

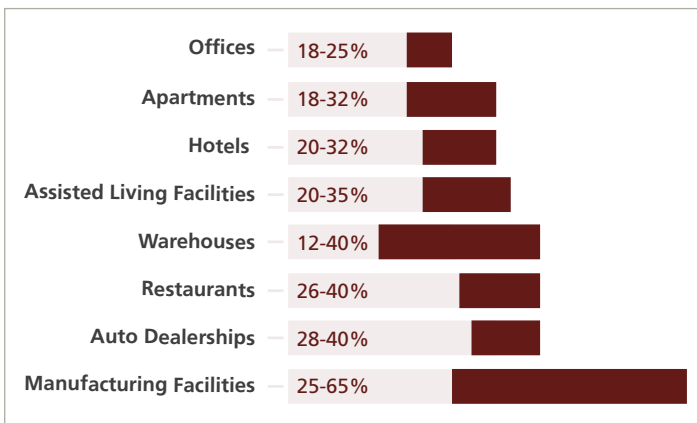
Cost Segregation Studies

What is Cost Segregation?

Cost segregation reclassifies assets to maximize personal property and optimize depreciation deductions. This results in substantial cash flow benefits.

Property Type / Percentage Relocated

The graph illustrates different property types and the percentages of assets that can typically be reallocated.



What Makes a Great Prospect?

- ✓ Newly Constructed Buildings
- ✓ Renovations of Existing Structures
- ✓ Purchase of Real Estate post-1986
- ✓ Leasehold Improvements
- ✓ Developers
- ✓ Large Fixed Asset Schedules

How can McGuire Sponsel Help?

Most taxpayers overstate 39-year real property which limits the depreciation deductions available in the early years of the investment. Our cost segregation studies identify building components that can be depreciated over 5, 7 and 15-year class lives.

By accelerating depreciation, the taxpayer is able to significantly increase cash flow over the next 1-5 years and reduce their tax liability. Additionally, a cost segregation study details the major components of a building which will assist the taxpayer in future write-offs as renovations or repairs occur.

If your client is constructing, purchasing or remodeling a building, McGuire Sponsel can conduct a free preliminary analysis to determine how much benefit a cost segregation study can deliver.