

**Dothan Area, Alabama** **General Dentistry**  
**FINANCIAL DATA SUMMARY FOR PRACTICE** **8535** 6/15/2011 16:28

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.**

<b>PRACTICE INCOME</b>					
EXPECTED GROSS COLLECTIONS				\$436,685	100.0%
	HYGIENE COMPONENT			\$131,005	30.0%
	DENTIST COMPONENT			\$305,679	70.0%
		RETAINED SELLER		\$0	0.0%
		ASSOCIATE		\$0	0.0%
		PURCHASER		\$305,679	70.0%
<b>VARIABLE EXPENSES</b>					
	WAGES, PAYROLL TAX, ETC.			\$129,715	29.7%
	LABORATORY			\$33,068	7.6%
	CLINICAL SUPPLIES			\$33,379	7.6%
	OTHER VARIABLE EXPENSE			\$13,999	3.2%
TOTAL VARIABLE EXPENSE INCREASE				\$210,161	48.1%
<b>FIXED EXPENSES</b>					
	RENT			\$0	0.0%
	PHONE, UTILITIES			\$12,944	3.0%
	LEGAL & ACCOUNTING			\$6,760	1.5%
	INSURANCE			\$7,800	1.8%
	OTHER FIXED EXPENSE			\$10,910	2.5%
TOTAL FIXED EXPENSE INCREASE				\$38,413	8.8%
<b>DEBT SERVICE</b>					
	INTEREST			\$35,812	8.2%
	PRINCIPAL			\$46,114	10.6%
TOTAL DEBT SERVICE				\$81,925	18.8%
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$436,685	100.0%
EXPECTED EXPENSES				\$248,574	56.9%
DEBT SERVICE				\$81,925	18.8%
<b>EXPECTED NET INCOME &amp; PERCENT OF PERSONAL PRODUCTION</b>				<b>\$106,185</b>	<b>34.7%</b>
PURCHASER PRODUCED PRODUCTION				\$305,679	70.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$46,114	15.1%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$8,073	2.6%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$160,371</b>	<b>52.5%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
	SALES PRICE & PERCENT OF GROSS			\$259,000	62%
	WORKING CAPITAL			\$21,000	4.8%
	TOTAL LOAN			\$280,000	64.1%
	LOAN INTEREST RATE			9.00%	
	LOAN TERM IN MONTHS			84	
	MONTHLY PAYMENT			\$6,827	18.8%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT			\$7,973	21.9%

**Dothan Area, Alabama****DATA SUMMARY FOR PRACTICE NUMBER 8535**

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	1,580
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	
PROXIMITY OF PARKING PLACES	Front of building
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	2
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"	
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	\$200,000
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	10
PURCHASER MONTHLY PAYMENT	\$2,322
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$17.64

**WORK SCHEDULE**

PLANS AFTER SALE OF PRACTICE	Retirement
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	Toothbrushes, floss, birthday cards
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	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	10
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	9
HOW FAR AHEAD IS DENTIST SCHEDULED?	one to two weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	one to two weeks
% PRACTICE INCOME FROM CASH	100%
% OF PATIENTS PAYING CASH	100%
% 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	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
OFFICE HOURS	MONDAY 8:30 am - 5:30 pm
	TUESDAY 8:30 am - 5:30 pm
	WEDNESDAY 8:30 am - 5:30 pm
	THURSDAY 8:30 am - 5:30 pm
	FRIDAY 8:30 am - 12:30 pm
	SATURDAY
DENTIST HOURS WORKED PER WEEK	36
HYGIENIST HOURS WORKED PER WEEK	36
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	200
NUMBER OF WEEKS WORKED PER YEAR	45
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$27,000
SIX WEEKS ACCOUNTS RECEIVABLE	\$50,387
WHAT IS YOUR COLLECTION PERCENTAGE	96%
WHAT TYPE RECALL SYSTEM	Six months
WHAT TYPE COMPUTER SYSTEM	Dentrix

<b>WHAT % OF THE PRACTICE INCOME IS:</b>	
HYGIENIST PRODUCTION	30%
OPERATIVE	0%
PEDODONTICS	0%
ORTHODONTICS	0%
IMPLANTS	0%
REMOVABLE PROSTHETICS	0%
FIXED PROSTHETICS	0%
ENDODONTICS	0%
PERIODONTICS	0%
ORAL SURGERY	0%
COSMETIC	0%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
OTHER	0%
TOTAL	30%
<b>MARKET FACTOR DATA</b>	
EQUIPMENT FACTOR SCALE 0% - 100%	50%
LOCATION DEMAND SCALE 0% - 100%	40%
PLAN / MEDICAID PRACTICE %	
ANNUAL FEE INCREASE %	4.0%
ANNUAL OVERHEAD INCREASE %	4.0%
<b>FEE SCHEDULE</b>	
ADULT PROPHY 01110	\$48
GOLD INLAY 02540	\$530
TWO SURFACE POSTERIOR COMPOSITE 02386	\$117
TWO SURFACE AMALGAM 02150	\$73
CORE BUILD-UP INCLUDING PINS 02950	\$114
GOLD / PORCELAIN CROWN 02750	\$657
ANTERIOR CANAL ROOT CANAL 03310	\$441
BICUSPID ROOT CANAL 03320	\$520
LABIAL PORCELAIN VENEER 02962	\$725
AVERAGE OF FEES	\$358
PERCENT OF FEE PARITY	64%
<b>DEMOGRAPHIC DATA</b>	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	16,000
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	
MAJOR EMPLOYERS IN AREA	Ft. Rucker Army Base, Frit Industries (fertilizer), Door Company, Hospital, Walmart, Michelin, Sony
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	\$25,522	Yes	1998
OFFICE MANAGER	\$ _____	_____	_____
BOOKKEEPER	\$ 9,640 PT	No	1998
ASSISTANT	\$29,985	Possible	2004
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$25,522	Possible	1998
HYGIENIST	\$ 8,882 PT	Possible	1987
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
JANITOR	\$10,612	No	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE			
DO YOU HIRE ANY UNPAID FAMILY MEMBERS			
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
PRODUCTION CENTERS			
ENTER YEAR	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
	_____ 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		