

Triad, North Carolina	General Dentistry	9401
FINANCIAL DATA SUMMARY FOR PRACTICE		

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
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$184,984
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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	\$258,322
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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	18%
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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)	\$258,322
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	49%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$102,382
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$360,704
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	68%

Triad, North Carolina General Dentistry				
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.				
PRACTICE INCOME				
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%
VARIABLE EXPENSES				
WAGES, PAYROLL TAX, ETC.			\$236,558	30.0%
LABORATORY			\$36,438	4.6%
CLINICAL SUPPLIES			\$47,613	6.0%
OTHER VARIABLE EXPENSE			\$25,388	3.2%
			TOTAL VARIABLE EXPENSE	\$345,997
				43.9%
FIXED EXPENSES				
PHONE, UTILITIES			\$16,169	2.0%
LEGAL & ACCOUNTING			\$6,695	0.8%
INSURANCE			\$7,725	1.0%
OTHER FIXED EXPENSE			\$28,575	3.6%
			TOTAL FIXED EXPENSE	\$59,164
				7.5%
DEBT SERVICE FOR PRACTICE AND BULDING				
INTEREST			\$53,908	6.8%
PRINCIPAL			\$71,454	9.1%
			TOTAL DEBT SERVICE	\$125,362
				15.9%
SUMMARY				
EXPECTED COLLECTIONS			\$788,845	100.0%
EXPECTED EXPENSES			\$405,162	51.4%
PRACTICE DEBT SERVICE			\$125,362	15.9%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$258,322	49%
PURCHASER PRODUCED PRODUCTION			\$528,526	67.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$71,454	13.5%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$30,928	5.9%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$360,704	68%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:				
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%
BUILDING PRICE			\$652,000	
MONTHLY BUILDING MORTGAGE			\$4,125	6%
PURCHASER CASH FLOW CONSIDERATIONS				
MONTHLY PRACTICE AND BUILDING PAYMENTS			\$10,447	16%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT			\$14,686	22%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION			\$184,984	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY			\$229,628	38%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT			\$414,612	
LESS DEBT SERVICE FOR PRACTICE AND BULDING			(\$125,362)	
PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE			\$289,250	

Triad, North Carolina	
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	

PRACTICE DATA	
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
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
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
PRACTICE DATA	
% 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%
SCHEDULING DATA	
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
COLLECTION DATA	
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						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST	2019	Yes		\$33,280		\$3,298
OFFICE MANAGER	1997	Yes		\$50,960		
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT	2010	Yes		\$29,952		\$3,453
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST	2018	Yes		\$56,576		
HYGIENIST	2014	Yes		\$17,406		
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Health Insurance-50%, Uniforms, Paid vacation, Sick leave, Paid holidays and free dental care		
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						
				1/1/2020-5/14/2020	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		

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.
