

<b>Triad, North Carolina</b>	<b>General Dentistry</b>	<b>9401</b>
<b>MERGER FINANCIAL DATA SUMMARY FOR PRACTICE</b>		

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	\$528,526
--	-----------

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$184,984
--	-----------

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	\$376,479
--	-----------

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF	71%
---	-----

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)	\$376,479
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$79,257
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$455,736

**Triad, North Carolina General Dentistry  
MERGER FINANCIAL DATA FOR PRACTICE 9401**

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.**

<b>PRACTICE INCOME</b>					
EXPECTED GROSS COLLECTIONS				\$788,845	100.0%
HYGIENE COMPONENT				\$260,319	33.0%
DENTIST COMPONENT				\$528,526	67.0%
RETAINED SELLER					
ASSOCIATE					
PURCHASER				\$528,526	67.0%
<b>VARIABLE EXPENSES</b>					
WAGES, PAYROLL TAX, ETC.				\$212,933	27.0%
LABORATORY				\$36,438	4.6%
CLINICAL SUPPLIES				\$47,613	6.0%
OTHER VARIABLE EXPENSE				\$18,277	2.3%
<b>TOTAL VARIABLE EXPENSE</b>				<b>\$315,261</b>	<b>40.0%</b>
<b>FIXED EXPENSES</b>					
PHONE, UTILITIES				\$3,000	0.4%
LEGAL & ACCOUNTING				\$3,500	0.4%
INSURANCE				\$1,500	0.2%
OTHER FIXED EXPENSE				\$13,242	1.7%
<b>TOTAL FIXED EXPENSE</b>				<b>\$21,242</b>	<b>2.7%</b>
<b>PRACTICE DEBT SERVICE</b>					
INTEREST				\$25,415	3.2%
PRINCIPAL				\$50,448	6.4%
<b>TOTAL DEBT SERVICE</b>				<b>\$75,863</b>	<b>9.6%</b>
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$788,845	100.0%
EXPECTED EXPENSES				\$336,502	42.7%
PRACTICE DEBT SERVICE				\$75,863	9.6%
<b>EXPCTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>				<b>\$376,479</b>	<b>71%</b>
PURCHASER PRODUCED PRODUCTION				\$528,526	67.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$50,448	9.5%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$28,808	5.5%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$455,736</b>	<b>86%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$572,000	75%
WORKING CAPITAL				\$38,000	
TOTAL PRACTICE LOAN				\$610,000	
PRACTICE LOAN INTEREST RATE				4.50%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$6,322	10%
<b>PURCHASER CASH FLOW CONSIDERATIONS</b>					
MONTHLY PRACTICE PAYMENTS				\$6,322	10%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$12,148	18%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$184,984	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$296,167	49%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$481,151	
<b>LESS PRACTICE DEBT SERVICE</b>				<b>(\$75,863)</b>	
<b>PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE</b>				<b>\$405,288</b>	

Triad, North Carolina	
MERGER DATA FOR PRACTICE NUMBER 9401	
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	3,305
EXPANDABLE FOOTAGE	1,462
CURRENT MONTHLY RENTAL i.e. "1200"	\$3,672
PRICE PER SQUARE FOOT	\$13.33
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	36
PROXIMITY OF PARKING PLACES	On site
# EQUIPPED OPS	6
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	2
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	4
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	2
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
APPRAISED BUILDING PRICE / WHEN?	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$652,000
IF NOT FOR SALE, MO. RENTAL AMOUNT	\$4,000
ANNUAL REAL ESTATE TAXES	\$9,086
ANNUAL REAL ESTATE INSURANCE COST	\$2,930
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	\$652,000
PURCHASER MORTGAGE INTEREST RATE	4.50%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$4,125
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$14.98
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Retire
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	

<b>PRACTICE DATA</b>	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	Groupon, Website
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	3/4/6 Month
WHAT TYPE COMPUTER SYSTEM	Eaglesoft
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,820
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	37
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	8
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	1 Month
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	45%
% OF PATIENTS PAYING CASH	45%
% INCOME FROM FEE FOR SERVICE INSURANCE	26%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	27%
% PRACTICE INCOME FROM REDUCED FEE PLANS	29%
% OF PATIENTS WITH REDUCED FEE PLANS	28%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	29%
% OF PATIENTS WITH REDUCED FEE PLANS	28%
<b>SCHEDULING DATA</b>	
MONDAY	7:30 AM - 3:30 PM
TUESDAY	7:30 AM - 3:30 PM
WEDNESDAY	7:30 AM - 3:30 PM
THURSDAY	7:30 AM - 3:30 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	64
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	40
DENTIST PATIENT VISITS PER YEAR	1,660
HYGIENE PATIENT VISITS PER YEAR	1,660
NUMBER OF DAYS WORKED PER YEAR	208
NUMBER OF WEEKS WORKED PER YEAR	52
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	98%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$822,538
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$51,443
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$7,423
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$11,886
ACCOUNTS RECEIVABLE >90 DAYS	\$751,785

**WHAT PERCENTAGE OF THE PRACTICE INCOME IS:**

HYGIENIST PRODUCTION	32%
OPERATIVE	9%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	3%
FIXED PROSTHETICS	47%
ENDODONTICS	
PERIODONTICS	8%
ORAL SURGERY	1%
COSMETIC	
TMJ TREATMENT	
TOTAL	100%

WHAT SERVICES ARE REFERRED OUT? Endo, Dentures, Implants, Ortho, OS

**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	\$90
TWO SURFACE ANTERIOR COMPOSITE 02331	\$212
CORE BUILD-UP 02950	\$257
CROWN - GOLD/PORCELAIN 02750	\$1,244
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	
TWO SURFACE POSTERIOR COMPOSITE 02392	\$212
CROWN - PORCELAIN CERAMIC 02740	\$1,394
LABIAL PORCELAIN VENEER 02962	
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$568
PERCENT OF FEE PARITY	122%

**DEMOGRAPHIC DATA**

WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	300,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Guilford Co. Schools, Cone Health, City of Greensboro, Ralph Lauren, High Point Regional UNC Health Care, UNC-Greensboro, US Postal Service, Volvo, BB&T
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	

STAFF DATA					CONFORMITY DATA	
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY		DOES YOUR PRACTICE MI
RECEPTIONIST	2019	Yes		\$33,280	\$3,298	
OFFICE MANAGER	1997	Yes		\$50,960		
INSURANCE						DOES YOUR PRACTICE MI
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT	2010	Yes		\$29,952		
ASSISTANT						ANY DISCIPLINARY ACTIO
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST	2018	Yes		\$56,576		
HYGIENIST	2014	Yes		\$17,406		ANY PRACTICE LAWSUITS
HYGIENIST						
HYGIENIST						DESCRIBE ANY HEALTH
LAB TECHNICIAN						YOUR PRACTICE OF DENT
LAB TECHNICIAN						INSURANCE EXPLANATIO
ASSOCIATE						TOTAL EXPENSE FOR INS
ASSOCIATE						HOW MUCH OF TOTAL I
ASSOCIATE						HOW MUCH OF TOTAL
						HOW MUCH OF TOTA
						HOW MUCH OF TOTA
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Health Insurance-50%, Uniforms, Paid vacation, Sick		HOW MUCH FOR T
Paid holidays and free dental care						
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE						TAXES AND LICENSES EX
TOTAL EXPENSE FOR TAX						
HOW MUCH						
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				No		HOW MUCH OF
WHAT POSITION DO THEY HOLD?						HOW MUCH OF T
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?						HOW MUCH OF TOTAL
HOW MUCH OF						
PENSION EXPLANATION A						
ARE THERE ANY EMPLOYEES WHO ARE PAID MORE OR LESS						TOTAL EXPENSES FOR PE
THAN THE NORMAL SALARY FOR THEIR POSITION?						
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER						HC
COMPENSATION FOR EACH						BENEFITS EXPLANATION
TOTAL EXPENSE FOR EMI						
H						
HC						
COLLECTION CENTERS						
						PLAN NAME - BE SURE TO
				1/1/2020-5/14/2020	2019	2018
GROSS COLLECTIONS				\$188,342	\$761,254	\$748,144
OWNER COLLECTIONS				\$126,189	\$510,040	\$501,256
HYGIENIST COLLECTIONS				\$62,153	\$251,214	\$246,888
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$65,142		

MEET OSHA STANDARDS? WHY NOT?		Yes
MEET HIPAA STANDARDS? WHY NOT?		Yes
IN LAST 7 YRS? EXPLAIN		No
FILED IN PAST TEN YRS. EXPLAIN		No
PROBLEMS WHICH WOULD AFFECT PRACTISTRY?		None
<b>INSURANCE</b>		
INSURANCE IN CURRENT PERIOD		\$69,168
TOTAL IS FOR OWNER HEALTH INSURANCE?		\$54,919
TOTAL IS FOR STAFF HEALTH INSURANCE?		\$9,037
TOTAL IS FOR OTHER OWNER BENEFITS?		
TOTAL IS FOR MALPRACTICE INSURANCE?		\$2,282
TOTAL IS FOR BUILDING INSURANCE?		\$2,930
<b>EXPENSE PLANATION</b>		
TOTAL WAGES		\$59,567
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?		\$49,675
TOTAL IS FOR STAFF PAYROLL TAX?		\$35,633
TOTAL IS FOR OWNER PAYROLL TAX?		\$14,042
TOTAL AD VALOREM (PRACTICE EQUIP)?		\$806
TOTAL IS FOR REAL ESTATE TAXES?		\$9,086
<b>PENSION AND 401k COMBINED</b>		
PENSION PLAN		
HOW MUCH OF TOTAL IS FOR STAFF		
HOW MUCH OF TOTAL IS FOR OWNER?		
EMPLOYEE BENEFITS		\$13,815
HOW MUCH OF TOTAL IS FOR STAFF?		\$13,815
HOW MUCH OF TOTAL IS FOR OWNER?		
<b>DELTA PREMIERE IF YOU HAVE</b>		
	<b>% OF PRX INCOME FROM THIS PLAN</b>	<b>% OF YOUR FEE THIS PLAN PAYS</b>
	12%	66%
	5%	63%
	12%	65%
	29%	





---

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

Our practice is low key, low pressure atmosphere that is dedicated to delivering quality, pain free care. the staff is a sma ll, close-knit group whose personalities complement each other. We have created an office of fun and laughter and at the same time fulfilli ng our fellow man's dental needs. The patient base is a nice gradient of young, middle aged and seniors with an equal mix of bl ue & white collared workers. We welcome all races. Our aim is to provide quality dental services. We pride ourselves in first getting to know the patient personally and learn about their history before delving into dental issues. It is rewarding to care for the patient, both physical as well as psychological aspects.

The only negative is that our practice is limited to treatment services that we feel most comfortable providing to our patien t base. This certainly is a significant positive for a future successor who can expand more comprehensive care in the areas of endodo ntics, implants, dentures and cosmetics. We feel we are providing quality care in our areas of greater expertise and the bottom lin e is what is best for the patient.

---