

Northern Adirondacks General Dentistry  
**MERGER FINANCIAL DATA SUMMARY FOR PRACTICE 9440**

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	\$574,809
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$201,183
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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	\$353,700
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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	62%
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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
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1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$353,700
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2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$69,653
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3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$423,352
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**PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD TOTAL \$1,052,679**

Northern Adirondacks General Dentistry					
MERGER FINANCIAL DATA FOR PRACTICE 9440					
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. <b>NOTE: Practice price does not include accounts receivable.</b>					
<b>PRACTICE INCOME</b>					
EXPECTED GROSS COLLECTIONS				\$845,308	100.0%
HYGIENE COMPONENT				\$270,499	32.0%
DENTIST COMPONENT				\$574,809	68.0%
RETAINED SELLER					
ASSOCIATE					
PURCHASER				\$574,809	68.0%
<b>VARIABLE EXPENSES</b>					
WAGES, PAYROLL TAX, ETC.				\$220,022	26.0%
LABORATORY				\$25,889	3.1%
CLINICAL SUPPLIES				\$131,461	15.6%
OTHER VARIABLE EXPENSE				\$18,937	2.2%
<b>TOTAL VARIABLE EXPENSE</b>				<b>\$396,308</b>	<b>46.9%</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				\$24,587	2.9%
<b>TOTAL FIXED EXPENSE</b>				<b>\$32,587</b>	<b>3.9%</b>
<b>PRACTICE DEBT SERVICE</b>					
INTEREST				\$17,469	2.1%
PRINCIPAL				\$45,243	5.4%
<b>TOTAL DEBT SERVICE</b>				<b>\$62,713</b>	<b>7.4%</b>
<b>SUMMARY</b>					
EXPECTED COLLECTIONS				\$845,308	100.0%
EXPECTED EXPENSES				\$428,895	50.7%
PRACTICE DEBT SERVICE				\$62,713	7.4%
<b>EXPCTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>				<b>\$353,700</b>	<b>62%</b>
PURCHASER PRODUCED PRODUCTION				\$574,809	68.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$45,243	7.9%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$24,409	4.2%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$423,352</b>	<b>74%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>					
PRACTICE SALES PRICE & PERCENT OF GROSS				\$485,000	59%
WORKING CAPITAL				\$41,000	
TOTAL PRACTICE LOAN				\$526,000	
PRACTICE LOAN INTEREST RATE				3.60%	
PRACTICE LOAN TERM IN MONTHS				120	
PRACTICE MONTHLY PAYMENT				\$5,226	7%
<b>PURCHASER CASH FLOW CONSIDERATIONS</b>					
MONTHLY PRACTICE PAYMENTS				\$5,226	7%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$12,623	18%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$201,183	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$239,638	46%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$440,822	
<b>LESS PRACTICE DEBT SERVICE</b>				<b>(\$62,713)</b>	
<b>PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE</b>				<b>\$378,109</b>	

Northern Adirondacks	
MERGER DATA FOR PRACTICE NUMBER 9440	
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	2,200
EXPANDABLE FOOTAGE	Add second level or finish basement
CURRENT MONTHLY RENTAL i.e. "1200"	
PRICE PER SQUARE FOOT	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	16-20
PROXIMITY OF PARKING PLACES	Back of building
# EQUIPPED OPS	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	0, but could easily be done
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	YES
DO YOU WISH TO SELL THE BUILDING? YES OR NO	YES
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$290,000
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$5,112
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	\$290,000
PURCHASER MORTGAGE INTEREST RATE	3.75%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$1,719
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$9.38
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Retirement
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	
COVID INFORMATION	
DATE CLOSED FOR COVID	March 15, 2020
DATE REOPENED FOR COVID	June 1, 2020
DATE OF LATEST PRACTICE REVENUE	December 31, 2020
AMOUNT OF LATEST PRACTICE REVENUES	\$827,723
ANNUALIZED 2020 COLLECTIONS ADJUSTED FOR TIME CLOSED	\$1,052,679
AMOUNT OF ANY PPP OR EIDL LOANS	

<b>PRACTICE DATA</b>	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	Word of mouth
DESCRIBE EXTERNAL MARKETING	Limited local ads
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	No
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Eaglesoft
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	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	20
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?	three weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	six months
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	35%
% OF PATIENTS PAYING CASH	35%
% INCOME FROM INSURANCE	65%
% OF PATIENTS WITH INSURANCE	65%
% 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	8 AM - 5 PM
TUESDAY	8 AM - 5 PM
WEDNESDAY	8 AM - 5 PM
THURSDAY	8 AM - 5 PM
FRIDAY	
SATURDAY	
	43905
OWNER HOURS WORKED PER WEEK	32
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	36
DENTIST PATIENT VISITS PER YEAR	
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	178
NUMBER OF WEEKS WORKED PER YEAR	46
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	97%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$38,891
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$41,465
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$3,015
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$377
ACCOUNTS RECEIVABLE >90 DAYS	-\$5,966

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	32%
OPERATIVE	46%
PEDODONTICS	2%
ORTHODONTICS	1%
IMPLANTS	
REMOVABLE PROSTHETICS	2%
FIXED PROSTHETICS	2%
ENDODONTICS	
PERIODONTICS	1%
ORAL SURGERY	1%
COSMETIC	1%
TMJ TREATMENT	1%
SOFT TISSUE MANAGEMENT	
OTHER	11%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Endo, Perio Surgery, Most Oral Surgery, Most Ortho
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	\$89
TWO SURFACE ANTERIOR COMPOSITE 02331	\$215
CORE BUILD-UP 02950	
CROWN - GOLD/PORCELAIN 02750	\$1,095
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	\$135
TWO SURFACE POSTERIOR COMPOSITE 02392	\$215
CROWN - PORCELAIN CERAMIC 02740	\$1,095
LABIAL PORCELAIN VENEER 02962	\$1,095
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$563
PERCENT OF FEE PARITY	108%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	5,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	20,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	eight
	WITHIN Potsdam
MAJOR EMPLOYERS IN AREA	Prisons, Sunmount, Hospital, Local Businesses, Olympic Venues
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Many new residents escaping the big cities from Covid

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST	2013	Yes		\$51,214		\$7,000
OFFICE MANAGER						
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER/PT	2019	Yes		\$3,188		\$500
ASSISTANT	2019	Yes		\$24,570		\$3,000
ASSISTANT						
ASSISTANT						
ASSISTANT						
ASSISTANT						
HYGIENIST	2018	Yes		\$19,145		\$1,200
HYGIENIST (Wife)		Yes		\$51,345		
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				Christmas bonus, varies by year; vacations		
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						
<b>COLLECTION CENTERS</b>						
				<b>1/2/2021-3/12/2021</b>	<b>2019</b>	<b>2018</b>
GROSS COLLECTIONS				\$174,306	\$704,256	\$784,993
OWNER COLLECTIONS				\$118,528	\$478,894	\$533,795
HYGIENIST COLLECTIONS				\$55,778	\$225,362	\$251,198
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$0		

<b>CONFORMITY DATA</b>			
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			
ANY PRACTICE LAWSUITS FILED IN PAST TEN YRS. EXPLAIN	No		
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY?	None		
<b>INSURANCE EXPLANATION</b>			
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?			
<b>TAXES AND LICENSES EXPLANATION</b>			
TOTAL EXPENSE FOR TAXES	\$55,441		
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?	\$50,328		
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	\$50,328		
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?			
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	\$5,112		
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?			
<b>PENSION EXPLANATION AND 401k COMBINED</b>			
TOTAL EXPENSES FOR PENSION PLAN			
HOW MUCH OF TOTAL IS FOR STAFF			
HOW MUCH OF TOTAL IS FOR OWNER?			
<b>BENEFITS EXPLANATION</b>			
TOTAL EXPENSE FOR EMPLOYEE BENEFITS	\$11,700		
HOW MUCH OF TOTAL IS FOR STAFF?	\$11,700		
HOW MUCH OF TOTAL IS FOR OWNER?			
	<b>% OF PRX INCOME</b>	<b>% OF YOUR FEE</b>	
<b>PLAN NAME - BE SURE TO LIST DELTA PREMIERE IF YOU HAVE</b>	<b>FROM THIS PLAN</b>	<b>THIS PLAN PAYS</b>	
AARP		66%	
Addendum		29%	
Aetna		94%	
Aflac		92%	
Ameritus		71%	
Ameritus Group		46%	
Ameritus Physicians		93%	
BCBS		90%	
APWU		87%	
Bright Ideal Dental		45%	
Cigna			
More accepted			

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

The practice is located in a beautiful, friendly town. The people are real. No judgement of others. My staff is as friendly as the town. They are extremely dedicated. We treat all patients as we would want to be treated. Patients are very receptive to trustworthy, honest treatment.

The largest complaint is the number of procedures I refer out. Most referrals are 2+ hours away.

**COVID INFORMATION**

Date Closed for Covid: March 15, 2020

Date Reopened: June 1, 2020

what percent reduction in operational capacity in 2020 was there compared to 2019: 10%

How does your schedule for 2020 compare to 2019: Similar

Do you have adequate PPE inventory: Yes Do you pass cost of PPE on to patients? No

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

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:

Did you receive a PPP Loan: Yes How much: \$103,000 Was this loan included in your P&L and/or tax return: No

Was this loan paid back or forgiven: Forgiven

Did you receive a EIDL loan: No