

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 **\$216,206**

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.
 CONSIDER A GENEROUS COMMISSION RATE OF 35% **\$75,672**

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 **\$87,559**

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF **40%**

TO COMPARE THIS OPPORTUNITY TO OTHER OPPORTUNITIES, WHETHER THEY ARE ASSOCIATESHIPS OR OTHER PRACTICES TO PURCHASE, LOOK AT SEVERAL KEY DATA POINTS. **SUBJECT PRACTICE**

1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$87,559
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	40%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$16,839
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$104,398
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	48%
6. BREAK-EVEN RETENTION PERCENTAGE	8%

Baldwin County, AL General Dentistry
MERGER FINANCIAL DATA FOR PRACTICE 9332

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				\$216,206	100.0%
HYGIENE COMPONENT				\$49,727	23.0%
DENTIST COMPONENT				\$166,479	77.0%
RETAINED SELLER					
ASSOCIATE					
PURCHASER				\$216,206	100.0%
VARIABLE EXPENSES					
WAGES, PAYROLL TAX, ETC.				\$49,127	22.7%
LABORATORY				\$28,319	13.1%
CLINICAL SUPPLIES				\$12,555	5.8%
OTHER VARIABLE EXPENSE				\$3,997	1.8%
TOTAL VARIABLE EXPENSE				\$93,998	43.5%
FIXED EXPENSES					
RENT					
PHONE, UTILITIES				\$3,000	1.4%
LEGAL & ACCOUNTING				\$3,500	1.6%
INSURANCE				\$1,500	0.7%
OTHER FIXED EXPENSE				\$9,640	4.5%
TOTAL FIXED EXPENSE				\$17,640	8.2%
PRACTICE DEBT SERVICE					
INTEREST				\$5,175	2.4%
PRINCIPAL				\$11,835	5.5%
TOTAL DEBT SERVICE				\$17,009	7.9%
SUMMARY					
EXPECTED COLLECTIONS				\$216,206	100.0%
EXPECTED EXPENSES				\$111,638	51.6%
PRACTICE DEBT SERVICE				\$17,009	7.9%
EXPTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$87,559	40%
PURCHASER PRODUCED PRODUCTION				\$216,206	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$11,835	5.5%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$5,004	2.3%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$104,398	48%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$130,000	62%
WORKING CAPITAL				\$10,000	
TOTAL PRACTICE LOAN				\$140,000	
PRACTICE LOAN INTEREST RATE				4.00%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$1,417	8%
PURCHASER CASH FLOW CONSIDERATIONS					
MONTHLY PRACTICE PAYMENTS				\$1,417	8%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$2,321	13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$75,672	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$33,900	24%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$109,573	
LESS PRACTICE DEBT SERVICE				(\$17,009)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE				\$92,564	

Baldwin County, AL	
MERGER DATA FOR PRACTICE NUMBER 9332	
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	1,235
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	10
PROXIMITY OF PARKING PLACES	Front/Doctor and staff in the back
TOTAL NUMBER OF EQUIPPED OPERATORIES	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	2
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
DO YOU OWN YOUR BUILDING? YES OR NO	Yes
DO YOU WISH TO SELL THE BUILDING? YES OR NO	yes
WAS BUILDING APPRAISED? / WHEN?	
ESTIMATED COST OF REPLACING OPERATORY	30,000
APPRAISED PRICE	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$195,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$1,250
ANNUAL REAL ESTATE TAXES	
ANNUAL REAL ESTATE INSURANCE COST	
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	\$195,000
PURCHASER MORTGAGE INTEREST RATE	4.50%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$1,234
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$11.99
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	
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?	
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Mail out cards
WHAT TYPE COMPUTER SYSTEM	
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	12
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	11
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	
HOW FAR AHEAD IS DENTIST SCHEDULED?	1 to 2 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	
PRACTICE DATA	
% INCOME FROM CASH	30%
% OF PATIENTS PAYING CASH	50%
% INCOME FROM FEE FOR SERVICE INSURANCE	
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	
% PRACTICE INCOME FROM REDUCED FEE PLANS	70%
% OF PATIENTS WITH REDUCED FEE PLANS	50%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	70%
% OF PATIENTS WITH REDUCED FEE PLANS	50%
SCHEDULING DATA	
MONDAY	9 AM - 5 PM (1:15 for lunch)
TUESDAY	9 AM - 5 PM (1:15 for lunch)
WEDNESDAY	
THURSDAY	9 AM - 5 PM (1:15 for lunch)
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	19.5
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	20
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	
NUMBER OF WEEKS WORKED PER YEAR	50
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	99%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	
ACCOUNTS RECEIVABLES - 31-60 DAYS	
ACCOUNTS RECEIVABLE - 61-90 DAYS	
ACCOUNTS RECEIVABLE >90 DAYS	

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	
OPERATIVE	
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	
FIXED PROSTHETICS	
ENDODONTICS	
PERIODONTICS	
ORAL SURGERY	
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	
TOTAL	
WHAT SERVICES ARE REFERRED OUT?	Wisdom Teeth; Few Root Canals
REVENUES SOURCES	
IS ANY OF YOUR REPORTED INCOME FROM ANY OTHER SOURCE THAN PATIENT TREATMENT FROM THIS PRACTICE?	No
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	\$144
TWO SURFACE ANTERIOR COMPOSITE 02331	\$130
CORE BUILD-UP 02950	\$195
CROWN - PORCELAIN 02750	\$830
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	\$99
TWO SURFACE POSTERIOR COMPOSITE 02392	\$130
CROWN - PORCELAIN CERAMIC 02740	\$880
LABIAL PORCELAIN VENEER 02962	\$880
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$510
PERCENT OF FEE PARITY	104%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	8,044
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Dental EZ, International Paper, Baldwin County Courthouse, Standard Furniture, North Baldwin Hospital, Coastal Community College
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Sweet Brew Coffee being built

STAFF DATA					CONFORMITY DATA
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY AND/OR COMMISSION PERCENT	DOES YOUR PRACTICE ME
RECEPTIONIST/PT	2005	Yes		\$5,402	
OFFICE MANAGER					
INSURANCE					
OTHER FRONT DESK					
BOOKKEEPER					
ASSISTANT	2007	Yes		\$30,579	
ASSISTANT					ANY DISCIPLINARY ACTION
ASSISTANT					
ASSISTANT					
ASSISTANT					
HYGIENIST		?			
HYGIENIST					ANY PRACTICE LAWSUITS
HYGIENIST					
HYGIENIST					DESCRIBE ANY HEALTH PI
LAB TECHNICIAN					YOUR PRACTICE OF DENT
LAB TECHNICIAN					INSURANCE EXPLANATIO
ASSOCIATE					TOTAL EXPENSE FOR INSI
ASSOCIATE					HOW MUCH OF TOTAL
ASSOCIATE					HOW MUCH OF TOT
					HOW MUCH OF TOT
					HOW MUCH OF TOT
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Retirement	HOW MUCH FOR
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE				\$50 a month up to maximum of \$600	TAXES AND LICENSES EXI
					TOTAL EXPENSE FOR TAX
					HOW MUC
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?					HOW MUCH OF
WHAT POSITION DO THEY HOLD?					HOW MUCH OF
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?					HOW MUCH OF TOTAL
					HOW MUCH OF
					PENSION EXPLANATION A
ARE THERE ANY EMPLOYEES WHO ARE PAID MORE OR LESS					TOTAL EXPENSES FOR PE
THAN THE NORMAL SALARY FOR THEIR POSITION?					
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER					H
COMPENSATION FOR EACH					BENEFITS EXPLANATION
					TOTAL EXPENSE FOR EMP
					H
COLLECTION CENTERS					
					PLAN NAME - BE SURE TO
				AS OF 6/30/2019	2018
				2017	Blue Cross
GROSS COLLECTIONS					Southland
OWNER COLLECTIONS					
HYGIENIST COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	

DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, AND PRACTICE PHILOSOPHY AND THE BEST STRENGTHS AND WORST WEAKNESSES OF YOUR PRACTICE:

Kindness, respect, equality, comfort. Our reputation is excellent-- patients come from all over. Patients are friends!

Treated as such.

We are known for answering many questions and explaining. We get calls from all over. Education is the key!!

We offer payment plans.

We've been there 42 years. Great spot. Close to town. Two blocks off courthouse. Close to Highway 31. Easy to get to.
