

Southwest Virginia General Dentistry  
**FINANCIAL DATA SUMMARY FOR PRACTICE 9422**

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	\$687,217
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COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION. CONSIDER A GENEROUS COMMISSION RATE OF 35%	\$240,526
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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	\$422,101
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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	45%
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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)	\$422,101
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	61%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$80,781
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$502,882
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	73%

**PROJECTED ANNUALIZED COLLECTIONS FOR 2020 BY DEDUCTING THE DAYS CLOSED FOR COVID WOULD TOTAL \$1,013,396**

Southwest Virginia		General Dentistry				
FINANCIAL DATA		FOR PRACTICE		9422		
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				\$916,289	100.0%	
HYGIENE COMPONENT				\$229,072	25.0%	
DENTIST COMPONENT				\$687,217	75.0%	
RETAINED SELLER						
ASSOCIATE						
PURCHASER				\$687,217	75.0%	
<b>VARIABLE EXPENSES</b>						
WAGES, PAYROLL TAX, ETC.				\$248,918	27.2%	
LABORATORY				\$6,822	0.7%	
CLINICAL SUPPLIES				\$91,466	10.0%	
OTHER VARIABLE EXPENSE				\$33,903	3.7%	
				<b>TOTAL VARIABLE EXPENSE</b>	<b>\$381,110</b>	<b>41.6%</b>
<b>FIXED EXPENSES</b>						
RENT				\$9,000	1.0%	
PHONE, UTILITIES				\$8,835	1.0%	
LEGAL & ACCOUNTING						
INSURANCE				\$7,725	0.8%	
OTHER FIXED EXPENSE				\$15,908	1.7%	
				<b>TOTAL FIXED EXPENSE</b>	<b>\$41,469</b>	<b>4.5%</b>
<b>PRACTICE DEBT SERVICE</b>						
INTEREST				\$17,062	1.9%	
PRINCIPAL				\$54,547	6.0%	
				<b>TOTAL DEBT SERVICE</b>	<b>\$71,609</b>	<b>7.8%</b>
<b>SUMMARY</b>						
EXPECTED COLLECTIONS				\$916,289	100.0%	
EXPECTED EXPENSES				\$422,579	46.1%	
PRACTICE DEBT SERVICE				\$71,609	7.8%	
<b>EXPTD NET INCOME AFTER EXPENSES AND DEBT &amp; PERCENT OF PERSONAL PROD.</b>				<b>\$422,101</b>	<b>61%</b>	
PURCHASER PRODUCED PRODUCTION				\$687,217	75.0%	
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION				\$54,547	7.9%	
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION				\$26,234	3.8%	
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>				<b>\$502,882</b>	<b>73%</b>	
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>						
PRACTICE SALES PRICE & PERCENT OF GROSS				\$574,000	65%	
WORKING CAPITAL				\$44,000		
TOTAL PRACTICE LOAN				\$618,000		
PRACTICE LOAN INTEREST RATE				3.00%		
PRACTICE LOAN TERM IN MONTHS				120		
PRACTICE MONTHLY PAYMENT				\$5,967	8%	
<b>PURCHASER CASH FLOW CONSIDERATIONS</b>						
MONTHLY BUILDING PAYMENTS				\$5,967	8%	
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT				\$10,210	13%	
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION				\$240,526		
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY				\$279,418	45%	
TOTAL PURCHASER SALARY AND PRACTICE PROFIT				\$519,944		
<b>LESS DEBT SERVICE FOR PRACTICE AND BUILDING</b>				<b>(\$71,609)</b>		
<b>PURCHASER SALARY, PROFIT AND TAX SAVINGS AFTER DEBT SERVICE</b>				<b>\$448,334</b>		

Southwest Virginia	
DATA FOR PRACTICE NUMBER	9422
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	
CURRENT MONTHLY RENTAL i.e. "1200"	\$750
PRICE PER SQUARE FOOT	\$4.50
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	13
PROXIMITY OF PARKING PLACES	At office
# EQUIPPED OPS	4
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
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"	Verbal
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	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	

<b>PRACTICE DATA</b>	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	
RESULTS	
DESCRIBE INTERNAL MARKETING	
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No, except for Covi 2020. Closed 3/16 - 5/31 2020
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	No but office is set up for it (Nitrous Oxide)
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No (Almost)
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	EZ Dental
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	>2500
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	18
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	15
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	18 (2 hygienists)
HOW FAR AHEAD IS DENTIST SCHEDULED?	
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	
<b>PRACTICE DATA</b>	
% INCOME FROM CASH	56%
% OF PATIENTS PAYING CASH	100%
% INCOME FROM INSURANCE	44%
% OF PATIENTS WITH INSURANCE	
#REF!	#REF!
% 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	8:00 AM - 4:30 PM
TUESDAY	8:00 AM - 4:30 PM
WEDNESDAY	8:00 AM - 4:30 PM
THURSDAY	8:00 AM - 4:30 PM
FRIDAY	
SATURDAY	
DATES CLOSED FOR COVID	43906
OWNER HOURS WORKED PER WEEK	34
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	68
DENTIST PATIENT VISITS PER YEAR	2,800
HYGIENE PATIENT VISITS PER YEAR	3,384
NUMBER OF DAYS WORKED PER YEAR	188
NUMBER OF WEEKS WORKED PER YEAR	47
<b>COLLECTION DATA</b>	
WHAT IS YOUR COLLECTION PERCENTAGE	91%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	
ACCOUNTS RECEIVABLES - 31-60 DAYS	
ACCOUNTS RECEIVABLE - 61-90 DAYS	
ACCOUNTS RECEIVABLE >90 DAYS	

<b>WHAT PERCENTAGE OF THE PRACTICE INCOME IS:</b>	
HYGIENIST PRODUCTION	16%
OPERATIVE	34%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	1%
REMOVABLE PROSTHETICS	9%
FIXED PROSTHETICS	6%
ENDODONTICS	1%
PERIODONTICS	1%
ORAL SURGERY	6%
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
DIAGNOSTIC	26%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	
<b>REVENUES SOURCES</b>	
IS ANY OF YOUR REPORTED INCOME FROM ANY OTHER SOURCE THAN PATIENT TREATMENT FROM THIS PRACTICE?	
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	
TWO SURFACE POSTERIOR COMPOSITE 02392	
CROWN - PORCELAIN CERAMIC 02740	
LABIAL PORCELAIN VENEER 02962	
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	#DIV/0!
PERCENT OF FEE PARITY	#DIV/0!
<b>DEMOGRAPHIC DATA</b>	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	
	WITHIN
MAJOR EMPLOYERS IN AREA	
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
RECEPTIONIST		Y		\$29,689		
OFFICE MANAGER		Y		\$29,849		
INSURANCE						
OTHER FRONT DESK						
BOOKKEEPER						
ASSISTANT /FRONT DESK						
ASSISTANT		N		\$31,140		
ASSISTANT		Y		\$22,292		
ASSISTANT						
ASSISTANT						
HYGIENIST						
HYGIENIST		Y		\$45,819		
HYGIENIST		Y		\$36,898		
HYGIENIST		Y		\$11,328		
JANITORIAL		Y		\$3,720		
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?				10 days paid vacation; paid federal holidays, Christmas bonus		
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>\$2,019</b>	<b>2018</b>	<b>2017</b>
GROSS COLLECTIONS				\$889,601	\$806,361	\$870,111
OWNER COLLECTIONS						
HYGIENIST COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE COLLECTIONS						
ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT				\$0	\$0	
HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT				\$0		

