

Houma LA Area	General Dentistry	
MERGER FINANCIAL DATA SUMMARY FOR PRACTICE		6874

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	\$219,460
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$76,811
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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	\$151,902
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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	69%
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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
1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$151,902
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$25,801
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$177,703

PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD \$271,375



Houma LA Area General Dentistry
MERGER FINANCIAL DATA FOR PRACTICE 6874

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				\$304,805	100.0%
	HYGIENE COMPONENT			\$85,345	28.0%
	DENTIST COMPONENT			\$219,460	72.0%
		RETAINED SELLER			
		ASSOCIATE			
		PURCHASER		\$219,460	72.0%
VARIABLE EXPENSES					
	WAGES, PAYROLL TAX, ETC.			\$73,514	24.1%
	LABORATORY			\$16,196	5.3%
	CLINICAL SUPPLIES			\$22,932	7.5%
	OTHER VARIABLE EXPENSE			\$5,255	1.7%
				TOTAL VARIABLE EXPENSE	\$117,897 38.7%
FIXED EXPENSES					
	PHONE, UTILITIES			\$3,000	1.0%
	LEGAL & ACCOUNTING			\$3,500	1.1%
	INSURANCE			\$1,500	0.5%
	OTHER FIXED EXPENSE			\$2,565	0.8%
				TOTAL FIXED EXPENSE	\$10,565 3.5%
PRACTICE DEBT SERVICE					
	INTEREST			\$6,808	2.2%
	PRINCIPAL			\$17,633	5.8%
				TOTAL DEBT SERVICE	\$24,441 8.0%
SUMMARY					
EXPECTED COLLECTIONS				\$304,805	100.0%
EXPECTED EXPENSES				\$128,462	42.1%
PRACTICE DEBT SERVICE				\$24,441	8.0%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$151,902	69%
PURCHASER PRODUCED PRODUCTION				\$219,460	72.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$17,633	8.0%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$8,168	3.7%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$177,703	81%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$190,000	64%
WORKING CAPITAL				\$15,000	
TOTAL PRACTICE LOAN				\$205,000	
PRACTICE LOAN INTEREST RATE				3.60%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$2,037	8%
PURCHASER CASH FLOW CONSIDERATIONS					
MONTHLY PRACTICE PAYMENTS				\$2,037	8%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$3,983	16%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$76,811	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$107,700	53%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$184,511	

LESS PRACTICE DEBT SERVICE	(\$24,441)	
PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE	\$160,070	

Houma LA Area	
MERGER DATA FOR PRACTICE NUMBER 6874	
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	990
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$700
PRICE PER SQUARE FOOT	\$8.48
IS OFFICE HANDICAPPED ACCESSIBLE?	No
NUMBER OF PARKING SPACES	Plenty
PROXIMITY OF PARKING PLACES	20-30 Feet
# EQUIPPED OPS	3
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	1
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	1
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	1
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	
ANNUAL REAL ESTATE INSURANCE COST	
DATE OF LEASE i.e. "6/1/2016"	
DATE LEASE ENDS - i.e. "1/1/2020"	January 1, 2021
IS THERE AN OPTION TO PURCHASE?	No
RENEWAL OPTIONS	4 Options of one year each
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	Work is up to buyer
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	
COVID INFORMATION	
DATE CLOSED FOR COVID	March 18, 2020
DATE REOPENED FOR COVID	May 18, 2020
DATE OF LATEST PRACTICE REVENUE	December 31, 2020
AMOUNT OF LATEST PRACTICE REVENUES	\$226,022
ANNUALIZED 2020 COLLECTIONS ADJUSTED FOR TIME CLOSED	\$271,375
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?	Yes; Covid
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	None
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	
WHAT TYPE RECALL SYSTEM	6 Month Cards and Phone Call
WHAT TYPE COMPUTER SYSTEM	Easy Dental
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	7
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	
HOW FAR AHEAD IS DENTIST SCHEDULED?	3 days
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3 days
PRACTICE DATA	
% INCOME FROM CASH	57%
% OF PATIENTS PAYING CASH	57%
% INCOME FROM INSURANCE	43%
% OF PATIENTS WITH INSURANCE	43%
#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 AM - 5 PM
TUESDAY	8 AM - 5 PM
WEDNESDAY	8 AM - 5 PM
THURSDAY	
FRIDAY	
SATURDAY	
	43908
OWNER HOURS WORKED PER WEEK	24
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	18
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	3
NUMBER OF WEEKS WORKED PER YEAR	48
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$15,484
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$2,302
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$1,009

ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,000
ACCOUNTS RECEIVABLE >90 DAYS	\$10,174

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	28%
OPERATIVE	59%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	6%
FIXED PROSTHETICS	7%
ENDODONTICS	
PERIODONTICS	
ORAL SURGERY	
COSMETIC	
TMJ TREATMENT	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Endo, Perio, Oral Surgery
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	\$75
TWO SURFACE ANTERIOR COMPOSITE 02331	\$145
CORE BUILD-UP 02950	\$250
CROWN - GOLD/PORCELAIN 02750	\$785
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	
TWO SURFACE POSTERIOR COMPOSITE 02392	\$170
CROWN - PORCELAIN CERAMIC 02740	\$820
LABIAL PORCELAIN VENEER 02962	\$625
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$410
PERCENT OF FEE PARITY	75%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	12,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	25,000 to 30,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	five
	WITHIN five
MAJOR EMPLOYERS IN AREA	Shipyards and Oil Companies
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Decrease in oil companies

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST						
OFFICE MANAGER						
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT				\$16,713		
ASSISTANT/FRONT DESK				\$18,706		
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST				\$29,430		
HYGIENIST						
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				SEP for dentist and employees when funded		
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						
				\$2,020	2019	2018
GROSS COLLECTIONS				\$295,928	\$226,022	\$281,047
OWNER COLLECTIONS				\$213,068	\$162,736	\$202,354
HYGIENIST COLLECTIONS				\$82,860	\$63,286	\$78,693
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$0		

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DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, PRACTICE PHILOSOPHY AND ITS STRENGTHS AND WEAKNESSES:

COVID INFORMATION

Date Closed for Covid: 3/18/20

Date Reopened 5/18/20

what percent reduction in operational capacity in 2020 was there compared to 2019: very little difference

How does your schedule for 2020 compare to 2019: it was less filled

Do you have adequate PPE inventory: Yes

Do you pass cost of PPE on to patients? Yes

How does you 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: Yes What is your estimated monthly payroll expense:

Did you receive a PPP Loan: Yes How much: \$37,000 Was this loan included in your P&L and/or tax return:

Was this loan paid back or forgiven: in progress of being forgiven

