

Memphis Area	General Dentistry	Merger Purchase
FINANCIAL DATA SUMMARY FOR PRACTICE		9525

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	\$917,647
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PURCHASER COMPENSATION AT 35% FOR PRODUCTION.	\$321,177
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NOW CONSIDER THE PRACTICE PROFIT. THIS IS AN AMOUNT OVER AND ABOVE PURCHASER'S PRODUCTION COMPENSATION .

THE PROFIT IS A BENEFIT OF OWNERSHIP OF THE PRACTICE. ONLY PRACTICE OWNERS REALIZE THIS PRACTICE PROFIT.

IN THIS PRACTICE, THE PROFIT, AFTER ALL EXPENSES AND PURCHASER SALARY COMPENSATION HAVE BEEN PAID IS	\$228,538
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THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, RESULTS IN A RATE OF	26%
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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 AFTER DEBT SERVICE AND BEFORE TAX NET INCOME	\$425,293
3. WHAT ARE EXPECTED TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$94,811
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$502,910

Memphis Area General Dentistry Merger Purchase		
FINANCIAL DATA FOR PRACTICE Merger Purchase		
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	\$1,194,897	100.0%
HYGIENE COMPONENT	\$277,250	23.2%
DENTIST COMPONENT	\$917,647	76.8%
RETAINED SELLER		
ASSOCIATE		
PURCHASER	\$917,647	76.8%
VARIABLE EXPENSES	\$	%
WAGES, PAYROLL TAX, ETC.	\$395,875	33.1%
LABORATORY	\$102,455	8.6%
CLINICAL SUPPLIES	\$87,250	7.3%
OTHER VARIABLE EXPENSE	\$16,648	1.4%
TOTAL VARIABLE EXPENSE	\$602,228	50.4%
FIXED EXPENSES	\$	%
RENT		
PHONE, UTILITIES	\$3,000	0.3%
LEGAL & ACCOUNTING	\$3,500	0.3%
INSURANCE	\$1,500	0.1%
OTHER FIXED EXPENSE	\$34,954	2.9%
TOTAL FIXED EXPENSE	\$42,954	3.6%
PRACTICE DEBT SERVICE	\$	%
INTEREST	\$58,419	4.9%
PRINCIPAL	\$66,002	5.5%
TOTAL DEBT SERVICE	\$124,422	10.4%
SUMMARY	\$	%
EXPECTED COLLECTIONS	\$1,194,897	100.0%
EXPECTED EXPENSES	\$645,182	54.0%
PRACTICE DEBT SERVICE	\$124,422	10.4%
EXPECTED NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.	\$425,293	46%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:	\$	%
PRACTICE SALES PRICE & PERCENT OF GROSS	\$835,000	72%
WORKING CAPITAL	\$58,000	
TOTAL PRACTICE LOAN	\$893,000	
PRACTICE LOAN INTEREST RATE	7.00%	
PRACTICE LOAN TERM (MONTHS)	120	
MONTHLY PRACTICE PAYMENT	\$10,368	10%
MONTHLY PRACTICE PAYMENTS	\$11,801	12%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$14,404	14%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$321,177	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$228,538	26%
PURCHASER TAX SAVINGS AND 1ST YEAR EQUITY INCREASE	\$94,811	
LESS PRACTICE DEBT SERVICE	(\$141,616)	
SALARY + PROFIT + TAX SAVINGS + EQUITY - DEBT SERVICE / % OF PERSONAL PRODUCTIO	\$502,910	55%

Memphis Area		General Dentistry
DATA	FOR PRACTICE NUMBER	Merger Purchase
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	1,400	
EXPANDABLE FOOTAGE		
TOTAL MO. RENT EXP.	\$3,000	
PRICE PER SQUARE FOOT	\$25.71	
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes	
NUMBER OF PARKING SPACES	12	
PROXIMITY OF PARKING PLACES	On site	
# EQUIPPED OPS	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? YES OR NO	YES	
DO YOU WISH TO SELL THE BUILDING? YES OR NO	YES	
IF NOT APPRAISED, ESTIMATED BUILDING PRICE	\$200,000	
IF NOT SOLD, MONTHLY RENTAL AMOUNT		
ANNUAL REAL ESTATE TAXES	\$1,918	
ANNUAL REAL ESTATE INSURANCE COST	\$4,075	
DATE OF LEASE i.e. "6/1/2016"	N/A	
DATE LEASE ENDS - i.e. "1/1/2020"	N/A	
IS THERE AN OPTION TO PURCHASE?		
RENEWAL OPTIONS		
BUILDING VALUE TO BE USED	\$200,000	
PURCHASER MORTGAGE INTEREST RATE	6.00%	
PURCHASER MORTGAGE TERM - YEARS	20	
PURCHASER MONTHLY PAYMENT	\$1,433	
PURCHASER CURRENT MONTHLY RENT		
PRICE PER SQUARE FOOT	\$12.28	
WORK SCHEDULE		
PLANS AFTER SALE OF PRACTICE	Retirement	
DAYS/WEEK CURRENTLY WORKED	3.5	
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?	None
RESULTS	
DESCRIBE INTERNAL MARKETING	Gift cards for referrals
DESCRIBE EXTERNAL MARKETING	Website and Facebook managed by CGI
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	No
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	Automated texts through WEAVE
WHAT TYPE COMPUTER SYSTEM	Eaglesoft
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF DIFFERENT PATIENTS IN LAST 18 MONTHS	1,675
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	21
AVERAGE NUMBER PATIENTS TREATED PER DAY BY DENTIST(S)	15
AVERAGE NUMBER PATIENTS TREATED PER DAY BY HYGIENISTS	15
HOW FAR AHEAD IS DENTIST SCHEDULED?	6 weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	3 months
PRACTICE DATA	
% INCOME FROM CASH	30%
% OF PATIENTS PAYING CASH	30%
% INCOME FROM FEE FOR SERVICE INSURANCE	70%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	70%
% INCOME FROM DISCOUNT FEE INSURANCE	
% OF PATIENTS WITH DISCOUNT FEE INSURANCE	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
SCHEDULING DATA	
MONDAY	8:30 AM - 1:00 PM (every other Monday)
TUESDAY	8:30 AM - 1:00 PM; 2:00 PM - 5:00 PM
WEDNESDAY	8:30 AM - 1:00 PM; 2:00 PM - 5:00 PM
THURSDAY	8:30 AM - 1:00 PM; 2:00 PM - 5:00 PM
FRIDAY	8:30 AM - 2:00 PM (every other Friday)
SATURDAY	Closed
OWNER HOURS WORKED PER WEEK	29
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	29
DENTIST PATIENT VISITS PER YEAR	4,166
HYGIENE PATIENT VISITS PER YEAR	2,137
NUMBER OF DAYS WORKED PER YEAR	184
NUMBER OF WEEKS WORKED PER YEAR	46
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	96%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$68,551
WHAT IS YOUR PATIENT CREDIT BALANCE	\$5,900
ACCOUNTS RECEIVABLES - CURRENT	\$69,116
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$2,583
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$161
ACCOUNTS RECEIVABLE >90 DAYS	-\$3,309

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	16%
OPERATIVE	38%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	4%
REMOVABLE PROSTHETICS	11%
FIXED PROSTHETICS	5%
ENDODONTICS	1%
PERIODONTICS	5%
ORAL SURGERY	7%
COSMETIC	
TMJ TREATMENT	
DIAGNOSTIC	
OTHER	14%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Molar endo, 3rd molars, ortho
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	\$95
TWO SURFACE ANTERIOR COMPOSITE 02331	\$204
CORE BUILD-UP 02950	\$298
CROWN - GOLD/PORCELAIN 02750	\$1,264
ANTERIOR CANAL ROOT CANAL 03310	\$803
PANORAMIC X-RAY 00330	\$119
TWO SURFACE POSTERIOR COMPOSITE 02392	\$238
CROWN - PORCELAIN CERAMIC 02740	\$1,264
LABIAL PORCELAIN VENEER 02962	\$1,264
BICUSPID ROOT CANAL 03320	\$934
AVERAGE OF FEES	\$648
PERCENT OF FEE PARITY	85%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	11,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	30,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	
	WITHIN
MAJOR EMPLOYERS IN AREA	FedEx, City of Memphis, Shelby county government, Methodist hospital system, Ingram Micro, Baptist Hospital System
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Ford Blue Oval plant to open in 2025
YEAR BEGINNING PRACTICE IN CITY	2012
YEAR BEGINNING PRACTICE IN CURRENT LOCATION	2012
RIGHT OR LEFT HANDED	Right
PURCHASE OR SCRATCH START	Purchase

STAFF DATA						
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY	HOURLY SALARY	ANNUAL COST OF BENEFITS
FRONT OFFICE				\$77,902		
FRONT OFFICE						
FRONT OFFICE						
FRONT OFFICE						
FRONT OFFICE						
EFDA ASSISTANT				\$51,533		
ASSISTANT				\$19,522		
EFDA ASSISTANT				\$49,543		
ASSISTANT				\$34,839		
EFDA ASSISTANT						
HYGIENIST				\$103,770		
HYGIENIST						
HYGIENIST						
LAB TECHNICIAN						
LAB TECHNICIAN						
ASSOCIATE						
ASSOCIATE						
ASSOCIATE						
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?						
staff and reduced fees for family, monthly bonus of 20% of collections after goal is met (currently \$80,000/month)						
COST OF BENEFITS PROVIDED FOR EACH EMPLOYEE						
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						
paid \$35,000 above						
COMPENSATION FOR EACH						
COLLECTION CENTERS						
				1/1/2024 - 8/4/2024	2023	2022
			GROSS COLLECTIONS	\$670,099	\$1,181,513	
			OWNER COLLECTIONS	\$514,477	\$903,220	
			HYGIENIST COLLECTIONS	\$155,622	\$276,293	
			ASSOCIATE COLLECTIONS			
			ASSOCIATE COLLECTIONS			
			ASSOCIATE COLLECTIONS			
			ASSOCIATE COLLECTIONS			
			ASSOCIATE - SALARY IN DOLLARS / COMMISSION PERCENT	\$0	0%	
			HYGIENIST - SALARY IN DOLLARS / COMMISSION PERCENT	\$66,690	0%	

CONFORMITY DATA			
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		
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT YOUR PRACTICE OF DENTISTRY?	Yes I am old, fat and getting arthritis		
INSURANCE EXPLANATION			
TOTAL EXPENSE FOR INSURANCE IN CURRENT PERIOD	\$62,895		
HOW MUCH OF TOTAL IS FOR OWNER HEALTH INSURANCE?	\$23,790		
HOW MUCH OF TOTAL IS FOR STAFF HEALTH INSURANCE?	\$13,335		
HOW MUCH OF TOTAL IS FOR OTHER OWNER BENEFITS?			
HOW MUCH OF TOTAL IS FOR MALPRACTICE INSURANCE?	\$3,108		
HOW MUCH FOR TOTAL IS FOR BUILDING INSURANCE?	\$4,075		
TAXES AND LICENSES EXPLANATION			
TOTAL EXPENSE FOR TAXES	\$43,430		
HOW MUCH OF TOTAL IS FOR PAYROLL TAXES?	\$40,030		
HOW MUCH OF TOTAL IS FOR STAFF PAYROLL TAX?	\$26,167		
HOW MUCH OF TOTAL IS FOR OWNER PAYROLL TAX?	\$14,863		
HOW MUCH OF TOTAL IS AD VALOREM (PRACTICE EQUIP)?	\$1,482		
HOW MUCH OF TOTAL IS FOR REAL ESTATE TAXES?	\$1,918		
PENSION EXPLANATION AND 401k COMBINED			
TOTAL EXPENSES FOR PENSION PLAN			
HOW MUCH OF TOTAL IS FOR STAFF			
HOW MUCH OF TOTAL IS FOR OWNER?			
BENEFITS EXPLANATION			
TOTAL EXPENSE FOR EMPLOYEE BENEFITS	\$145,287		
HOW MUCH OF TOTAL IS FOR STAFF?	\$88,497		
HOW MUCH OF TOTAL IS FOR OWNER?	\$56,790		
TEN HIGHEST INCOME SC	% OF PRX INCOME	% OF YOUR FEE	
PLAN NAME - BE SURE TO LIST DELTA PREMIERE IF YOU HAVE	FROM THIS PLAN	THIS PLAN PAYS	