

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 **\$297,563**

COMPENSATION FOR PURCHASER FOR HIS/HER PRODUCTION.
 CONSIDER A GENEROUS COMMISSION RATE OF 35% **\$104,147**

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 **\$141,110**

THE PROFIT - NOT INCLUDING PURCHASER SALARY, DIVIDED BY THE TOTAL LOAN
 FOR THE PRACTICE PRICE AND WORKING CAPITAL, REPRESENTS THE RATE OF **36%**

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)	\$177,441
2. WHAT IS PERCENT OF PERSONAL PRODUCTION OF PRACTICE NET INCOME	60%
3. ARE THERE TAX SAVINGS AND EQUITY INCREASES FOR THE PURCHASER	\$45,914
4. TOTAL ECONOMIC BENEFIT - NET CASH FLOW (AFTER DEBT SERVICE), EQUITY, AND TAX SAVINGS	\$223,356
5. WHAT IS PERCENT OF TOTAL ECONOMIC BENEFIT VERSUS PURCHASER PERSONAL PRODUCTION	75.1%

Winston-Salem Area		General Dentistry	
FINANCIAL DATA SUMMARY FOR PRACTICE		9183	
		12/5/2018 22:16	
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		\$582,618	100.0%
HYGIENE COMPONENT		\$285,054	48.9%
DENTIST COMPONENT		\$297,563	51.1%
	RETAINED SELLER		
	ASSOCIATE		
	PURCHASER	\$297,563	51.1%
VARIABLE EXPENSES			
WAGES, PAYROLL TAX, ETC.		\$209,415	35.9%
LABORATORY		\$25,982	4.5%
CLINICAL SUPPLIES		\$31,281	5.4%
OTHER VARIABLE EXPENSE		\$25,040	4.3%
	TOTAL VARIABLE EXPENSE	\$291,718	50.1%
FIXED EXPENSES			
RENT		\$19,800	3.4%
PHONE, UTILITIES		\$9,991	1.7%
LEGAL & ACCOUNTING		\$6,695	1.1%
INSURANCE		\$7,725	1.3%
OTHER FIXED EXPENSE		\$17,024	2.9%
	TOTAL FIXED EXPENSE	\$61,234	10.5%
DEBT SERVICE FOR PRACTICE AND BULDING			
INTEREST		\$21,901	3.8%
PRINCIPAL		\$30,323	5.2%
	TOTAL DEBT SERVICE	\$52,224	9.0%
SUMMARY			
EXPECTED COLLECTIONS		\$582,618	100.0%
EXPECTED EXPENSES		\$352,952	60.6%
DEBT SERVICE		\$52,224	9.0%
EXPCTD NET INCOME AFTER EXPENSES AND DEBT & PERCENT OF PERSONAL PROD.		\$177,441	59.6%
PURCHASER PRODUCED PRODUCTION		\$297,563	51.1%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION		\$30,323	10.2%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION		\$15,591	5.2%
TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY & % PERSONAL PROD.		\$223,356	75.1%
THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:			
PRACTICE SALES PRICE & PERCENT OF GROSS		\$364,000	64%
WORKING CAPITAL		\$28,000	
TOTAL PRACTICE LOAN		\$392,000	
PRACTICE LOAN INTEREST RATE		6.00%	
PRACTICE LOAN TERM IN MONTHS		120	
PRACTICE MONTHLY PAYMENT		\$4,352	9%
PURCHASER CASH FLOW CONSIDERATIONS			
MONTHLY PAYMENTS FOR PRACTICE AND BULDING		\$4,352	9%
ESTIMATED MONTHLY HYGIENE AND ASSOCIATE PROFIT		\$16,552	34%
PURCHASER SALARY BASED ON 35% OF PERSONAL PRODUCTION		\$104,147	
PRACTICE PROFIT - IN ADDITION TO PURCHASER SALARY		\$141,110	36%
TOTAL PURCHASER SALARY AND PRACTICE PROFIT		\$245,257	
LESS DEBT SERVICE FOR PRACTICE AND BULDING		(\$52,224)	
PURCHASER SALARY AND PROFIT AFTER DEBT SERVICE		\$193,033	

Winston-Salem Area
DATA SUMMARY FOR PRACTICE NUMBER 9183

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	1,850
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$1,650
PRICE PER SQUARE FOOT	\$10.70
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	20
PROXIMITY OF PARKING PLACES	Behind building and across street

TOTAL NUMBER OF EQUIPPED OPERATORIES 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? 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" January 1, 2018

DATE LEASE ENDS - i.e. "1/1/2020" December 31, 2022

RENEWAL OPTIONS None

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 Travel, golf, read, Locum Tenens

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
RESULTS	
DESCRIBE INTERNAL MARKETING	Asking for referrals
DESCRIBE EXTERNAL MARKETING	None
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	Yes, I missed 4 weeks with illness in 2017
LIST SEDATIONS USED - NITROUS, DOCS, IV SEDATION	None
IS YOUR PRACTICE MERCURY FREE - NO AMALGAM?	No
WHAT TYPE RECALL SYSTEM	Leg Work
WHAT TYPE COMPUTER SYSTEM	Softdent
PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA & REDUCED FEE PLANS	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	1,368
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	7
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST(S)	8
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST(S)	9
HOW FAR AHEAD IS DENTIST SCHEDULED?	3 days
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	6 weeks
PRACTICE DATA	
% INCOME FROM CASH	60%
% OF PATIENTS PAYING CASH	36%
% INCOME FROM FEE FOR SERVICE INSURANCE	26%
% OF PATIENTS WITH FEE FOR SERVICE INSURANCE	36%
% PRACTICE INCOME FROM REDUCED FEE PLANS	14%
% OF PATIENTS WITH REDUCED FEE PLANS	28%
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME FROM REDUCED FEE PLANS	14%
% OF PATIENTS WITH REDUCED FEE PLANS	28%
SCHEDULING DATA	
MONDAY	8:30 AM - 1 PM, 2 PM - 5 PM
TUESDAY	8:30 AM - 12 PM, 1:30 PM - 5 PM
WEDNESDAY	8:30 AM - 1 PM, 2 PM - 4 PM
THURSDAY	8:30 AM - 1 PM, 2 PM - 5 PM
FRIDAY	
SATURDAY	
SUNDAY	
OWNER HOURS WORKED PER WEEK	28.5
ASSOCIATE HOURS WORKED PER WEEK	
HYGIENIST HOURS WORKED PER WEEK	36
DENTIST PATIENT VISITS PER YEAR	796
HYGIENE PATIENT VISITS PER YEAR	1,890
NUMBER OF DAYS WORKED PER YEAR	180
NUMBER OF WEEKS WORKED PER YEAR	49
COLLECTION DATA	
WHAT IS YOUR COLLECTION PERCENTAGE	101%
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$45,444
WHAT IS YOUR PATIENT CREDIT BALANCE	
ACCOUNTS RECEIVABLES - CURRENT	\$32,522
ACCOUNTS RECEIVABLES - 31-60 DAYS	\$4,557
ACCOUNTS RECEIVABLE - 61-90 DAYS	\$1,288
ACCOUNTS RECEIVABLE >90 DAYS	\$7,163

WHAT PERCENTAGE OF THE PRACTICE INCOME IS:	
HYGIENIST PRODUCTION	48%
OPERATIVE	27%
PEDODONTICS	1%
ORTHODONTICS	
IMPLANTS	
REMOVABLE PROSTHETICS	11%
FIXED PROSTHETICS	7%
ENDODONTICS	3%
PERIODONTICS	1%
ORAL SURGERY	1%
COSMETIC	1%
TMJ TREATMENT	
SOFT TISSUE MANAGEMENT	
TOTAL	100%
WHAT SERVICES ARE REFERRED OUT?	Molar extractions, molar endo, ortho, implant placements
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	\$92
TWO SURFACE ANTERIOR COMPOSITE 02331	\$192
CORE BUILD-UP 02950	\$231
CROWN - GOLD/PORCELAIN 02750	\$1,045
ANTERIOR CANAL ROOT CANAL 03310	\$695
PANORAMIC X-RAY 00330	\$101
TWO SURFACE POSTERIOR COMPOSITE 02392	\$225
CROWN - PORCELAIN CERAMIC 02740	\$1,170
LABIAL PORCELAIN VENEER 02962	\$996
BICUSPID ROOT CANAL 03320	\$796
AVERAGE OF FEES	\$554
PERCENT OF FEE PARITY	93%
DEMOGRAPHIC DATA	
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN	3,500
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA	55,000
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES WITHIN	
MAJOR EMPLOYERS IN AREA	Ingersoll Rand, Ashley Furniture, Gildan, V-F Wear, Unifi, Carolina Containers, Avgol, Davie County Schools, Gesipa, Pro-Refrigeration
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN DRAWING AREA	New high schools, new hospital, multiple new companies and expanding existing companies

DESCRIBE YOUR PRACTICE, STAFF, PATIENTS, COMMUNITY, AND PRACTICE PHILOSOPHY AND THE BEST STRENGTHS AND

My practice is a moderately paced practice. I am single booked for procedures that only I can perform. I utilize most of my assistant's legal expanded duty options. I have two hygienists one day out of four. I do mostly operative, C & B (including implants), endo & removable prosthetics.

My full time staff have been with me for over 16 years. The full time hygienist for over 24 years. The part time staff have been with me at least 6 years and have over 40 years each of dental experience and know most of the people in the community. They get along with each other well.

The community has very good schools. There is a new park being built. We have a diverse and growing job base. We are 25 minutes from a mid-sized city with easy access to its arts, restaurants, cinema, theater and live music venues. It is 1 hour and 15 minutes to one of the country's largest airports and 1 hour to a regional airport. The people of the community are welcoming.

My practice philosophy has been shaped by the continuing education I have taken. I have taken all of the Pankey Continuums, the Frank Speer's Lecture Series, Stephen Buchanon's Endo Course and have belonged to a study club for over 30 years. I have taken a varied and extensive enough list of CE courses to obtain a Mastership in the academy of General Dentistry. This means that I think that occlusion is very important in order to obtain long lasting, successful restorations. I have no written warranties but I have tried to "stand behind my work". I prefer to work on friends and acquaintances and so we try to take time to get to know our