

Mobile Bay Area	General Dentistry	
MERGER FINANCIAL DATA SUMMARY FOR PRACTICE		9424

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	\$245,717
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$86,001
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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	\$119,533
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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	49%
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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)	\$119,533
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$17,998
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$137,531

PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD T \$238,560

Mobile Bay Area General Dentistry				
MERGER FINANCIAL DATA FOR PRACTICE 9424				
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			\$245,717	100.0%
HYGIENE COMPONENT			\$56,515	23.0%
DENTIST COMPONENT			\$189,202	77.0%
RETAINED SELLER				
ASSOCIATE				
PURCHASER			\$245,717	100.0%
VARIABLE EXPENSES				
WAGES, PAYROLL TAX, ETC.			\$57,735	23.5%
LABORATORY			\$17,016	6.9%
CLINICAL SUPPLIES			\$16,086	6.5%
OTHER VARIABLE EXPENSE			\$9,650	3.9%
TOTAL VARIABLE EXPENSE			\$100,487	40.9%
FIXED EXPENSES				
PHONE, UTILITIES			\$3,000	1.2%
LEGAL & ACCOUNTING			\$3,500	1.4%
INSURANCE			\$1,500	0.6%
OTHER FIXED EXPENSE			\$1,011	0.4%
TOTAL FIXED EXPENSE			\$9,011	3.7%
PRACTICE DEBT SERVICE				
INTEREST			\$3,976	1.6%
PRINCIPAL			\$12,710	5.2%
TOTAL DEBT SERVICE			\$16,686	6.8%
SUMMARY				
EXPECTED COLLECTIONS			\$245,717	100.0%
EXPECTED EXPENSES			\$109,498	44.6%
PRACTICE DEBT SERVICE			\$16,686	6.8%
EXPECTED NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$119,533	49%
PURCHASER PRODUCED PRODUCTION			\$245,717	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$12,710	5.2%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$5,288	2.2%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$137,531	56%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:				
PRACTICE SALES PRICE & PERCENT OF GROSS			\$132,000	55%
WORKING CAPITAL			\$12,000	
TOTAL PRACTICE LOAN			\$144,000	
PRACTICE LOAN INTEREST RATE			3.00%	
PRACTICE LOAN TERM IN MONTHS			120	
PRACTICE MONTHLY PAYMENT			\$1,390	7%
PURCHASER CASH FLOW CONSIDERATIONS				
MONTHLY PRACTICE PAYMENTS			\$1,390	7%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT			\$2,637	13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION			\$86,001	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY			\$55,506	39%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT			\$141,507	
LESS PRACTICE DEBT SERVICE			(\$16,686)	
PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE			\$124,821	

Mobile Bay Area	
MERGER DATA FOR PRACTICE NUMBER 9424	
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	1,300
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 of office
# EQUIPPED OPS	3
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	1
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
	134,000
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$1,047
ANNUAL REAL ESTATE INSURANCE COST	
DATE OF LEASE i.e. "6/1/2016"	
DATE LEASE ENDS - i.e. "1/1/2020"	
IS THERE AN OPTION TO PURCHASE?	
RENEWAL OPTIONS	
BUILDING VALUE TO BE USED	\$134,000
PURCHASER MORTGAGE INTEREST RATE	3.75%
PURCHASER MORTGAGE TERM - YEARS	15
PURCHASER MONTHLY PAYMENT	\$974
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$9.00
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	None
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?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	None
DESCRIBE EXTERNAL MARKETING	None
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, Less hours and referring more out
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Schedule every 6 months
WHAT TYPE COMPUTER SYSTEM	Easy Dental - Schein
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,584
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	8
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	8
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	3 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	4 Months
PRACTICE DATA	
% INCOME FROM CASH	51%
% OF PATIENTS PAYING CASH	51%
% INCOME FROM INSURANCE	49%
% OF PATIENTS WITH INSURANCE	49%
#REF!	#REF!
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
SCHEDULING DATA	
MONDAY	
TUESDAY	
WEDNESDAY	
THURSDAY	
FRIDAY	
SATURDAY	
DATES CLOSED FOR COVID	March 17, 2020
OWNER HOURS WORKED PER WEEK	24
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	24
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	147
NUMBER OF WEEKS WORKED PER YEAR	49
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$4,918
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$739
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$157
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$1,252
ACCOUNTS RECEIVABLE >90 DAYS	\$2,770

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:

HYGIENIST PRODUCTION	
OPERATIVE	
PEDODONTICS	10%
ORTHODONTICS	
IMPLANTS	10%
REMOVABLE PROSTHETICS	15%
FIXED PROSTHETICS	20%
ENDODONTICS	
PERIODONTICS	10%
ORAL SURGERY	
COSMETIC	35%
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
TOTAL	100%

WHAT SERVICES ARE REFERRED OUT? Endo, ortho, oral surgery, implants

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	\$70
TWO SURFACE ANTERIOR COMPOSITE 02331	\$174
CORE BUILD-UP 02950	\$175
CROWN - GOLD/PORCELAIN 02750	\$799
ANTERIOR CANAL ROOT CANAL 03310	\$690
PANORAMIC X-RAY 00330	\$92
TWO SURFACE POSTERIOR COMPOSITE 02392	\$229
CROWN - PORCELAIN CERAMIC 02740	\$899
LABIAL PORCELAIN VENEER 02962	\$1,003
BICUSPID ROOT CANAL 03320	\$765
AVERAGE OF FEES	\$490
PERCENT OF FEE PARITY	90%

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	
MAJOR EMPLOYERS IN AREA	Evonik; Mobile Infirmary Hospital; Oler Chemical; Masland Carpet; numerous other plants north.
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Very growing area

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST						
OFFICE MANAGER	2012	Yes		\$13,342		
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT	2017	Yes		\$15,928		
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST	2000	Yes		\$27,500		
HYGIENIST						
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Gas allowance; medical insurance		
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE						
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				No		
WHAT POSITION DO THEY HOLD?						
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?						
ARE THERE ANY EMPLOYEES WHO ARE PAID MORE OR LESS THAN THE NORMAL SALARY FOR THEIR POSITION?						
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER COMPENSATION FOR EACH						
COLLECTION CENTERS						
				\$2,019	2018	2017
GROSS COLLECTIONS				\$230,971	\$234,976	\$270,697
OWNER COLLECTIONS						
HYGIENIST COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$27,000		

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?	No		
INSURANCE EXPLANATION			
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD	\$5,893		
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?			
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?	\$1,812		
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?			
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	\$925		
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	\$3,156		
TAXES AND LICENSES EXPLANATION			
TOTAL EXPENSE FOR TAXES	\$5,587		
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?			
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	\$4,780		
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?			
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	\$93		
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	\$714		
PENSION EXPLANATION AND 401k COMBINED			
TOTAL EXPENSES FOR PENSION PLAN			
HOW MUCH OF TOTAL IS FOR STAFF			
HOW MUCH OF TOTAL IS FOR OWNER?			
BENEFITS EXPLANATION			
TOTAL EXPENSE FOR EMPLOYEE BENEFITS	\$4,400		
HOW MUCH OF TOTAL IS FOR STAFF?	\$911		
HOW MUCH OF TOTAL IS FOR OWNER?			
	% OF PRX INCOME	% OF YOUR FEE	
PLAN NAME - BE SURE TO LIST DELTA PREMIERE IF YOU HAVE	FROM THIS PLAN	THIS PLAN PAYS	
