

<b>Northern NC</b>	<b>General Dentistry</b>	
<b>FINANCIAL DATA SUMMARY FOR PRACTICE</b>	<b>9455</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	<b>\$352,552</b>
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	<b>\$123,393</b>
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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	<b>\$174,292</b>
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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	<b>29%</b>
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<b>TO COMPARE THIS OPPORTUNITY TO OTHER OPPORTUNITIES, WHETHER THEY ARE ASSOCIATESHIPS OR OTHER PRACTICES TO PURCHASE, LOOK AT SEVERAL KEY DATA POINTS.</b>	
	<b>SUBJECT PRACTICE</b>

1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	<b>\$174,292</b>
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	<b>49%</b>
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	<b>\$48,511</b>
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	<b>\$222,803</b>
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	<b>63%</b>

**PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD TO #VALUE!**

**Northern NC General Dentistry**  
**FINANCIAL DATA FOR PRACTICE 9455**

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				\$549,948	100.0%
	HYGIENE COMPONENT			\$197,396	35.9%
	DENTIST COMPONENT			\$352,552	64.1%
		RETAINED SELLER			
		ASSOCIATE			
		PURCHASER		\$352,552	64.1%
<b>VARIABLE EXPENSES</b>					
	WAGES, PAYROLL TAX, ETC.			\$178,216	32.4%
	LABORATORY			\$21,785	4.0%
	CLINICAL SUPPLIES			\$45,988	8.4%
	OTHER VARIABLE EXPENSE			\$26,521	4.8%
			<b>TOTAL VARIABLE EXPENSE</b>	<b>\$272,510</b>	<b>49.6%</b>
<b>FIXED EXPENSES</b>					
	RENT			\$23,400	4.3%
	PHONE, UTILITIES			\$6,198	1.1%
	LEGAL & ACCOUNTING			\$6,695	1.2%
	INSURANCE			\$7,725	1.4%
	OTHER FIXED EXPENSE			\$13,226	2.4%
			<b>TOTAL FIXED EXPENSE</b>	<b>\$57,244</b>	<b>10.4%</b>
<b>PRACTICE DEBT SERVICE</b>					
	INTEREST			\$12,787	2.3%
	PRINCIPAL			\$33,115	6.0%
			<b>TOTAL DEBT SERVICE</b>	<b>\$45,902</b>	<b>8.3%</b>
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$549,948	100.0%
EXPECTED EXPENSES				\$329,754	60.0%
PRACTICE DEBT SERVICE				\$45,902	8.3%
			<b>EXPCTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>	<b>\$174,292</b>	<b>49%</b>
PURCHASER PRODUCED PRODUCTION				\$352,552	64.1%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$33,115	9.4%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$15,395	4.4%
			<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>	<b>\$222,803</b>	<b>63%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$358,000	67%
WORKING CAPITAL				\$27,000	
TOTAL PRACTICE LOAN				\$385,000	
PRACTICE LOAN INTEREST RATE				3.60%	
PRACTICE LOAN TERM (MONTHS)				120	
MONTHLY PRACTICE PAYMENT				\$3,825	8%
<b>PURCHASER CASH FLOW CONSIDERATIONS</b>					
MONTHLY PRACTICE PAYMENTS				\$3,825	8%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$8,872	19%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$123,393	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$112,196	29%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$235,590	
<b>LESS PRACTICE DEBT SERVICE</b>				<b>(\$45,902)</b>	
<b>PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE</b>				<b>\$189,688</b>	

Northern NC	
DATA FOR PRACTICE NUMBER	9455
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	2,000
EXPANDABLE FOOTAGE	Yes
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,950
PRICE PER SQUARE FOOT	\$11.70
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	10+
PROXIMITY OF PARKING PLACES	At the office
# EQUIPPED OPS	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	2
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	2
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
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"	Month to Month
IS THERE AN OPTION TO PURCHASE?	
RENEWAL OPTIONS	
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	Retire, travel, time with family, golf
DAYS/WEEK CURRENTLY WORKED	3.5
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 17, 2020
DATE REOPENED FOR COVID	May 27, 2020
DATE OF LATEST PRACTICE REVENUE	6/9/2021
AMOUNT OF LATEST PRACTICE REVENUES	\$261,258
ANNUALIZED 2020 COLLECTIONS ADJUSTED FOR TIME CLOSED	#VALUE!
AMOUNT OF ANY OUTSTANDING PPP OR EIDL LOANS	

<b>PRACTICE DATA</b>	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	
RESULTS	
DESCRIBE INTERNAL MARKETING	Word of mouth, family, friends, patient referrals
DESCRIBE EXTERNAL MARKETING	Phone/Website, patient referrals
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, Covid. Closed 10 weeks in 2020
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	No
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Appointment made day of recall
WHAT TYPE COMPUTER SYSTEM	Eaglesoft/Patterson
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 12 MONTHS	1,254
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	2
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	8
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	12
HOW FAR AHEAD IS DENTIST SCHEDULED?	Two weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	Six months
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	40%
% OF PATIENTS PAYING CASH	40%
% INCOME FROM INSURANCE	60%
% OF PATIENTS WITH INSURANCE	60%
% 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	
<b>SCHEDULING DATA</b>	
MONDAY	9 AM - 4 PM
TUESDAY	9 AM - 4 PM
WEDNESDAY	9 AM - 4 PM
THURSDAY	8 AM - 1 PM
FRIDAY	
SATURDAY	
OWNER HOURS WORKED PER WEEK	43907
ASSOCIATE HOURS WORKED PER WEEK	32
HYGIENIST HOURS WORKED PER WEEK	28
DENTIST PATIENT VISITS PER YEAR	1,500
HYGIENE PATIENT VISITS PER YEAR	3,000
NUMBER OF DAYS WORKED PER YEAR	190
NUMBER OF WEEKS WORKED PER YEAR	50
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	97%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$27,029
WHAT IS YOUR PATIENT CREDIT BALANCE	-\$6,948
ACCOUNTS RECEIVABLES - CURRENT	\$23,833
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$2,563
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,518
ACCOUNTS RECEIVABLE >90 DAYS	-\$1,885

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	40%
OPERATIVE	40%
PEDODONTICS	1%
ORTHODONTICS	1%
IMPLANTS	4%
REMOVABLE PROSTHETICS	5%
FIXED PROSTHETICS	5%
ENDODONTICS	
PERIODONTICS	1%
ORAL SURGERY	1%
COSMETIC	1%
TMJ TREATMENT	1%
SOFT TISSUE MANAGEMENT	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Endo, Most Extractions, Implant Placement
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	\$154
TWO SURFACE ANTERIOR COMPOSITE 02331	\$189
CORE BUILD-UP 02950	\$210
CROWN - GOLD/PORCELAIN 02750	\$1,100
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	\$120
TWO SURFACE POSTERIOR COMPOSITE 02392	\$210
CROWN - PORCELAIN CERAMIC 02740	\$1,100
LABIAL PORCELAIN VENEER 02962	\$1,100
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$523
PERCENT OF FEE PARITY	106%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	11,500
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	30,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Duke Energy, Eaton, GKN, Person County School, Person County Government, Piedmont Community College
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	It is a rural community

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST				\$35,000		\$6,000
OFFICE MANAGER						
INSURANCE						
OTHER FRONT DESK				\$26,000		
BOOKKEEPER						
ASSISTANT				\$35,000		\$6,000
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST		No		\$50,000		\$6,000
HYGIENIST				\$50,000		\$6,000
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				5 paid holidays, PTO when I take vacation, health stipend paid		
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE						
DO YOU HIRE ANY UNPAID FAMILY MEMBERS?				No		
WHAT POSITION DO THEY HOLD?				My wife works part-time/front office help (She is paid \$26,000 a year)		
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						
<b>COLLECTION CENTERS</b>						
				1/1/2021 - 5/26/2021		2019
				2020		
GROSS COLLECTIONS				\$242,483	\$506,357	\$623,338
OWNER COLLECTIONS				\$155,411	\$331,254	\$390,550
HYGIENIST COLLECTIONS				\$86,700	\$175,101	\$232,787
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				Hourly		



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

We provide the typical GP services: restorative, preventative, perio, prosthetics. We are a rural, family based practice. We have an older staff with years of experience. We do the treatment that needs to be done, being kind and empathetic. We never try to sell treatment to our patients; we try to give information so the patient can make an informed decision. We strive to always do our best!

We are out of network with all insurance plans. We refer out a lot of procedures. There are no local specialists other than orthodontics.

**COVID INFORMATION**

Date Closed for Covid: 3-17-2020

Date Reopened: 5-27-2020

What percent reduction in operational capacity in 2020 was there compared to 2019: 25%

How does your schedule for 2020 compare to 2019: 90% back to normal

Do you have adequate PPE inventory: Yes

Do you pass cost of PPE on to patients? Yes

How does your post Covid treatment mix compare to same period of 2019: Similar

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: \$17,000

Did you receive a PPP Loan: Yes How much: \$39,500/\$60,000 Was this loan included in your P&L and/or tax return: Taxes not done for this year

Was this loan paid back or forgiven: Forgiven

Did you receive a EIDL loan: Yes How much: \$5,000 When received: 2020

Was this loan paid back or forgiven: Forgiven Was this loan amount included in your P&L or tax return: Taxes not done yet.