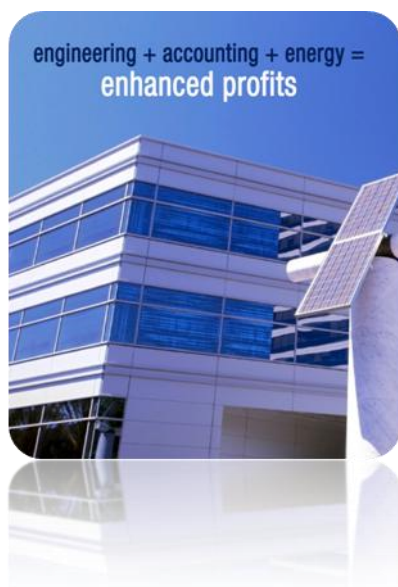


Engineering and Energy Business Services

Ask us how we can help
increase your cash flow through
any of the following services

www.urishpopeck.com



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ALLIANCE**

Cost Segregation Studies

A cost segregation study is a federal income tax tool that increases your near term cash flow, in the form of a deferral, by utilizing shorter recovery periods to accelerate the return on capital from your investment in property. Whether newly constructed, purchased or renovated, the components of your building may be properly classified, through a cost segregation study, into shorter recovery periods for computing depreciation deductions. The study carves out, into 5, 7 and 15 year lives, certain qualifying portions of your building that are normally buried in 39 or 27½ year categories.

179D / EAct Tax Deductions

We specialize in the energy certification process required by the IRS. The certification calculates the tax deduction achieved from the installation of energy-efficient assets. The deduction ranges between \$.60/ft² and \$1.80/ft². We have provided thousands of the highest quality energy tax certifications since 2005. Handling over 50 certifications every month, we have perfected the process by working closely with the IRS on a regular basis. Our LEED AP designation strengthens and adds depth to our qualifications under EACT while supporting energy efficiencies under LEED. We offer a measurable dynamic to increase your return on investment and improve efficiencies - all with the goal of reducing operating expenses and obtaining additional tax deductions or credits.

Abandonment Studies

When you undertake demolition or renovate a building and tear out old lighting, HVAC units and other building parts, these assets are abandoned. As such, their book value can be treated as a business deduction. The tangible personal property within the structure (or a part of it) can be written off when the building is demolished, provided that the personal property is to be abandoned, was not purchased with the intent to demolish, and is identified and valued prior to demolition.

Repairs & Maintenance Studies

Through a thorough analysis of your expenses for repairs and maintenance, we can help you reduce your tax liability and improve cash flow by properly reclassifying these expenditures. First, we will identify which asset costs are not properly classified, then reclassify them as deductible repairs as defined by IRS Code Sections 162 and 263. Deductible repairs may include "incidental repairs" that help to maintain efficient operating condition but do not necessarily prolong its life, add material value or adapt the property for new or different use. Expenses incurred or paid for incidental repairs and maintenance are not considered as capital expenditures and may be reclassified to accelerate deductions in the current year. A proposed regulation, likely to be released this year, may also allow certain cosmetic and remodeling expenses, such as those that would improve branding, retail or merchandising, or provide a property "facelift", as deductible under the repairs and maintenance rules.

Energy Audits

Our forensic energy audit includes a detailed report with extensive and precise break downs of your current annual energy use and costs. You will understand your building's energy efficiencies (or waste) and the alternatives to reduce energy use and operating costs. Our energy audit services range from a peripheral inspection to a fully detailed inspection audit. A comprehensive facility energy audit is a survey of a building or facility that provides sufficiently detailed information to allow an agency to enter into energy or water-savings performance contracts or to invite inspection and bids by private upgrade specialists for efficiency investments.

(continued on reverse)

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URISH POPECK & CO., LLC

Accountants and Consultants

R&D Tax Credits

The Research & Development (R&D) tax credit is one of the most significant domestic tax credits remaining under current tax law – a substantial tool for maximizing a company's cash flow and bottom line. No one can afford to leave money on the table. Nevertheless, when it comes to the R&D credit, cash is left untouched all the time. Despite the fact that the R&D credit has been available since 1981, less than a third of eligible companies recognize that they qualify for the credit. Even if companies claim an R&D credit, they frequently do not claim the entire credit to which they are entitled, either because they do not understand what qualifies or do not have the processes in place to properly document the credit. Credits for qualified activities are available in addition to deductions. The credit is a dollar-for-dollar cash offset against your taxes and can be significant if properly pursued.

Engineered Insurance Appraisals

An insurance appraisal is a replacement cost analysis that provides an accurate estimate of the amount of insurance required to replace each structure and/or amenity exactly as it stood. We calculate each building's reproduction cost on a component-by-component basis from the ground up and process the complex calculations needed to correctly estimate the labor and material costs. We provide a "Detailed Engineering Insurance Replacement Appraisal" (DEIRA) that is accepted by national insurance company underwriters to establish accurate property valuations, reduce and/or eliminate disagreements following a covered loss, and most importantly, reduce premiums while improving coverage terms and conditions. We have a 90% success rate for our clients.

Historical Tax Credits

The federal tax law offers effective incentives to taxpayers who contribute to the preservation of our nation's old and historic buildings. By rehabilitating directly or investing in the rehabilitation of eligible buildings, you can take advantage of one of two tax credits. The federal income tax credit is equal to 20% of the cost of rehabilitating historic buildings or 10% of the cost of rehabilitating non-historic buildings

constructed before 1936. These credits provide a dollar-for-dollar reduction of income tax owed. Buildings eligible for the 20% rehabilitation credit include those used for rental residential as well as nonresidential purposes. Buildings eligible for the 10% rehabilitation credit must be nonresidential, commercial and industrial buildings. We can help you reap the tax benefits of rehabilitation and preservation projects as well as all related incentives and processes.

Historical Appraisals

We are a nationally recognized leader in the valuation of Historical Properties and Antique Buildings. The valuation of historical properties is as much an art as a science. This type of appraisal involves properties that have been placed on a local or national historical registry due to their significant architectural style and/or another historical event associated with the residence. The appraisal process for historical properties is different from other single-family appraisals. It is critical that appropriate valuation procedures be used. We can help determine the insurable value of your property, but more importantly, we can help ensure that the proper value is determined.

Reserve Studies

Our reserve study is a comprehensive report of any major components that will need repairs, restoration, maintenance or replacement within the next 30 years. During a reserve study, each reserve component is evaluated to determine the current condition, the remaining useful life and the estimated replacement cost; the data is then synthesized to determine the annual contribution needed to avoid special assessments in the future. All costs and annual reserve balances are shown both in constant dollars and adjusted for inflation and interest. The most accurate reserve studies are conducted by an engineer who understands building construction. When you work with UPCO, you can be confident a degreed engineer will conduct your on-site inspection and develop your reserve study. Our reserve studies follow the guidelines of the state codes and

statutes.

New Market Tax Credits

The New Market Tax Credit ("NMTC") program was created by Congress to encourage financial investment and economic development in lower-income communities throughout the United States. If you are developing real estate in an area that was either historically or is currently distressed, your project may be eligible for substantial tax credits established through the NMTC investment.

Brownfield Tax Credits

Numerous states have developed Brownfield Tax Credits as well as other financial incentives to help pay for the costs to clean-up properties whose environmental condition has been harmed by previous uses of the site. We can help identify whether your project would be eligible for Brownfield financial incentives. If your project is deemed eligible, we can assist in securing these incentives and if tax credits are available, we can help find a tax credit investor and structure the transaction. Please contact us if you think you have a real estate development project that could take advantage of these incentives.

Enterprise Zone Tax Credits

Numerous states and localities have established enterprise zones designed to encourage investment in certain geographic areas. Investments that result in job creation or development in these areas may be eligible for income tax, real estate tax credits and/or grants. Please contact UPCO and we can help determine whether your project is eligible for this type of assistance. If we determine you could take advantage of these tax credits, we can manage the process of obtaining the credits, securing a purchaser of the credits and structuring the transaction and/or securing the grants. These incentives may also be combined with our other programs that may provide significant financial assistance for your project.

For more information, contact Tom Current at 888-287-0335 or tcurrent@urishpopeck.com.