

VALUATION & ADVISORY SERVICES



Roy Abramowitz, Shareholder & Director of Wealth Management, Perkins & Co

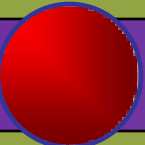
Don Palmer, Director of Valuation Services, Colliers International

Keith Meyers, Shareholder & Director Valuation & Forensics, Perkins & Co

Chuck Mauritz, Estate Planning Attorney, Duffy Kekel, LLP

Planning Phase

you are
here



meet with
accountant &
attorney

initial
brainstorm



month 1-2

Phase 1: Planning

The new Estate, Gift and GST Tax Provisions of The Tax Relief Act of 2010 (enacted Dec 17, 2010)

- 2 year tax relief only through Dec 31, 2012

Begin planning NOW to maximize benefits!

- Timing couldn't be better for estate planning
 - Close to record low effective interest rates
 - Close to record low real estate values
 - Highest ever gift and GST exemptions

Phase 1: Planning

New Basic Federal Estate Tax Exemption \$5 million

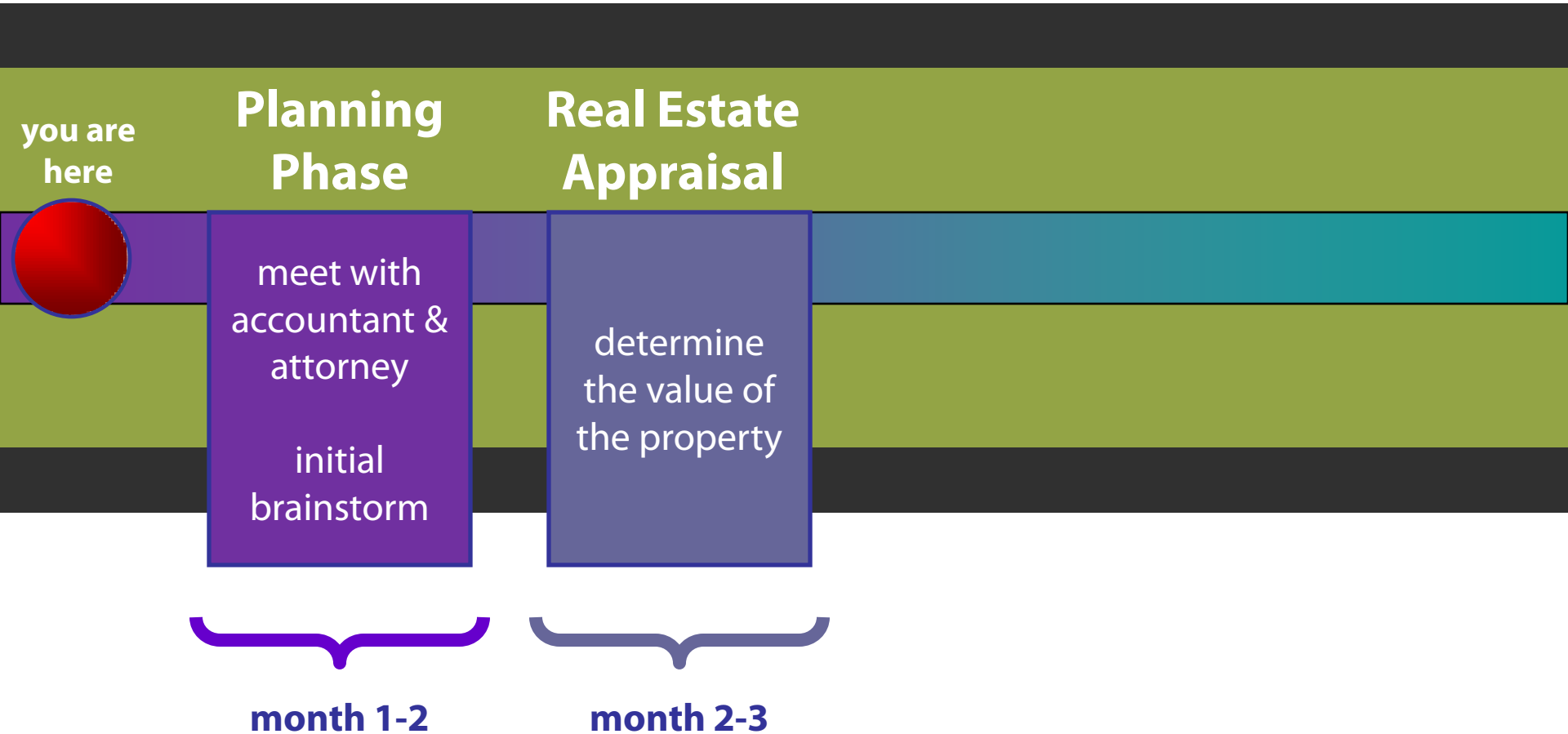
- Effective for 2010, 2011 and indexed in 2012
- Maximum rate set at 35%
- Full basis step-up (or down)

Same provisions for generation skipping transfer (GST tax)

- New gift tax exemption also increased to \$5 million
- Only in 2011 and 2012 (still \$1 million in 2010)

Phase 1: Planning

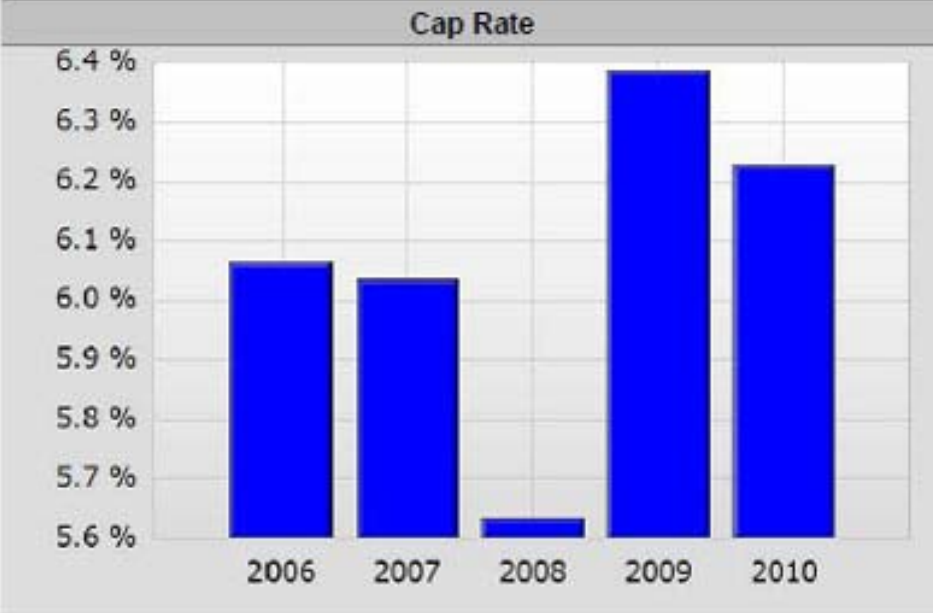
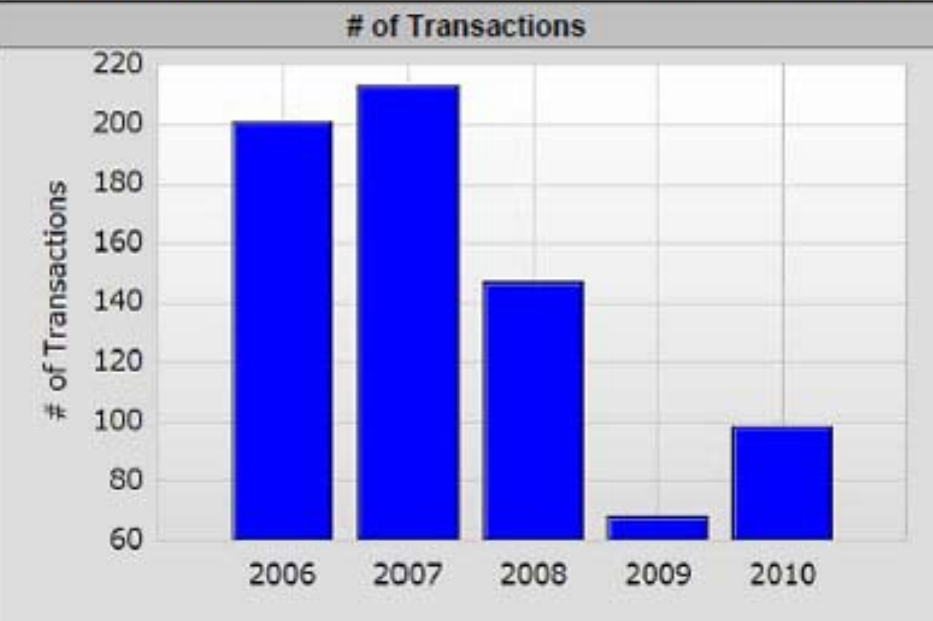
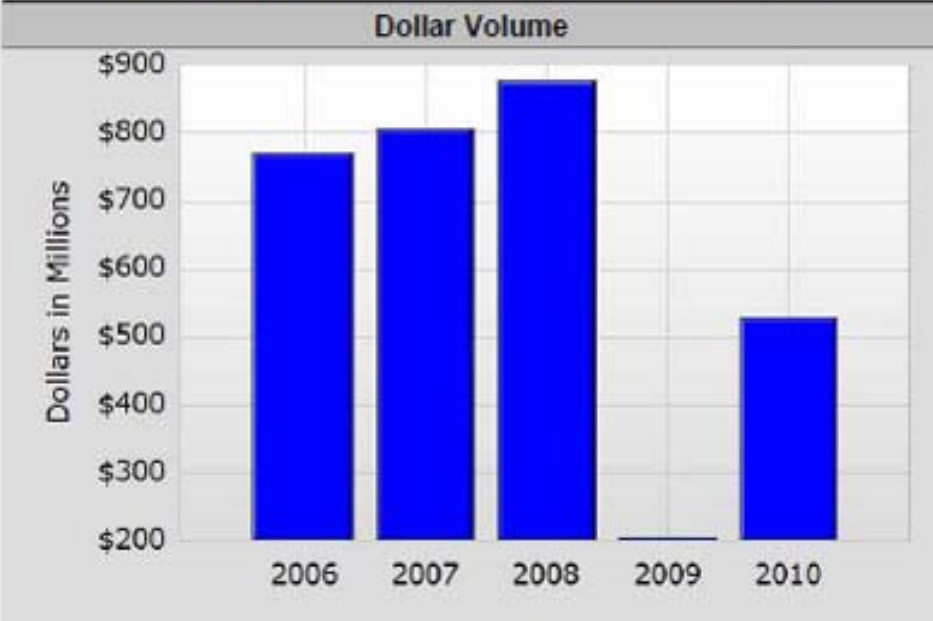
- Choice of methods for decedents dying in 2010
 - Not necessarily a slam-dunk decision
- Portability: first time ever but only for 2 years:
 - Allows a deceased spouse's unused exemption to be transferred to the surviving spouse
 - Executor of deceased spouse must elect
 - Filled with traps for the unwary





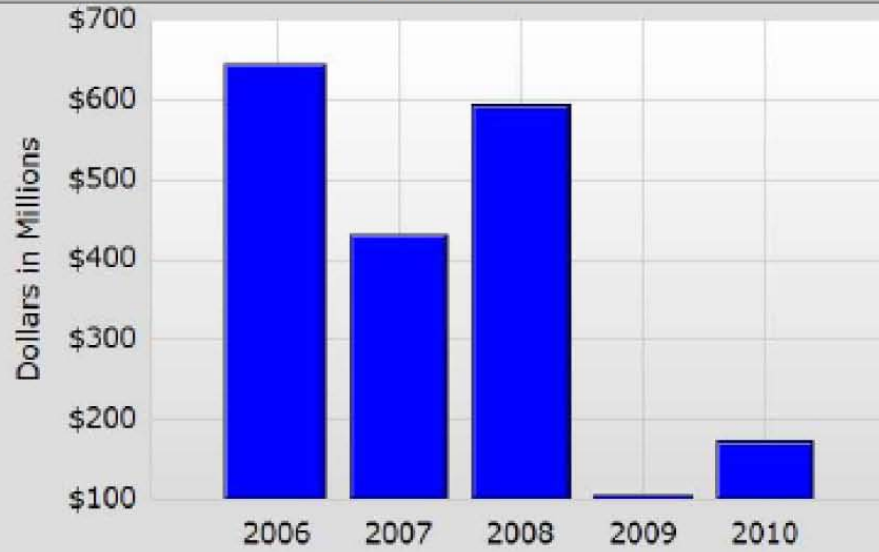
Phase 2: Real Estate Appraisal

APARTMENT MARKET SUMMARY (2006-2010) Multnomah, Washington, Clackamas Counties

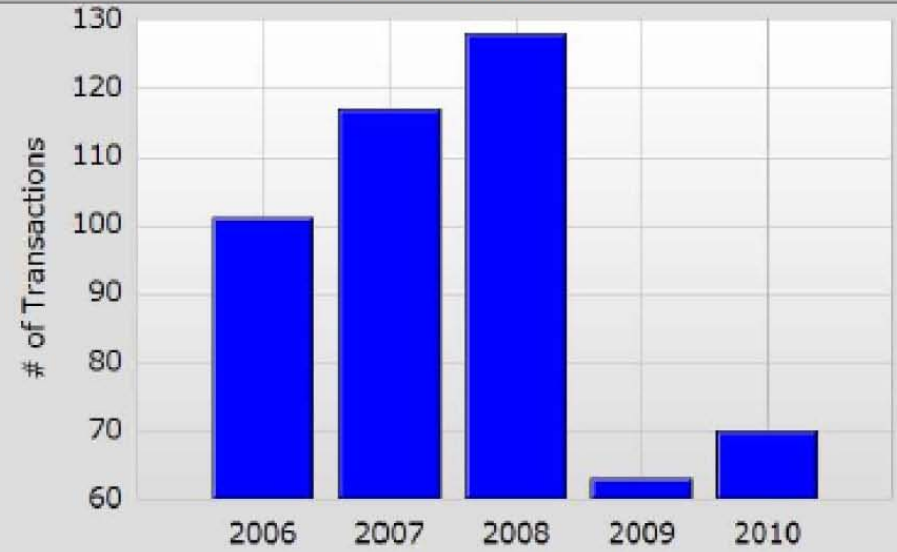


OFFICE MARKET SUMMARY (2006-2010) Multnomah, Washington, & Clackamas Counties

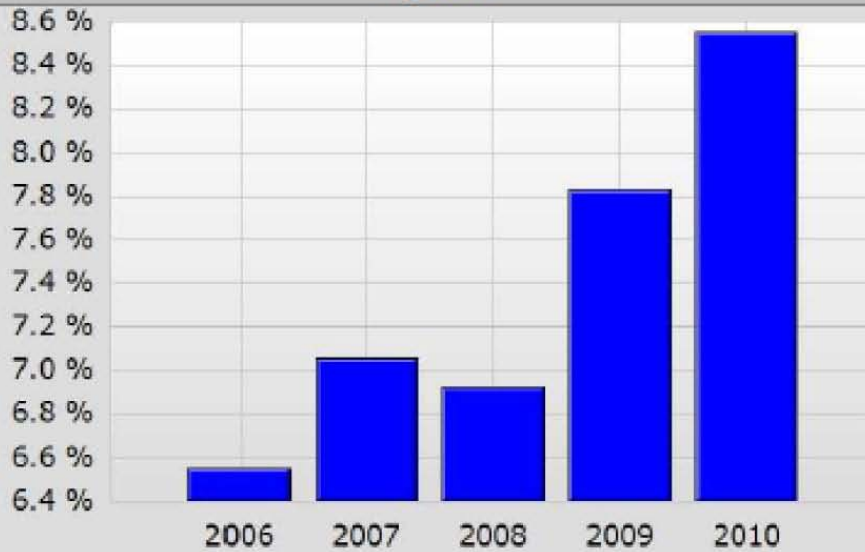
Dollar Volume



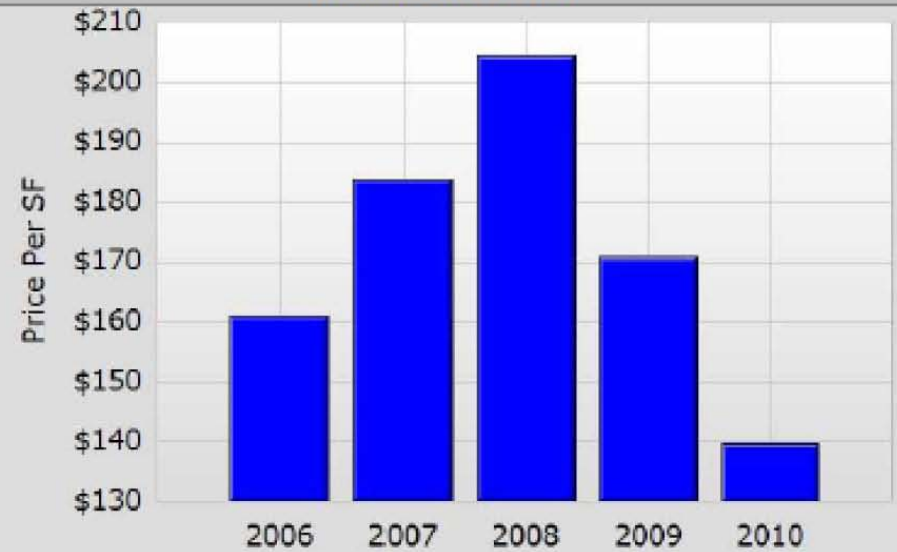
of Transactions



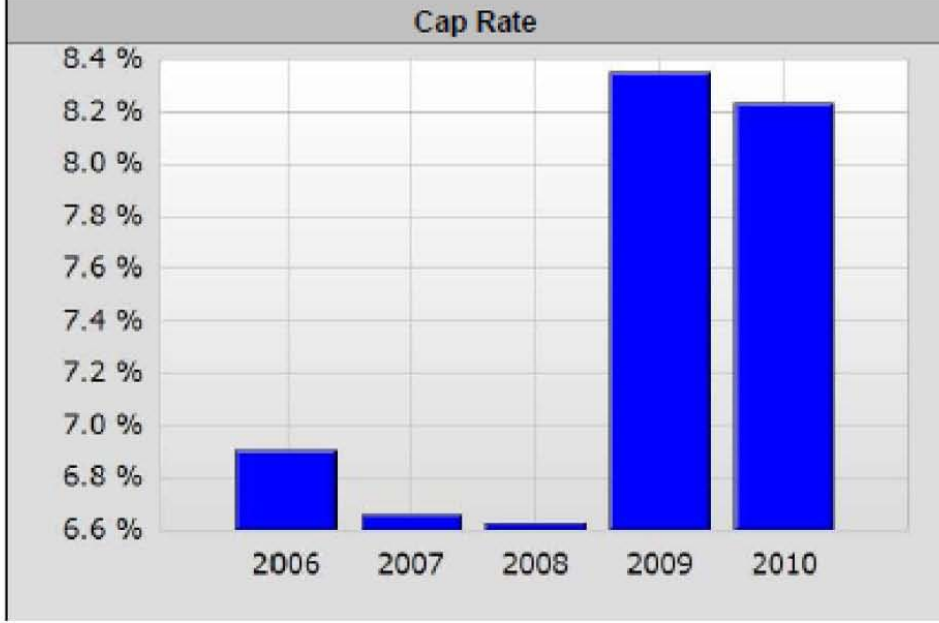
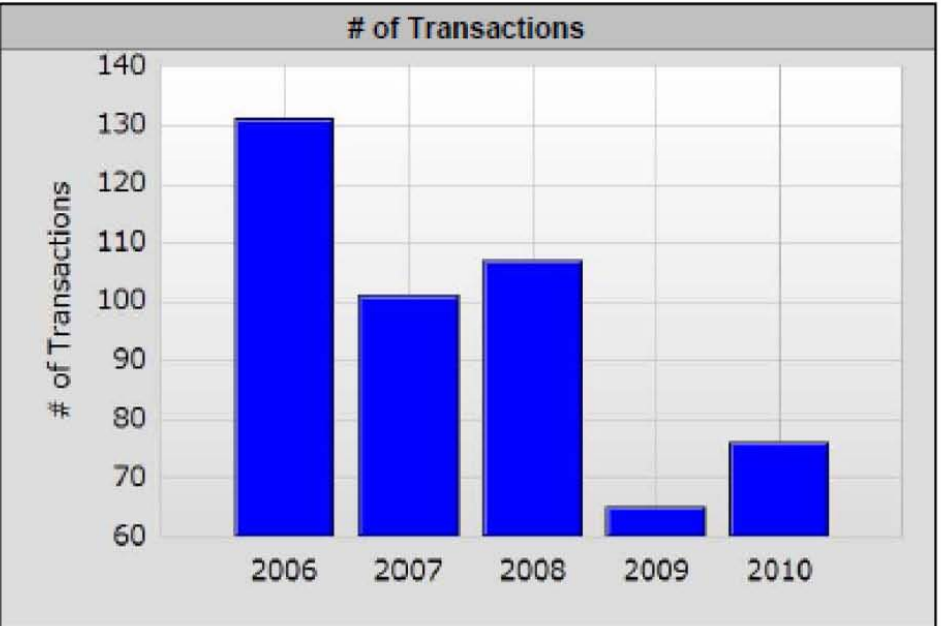
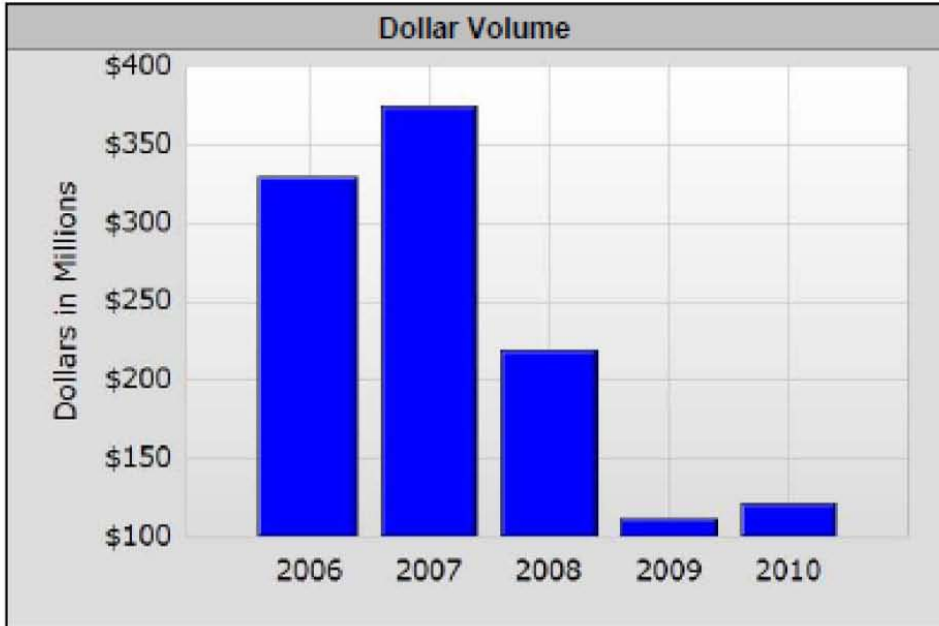
Cap Rate



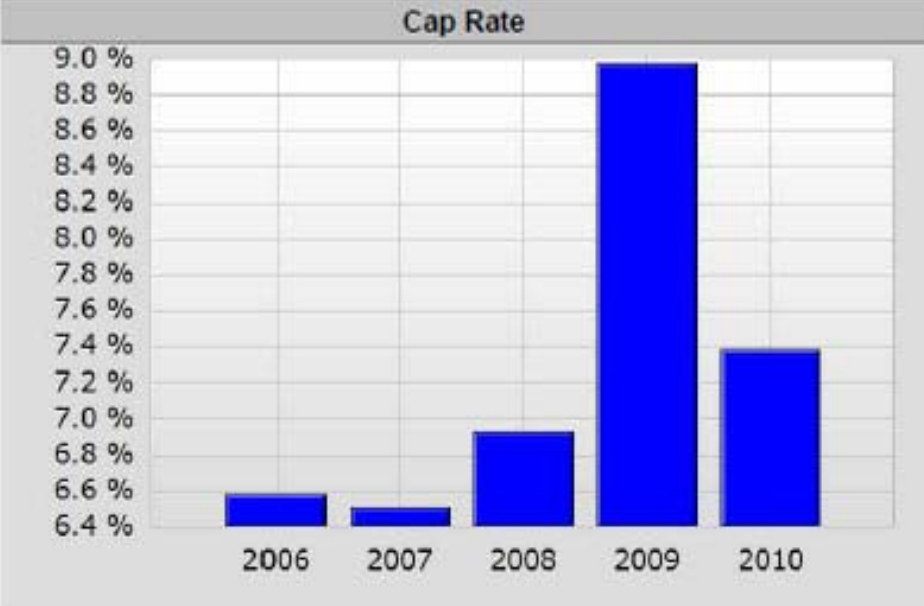
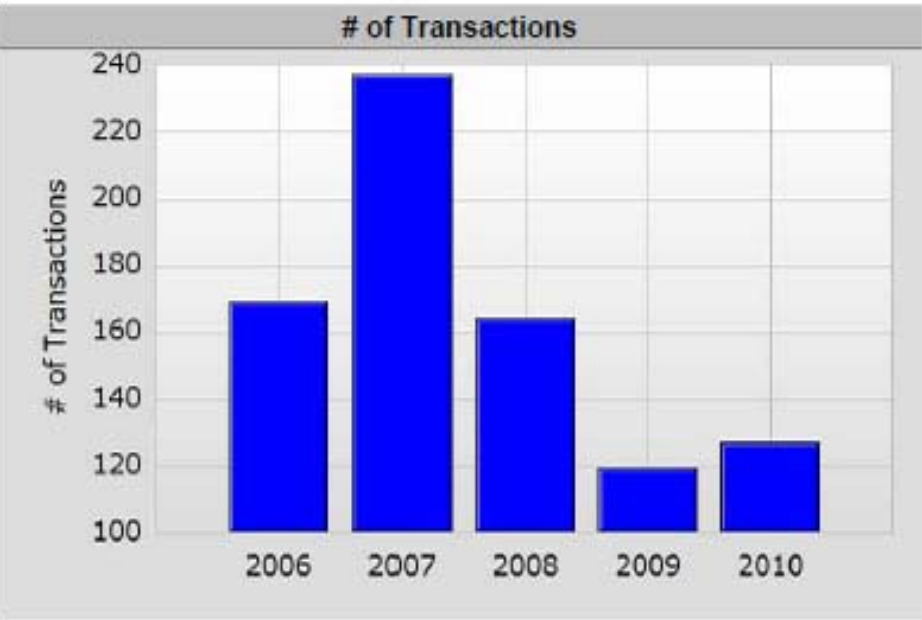
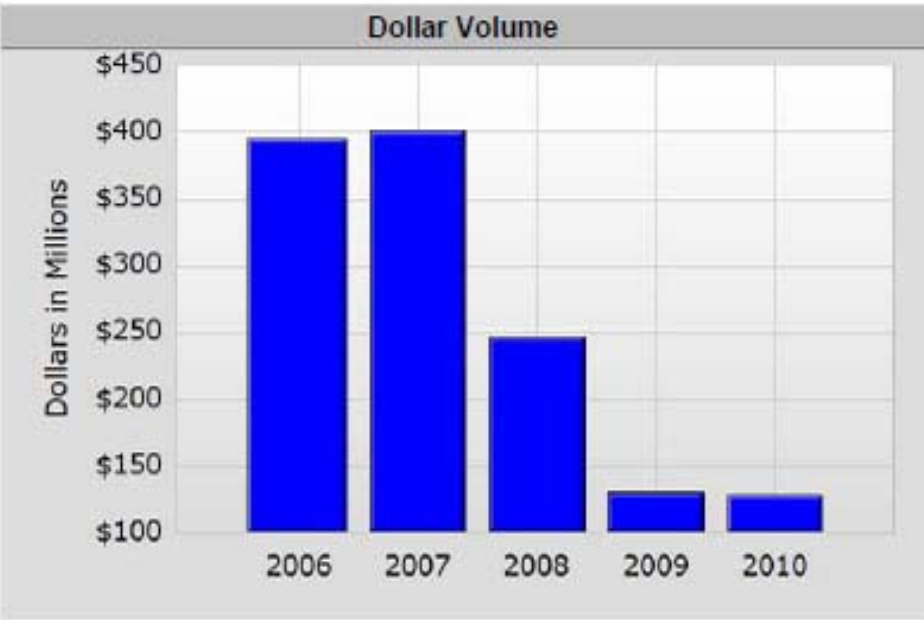
Median Price Per SF

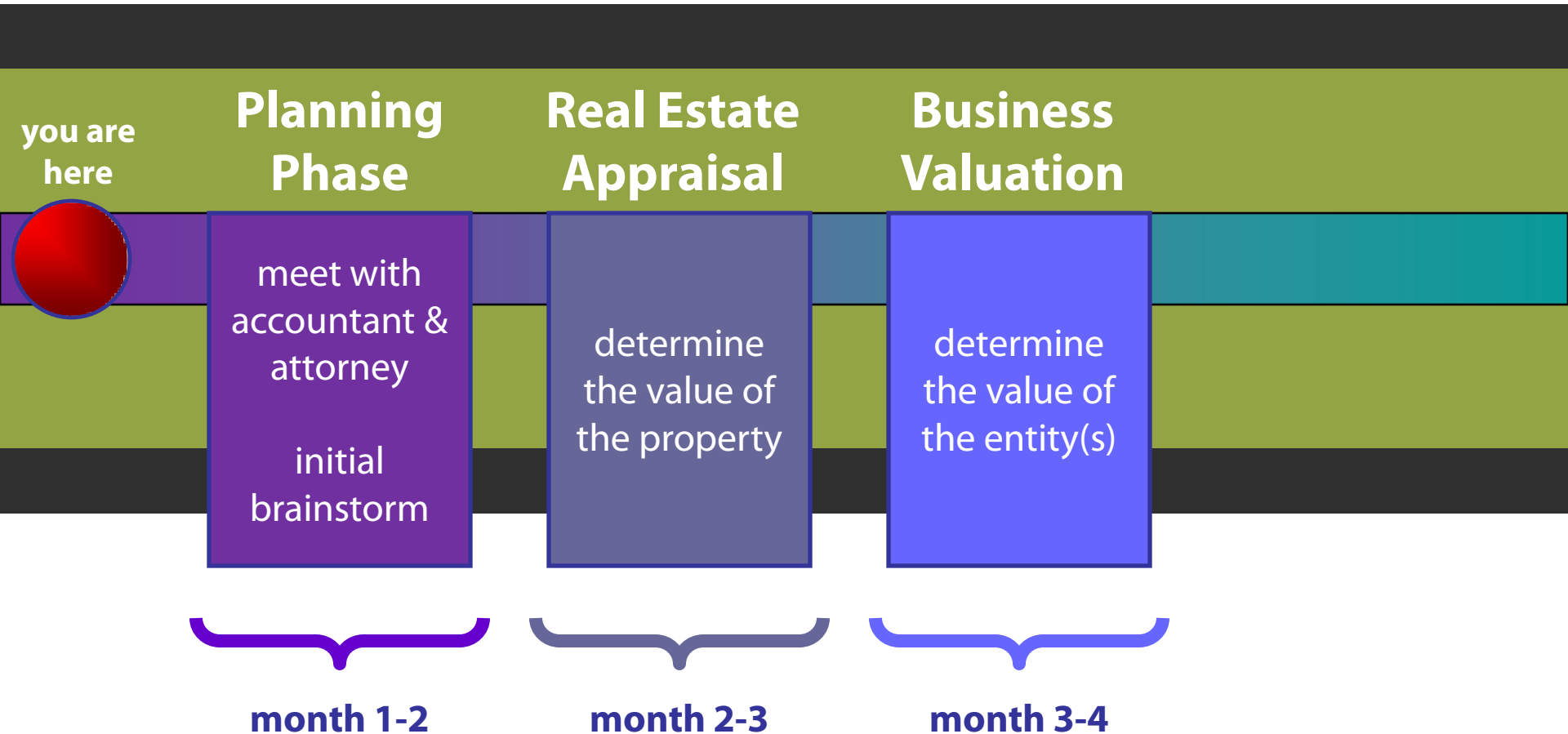


INDUSTRIAL MARKET SUMMARY (2006-2010) Multnomah, Washington, & Clackamas Counties



RETAIL MARKET SUMMARY (2006-2010) Multnomah, Washington, & Clackamas Counties



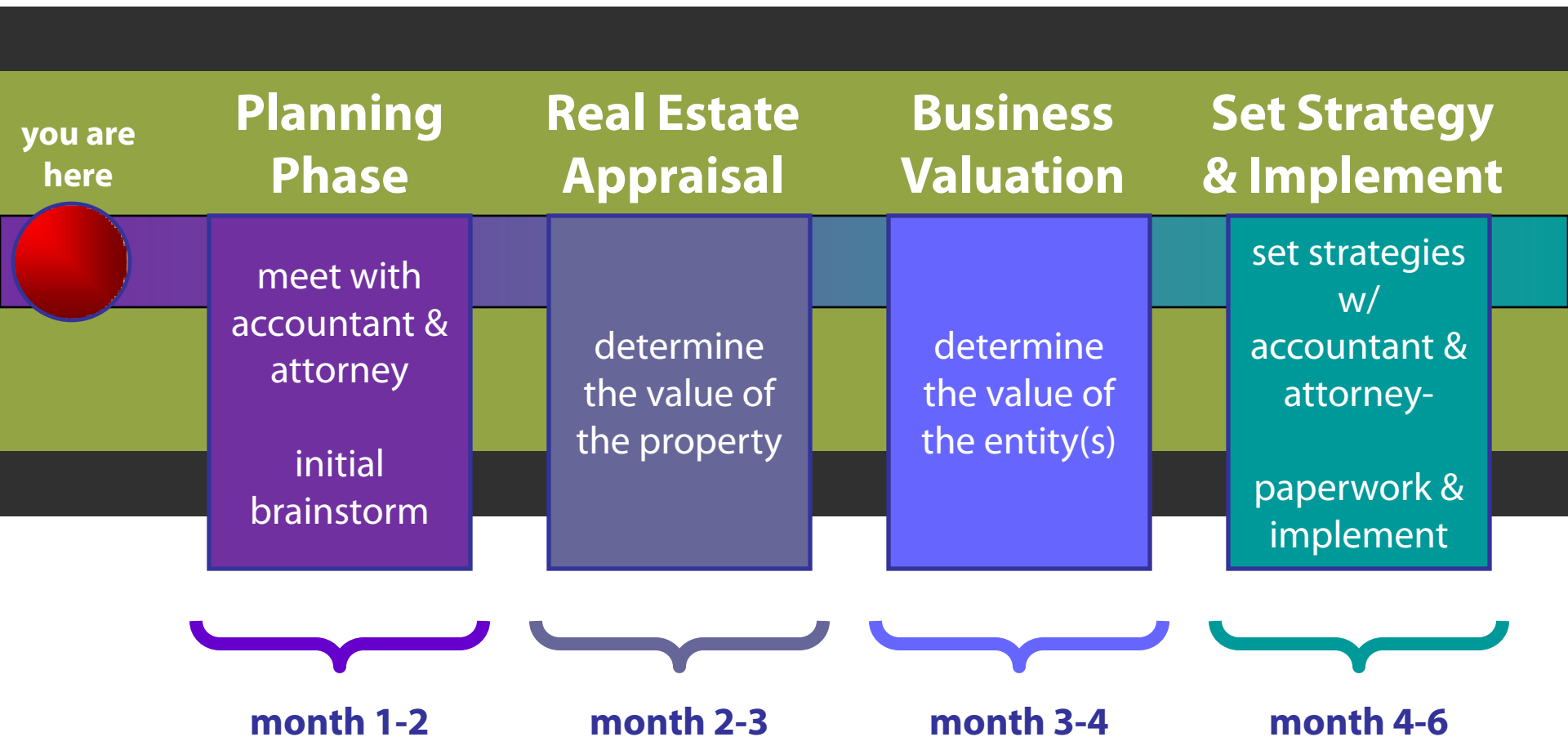


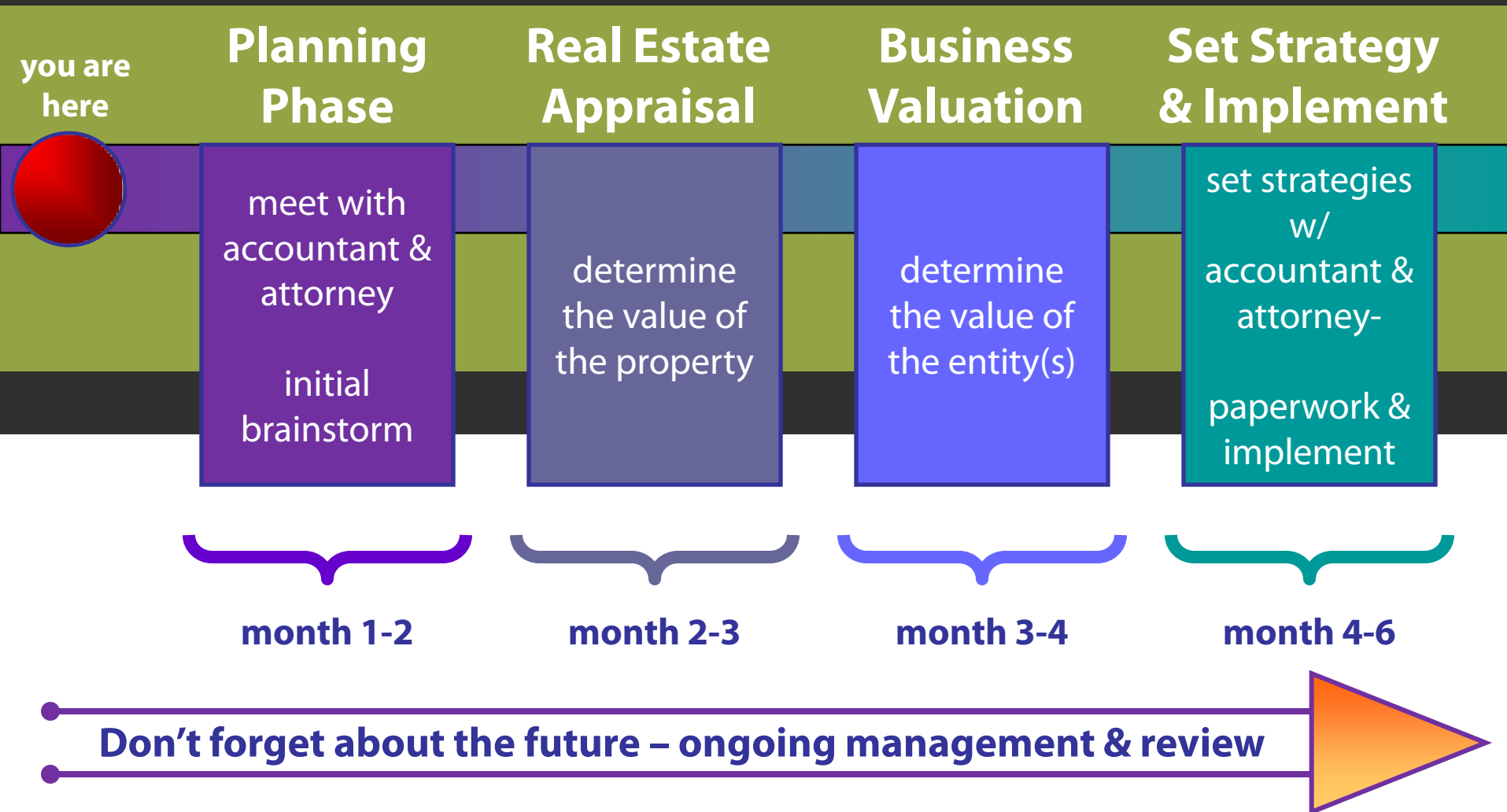
Phase 3: Business Valuation

- Discounts are still allowed...for now
- Discounts (minority and marketability) are based on the attributes of ownership
 - Type of ownership (Corporation, S Corp, General Partnership, LP, LLC, TIC)
 - Ability to control cash flow
 - Ability to control liquidation

Phase 3: Business Valuation

- Details are important, but discounts can be substantial
 - Respect the entity
 - Don't commingle funds
 - Proper documentation, including qualified appraisals







Phase 4: Set Strategy & Implement

PROPERTY

OWNERSHIP

OWNERS

ESTATE
VALUE
\$\$\$\$



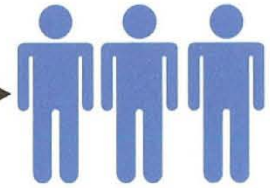
Individual/
Single Member
LLC



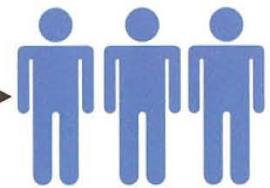
Partnership
Co-Tenants



Partnership
Co-Tenants

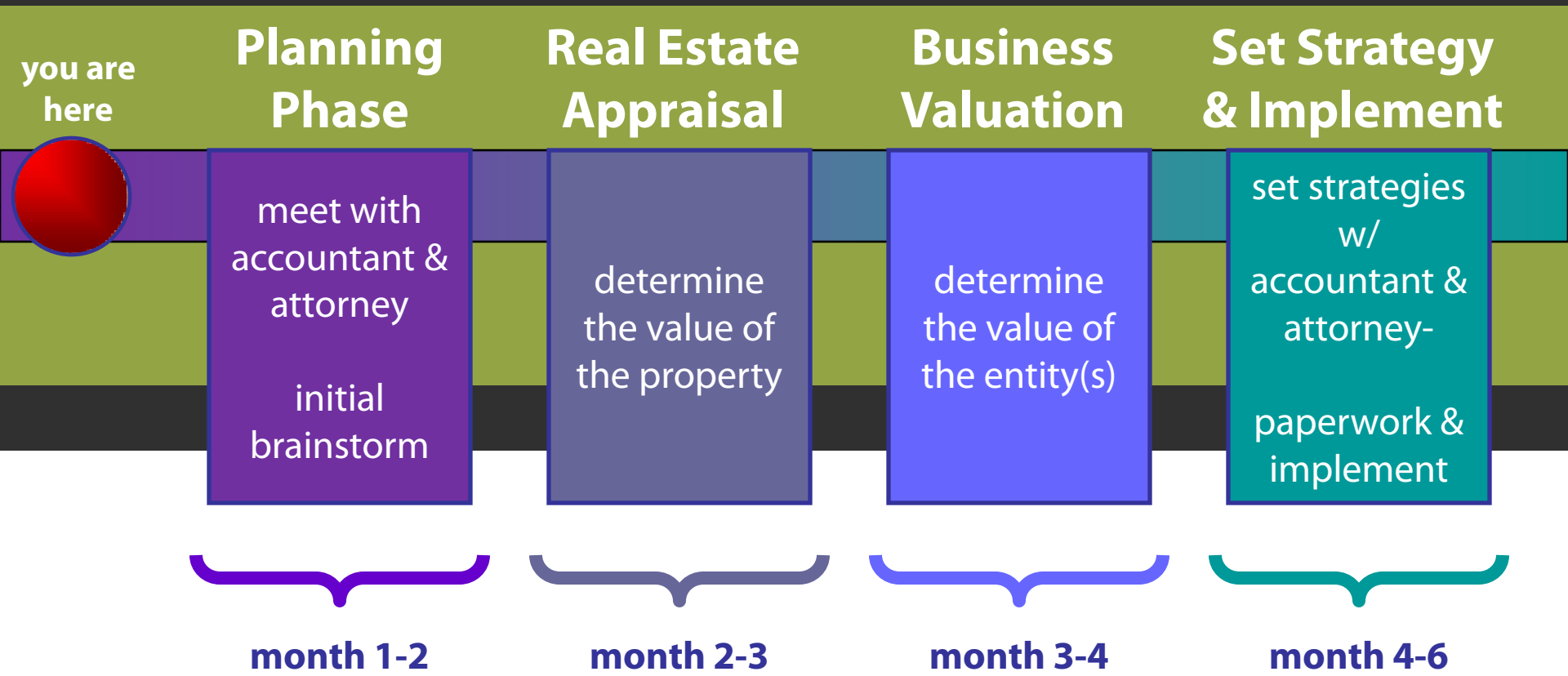


LLC/Corp



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Don't forget about the future – ongoing management & review

