

New Orleans Area General Dentistry
MERGER FINANCIAL DATA SUMMARY FOR PRACTICE 9526

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 \$215,573

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.
CONSIDER A GENEROUS COMMISSION RATE OF 35% \$75,450

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 PROJECTED \$87,761

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN
FOR THE PRACTICE PRICE AND WORKING CAPITAL, IS ESTIMATED AT 16%

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)	\$87,761
2. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$94,055
3. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$181,816

New Orleans Area		General Dentistry	
MERGER FINANCIAL DATA FOR PRACTICE 9526			
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			\$829,126 100.0%
	HYGIENE COMPONENT		\$215,573 26.0%
	DENTIST COMPONENT		\$613,553 74.0%
		RETAINED SELLER	\$397,980 48.0%
		ASSOCIATE	
		PURCHASER	\$215,573 26.0%
VARIABLE EXPENSES			
	WAGES, PAYROLL TAX, ETC.		\$197,271 23.8%
	LABORATORY		\$36,534 4.4%
	CLINICAL SUPPLIES		\$62,787 7.6%
	OTHER VARIABLE EXPENSE		\$146,431 17.7%
		TOTAL VARIABLE EXPENSE	\$443,024 53.4%
FIXED EXPENSES			
			\$64,479 7.8%
	PHONE, UTILITIES		\$3,000 0.4%
	LEGAL & ACCOUNTING		\$3,500 0.4%
	INSURANCE		\$1,500 0.2%
	OTHER FIXED EXPENSE		\$72,789 8.8%
		TOTAL FIXED EXPENSE	\$145,268 17.5%
DEBT SERVICE FOR PRACTICE AND BULDING			
	INTEREST		\$81,055 9.8%
	PRINCIPAL		\$72,018 8.7%
		TOTAL DEBT SERVICE	\$153,073 18.5%
SUMMARY			
EXPECTED COLLECTIONS			\$829,126 100.0%
EXPECTED EXPENSES			\$588,292 71.0%
PRACTICE DEBT SERVICE			\$153,073 18.5%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$87,761 41%
PURCHASER PRODUCED PRODUCTION			\$215,573 26.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$72,018 33.4%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$22,037 10.2%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$181,816 84%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:			
	PRACTICE SALES PRICE & PERCENT OF GROSS	\$625,000	78%
	WORKING CAPITAL	\$40,000	
	TOTAL PRACTICE LOAN	\$665,000	
	PRACTICE LOAN INTEREST RATE	6.00%	
	PRACTICE LOAN TERM IN MONTHS	120	
	PRACTICE MONTHLY PAYMENT	\$7,383	11%
	BUILDING PRICE	\$750,000	
	MONTHLY BUILDING MORTGAGE PAYMENTS	\$5,373	1%
	ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$20,178	29%
	PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$75,450	
	PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$229,862	35%
	PURCHASER FIRST YEAR TAX SAVINGS	\$22,037	
	TOTAL PURCHASER SALARY, PRACTICE PROFIT & TAX SAVINGS	\$327,350	
	LESS DEBT SERVICE FOR PRACTICE AND BULDING	(\$306,618)	
	PRACTICE SALARY + PROFIT +TAX SAVINGS - DEBT SERVICE	\$20,732	

New Orleans Area	
MERGER DATA FOR PRACTICE NUMBER 9526	
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	4,000
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$6,100
PRICE PER SQUARE FOOT	\$18.30
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	20
PROXIMITY OF PARKING PLACES	On the property
# EQUIPPED OPS	6
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	4
NUMBER OF OPERATORIES USED PRIMARILY BY DENTIST(S)	4
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
	750,000
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	
IF NOT SOLD, MONTHLY RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	\$9,074
ANNUAL REAL ESTATE INSURANCE COST	\$22,500
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	\$750,000
PURCHASER MORTGAGE INTEREST RATE	6.00%
PURCHASER MORTGAGE TERM - YEARS	20
PURCHASER MONTHLY PAYMENT	\$5,373
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	\$16.12
WORK SCHEDULE	
PLANS AFTER SALE OF PRACTICE	Relocation out of the area
DAYS/WEEK CURRENTLY WORKED	6.0
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	Contacting patients by phone to reactivate
DESCRIBE EXTERNAL MARKETING	Mailers, Website, Ads with local newspapers
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes COVID and Hurricane Ida
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide, DOCS
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	Recalls set at time of a hygiene appointment
WHAT TYPE COMPUTER SYSTEM	Dentrix
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	25
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	20
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	10
HOW FAR AHEAD IS DENTIST SCHEDULED?	2-3 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 months
PRACTICE DATA	
% INCOME FROM CASH	0%
% OF PATIENTS PAYING CASH	0%
% INCOME FROM INSURANCE	70%
% OF PATIENTS WITH INSURANCE	70%
% PRACTICE INCOME FROM CAPTITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	30%
% OF PATIENTS WITH MEDICAID	30%
% PRACTICE INCOME FROM REDUCED FEE PLANS	30%
% OF PATIENTS WITH REDUCED FEE PLANS	30%
SCHEDULING DATA	
MONDAY	12:00 PM - 7:00 PM
TUESDAY	9:00 AM - 5:00 PM
WEDNESDAY	9:00 AM - 5:00 PM
THURSDAY	12:00 PM - 7:00 PM
FRIDAY	8:00 AM - 1:00 PM
SATURDAY	8:00 AM - 12:00 PM
OWNER HOURS WORKED PER WEEK	32
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	32
DENTIST PATIENT VISITS PER YEAR	2,719
HYGIENE PATIENT VISITS PER YEAR	
NUMBER OF DAYS WORKED PER YEAR	180
NUMBER OF WEEKS WORKED PER YEAR	48
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	90%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$51,381
ACCOUNTS RECEIVABLES - 31-60 DAYS	
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$5,378
ACCOUNTS RECEIVABLE >90 DAYS	\$11,339

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	23%
OPERATIVE	27%
PEDODONTICS	1%
ORTHODONTICS	1%
IMPLANTS	2%
REMOVABLE PROSTHETICS	23%
FIXED PROSTHETICS	3%
ENDODONTICS	1%
PERIODONTICS	6%
ORAL SURGERY	9%
COSMETIC	1%
TMJ TREATMENT	1%
DIAGNOSTIC	
OTHER	2%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Complex impacted third molars, Endodontics
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	\$106
TWO SURFACE ANTERIOR COMPOSITE 02331	\$222
CORE BUILD-UP 02950	\$295
CROWN - GOLD/PORCELAIN 02750	\$1,173
ANTERIOR CANAL ROOT CANAL 03310	\$769
PANORAMIC X-RAY 00330	\$126
TWO SURFACE POSTERIOR COMPOSITE 02392	\$232
CROWN - PORCELAIN CERAMIC 02740	\$1,264
LABIAL PORCELAIN VENEER 02962	\$1,256
BICUSPID ROOT CANAL 03320	\$887
AVERAGE OF FEES	\$633
PERCENT OF FEE PARITY	116%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	7,700
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	135,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	
	WITHIN
MAJOR EMPLOYERS IN AREA	Shell Oil Company, Bayer, Glazer, Bunge, Entergy, St. Charles Parish Government, St. Charles Parish Schools, Sewerage and Water Board Orleans and Jeffersn Parish Schools, Louis Armstrong International A
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	
PRACTICE HISTORY	
YEAR BEGINNING PRACTICE IN CITY	2016
YEAR BEGINNING PRACTICE IN CURRENT LOCATION	2016
RIGHT OR LEFT HANDED	Right
PURCHASE OR SCRATCH START	Purchase
DO YOU OWN OTHER PRACTICES? HOW FAR AWAY?	One 20 Miles

STAFF DATA						
POSITION	YEAR HIRED	STAY		ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
FRONT OFFICE	2022	?		\$13,901		
FRONT OFFICE/DA				\$1,388		
FRONT OFFICE/DA				\$19,950		
FRONT OFFICE				\$2,810		
FRONT OFFICE				\$35,338		
ASSISTANT/FD	2022	?		\$1,388		
ASSISTANT	2022	?		\$1,245		
ASSISTANT				\$25,319		
ASSISTANT/FD				\$19,950		
ASSISTANT				\$31,196		
HYGIENIST				\$5,130		
HYGIENIST						
HYGIENIST						
HYGIENIST						
JANITOR						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?						
NOTES				Office manager manages social media accounts for both offices and cleans the office weekly. Lead assistant works one day per week in second office and after sale would work four days per week for new owner. Hygienists start at commission of 35% and annual 1% increase until 41%. Hygienist hired June 2023 available to work four days per week. Associate dentist will stay for four weeks after sale to complete cases and assist with transition.		
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						
COLLECTION CENTERS						
				1/1/2024 - 3/10/2024	2023	2022
City	GROSS COLLECTIONS			\$178,583	\$758,536	\$742,665
	OWNER COLLECTIONS			\$132,063	\$635,890	\$439,441
	HYGIENIST COLLECTIONS			\$46,520	\$122,646	\$119,241
	ASSOCIATE COLLECTIONS					\$178,959
	ASSOCIATE COLLECTIONS					\$5,014
	ASSOCIATE COLLECTIONS					
	ASSOCIATE COLLECTIONS					
	ASSOCIATE COLLECTIONS					
	ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT			\$0	0%	
	HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT			\$0	0%	

