

New Orleans, Louisiana		General Dentistry	Merger Purchase
FINANCIAL DATA SUMMARY FOR PRACTICE			9541
<p>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.</p> <p>The purpose of this summary is to demonstrate the individual practice revenues and profitability of this particular practice.</p>			
PRACTICE FINANCIAL SUMMARY			
AMOUNT OF INCOME PERSONALLY GENERATED BY PURCHASER		\$242,609	
PURCHASER COMPENSATION AT 35% FOR PRODUCTION.		\$84,913	
NOW CONSIDER THE PRACTICE PROFIT. THIS IS AN AMOUNT OVER AND ABOVE PURCHASER'S PRODUCTION COMPENSATION .			
THE PROFIT IS A BENEFIT OF OWNERSHIP OF THE PRACTICE. ONLY PRACTICE OWNERS REALIZE THIS PRACTICE PROFIT.			
IN THIS PRACTICE, THE PROFIT, AFTER ALL EXPENSES AND PURCHASER SALARY COMPENSATION HAVE BEEN PAID IS \$117,071			
THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, RESULTS IN A RATE OF 55%			
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 AFTER DEBT SERVICE AND BEFORE TAX NET INCOME			\$173,474
3. WHAT ARE EXPECTED TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER			\$23,225
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS			\$196,699

New Orleans, Louisiana General Dentistry Merger Purchase		
FINANCIAL DATA FOR PRACTICE Merger Purchase		
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		\$315,077
HYGIENE COMPONENT		\$72,468
DENTIST COMPONENT		\$242,609
RETAINED SELLER		
ASSOCIATE		
PURCHASER		\$242,609
VARIABLE EXPENSES		\$
		%
WAGES, PAYROLL TAX, ETC.		\$31,886
LABORATORY		\$29,027
CLINICAL SUPPLIES		\$29,845
OTHER VARIABLE EXPENSE		\$8,878
TOTAL VARIABLE EXPENSE		\$99,636
FIXED EXPENSES		\$
		%
RENT		
PHONE, UTILITIES		\$3,000
LEGAL & ACCOUNTING		\$3,500
INSURANCE		\$1,500
OTHER FIXED EXPENSE		\$5,457
TOTAL FIXED EXPENSE		\$13,457
PRACTICE DEBT SERVICE		\$
		%
INTEREST		\$11,956
PRINCIPAL		\$16,554
TOTAL DEBT SERVICE		\$28,510
SUMMARY		\$
		%
EXPECTED COLLECTIONS		\$315,077
EXPECTED EXPENSES		\$113,093
PRACTICE DEBT SERVICE		\$28,510
EXPECTED NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.		\$173,474
		72%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:		
		\$
		%
PRACTICE SALES PRICE & PERCENT OF GROSS		\$199,000
WORKING CAPITAL		\$15,000
TOTAL PRACTICE LOAN		\$214,000
PRACTICE LOAN INTEREST RATE		6.00%
PRACTICE LOAN TERM (MONTHS)		120
MONTHLY PRACTICE PAYMENT		\$2,376
		9%
MONTHLY PRACTICE PAYMENTS		\$2,376
		9%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT		\$3,382
		13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION		\$84,913
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY		\$117,071
		55%
PURCHASER TAX SAVINGS AND 1ST YEAR EQUITY INCREASE		\$23,225
LESS PRACTICE DEBT SERVICE		(\$28,510)
SALARY + PROFIT + TAX SAVINGS + EQUITY - DEBT SERVICE / % OF PERSONAL PRODUCTION		\$196,699
		81%

New Orleans, Louisiana		General Dentistry
DATA	FOR PRACTICE NUMBER	Merger Purchase
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.		
<b>OFFICE DATA</b>		
SQUARE FOOTAGE OF OFFICE	1,768	
EXPANDABLE FOOTAGE	600	
TOTAL MO. RENT EXP.		
PRICE PER SQUARE FOOT		
IS OFFICE HANDICAPPED ACCESSIBLE?		
NUMBER OF PARKING SPACES		
PROXIMITY OF PARKING PLACES		
# EQUIPPED OPS	3	
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES		
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	3	
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)		
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	NO	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE		
IF NOT SOLD, MONTHLY RENTAL AMOUNT	\$3,500	
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"		
IS THERE AN OPTION TO PURCHASE?		
RENEWAL OPTIONS		
BUILDING VALUE TO BE USED		
PURCHASER MORTGAGE INTEREST RATE	6.00%	
PURCHASER MORTGAGE TERM - YEARS	20	
PURCHASER MONTHLY PAYMENT		
PURCHASER CURRENT MONTHLY RENT		
PRICE PER SQUARE FOOT	\$23.76	
<b>WORK SCHEDULE</b>		
PLANS AFTER SALE OF PRACTICE	Teach at LSU full time	
DAYS/WEEK CURRENTLY WORKED	2.0	
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?	NO
RESULTS	NA
DESCRIBE INTERNAL MARKETING	NA
DESCRIBE EXTERNAL MARKETING	NA
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	No
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	Phone Calls
WHAT TYPE COMPUTER SYSTEM	Dentrix
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF DIFFERENT PATIENTS IN LAST 18 MONTHS	340
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	20
AVERAGE NUMBER PATIENTS TREATED PER DAY BY DENTIST(S)	20
AVERAGE NUMBER PATIENTS TREATED PER DAY BY HYGIENISTS	
HOW FAR AHEAD IS DENTIST SCHEDULED?	three weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	
PRACTICE DATA	
% INCOME FROM CASH	5%
% OF PATIENTS PAYING CASH	5%
% INCOME FROM FEE FOR SERVICE INSURANCE	75%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	75%
% INCOME FROM DISCOUNT FEE INSURANCE	
% OF PATIENTS WITH DISCOUNT FEE INSURANCE	
% PRACTICE INCOME FROM MEDICAID	20%
% OF PATIENTS WITH MEDICAID	20%
% PRACTICE INCOME FROM REDUCED FEE PLANS	20%
% OF PATIENTS WITH REDUCED FEE PLANS	20%
SCHEDULING DATA	
MONDAY	
TUESDAY	
WEDNESDAY	
THURSDAY	
FRIDAY	8:00 AM - 4:00 PM
SATURDAY	8:00 AM - 3:00 PM
DAYS WORKED PER WEEK	2
OWNER HOURS WORKED PER WEEK	15
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	1,760
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	
NUMBER OF WEEKS WORKED PER YEAR	50
COLLECTION DATA	
	95%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$3,410
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$1,705
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$950
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$255
ACCOUNTS RECEIVABLE >90 DAYS	\$500

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENE PRODUCTION	15%
OPERATIVE	20%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	20%
FIXED PROSTHETICS	15%
ENDODONTICS	
PERIODONTICS	15%
ORAL SURGERY	5%
COSMETIC	5%
TMJ TREATMENT	
DIAGNOSTIC	
OTHER	5%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Root canals; surgical 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	\$175
TWO SURFACE ANTERIOR COMPOSITE 02331	\$375
CORE BUILD-UP 02950	\$450
CROWN - GOLD/PORCELAIN 02750	\$1,000
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	\$125
TWO SURFACE POSTERIOR COMPOSITE 02392	\$295
CROWN - PORCELAIN CERAMIC 02740	\$1,000
LABIAL PORCELAIN VENEER 02962	
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$489
PERCENT OF FEE PARITY	72%
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	
	WITHIN
MAJOR EMPLOYERS IN AREA	
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	
YEAR BEGINNING PRACTICE IN CITY	2007
YEAR BEGINNING PRACTICE IN CURRENT LOCATION	2007
RIGHT OR LEFT HANDED	Right
PURCHASE OR SCRATCH START	START



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?		No	
INSURANCE EXPLANATION			
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD		\$34,636	
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?		\$4,000	
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?			
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?		\$1,728 per month	
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?		\$3,400	
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?		\$6,500	
TAXES AND LICENSES EXPLANATION			
TOTAL EXPENSE FOR TAXES		\$15,615	
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?		\$6,148	
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?		\$256	
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?		\$5,892	
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?			
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?		\$5,280	
PENSION EXPLANATION AND 401k COMBINED			
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?			
TEN HIGHEST INCOME SC	% OF PRX INCOME	% OF YOUR FEE	
PLAN NAME - BE SURE TO LIST DELTA PREMIERE IF YOU HAVE	FROM THIS PLAN	THIS PLAN PAYS	
Delta Dental	5%	70%	
United Healthcare	2%	60%	
United Healthcare (Medicaid)	5%	70%	
Aetna	2%	80%	
Blue Cross of LA	2%	50%	
Delta Dental of LA	5%	75%	
Delta Dental of TN	3%	75%	
Delta Dental of KY	1%	90%	
Cigna	5%		
Humana	20%	85%	
MetLife	10%	70%	
Guardian	10%	70%	
Mutual of Omaha	10%	85%	
	80%	73%	

## **SUPPLEMENTAL INFORMATION**

1. In 2022, I had an associate that worked 2 days per week ( 4 hours per day)
2. In 2023, I worked 4 1/2 days per week, 7 hours per day. This year, I began to treat more patients with Medicare dental plans that pay above average. Additionally, there were more military patients treated in the practice.
3. In 2024, I began to practice only 6 days per month, beginning April 6. I was actually surprised to learn that over \$305,900 was produced by me ( alone) with working a few days per month. I quickly realized that It was necessary for me to work “ smarter “ and not “ harder”.
4. This year, I am working 8 days per month and continue to treat more reservists. The program pays well.

### **Compensation:**

Exam, bitewing and panoramic radiographs: \$225.00 per patient. Four are scheduled per hour.

Because there are no other dentists in the area with this program, it is quite profitable because there are no lab fees or materials used. ( \$ \$900.00 per hour).

A new buyer will also be able to examine military veterans who are retiring and have TMJD and other dental conditions linked to military duty. The dentist will only render a medical opinion ( no xrays are taken) and there is no treatment unless the veteran decides to become a private patient. This is compensated at \$160.00 per patient.

All appointments with military veterans and reservists are scheduled by QTC, the Administrator of program.

## **BUILDING INFORMATION**

National Register of Historic Homes ( Esplanade Ridge)

Square footage: 1,768. Expandable footage: rear of building: 400-600 square feet., Another 1,768 square feet if second story is added.

Office follows all American with Disabilities Act regulations. All operatories, hallway, and restrooms are in compliance. There is a newly renovated wheelchair ramp in the rear of building.

There is a storage “ cottage” in the rear of property ( built in 2017).

Parking: 1 handicapped space and one space in the front of building, off street parking, and a vacant lot directly next to building that allows patient parking. The new owner will have a space to park directly next to building.

In 1991, the building sold for \$ 885,484.00( public record, Assessor’s site).

There must have been severe damage because my mother purchased it for \$37,000 in 1996.

The entire building was gutted and renovated to an office.

Estimated appraisal : \$ 690,000. I receive no less than 2-3 offers per month from investors to sell the building.

Real Estate taxes: \$5,200

Building (business insurance, State Farm , including business interruption insurance: \$5,150 per year).