

Gwinnett County GA				General Dentistry	
MERGER FINANCIAL SUMMARY FOR PRACTICE				8947	12/3/2014 14:03
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. 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. <b>NOTE: Practice price does not include accounts receivable.</b>					
PRACTICE INCOME					
EXPECTED GROSS COLLECTION INCREASE				\$1,329,768	100.0%
	HYGIENE COMPONENT			\$372,335	28.0%
	DENTIST COMPONENT			\$957,433	72.0%
		RETAINED SELLER			
		ASSOCIATE			
		PURCHASER		\$957,433	72.0%
VARIABLE EXPENSE INCREASE					
	WAGES, PAYROLL TAX, ETC.			\$316,420	23.8%
	LABORATORY			\$45,267	3.4%
	CLINICAL SUPPLIES			\$100,061	7.5%
	OTHER VARIABLE EXPENSE			\$33,160	2.5%
TOTAL VARIABLE EXPENSE INCREASE				\$494,909	37.2%
FIXED EXPENSE INCREASE					
	RENT				
	PHONE, UTILITIES			\$3,000	0.2%
	LEGAL & ACCOUNTING			\$3,500	0.3%
	INSURANCE			\$1,500	0.1%
	OTHER FIXED EXPENSE			\$10,998	0.8%
TOTAL FIXED EXPENSE INCREASE				\$18,998	1.4%
DEBT SERVICE INCREASE - EXCLUSIVE OF ANY REAL ESTATE MORTGAGE WHICH IS INCLUDED IN FIXED EXPENSES					
	INTEREST			\$47,200	3.5%
	PRINCIPAL			\$133,092	10.0%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE				\$180,292	13.6%
SUMMARY					
EXPECTED INCREASED COLLECTIONS				\$1,329,768	100.0%
EXPECTED INCREASED EXPENSES				\$513,907	38.6%
EXPECTED INCREASED DEBT SERVICE				\$180,292	13.6%
EXPECTED INCREASED NET INCOME & PERCENT OF PERSONAL PRODUCTION				\$635,568	66.4%
PURCHASER PRODUCED PRODUCTION				\$957,433	72.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$133,092	13.9%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$54,322	5.7%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$822,983	86.0%
FIRST YEAR RETURN ON INVESTMENT				\$534,081	53.5%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
	PRACTICE SALES PRICE & PERCENT OF GROSS			\$999,000	78%
	WORKING CAPITAL			\$64,000	
	TOTAL LOAN			\$1,063,000	
	LOAN INTEREST RATE			5.00%	
	LOAN TERM IN MONTHS			84	
	TOTAL MONTHLY PAYMENT			\$15,024	14%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT			\$18,617	17%

**Gwinnett County GA****DATA SUMMARY FOR PRACTICE NUMBER 8947**

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	2,025
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$5,000
PRICE PER SQUARE FOOT	\$29.63
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	31
PROXIMITY OF PARKING PLACES	In front of office
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)	2
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
DO YOU OWN YOUR BUILDING?	Yes
DO YOU WISH TO SELL THE BUILDING?	No
WAS BUILDING APPRAISED?	Yes
WHEN?	2,012
APPRAISED PRICE	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$5,000
ANNUAL REAL ESTATE TAXES	\$1,337
ANNUAL REAL ESTATE INSURANCE COST	\$1,200
DATE OF LEASE i.e. "1/1/99"	
DATE LEASE ENDS - i.e. "1/1/04"	
RENEWAL OPTIONS	
IS THERE AN OPTION TO PURCHASE?	
BUILDING VALUE TO BE USED	
PURCHASER MORTGAGE INTEREST RATE	
PURCHASER MORTGAGE TERM - YEARS	
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$29.63

**WORK SCHEDULE**

PLANS AFTER SALE OF PRACTICE	
DAYS/WEEK CURRENTLY WORKED	5.0
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	Staff, patient incentives
DESCRIBE EXTERNAL MARKETING	bill board, staff incentives
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes; new associate doctor
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	Dentrix
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,309
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	16
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	15
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	13
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 months
PRACTICE DATA	
% INCOME FROM CASH	5%
% OF PATIENTS PAYING CASH	5%
% INCOME FROM FEE FOR SERVICE INSURANCE	95%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	95%
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
% 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	9 AM - 5 PM
TUESDAY	11 AM - 7 PM
WEDNESDAY	9 AM - 5 PM
THURSDAY	11 AM - 7 PM
FRIDAY	9 AM - 1 PM
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	44
ASSOCIATE HOURS WORKED PER WEEK	44
HYGIENIST HOURS WORKED PER WEEK	44
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	89%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$54,262
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$43,198
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$2,504
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,574
ACCOUNTS RECEIVABLE >90 DAYS	\$5,986

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	28%
RESTORATIVE	28%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	5%
FIXED PROSTHETICS	9%
ENDODONTICS	4%
PERIODONTICS	6%
ORAL SURGERY	4%
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
DIAGNOSTIC	16%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Impacted extractions
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	\$92
TWO SURFACE ANTERIOR COMPOSITE 02331	\$198
CORE BUILD-UP 02950	\$275
CROWN - GOLD/PORCELAIN 02750	\$1,062
ANTERIOR CANAL ROOT CANAL 03310	\$796
PANORAMIC X-RAY 00330	\$108
TWO SURFACE POSTERIOR COMPOSITE 02392	\$180
CROWN - PORCELAIN CERAMIC 02740	\$1,095
LABIAL PORCELAIN VENEER 02962	\$1,545
BICUSPID ROOT CANAL 03320	\$902
AVERAGE OF FEES	\$625
PERCENT OF FEE PARITY	105%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	18,282
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN YOUR DRAWING AREA	Restaurants, grocery stores, banks, department stores

STAFF DATA				
POSITION	YEAR	STAY?	VALUE OF BENEFITS	ANNUAL SALARY AND/OR COMMISSION PERCENT
RECEPTIONIST	2013	Yes		\$27,040
OFFICE MANAGER	2009	Yes		\$30,243
INSURANCE				
OTHER FRONT DESK	2013	Yes		\$43,680
BOOKKEEPER				
ASSISTANT	2013	Yes		\$37,440
ASSISTANT	2013	Yes		\$33,280
ASSISTANT				
ASSISTANT				
ASSISTANT				
HYGIENIST	2010			\$58,240
HYGIENIST				\$12,000
HYGIENIST				\$12,000
HYGIENIST				
LAB TECHNICIAN				
LAB TECHNICIAN				
ASSOCIATE	2013			\$0
ASSOCIATE				
ASSOCIATE				
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE				
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				No
WHAT POSITION DO THEY HOLD AND WHAT IS THE ESTIMATED FAIR MARKET VALUE OF THEIR JOB?				
ARE THERE ANY EMPLOYEES WHO ARE PAID MORE OR LESS THAN THE NORMAL SALARY FOR THEIR POSITION?				No
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER COMPENSATION FOR EACH				
COLLECTION CENTERS				
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO	
PERIOD	1/1/2013 - 11/15/13	2012	2011	
GROSS COLLECTIONS	\$942,100	\$738,927	\$664,061	
OWNER COLLECTIONS	\$585,791	\$482,979	\$474,247	
HYGIENIST COLLECTIONS	\$189,380	\$220,326	\$202,430	
ASSOCIATE COLLECTIONS	\$	\$	\$	
ASSOCIATE COLLECTIONS	\$	\$	\$	
ASSOCIATE COLLECTIONS	\$	\$	\$	
ASSOCIATE COLLECTIONS				
ASSOCIATE SALARY IN DOLLARS OR COMMISSION PERCENT	\$	OR	38%	
HYGIENIST SALARY IN DOLLARS OR COMMISSION PERCENT	\$28-\$30 an hour			

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	
INSURANCE EXPLANATION	
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD	
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?	
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	
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	
HOW MUCH OF TOTAL IS FOR STAFF?	
HOW MUCH OF TOTAL IS FOR OWNER?	
REDUCED FEE PLANS	
NAME OF PLAN	PAYS WHAT PERCENT OF YOUR STANDARD FEE
Metlife	
Cigna	
Delta Dental	
Aetna	
United Concordia	
Guardian	
Humana	
United Healthcare	
BCBS of GA	

DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, AND PRACTICE PHILOSOPHY AND THE BEST STRENGTHS AND WORST WEAKNESSES OF YOUR PRACTICE: Patients come first. Providing quality dentistry. Welcoming environment, state of the art practice, patient-friendly, TV/DVD per room providing a comfortable and relaxing appointment. Patient education is key; paperless.