

**Atlanta, Georgia** **General Dentistry**  
**MERGER FINANCIAL SUMMARY FOR PRACTICE 6276** 9/7/2010 14:32

The following summary illustrates a projected year's income and expenses for the subject practice which incorporates a 4% increase in fees and overhead expense but no increase in production. Although all variable expenses are included, fixed expenses that will not be duplicated are not included. This summary is not a representation or warranty of future practice performance. Purchasers should obtain legal and accounting counsel prior to any purchase decision. **NOTE: Practice price does not include accounts receivable.**

<b>PRACTICE INCOME</b>				
EXPECTED GROSS COLLECTION INCREASE			\$240,015	100.0%
	HYGIENE COMPONENT		\$88,806	37.0%
	DENTIST COMPONENT		\$151,210	63.0%
		RETAINED SELLER	\$0	0.0%
		ASSOCIATE	\$0	0.0%
		PURCHASER	\$151,210	63.0%
<b>VARIABLE EXPENSE INCREASE</b>				
	WAGES, PAYROLL TAX, ETC.		\$66,923	27.9%
	LABORATORY		\$9,855	4.1%
	CLINICAL SUPPLIES		\$16,212	6.8%
	OTHER VARIABLE EXPENSE		\$5,646	2.4%
TOTAL VARIABLE EXPENSE INCREASE			\$98,637	41.1%
<b>FIXED EXPENSE INCREASE</b>				
	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	1.2%
	LEGAL & ACCOUNTING		\$3,500	1.5%
	INSURANCE		\$1,500	0.6%
	OTHER FIXED EXPENSE		\$6,714	2.8%
TOTAL FIXED EXPENSE INCREASE			\$14,714	6.1%
<b>DEBT SERVICE INCREASE</b>				
	INTEREST		\$5,739	2.4%
	PRINCIPAL		\$8,514	3.5%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$14,253	5.9%
<b>SUMMARY</b>				
EXPECTED INCREASED COLLECTIONS			\$240,015	100.0%
EXPECTED INCREASED EXPENSES			\$113,351	47.2%
EXPECTED INCREASED DEBT SERVICE			\$14,253	5.9%
<b>EXPECTED INCREASED NET INCOME &amp; PERCENT OF PERSONAL PRODUCTION</b>			<b>\$112,412</b>	<b>74.3%</b>
PURCHASER PRODUCED PRODUCTION			\$151,210	63.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$8,514	5.6%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$2,596	1.7%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>			<b>\$123,522</b>	<b>81.7%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>				
	SALES PRICE & PERCENT OF GROSS		\$70,000	30%
	WORKING CAPITAL		\$5,000	2.1%
	TOTAL LOAN		\$75,000	31.2%
	LOAN INTEREST RATE		8.50%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$1,188	5.9%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT		\$4,440	22.2%

Atlanta, Georgia

**MERGER DATA SUMMARY FOR PRACTICE NUMBER 6276**

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	926
EXPANDABLE FOOTAGE	None
CURRENT MONTHLY RENTAL i.e. "1200"	\$991
PRICE PER SQUARE FOOT	\$12.84
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	Adequate
PROXIMITY OF PARKING PLACES	Front door
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	2
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	1
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	Private Office could possibly be operatory
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	
DATE LEASE ENDS - i.e. "1/1/04"	Month - to - month
TERM OF LEASE IN YEARS i.e. "5"	
YEARS REMAINING ON LEASE i.e. "2.5"	
RENEWAL OPTIONS	
DO YOU OWN YOUR BUILDING? "YES" OR "NO"	No
DO YOU WISH TO SELL THE BUILDING? "YES" OR "NO"	No
PRICE OF BUILDING	
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	
ANNUAL REAL ESTATE INSURANCE COST	
PURCHASER MORTGAGE INTEREST RATE	7.00%
PURCHASER MORTGAGE TERM - YEARS	15
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	

**WORK SCHEDULE**

PLANS AFTER SALE OF PRACTICE	Retirement
DAYS/WEEK CURRENTLY WORKED	4
ENTER DESIRED DAYS WORKED FOR NEW BUYER SALE	
DESIRED WORK DAYS/WEEK 1ST YR	0
DESIRED WORK DAYS/WEEK 2ND YR	0
DESIRED WORK DAYS/WEEK 3RD YR	0
DESIRED WORK DAYS/WEEK 4TH YR	0
DESIRED WORK DAYS/WEEK 5TH YR	0
DESIRED WORK DAYS/WEEK 6TH YR	0

<b>PRACTICE DATA</b>	
WHAT CONSULTANT USED IN PAST 5 YRS	No
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	Valpack
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, slowing down
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	750
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	20
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	6
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	6
HOW FAR AHEAD IS DENTIST SCHEDULED?	one week
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	one and a half weeks
% PRACTICE INCOME FROM CASH	
% OF PATIENTS PAYING CASH	
% PRACTICE INCOME FROM INSURANCE	
% OF PATIENTS WITH INSURANCE	
% PRACTICE INCOME FROM HMO	30%
% OF PATIENTS WITH HMO	30%
% PRACTICE INCOME FROM PPO	35%
% OF PATIENTS WITH PPO	35%
% PRACTICE INCOME FROM CAPITATION	35%
% OF PATIENTS WITH CAPITATION	35%
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	100%
% OF PATIENTS WITH REDUCED FEE PLANS	100%
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
OFFICE HOURS	MONDAY 8:00 am - 12:00 pm and 2:00 pm - 5:00 pm
	TUESDAY 8:00 am - 12:00 pm and 2:00 pm - 5:00 pm
	WEDNESDAY 8:00 am - 12:00 pm and 2:00 pm - 5:00 pm
	THURSDAY 8:00 am - 12:00 pm
	FRIDAY 8:00 am - 12:00 pm
	SATURDAY
DENTIST HOURS WORKED PER WEEK	27
HYGIENIST HOURS WORKED PER WEEK	27
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	300
HYGIENE PATIENT VISITS PER YEAR	300
NUMBER OF DAYS WORKED PER YEAR	150
NUMBER OF WEEKS WORKED PER YEAR	37
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$10,000
SIX WEEKS ACCOUNTS RECEIVABLE	\$27,694
WHAT IS YOUR COLLECTION PERCENTAGE	93%
WHAT TYPE RECALL SYSTEM	Cards, call
WHAT TYPE COMPUTER SYSTEM	None

<b>WHAT % OF THE PRACTICE INCOME IS:</b>	
HYGIENIST PRODUCTION	37%
OPERATIVE	30%
PEDODONTICS	2%
ORTHODONTICS	0%
IMPLANTS	0%
REMOVABLE PROSTHETICS	5%
FIXED PROSTHETICS	15%
ENDODONTICS	5%
PERIODONTICS	2%
ORAL SURGERY	2%
COSMETIC	2%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
OTHER	0%
TOTAL	100%
<b>MARKET FACTOR DATA</b>	
EQUIPMENT FACTOR SCALE 0% - 100%	10%
LOCATION DEMAND SCALE 0% - 100%	60%
PLAN / MEDICAID PRACTICE %	100%
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
<b>FEE SCHEDULE</b>	
ADULT PROPHY 01110	\$105
GOLD INLAY 02540	\$995
TWO SURFACE POSTERIOR COMPOSITE 02386	\$275
TWO SURFACE AMALGAM 02150	\$175
CORE BUILD-UP INCLUDING PINS 02950	
GOLD / PORCELAIN CROWN 02750	\$995
ANTERIOR CANAL ROOT CANAL 03310	\$695
BICUSPID ROOT CANAL 03320	\$695
LABIAL PORCELAIN VENEER 02962	
AVERAGE OF FEES	\$562
PERCENT OF FEE PARITY	103%
<b>DEMOGRAPHIC DATA</b>	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	Major metro
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	Major metro
NUMBER OF DENTISTS WITHIN 5 MILES	
NUMBER NEW DENTISTS WITHIN 5 MILES IN LAST 5 YEARS	
MAJOR EMPLOYERS IN AREA	
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN YOUR DRAWING AREA	

STAFF DATA			
DESCRIBE STAFF BY POSITION AS TO	ANNUAL SALARY	WILL POSSIBLY STAY?	YEAR HIRED
RECEPTIONIST	\$52,000	_____	7/07
OFFICE MANAGER	\$ _____	_____	_____
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$40,000	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
JANITOR	\$ 4,000	_____	_____
OTHER			
DESCRIBE FRINGE BENEFITS AND VALUE	None		
DO YOU HIRE ANY UNPAID FAMILY MEMBERS	Wife helps		
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
PRODUCTION CENTERS			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	_____ TO _____	2007	_____
GROSS PRODUCTION	\$ _____	\$300,000	\$ _____
HYGIENISTS	\$ _____	\$130,000	\$ _____
OWNER	\$ _____	\$170,000	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED	\$41/hr		
ENTER HYGIENIST COMMISSION PERCENTAGE			
CONFORMITY DATA			
DOES YOUR PRACTICE MEET OSHA STANDARDS?	So-So		
WHY NOT			
DOES YOUR PRACTICE MEET CDC STANDARDS?	So-So		
WHY NOT			
DOES PRACTICE MEET ALL GOVERNMENTAL REGULATIONS?	So-So		
EXPLAIN ANY DISCREPANCIES			
HAVE YOU HAD ANY DISCIPLINARY ACTION IN LAST 7 YRS	No		
EXPLAIN			
HAVE YOU HAD ANY PRACTICE RELATED SUITS FILED	No		
AGAINST YOU IN THE PAST TEN YEARS? EXPLAIN			
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT	None		
YOUR PRACTICE OF DENTISTRY			