



Flemington Retail LLC
Retail Strip Center
Estimated Savings Overview

We are pleased to provide this Cost Segregation Study Property Analysis for Flemington Retail LLC. The following chart outlines the benchmark estimate for the expected results. We look forward to visiting with you to review these favorable economic results.

Building Cost	\$ 7,309,152
Date Acquired	July 2003
Tax Year:	2014
Current Method	
Accumulated Depreciation Reported 39 year straight line method	\$ 2,147,502
Alternative Method	
Cost Segregation Study Accumulated Depreciation	
5 yr.	\$ 292,366
15 yr.	\$ 231,946
39 yr.	\$ 1,975,702
Total	\$ 2,500,014
Cost Segregation Results for Tax Year: 2014	
Increased Accumulated Depreciation Expense	\$ 352,512
Tax Rate (Estimated)	36.0%
Estimated Accumulated Tax Savings Benefit	\$ 126,904
Asset Valuation Results for Tax Year: 2014	
Current Year Write Down: 13% Disposal	\$ 218,989
Tax Rate (Estimated)	36.0%
Estimated Current Year Tax Benefit	\$ 78,836
Total Accumulated Tax Benefit (Cost Segregation & Asset Valuation)	\$ 205,740

These results represent a benchmark of the expected results. The accumulated tax reduction benefit estimated for tax year 2014 is \$205,740



Flemington Retail LLC
Retail Strip Center
Estimated Asset Valuation Savings Overview

We are pleased to provide this Asset Valuation Analysis for Flemington Retail LLC. The following represent the estimated available tax deductions through write offs of disposed building components. We look forward to visiting with you to discuss these favorable economic results.

Total Estimated Building Cost for Disposition			
Disposition Resulting From \$967,260 Renovation			
Building Cost:	\$1,750,000	Date Acquired:	July 2013
Accumulated Depreciation:	\$65,468	Tax Year:	2014
Net Building Cost Available for Tax Write Off:	\$1,684,533	Tax Rate	36.0%

Estimated Tax Savings from Asset Valuation Report		
<u>Estimated Percentage of Disposal</u>	<u>Estimated Net Building Cost to be Disposed</u>	<u>Estimated Tax Benefit from Disposal</u>
11%	\$185,299	\$66,707
13%	\$218,989	\$78,836
15%	\$252,680	\$90,965

The above chart demonstrates the estimated tax savings from the write down of various percentages of building component disposal using an estimated 36.0% tax rate.



Cost Segregation Application Analysis

**Flemington Retail LLC
Retail Strip Center**

Property Class	With Analysis		Without Analysis	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
5 Year Property	4.0%	292,366	0.0%	0
7 Year Property	0.0%	0	0.0%	0
15 Year Property	4.0%	292,366	0.0%	0
39 Year Property	92.0%	6,724,420	100.0%	7,309,152
Total Value of Building	100.0%	\$ 7,309,152	100.0%	\$ 7,309,152

Building Cost : \$ 7,309,152
 Property Acquisition Date : July 2003
 Years of Ownership (X=) : 40
 Last Tax Year of Ownership : 2042
 Present Value Rate of Return : 8.000%

Tax Year Cost Segregation Applied : 2014
 Estimated Study Fees : \$ 8,950
 Estimated Tax Rate : 36.0%
 Estimated After-Tax Study Fees : \$ 5,728

Tax Year of Ownership	5 Year Depreciation With Analysis	7 Year Depreciation With Analysis	15 Year Depreciation With Analysis	39 Year Depreciation With Analysis	Total Depreciation With Analysis	39 Year Depreciation W/O Analysis	Total Depreciation W/O Analysis	Timing Difference	Tax Effect of Timing Difference / Amount Available to Invest After Fees	Cumulative Present Value of Tax Effect	Cumulative Future Value When Cost Segregation Applied After "X" Years
2014	292,366	0	231,946	1,975,702	2,500,014	2,147,502	2,147,502	352,512	121,176	121,176	1,045,400
2015			17,264	172,414	189,678	187,407	187,407	2,272	818	121,933	1,051,933
2016			17,264	172,414	189,678	187,407	187,407	2,272	818	122,635	1,057,981
2017			17,264	172,414	189,678	187,407	187,407	2,272	818	123,284	1,063,582
2018			8,628	172,414	181,042	187,407	187,407	(6,365)	(2,291)	121,600	1,049,052
2019				172,414	172,414	187,407	187,407	(14,993)	(5,397)	117,926	1,017,362
2020				172,414	172,414	187,407	187,407	(14,993)	(5,397)	114,525	988,020
2021				172,414	172,414	187,407	187,407	(14,993)	(5,397)	111,376	960,850
2022				172,414	172,414	187,407	187,407	(14,993)	(5,397)	108,460	935,694
2023				172,414	172,414	187,407	187,407	(14,993)	(5,397)	105,760	912,401
2024				172,414	172,414	187,407	187,407	(14,993)	(5,397)	103,260	890,833
2025				172,414	172,414	187,407	187,407	(14,993)	(5,397)	100,945	870,863
2026				172,414	172,414	187,407	187,407	(14,993)	(5,397)	98,802	852,372
2027				172,414	172,414	187,407	187,407	(14,993)	(5,397)	96,817	835,251
2028				172,414	172,414	187,407	187,407	(14,993)	(5,397)	94,979	819,398
2029				172,414	172,414	187,407	187,407	(14,993)	(5,397)	93,278	804,719
2030				172,414	172,414	187,407	187,407	(14,993)	(5,397)	91,703	791,128
2031				172,414	172,414	187,407	187,407	(14,993)	(5,397)	90,244	778,543
2032				172,414	172,414	187,407	187,407	(14,993)	(5,397)	88,893	766,891
2033				172,414	172,414	187,407	187,407	(14,993)	(5,397)	87,643	756,101
2034				172,414	172,414	187,407	187,407	(14,993)	(5,397)	86,485	746,111
2035				172,414	172,414	187,407	187,407	(14,993)	(5,397)	85,412	736,861
2036				172,414	172,414	187,407	187,407	(14,993)	(5,397)	84,420	728,296
2037				172,414	172,414	187,407	187,407	(14,993)	(5,397)	83,500	720,366
2038				172,414	172,414	187,407	187,407	(14,993)	(5,397)	82,649	713,023
2039				172,414	172,414	187,407	187,407	(14,993)	(5,397)	81,861	706,224
2040				172,414	172,414	187,407	187,407	(14,993)	(5,397)	81,131	699,929
2041				172,414	172,414	187,407	187,407	(14,993)	(5,397)	80,456	694,099
2042				93,537	93,537	101,670	101,670	(8,134)	(2,928)	80,116	691,171
Total	\$ 292,366	\$ 0	\$ 292,366	\$ 6,724,420	\$ 7,309,152	\$ 7,309,152	\$ 7,309,152				

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Benefit Analysis at End of Ownership	
Cumulative Net Present Value of Benefit	\$ 80,116
Cumulative Future Value of Invested Savings	\$ 691,171



Flemington Retail LLC
 Retail Strip Center
 Actual Savings Overview
Not for Tax Preparation Purposes

We are pleased to provide this Cost Segregation Study Property Analysis for Flemington Retail LLC. The following chart outlines the benchmark estimate for the expected results. We look forward to visiting with you to review these favorable economic results.

Building Cost	\$ 1,737,649
Date Acquired	April 2003
Tax Year:	2014
Current Method	
Accumulated Depreciation Reported 39 year straight line method	\$ 521,694
Alternative Method	
Cost Segregation Study Accumulated Depreciation	
5 yr.	\$ 312,585
15 yr.	\$ 110,068
39 yr.	\$ 386,193
Total	\$ 808,846
Cost Segregation Results for Tax Year:	
	2014
Increased Accumulated Depreciation Expense	\$ 287,151
Tax Rate (Estimated)	39.6%
Estimated Accumulated Tax Savings Benefit	\$ 113,712
Asset Valuation Results for Tax Year:	
	2014
Current Year Write Down: 03% Disposal	\$ 58,279
Tax Rate (Estimated)	39.6%
Actual Current Year Tax Benefit	\$ 23,079
Total Accumulated Tax Benefit (Cost Segregation & Asset Valuation)	\$ 136,790

These results represent a benchmark of the expected results. The accumulated tax reduction benefit estimated for tax year 2014 is \$136,790, and the accumulated tax reduction benefit estimated for tax year 2015 is \$ 135,452. The tax reduction benefit accumulates to an estimated \$ 125,232 in tax year 2019.



Flemington Retail LLC
Retail Strip Center
Actual Asset Valuation Savings Overview
Not for Tax Preparation Purposes

We are pleased to provide this Asset Valuation Analysis for Flemington Retail LLC. The following represent the estimated available tax deductions through write offs of disposed building components. We look forward to visiting with you to discuss these favorable economic results.

Total Actual Building Cost for Disposition			
Disposition Resulting From \$50,135 Renovation			
Building Cost:	\$1,800,135	Date Acquired:	May 2012
Accumulated Depreciation:	\$121,203	Tax Year:	2014
Net Building Cost Available for Tax Write Off:	\$1,678,932	Tax Rate	39.6%

Actual Tax Savings from Asset Valuation Report		
<u>Actual Percentage of Disposal</u>	<u>Actual Net Building Cost to be Disposed</u>	<u>Actual Tax Benefit from Disposal</u>
3%	\$58,279	\$23,079

The above chart demonstrates the estimated tax savings from the write down of various percentages of building component disposal using an estimated 39.6% tax rate.



Cost Segregation Application Analysis

**Flemington Retail LLC
Retail Strip Center**

Property Class	With Analysis		Without Analysis	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
5 Year Property			18.0%	
7 Year Property	0.0%	0	0.0%	0
15 Year Property	8.0%	138,740	0.0%	0
39 Year Property	74.0%	1,286,324	100.0%	1,737,649
Total Value of Building	100.0%	\$ 1,737,649	100.0%	\$ 1,737,649

Building Cost : \$ 1,737,649
 Property Acquisition Date : April 2003
 Years of Ownership (X=) : 40
 Last Tax Year of Ownership : 2042
 Present Value Rate of Return : 8.000%

Tax Year Cost Segregation Applied : 2014
 Estimated Study Fees : \$ 8,820
 Estimated Tax Rate : 39.6%
 Estimated After-Tax Study Fees : \$ 5,327

Tax Year of Ownership	5 Year Depreciation With Analysis	7 Year Depreciation With Analysis	15 Year Depreciation With Analysis	39 Year Depreciation With Analysis	Total Depreciation With Analysis	39 Year Depreciation W/O Analysis	Total Depreciation W/O Analysis	Timing Difference	Tax Effect of Timing Difference / Amount Available to Invest After Fees	Cumulative Present Value of Tax Effect	Cumulative Future Value When Cost Segregation Applied After "X" Years
2014	312,585	0	110,068	386,193	808,846	521,694	521,694	287,151	108,385	108,385	935,046
2015			8,193	32,981	41,174	44,553	44,553	(3,379)	(1,338)	107,146	924,356
2016			8,193	32,981	41,174	44,553	44,553	(3,379)	(1,338)	105,998	914,458
2017			8,193	32,981	41,174	44,553	44,553	(3,379)	(1,338)	104,936	905,293
2018			4,094	32,981	37,076	44,553	44,553	(7,478)	(2,961)	102,759	886,516
2019				32,981	32,981	44,553	44,553	(11,572)	(4,582)	99,641	859,610
2020				32,981	32,981	44,553	44,553	(11,572)	(4,582)	96,753	834,697
2021				32,981	32,981	44,553	44,553	(11,572)	(4,582)	94,079	811,629
2022				32,981	32,981	44,553	44,553	(11,572)	(4,582)	91,603	790,270
2023				32,981	32,981	44,553	44,553	(11,572)	(4,582)	89,311	770,494
2024				32,981	32,981	44,553	44,553	(11,572)	(4,582)	87,188	752,182
2025				32,981	32,981	44,553	44,553	(11,572)	(4,582)	85,223	735,227
2026				32,981	32,981	44,553	44,553	(11,572)	(4,582)	83,403	719,527
2027				32,981	32,981	44,553	44,553	(11,572)	(4,582)	81,718	704,991
2028				32,981	32,981	44,553	44,553	(11,572)	(4,582)	80,158	691,531
2029				32,981	32,981	44,553	44,553	(11,572)	(4,582)	78,713	679,069
2030				32,981	32,981	44,553	44,553	(11,572)	(4,582)	77,376	667,529
2031				32,981	32,981	44,553	44,553	(11,572)	(4,582)	76,137	656,844
2032				32,981	32,981	44,553	44,553	(11,572)	(4,582)	74,991	646,951
2033				32,981	32,981	44,553	44,553	(11,572)	(4,582)	73,929	637,791
2034				32,981	32,981	44,553	44,553	(11,572)	(4,582)	72,946	629,309
2035				32,981	32,981	44,553	44,553	(11,572)	(4,582)	72,035	621,455
2036				32,981	32,981	44,553	44,553	(11,572)	(4,582)	71,192	614,183
2037				32,981	32,981	44,553	44,553	(11,572)	(4,582)	70,412	607,450
2038				32,981	32,981	44,553	44,553	(11,572)	(4,582)	69,689	601,216
2039				32,981	32,981	44,553	44,553	(11,572)	(4,582)	69,020	595,443
2040				32,981	32,981	44,553	44,553	(11,572)	(4,582)	68,400	590,098
2041				32,981	32,981	44,553	44,553	(11,572)	(4,582)	67,827	585,149
2042				9,635	9,635	13,015	13,015	(3,380)	(1,339)	67,672	583,810
Total	\$ 312,585	\$ 0	\$ 138,740	\$ 1,286,324	\$ 1,737,649	\$ 1,737,649	\$ 1,737,649				

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Benefit Analysis at End of Ownership	
Cumulative Net Present Value of Benefit	\$ 67,672
Cumulative Future Value of Invested Savings	\$ 583,810



FAMOUS footwear

MISSES

DR