

**Memphis Area, TN** **General Dentistry**  
**FINANCIAL DATA SUMMARY FOR PRACTICE** **8487** 5/2/2011 15:40

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.**

<b>PRACTICE INCOME</b>					
EXPECTED GROSS COLLECTIONS				\$643,768	100.0%
	HYGIENE COMPONENT			\$135,191	21.0%
	DENTIST COMPONENT			\$508,577	79.0%
		RETAINED SELLER		\$0	0.0%
		ASSOCIATE		\$0	0.0%
		PURCHASER		\$508,577	79.0%
<b>VARIABLE EXPENSES</b>					
	WAGES, PAYROLL TAX, ETC.			\$225,346	35.0%
	LABORATORY			\$57,856	9.0%
	CLINICAL SUPPLIES			\$32,678	5.1%
	OTHER VARIABLE EXPENSE			\$19,462	3.0%
TOTAL VARIABLE EXPENSE INCREASE				\$335,342	52.1%
<b>FIXED EXPENSES</b>					
	RENT			\$0	0.0%
	PHONE, UTILITIES			\$6,276	1.0%
	LEGAL & ACCOUNTING			\$6,760	1.1%
	INSURANCE			\$7,800	1.2%
	OTHER FIXED EXPENSE			\$13,053	2.0%
TOTAL FIXED EXPENSE INCREASE				\$33,890	5.3%
<b>DEBT SERVICE</b>					
	INTEREST			\$51,778	8.0%
	PRINCIPAL			\$58,206	9.0%
TOTAL DEBT SERVICE				\$109,984	17.1%
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$643,768	100.0%
EXPECTED EXPENSES				\$369,232	57.4%
DEBT SERVICE				\$109,984	17.1%
<b>EXPECTED NET INCOME &amp; PERCENT OF PERSONAL PRODUCTION</b>				<b>\$164,552</b>	<b>32.4%</b>
PURCHASER PRODUCED PRODUCTION				\$508,577	79.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$58,206	11.4%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$14,538	2.9%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$237,297</b>	<b>46.7%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
	SALES PRICE & PERCENT OF GROSS			\$399,000	64%
	WORKING CAPITAL			\$31,000	4.8%
	TOTAL LOAN			\$430,000	66.8%
	LOAN INTEREST RATE			9.00%	
	LOAN TERM IN MONTHS			84	
	MONTHLY PAYMENT			\$9,165	17.1%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT			\$3,925	7.3%

**Memphis Area, TN****DATA SUMMARY FOR PRACTICE NUMBER 8487**

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	1,500
EXPANDABLE FOOTAGE	Much
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	
PROXIMITY OF PARKING PLACES	On premises
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	4
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"	
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	\$250,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$2,000
ANNUAL REAL ESTATE TAXES	\$1,728
ANNUAL REAL ESTATE INSURANCE COST	\$577
PURCHASER MORTGAGE INTEREST RATE	7.00%
PURCHASER MORTGAGE TERM - YEARS	15
PURCHASER MONTHLY PAYMENT	\$2,247
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$17.98

**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

<b>PRACTICE DATA</b>	
WHAT CONSULTANT USED IN PAST 5 YRS	No
RESULTS	
DESCRIBE INTERNAL MARKETING	None
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,878
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	24
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	15
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	13
HOW FAR AHEAD IS DENTIST SCHEDULED?	two to three weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	eight weeks
% PRACTICE INCOME FROM CASH	70%
% OF PATIENTS PAYING CASH	51%
% PRACTICE INCOME FROM INSURANCE	28%
% OF PATIENTS WITH INSURANCE	44%
% PRACTICE INCOME FROM HMO	
% OF PATIENTS WITH HMO	
% PRACTICE INCOME FROM PPO	2%
% OF PATIENTS WITH PPO	5%
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	2%
% OF PATIENTS WITH REDUCED FEE PLANS	5%
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
OFFICE HOURS	MONDAY 8:00 am - 7:00 pm
	TUESDAY 8:00 am - 7:00 pm
	WEDNESDAY
	THURSDAY 8:00 am - 7:00 pm
	FRIDAY 8:00 am - 7:00 pm
	SATURDAY
DENTIST HOURS WORKED PER WEEK	40
HYGIENIST HOURS WORKED PER WEEK	40
ASSOCIATE HOURS WORKED PER WEEK	32
DENTIST PATIENT VISITS PER YEAR	3,600
HYGIENE PATIENT VISITS PER YEAR	2,496
NUMBER OF DAYS WORKED PER YEAR	190
NUMBER OF WEEKS WORKED PER YEAR	48
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$44,693
SIX WEEKS ACCOUNTS RECEIVABLE	\$74,281
WHAT IS YOUR COLLECTION PERCENTAGE	
WHAT TYPE RECALL SYSTEM	Postcards
WHAT TYPE COMPUTER SYSTEM	Eaglesoft

<b>WHAT % OF THE PRACTICE INCOME IS:</b>	
HYGIENIST PRODUCTION	21%
OPERATIVE	20%
PEDODONTICS	0%
ORTHODONTICS	0%
IMPLANTS	0%
REMOVABLE PROSTHETICS	10%
FIXED PROSTHETICS	30%
ENDODONTICS	5%
PERIODONTICS	1%
ORAL SURGERY	8%
COSMETIC	0%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
OTHER	6%
TOTAL	100%
<b>MARKET FACTOR DATA</b>	
EQUIPMENT FACTOR SCALE 0% - 100%	75%
LOCATION DEMAND SCALE 0% - 100%	80%
PLAN / MEDICAID PRACTICE %	2%
ANNUAL FEE INCREASE %	4.0%
ANNUAL OVERHEAD INCREASE %	4.0%
<b>FEE SCHEDULE</b>	
ADULT PROPHY 01110	\$49
GOLD INLAY 02540	
TWO SURFACE POSTERIOR COMPOSITE 02386	\$127
TWO SURFACE AMALGAM 02150	\$97
CORE BUILD-UP INCLUDING PINS 02950	\$84
GOLD / PORCELAIN CROWN 02750	\$800
ANTERIOR CANAL ROOT CANAL 03310	\$375
BICUSPID ROOT CANAL 03320	\$450
LABIAL PORCELAIN VENEER 02962	\$850
AVERAGE OF FEES	\$354
PERCENT OF FEE PARITY	66%
<b>DEMOGRAPHIC DATA</b>	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	30,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	60,000
NUMBER OF DENTISTS WITHIN 5 MILES	6
NUMBER NEW DENTISTS WITHIN 5 MILES IN LAST 5 YEARS	1
MAJOR EMPLOYERS IN AREA	Naval base, Millington Phone Company, Micro Ingram
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN YOUR DRAWING AREA	None

<b>STAFF DATA</b>			
DESCRIBE STAFF BY POSITION AS TO	ANNUAL SALARY	WILL POSSIBLY STAY?	YEAR HIRED
RECEPTIONIST	\$30,952	Yes	1999
OFFICE MANAGER	\$ _____	_____	_____
RECEPTIONIST	\$10,800	No	
ASSISTANT	\$21,020	Yes	2005
ASSISTANT	\$28,980	No	2001
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$67,980	Yes	1992
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE			
DO YOU HIRE ANY UNPAID FAMILY MEMBERS			
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
<b>PRODUCTION CENTERS</b>			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	1/1/07 TO 9/30/07	2006	2005
GROSS PRODUCTION	\$555,888	\$808,395	\$774,338
HYGIENISTS	\$130,845	\$168,060	\$161,416
OWNER	\$281,529	\$368,839	\$355,422
ASSOCIATE	\$143,514	\$271,496	\$257,509
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE	50.00%		
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED	\$35/hour		
ENTER HYGIENIST COMMISSION PERCENTAGE			
<b>CONFORMITY DATA</b>			
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		