE IF YOU HAVE</b>	<b>FROM THIS PLAN</b>	<b>THIS PLAN PAYS</b>	
Maryland Child Medicaid			
Maryland Adult Medicaid			
United Concordia			
Met Life			
Aetna			
Cigna			
Blue Cross/Blue Shield			
Guardian			
Delta			