the
Results

// Cost Segregation
& Fixed Assets

The Results Are In

- McGuire Sponsel professionals performed a cost segregation and repair study for a company that had been actively acquiring office buildings across the nation. Approximately $215 million in assets, inclusive of land, was selected for review. Following an engineering-based study, the client realized over $26 million in catch up deductions. These increased deductions produced an increased first year cash flow in excess of $10 million dollars.

- Over a 12 year period, a company invested more than $29 million in purchasing 20 commercial real estate properties. Consisting of mainly retail shopping centers, these properties were located throughout Indiana, Ohio and Kentucky. McGuire Sponsel's professionals completed a detailed, engineering-based cost segregation analysis of the properties. The study revealed that the client was eligible to receive a catch-up depreciation deduction in excess of $2.3 million on their current year tax return.

- McGuire Sponsel was engaged to perform a study for a company selling two recently built high-rise office buildings. At first glance, the sale of the property would create over $520 million in short-term gains that would trigger a taxable liability in excess of $205 million. Upon further review of all documentation, McGuire Sponsel's professionals utilized their expertise of the construction process to reclassify over $445 million into a long-term gain. This adjustment produced a tax savings of over $86 million, which resulted in an increase of cash flow in excess of $34 million.

- A company that had recently acquired a large apartment complex in Denver, Colorado engaged McGuire Sponsel to perform a cost segregation study. The consultants at McGuire Sponsel completed a thorough analysis of the $95 million complex. The asset optimization gained from the cost segregation study enabled the client to realize an increased cash flow of more than $4.9 million over the first five years of the investment. Over the life of the investments, the accelerated deductions will generate a net present value of over $4.5 million.

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201 N. Illinois Street, Suite 1000 | Indianapolis, IN 46204 | (317) 564-5000 | www.mcguiresponsel.com

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