

Atlanta Area General Dentistry
MERGER FINANCIAL DATA SUMMARY FOR PRACTICE 9453

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	\$365,758
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$128,015
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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	\$317,864
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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	87%
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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)	\$317,864
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$83,743
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$401,607

PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD TOTAL \$861,608

Atlanta Area		General Dentistry			
MERGER		FINANCIAL DATA		FOR PRACTICE 9453	
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				\$781,131	100.0%
HYGIENE COMPONENT				\$415,373	53.2%
DENTIST COMPONENT				\$365,758	46.8%
RETAINED SELLER					
ASSOCIATE					
PURCHASER				\$365,758	46.8%
VARIABLE EXPENSES					
WAGES, PAYROLL TAX, ETC.				\$278,715	35.7%
LABORATORY				\$20,467	2.6%
CLINICAL SUPPLIES				\$41,813	5.4%
OTHER VARIABLE EXPENSE				\$21,974	2.8%
TOTAL VARIABLE EXPENSE				\$362,969	46.5%
FIXED EXPENSES					
PHONE, UTILITIES				\$3,000	0.4%
LEGAL & ACCOUNTING				\$3,500	0.4%
INSURANCE				\$1,500	0.2%
OTHER FIXED EXPENSE				\$16,947	2.2%
TOTAL FIXED EXPENSE				\$24,947	3.2%
PRACTICE DEBT SERVICE					
INTEREST				\$20,990	2.7%
PRINCIPAL				\$54,361	7.0%
TOTAL DEBT SERVICE				\$75,351	9.6%
SUMMARY					
EXPECTED COLLECTIONS				\$781,131	100.0%
EXPECTED EXPENSES				\$387,916	49.7%
PRACTICE DEBT SERVICE				\$75,351	9.6%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$317,864	87%
PURCHASER PRODUCED PRODUCTION				\$365,758	46.8%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$54,361	14.9%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$29,383	8.0%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$401,607	110%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$594,000	78%
WORKING CAPITAL				\$38,000	
TOTAL PRACTICE LOAN				\$632,000	
PRACTICE LOAN INTEREST RATE				3.60%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$6,279	10%
PURCHASER CASH FLOW CONSIDERATIONS					
MONTHLY PRACTICE PAYMENTS				\$6,279	10%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$19,384	30%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$128,015	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$294,582	47%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$422,597	
LESS PRACTICE DEBT SERVICE				(\$75,351)	
PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE				\$347,246	

Atlanta Area	
MERGER DATA FOR PRACTICE NUMBER 9453	
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	1,720
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	8
PROXIMITY OF PARKING PLACES	Close
# EQUIPPED OPS	5
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
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
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$425,000
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$5,436
ANNUAL REAL ESTATE INSURANCE COST	\$1,897
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	\$425,000
PURCHASER MORTGAGE INTEREST RATE	3.75%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$2,520
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$17.58
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	No specifics but I know it's time
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	
COVID INFORMATION	
DATE CLOSED FOR COVID	March 16, 2020
DATE REOPENED FOR COVID	May 4, 2020
DATE OF LATEST PRACTICE REVENUE	December 31, 2020
AMOUNT OF LATEST PRACTICE REVENUES	\$745,940
ANNUALIZED 2020 COLLECTIONS ADJUSTED FOR TIME CLOSED	\$861,608
AMOUNT OF ANY PPP OR EIDL LOANS	

PRACTICE DATA	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	Word of Mouth
DESCRIBE EXTERNAL MARKETING	Word of Mouth, Website (not up to date)
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Limited Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Not all
WHAT TYPE RECALL SYSTEM	Solutionreach
WHAT TYPE COMPUTER SYSTEM	Dentrix
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,158
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	6
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	7
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	6
HOW FAR AHEAD IS DENTIST SCHEDULED?	1-2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3-4 Weeks
PRACTICE DATA	
% INCOME FROM CASH	50%
% OF PATIENTS PAYING CASH	40%
% INCOME FROM INSURANCE	50%
% OF PATIENTS WITH INSURANCE	60%
#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	8:00 AM - 4:00 PM
TUESDAY	8:00 AM - 4:00 PM
WEDNESDAY	8:00 AM - 4:00 PM
THURSDAY	8:00 AM - 4:00 PM
FRIDAY	
SATURDAY	
	43906
OWNER HOURS WORKED PER WEEK	32
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	72
DENTIST PATIENT VISITS PER YEAR	1,176
HYGIENE PATIENT VISITS PER YEAR	2,200
NUMBER OF DAYS WORKED PER YEAR	190
NUMBER OF WEEKS WORKED PER YEAR	50
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	90%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$58,623
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$31,416
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$5,205
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,994
ACCOUNTS RECEIVABLE >90 DAYS	\$19,008

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	35%
OPERATIVE	48%
PEDODONTICS	2%
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	2%
FIXED PROSTHETICS	3%
ENDODONTICS	2%
PERIODONTICS	
ORAL SURGERY	3%
COSMETIC	5%
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Ortho, Perio, Most Endo, TMJ, Oral Surgery
REVENUES SOURCES	
IS ANY OF YOUR REPORTED INCOME FROM ANY OTHER SOURCE THAN PATIENT TREATMENT FROM THIS PRACTICE?	Yes
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	\$107
TWO SURFACE ANTERIOR COMPOSITE 02331	\$257
CORE BUILD-UP 02950	\$345
CROWN - GOLD/PORCELAIN 02750	\$1,448
ANTERIOR CANAL ROOT CANAL 03310	\$935
PANORAMIC X-RAY 00330	\$134
TWO SURFACE POSTERIOR COMPOSITE 02392	\$279
CROWN - PORCELAIN CERAMIC 02740	\$1,577
LABIAL PORCELAIN VENEER 02962	\$1,497
BICUSPID ROOT CANAL 03320	\$1,128
AVERAGE OF FEES	\$771
PERCENT OF FEE PARITY	141%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	56,268
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	1,000,000+
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Home Depot, Lockheed, Truist Bank, Cobb County Schools, Glock Race Track, Aaron's, Gas South, Genuine Parts, Dobbins AFB, Weather Channel, The Battery, Atlanta Braves, Galleria
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Great attraction for visitors

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST						
OFFICE MANAGER	1983	?		\$47,000		\$1,410
INSURANCE						
OTHER FRONT DESK	2021	?		\$19,000		
BOOKKEEPER						
ASSISTANT	2008	Yes		\$47,000		\$1,410
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST	1984	?		\$49,000		\$1,470
HYGIENIST	1996	?		\$53,500		\$1,605
HYGIENIST	2015	?		\$22,500		
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
OTHER-WIFE	1982	No		\$18,000		\$540
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Simple IRA 3% Match		
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						
				1/1/2021-4/30/2021	2019	2018
GROSS COLLECTIONS				\$291,097	\$652,801	\$742,102
OWNER COLLECTIONS				\$137,170	\$303,181	\$348,103
HYGIENIST COLLECTIONS				\$153,927	\$349,620	\$393,999
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:

Long time and loyal staff--20 to 30 plus years

Loyal patient base who know and love the staff

Smyrna is a suburban community with history and close to Atlanta, lately booming

COVID INFORMATION

Date Closed for Covid: 3/16/2020

Date Reopened: 5/4/2020

What percent reduction in operational capacity in 2020 was there compared to 2019: 20%

How does your schedule for 2020 compare to 2019: a little busier

Do you have adequate PPE inventory: Yes

Do you pass cost of PPE on to patients? No

How does your Covid treatment mix compare to same period of 2019: About the same

Has your insured patient/cash patient ratio changed since reopening: Very little

Have all staff members returned or been replaced: Yes

What is your estimated monthly payroll expense:

Did you receive a PPP Loan: Yes How much: \$81,561

Was this loan included in your P&L and/or tax return: Yes

Did you receive a EIDL loan? Yes How much: \$8,000

When received? 06/2020

Was this loan paid back or forgiven: Not sure