

Case Study: Multifamily Portfolio Expansion Through Tax Strategy

A multi-strategy tax approach helped a family real estate group save \$200K+ and fund their next acquisition in just one year.

At a glance

Profile: Family-owned real estate investment group

Location: Charlotte, NC & Atlanta, GA

Investment: \$7,000,000 - 50-unit class B apartment complex

Goal: Minimize near-term tax liability to fund next acquisition

Key Metrics:

💰 \$1.2M in assets reclassified via cost seg.

📄 \$200,000+ in first year depreciation

🏠 \$200,000+ federal tax savings in 2024

🏠 2 multifamily properties acquired in 12 months

Key metrics



\$1.2M

in assets reclassified via cost segregation



\$200,000+

in first year depreciation



\$200,000+

federal tax savings in 2024



2

multifamily properties acquired in 12 months

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Aiola CPA, PLLC



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Nationwide

CHALLENGES



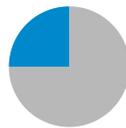
The Davis Group was sitting on a growing portfolio but leaving significant tax savings on the table. Three key obstacles were standing in the way of their next move:

- Straight-line depreciation left major first-year deductions untapped.
- Passive loss rules blocked W-2 income offset.
- Bonus depreciation phase-down made timing critical.

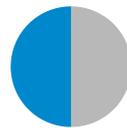
SOLUTIONS



We developed a multi-pronged strategy combining cost segregation, REPS qualification, and strategic renovation timing to unlock immediate tax savings and fuel portfolio expansion.



Cost Segregation Study



Bonus Depreciation



REPS Qualification



Renovation & Acquisition Timing

BENEFITS



1

Immediate Tax Savings

Cost segregation and REPS qualification generated \$200,000+ in federal and state tax savings in 2024 alone.

2

Enhanced Cash Flow

Tax savings and reduced operating expenses funded part of the down payment on a new 40-unit Atlanta property.

3

Accelerated Portfolio Growth

Strategic planning enabled the Davis Group to expand their portfolio faster than traditional methods would have allowed.