



“FULL PRICE” INCENTIVE PROGRAM

[Scenario that Makes it Valuable]

BACKGROUND INFO

Seller agrees to offer and pay for a financial incentive to prospective Buyer that is intended to help get a higher sales price on their property. Payment is included as a part of transaction closing process.

SCENARIO

Hotel / List Price (\$6,000,000)

CSA Provides FREE Preliminary Estimate for Property to be included in the Brokers Sales Packet. Results of Estimates in this example, are Tax Savings/Benefits of \$375,000 over four years if full study completed -- at cost of say \$20,000)

Cost/Benefit: For cost of \$20,000 the Seller can offer an incentive that is worth \$375,000 of "real" cash to the buyer

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Offer an Incentive that will get you "Full Price"
Increase both your INCOME and Client SATISFACTION!

How it works!

YOU: Suggest the Seller offer a "Cost Segregation Study" to buyers as an attractive incentive to assist in full selling price during negotiation.

CSA: Cost Seg Advisor (CSA) provides a FREE Preliminary Estimate to be included in sales packet that shows the Tax Savings / Benefits the buyer can expect once the full study is completed.

CLIENT: BUYER: gets potentially Hundreds of Thousands of Dollars in benefits (increase Cash Flow)
SELLER: get "Full Price" on Sale of Property

Results in: Full Price

So You Ask: WIIFM?
It's not just for Me!

- #1 More Money (\$): Improves Referral Bonus (ask for details)
- #2 More Money (\$): Higher Commissions based on the higher Sales price
- #3 Client Appreciation: You provide "real" dollars for them
- #4 Client Loyalty: Demonstrate ability to go Above and Beyond
- #5 Deal Closing Edge: Competitive advantage to help Close Deals!

COST SEGREGATION ADVISOR, LLC
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a) Buyer offers	\$5,500,000	(\$500,000 reduction request)	
b) Seller Counters	\$5,900,000	(plus \$375,000 of Tax Benefits to Buyer from a Cost Seg Study)	
c) Buyer Pays (net cost)	\$5,525,000	(\$5,900,000 sale price - minus \$375,000 Tax Benefit)	
d) Seller Gets Higher Price	\$5,880,000	(\$5,900,000 minus \$20,000 cost of study)	
e) Broker Commission	\$ 177,000	(Higher Price: \$5,900,000 x 3%)	} \$12,000 MORE in Brokers pocket
vs Broker Commission	\$ 165,000	(Lower Price: \$5,500,000 x 3%)	

SUMMARY / WIIFM

Whats in it for each party?

- Buyer - Gets a \$6,000,000 property for net cost of \$5,525,000 (\$475,000 add'l value/equity)
- Seller - Gets higher sales price (\$388,000 more) for property (\$5,880,000 vs \$5,500,000)
- Broker - Higher commission (\$12,000 more) because of higher sales price + a Referral Bonus from CSA
- CSA - Forges strong Alliance / Relationship with Broker for the long-term

