

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 **\$568,693**

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.
 CONSIDER A GENEROUS COMMISSION RATE OF 35% **\$199,042**

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 **\$82,162**

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF **13%**

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)	\$179,296
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	32%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$76,118
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$255,414
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	44.9%

Asheville, North Carolina	General Dentistry
FINANCIAL DATA SUMMARY FOR PRACTICE	9171
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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			\$779,031	100.0%
HYGIENE COMPONENT			\$210,338	27.0%
DENTIST COMPONENT			\$568,693	73.0%
RETAINED SELLER				
ASSOCIATE				
PURCHASER			\$568,693	73.0%

VARIABLE EXPENSES

WAGES, PAYROLL TAX, ETC.			\$229,317	29.4%
LABORATORY			\$43,316	5.6%
CLINICAL SUPPLIES			\$54,944	7.1%
OTHER VARIABLE EXPENSE			\$44,939	5.8%
TOTAL VARIABLE EXPENSE			\$372,516	47.8%

FIXED EXPENSES

RENT			\$39,600	5.1%
PHONE, UTILITIES			\$19,365	2.5%
LEGAL & ACCOUNTING			\$6,695	0.9%
INSURANCE			\$7,725	1.0%
OTHER FIXED EXPENSE			\$76,851	9.9%
TOTAL FIXED EXPENSE			\$150,236	19.3%

DEBT SERVICE FOR PRACTICE AND BULDING

INTEREST			\$25,790	3.3%
PRINCIPAL			\$51,193	6.6%
TOTAL DEBT SERVICE			\$76,983	9.9%

SUMMARY

EXPECTED COLLECTIONS			\$779,031	100.0%
EXPECTED EXPENSES			\$522,752	67.1%
DEBT SERVICE			\$76,983	9.9%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.			\$179,296	31.5%
PURCHASER PRODUCED PRODUCTION			\$568,693	73.0%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$51,193	9.0%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$24,925	4.4%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.			\$255,414	44.9%

THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:

PRACTICE SALES PRICE & PERCENT OF GROSS	\$581,000	77%
WORKING CAPITAL	\$38,000	
TOTAL PRACTICE LOAN	\$619,000	
PRACTICE LOAN INTEREST RATE	4.50%	
PRACTICE LOAN TERM IN MONTHS	120	
PRACTICE MONTHLY PAYMENT	\$6,415	10%

PURCHASER CASH FLOW CONSIDERATIONS

MONTHLY PAYMENTS FOR PRACTICE AND BULDING	\$6,415	10%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT	\$8,451	13%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION	\$199,042	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY	\$82,162	13%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT	\$281,204	
LESS DEBT SERVICE FOR PRACTICE AND BULDING	(\$76,983)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE	\$204,222	

Asheville, North Carolina
DATA SUMMARY FOR PRACTICE NUMBER 9171

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	1,952
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$2,700
PRICE PER SQUARE FOOT	\$16.60
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	12
PROXIMITY OF PARKING PLACES	Same lot
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?	Yes
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	\$3,300
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"	
RENEWAL OPTIONS	

IS THERE AN OPTION TO PURCHASE?	
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	\$20.29

WORK SCHEDULE

PLANS AFTER SALE OF PRACTICE	Travel, Invest
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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	

PRACTICE DATA	
MANAGEMENT CONSULTANT IN LAST 5 YRS? IF SO WHO?	No, Used Fortune in the past.
RESULTS	Excellent, production, collections increased. Excellent systems
DESCRIBE INTERNAL MARKETING	Ask for referrals
DESCRIBE EXTERNAL MARKETING	Radio, Internet, Facebook, Angie's List
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes; doing less procedures
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	Nitrous Oxide, DOCS
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	Yes
WHAT TYPE RECALL SYSTEM	
WHAT TYPE COMPUTER SYSTEM	MacPractice
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	977
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	12
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	4.5
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	6
HOW FAR AHEAD IS DENTIST SCHEDULED?	2 Weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	2 - 3 Weeks; 6 month reschedule
PRACTICE DATA	
% INCOME FROM CASH	100%
% OF PATIENTS PAYING CASH	100%
% INCOME FROM FEE FOR SERVICE INSURANCE	
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	
% PRACTICE INCOME FROM REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
% 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	
SCHEDULING DATA	
MONDAY	8 AM - 4 PM
TUESDAY	8 AM - 4 PM
WEDNESDAY	9 AM - 4 PM
THURSDAY	8 AM - 4 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	34
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	56
DENTIST PATIENT VISITS PER YEAR	830
HYGIENE PATIENT VISITS PER YEAR	1,622
NUMBER OF DAYS WORKED PER YEAR	190
NUMBER OF WEEKS WORKED PER YEAR	47
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	93%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$24,789
WHAT IS YOUR PATIENT CREDIT BALANCE	\$19,783
ACCOUNTS RECEIVABLES - CURRENT	\$5,695
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$4,567
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$2,406
ACCOUNTS RECEIVABLE >90 DAYS	\$3,588

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	27%
OPERATIVE	13%
PEDODONTICS	
ORTHODONTICS	
IMPLANTS	6%
REMOVABLE PROSTHETICS	3%
FIXED PROSTHETICS	21%
ENDODONTICS	1%
PERIODONTICS	8%
ORAL SURGERY	2%
COSMETIC	5%
TMJ TREATMENT	
DIAGNOSTIC	7%
OTHER	8%
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Implant Placement (surgical); some RCT, Some Perio
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	\$101
TWO SURFACE ANTERIOR COMPOSITE 02331	
CORE BUILD-UP 02950	\$300
CROWN - GOLD/PORCELAIN 02750	\$1,581
ANTERIOR CANAL ROOT CANAL 03310	
PANORAMIC X-RAY 00330	
TWO SURFACE POSTERIOR COMPOSITE 02392	
CROWN - PORCELAIN CERAMIC 02740	\$1,281
LABIAL PORCELAIN VENEER 02962	
BICUSPID ROOT CANAL 03320	
AVERAGE OF FEES	\$816
PERCENT OF FEE PARITY	122%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	90,000
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	fifteen
MAJOR EMPLOYERS IN AREA	two miles
	Mission Hospital, Biltmore House, Breweries, Real Estate
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	Huge growth

STAFF DATA				
POSITION	YEAR HIRED	STAY	BENEFITS	ANNUAL SALARY AND/OR COMMISSION PERCENT
RECEPTIONIST	2018	Yes		\$28,000
OFFICE MANAGER	1995	A While		\$47,500
INSURANCE				
OTHER FRONT DESK				
BOOKKEEPER				
ASSISTANT	2018	?		\$28,800
ASSISTANT				
ASSISTANT				
ASSISTANT				
ASSISTANT				
HYGIENIST	2017	No		\$46,200
HYGIENIST	2018	Yes		\$57,600
HYGIENIST				
HYGIENIST				
LAB TECHNICIAN				
LAB TECHNICIAN				
ASSOCIATE				
ASSOCIATE				
ASSOCIATE				
WHAT BENEFITS DO YOU PROVIDE FOR THE STAFF?			Normal holidays, uniforms and grooming allowance,	
DO YOU HIRE ANY UNPAID FAMILY MEMBERS? No				
WHAT POSITION DO THEY HOLD?				
WHAT IS THE ESTIMATED MARKET VALUE OF THEIR JOB?				
THAN THE NORMAL SALARY FOR THEIR POSITION?				
WHAT POSITIONS AND WHAT IS AMOUNT OF OVER/UNDER				
COMPENSATION FOR EACH				
COLLECTION CENTERS				
PERIOD	1/1/2019 - 3/31/20	2018	2017	
GROSS COLLECTIONS				
OWNER COLLECTIONS				
HYGIENIST COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE COLLECTIONS				
ASSOCIATE SALARY IN DOLLARS OR COMMISSION PERCENT				
HYGIENIST SALARY IN DOLLARS OR COMMISSION PERCENT				

