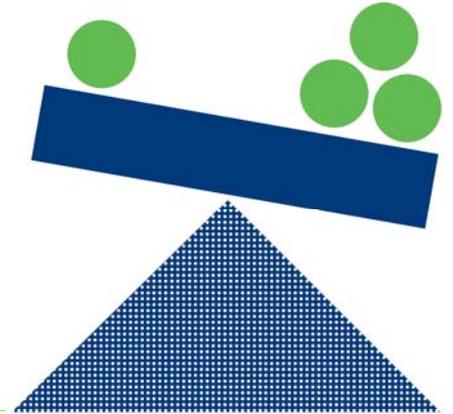


UHY BUSINESS VALUATION SOLUTIONS

UHY was retained by an Estate to conduct an independent appraisal of certain equity interests held by the Decedent as of the date of death and six-months hence for U.S. Estate Tax compliance and reporting purposes.



THE CHALLENGE

The Decedent held equity interests in some seventy-four commercial real estate entities at the date of death. The Decedent's Estate, our Client, retained UHY to conduct an independent valuation due to our particular experience in matters of this complex nature and in order to withstand any potential challenge, if and as posed by the IRS.

The equity interests included a few holdings that were

controlling; however, the lion's share of the subject interests held by the Decedent were of a non-control/minority interest valuation level. Certain investments owned by the Decedent involved Class A voting preference stock vs. Class B non-voting capital shares. In addition, certain subject interests carried put options that become effective, if and when stipulated events occurred (i.e., death) that must be considered in the valuation process.

THE SOLUTION

UHY's Valuation Services Group developed a comprehensive, custom-tailored fair market valuation model that considered adjusted book value (i.e., reflecting the market value of the underlying real estate) and income valuation approaches (i.e., discounted cash flow and/or capitalized income techniques). Orderly liquidation value was also considered for any non-operating entities and for those interests to which put options applied. In addition, the valuation process considered discounts for lack of control ("DLOC") and discounts for lack of marketability ("DLOM"), as deemed appropriate, reflecting the control vs. minority interest nature of each investment as well as their non-marketable characteristics.

The methodologies were consistently applied among all of the subject business interests and our conclusions of value were presented and supported in a fully-documented report for Client use and consideration and for estate tax compliance and filing purposes.

This engagement included regular communication with the Client to coordinate and streamline our access to management, data, and the appraisal process itself. The project also involved intense scrutiny and review by the Client's legal and financial representatives. In this regard, we were highly responsive to both Client and Representatives questions, issues, and comments as raised.

THE RESULT

The engagement was concluded successfully and in a timely fashion meeting all of the tax filing deadlines established. The review process ran smoothly and without any major hurdles.

Subsequently, we were informed that the IRS had accepted our valuation results without challenge.

This favorable outcome for our Client confirms our unique abilities to provide valuation services of the highest quality, responsiveness, and reliability in the most cost-effective manner possible.

*The next level
of service*