



COST SEGREGATION INITIATIVES

Date 8/3/2016
Project Number 03.01.2424

Name		Sample Apartment
Property Type		Apartment
Total Building Cost	\$	2,120,000
Less: Land Value	\$	-
Total Depreciable Basis	\$	2,120,000
Estimated Marginal Tax Rate		40%
Date Placed in Service		7/15/2015

Estimated Benefit Based on Actual Results

In order to illustrate the benefit of our Cost Segregation Findings, the following table displays the increased depreciation which will lead to increased cash flow. The below numbers are not intended to be definitive, as individual taxpayer situations will dictate actual benefits of applying the Cost Segregation Report.

Tax Year	Increased Depreciation	Expected Increase of Cash
2015	\$73,969	\$29,588
2016	\$115,879	\$46,352
2017	\$67,045	\$26,818
2018	\$37,163	\$14,865
2019	\$35,594	\$14,238
Totals	\$329,649	\$131,860

Summary of Net Present Value Benefits

7 Year Net Present Value

\$118,572

14 Year Net Present Value

\$106,899

21 Year Net Present Value

\$90,432

Cost Segregation Initiatives is pleased to provide you with these positive results. We look forward to potentially working with you in the future to handle your Cost Segregation needs. If you have any questions or have any concerns please do not hesitate to call us at (225) 910-8359



COST SEGREGATION
INITIATIVES

**Sample Apartment
Cost Segregation Overview
Comparison of Actual Deductions By Year**

Date 8/3/2016
Project Number 03.01.2424

Deductions by Year Before Cost Segregation Study						Total
Year	5 Year	7 Year	15 Year	27.5 Year		
2015	\$ -	\$ -	\$ -	\$ 35,333	\$ 35,333	\$ 35,333
2016	\$ -	\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2017	\$ -	\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2018	\$ -	\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2019	\$ -	\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2020	\$ -	\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2021		\$ -	\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2022			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2023			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2024			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2025			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2026			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2027			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2028			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2029			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2030			\$ -	\$ 77,091	\$ 77,091	\$ 77,091
2031				\$ 77,091	\$ 77,091	\$ 77,091
2032				\$ 77,091	\$ 77,091	\$ 77,091
2033				\$ 77,091	\$ 77,091	\$ 77,091
2034				\$ 77,091	\$ 77,091	\$ 77,091
2035				\$ 77,091	\$ 77,091	\$ 77,091
2036				\$ 77,091	\$ 77,091	\$ 77,091
2037				\$ 77,091	\$ 77,091	\$ 77,091
2038				\$ 77,091	\$ 77,091	\$ 77,091
2039				\$ 77,091	\$ 77,091	\$ 77,091
2040				\$ 77,091	\$ 77,091	\$ 77,091
2041				\$ 77,091	\$ 77,091	\$ 77,091
2042				\$ 77,083	\$ 77,083	\$ 77,083
2043				\$ 3,220	\$ 3,220	\$ 3,220
Totals	\$ -	\$ -	\$ -	\$ 2,120,000	\$ 2,120,000	\$ 2,120,000

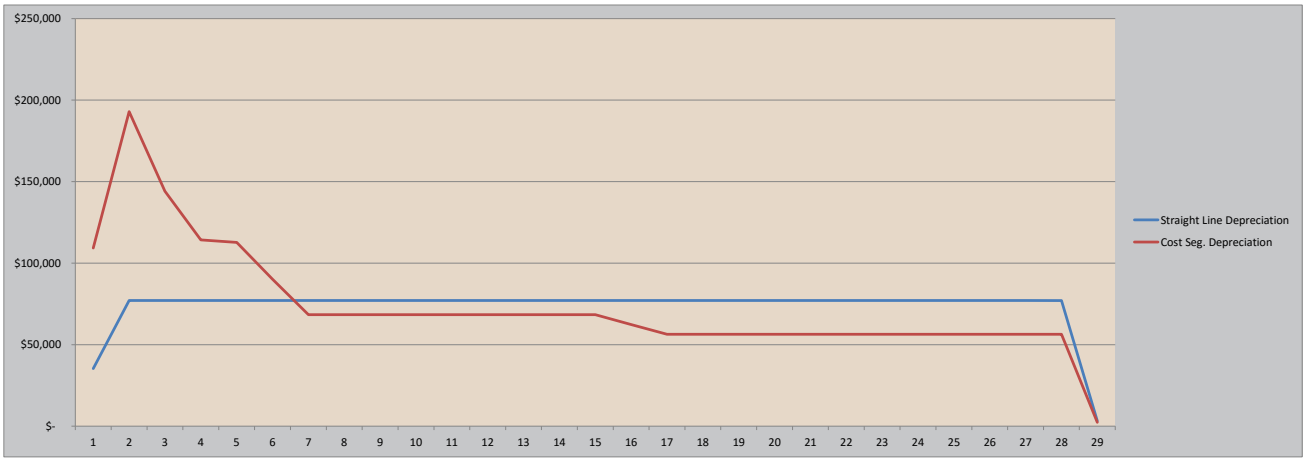
Deductions by Year After Cost Segregation Study						Total
Year	5 Year	7 Year	15 Year	27.5 Year		
2015	\$ 73,276	\$ -	\$ 10,199	\$ 25,827	\$ 109,302	\$ 109,302
2016	\$ 117,242	\$ -	\$ 19,378	\$ 56,351	\$ 192,970	\$ 192,970
2017	\$ 70,345	\$ -	\$ 17,440	\$ 56,351	\$ 144,135	\$ 144,135
2018	\$ 42,207	\$ -	\$ 15,696	\$ 56,351	\$ 114,254	\$ 114,254
2019	\$ 42,207	\$ -	\$ 14,127	\$ 56,351	\$ 112,685	\$ 112,685
2020	\$ 21,103	\$ -	\$ 12,714	\$ 56,351	\$ 90,168	\$ 90,168
2021		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2022		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2023		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2024		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2025		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2026		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2027		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2028		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2029		\$ -	\$ 12,045	\$ 56,351	\$ 68,395	\$ 68,395
2030		\$ -	\$ 6,019	\$ 56,351	\$ 62,370	\$ 62,370
2031				\$ 56,351	\$ 56,351	\$ 56,351
2032				\$ 56,351	\$ 56,351	\$ 56,351
2033				\$ 56,351	\$ 56,351	\$ 56,351
2034				\$ 56,351	\$ 56,351	\$ 56,351
2035				\$ 56,351	\$ 56,351	\$ 56,351
2036				\$ 56,351	\$ 56,351	\$ 56,351
2037				\$ 56,351	\$ 56,351	\$ 56,351
2038				\$ 56,351	\$ 56,351	\$ 56,351
2039				\$ 56,351	\$ 56,351	\$ 56,351
2040				\$ 56,351	\$ 56,351	\$ 56,351
2041				\$ 56,351	\$ 56,351	\$ 56,351
2042				\$ 56,345	\$ 56,345	\$ 56,345
2043				\$ 2,354	\$ 2,354	\$ 2,354
Totals	\$ 366,380	\$ -	\$ 203,974	\$ 1,549,646	\$ 2,120,000	\$ 2,120,000

Depreciation Difference	Tax Effect
73,969	29,588
115,879	46,352
67,045	26,818
37,163	14,865
35,594	14,238
13,077	5,231
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(8,695)	(3,478)
(14,721)	(5,888)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,740)	(8,296)
(20,738)	(8,295)
(866)	(346)
\$ 0	\$ 0

**Sample Apartment
Cost Segregation Overview**

Date 8/3/2016
Project Number 03.01.2424

<u>Analysis Assumptions</u>		
Depreciable Basis		2,120,000
Marginal Tax Rate		40%
Discount Rate		7%
5 Year Property	17%	366,380
7 Year Property	0%	-
15 Year Property	10%	203,974
27.5 Year Property	73%	1,549,646





COST SEGREGATION INITIATIVES

Sample Apartment Cost Segregation Overview Net Present Value

Date 8/3/2016

Project Number 03.01.2424

Tax Year	Depreciation Without Cost Segregation	Depreciation With Cost Segregation	Increased Depreciation	Cash Impact	Net Present Value Of Cash Flow	Accumulated Net Present Value
2015	\$35,333	\$109,302	\$73,969	\$29,588	\$29,588	\$29,588
2016	\$77,091	\$192,970	\$115,879	\$46,352	\$43,319	\$72,907
2017	\$77,091	\$144,135	\$67,045	\$26,818	\$23,424	\$96,330
2018	\$77,091	\$114,254	\$37,163	\$14,865	\$12,134	\$108,465
2019	\$77,091	\$112,685	\$35,594	\$14,238	\$10,862	\$119,327
2020	\$77,091	\$90,168	\$13,077	\$5,231	\$3,729	\$123,056
2021	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$2,318)	\$120,738
2022	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$2,166)	\$118,572
2023	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$2,024)	\$116,548
2024	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,892)	\$114,656
2025	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,768)	\$112,888
2026	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,652)	\$111,236
2027	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,544)	\$109,691
2028	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,443)	\$108,248
2029	\$77,091	\$68,395	(\$8,695)	(\$3,478)	(\$1,349)	\$106,899
2030	\$77,091	\$62,370	(\$14,721)	(\$5,888)	(\$2,134)	\$104,765
2031	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,810)	\$101,955
2032	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,626)	\$99,328
2033	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,455)	\$96,874
2034	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,294)	\$94,580
2035	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,144)	\$92,436
2036	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$2,004)	\$90,432
2037	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$1,873)	\$88,560
2038	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$1,750)	\$86,810
2039	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$1,636)	\$85,174
2040	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$1,529)	\$83,646
2041	\$77,091	\$56,351	(\$20,740)	(\$8,296)	(\$1,429)	\$82,217
2042	\$77,083	\$56,345	(\$20,738)	(\$8,295)	(\$1,335)	\$80,882
2043	\$3,220	\$2,354	(\$866)	(\$346)	(\$52)	\$80,830
2044	\$0	\$0	\$0	\$0	\$0	\$80,830
2045	\$0	\$0	\$0	\$0	\$0	\$80,830
2046	\$0	\$0	\$0	\$0	\$0	\$80,830
2047	\$0	\$0	\$0	\$0	\$0	\$80,830
2048	\$0	\$0	\$0	\$0	\$0	\$80,830
2049	\$0	\$0	\$0	\$0	\$0	\$80,830
2050	\$0	\$0	\$0	\$0	\$0	\$80,830
2051	\$0	\$0	\$0	\$0	\$0	\$80,830
2052	\$0	\$0	\$0	\$0	\$0	\$80,830
2053	\$0	\$0	\$0	\$0	\$0	\$80,830
2054	\$0	\$0	\$0	\$0	\$0	\$80,830
Totals	\$2,120,000	\$2,120,000	0	0	\$80,830	\$80,830