

**COST SEGREGATION FEASIBILITY STUDY  
2002**

| Asset Class       | Asset Life    | Original Allocation-\$ | Original Allocation-% | Allocation After CSS-\$ | Allocation After CSS-% |
|-------------------|---------------|------------------------|-----------------------|-------------------------|------------------------|
| Personal Property | 5 yr 200% db  | -                      | 0%                    | 1,066,000               | 13%                    |
| Personal Property | 7 yr 200% db  | -                      | 0%                    | -                       | 0%                     |
| Land Improvements | 15 yr 150% db | -                      | 0%                    | 1,066,000               | 13%                    |
| Rental Property   | 27.5 yr sl    | 8,200,000              | 100%                  | 6,068,000               | 74%                    |
| <b>Total</b>      |               | <b>8,200,000</b>       | <b>100%</b>           | <b>8,200,000</b>        | <b>100%</b>            |

|                          |                |
|--------------------------|----------------|
| Deferred Taxes Year 1    | <b>352,867</b> |
| Deferred Taxes years 1-4 | <b>545,289</b> |
| NPV of Taxes Deferred    | <b>344,943</b> |

|                  |            |
|------------------|------------|
| Federal tax rate | <b>39%</b> |
| State tax rate   | <b>6%</b>  |
| Discount rate    | <b>6%</b>  |

| Year of Study | Year | Depreciation Before CSS | Depreciation After CSS | Change in Depreciation | Tax Savings (Expense) | Discount Factor | NPV of Taxes Deferred |
|---------------|------|-------------------------|------------------------|------------------------|-----------------------|-----------------|-----------------------|
| 1             | 2002 | 161,540                 | 945,690                | 784,150                | 352,867               | 1.0000          | 352,867               |
| 2             | 2003 | 298,152                 | 530,305                | 232,153                | 104,469               | 0.9434          | 98,556                |
| 3             | 2004 | 298,152                 | 427,703                | 129,551                | 58,298                | 0.8900          | 51,885                |
| 4             | 2005 | 298,152                 | 364,052                | 65,900                 | 29,655                | 0.8396          | 24,899                |
| 5             | 2006 | 298,152                 | 358,306                | 60,154                 | 27,069                | 0.7921          | 21,442                |
| 6             | 2007 | 298,152                 | 310,102                | 11,950                 | 5,377                 | 0.7473          | 4,018                 |
| 7             | 2008 | 298,152                 | 264,658                | (33,494)               | (15,072)              | 0.7050          | (10,625)              |
| 8             | 2009 | 298,152                 | 264,658                | (33,494)               | (15,072)              | 0.6651          | (10,024)              |
| 9             | 2010 | 298,152                 | 264,733                | (33,419)               | (15,039)              | 0.6274          | (9,435)               |
| 10            | 2011 | 298,234                 | 264,719                | (33,515)               | (15,082)              | 0.5919          | (8,927)               |
| 11            | 2012 | 298,152                 | 264,733                | (33,419)               | (15,039)              | 0.5584          | (8,397)               |
| 12            | 2013 | 298,234                 | 264,719                | (33,515)               | (15,082)              | 0.5268          | (7,945)               |
| 13            | 2014 | 298,152                 | 264,733                | (33,419)               | (15,039)              | 0.4970          | (7,474)               |
| 14            | 2015 | 298,234                 | 264,719                | (33,515)               | (15,082)              | 0.4688          | (7,071)               |
| 15            | 2016 | 298,152                 | 264,733                | (33,419)               | (15,039)              | 0.4423          | (6,652)               |
| 16            | 2017 | 298,234                 | 242,706                | (55,528)               | (24,988)              | 0.4173          | (10,426)              |
| 17            | 2018 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.3936          | (13,732)              |
| 18            | 2019 | 298,234                 | 220,693                | (77,541)               | (34,893)              | 0.3714          | (12,958)              |
| 19            | 2020 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.3503          | (12,221)              |
| 20            | 2021 | 298,234                 | 220,693                | (77,541)               | (34,893)              | 0.3305          | (11,533)              |
| 21            | 2022 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.3118          | (10,877)              |
| 22            | 2023 | 298,234                 | 220,693                | (77,541)               | (34,893)              | 0.2942          | (10,264)              |
| 23            | 2024 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.2775          | (9,680)               |
| 24            | 2025 | 298,234                 | 220,693                | (77,541)               | (34,893)              | 0.2618          | (9,135)               |
| 25            | 2026 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.2470          | (8,616)               |
| 26            | 2027 | 298,234                 | 220,693                | (77,541)               | (34,893)              | 0.2330          | (8,130)               |
| 27            | 2028 | 298,152                 | 220,632                | (77,520)               | (34,884)              | 0.2198          | (7,668)               |
| 28            | 2029 | 285,770                 | 211,470                | (74,300)               | (33,435)              | 0.2074          | (6,933)               |
|               |      | <b>8,200,000</b>        | <b>8,200,000</b>       | <b>(0)</b>             | <b>0</b>              |                 | <b>344,943</b>        |