

Diversified Property
Solutions



Smart Strategies for Your Assets

www.dpsadvisors.com



Real Estate
Fixed Assets
Personal
Property
Multi-state
Compliance
Incentives
Exemptions
Review &
Appeals

What We Do

Diversified Property Solutions partners with clients from across the country to achieve significant tax savings through innovative property tax strategies. We understand no two businesses are alike. That's why we develop custom solutions designed to identify tax savings for each client through a unique one-on-one process. We collaborate with our clients to understand the current use and functionality of their assets and then apply that knowledge within the framework of state laws to develop a tax reduction plan. This comprehensive plan leads to creative and practical recommendations to minimize property tax liabilities and increase cash flows, ultimately realizing an average tax reduction of 15–35%.

Our core services include:

- Real estate tax review and appeals
- Fixed asset inventory and reconciliation
- Personal property tax review and appeals
- Multi-state property tax return compliance
- Tax abatements and incentives

“We have plants throughout the Midwest and rely on Diversified Property Solutions for their **broad understanding and knowledge of tax laws, real estate markets and municipalities** in these different locations.

They are always well prepared for strategic negotiations; and even in a down economy, they have been able to obtain significant property tax reductions that have added hundreds of thousands of dollars to our bottom line year after year.”

Shankar Kiru, Chief Financial Officer
Diversified Machine Inc.

Our Services

The Diversified Property Solutions team is comprised of experts who identify tax-saving opportunities for companies from a broad range of industries. We offer a selection of services that ensure our clients are paying the legal minimum amount of tax and no more. Each of our core services offers an opportunity for significant tax reduction and cost savings that can be implemented efficiently and seamlessly.

CLIENT CASE STUDY

Real Estate Review Yields Major Savings

CLIENT BACKGROUND:

Manufacturing Facility

343,000 square feet

Real estate property tax liability: \$474,000

HOW DIVERSIFIED PROPERTY SOLUTIONS HELPED:

We commissioned a real estate appraiser to determine the fair market value of the property. We then conducted meetings with the jurisdiction, including the assessor, city manager and the client's CFO. After negotiations, a reasonable settlement was made with the jurisdiction.

BOTTOM LINE RESULT:

Approximately \$270,000 annual savings, a 57% reduction in annual property taxes

Real Estate Tax Review and Appeals

Our property tax consultants are well versed in real estate valuation principles. While many assessors use mass appraisal methods to determine property values, we review each property in detail to determine whether our clients' real property assessments are in line with fair market value. Utilizing a proprietary methodology, we efficiently gather and analyze client-specific information and current market data to estimate the value of our clients' property and determine if an appeal is warranted. We represent our clients in settlement discussions with local assessors and at hearings at the state and local levels. Our consultants draw from a wide range of experiences in both the public and private sectors to ensure the assessments are fair and equitable. We manage the entire process from initial review through resolution, keeping our clients updated during every step of the process.

Fixed Asset Inventory and Reconciliation

An accurate fixed asset inventory and reconciliation can help identify common issues many companies face: ghost assets, partial retirements, assets eligible for exemption, assets eligible for beneficial classification, and embedded non-taxable costs. For these companies, we conduct line-by-line reviews of both owned and leased assets, and reconcile the assets on the floor to those on the balance sheet.

Physical asset tagging helps companies gain and maintain control of their assets while increasing accuracy for financial accounting and personal property tax reporting purposes. Tagging also provides an effective way to meet the strict internal control requirements related to Sarbanes-Oxley or other external reporting requirements. We work with companies to tag and document asset-specific information in an easily accessible electronic format.

"Working with Diversified Property Solutions as I have for the past four years, I am confident that I am doing everything I can to help my company manage our tax liability. Their expertise on everything from appeals and incentives to compliance and exemptions gives me great peace of mind that **I am working with a proactive partner who looks out for my company's best interests**—the positive impact on our bottom line is undeniable proof of that."

Terry Simons, Tax Director | TriMas Corporation

Personal Property Tax Review & Appeals

We want to ensure our clients pay only the legal minimum amount of tax. Our analysis begins with a review of the fixed asset records and a physical inspection. We then identify and segregate intangible and tangible costs from the capitalized cost of the assets and correctly classify assets in order to achieve the most favorable tax treatment. We also determine whether the market value assigned by the assessing jurisdiction accurately reflects the fair market value of the assets. If warranted, we will file an appeal or amend previously filed personal property statements, managing the process from beginning to end.

Multi-state Property Tax Return Compliance

Working in conjunction with client personnel, our experienced professionals design custom solutions that identify and incorporate tax savings opportunities into the initial tax return filing. From retirements to exemptions, our methodology is designed to maximize the value of the compliance function. Our process includes an on-site review of the fixed assets, preparation and filing of tax statements, verification of assessments, verification and approval of tax bills and issuance of management reports. We utilize leading property tax software to facilitate a technology solution that drives efficiency throughout the entire process.

Property Tax Abatements and Incentives

Property tax abatements are an economic development tool offered by local governments to stimulate economic growth and are an important tool to help companies remain competitive. Opportunities for tax abatements and incentives may exist if a company is considering construction of a new facility, expansion or renovation of an existing facility, adding new machinery or equipment, or acquiring or consolidating operations. We work with our clients to identify available incentives, gather the necessary information and represent the organization throughout the entire application and approval process. Our approach creates a positive outcome for both our client and the community in which they are located.

Our Clients

We are dedicated to achieving significant tax savings for our clients. Companies who benefit most from our services generally:

- Have a total annual real estate and personal property tax liability greater than \$50,000
- Have total fixed assets greater than \$3,000,000
- Operate in the manufacturing, utility, real estate, construction or retail industries
- Are in need of an efficient fixed asset tracking system for Sarbanes-Oxley or internal control purposes

We work directly with companies that fit this profile. We also work with accounting and other professional service firms that have clients that fit this profile, but do not have the expertise on staff to address their clients' property tax and fixed asset management needs.

CLIENT CASE STUDY

Asset Tagging Uncovers Real Rewards

CLIENT BACKGROUND:

Manufacturing Facility
1,300,000 square feet
Personal property tax liability: \$3,000,000

HOW DIVERSIFIED PROPERTY SOLUTIONS HELPED:

We went on site, physically inventoried the fixed assets by implementing a barcode technology system and reconciled the results with the client's records. We were able to identify unrecorded disposals, reclassify assets to our client's benefit, and maximize the company's property tax abatements.

BOTTOM LINE RESULT:

Approximately \$320,000 annual savings

Our Team

Edward Blanchard, Managing Director
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Prior to founding Diversified Property Solutions, Edward specialized in all facets of multi-state property taxation for nine years while at Arthur Andersen. One of his primary roles involved leading a team of experts to deliver bundled services including property tax, federal cost segregation and federal R&D tax credits to the Great Lakes Region. Edward currently assists our clients with all aspects of multi-state property tax and asset management services. A graduate of Walsh College, Edward is a member of the Michigan Association of Certified Public Accountants and the Institute for Professionals in Taxation.

Curt Chowanic, Director
(248) 227-9557

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Curt brings more than 20 years of property tax and asset management experience to Diversified Property Solutions and its clients. His previous professional experience includes DTE Energy, Arthur Andersen and PricewaterhouseCoopers. Curt attended Wayne State University and holds a Bachelor of Public Affairs and Master of Business Administration.

Frank Giglio, Managing Director
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Prior to launching Diversified Property Solutions, Frank helped establish the Detroit office property tax practice at Arthur Andersen. In his final role with Andersen, Frank managed the Great Lakes Region practice which consisted of 22 professionals across three States. His current focus is on complex property tax matters and includes multi-state real and personal property tax compliance and consulting. Frank graduated from the University of Detroit with a Bachelor of Science in Accounting and is a Certified Public Accountant.

John Maurice, Manager
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John specializes in real property valuation and appeals for our clients. He has more than 20 years of experience including managing the National Property Tax practice for BDO Seidman as well as serving with Oakland County Equalization in Michigan as a commercial/industrial appraiser. John graduated from Grand Valley State University with a Bachelor of Science in Mathematics and holds a Certified Member of the Institute designation with the Institute for Professionals in Taxation.

How is Diversified Property Solutions Different?

Risk-Free We offer a no risk/no cost initial review to assess tax savings opportunities and are paid only when tax savings are delivered.

Independent Services Our team provides custom strategies based on an on-site review. Multiple tax and business improvement opportunities can be pursued on an asset-by-asset basis.

Experienced Professionals An average of 15-plus years experience in all aspects of property tax. We have tax experts on every job—no trainees.

Process Improvement Our services can include process improvements that allow clients to continue to realize benefits long after the engagement is complete.

Our mission is to deliver maximum-value services with a reasonable rate structure. We aim to achieve outstanding client service and a focus on details that provide our clients with sustainable asset strategies.



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