



Cost Segregation Success Story

Industry
Eye Care Facility

Location
Knoxville, TN

Project Type
**Cost Seg Study/
Fixed Asset Analysis**

APPROACH: An eye care facility in Tennessee renovated an existing space and expanded the overall building footprint. In addition to blueprint analysis, our consultants performed a detailed on-site inspection of the property. Our goal was to maximize the amount of Qualified Improvement Property. Medical facilities are strong candidates for cost segregation studies due to the amount of specialty cabinetry, plumbing, and electrical, however, the QIP aspect made this study even more beneficial as the client received benefit on assets that would normally be considered real property. Our team was careful to separate any assets associated with the enlargement on the building's footprint as these would not be eligible for QIP.

TIMING: Study completed within one week of initial site visit to meet the 9/15 deadline.

TOTAL BENEFIT:

Our team maximized potential savings and exceeded our original projections for the project, including:

67%

of project's assets reclassified out of real property to QIP, Land Improvements, and Personal Property

\$1.3M

First-year increased cash flow, over 3x initial projections

Who makes a great cost segregation prospect?

If you have clients in real estate or property management, the following questions and qualifications regarding their business could indicate a Fixed Asset Opportunity:

- Have you purchased or constructed a building with a cost in excess of \$750,000?
- Have you made renovations to your facility?
- Are you maintaining depreciation records for many fixed assets?

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