

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	\$778,141
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$272,350
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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	\$440,788
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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	57%
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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)	\$440,788
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	57%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$96,190
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$536,978
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	69.0%
6. BREAK-EVEN RETENTION PERCENTAGE	10%

Wilmington, North Carolina	General Dentistry	
FINANCIAL DATA SUMMARY FOR PRACTICE	9234	3/10/2019 15:52

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			\$919,408	100.0%
	HYGIENE COMPONENT		\$141,266	15.4%
	DENTIST COMPONENT		\$778,141	84.6%
		RETAINED SELLER		
		ASSOCIATE		
		PURCHASER	\$778,141	84.6%

VARIABLE EXPENSES

	WAGES, PAYROLL TAX, ETC.		\$172,051	18.7%
	LABORATORY		\$99,798	10.9%
	CLINICAL SUPPLIES		\$64,305	7.0%
	OTHER VARIABLE EXPENSE		\$20,579	2.2%
		TOTAL VARIABLE EXPENSE	\$356,732	38.8%

FIXED EXPENSES

	RENT			
	PHONE, UTILITIES		\$3,000	0.3%
	LEGAL & ACCOUNTING		\$3,500	0.4%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$19,319	2.1%
		TOTAL FIXED EXPENSE	\$27,319	3.0%

PRACTICE DEBT SERVICE

	INTEREST		\$34,463	3.7%
	PRINCIPAL		\$60,105	6.5%
		TOTAL DEBT SERVICE	\$94,568	10.3%

SUMMARY

EXPECTED COLLECTIONS			\$919,408	100.0%
EXPECTED EXPENSES			\$384,051	41.8%
PRACTICE DEBT SERVICE			\$94,568	10.3%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$440,788	56.6%
PURCHASER PRODUCED PRODUCTION			\$778,141	84.6%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$60,105	7.7%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$36,085	4.6%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$536,978	69.0%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

PRACTICE SALES PRICE & PERCENT OF GROSS	\$698,000	78%
WORKING CAPITAL	\$45,000	
TOTAL PRACTICE LOAN	\$743,000	
PRACTICE LOAN INTEREST RATE	5.00%	
PRACTICE LOAN TERM IN MONTHS	120	
PRACTICE MONTHLY PAYMENT	\$7,881	10%

PURCHASER CASH FLOW CONSIDERATIONS

MONTHLY PRACTICE PAYMENTS	\$7,881	10%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$6,592	9%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$272,350	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$299,092	40%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT	\$571,441	
LESS PRACTICE DEBT SERVICE	(\$94,568)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE	\$476,873	

Wilmington, North Carolina
DATA SUMMARY FOR PRACTICE NUMBER 9234

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	2,552
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$5,627
PRICE PER SQUARE FOOT	\$26.46
IS OFFICE HANDICAPPED ACCESSIBLE?	
NUMBER OF PARKING SPACES	
PROXIMITY OF PARKING PLACES	
TOTAL NUMBER OF EQUIPPED OPERATORIES	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	1
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	two to three
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	one to two
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
WAS BUILDING APPRAISED?	No
WHEN?	
APPRAISED PRICE	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$850,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$4,625
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"	
RENEWAL OPTIONS	
IS THERE AN OPTION TO PURCHASE?	
BUILDING VALUE TO BE USED	\$850,000
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$21.75

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Consulting
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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	Solution Reach Patient communications, On Hold Message, brochures
DESCRIBE EXTERNAL MARKETING	Website, Facebook, Smile Gallery, letters/gift certificates, Google business
Radio spots, welcome service, Hurricanes sponsorship. Open house	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	DOCS
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	Eaglesoft
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	839
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	24
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	14
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	7
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 WEEKS
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 MONTHS
PRACTICE DATA	
% INCOME FROM CASH	0%
% OF PATIENTS PAYING CASH	0%
% INCOME FROM FEE FOR SERVICE INSURANCE	98%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	98%
% PRACTICE INCOME FROM REDUCED FEE PLANS	2%
% OF PATIENTS WITH REDUCED FEE PLANS	2%
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	2%
% OF PATIENTS WITH REDUCED FEE PLANS	2%
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	32
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	32
DENTIST PATIENT VISITS PER YEAR	2,054
HYGIENE PATIENT VISITS PER YEAR	1,292
NUMBER OF DAYS WORKED PER YEAR	147
NUMBER OF WEEKS WORKED PER YEAR	37
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$61,874
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$18,838
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$2,739
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$1,662
ACCOUNTS RECEIVABLE >90 DAYS	\$38,635

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	18%
OPERATIVE	40%
PEDODONTICS	
ORTHODONTICS	1%
IMPLANTS	11%
REMOVABLE PROSTHETICS	3%
FIXED PROSTHETICS	12%
ENDODONTICS	2%
PERIODONTICS	10%
ORAL SURGERY	1%
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	2%
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?	Yes
IF SO HOW MUCH IN CURRENT PERIOD?	\$1,144 as of 12/10/18
IF SO , HOW MUCH FOR LAST YEAR?	\$106,727
IF SO HOW MUCH FOR THE PREVIOUS YEAR?	\$216,195
WHAT IS THE SOURCE OF THIS OTHER INCOME?	Associate income from Raleigh practice
FEE SCHEDULE	
ADULT PROPHY 01110	\$88
TWO SURFACE ANTERIOR COMPOSITE 02331	\$217
CORE BUILD-UP 02950	\$290
CROWN - GOLD/PORCELAIN 02750	\$1,176
ANTERIOR CANAL ROOT CANAL 03310	\$750
PANORAMIC X-RAY 00330	
TWO SURFACE POSTERIOR COMPOSITE 02392	\$246
CROWN - PORCELAIN CERAMIC 02740	\$1,284
LABIAL PORCELAIN VENEER 02962	\$1,284
BICUSPID ROOT CANAL 03320	\$854
AVERAGE OF FEES	\$688
PERCENT OF FEE PARITY	106%
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	fifteen
MAJOR EMPLOYERS IN AREA	five
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	

STAFF DATA					
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY AND/OR COMMISSION PERCENT	
RECEPTIONIST					
OFFICE MANAGER				\$54,898	
INSURANCE					
OTHER FRONT DESK					
BOOKKEEPER					
ASSISTANT				\$33,758	
ASSISTANT				\$28,004	
ASSISTANT					
ASSISTANT					
ASSISTANT					
HYGIENIST				\$56,855	
HYGIENIST					
HYGIENIST					
HYGIENIST					
LAB TECHNICIAN					
LAB TECHNICIAN					
ASSOCIATE					
ASSOCIATE					
ASSOCIATE					
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				UNIFORMS, CE, PAID VACATION, PAID SICK LEA	
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				NO	
WHAT POSITION DO THEY HOLD?					
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?					
THAN THE NORMAL SALARY FOR THEIR POSITION?				NO	
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER					
COMPENSATION FOR EACH				NA	
COLLECTION CENTERS					
PERIOD			AS OF 11/18/2018	2017	2016
GROSS COLLECTIONS			\$820,061	\$786,278	\$590,134
OWNER COLLECTIONS			\$604,433	\$640,288	\$497,933
HYGIENIST COLLECTIONS			\$143,595	\$129,642	\$71,385
ASSOCIATE COLLECTIONS			\$72,033	\$16,547	\$20,816
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE COLLECTIONS					
ASSOCIATE SALARY IN DOLLARS OR COMMISSION PERCENT					
HYGIENIST SALARY IN DOLLARS OR COMMISSION PERCENT					

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?	None
INSURANCE EXPLANATION	
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD	
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?	
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?	
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?	
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	
TAXES AND LICENSES EXPLANATION	
TOTAL EXPENSE FOR TAXES	
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?	
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?	
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	
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?	
REDUCED FEE PLANS	
NAME OF PLAN - BE SURE TO LIST DELTA PREMIER IF YOU HAVE IT	% OF PRX INCOME FROM THIS PLAN
UNITED	
BCBS PREMIER	

DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, AND PRACTICE PHILOSOPHY AND THE BEST STRENGTHS AND WORST WEAKNESSES OF YOUR PRACTICE:

The patient's experience with our practice is exceptional in all aspects.

Our dentistry is delivered with passion and precision.

Our small, well trained team focuses on excellence with attention to our patients' needs and desires. We strive to build trusting relationships with our patients and their families to create mutually beneficial relationships and a lifetime of excellent dental health.

Our practice is a fine tuned, cross trained team who keep overhead controlled to optimize patient care. This allows the best care at a fair fee patients value.

We provide education and treatment to improve our patients' dental health habits and thus their total physical well-being. We encourage and inspire them to achieve optimal dental health as well as a beautiful smile, one of their most important assets.

We communicate in such a way that the patients understand completely the goals and financial requirements for the proposed treatment.

We utilize the most up to date technology while maintaining a personal touch to implement it.

Our patients are so well cared for that they are ambassadors to assist us in growing our practice by referring their friends, family and co-workers.

Our patients receive our utmost attention to co-discovering their desires and aspirations for their dental health.

We provide attention to every detail of the patient's experience while in our care. The patient's comfort and receipt of a painless experience is paramount. From the time of first contact, we provide personal concierge service throughout the