

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 **\$622,769**

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.
 CONSIDER A GENEROUS COMMISSION RATE OF 35% **\$217,969**

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 **\$394,409**

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF **63%**

TO COMPARE THIS OPPORTUNITY TO OTHER OPPORTUNITIES, WHETHER THEY ARE ASSOCIATESHIPS OR OTHER PRACTICES TO PURCHASE, LOOK AT SEVERAL KEY DATA POINTS.

	SUBJECT PRACTICE
1. HOW DOES THE ALTERNATIVE COMPARE WITH BEFORE TAX DOLLARS (AFTER DEBT SERVICE)	\$394,409
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	63%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$84,048
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$478,456
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	76.8%
6. BREAK-EVEN RETENTION PERCENTAGE	9%

Atlanta, Georgia	Periodontist
FINANCIAL DATA SUMMARY FOR PRACTICE	9167
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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			\$864,957	100.0%
	HYGIENE COMPONENT		\$242,188	28.0%
	DENTIST COMPONENT		\$622,769	72.0%
		RETAINED SELLER		
		ASSOCIATE		
		PURCHASER	\$622,769	72.0%

VARIABLE EXPENSES

	WAGES, PAYROLL TAX, ETC.		\$205,266	23.7%
	LABORATORY		\$17,792	2.1%
	CLINICAL SUPPLIES		\$112,434	13.0%
	OTHER VARIABLE EXPENSE		\$21,992	2.5%
		TOTAL VARIABLE EXPENSE	\$357,485	41.3%

FIXED EXPENSES

	RENT			
	PHONE, UTILITIES		\$3,000	0.3%
	LEGAL & ACCOUNTING		\$3,500	0.4%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$24,723	2.9%
		TOTAL FIXED EXPENSE	\$32,723	3.8%

PRACTICE DEBT SERVICE

	INTEREST		\$26,915	3.1%
	PRINCIPAL		\$53,426	6.2%
		TOTAL DEBT SERVICE	\$80,340	9.3%

SUMMARY

EXPECTED COLLECTIONS			\$864,957	100.0%
EXPECTED EXPENSES			\$390,208	45.1%
PRACTICE DEBT SERVICE			\$80,340	9.3%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$394,409	63.3%
PURCHASER PRODUCED PRODUCTION			\$622,769	72.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$53,426	8.6%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$30,622	4.9%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$478,456	76.8%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

PRACTICE SALES PRICE & PERCENT OF GROSS	\$604,000	72%
WORKING CAPITAL	\$42,000	
TOTAL PRACTICE LOAN	\$646,000	
PRACTICE LOAN INTEREST RATE	4.50%	
PRACTICE LOAN TERM IN MONTHS	120	
PRACTICE MONTHLY PAYMENT	\$6,695	9%

PURCHASER CASH FLOW CONSIDERATIONS

MONTHLY PRACTICE PAYMENTS	\$6,695	9%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$11,302	16%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$217,969	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$287,402	44%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT	\$505,371	
LESS DEBT SERVICE FOR PRACTICE AND BULDING	(\$80,340)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE	\$425,031	

Atlanta, Georgia
DATA SUMMARY FOR PRACTICE NUMBER 9167

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	750
CURRENT MONTHLY RENTAL i.e. "1200"	\$2,050
PRICE PER SQUARE FOOT	\$12.30
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	30-40
PROXIMITY OF PARKING PLACES	Immediate
TOTAL NUMBER OF EQUIPPED OPERATORIES	5
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	3
NUMBER OF OPERATORIES USED PRIMARILY BY HYGIENIST(S)	2
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"	
DATE LEASE ENDS - i.e. "1/1/2020"	September 30, 2019
RENEWAL OPTIONS	Option to renew for four year term
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 2-3 days per week, travel, sports, etc.

DAYS/WEEK CURRENTLY WORKED	3.5
HOW MANY DAYS WOULD YOU PREFER TO WORK FOR BUYER	
DESIRED WORK DAYS/WEEK 1ST YR	2.0
DESIRED WORK DAYS/WEEK 2ND YR	2.0
DESIRED WORK DAYS/WEEK 3RD YR	1.0
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?	Yes, Dolly Gaines/Gilleard - Marketing
RESULTS	Gilleard-Increase of ten new patients per month
DESCRIBE INTERNAL MARKETING	Asf for referrals; spouse free exams
DESCRIBE EXTERNAL MARKETING	Website, Gilleard Marketing; cater to referring doctors; always trying to increase new referring dental offices.
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes; Increase in new patients through Gilleard Marketing & Website; more advanced surgery and complex cases
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide, oral sedation
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	N/A
WHAT TYPE RECALL SYSTEM	Schedule/Phone confirmation
WHAT TYPE COMPUTER SYSTEM	Dentrix / Dexis with Network server and eleven workstations
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	38
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	20
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	7
HOW FAR AHEAD IS DENTIST SCHEDULED?	1-2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3-4 Weeks
PRACTICE DATA	
% INCOME FROM CASH	10%
% OF PATIENTS PAYING CASH	10%
% INCOME FROM FEE FOR SERVICE INSURANCE	10%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	10%
% PRACTICE INCOME FROM REDUCED FEE PLANS	80%
% OF PATIENTS WITH REDUCED FEE PLANS	80%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	80%
% OF PATIENTS WITH REDUCED FEE PLANS	80%
SCHEDULING DATA	
MONDAY	9 AM - 5 PM (Alternating)
TUESDAY	9 AM - 5 PM
WEDNESDAY	9 AM - 5 PM
THURSDAY	9 AM - 5 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	27
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	25
DENTIST PATIENT VISITS PER YEAR	900
HYGIENE PATIENT VISITS PER YEAR	1,000
NUMBER OF DAYS WORKED PER YEAR	185
NUMBER OF WEEKS WORKED PER YEAR	49
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	97%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$22,000
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$2,088
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$3,635
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$11,111
ACCOUNTS RECEIVABLE >90 DAYS	

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	28%
OPERATIVE	
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	46%
REMOVABLE PROSTHETICS	
FIXED PROSTHETICS	
ENDODONTICS	
PERIODONTICS	26%
ORAL SURGERY	
COSMETIC	
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
OTHER	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Some patients referred to dentist for restorative/prosth.
REVENUES SOURCES	
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?	
FEE SCHEDULE	
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	
PERCENT OF FEE PARITY	
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	12,675
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	200,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	forty ten miles
MAJOR EMPLOYERS IN AREA	Gwinnett County Schools
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	None, Bedroom community; recently rebuilt downtown Lilburn area and revitalization.

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

Practice - Well established periodontal specialty office focusing on implants and advanced surgery and prosthetics

Staff - 5 wonderful people and personalities. Good chemistry and positive energy

Patients - Full range of socioeconomic classes. Multi-cultural base with diverse needs.

Community - Bedroom suburban area with new downtown area - on the upswing

Philosophy - Idealistic total patient oriented treatment

Best - Patient education; warm staff; take a lot of time to coddle patients. We are a boutique practice.

Worst - Change in all specialty referral patterns, Older building and facility

PERIODONTAL PRACTICES

WHAT PERCENT

DESCRIBE ANESTHESIA

DO YOU USE A LASER

DO YOU HAVE A CONE BEAM X-RAY

DESCRIBE IMPLANT TREATMENT

WHAT % OF YOUR PATIENTS ARE FROM