

FOR SALE: Highly Profitable Pediatric Dental Practice

Southwest Nebraska specialized clinic with 65% profit margin!

Financial Overview

List Price: **\$790,000**

Gross Sales
2016: \$824,161
2015: \$743,655 ** owner severely injured for 1.5 months
2014: \$825,317 during 2015 and unable to practice
2013: \$762,619

Owner Profit/Cash Flow
2016: \$533,042
2015: \$481,289
2014: \$540,484
2013: \$482,213

Profit Margin: 65%

Multiple: 1.7 *Multiples range from 1-5, with the average being 3

Valuation: 2015 Cash Flow x Multiple = Price
\$481,289 x 1.7 = \$818,191

Assets Included in Purchase: \$399,596

Machinery & Dental Equipment: \$270,170 (includes 2 BIOLASE turbo lasers, Dexis digital x-ray equipment)

Computer Equipment: \$11,748

Furniture & Fixtures: \$41,243

Accounts Receivable: \$76,435 (current to 90 days)

Intangible Assets: Established repeat client list

Build-out: \$115,873

*amounts may vary

Business Information

Year Established: 2008

Location: Southwest Nebraska

Service Area: Patients located in Nebraska, Kansas and Colorado

Practice Focus: Pediatric dentistry; patients aged 0-18 years

Number of Patients: 4,411

Average Number of Patients per Day: 30-35

Number of Referring Doctors: 15

Lease: \$2,000/month for 1,248 sq. ft.; contains 4 operatory rooms and central play room

Reason for Selling: Moving out of state

Employees: 1 Office/Front Desk and 3 Assistants

Hours: Mon 2pm to 5pm; Tues-Thurs 8am-5pm

Seller Training Period: 90 Days Post-Close

Growth Opportunities: Additional office hours

Current Owner's Responsibilities: Owner/Operator

Funding Example

Purchase Price: **\$790,000**
10% **Buyer Down Payment:** \$79,000
15% **Seller Financing:** \$118,500
75% **Bank Loan:** \$592,500

With a cash flow of \$481,289, a new Owner could retain \$353,449 in net operating income after debt service.

Description

This Southwest Nebraska specialized clinic with 65% profit margin supports patients in Nebraska, Kansas and Colorado. The practice started less 9 years ago and has grown to revenues of \$824,161 in 2016. Current patient count is 4,411 with an average of 30-35 patients scheduled per day. The business receives referrals from 15 doctors.

The current Owner has four employees in place – 1 office/front desk and 3 assistants. Owner is the dentist on staff. The 1,248-sq. ft. office has 4 operating rooms and one central play area.

Owner cash flow in 2015 was \$481,289 representing 58% of the \$743,655 gross sales for the year. The \$399,596 in assets included with the business include \$270,170 in machinery and equipment, \$11,748 in computer equipment, \$41,243 in furniture and fixtures, and \$76,435 in accounts receivable. Machinery and equipment include 2 BIOLASE turbo lasers and Dexis digital x-ray equipment.

Current Owner will assist with transition and training for a period of 90 days post-close. Office is currently open from 2-5 pm on Mondays and 8am-5pm Tuesday through Thursday, so a new Owner could expand practice hours to increase gross sales.

With a cash flow of \$481,289, a new Owner could retain \$353,449 in net operating income after debt service and would realize a four-fold return on a \$79,000 down payment.

Next Steps

For a detailed financial package, please contact Cortney Sells or one of The Firm Business Brokerage's professionals at 402.998.5288 or email Confidential@TheFirmB2B.com.