

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 **\$994,114**

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.  
 CONSIDER A GENEROUS COMMISSION RATE OF 35% **\$347,940**

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 **\$519,300**

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN  
 FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF **52%**

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)	\$519,300
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	52%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$74,367
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$593,668
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	59.7%
6. BREAK-EVEN RETENTION PERCENTAGE	7%

<b>Nashville, Tennessee</b>	<b>Oral Surgery</b>	
<b>FINANCIAL DATA SUMMARY FOR PRACTICE</b>	<b>9174</b>	<b>3/10/2018 14:32</b>

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			\$994,114	100.0%
	HYGIENE COMPONENT		\$228,646	23.0%
	DENTIST COMPONENT		\$765,468	77.0%
	RETAINED SELLER			
	ASSOCIATE			
	PURCHASER		\$994,114	100.0%

**VARIABLE EXPENSES**

	WAGES, PAYROLL TAX, ETC.		\$241,823	24.3%
	LABORATORY			
	CLINICAL SUPPLIES		\$78,637	7.9%
	OTHER VARIABLE EXPENSE		\$57,768	5.8%
	<b>TOTAL VARIABLE EXPENSE</b>		<b>\$378,228</b>	<b>38.0%</b>

**FIXED EXPENSES**

	RENT			
	PHONE, UTILITIES		\$3,000	0.3%
	LEGAL & ACCOUNTING		\$3,500	0.4%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$18,070	1.8%
	<b>TOTAL FIXED EXPENSE</b>		<b>\$26,070</b>	<b>2.6%</b>

**PRACTICE DEBT SERVICE**

	INTEREST		\$23,624	2.4%
	PRINCIPAL		\$46,892	4.7%
	<b>TOTAL DEBT SERVICE</b>		<b>\$70,516</b>	<b>7.1%</b>

**SUMMARY**

EXPECTED COLLECTIONS		\$994,114	100.0%
EXPECTED EXPENSES		\$404,298	40.7%
PRACTICE DEBT SERVICE		\$70,516	7.1%
<b>EXPCTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>		<b>\$519,300</b>	<b>52.2%</b>
PURCHASER PRODUCED PRODUCTION		\$994,114	100.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION		\$46,892	4.7%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION		\$27,475	2.8%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>		<b>\$593,668</b>	<b>59.7%</b>

**THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:**

PRACTICE SALES PRICE & PERCENT OF GROSS	\$519,000	54%
WORKING CAPITAL	\$48,000	
TOTAL PRACTICE LOAN	\$567,000	
PRACTICE LOAN INTEREST RATE	4.50%	
PRACTICE LOAN TERM IN MONTHS	120	
PRACTICE MONTHLY PAYMENT	\$5,876	7%

**PURCHASER CASH FLOW CONSIDERATIONS**

MONTHLY PRACTICE PAYMENTS	\$5,876	7%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$10,670	13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$347,940	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$269,351	48%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT	\$617,291	
<b>LESS DEBT SERVICE FOR PRACTICE AND BULDING</b>	<b>(\$70,516)</b>	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE	\$546,776	

**Nashville, Tennessee**  
**DATA SUMMARY FOR PRACTICE NUMBER 9174**

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.

<b>OFFICE DATA</b>	
SQUARE FOOTAGE OF OFFICE	1,960
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$4,130
PRICE PER SQUARE FOOT	\$25.29
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	Hundreds
PROXIMITY OF PARKING PLACES	Adajacent

TOTAL NUMBER OF EQUIPPED OPERATORIES	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	4
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	
NUMBER OF UNPLUMBED AND EMPTY OPERATORIES	
DO YOU OWN YOUR BUILDING?	No
DO YOU WISH TO SELL THE BUILDING?	No

WAS BUILDING APPRAISED?	
WHEN?	
APPRAISED PRICE	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	
ANNUAL REAL ESTATE INSURANCE COST	
DATE OF LEASE i.e. "6/1/2016"	January 1, 2017
DATE LEASE ENDS - i.e. "1/1/2020"	December 31, 2019
RENEWAL OPTIONS	Renewable with new rent schedule
IS THERE AN OPTION TO PURCHASE?	No

BUILDING VALUE TO BE USED	
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	

**WORK SCHEDULE**

PLANS AFTER SALE OF PRACTICE	Work part-time for buyer or spend a lot of time at lake house
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DAYS/WEEK CURRENTLY WORKED	5.0
HOW MANY DAYS WOULD YOU PREFER TO WORK FOR BUYER	
DESIRED WORK DAYS/WEEK 1ST YR	2.0
DESIRED WORK DAYS/WEEK 2ND YR	1.0
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?	No
RESULTS	
DESCRIBE INTERNAL MARKETING	None
DESCRIBE EXTERNAL MARKETING	None
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, decreased number of patients seen daily on purpose
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide, General Anesthesia, IV Sedation
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	None
WHAT TYPE COMPUTER SYSTEM	Carestream
<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	
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	20
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	
HOW FAR AHEAD IS DENTIST SCHEDULED?	5 days
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	20%
% OF PATIENTS PAYING CASH	4%
% INCOME FROM FEE FOR SERVICE INSURANCE	10%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	1%
% PRACTICE INCOME FROM REDUCED FEE PLANS	60%
% OF PATIENTS WITH REDUCED FEE PLANS	90%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	10%
% OF PATIENTS WITH MEDICAID	5%
% PRACTICE INCOME FROM REDUCED FEE PLANS	70%
% OF PATIENTS WITH REDUCED FEE PLANS	95%
<b>SCHEDULING DATA</b>	
MONDAY	8:30 AM - 4:00 PM
TUESDAY	8:30 AM - 4:00 PM
WEDNESDAY	8:30 AM - 11:00 AM
THURSDAY	8:30 AM - 4:00 PM
FRIDAY	8:30 AM - 4:00 PM
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	35.5
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	3,200
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	
NUMBER OF WEEKS WORKED PER YEAR	48
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	99%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$48,970
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$34,933
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$42,477
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$46,980
ACCOUNTS RECEIVABLE >90 DAYS	\$48,970

<b>WHAT PERCENTAGE OF THE PRACTICE INCOME IS:</b>	
HYGIENIST PRODUCTION	
OPERATIVE	
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	5%
REMOVABLE PROSTHETICS	
FIXED PROSTHETICS	
ENDODONTICS	
PERIODONTICS	
ORAL SURGERY	95%
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Everything not oral surgery
<b>REVENUES SOURCES</b>	
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?	
<b>FEE SCHEDULE</b>	
ADULT PROPHY 01110	
TWO SURFACE ANTERIOR COMPOSITE 02331	
CORE BUILD-UP 02950	
CROWN - GOLD/PORCELAIN 02750	
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	\$95
TWO SURFACE POSTERIOR COMPOSITE 02392	
CROWN - PORCELAIN CERAMIC 02740	
LABIAL PORCELAIN VENEER 02962	
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$95
PERCENT OF FEE PARITY	80%
<b>DEMOGRAPHIC DATA</b>	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	1,000,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	200,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	35 - 40
MAJOR EMPLOYERS IN AREA	City, State, School systems, UPS, Airlines, Insurance Companies, hospitals, grocery stores
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Significant growth in Hermitage and Mount Juliet areas



<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	No
ANY PRACTICE LAWSUITS FILED IN PAST TEN YRS. EXPLAIN	No but settlement without lawsuit. Accidentally burned patient's abdomen with cautery. \$35,000 settlement. Reported to Data bank
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY?	None
<b>INSURANCE EXPLANATION</b>	
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD?	\$35,536
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?	\$5,809
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?	\$17,184
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?	
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	\$10,975
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	\$568
<b>TAXES AND LICENSES EXPLANATION</b>	
TOTAL EXPENSE FOR TAXES	\$33,529
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?	\$32,227
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	\$18,304
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?	\$13,923
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	\$400
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	
<b>PENSION EXPLANATION AND 401k COMBINED</b>	
TOTAL EXPENSES FOR PENSION PLAN	\$46,631
HOW MUCH OF TOTAL IS FOR STAFF	\$10,631
HOW MUCH OF TOTAL IS FOR OWNER?	\$36,000
<b>BENEFITS EXPLANATION</b>	
TOTAL EXPENSE FOR EMPLOYEE BENEFITS	\$9,000
HOW MUCH OF TOTAL IS FOR STAFF?	\$4,000
HOW MUCH OF TOTAL IS FOR OWNER?	\$5,000
<b>REDUCED FEE PLANS</b>	
NAME OF PLAN	PAYS WHAT PERCENTAGE OF YOUR USUAL FEES
Delta Dental	95%
BcBS	80%
TennCare	71%
MetLife	81%
Aetna	91%
Cigna	80%
Ameritas	91%
Humana	92%
Guardian	91%
Tricare	91%
Teamcare	100%
Healthscope	85%
United Concordia	91%
Farm Bureau	80%
UMR	91%

WHAT PERCENT OF YOUR PRACTICE IS:	
EXODONTIA	50%
MAXILLOFACIAL	1%
TMJ	1%
COSMETIC	
TRAUMA	1%
OTHER:	47%
DESCRIBE TYPICAL ANESTHESIA FOR IN-OFFICE SURGERY	Anesthesia (General), Pathology, Implants, Exposed Ligate Alvelectomy
awaken and recover patient, discharge to responsible adult.	
LIST HOSPITALS WHERE YOU HAVE LOST PRIVILEGES	No
WHAT % OF YOUR PATIENTS ARE FROM DENTIST REFERRALS?	90%
DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, AND PRACTICE PHILOSOPHY AND THE BEST STRENGTHS AND WORST WEAKNESSES OF YOUR PRACTICE:	
<p>Now it is primarily a dentoalveolar practice with general anesthesia offered for surgical treatment. Staff is very loyal and punctual. Most have been with me 10+ years. Have had several employees retire and one passed away from chemo in treatment for breast cancer. I see one surgery per hour and one consult per hour. For 40 years I saw two surgeries per hour and had a third assistant. I call my bigger surgery patients at night to check on them. Taking good care of my patients is primary in this practice.</p>	