

Turn 2025 Gains into Immediate Tax Shields

2025 Loss Harvesting Guide
for Real Estate Professionals



100% Bonus Depreciation

If you qualify as a **Real Estate Professional (REP)**, the recent 100% bonus depreciation reinstatement could offer meaningful paper deductions, reducing federal taxes associated with passive rental gains **and your active brokerage commissions**.

Timing Is Everything

- Properties must be placed in service **this year** to claim 2025 bonus depreciation.
- Patriot has a **\$25 million acquisition** pipeline scheduled to close **before December 31, 2025**— commit capital now to potentially ride those deductions.

REPs Access Up to \$1.57¹ in Losses for Every \$1 Invested in Fund V

Power of Bonus Depreciation	Old Rule 40% Bonus	New Rule 100% Bonus
First-year loss per \$1 invested	\$0.63	Up to \$1.57*
Federal tax savings @ 37% (REP)	\$0.23	Up to \$0.58

Headline ratio: Capture up to **\$1.57*** of 2025 deductions for every \$1 of equity invested in Fund V. This assumes the rate of bonus-eligible components via cost segregation for Patriot's Q1 2025 closings. Actual results will vary. Investor's ability to use passive or active losses depends on individual circumstances; targeted distributions are not guaranteed.

REP Status Maximizes 2025 Loss Harvesting

Assume you purchase or invest in a **single \$1 million property** with 70% debt / 30% equity (+ ≈5% equity for closing costs → **\$350k** of your own capital).

Step	Math	Result
Bonus-eligible basis (55% of cost)	\$1,000,000 x 55%	\$550,000
Year-1 deduction (100% BD)	—	\$550,000
Federal tax savings @ 37%	\$550,000 x 0.37	*\$203,500

**Illustrative example for qualifying REPs only; actual savings will vary.*

Scale losses up or down with a Fund V investment

\$100k allocation

≈\$58k tax savings

\$1M allocation

≈\$581k tax savings

Why REPs Have a Unique Edge

REP Checklist	Why It Supercharges Returns
≥ 750 hrs in real-estate business (2025)	Enables REP status under IRC Sec. 469(c)(7)
> 50% of your working time in real-estate	Lets losses offset active income (commissions & fees)
Complete annual material participation survey in Fund V	Unlocks the full same-year deduction once grouped under the 500-hour test

If you sell, list, manage, or develop property full-time, you're likely already there.

Why Patriot Holdings— A Trusted Platform for Real Estate Investing

\$400M+
AUM

≈ 25%
Avg. Net IRR

2.5x+
Avg. Equity Multiple

3M+
SF Managed

50+
Member Team

What It Means for You

Patriot Holdings is a vertically integrated private equity firm specializing in recession-resilient sectors—self-storage, manufactured housing, and small-bay industrial. Since 2007, we've helped accredited investors build passive income and long-term value through private real estate offerings.

Fund V targets a 16-19% IRR, 2.1 - 2.4x Equity Multiple, an 8% Preferred Return, and is eligible to capture 2025 bonus depreciation.



¹Assumes ≈ 55% of purchase basis qualifies for bonus depreciation, based on Patriot's cost-segregation analysis of Q1-2025 acquisitions. Actual results will vary with property mix, leverage, investor tax position, and future tax-law changes.

Disclosures

Investing in private securities involves significant risk, including the possible loss of principal. Past performance is no guarantee of future results, and any historical or projected returns may differ materially from actual outcomes. Data obtained from third-party sources is believed to be reliable, but its accuracy and completeness cannot be guaranteed.

Patriot Holdings LLC and its affiliates do not provide tax or legal advice and make no representation that any investment will achieve particular tax results. Offers and solicitations can be made only by the Fund's confidential Private Placement Memorandum (PPM), which contains detailed information on objectives, risks, fees, and expenses.

Investments are offered under Regulation D and are available to accredited investors only.

Prospective investors should consult independent tax, legal, and financial advisors before committing capital. The securities described herein have not been approved or disapproved by the SEC or any state securities commission, nor has any such authority passed upon the accuracy or adequacy of the PPM.

For additional important risks, disclosures, and information, please visit www.patriotholdings.com/disclosures.

Your Three-Step REP Action Plan

- 1 **Confirm REP status** (most top brokers already qualify).
- 2 **Reserve your allocation** before the next Fund V closing (scan QR code → secure data room).
- 3 **File your 2025 return** with the Fund V K-1 and realize possible tax savings.

Turn today's commissions into tomorrow's tax shields—before the 2025 window narrows.

Ready to invest? Secure your commitment.

If you are interested in exploring an investment, start by scanning the QR code.