

::: COST SEGREGATION

“Cost Segregation Studies are a lucrative tax strategy that should be considered in almost every real estate purchase”.
- US Treasury Department

What is Cost Segregation?

A tax strategy approved by the IRS in 1997 to reclassify specific real property assets that usually receive a depreciation life of 39 years (commercial real property) or 27.5 (commercial residential) into “tangible personal property” that is treated as five (5) year property or land improvements which are treated as fifteen (15) year property for depreciation purposes. Due to improved treatment, portions of the electrical, plumbing, mechanical systems, and site improvements of a building along with hundreds of other components can be allocated into shorter lives translating into immediate cash flow.

The Value of Money:

This effectively increases taxpayer’s depreciation expense in today’s dollars. By recouping up to 40% of the building cost over the first 5 years as opposed to depreciating it over 39 years, translates into significant tax savings and taps into the concept of the “time value of money”.

How Much Cash Are We Talking About?

On average, a CORE Cost Segregation Study offers approx. \$150,000 in additional depreciation per \$1 million dollars in purchase or construction cost over the normal 39 year straight line method.

Who / What Qualifies?

- Any commercial property owner may qualify if he/she has a federal tax liability
- Building Cost (Land Excluded) \$750,000 and above
- Plan on hold building for at least 3 years
- Plan on doing major demolition / renovation
- Plan on making energy upgrades
- Has owned the building since 1995 or forward (CORE will perform a Look Back Study)
- Plan on constructing or purchasing a new building

Bundled Services:

- Disposition Study
- 179D Energy Study
- Property Tax Study

PROPERTY TYPE	RECLASSIFICATION	PROPERTY TYPE	RECLASSIFICATION
Restaurants	20% to 45%	Apartment Buildings	20% to 45%
Hotels	30% to 50%	Fitness Centers	22% to 45%
Shopping Malls	22% to 40%	Banks	30% to 47%
Medical/Dental	22% to 35%	Manufacturing	30% to 45%
Warehouses	22% to 40%	TV/Radio/Cell Companies	22% to 40%
Airplane Hangars	18% to 35%	Leaseholds	18% to 40%
GC & Courses	28% to 60%	Research Facilities	22% to 45%
Retail Facilities	18% to 35%	Assisted Living/Retirement	22% to 45%
Theme Parks	16% to 22%	Resorts	25% to 45%
Office Buildings	20% to 35%	Wineries	18% to 25%
Grocery Stores	20% to 45%	Mixed Use Properties	18% to 30%

THE CORE ADVANTAGE:

- Competitive Pricing * Audit Defense Included * 100% Service Guarantee
- We have completed thousands of studies with zero disallowances
- Our unique staff is made up of engineers, attorneys and accountants with over 100 years of combined experience in the area of engineered cost segregation



**CALL TODAY FOR A
FREE FEASIBILITY REPORT
ON YOUR BUILDING!**

Call xxxxx to Set Up an Appointment

(123) 456-7890

xxx@email.com



:::COST SEGREGATION

CASE STUDIES



Highend Office Building
 Disposition Study Results: \$280,455
 Cost Segregation Study Results: \$387,450



Highend Office Building
 Disposition Study Results: \$178,450
 Cost Segregation Study Results: \$340,450



Apartment Building
 Purchased
 Total Cash Benefit: \$567,989



Highend Office Building
 New Construction
 Total Cash Benefit: \$3,628,938.71



Hotel
 New Construction
 Total Cash Benefit: \$5,567,989



CALL TODAY FOR A FREE FEASIBILITY REPORT ON YOUR BUILDING!
 Call xxxxx to Set Up an Appointment
(123) 456-7890
xxx@email.com