

## Cost Segregation Consulting

**Project Name:** Grow Facilities & Dispensaries

## Benefit Projection

	Conservative		Optimistic
Year 1 Benefit:	\$1,166,452	-	\$1,556,585
Years 1-6 Benefit:	\$1,042,231	-	\$1,390,818
Life of Property Benefit:	\$765,653	-	\$1,021,734

## Contact Information

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## Assumptions

Tax Rate (federal + state combined):	40%	Total Costs:	\$10,000,000
Present Value Discount Factor:	7%		
Tax Year:	2019		



- Grow Facilities & Dispensaries  
Summary of Projections for Cost Segregation Analysis

Property	Tax Basis	Conservative Assumptions			Optimistic Assumptions		
		Year 1 Benefit	Years 1-6 Benefit	Life of Property Benefit	Year 1 Benefit	Years 1-6 Benefit	Life of Property Benefit
Grow Facility 1 - 2019	\$5,000,000	\$691,026	\$617,436	\$453,586	\$888,462	\$793,846	\$583,182
Grow Facility 2 - 2019	\$1,000,000	\$138,205	\$123,487	\$90,717	\$177,692	\$158,769	\$116,636
Retail Building Acquisition - 2019	\$2,200,000	\$95,559	\$85,383	\$62,724	\$156,369	\$139,717	\$102,640
Dispensary Improvements - 2019	\$1,800,000	\$241,662	\$215,926	\$158,625	\$334,062	\$298,486	\$219,276
<b>Total</b>	<b>\$10,000,000</b>	<b>\$1,166,452</b>	<b>\$1,042,231</b>	<b>\$765,653</b>	<b>\$1,556,585</b>	<b>\$1,390,818</b>	<b>\$1,021,734</b>

**Assumptions:**

Tax Rate (federal + state combined):

40%

Present Value Discount Factor:

7%



Potential Change in Cash Flow Resulting From a Cost Segregation Study for

**- Grow Facility 1 - Conservative**

WITH Cost Segregation Study

WITHOUT Cost Segregation Study

Age 0  
 Tax Basis \$5,000,000  
 Tax Rate 40%  
 Present Value Factor 7%

Property Class	WITH Cost Segregation Study		WITHOUT Cost Segregation Study	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	0.0%	0	0%	0
7 Year Property	25.0%	1,250,000	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	10.0%	500,000	0%	0
39 Year Property	65.0%	3,250,000	100%	5,000,000
<b>Total</b>		<b>\$5,000,000</b>	<b>Total</b>	<b>\$5,000,000</b>

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$691,026</b>	<b>\$617,436</b>	<b>\$453,586</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	0	1,250,000	0	500,000	41,665	1,791,665	64,100	1,727,565	691,026	691,026	691,026
2020						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(16,774)
2021						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(15,676)
2022						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(14,651)
2023						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(13,692)
2024						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(12,797)
2025						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(11,960)
2026						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(11,177)
2027						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(10,446)
2028						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(9,763)
2029						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(9,124)
2030						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(8,527)
2031						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(7,969)
2032						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(7,448)
2033						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(6,961)
2034						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(6,505)
2035						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(6,080)
2036						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(5,682)
2037						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(5,310)
2038						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(4,963)
2039						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(4,638)
2040						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(4,335)
2041						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(4,051)
2042						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(3,786)
2043						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(3,538)
2044						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(3,307)
2045						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(3,091)
2046						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(2,888)
2047						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(2,699)
2048						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(2,523)
2049						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(2,358)
2050						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(2,204)
2051						83,363	83,363	128,250	(44,888)	(17,955)	(17,955)	(2,060)
2052						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(1,925)
2053						83,363	83,363	128,250	(44,888)	(17,955)	(17,955)	(1,799)
2054						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(1,681)
2055						83,363	83,363	128,250	(44,888)	(17,955)	(17,955)	(1,572)
2056						83,330	83,330	128,200	(44,870)	(17,948)	(17,948)	(1,468)
2057						83,363	83,363	128,250	(44,888)	(17,955)	(17,955)	(1,373)
2058						41,665	41,665	64,100	(22,435)	(8,974)	(8,974)	(641)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,250,000</b>	<b>0</b>	<b>500,000</b>	<b>3,250,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>453,586</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for

**- Grow Facility 1 - Optimistic**

Property Class	WITH Cost Segregation Study		WITHOUT Cost Segregation Study	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	0.0%	0	0%	0
7 Year Property	30.0%	1,500,000	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	15.0%	750,000	0%	0
39 Year Property	55.0%	2,750,000	100%	5,000,000
<b>Total</b>		<b>\$5,000,000</b>	<b>Total</b>	<b>\$5,000,000</b>

Age 0  
 Tax Basis **\$5,000,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$888,462</b>	<b>\$793,846</b>	<b>\$583,182</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	0	1,500,000	0	750,000	35,255	2,285,255	64,100	2,221,155	888,462	888,462	888,462
2020						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(21,566)
2021						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(20,155)
2022						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(18,837)
2023						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(17,605)
2024						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(16,453)
2025						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(15,377)
2026						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(14,371)
2027						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(13,430)
2028						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(12,552)
2029						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(11,731)
2030						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(10,963)
2031						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(10,246)
2032						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(9,576)
2033						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(8,949)
2034						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(8,364)
2035						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(7,817)
2036						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(7,305)
2037						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(6,827)
2038						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(6,381)
2039						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(5,963)
2040						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(5,573)
2041						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(5,209)
2042						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(4,868)
2043						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(4,549)
2044						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(4,252)
2045						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(3,974)
2046						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(3,714)
2047						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(3,471)
2048						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(3,244)
2049						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(3,031)
2050						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(2,833)
2051						70,538	70,538	128,250	(57,713)	(23,085)	(23,085)	(2,649)
2052						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(2,475)
2053						70,538	70,538	128,250	(57,713)	(23,085)	(23,085)	(2,314)
2054						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(2,161)
2055						70,538	70,538	128,250	(57,713)	(23,085)	(23,085)	(2,021)
2056						70,510	70,510	128,200	(57,690)	(23,076)	(23,076)	(1,888)
2057						70,538	70,538	128,250	(57,713)	(23,085)	(23,085)	(1,765)
2058						35,255	35,255	64,100	(28,845)	(11,538)	(11,538)	(824)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>0</b>	<b>750,000</b>	<b>2,750,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>583,182</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for

**- Grow Facility 2 - Conservative**

WITH Cost Segregation Study

WITHOUT Cost Segregation Study

Age 0  
 Tax Basis \$1,000,000  
 Tax Rate 40%  
 Present Value Factor 7%

Property Class	WITH Cost Segregation Study		WITHOUT Cost Segregation Study	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	0.0%	0	0%	0
7 Year Property	25.0%	250,000	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	10.0%	100,000	0%	0
39 Year Property	65.0%	650,000	100%	1,000,000
<b>Total</b>		<b>\$1,000,000</b>	<b>Total</b>	<b>\$1,000,000</b>

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$138,205</b>	<b>\$123,487</b>	<b>\$90,717</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	0	250,000	0	100,000	8,333	358,333	12,820	345,513	138,205	138,205	138,205
2020						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(3,355)
2021						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(3,135)
2022						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,930)
2023						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,738)
2024						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,559)
2025						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,392)
2026						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,235)
2027						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(2,089)
2028						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,953)
2029						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,825)
2030						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,705)
2031						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,594)
2032						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,490)
2033						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,392)
2034						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,301)
2035						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,216)
2036						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,136)
2037						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(1,062)
2038						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(993)
2039						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(928)
2040						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(867)
2041						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(810)
2042						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(757)
2043						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(708)
2044						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(661)
2045						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(618)
2046						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(578)
2047						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(540)
2048						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(505)
2049						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(472)
2050						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(441)
2051						16,673	16,673	25,650	(8,978)	(3,591)	(3,591)	(412)
2052						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(385)
2053						16,673	16,673	25,650	(8,978)	(3,591)	(3,591)	(360)
2054						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(336)
2055						16,673	16,673	25,650	(8,978)	(3,591)	(3,591)	(314)
2056						16,666	16,666	25,640	(8,974)	(3,590)	(3,590)	(294)
2057						16,673	16,673	25,650	(8,978)	(3,591)	(3,591)	(275)
2058						8,333	8,333	12,820	(4,487)	(1,795)	(1,795)	(128)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>100,000</b>	<b>650,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>90,717</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for

**- Grow Facility 2 - Optimistic**

Property Class	WITH Cost Segregation Study		WITHOUT Cost Segregation Study	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	0.0%	0	0%	0
7 Year Property	30.0%	300,000	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	15.0%	150,000	0%	0
39 Year Property	55.0%	550,000	100%	1,000,000
<b>Total</b>		<b>\$1,000,000</b>	<b>Total</b>	<b>\$1,000,000</b>

Age 0  
 Tax Basis **\$1,000,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$177,692</b>	<b>\$158,769</b>	<b>\$116,636</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	0	300,000	0	150,000	7,051	457,051	12,820	444,231	177,692	177,692	177,692
2020						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(4,313)
2021						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(4,031)
2022						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(3,767)
2023						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(3,521)
2024						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(3,291)
2025						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(3,075)
2026						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,874)
2027						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,686)
2028						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,510)
2029						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,346)
2030						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,193)
2031						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(2,049)
2032						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,915)
2033						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,790)
2034						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,673)
2035						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,563)
2036						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,461)
2037						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,365)
2038						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,276)
2039						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,193)
2040						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,115)
2041						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(1,042)
2042						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(974)
2043						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(910)
2044						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(850)
2045						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(795)
2046						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(743)
2047						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(694)
2048						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(649)
2049						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(606)
2050						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(567)
2051						14,108	14,108	25,650	(11,543)	(4,617)	(4,617)	(530)
2052						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(495)
2053						14,108	14,108	25,650	(11,543)	(4,617)	(4,617)	(463)
2054						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(432)
2055						14,108	14,108	25,650	(11,543)	(4,617)	(4,617)	(404)
2056						14,102	14,102	25,640	(11,538)	(4,615)	(4,615)	(378)
2057						14,108	14,108	25,650	(11,543)	(4,617)	(4,617)	(353)
2058						7,051	7,051	12,820	(5,769)	(2,308)	(2,308)	(165)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>150,000</b>	<b>550,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>116,636</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for  
**- Retail Building Acquisition - Conservative**

WITH Cost Segregation Study

WITHOUT Cost Segregation Study

Age 0  
 Tax Basis **\$2,200,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Property Class	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	3.0%	66,000	0%	0
7 Year Property	0.0%	0	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	8.0%	176,000	0%	0
39 Year Property	89.0%	1,958,000	100%	2,200,000
<b>Total</b>		<b>\$2,200,000</b>	<b>Total</b>	<b>\$2,200,000</b>

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$95,559</b>	<b>\$85,383</b>	<b>\$62,724</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	66,000	0	0	176,000	25,102	267,102	28,204	238,898	95,559	95,559	95,559
2020						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(2,320)
2021						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(2,168)
2022						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(2,026)
2023						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,893)
2024						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,770)
2025						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,654)
2026						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,546)
2027						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,445)
2028						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,350)
2029						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,262)
2030						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,179)
2031						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,102)
2032						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(1,030)
2033						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(963)
2034						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(900)
2035						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(841)
2036						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(786)
2037						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(734)
2038						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(686)
2039						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(641)
2040						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(599)
2041						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(560)
2042						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(524)
2043						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(489)
2044						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(457)
2045						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(427)
2046						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(399)
2047						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(373)
2048						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(349)
2049						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(326)
2050						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(305)
2051						50,223	50,223	56,430	(6,207)	(2,483)	(2,483)	(285)
2052						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(266)
2053						50,223	50,223	56,430	(6,207)	(2,483)	(2,483)	(249)
2054						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(232)
2055						50,223	50,223	56,430	(6,207)	(2,483)	(2,483)	(217)
2056						50,203	50,203	56,408	(6,205)	(2,482)	(2,482)	(203)
2057						50,223	50,223	56,430	(6,207)	(2,483)	(2,483)	(190)
2058						25,102	25,102	28,204	(3,102)	(1,241)	(1,241)	(89)
<b>Total</b>	<b>0</b>	<b>66,000</b>	<b>0</b>	<b>0</b>	<b>176,000</b>	<b>1,958,000</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>62,724</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for  
**- Retail Building Acquisition - Optimistic**

Property Class	WITH Cost Segregation Study		WITHOUT Cost Segregation Study	
	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	6.0%	132,000	0%	0
7 Year Property	0.0%	0	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	12.0%	264,000	0%	0
39 Year Property	82.0%	1,804,000	100%	2,200,000
<b>Total</b>		<b>\$2,200,000</b>	<b>Total</b>	<b>\$2,200,000</b>

Age 0  
 Tax Basis **\$2,200,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$156,369</b>	<b>\$139,717</b>	<b>\$102,640</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	132,000	0	0	264,000	23,127	419,127	28,204	390,923	156,369	156,369	156,369
2020						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(3,796)
2021						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(3,547)
2022						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(3,315)
2023						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(3,098)
2024						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,896)
2025						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,706)
2026						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,529)
2027						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,364)
2028						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,209)
2029						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(2,065)
2030						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,930)
2031						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,803)
2032						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,685)
2033						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,575)
2034						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,472)
2035						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,376)
2036						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,286)
2037						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,202)
2038						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,123)
2039						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(1,050)
2040						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(981)
2041						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(917)
2042						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(857)
2043						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(801)
2044						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(748)
2045						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(699)
2046						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(654)
2047						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(611)
2048						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(571)
2049						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(534)
2050						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(499)
2051						46,273	46,273	56,430	(10,157)	(4,063)	(4,063)	(466)
2052						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(436)
2053						46,273	46,273	56,430	(10,157)	(4,063)	(4,063)	(407)
2054						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(380)
2055						46,273	46,273	56,430	(10,157)	(4,063)	(4,063)	(356)
2056						46,255	46,255	56,408	(10,153)	(4,061)	(4,061)	(332)
2057						46,273	46,273	56,430	(10,157)	(4,063)	(4,063)	(311)
2058						23,127	23,127	28,204	(5,077)	(2,031)	(2,031)	(145)
<b>Total</b>	<b>0</b>	<b>132,000</b>	<b>0</b>	<b>0</b>	<b>264,000</b>	<b>1,804,000</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>102,640</b>





Potential Change in Cash Flow Resulting From a Cost Segregation Study for  
**- Dispensary Improvements - Conservative**

WITH Cost Segregation Study

WITHOUT Cost Segregation Study

Age 0  
 Tax Basis **\$1,800,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Property Class	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	30.0%	540,000	0%	0
7 Year Property	0.0%	0	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	4.0%	72,000	0%	0
39 Year Property	66.0%	1,188,000	100%	1,800,000
<b>Total</b>		<b>\$1,800,000</b>	<b>Total</b>	<b>\$1,800,000</b>

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$241,662</b>	<b>\$215,926</b>	<b>\$158,625</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	540,000	0	0	72,000	15,230	627,230	23,076	604,154	241,662	241,662	241,662
2020						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(5,866)
2021						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(5,482)
2022						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(5,124)
2023						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(4,788)
2024						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(4,475)
2025						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(4,182)
2026						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(3,909)
2027						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(3,653)
2028						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(3,414)
2029						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(3,191)
2030						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,982)
2031						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,787)
2032						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,605)
2033						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,434)
2034						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,275)
2035						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(2,126)
2036						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,987)
2037						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,857)
2038						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,736)
2039						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,622)
2040						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,516)
2041						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,417)
2042						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,324)
2043						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,237)
2044						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,156)
2045						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,081)
2046						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(1,010)
2047						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(944)
2048						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(882)
2049						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(825)
2050						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(771)
2051						30,472	30,472	46,170	(15,698)	(6,279)	(6,279)	(720)
2052						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(673)
2053						30,472	30,472	46,170	(15,698)	(6,279)	(6,279)	(629)
2054						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(588)
2055						30,472	30,472	46,170	(15,698)	(6,279)	(6,279)	(550)
2056						30,460	30,460	46,152	(15,692)	(6,277)	(6,277)	(513)
2057						30,472	30,472	46,170	(15,698)	(6,279)	(6,279)	(480)
2058						15,230	15,230	23,076	(7,846)	(3,138)	(3,138)	(224)
<b>Total</b>	<b>0</b>	<b>540,000</b>	<b>0</b>	<b>0</b>	<b>72,000</b>	<b>1,188,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>158,625</b>



Potential Change in Cash Flow Resulting From a Cost Segregation Study for

**- Dispensary Improvements - Optimistic**

WITH Cost Segregation Study

WITHOUT Cost Segregation Study

Age 0  
 Tax Basis **\$1,800,000**  
 Tax Rate 40%  
 Present Value Factor 7%

Property Class	Percentage Assumed	Depreciable Basis	Percentage Assumed	Depreciable Basis
3 Year Property	0.0%	0	0%	0
5 Year Property	40.0%	720,000	0%	0
7 Year Property	0.0%	0	0%	0
10 Year Property	0.0%	0	0%	0
15 Year Property	7.0%	126,000	0%	0
39 Year Property	53.0%	954,000	100%	1,800,000
<b>Total</b>		<b>\$1,800,000</b>	<b>Total</b>	<b>\$1,800,000</b>

Present Value of Changes in Cash Flow		
Year 1	First 6 Years	39 Year Life
<b>\$334,062</b>	<b>\$298,486</b>	<b>\$219,276</b>

Year	3 Year 200% DB	5 Year 200% DB	7 Year 200% DB	10 Year 200% DB	15 Year 150% DB	39 Year	Total Annual Depreciation Expense WITH Study	Total Annual Depreciation Expense W/O Study	Change in Depreciation Expense	After-Tax Change in Cash Flow	After-Tax Depreciation Recovery	Present Value of Changes in Cash Flow
2019	0	720,000	0	0	126,000	12,230	858,230	23,076	835,154	334,062	334,062	334,062
2020						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(8,109)
2021						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(7,578)
2022						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(7,083)
2023						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(6,619)
2024						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(6,186)
2025						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(5,782)
2026						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(5,403)
2027						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(5,050)
2028						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(4,719)
2029						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(4,411)
2030						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(4,122)
2031						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(3,853)
2032						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(3,600)
2033						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(3,365)
2034						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(3,145)
2035						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,939)
2036						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,747)
2037						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,567)
2038						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,399)
2039						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,242)
2040						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(2,096)
2041						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,958)
2042						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,830)
2043						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,711)
2044						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,599)
2045						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,494)
2046						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,396)
2047						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,305)
2048						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,220)
2049						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,140)
2050						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(1,065)
2051						24,470	24,470	46,170	(21,700)	(8,680)	(8,680)	(996)
2052						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(930)
2053						24,470	24,470	46,170	(21,700)	(8,680)	(8,680)	(870)
2054						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(813)
2055						24,470	24,470	46,170	(21,700)	(8,680)	(8,680)	(760)
2056						24,461	24,461	46,152	(21,691)	(8,677)	(8,677)	(710)
2057						24,470	24,470	46,170	(21,700)	(8,680)	(8,680)	(664)
2058						12,230	12,230	23,076	(10,846)	(4,338)	(4,338)	(310)
<b>Total</b>	<b>0</b>	<b>720,000</b>	<b>0</b>	<b>0</b>	<b>126,000</b>	<b>954,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>219,276</b>