

North Fulton County, Georgia General Dentistry
MERGER FINANCIAL DATA SUMMARY FOR PRACTICE 9417

The following statistics are based on assumptions that the subject practice will continue to be operated as it has been in the past. Variations 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	\$566,964
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$198,437
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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	\$384,917
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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	68%
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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)	\$384,917
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$84,411
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$469,328

PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD TOTAL \$786,357

North Fulton County, Gec General Dentistry				
MERGER FINANCIAL DATA FOR PRACTICE 9417				
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			\$809,948	100.0%
	HYGIENE COMPONENT		\$242,984	30.0%
	DENTIST COMPONENT		\$566,964	70.0%
	RETAINED SELLER			
	ASSOCIATE			
	PURCHASER		\$566,964	70.0%
VARIABLE EXPENSES				
	WAGES, PAYROLL TAX, ETC.		\$200,984	24.8%
	LABORATORY		\$107,353	13.3%
	CLINICAL SUPPLIES			
	OTHER VARIABLE EXPENSE		\$12,263	1.5%
			TOTAL VARIABLE EXPENSE	\$320,600
				39.6%
FIXED EXPENSES				
	PHONE, UTILITIES		\$3,000	0.4%
	LEGAL & ACCOUNTING		\$3,500	0.4%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$21,080	2.6%
			TOTAL FIXED EXPENSE	\$29,080
				3.6%
PRACTICE DEBT SERVICE				
	INTEREST		\$20,990	2.6%
	PRINCIPAL		\$54,361	6.7%
			TOTAL DEBT SERVICE	\$75,351
				9.3%
SUMMARY				
EXPECTED COLLECTIONS			\$809,948	100.0%
EXPECTED EXPENSES			\$349,680	43.2%
PRACTICE DEBT SERVICE			\$75,351	9.3%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$384,917	68%
PURCHASER PRODUCED PRODUCTION			\$566,964	70.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$54,361	9.6%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$30,050	5.3%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$469,328	83%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:				
PRACTICE SALES PRICE & PERCENT OF GROSS			\$593,000	75%
WORKING CAPITAL			\$39,000	
TOTAL PRACTICE LOAN			\$632,000	
PRACTICE LOAN INTEREST RATE			3.60%	
PRACTICE LOAN TERM IN MONTHS			120	
PRACTICE MONTHLY PAYMENT			\$6,279	9%
PURCHASER CASH FLOW CONSIDERATIONS				
MONTHLY PRACTICE PAYMENTS			\$6,279	9%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT			\$11,339	17%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION			\$198,437	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY			\$291,881	46%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT			\$490,318	
			LESS PRACTICE DEBT SERVICE	(\$75,351)
PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE			\$414,967	

North Fulton County, Georgia	
MERGER DATA FOR PRACTICE NUMBER 9417	
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	2,409
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$5,308
PRICE PER SQUARE FOOT	\$26.44
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	15
PROXIMITY OF PARKING PLACES	Next to front door
# EQUIPPED OPS	6
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 OR NO	NO
DO YOU WISH TO SELL THE BUILDING? YES OR NO	NO
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$648
ANNUAL REAL ESTATE INSURANCE COST	
DATE OF LEASE i.e. "6/1/2016"	
DATE LEASE ENDS - i.e. "1/1/2020"	July 20, 1905
IS THERE AN OPTION TO PURCHASE?	
RENEWAL OPTIONS	
BUILDING VALUE TO BE USED	
PURCHASER MORTGAGE INTEREST RATE	3.75%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Retire
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	
COVID INFORMATION	
DATE CLOSED FOR COVID	March 24, 2020
DATE REOPENED FOR COVID	May 11, 2020
DATE OF LATEST PRACTICE REVENUE	December 31, 2020
AMOUNT OF LATEST PRACTICE REVENUES	\$682,946
ANNUALIZED 2020 COLLECTIONS ADJUSTED FOR TIME CLOSED	\$786,357
AMOUNT OF ANY PPP OR EIDL LOANS	

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	
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	
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	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	10
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	11
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	8 per 3 hygienists
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3 - 4 Months
PRACTICE DATA	
% INCOME FROM CASH	20%
% OF PATIENTS PAYING CASH	20%
% INCOME FROM INSURANCE	80%
% OF PATIENTS WITH INSURANCE	80%
% 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	8 AM - 4:30 PM
TUESDAY	8 AM - 4:30 PM
WEDNESDAY	8 AM - 4:30 PM
THURSDAY	8 AM - 4:30 PM
FRIDAY	8 AM - 12:00 PM
SATURDAY	
	43914
OWNER HOURS WORKED PER WEEK	34
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	34
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	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$5,030
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$548
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$1,132
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,410
ACCOUNTS RECEIVABLE >90 DAYS	\$940

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	30%
OPERATIVE	20%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	10%
REMOVABLE PROSTHETICS	10%
FIXED PROSTHETICS	10%
ENDODONTICS	10%
PERIODONTICS	5%
ORAL SURGERY	
COSMETIC	5%
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Oral Surgery, Some Endo
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	\$132
TWO SURFACE ANTERIOR COMPOSITE 02331	\$290
CORE BUILD-UP 02950	\$349
CROWN - GOLD/PORCELAIN 02750	\$1,415
ANTERIOR CANAL ROOT CANAL 03310	\$1,002
PANORAMIC X-RAY 00330	\$129
TWO SURFACE POSTERIOR COMPOSITE 02392	\$290
CROWN - PORCELAIN CERAMIC 02740	\$1,451
LABIAL PORCELAIN VENEER 02962	\$1,261
BICUSPID ROOT CANAL 03320	\$1,133
AVERAGE OF FEES	\$745
PERCENT OF FEE PARITY	137%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	175,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	
WITHIN	
MAJOR EMPLOYERS IN AREA	Real Estate, Computer Science, Computer Software companies, Teachers/Education, Medical Staff & Physicians
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST		Yes		\$33,960		
OFFICE MANAGER		Yes		\$37,254		
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT /FRONT DESK		Yes		\$33,960		
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST		Yes		\$71,715		
HYGIENIST		Yes		\$64,342		
HYGIENIST		Yes		\$31,165		
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				2 employees - 401k		
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						
				2020	2019	2018
GROSS COLLECTIONS				\$682,946	\$900,150	\$808,604
OWNER COLLECTIONS				\$478,062	\$630,105	\$566,023
HYGIENIST COLLECTIONS				\$204,884	\$270,045	\$242,581
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, PRACTICE PHILOSOPHY AND ITS STRENGTHS AND WEAKNESSES:

I try to communicate with staff and patients. I will telephone everyone to "stay in touch".

I would like to have digital X-Rays but was not serviced by Kodak Company so I stayed with my regular X-Rays.

COVID INFORMATION

Date Closed for Covid: 3/24/2020

Date Reopened: 5/11/2020

What percent reduction in operational capacity in 2020 was there compared to 2019: 15%

How does your schedule for 2020 compare to 2019: Initially patients reluctant but we are back to full schedule just like 2019 .

Do you have adequate PPE inventory: Yes

Do you pass cost of PPE on to patients? No

How does your post Covid treatment mix compare to same period of 2019: Same

Has your insured patient/cash patient ratio changed since reopening: No

Have all staff members returned or been replaced: All returned What is your estimated monthly payroll expense: \$27,533

Did you receive a PPP Loan: Yes How much: \$59,540 Was this loan included in your P&L and/or tax return: No

Was this loan paid back or forgiven: Forgiven