

Tri-Cities Area, TN	General Dentistry
FINANCIAL DATA SUMMARY FOR PRACTICE	8259
2/1/2011 15:28	

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. 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. **NOTE: Practice price does not include accounts receivable.**

PRACTICE INCOME					
EXPECTED GROSS COLLECTIONS				\$534,654	100.0%
	HYGIENE COMPONENT			\$139,010	26.0%
	DENTIST COMPONENT			\$395,644	74.0%
		RETAINED SELLER		\$0	0.0%
		ASSOCIATE		\$0	0.0%
		PURCHASER		\$395,644	74.0%
VARIABLE EXPENSES					
	WAGES, PAYROLL TAX, ETC.			\$159,159	29.8%
	LABORATORY			\$54,472	10.2%
	CLINICAL SUPPLIES			\$28,875	5.4%
	OTHER VARIABLE EXPENSE			\$18,655	3.5%
TOTAL VARIABLE EXPENSE INCREASE				\$261,161	48.8%
FIXED EXPENSES					
	RENT			\$12,480	2.3%
	PHONE, UTILITIES			\$8,519	1.6%
	LEGAL & ACCOUNTING			\$3,640	0.7%
	INSURANCE			\$5,720	1.1%
	OTHER FIXED EXPENSE			\$14,748	2.8%
TOTAL FIXED EXPENSE INCREASE				\$45,106	8.4%
DEBT SERVICE					
	INTEREST			\$26,632	5.0%
	PRINCIPAL			\$38,521	7.2%
TOTAL DEBT SERVICE				\$65,153	12.2%
SUMMARY					
EXPECTED COLLECTIONS				\$534,654	100.0%
EXPECTED EXPENSES				\$306,267	57.3%
DEBT SERVICE				\$65,153	12.2%
EXPECTED NET INCOME & PERCENT OF PERSONAL PRODUCTION				\$163,234	41.3%
PURCHASER PRODUCED PRODUCTION				\$395,644	74.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$38,521	9.7%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$9,862	2.5%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$211,617	53.5%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
	SALES PRICE & PERCENT OF GROSS			\$315,000	61%
	WORKING CAPITAL			\$26,000	4.9%
	TOTAL LOAN			\$341,000	63.8%
	LOAN INTEREST RATE			8.67%	
	LOAN TERM IN MONTHS			84	
	MONTHLY PAYMENT			\$5,429	12.2%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT			\$6,756	15.2%

Tri-Cities Area, TN**DATA SUMMARY FOR PRACTICE NUMBER 8259**

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	1,600
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,040
PRICE PER SQUARE FOOT	\$7.80
IS OFFICE HANDICAPPED ACCESSIBLE?	No
NUMBER OF PARKING SPACES	15
PROXIMITY OF PARKING PLACES	On location
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	3
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	1
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	December-06
DATE LEASE ENDS - i.e. "1/1/04"	December-07
TERM OF LEASE IN YEARS i.e. "5"	1
YEARS REMAINING ON LEASE i.e. "2.5"	
RENEWAL OPTIONS	6 months notice
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	
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

OTHER PRACTICE INFORMATION:

My practice would be considered a "blue collar" practice. My concentration is on the everyday procedures. I almost always see people at the time of their appointment. I try to give them a good service at a fair price. I have a very loyal staff which helps me with these goals.

PRACTICE DATA	
WHAT CONSULTANT USED IN PAST 5 YRS	
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Small steady growth
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,200
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	20
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	16
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	12 (by each hygienist)
HOW FAR AHEAD IS DENTIST SCHEDULED?	one week
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	eight weeks
% PRACTICE INCOME FROM CASH	49%
% OF PATIENTS PAYING CASH	49%
% PRACTICE INCOME FROM INSURANCE	51%
% OF PATIENTS WITH INSURANCE	51%
% 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	8:00 am - 6:00 pm
TUESDAY	8:00 am - 5:00 pm
WEDNESDAY	8:00 am - 12:00 pm
THURSDAY	8:00 am - 5:00 pm
FRIDAY	7:00 am - 12:00 pm
SATURDAY	
DENTIST HOURS WORKED PER WEEK	35
HYGIENIST HOURS WORKED PER WEEK	42
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	5,016
HYGIENE PATIENT VISITS PER YEAR	2,650
NUMBER OF DAYS WORKED PER YEAR	240
NUMBER OF WEEKS WORKED PER YEAR	48
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$37,000
SIX WEEKS ACCOUNTS RECEIVABLE	\$61,691
WHAT IS YOUR COLLECTION PERCENTAGE	98%
WHAT TYPE RECALL SYSTEM	Computer
WHAT TYPE COMPUTER SYSTEM	Eaglesoft

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	26%
OPERATIVE	60%
PEDODONTICS	0%
ORTHODONTICS	0%
IMPLANTS	1%
REMOVABLE PROSTHETICS	5%
FIXED PROSTHETICS	4%
ENDODONTICS	1%
PERIODONTICS	0%
ORAL SURGERY	1%
COSMETIC	1%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
OTHER	1%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	40%
LOCATION DEMAND SCALE 0% - 100%	65%
PLAN / MEDICAID PRACTICE %	
ANNUAL FEE INCREASE %	4.0%
ANNUAL OVERHEAD INCREASE %	4.0%
FEE SCHEDULE	
ADULT PROPHY 01110	\$68
GOLD INLAY 02540	
TWO SURFACE POSTERIOR COMPOSITE 02392	\$126
TWO SURFACE AMALGAM 02150	\$82
CORE BUILD-UP INCLUDING PINS 02950	\$195
GOLD / PORCELAIN CROWN 02750	\$825
ANTERIOR CANAL ROOT CANAL 03310	\$465
BICUSPID ROOT CANAL 03320	\$525
LABIAL PORCELAIN VENEER 02962	\$750
AVERAGE OF FEES	\$535
PERCENT OF FEE PARITY	96%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	60,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	100,000
NUMBER OF DENTISTS WITHIN 5 MILES	25
NUMBER NEW DENTISTS WITHIN 5 MILES IN LAST 5 YEARS	
MAJOR EMPLOYERS IN AREA	East Tenn State Univer, Nuclear Fuels, Tenn Eastman, Johnson City 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
RECEPTIONIST	\$ 8,900PT	?	1985
OFFICE MANAGER	\$36,537	Yes	1977
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT	\$24,500	Yes	1989
ASSISTANT	\$22,800	Yes	2001
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$57,000	?	1977
HYGIENIST	\$16,000 PT	?	1995
HYGIENIST	\$11,900	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE	\$800/yr medical reimbursement and \$45/month clothing allowance		
DO YOU HIRE ANY UNPAID FAMILY MEMBERS	for full time employees		
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
PRODUCTION CENTERS			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	1/1/07 TO 11/2/07	2006	2005
GROSS PRODUCTION	\$413,032	\$498,735	\$487,844
HYGIENISTS	\$114,454	\$132,318	\$127,315
OWNER	\$298,578	\$366,417	\$360,529
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		