

Lake Lanier, Georgia **General Dentistry**
MERGER FINANCIAL SUMMARY FOR PRACTICE 8734 6/16/2010 14:40

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. 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			\$385,377	100.0%
	HYGIENE COMPONENT		\$104,052	27.0%
	DENTIST COMPONENT		\$281,325	73.0%
		RETAINED SELLER	\$281,325	73.0%
		ASSOCIATE	\$0	0.0%
		PURCHASER	\$0	0.0%
VARIABLE EXPENSE INCREASE				
	WAGES, PAYROLL TAX, ETC.		\$89,010	23.1%
	LABORATORY		\$27,559	7.2%
	CLINICAL SUPPLIES		\$26,928	7.0%
	OTHER VARIABLE EXPENSE		\$113,907	29.6%
TOTAL VARIABLE EXPENSE INCREASE			\$257,404	66.8%
FIXED EXPENSE INCREASE				
	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	0.8%
	LEGAL & ACCOUNTING		\$3,500	0.9%
	INSURANCE		\$1,500	0.4%
	OTHER FIXED EXPENSE		\$6,211	1.6%
TOTAL FIXED EXPENSE INCREASE			\$14,211	3.7%
DEBT SERVICE INCREASE				
	INTEREST		\$20,918	5.4%
	PRINCIPAL		\$33,509	8.7%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$54,427	14.1%
SUMMARY				
EXPECTED INCREASED COLLECTIONS			\$385,377	100.0%
EXPECTED INCREASED EXPENSES			\$271,616	70.5%
EXPECTED INCREASED DEBT SERVICE			\$54,427	14.1%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION			\$59,335	#DIV/0!
PURCHASER PRODUCED PRODUCTION			\$0	0.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$33,509	#DIV/0!
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$10,028	#DIV/0!
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$102,871	#DIV/0!
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:				
	SALES PRICE & PERCENT OF GROSS		\$272,000	73%
	WORKING CAPITAL		\$19,000	4.9%
	TOTAL LOAN		\$291,000	75.5%
	LOAN INTEREST RATE		8.00%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$4,536	14.1%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT		\$13,836	43.1%

Lake Lanier, Georgia**MERGER DATA SUMMARY FOR PRACTICE NUMBER 8734**

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	1,800
EXPANDABLE FOOTAGE	1 Room 150 sq. feet
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,764
PRICE PER SQUARE FOOT	\$11.76
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	20
PROXIMITY OF PARKING PLACES	Adjacent to Building
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"	January-00
DATE LEASE ENDS - i.e. "1/1/04"	December-10
TERM OF LEASE IN YEARS i.e. "5"	10
YEARS REMAINING ON LEASE i.e. "2.5"	1
RENEWAL OPTIONS	Ad Lib
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 WORK DAYS FOR MERGER SALE	
DESIRED WORK DAYS/WEEK 1ST YR	3
DESIRED WORK DAYS/WEEK 2ND YR	2
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	None
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes
	Dentist's Health
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,019
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	18
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	6
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 months
% PRACTICE INCOME FROM CASH	42%
% OF PATIENTS PAYING CASH	42%
% PRACTICE INCOME FROM INSURANCE	58%
% OF PATIENTS WITH INSURANCE	58%
% 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 9 AM - 5 PM
	TUESDAY 9 AM - 5 PM
	WEDNESDAY 9 AM - 5 PM
	THURSDAY 9 AM - 5 PM
	FRIDAY
	SATURDAY
DENTIST HOURS WORKED PER WEEK	28
HYGIENIST HOURS WORKED PER WEEK	28
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	
NUMBER OF WEEKS WORKED PER YEAR	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	
SIX WEEKS ACCOUNTS RECEIVABLE	\$44,467
WHAT IS YOUR COLLECTION PERCENTAGE	
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	Dentrix

WHAT % OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	27%
OPERATIVE	41%
PEDODONTICS	0%
ORTHODONTICS	0%
IMPLANTS	1%
REMOVABLE PROSTHETICS	8%
FIXED PROSTHETICS	2%
ENDODONTICS	8%
PERIODONTICS	2%
ORAL SURGERY	5%
COSMETIC	0%
TMJ TREATMENT	0%
SOFT TISSUE MANAGEMENT	0%
DIAGNOSTIC	8%
TOTAL	100%
MARKET FACTOR DATA	
EQUIPMENT FACTOR SCALE 0% - 100%	40%
LOCATION DEMAND SCALE 0% - 100%	90%
PLAN / MEDICAID PRACTICE %	
ANNUAL FEE INCREASE %	4%
ANNUAL OVERHEAD INCREASE %	4%
FEE SCHEDULE	
ADULT PROPHY 01110	\$78
GOLD INLAY 02540	\$855
TWO SURFACE POSTERIOR COMPOSITE 02386	\$201
TWO SURFACE AMALGAM 02150	\$164
CORE BUILD-UP INCLUDING PINS 02950	\$254
GOLD / PORCELAIN CROWN 02750	\$1,000
ANTERIOR CANAL ROOT CANAL 03310	\$835
BICUSPID ROOT CANAL 03320	\$890
LABIAL PORCELAIN VENEER 02962	\$1,150
AVERAGE OF FEES	\$603
PERCENT OF FEE PARITY	108%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	twenty
MAJOR EMPLOYERS IN AREA	one mile
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			
OFFICE MANAGER	\$28,600	Yes	2009
RECEPTIONIST			
ASSISTANT	\$26,780	Yes	2005
ASSISTANT			
ASSISTANT			
ASSISTANT			
ASSISTANT			
HYGIENIST	\$47,040	Yes	2000
HYGIENIST			
HYGIENIST			
HYGIENIST			
LAB TECHNICIAN			
LAB TECHNICIAN			
OTHER _____			
OTHER			
DESCRIBE FRINGE BENEFITS AND VALUE	Holidays, paid vacation after 1 year of service		
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	1/1/2010-5/18/2010	2009	2008
GROSS PRODUCTION	\$165,558.89	\$421066	\$393,908
HYGIENISTS			121119
OWNER			299947
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED			47040
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	None		
YOUR PRACTICE OF DENTISTRY			