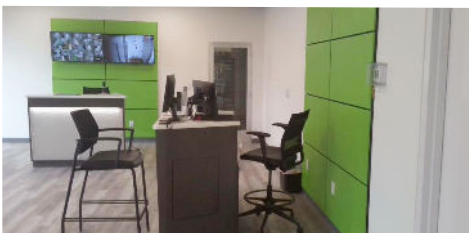


Project Profile

TAXES SAVED:

\$1,105,597 - 1st Year

Storage Facility



Engagement Overview

Empower Solutions was engaged by a development firm to conduct a cost segregation study on new construction of a storage facility in New Jersey. The objective of the study was to identify assets that could be moved to shorter recovery periods in order to accelerate depreciation and defer taxes.

Property Overview

This \$12 million development consists of new construction, both vertical and horizontal.

Engineering Process

Our engineers examined all design and construction documents, contractor payment requisitions and other related data to determine the cost based to be over is for every component involved with the project. Next, our engineer conducted an on-site study to identify and photograph all assets that may qualify for accelerated depreciation. Further, our site engineer, costing engineer and tax specialist identified assets that qualify as "specialized use", i.e. outside normal use of that property.

Results

The cost segregation study identified and thus accelerated over \$3.5 million of the assets to shorter recovery periods. As a result, the property owner's tax savings is projected to be over \$1.1 million for the current tax year.