

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			\$984,727	100.0%
	HYGIENE COMPONENT		\$295,418	30.0%
	DENTIST COMPONENT		\$689,309	70.0%
	RETAINED SELLER		\$0	0.0%
	ASSOCIATE		\$0	0.0%
	PURCHASER		\$689,309	70.0%

VARIABLE EXPENSE INCREASE

	WAGES, PAYROLL TAX, ETC.		\$238,081	24.2%
	LABORATORY		\$39,814	4.0%
	CLINICAL SUPPLIES		\$82,635	8.4%
	OTHER VARIABLE EXPENSE		\$28,480	2.9%
TOTAL VARIABLE EXPENSE INCREASE			\$389,011	39.5%

FIXED EXPENSE INCREASE

	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	0.3%
	LEGAL & ACCOUNTING		\$3,500	0.4%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$17,559	1.8%
TOTAL FIXED EXPENSE INCREASE			\$25,559	2.6%

DEBT SERVICE INCREASE

	INTEREST		\$50,398	5.1%
	PRINCIPAL		\$92,831	9.4%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$143,229	14.5%

SUMMARY

EXPECTED INCREASED COLLECTIONS			\$984,727	100.0%
EXPECTED INCREASED EXPENSES			\$414,570	42.1%
EXPECTED INCREASED DEBT SERVICE			\$143,229	14.5%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION			\$426,928	61.9%
PURCHASER PRODUCED PRODUCTION			\$689,309	70.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$92,831	13.5%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$38,341	5.6%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$558,099	81.0%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

	SALES PRICE & PERCENT OF GROSS		\$740,000	78%
	WORKING CAPITAL		\$47,000	4.8%
	TOTAL LOAN		\$787,000	79.9%
	LOAN INTEREST RATE		7.15%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$11,936	14.5%
	ESTIMATED MONTHLY HYGIENE/ASSSOC PROFIT		\$14,771	18.0%

Knoxville, Tennessee

MERGER DATA SUMMARY FOR PRACTICE NUMBER 8449

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	3,000
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$4,728
PRICE PER SQUARE FOOT	\$18.91
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	15
PROXIMITY OF PARKING PLACES	Adjacent
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	4
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	2
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	September-08
DATE LEASE ENDS - i.e. "1/1/04"	December-13
TERM OF LEASE IN YEARS i.e. "5"	5
YEARS REMAINING ON LEASE i.e. "2.5"	4
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	Seller is flexible in the number of days he will work.
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 RESULTS	No
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Consistent growth
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,000
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	83
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	10
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	10
HOW FAR AHEAD IS DENTIST SCHEDULED?	one week
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	two weeks
% PRACTICE INCOME FROM CASH	50%
% OF PATIENTS PAYING CASH	50%
% PRACTICE INCOME FROM INSURANCE	
% OF PATIENTS WITH INSURANCE	
% 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	50%
% OF PATIENTS WITH MEDICAID	50%
% PRACTICE INCOME WITH REDUCED FEE PLANS	50%
% OF PATIENTS WITH REDUCED FEE PLANS	50%
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
OFFICE HOURS	MONDAY 8:00 am - 6:00 pm
	TUESDAY 8:00 am - 6:00 pm
	WEDNESDAY 8:00 am - 6:00 pm
	THURSDAY 8:00 am - 6:00 pm
	FRIDAY
	SATURDAY
DENTIST HOURS WORKED PER WEEK	40
HYGIENIST HOURS WORKED PER WEEK	40
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	1,093
HYGIENE PATIENT VISITS PER YEAR	1,635
NUMBER OF DAYS WORKED PER YEAR	192
NUMBER OF WEEKS WORKED PER YEAR	48
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$84,142
SIX WEEKS ACCOUNTS RECEIVABLE	\$113,622
WHAT IS YOUR COLLECTION PERCENTAGE	101%
WHAT TYPE RECALL SYSTEM	Phone calls, magnets, postcards
WHAT TYPE COMPUTER SYSTEM	Dentrix

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	28%
OPERATIVE	21%
PEDODONTICS	1%
ORTHODONTICS	0%
IMPLANTS	5%
REMOVABLE PROSTHETICS	4%
FIXED PROSTHETICS	2%
ENDODONTICS	22%
PERIODONTICS	2%
ORAL SURGERY	8%
COSMETIC	5%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	2%
OTHER	0%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	70%
LOCATION DEMAND SCALE 0% - 100%	90%
PLAN / MEDICAID PRACTICE %	50%
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
FEE SCHEDULE	
ADULT PROPHY 01110	\$61
GOLD INLAY 02540	\$881
TWO SURFACE POSTERIOR COMPOSITE 02386	\$164
TWO SURFACE AMALGAM 02150	\$114
CORE BUILD-UP INCLUDING PINS 02950	\$153
GOLD / PORCELAIN CROWN 02750	\$925
ANTERIOR CANAL ROOT CANAL 03310	\$550
BICUSPID ROOT CANAL 03320	\$650
LABIAL PORCELAIN VENEER 02962	\$800
AVERAGE OF FEES	\$478
PERCENT OF FEE PARITY	85%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	500,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	1,000,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	75
WITHIN	10
MAJOR EMPLOYERS IN AREA	Alcoa, TVA, Boeing, ORNL, Bectel Jacobs
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	\$40,000	Maybe	1996
OFFICE MANAGER	\$65,000	Maybe	1993
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT	\$40,000	Maybe	2000
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$55,000	Yes	2008
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE	Bonus 4% collections over \$60,000		
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	1/1/10 - 12/31/10	2009	2008
GROSS PRODUCTION	\$947,630	\$1,124,154	\$1,139,352
HYGIENISTS	\$217,955	\$ 258,555	\$ 262,051
OWNER	\$729,674	\$ 865,599	\$ 877,301
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED	\$250/Day plus 4% over \$60,000 gross collection		
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	Yes		
AGAINST YOU IN THE PAST TEN YEARS? EXPLAIN	Separated file in endo tooth. Patient was living in Florida and needed retreatment. Settled by carrier for \$10,000		
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY	None		