

The following statistics are based on assumptions that the subject practice will continue to be operated as it has been in the past. Variation from past performance are 1) increase in fees for each year; 2) no production increase occurs; and 3) overhead expenses increase each year. Fee and overhead increases are based on estimates of inflation and can be adjusted.

The purpose of this summary is to demonstrate the individual practice revenues and profitability of this particular practice.

PRACTICE FINANCIAL SUMMARY

AMOUNT OF INCOME PERSONALLY GENERATED BY PURCHASER	\$350,010
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$122,503
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NOW CONSIDER THE PRACTICE PROFIT. THIS IS AN AMOUNT OVER AND ABOVE THE COMPENSATION FOR PURCHASER'S PRODUCTION.

THE PROFIT IS THE BENEFIT OF OWNERSHIP OF THE PRACTICE. ONLY PRACTICE OWNERS REALIZE PRACTICE PROFIT.

IN THIS PRACTICE, THE PROFIT, AFTER ALL EXPENSES AND SALARY COMPENSATION TO THE PURCHASER IS PAID AMOUNTS TO	\$44,211
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THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF	11%
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TO COMPARE THIS OPPORTUNITY TO OTHER OPPORTUNITIES, WHETHER THEY ARE ASSOCIATESHIPS OR OTHER PRACTICES TO PURCHASE, LOOK AT SEVERAL KEY DATA POINTS.

	SUBJECT PRACTICE
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1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$106,626
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	30%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$39,202
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$145,828
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	41.7%

Talledega Area		General Dentistry			
FINANCIAL DATA SUMMARY FOR PRACTICE			9203	10/9/2018 13:47	
The following summary illustrates a projected year's income and expenses for the subject practice which incorporates an 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.					
PRACTICE INCOME					
EXPECTED GROSS COLLECTIONS				\$350,010	100.0%
	HYGIENE COMPONENT				
	DENTIST COMPONENT			\$350,010	100.0%
		RETAINED SELLER			
		ASSOCIATE			
		PURCHASER		\$350,010	100.0%
VARIABLE EXPENSES					
	WAGES, PAYROLL TAX, ETC.			\$75,254	21.5%
	LABORATORY			\$13,775	3.9%
	CLINICAL SUPPLIES			\$30,489	8.7%
	OTHER VARIABLE EXPENSE			\$32,174	9.2%
			TOTAL VARIABLE EXPENSE	\$151,692	43.3%
FIXED EXPENSES					
	RENT				
	PHONE, UTILITIES			\$15,633	4.5%
	LEGAL & ACCOUNTING			\$6,695	1.9%
	INSURANCE			\$7,725	2.2%
	OTHER FIXED EXPENSE			\$15,523	4.4%
			TOTAL FIXED EXPENSE	\$45,576	13.0%
DEBT SERVICE FOR PRACTICE AND BULDING					
	INTEREST			\$20,886	6.0%
	PRINCIPAL			\$25,229	7.2%
			TOTAL DEBT SERVICE	\$46,115	13.2%
SUMMARY					
EXPECTED COLLECTIONS				\$350,010	100.0%
EXPECTED EXPENSES				\$197,268	56.4%
DEBT SERVICE				\$46,115	13.2%
EXPCYD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$106,626	30.5%
PURCHASER PRODUCED PRODUCTION				\$350,010	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$25,229	7.2%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$13,973	4.0%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$145,828	41.7%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$244,000	72%
WORKING CAPITAL				\$17,000	
TOTAL PRACTICE LOAN				\$261,000	
PRACTICE LOAN INTEREST RATE				5.00%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$2,768	9%
BUILDING PRICE				\$150,000	
BUILDING MONTHLY PAYMENT				\$1,075	4%
PURCHASER CASH FLOW CONSIDERATIONS					
MONTHLY PAYMENTS FOR PRACTICE AND BULDING				\$3,843	13%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT					
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$122,503	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$44,211	17%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$166,715	

Tallegdega Area
DATA SUMMARY FOR PRACTICE NUMBER 9203

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	
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$2,100
PRICE PER SQUARE FOOT	#DIV/0!
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	60
PROXIMITY OF PARKING PLACES	200 Feet
TOTAL NUMBER OF EQUIPPED OPERATORIES	5

NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	3
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	3
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	

DO YOU OWN YOUR BUILDING?	Yes
DO YOU WISH TO SELL THE BUILDING?	Yes

WAS BUILDING APPRAISED?	No
WHEN?	
APPRAISED PRICE	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$150,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$1,588
ANNUAL REAL ESTATE INSURANCE COST	\$1,758
DATE OF LEASE i.e. "6/1/2016"	
DATE LEASE ENDS - i.e. "1/1/2020"	
RENEWAL OPTIONS	

IS THERE AN OPTION TO PURCHASE?	
BUILDING VALUE TO BE USED	\$150,000
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$1,075
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	#DIV/0!

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Flexible
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DAYS/WEEK CURRENTLY WORKED	3.0
HOW MANY DAYS WOULD YOU PREFER TO WORK FOR BUYER	
DESIRED WORK DAYS/WEEK 1ST YR	
DESIRED WORK DAYS/WEEK 2ND YR	
DESIRED WORK DAYS/WEEK 3RD YR	
DESIRED WORK DAYS/WEEK 4TH YR	
DESIRED WORK DAYS/WEEK 5TH YR	
DESIRED WORK DAYS/WEEK 6TH YR	

PRACTICE DATA	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	Yes, Sharon Tiger
RESULTS	Good
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	Website, Yellow Pages, School Programs, School Publications
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes; intentional scale back; for 5 years part-time doctor in practice
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide, Conscious Sedation
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	Dentrix, Ecentral, Automated
WHAT TYPE COMPUTER SYSTEM	Dentrix
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,460
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	17
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	14
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	Four weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	Six months
PRACTICE DATA	
% INCOME FROM CASH	
% OF PATIENTS PAYING CASH	18%
% INCOME FROM FEE FOR SERVICE INSURANCE	
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	14%
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	34%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	34%
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	68%
SCHEDULING DATA	
MONDAY	
TUESDAY	
WEDNESDAY	
THURSDAY	
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	100
NUMBER OF WEEKS WORKED PER YEAR	
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$81,973
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	-\$6,058
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$4,746

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	20%
OPERATIVE	
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	
FIXED PROSTHETICS	
ENDODONTICS	
PERIODONTICS	
ORAL SURGERY	
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	
TOTAL	20%
WHAT SERVICES ARE REFERRED OUT?	
REVENUES SOURCES	
IS ANY OF YOUR REPORTED INCOME FROM ANY OTHER SOURCE THAN PATIENT TREATMENT FROM THIS PRACTICE?	
IF SO HOW MUCH IN CURRENT PERIOD?	
IF SO , HOW MUCH FOR LAST YEAR?	
IF SO HOW MUCH FOR THE PREVIOUS YEAR?	
WHAT IS THE SOURCE OF THIS OTHER INCOME?	
FEE SCHEDULE	
ADULT PROPHY 01110	\$63
TWO SURFACE ANTERIOR COMPOSITE 02331	\$128
CORE BUILD-UP 02950	\$186
CROWN - GOLD/PORCELAIN 02750	
ANTERIOR CANAL ROOT CANAL 03310	\$502
PANORAMIC X-RAY 00330	\$85
TWO SURFACE POSTERIOR COMPOSITE 02392	\$157
CROWN - PORCELAIN CERAMIC 02740	\$824
LABIAL PORCELAIN VENEER 02962	\$824
BICUSPID ROOT CANAL 03320	\$609
AVERAGE OF FEES	\$375
PERCENT OF FEE PARITY	71%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	12,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	22,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Honda, New South Express, AIDB, Legacy Cabinets, CVMC, Kasai North America, Nemax, Fleetwood, Blue Bell Creameries, Imerys, Resolute Paper Mill
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	

STAFF DATA				
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY AND/OR COMMISSION PERCENT
RECEPTIONIST	1992	Yes		\$38,384
OFFICE MANAGER	2000	Yes		\$42,841
INSURANCE				
PART-TIME/OTHER FRONT DESK				\$1,200
BOOKKEEPER				
ASSISTANT/HYGIENIST	2015			\$30,861
ASSISTANT	2007			\$45,930
ASSISTANT	2015			\$24,813
ASSISTANT				
ASSISTANT				
HYGIENIST				
HYGIENIST				
HYGIENIST				
LAB TECHNICIAN				
LAB TECHNICIAN				
PART-TIME ASSOCIATE				\$69,089
ASSOCIATE				
ASSOCIATE				
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Sick Leave, Vacation, Holidays, Retirement
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				Yes
				Administrative Work--Quickbooks, Review deposits & Daysheets; Reconcile Bank Statements
WHAT POSITION DO THEY HOLD?				
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?				
THAN THE NORMAL SALARY FOR THEIR POSITION?				
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER				Under \$6,000 per year
COMPENSATION FOR EACH				
COLLECTION CENTERS				
PERIOD		1/1/2018 - 3/31/2018	2017	2016
GROSS COLLECTIONS				
OWNER COLLECTIONS				
HYGIENIST COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE SALARY IN DOLLARS OR COMMISSION PERCENT				
HYGIENIST SALARY IN DOLLARS OR COMMISSION PERCENT				

CONFORMITY DATA	
DOES YOUR PRACTICE MEET OSHA STANDARDS? WHY NOT?	Yes
DOES YOUR PRACTICE MEET HIPAA STANDARDS? WHY NOT?	Yes
ANY DISCIPLINARY ACTION IN LAST 7 YRS? EXPLAIN	No
ANY PRACTICE LAWSUITS FILED IN PAST TEN YRS. EXPLAIN	No
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY?	Yes, early onset of ALZ.
INSURANCE EXPLANATION	
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD	\$21,181
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?	\$21,181
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?	
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?	
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	
TAXES AND LICENSES EXPLANATION	
TOTAL EXPENSE FOR TAXES	
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?	
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?	
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	
PENSION EXPLANATION AND 401k COMBINED	
TOTAL EXPENSES FOR PENSION PLAN	\$7,500
HOW MUCH OF TOTAL IS FOR STAFF	\$7,500
HOW MUCH OF TOTAL IS FOR OWNER?	
BENEFITS EXPLANATION	
TOTAL EXPENSE FOR EMPLOYEE BENEFITS	
HOW MUCH OF TOTAL IS FOR STAFF?	
HOW MUCH OF TOTAL IS FOR OWNER?	
REDUCED FEE PLANS	
NAME OF PLAN - BE SURE TO LIST DELTA PREMIER IF YOU HAVE IT	% OF PRX INCOME FROM THIS PLAN
Medicaid	
BCBS	
Delta	