

MERGER FINANCIAL SUMMARY FOR PRACTICE 8719

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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: Practice price does not include accounts receivable.**

PRACTICE INCOME

EXPECTED GROSS COLLECTION INCREASE			\$354,093	100.0%
HYGIENE COMPONENT			\$67,278	19.0%
DENTIST COMPONENT			\$286,815	81.0%
RETAINED SELLER			\$177,046	50.0%
ASSOCIATE			\$0	0.0%
PURCHASER			\$109,769	31.0%

VARIABLE EXPENSE INCREASE

WAGES, PAYROLL TAX, ETC.			\$68,552	19.4%
LABORATORY			\$30,105	8.5%
CLINICAL SUPPLIES			\$25,038	7.1%
OTHER VARIABLE EXPENSE			\$74,325	21.0%
TOTAL VARIABLE EXPENSE INCREASE			\$198,021	55.9%

FIXED EXPENSE INCREASE

RENT			\$0	0.0%
PHONE, UTILITIES			\$3,000	0.8%
LEGAL & ACCOUNTING			\$3,500	1.0%
INSURANCE			\$1,500	0.4%
OTHER FIXED EXPENSE			\$6,684	1.9%
TOTAL FIXED EXPENSE INCREASE			\$14,684	4.1%

DEBT SERVICE INCREASE

INTEREST			\$47,717	13.5%
PRINCIPAL			\$37,064	10.5%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$84,780	23.9%

SUMMARY

EXPECTED INCREASED COLLECTIONS			\$354,093	100.0%
EXPECTED INCREASED EXPENSES			\$212,706	60.1%
EXPECTED INCREASED DEBT SERVICE			\$84,780	23.9%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION			\$56,607	51.6%
PURCHASER PRODUCED PRODUCTION			\$109,769	31.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$37,064	33.8%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$11,199	10.2%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD			\$104,869	95.5%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

SALES PRICE & PERCENT OF GROSS			\$249,000	73%
WORKING CAPITAL			\$17,000	4.8%
TOTAL LOAN			\$266,000	75.1%
LOAN INTEREST RATE			9.00%	
LOAN TERM IN MONTHS			84	
MONTHLY PAYMENT			\$7,065	23.9%
ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT			\$8,619	29.2%

North Shore, LA

MERGER DATA SUMMARY FOR PRACTICE NUMBER 8719

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	1,863
EXPANDABLE FOOTAGE	Attic
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	10
PROXIMITY OF PARKING PLACES	30'
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	2
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	1
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	1
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	N/A
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	\$333,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$2,973
ANNUAL REAL ESTATE INSURANCE COST	\$1,740
PURCHASER MORTGAGE INTEREST RATE	8.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$2,785
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$17.94

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Retiring
DAYS/WEEK CURRENTLY WORKED	4
ENTER DESIRED DAYS WORKED FOR NEW BUYER SALE	
DESIRED WORK DAYS/WEEK 1ST YR	2
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: Practice philosophy: Treat others as you would wish to be treated. Do the best possible for each patient being sensitive to that individual's physical, emotional and financial limitations. Discourage "emergency care"/promote prevention- based comprehensive care. Inform and educate patients as to treatment options/consequences so that they participate in their dental treatment decisions.

PRACTICE DATA	
WHAT CONSULTANT USED IN PAST 5 YRS	None
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS!	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,140
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	11
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	4
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	6
HOW FAR AHEAD IS DENTIST SCHEDULED?	
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	
% PRACTICE INCOME FROM CASH	45%
% OF PATIENTS PAYING CASH	45%
% PRACTICE INCOME FROM INSURANCE	55%
% OF PATIENTS WITH INSURANCE	55%
% 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 - 12 1 - 5
	TUESDAY 8 - 12 1 - 5
	WEDNESDAY 1 - 8
	THURSDAY 8 - 1 2 - 5
	FRIDAY
	SATURDAY
DENTIST HOURS WORKED PER WEEK	31
HYGIENIST HOURS WORKED PER WEEK	28
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	736
HYGIENE PATIENT VISITS PER YEAR	938
NUMBER OF DAYS WORKED PER YEAR	184
NUMBER OF WEEKS WORKED PER YEAR	46
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$10,519
SIX WEEKS ACCOUNTS RECEIVABLE	\$40,857
WHAT IS YOUR COLLECTION PERCENTAGE	101%
WHAT TYPE RECALL SYSTEM	Dentrix; Postcard reminders mailed monthly
WHAT TYPE COMPUTER SYSTEM	Dentrix

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	19%
OPERATIVE	45%
PEDODONTICS	1%
ORTHODONTICS	0%
IMPLANTS	6%
REMOVABLE PROSTHETICS	4%
FIXED PROSTHETICS	1%
ENDODONTICS	2%
PERIODONTICS	0%
ORAL SURGERY	3%
COSMETIC	0%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
DIAGNOSTIC	19%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	90%
LOCATION DEMAND SCALE 0% - 100%	90%
PLAN / MEDICAID PRACTICE %	
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
FEE SCHEDULE	
ADULT PROPHY 01110	\$68
GOLD INLAY 02540	N/A
TWO SURFACE POSTERIOR COMPOSITE 02386	
TWO SURFACE AMALGAM 02150	\$112
CORE BUILD-UP INCLUDING PINS 02950	\$180
GOLD / PORCELAIN CROWN 02750	\$800
ANTERIOR CANAL ROOT CANAL 03310	\$490
BICUSPID ROOT CANAL 03320	\$575
LABIAL PORCELAIN VENEER 02962	\$725
AVERAGE OF FEES	\$421
PERCENT OF FEE PARITY	70%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	27,200
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	30,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	15
WITHIN	5 miles
MAJOR EMPLOYERS IN AREA	Stennis, Michoud, Oil Industry, Textron Michoud)
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN YOUR DRAWING AREA	Space industry downturn with major layoffs to NASA (Stennis, Michoud)

STAFF DATA			
DESCRIBE STAFF BY POSITION AS TO	ANNUAL SALARY	WILL POSSIBLY STAY?	YEAR HIRED
RECEPTIONIST	26226	Yes	2003
OFFICE MANAGER	\$ _____	_____	_____
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT	22013	Yes	2008
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	26000	No	1985
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER _____			
DESCRIBE FRINGE BENEFITS AND VALUE	401 K, 5 days paid vacation (Yr 1-5) 10 days paid, vacation thereafter		
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 to 3/15/10	2009	2008
GROSS PRODUCTION	69,069.93	\$340,414.13	368,016.26
HYGIENISTS	\$ _____	\$ _____	\$ _____
OWNER	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED	N/A		
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED	26,000/year		
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		