

Atlanta Suburb General Dentistry
FINANCIAL DATA SUMMARY FOR PRACTICE 9015

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	\$786,454
--	-----------

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$275,259
--	-----------

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	\$432,960
--	-----------

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF	24%
---	-----

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)	\$432,960
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	55%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$136,842
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$569,802
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	72%

Atlanta Suburb General Dentistry
FINANCIAL DATA FOR PRACTICE 9015

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				\$1,117,491	100.0%
	HYGIENE COMPONENT			\$331,038	29.6%
	DENTIST COMPONENT			\$786,454	70.4%
		RETAINED SELLER			
		ASSOCIATE			
		PURCHASER		\$786,454	70.4%
VARIABLE EXPENSES					
	WAGES, PAYROLL TAX, ETC.			\$292,928	26.2%
	LABORATORY			\$85,349	7.6%
	CLINICAL SUPPLIES			\$50,547	4.5%
	OTHER VARIABLE EXPENSE			\$30,221	2.7%
				TOTAL VARIABLE EXPENSE	\$459,045
					41.1%
FIXED EXPENSES					
	PHONE, UTILITIES			\$23,184	2.1%
	LEGAL & ACCOUNTING			\$6,695	0.6%
	INSURANCE			\$7,725	0.7%
	OTHER FIXED EXPENSE			\$30,971	2.8%
				TOTAL FIXED EXPENSE	\$68,576
					6.1%
DEBT SERVICE FOR PRACTICE AND BULDING					
	INTEREST			\$64,258	5.8%
	PRINCIPAL			\$92,653	8.3%
				TOTAL DEBT SERVICE	\$156,910
					14.0%
SUMMARY					
EXPECTED COLLECTIONS				\$1,117,491	100.0%
EXPECTED EXPENSES				\$527,621	47.2%
PRACTICE DEBT SERVICE				\$156,910	14.0%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$432,960	55%
PURCHASER PRODUCED PRODUCTION				\$786,454	70.4%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$92,653	11.8%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$44,190	5.6%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$569,802	72%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$817,000	75%
WORKING CAPITAL				\$54,000	
TOTAL PRACTICE LOAN				\$871,000	
PRACTICE LOAN INTEREST RATE				4.50%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$9,027	10%
BUILDING PRICE				\$640,000	
MONTHLY BUILDING MORTGAGE				\$4,049	4%
PURCHASER CASH FLOW CONSIDERATIONS					
MONTHLY PRACTICE AND BUILDING PAYMENTS				\$13,076	14%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$18,012	19%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$275,259	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$358,801	41%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$634,060	
LESS DEBT SERVICE FOR PRACTICE AND BULDING				(\$156,910)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE				\$477,150	

Atlanta Suburb	
DATA FOR PRACTICE NUMBER	9015
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	4,008
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$4,500
PRICE PER SQUARE FOOT	\$13.47
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	15-20
PROXIMITY OF PARKING PLACES	At facility
# EQUIPPED OPS	10
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	7
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	3
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
APPRAISED BUILDING PRICE / WHEN?	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$640,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$5,000
ANNUAL REAL ESTATE TAXES	\$3,199
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	\$640,000
PURCHASER MORTGAGE INTEREST RATE	4.50%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$4,049
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$12.12
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Retire
DAYS/WEEK CURRENTLY WORKED	4.0
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	Web Page
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous
IS YOUR PRACTICE MERCURY FREE	NO
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,500
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	30
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	25
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	15
HOW FAR AHEAD IS DENTIST SCHEDULED?	one and a half weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	six months
PRACTICE DATA	
% INCOME FROM CASH	75%
% OF PATIENTS PAYING CASH	75%
% INCOME FROM FEE FOR SERVICE INSURANCE	
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	
% PRACTICE INCOME FROM REDUCED FEE PLANS	25%
% OF PATIENTS WITH REDUCED FEE PLANS	25%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	25%
% OF PATIENTS WITH REDUCED FEE PLANS	25%
SCHEDULING DATA	
MONDAY	7:30 AM - 5:00 PM
TUESDAY	7:30 AM - 5:00 PM
WEDNESDAY	7:30 AM - 5:00 PM
THURSDAY	7:30 AM - 5:00 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	34
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	68
DENTIST PATIENT VISITS PER YEAR	5,049
HYGIENE PATIENT VISITS PER YEAR	3,145
NUMBER OF DAYS WORKED PER YEAR	198
NUMBER OF WEEKS WORKED PER YEAR	48
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	99%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$94,854
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$45,376
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$3,941
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,431
ACCOUNTS RECEIVABLE >90 DAYS	\$43,106

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	32%
OPERATIVE	10%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	4%
REMOVABLE PROSTHETICS	1%
FIXED PROSTHETICS	37%
ENDODONTICS	
PERIODONTICS	3%
ORAL SURGERY	
COSMETIC	
TMJ TREATMENT	
DIAGNOSTIC	13%
OTHER	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	
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	\$82
TWO SURFACE ANTERIOR COMPOSITE 02331	\$193
CORE BUILD-UP 02950	\$356
CROWN - GOLD/PORCELAIN 02750	\$1,142
ANTERIOR CANAL ROOT CANAL 03310	\$867
PANORAMIC X-RAY 00330	\$106
TWO SURFACE POSTERIOR COMPOSITE 02392	\$216
CROWN - PORCELAIN CERAMIC 02740	\$1,212
LABIAL PORCELAIN VENEER 02962	\$1,260
BICUSPID ROOT CANAL 03320	\$975
AVERAGE OF FEES	\$641
PERCENT OF FEE PARITY	117%
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	seventeen
	WITHIN Fayetteville
MAJOR EMPLOYERS IN AREA	
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	
