

Why Ernst & Morris ?

THE NATION'S LARGEST AND OLDEST FIRM

Ernst & Morris Consulting Group, Inc. is the nation's largest and oldest firm dedicated solely to performing cost segregation studies. Being the most experienced has its advantages and these advantages are passed on to E&M clients. Because Ernst & Morris has the right combination of experience and highly qualified professionals, extremely competitive pricing is available for projects of all types and sizes, while still providing the highest quality product in the industry. E&M understands that any good business decision is based on the cost versus the benefit received. Clients recognize the combination of value and quality received, which results in a tremendous amount of repeat business. **With over 15,000 completed studies, Ernst & Morris Consulting Group, Inc. has earned a reputation as the highest quality provider in the industry.** E&M studies have resulted in the deferral of over \$2 billion in taxes.

**E&M partners
with more than
500 CPA firms
nationwide**

OVER 100 YEARS OF EXPERIENCE

The Ernst & Morris team consists of a combination of electrical, mechanical and construction engineers and consultants who collectively possess over 100 years of combined cost segregation and related experience. E&M is not a CPA firm but a specialized niche business that is trusted by more CPA's to perform cost segregation services for their clients, than any other provider nationwide. According to the IRS, "cost segregation studies should be performed by qualified individuals or firms such as those employing personnel competent in design, construction, auditing, and estimating procedures relating to building construction."

COMPLIMENTARY FEASIBILITY ANALYSIS

Ernst & Morris Consulting Group, Inc. provides complimentary proposals within 48 hours of the request. This proposal estimates the tax benefit available and quantifies the cost of having a study performed.

COMPLETE REVIEW FOR MAXIMUM BENEFIT

Ernst & Morris performs a complete "take-off" of the property, including items that do not qualify for accelerated depreciation. E&M completely reviews the blue prints and

identifies the quantity of take-offs and cost estimates for personal property that were not segregated through other cost information. In contrast, the "residual approach" (abbreviated method) which is commonly used, contains no analysis of the building or building components. In addition, E&M goes one step further and color codes the blue prints. This clearly delineates the "what, why & how" claimed as personal property versus real property. E&M uses civil/site work, structural, architectural, plumbing, HVAC and electrical drawings. While under IRS audit, it is critical to be able to demonstrate that this has been completed. The coding of the construction drawings is an integral piece for the defense of cost segregation reports to the IRS.

SITE INSPECTION ON EVERY STUDY

E&M job managers perform an inspection and secure digital photos of every facility studied in order to document and gain a comprehensive understanding of the use and condition of the facility. This inspection is also used as a means to gather additional information to further support the classification of personal property into the appropriate asset class.

AUDIT TRAIL PROVIDED

Ernst & Morris is one of only a few firms in the industry to provide a comprehensive work paper file and supporting audit trail with every study. With over 15,000 completed studies, E&M has earned the reputation as the highest quality provider of cost segregation studies.

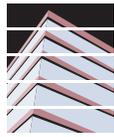
IRS SUPPORT AND EXPERIENCE

E&M studies conform to the "engineering approach", the highest standard set forth in the "Cost Segregation Audit Techniques Guide" issued by the IRS. E&M professionals have reviewed the IRS agent training video and have studied the IRS approach to cost segregation studies and the recommended methodology. E&M studies have been successfully defended during IRS examination and have withstood the scrutiny of IRS audits as well as thousands of CPA reviews. Complete IRS audit support is offered with every cost segregation study that E&M performs.

Exceeding our clients expectations since 1993

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THE LEADER IN COST SEGREGATION