

Real Estate



- ▶ Gain access to CPAs experienced in real estate taxation, accounting & business transactions
- ▶ Improve your financial returns
- ▶ Respond more timely to investor & other reporting deadlines
- ▶ Realize savings through tax-advantaged structuring & planning, including cost segregation
- ▶ Streamline financing processes

In an industry where no two projects are exactly alike, BKD helps real estate professionals increase financial returns, meet regulatory compliance requirements and implement long-term strategies. Multifamily apartments; single family developments; commercial property, development, design, construction and management companies; syndicators; investors; and holding companies have benefited from the following solutions.

Affordable Housing Industry

In the low-income and affordable housing industry, BKD has successfully led many real estate professionals through the hurdles of these unique projects to reap the available benefits. Our extensive knowledge of state and federal programs allows us to help clients meet deadlines timely and efficiently. We assist developers, syndicators and investors throughout the nation with the following services:

- Structuring tax credit transactions
- Tax planning and income tax return preparation specific to LIHTC properties and investors
- 10% carry-over allocation certifications
- Cost certifications
- Project auditing and accounting
- Eligible basis consulting
- Impact analysis of state low-income housing tax credits
- Year 15 analysis
- Evaluating treatment of CDBG, HOME, HOPE VI, federal grants and below-market financing
- Tax-exempt bond consulting
- Consulting related to not-for-profit partners
- Financial forecasts
- Cash-flow analysis
- Assistance with financial reporting systems
- Operational reviews including design and evaluation of internal controls

Historic Rehabilitation Tax Credits

Historic renovation activity continues to increase throughout the country, with many downtown and urban areas benefiting economically from revitalization. This historic rehabilitation is fueled by the available federal and state tax credit incentives. BKD helps developers and investors work through these complex transactions to obtain the available tax credit equity and increase the return on their investment. BKD provides the following services for these projects:

- State cost certifications
- Financial forecasts and projections
- Deal structuring
- Estimation of tax credits and assistance in obtaining project financing
- Eligible basis consulting
- Preparation of upper-tier and lower-tier tax returns
- Consulting related to mixed financing and combinations of various credits

Cost Segregation

Real estate cost segregation generates cash tax savings by identifying shorter-lived assets qualifying for 5-, 7- or 15-year write-off periods. These costs are typically imbedded in a building's construction or acquisition costs and depreciated over 39 years.

BKD uses an engineering-based approach recognized by the Internal Revenue Service and by the courts, to identify and determine the appropriate fair market value of assets qualifying for shorter depreciation lives. The results can lower the after-tax cost of owning real estate often resulting in major tax savings.

BKD clients are significantly more satisfied with our service than clients of other top U.S. firms included in a recent comparison by an independent research firm. Our overall results are higher than those of any other CPA firm the researcher has surveyed in the past 25 years

Tax Planning & Preparation

Virtually every transaction has tax implications. From simple to complex, we can examine the pros and cons of a real estate transaction and help you structure it to reduce your taxes and liability. Some of these services include:

- Capital gain planning
- Specialized tax credit planning
- Executive tax planning
- Impact analysis of state and local taxes
- Development cost allocations
- Choice-of-entity planning
- Estate planning
- Impact analysis of tax law changes

Tax-deferred Exchanges

Swapping real estate, rather than buying and selling property, can generate attractive tax benefits. Our consultants can assist you with the complexities of like-kind exchanges to help defer taxes on the monetary gain and apply the savings toward the new property.

Operations Improvement Consulting

In today's highly competitive market, productivity and efficiency contribute as much to

About BKD

As one of the 10 largest CPA and advisory firms in the country, **BKD, LLP** is the firm of choice for growing companies and high net-worth individuals. Our 1,900 personnel, including approximately 230 partners, are located in 27 offices in Arkansas, Colorado, Illinois, Indiana, Kansas, Kentucky, Missouri, Nebraska, Ohio, Oklahoma and Texas.

business success as the quality and quantity of deals closed. High profits can erode quickly due to poor business processes.

Whether your business is just starting up or has been around for years, BKD's real estate consultants can help you improve your business processes for high efficiency and quality through operational reviews, lease reviews and strategic business planning advice.

Contracts & Negotiations

We can review your partnership agreements, assist with negotiations and analyze tax considerations that may affect personal and corporate tax returns.

Financing

Whether your financing is internal, external or a combination of both, BKD can help you put together a plan that works. Our services include identifying financing sources, preparing loan applications and assisting with negotiations.

BKD Corporate Finance, LLC assists companies with mergers, acquisitions, sales, management buyouts, financing and initial public offering advisory services.



Accounting & Auditing

Just as real estate transactions have specific tax implications, project-specific accounting and auditing issues often arise. BKD assists with:

- Cost allocations and capitalization
- Revenue deferral
- Variable interest entity considerations and other consolidation issues
- Revenue and cost matching
- Land pricing
- Net realizable value analysis



Beyond Your Numbers

BKD would like to take you beyond your numbers by applying our technical expertise, unmatched client service and disciplined delivery of solutions to your management and financial needs. We are committed to delivering results with integrity: solutions that are ethical while also practical, timely and affordable. Let us take you beyond your numbers.



For a complete list of our offices and subsidiaries and their contacts, visit:

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