

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	\$336,052
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.	
CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$117,618

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	\$47,256
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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	24%
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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)	\$103,236
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	31%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$42,788
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$146,024
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	43.5%

Central Tennessee	General Dentistry	
FINANCIAL DATA SUMMARY FOR PRACTICE	6724	9/7/2018 10:38

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				\$336,052	100.0%
HYGIENE COMPONENT					
DENTIST COMPONENT				\$336,052	100.0%
RETIAINED SELLER					
ASSOCIATE					
PURCHASER				\$336,052	100.0%

VARIABLE EXPENSES

WAGES, PAYROLL TAX, ETC.				\$53,673	16.0%
LABORATORY				\$28,925	8.6%
CLINICAL SUPPLIES				\$27,878	8.3%
OTHER VARIABLE EXPENSE				\$24,662	7.3%
TOTAL VARIABLE EXPENSE				\$135,138	40.2%

FIXED EXPENSES

RENT					
PHONE, UTILITIES				\$13,057	3.9%
LEGAL & ACCOUNTING				\$6,695	2.0%
INSURANCE				\$7,725	2.3%
OTHER FIXED EXPENSE				\$28,933	8.6%
TOTAL FIXED EXPENSE				\$56,410	16.8%

DEBT SERVICE FOR PRACTICE AND BULDING

INTEREST				\$18,850	5.6%
PRINCIPAL				\$22,418	6.7%
TOTAL DEBT SERVICE				\$41,268	12.3%

SUMMARY

EXPECTED COLLECTIONS				\$336,052	100.0%
EXPECTED EXPENSES				\$191,548	57.0%
DEBT SERVICE				\$41,268	12.3%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.				\$103,236	30.7%
PURCHASER PRODUCED PRODUCTION				\$336,052	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$22,418	6.7%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$20,370	6.1%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.				\$146,024	43.5%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

PRACTICE SALES PRICE & PERCENT OF GROSS	\$199,000	61%
WORKING CAPITAL	\$16,000	
TOTAL PRACTICE LOAN	\$215,000	
PRACTICE LOAN INTEREST RATE	4.50%	
PRACTICE LOAN TERM IN MONTHS	120	
PRACTICE MONTHLY PAYMENT	\$2,228	8%
BUILDING PRICE	\$169,000	
BUILDING MONTHLY PAYMENT	\$1,211	4%

PURCHASER CASH FLOW CONSIDERATIONS

MONTHLY PAYMENTS FOR PRACTICE AND BULDING	\$3,439	12%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT		
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$117,618	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$47,256	22%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT	\$164,875	
LESS DEBT SERVICE FOR PRACTICE AND BULDING	(\$41,268)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE	\$123,607	

**Central Tennessee
DATA SUMMARY FOR PRACTICE NUMBER 6724**

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	2,016
EXPANDABLE FOOTAGE	Could build on
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,000
PRICE PER SQUARE FOOT	\$5.95
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	12
PROXIMITY OF PARKING PLACES	Adjacent to front and back of building
TOTAL NUMBER OF EQUIPPED OPERATORIES	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	2
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	1
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
DO YOU OWN YOUR BUILDING?	Yes
DO YOU WISH TO SELL THE BUILDING?	Yes
WAS BUILDING APPRAISED?	Yes
WHEN?	2,014
APPRAISED PRICE	\$169,000
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$1,800
ANNUAL REAL ESTATE INSURANCE COST	\$3,800
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	\$169,000
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$1,211
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$7.21

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Retire
DAYS/WEEK CURRENTLY WORKED	3.0
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?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	Ask patients for referrals, printed materials-ie, Pens, calendars, etc., calling patients post-op.
DESCRIBE EXTERNAL MARKETING	Yellow pages, office website, occasionally local newspapers and radio
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, contract write-offs, doctor off 12 weeks a year, hygienist off 2-1/2-3 weeks a year
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Easy Dental
WHAT TYPE COMPUTER SYSTEM	Easy Dental
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	2,800
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	6
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	9
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6-8 Months
PRACTICE DATA	
% INCOME FROM CASH	10%
% OF PATIENTS PAYING CASH	10%
% INCOME FROM FEE FOR SERVICE INSURANCE	35%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	35%
% PRACTICE INCOME FROM REDUCED FEE PLANS	55%
% OF PATIENTS WITH REDUCED FEE PLANS	55%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	55%
% OF PATIENTS WITH REDUCED FEE PLANS	55%
SCHEDULING DATA	
MONDAY	8 AM - 12 PM/1:30 PM - 4:30 PM
TUESDAY	8 AM - 12 PM/1:30 PM - 4:30 PM
WEDNESDAY	
THURSDAY	8 AM - 12 PM/1:30 PM - 4:30 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	21
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	21
DENTIST PATIENT VISITS PER YEAR	1,200
HYGIENE PATIENT VISITS PER YEAR	1,100
NUMBER OF DAYS WORKED PER YEAR	145
NUMBER OF WEEKS WORKED PER YEAR	45
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	95%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$45,750
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$16,020
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$4,690
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$4,815
ACCOUNTS RECEIVABLE >90 DAYS	\$20,244

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
PREVENTIVE	24%
OPERATIVE	34%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	6%
FIXED PROSTHETICS	7%
ENDODONTICS	5%
PERIODONTICS	1%
ORAL SURGERY	6%
COSMETIC	10%
TMJ TREATMENT	1%
SOFT TISSUE MANAGEMENT	2%
OTHER	4%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Molar endo, implant surgery, IV Sedation, difficult extractions
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	\$76
TWO SURFACE ANTERIOR COMPOSITE 02331	\$164
CORE BUILD-UP 02950	\$230
CROWN - GOLD/PORCELAIN 02750	\$1,200
ANTERIOR CANAL ROOT CANAL 03310	\$680
PANORAMIC X-RAY 00330	\$98
TWO SURFACE POSTERIOR COMPOSITE 02392	\$190
CROWN - PORCELAIN CERAMIC 02740	\$950
LABIAL PORCELAIN VENEER 02962	\$950
BICUSPID ROOT CANAL 03320	\$740
AVERAGE OF FEES	\$528
PERCENT OF FEE PARITY	88%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	5,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	25,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	four
MAJOR EMPLOYERS IN AREA	Chemours (DuPont), TVA, Benton County Schools, Jones Plastics, Palmer Tool, Erchem, Arnold Fabricating
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA and into draw area.	Some mid size and small companies planning to locate here

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

Very experienced staff; best staff I have ever had. Patients range from affluent to local farmers with no education but many have been patients for 30 years. The practice has great retention. The community is a great place to live. Great people and schools. The area is slowly growing in businesses and services. Our practice philosophy is to treat people like you want to be treated. Be honest and fair. Give great customer service.

The practice is only open three days a week. Doctor is off approximately three months a year.