

MERGER FINANCIAL SUMMARY FOR PRACTICE 8108

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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.**

PRACTICE INCOME

EXPECTED GROSS COLLECTION INCREASE			\$654,993	100.0%
	HYGIENE COMPONENT		\$170,298	26.0%
	DENTIST COMPONENT		\$484,695	74.0%
		RETAINED SELLER	\$327,497	50.0%
		ASSOCIATE	\$0	0.0%
		PURCHASER	\$157,198	24.0%

VARIABLE EXPENSE INCREASE

	WAGES, PAYROLL TAX, ETC.		\$148,644	22.7%
	LABORATORY		\$58,966	9.0%
	CLINICAL SUPPLIES		\$52,750	8.1%
	OTHER VARIABLE EXPENSE		\$128,338	19.6%
TOTAL VARIABLE EXPENSE INCREASE			\$388,698	59.3%

FIXED EXPENSE INCREASE

	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	0.5%
	LEGAL & ACCOUNTING		\$3,500	0.5%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$13,661	2.1%
TOTAL FIXED EXPENSE INCREASE			\$21,661	3.3%

DEBT SERVICE INCREASE

	INTEREST		\$29,262	4.5%
	PRINCIPAL		\$55,318	8.4%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$84,579	12.9%

SUMMARY

EXPECTED INCREASED COLLECTIONS			\$654,993	100.0%
EXPECTED INCREASED EXPENSES			\$410,359	62.7%
EXPECTED INCREASED DEBT SERVICE			\$84,579	12.9%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION			\$160,055	101.8%
PURCHASER PRODUCED PRODUCTION			\$157,198	24.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$55,318	35.2%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$19,248	12.2%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$234,621	149.3%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

	SALES PRICE & PERCENT OF GROSS		\$436,000	69%
	WORKING CAPITAL		\$31,000	4.7%
	TOTAL LOAN		\$467,000	71.3%
	LOAN INTEREST RATE		7.00%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$7,048	12.9%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT		\$18,232	33.4%

Atlanta, Georgia

MERGER DATA SUMMARY FOR PRACTICE NUMBER 8108

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	2,200
EXPANDABLE FOOTAGE	No
CURRENT MONTHLY RENTAL i.e. "1200"	\$3,300
PRICE PER SQUARE FOOT	\$18.00
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	Ample
PROXIMITY OF PARKING PLACES	Front of building
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	3
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	2
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	1
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	August-07
DATE LEASE ENDS - i.e. "1/1/04"	July-10
TERM OF LEASE IN YEARS i.e. "5"	3
YEARS REMAINING ON LEASE i.e. "2.5"	
RENEWAL OPTIONS	Yes
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	Would like to practice 1-2 days in restorative capacity--implants
DAYS/WEEK CURRENTLY WORKED	4
ENTER DESIRED DAYS WORKED FOR NEW BUYER SALE	
DESIRED WORK DAYS/WEEK 1ST YR	2
DESIRED WORK DAYS/WEEK 2ND YR	2
DESIRED WORK DAYS/WEEK 3RD YR	1
DESIRED WORK DAYS/WEEK 4TH YR	1
DESIRED WORK DAYS/WEEK 5TH YR	1
DESIRED WORK DAYS/WEEK 6TH YR	0

OTHER PRACTICE INFORMATION: As "ideal" as possible, fee for service comprehensive, cosmetic, restorative practice. Involves implant placement and restoration, veneers and full mouth C&B restoration. Staff is very personable, loyal-Hyg. 32 years, Sec. 24 years., Asst. 1-1/2 years. All very capable and learning continually. Patients are all treated in a loving manner and they seem to thrive on it. There is an "air" of mutual appreciation. We do charitable dentistry in the office and out of the office: Hands of Hope. Philosophy: Always offer your best and most comprehensive service. Often patients are not aware it is even available or possible. Whole or complete dentistry with healthy perio adds years to your life--people most often go for that service.

PRACTICE DATA	
WHAT CONSULTANT USED IN PAST 5 YRS	Bill Blatchford, Jim Cole, Nationwide Dental
RESULTS	
DESCRIBE INTERNAL MARKETING	Jay Gaier: Scheduling Institute Program (verbal skills for telephone and face to face contacts)
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Recent economy has hurt everyone.
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	945
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	17
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	6
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	6
HOW FAR AHEAD IS DENTIST SCHEDULED?	1 week
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3 weeks
% PRACTICE INCOME FROM CASH	32%
% OF PATIENTS PAYING CASH	32%
% PRACTICE INCOME FROM INSURANCE	68%
% OF PATIENTS WITH INSURANCE	68%
% PRACTICE INCOME FROM HMO	
% OF PATIENTS WITH HMO	
% PRACTICE INCOME FROM PPO	
% OF PATIENTS WITH PPO	
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
OFFICE HOURS	MONDAY 8 AM - 5:30 PM Lunch 1-2 PM
	TUESDAY 8 AM - 5:30 PM Lunch 1-2 PM
	WEDNESDAY 8 AM - 5:30 PM Lunch 1-2 PM
	THURSDAY 8 AM - 5:30 PM Lunch 1-2 PM
	FRIDAY 8 AM - 2 PM Secretary
	SATURDAY
DENTIST HOURS WORKED PER WEEK	33
HYGIENIST HOURS WORKED PER WEEK	32
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	2,760
HYGIENE PATIENT VISITS PER YEAR	1,760
NUMBER OF DAYS WORKED PER YEAR	176
NUMBER OF WEEKS WORKED PER YEAR	46
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$21,733
SIX WEEKS ACCOUNTS RECEIVABLE	\$75,576
WHAT IS YOUR COLLECTION PERCENTAGE	98%
WHAT TYPE RECALL SYSTEM	Index cards
WHAT TYPE COMPUTER SYSTEM	Dentrix

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	26%
OPERATIVE	45%
PEDODONTICS	0%
ORTHODONTICS	1%
IMPLANTS	9%
REMOVABLE PROSTHETICS	3%
FIXED PROSTHETICS	3%
ENDODONTICS	0%
PERIODONTICS	8%
ORAL SURGERY	4%
COSMETIC	0%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
OTHER	1%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	80%
LOCATION DEMAND SCALE 0% - 100%	65%
PLAN / MEDICAID PRACTICE %	
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
FEE SCHEDULE	
ADULT PROPHY 01110	\$78
GOLD INLAY 02540	\$900
TWO SURFACE COMPOSITE 2392	\$196
TWO SURFACE AMALGAM 02150	
CORE BUILD-UP INCLUDING PINS 02950	\$250
GOLD / PORCELAIN CROWN 02750	\$1,100
ANTERIOR CANAL ROOT CANAL 03310	
BICUSPID ROOT CANAL 03320	
LABIAL PORCELAIN VENEER 02962	\$1,100
AVERAGE OF FEES	\$604
PERCENT OF FEE PARITY	112%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	22,054
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	fourteen
WITHIN	four
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	\$ _____	_____	_____
OFFICE MANAGER			51130.94
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT			23958
ASSISTANT			5381
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST			70645.94
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____			1615
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE	Bill Blatchford BAM Bonus - Officer share 20% of collection		
DO YOU HIRE ANY UNPAID FAMILY MEMBERS			
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
PRODUCTION CENTERS			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	1-1-10 to 6-10	2009	2008
GROSS PRODUCTION	\$381,259	\$743,797.84	\$674,228.70
HYGIENISTS			99000
OWNER	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED	\$325 per day		
ENTER HYGIENIST COMMISSION PERCENTAGE			
CONFORMITY DATA			
DOES YOUR PRACTICE MEET OSHA STANDARDS?	Yes		
WHY NOT			
DOES YOUR PRACTICE MEET CDC STANDARDS?	Yes		
WHY NOT			
DOES PRACTICE MEET ALL GOVERNMENTAL REGULATIONS?	Yes		
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 YOUR PRACTICE OF DENTISTRY	None		