

MERGER FINANCIAL SUMMARY FOR PRACTICE 8172

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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: Purchase price does not include accounts receivable.**

PRACTICE INCOME

EXPECTED GROSS COLLECTION INCREASE			\$752,638	100.0%
	HYGIENE COMPONENT		\$233,318	31.0%
	DENTIST COMPONENT		\$519,320	69.0%
		RETAINED SELLER	\$0	0.0%
		ASSOCIATE	\$0	0.0%
		PURCHASER	\$519,320	69.0%

VARIABLE EXPENSE INCREASE

	WAGES, PAYROLL TAX, ETC.		\$193,664	25.7%
	LABORATORY		\$72,009	9.6%
	CLINICAL SUPPLIES		\$59,183	7.9%
	OTHER VARIABLE EXPENSE		\$20,471	2.7%
TOTAL VARIABLE EXPENSE INCREASE			\$345,328	45.9%

FIXED EXPENSE INCREASE

	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	0.4%
	LEGAL & ACCOUNTING		\$3,500	0.5%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$5,480	0.7%
TOTAL FIXED EXPENSE INCREASE			\$13,480	1.8%

DEBT SERVICE INCREASE

	INTEREST		\$58,601	7.8%
	PRINCIPAL		\$61,458	8.2%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$120,058	16.0%

SUMMARY

EXPECTED INCREASED COLLECTIONS			\$752,638	100.0%
EXPECTED INCREASED EXPENSES			\$358,808	47.7%
EXPECTED INCREASED DEBT SERVICE			\$120,058	16.0%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION			\$273,772	52.7%
PURCHASER PRODUCED PRODUCTION			\$519,320	69.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$61,458	11.8%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$19,761	3.8%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD			\$354,991	68.4%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

	SALES PRICE & PERCENT OF GROSS		\$444,000	61%
	WORKING CAPITAL		\$36,000	4.8%
	TOTAL LOAN		\$480,000	63.8%
	LOAN INTEREST RATE		9.00%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$10,005	16.0%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT		\$11,666	18.6%

Southeastern Georgia**MERGER DATA SUMMARY FOR PRACTICE NUMBER 8172**

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	1,732
EXPANDABLE FOOTAGE	Possibly
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,450
PRICE PER SQUARE FOOT	\$10.05
IS OFFICE HANDICAPPED ACCESSIBLE?	Partly
NUMBER OF PARKING SPACES	15
PROXIMITY OF PARKING PLACES	Adjacent to building
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	2
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	3
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	
DATE LEASE ENDS - i.e. "1/1/04"	
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"	Yes
DO YOU WISH TO SELL THE BUILDING? "YES" OR "NO"	Yes
PRICE OF BUILDING	\$225,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$1,450
ANNUAL REAL ESTATE TAXES	\$274
ANNUAL REAL ESTATE INSURANCE COST	\$1,540
PURCHASER MORTGAGE INTEREST RATE	9.00%
PURCHASER MORTGAGE TERM - YEARS	15
PURCHASER MONTHLY PAYMENT	\$2,282
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$15.81

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Work part-time
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

PRACTICE DATA	
WHAT CONSULTANT USED IN PAST 5 YRS	Jameson Management Group since 1994
RESULTS	Also entire staff spent 3 days at Nash Institute for Dental Learning in Charlotte, NC. Also AACD annual conference. Results positive.
DESCRIBE INTERNAL MARKETING	Hired hygienist from retiring dentist in Lyons (52 years). Letters were sent to 400 families and half became patients.
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS!	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,090
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	30
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	11
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	11
HOW FAR AHEAD IS DENTIST SCHEDULED?	2-3 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 months
% PRACTICE INCOME FROM CASH	75%
% OF PATIENTS PAYING CASH	75%
% PRACTICE INCOME FROM INSURANCE	22%
% OF PATIENTS WITH INSURANCE	22%
% PRACTICE INCOME FROM HMO	1%
% OF PATIENTS WITH HMO	1%
% PRACTICE INCOME FROM PPO	2%
% OF PATIENTS WITH PPO	2%
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	3%
% OF PATIENTS WITH REDUCED FEE PLANS	3%
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS!	
OFFICE HOURS	MONDAY 8:30 am - 12:00 noon and 1:30 pm - 5:00 pm
	TUESDAY 8:30 am - 12:00 noon and 1:30 pm - 5:00 pm
	WEDNESDAY 8:30 am - 12:00 noon and 1:30 pm - 5:00 pm
	THURSDAY 8:30 am - 12:00 noon and 1:30 pm - 5:00 pm
	FRIDAY
	SATURDAY
DENTIST HOURS WORKED PER WEEK	32
HYGIENIST HOURS WORKED PER WEEK	88
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	1,931
HYGIENE PATIENT VISITS PER YEAR	1,758
NUMBER OF DAYS WORKED PER YEAR	187
NUMBER OF WEEKS WORKED PER YEAR	47
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$45,314
SIX WEEKS ACCOUNTS RECEIVABLE	\$86,843
WHAT IS YOUR COLLECTION PERCENTAGE	101%
WHAT TYPE RECALL SYSTEM	Dentrix software
WHAT TYPE COMPUTER SYSTEM	Dentrix, Vipersoft Imaging, Shick Radiography, Caesey, Smile Ch

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	23%
OPERATIVE	24%
PEDODONTICS	5%
ORTHODONTICS	2%
IMPLANTS	4%
REMOVABLE PROSTHETICS	5%
FIXED PROSTHETICS	12%
ENDODONTICS	3%
PERIODONTICS	1%
ORAL SURGERY	2%
COSMETIC	13%
TMJ TREATMENT	1%
SOFT TISSUE MANAGEMENT	0%
OTHER	5%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	75%
LOCATION DEMAND SCALE 0% - 100%	30%
PLAN / MEDICAID PRACTICE %	3%
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
FEE SCHEDULE	
ADULT PROPHY 01110	\$57
GOLD INLAY 02540	\$920
TWO SURFACE POSTERIOR COMPOSITE 02386	\$175
TWO SURFACE AMALGAM 02150	
CORE BUILD-UP INCLUDING PINS 02950	\$175
GOLD / PORCELAIN CROWN 02750	\$920
ANTERIOR CANAL ROOT CANAL 03310	\$650
BICUSPID ROOT CANAL 03320	\$750
LABIAL PORCELAIN VENEER 02962	\$920
AVERAGE OF FEES	\$571
PERCENT OF FEE PARITY	94%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	Vidalia and Toombs County = 38,500
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	275,000 in 50 mile radius
NUMBER OF DENTISTS WITHIN 5 MILES	10 (including one oral surgeon)
NUMBER NEW DENTISTS WITHIN 5 MILES IN LAST 5 YEARS	3 (all females)
MAJOR EMPLOYERS IN AREA	Trane, Savannah Luggage, Plant Hatch for Southern Company, Meadows Regional Medical Center
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN YOUR DRAWING AREA	

STAFF DATA			
DESCRIBE STAFF BY POSITION AS TO	ANNUAL SALARY	WILL POSSIBLY STAY?	YEAR HIRED
APPOINTMENT COORDINATOR	\$17,500	Most likely	10/14/2002
ACCOUNTS COORDINATOR	\$28,000	Limited time	2/1/1976
TREATMENT COORDINATOR	\$28,000	Limited time	1/2/1980
TREATMENT COORDINATOR	\$25,000	Most likely	3/20/2000
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$40,000	Most likely	8/17/1999
HYGIENIST	\$40,000	Most likely	6/12/1996
HYGIENIST	\$27,365	Most likely	9/4/2003
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE	3% of salary matched contribution to Simple IRA		
DO YOU HIRE ANY UNPAID FAMILY MEMBERS	No		
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
PRODUCTION CENTERS			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	_____ TO _____	_____	_____
GROSS PRODUCTION	\$ _____	\$ _____	\$ _____
HYGIENISTS	\$ _____	\$ _____	\$ _____
OWNER	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED			
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		