

1031 Exchange

Presented by:



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Housekeeping

- ✓ Questions
- ✓ Copy of presentation material
- ✓ We want to earn your business



What is an Accommodator?



Holds all sale proceeds



Prepares all required legal documentation



Insures compliance with IRC Code Sec 1031



Asset Exchange Company

Tel: 877-471-1031

Asset Exchange Company (est. 2006)



Errors and Omissions Insurance and
Fidelity Bond



Member of the CA Board of Accountancy



Member of the State Bar of California



Free Audit Support



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1031 Exchange

IRC Section 1031

- **Investment** Real Estate
- Tax **Deferral**

Internal Revenue Code Section 1031 is one of the single greatest wealth building tools available to the real estate investor.



1031 Guidelines

Types of Exchanges

- Simultaneous Exchange
- Delayed Exchange
- Reverse Exchange
- Construction/Improvement Exchange



1031 Guidelines

Basic Requirements:

- ✓ Property Qualifications
- ✓ Tax Deferral Requirements
- ✓ Timeline
- ✓ Identification Rules



Guideline #1

Property Qualifications

- ✓ Held for productive use in trade or business or for investment.
- ✓ Like kind
 - Foreign property is NOT like kind
 - Quick Flips are NOT like kind



Guideline #2

Tax Deferral Requirements

- ✓ Reinvest all cash.
- ✓ Purchase price equal or greater in value.



Guideline #3

Timeline

- 180 days
- 45 day identification period.

Day 0

Close of
Escrow

Day 45

Identification
Letter Due

Day 180

Exchange
Completed



Guideline #4

Identification

- ✓ 3 Property Rule
- ✓ 200% Rule

Identification Letter

Address, City, State Sale Price
Relinquished Property: _____ \$ _____

Client Name: _____

Regulations require that identification of replacement properties be made within 45 days of the close of your relinquished property. Two rules and one exception apply for all identification. Please check the box that indicates your method for identification:

- ☐ The Three Property Rule - Any three properties of any value may be identified.
- ☐ The 200% Rule - Any number of properties provided the aggregate value not exceed 200% of the value of the relinquished property. Please attach list of properties.
- ☐ The 95% Exception - Any number of properties of any value, provided that at least 95% of the identified property value is acquired within 180 days. Please note that this exception is very rarely, if ever used. Please attach list of properties and also contact Asset Exchange to inform us that you will be using the 95% Exception.

	<u>Address, City, State (include unit # if applicable)</u>	<u>Ownership %</u>	<u>Est. Purchase Price</u>
Property #1	_____	_____	\$ _____
Property #2	_____	_____	\$ _____
Property #3	_____	_____	\$ _____

How many properties will be acquired? If unsure at this time, please state "Unknown".

- ☐ One (1) ☐ Two (2) ☐ Three (3)
☐ Unknown ☐ Other (specify) _____

Signature (All parties, Including Spouses) _____

Date _____

THIS FORM MUST BE SUBMITTED NO LATER THAN DAY 45 OF YOUR EXCHANGE. RETURN BY EMAIL IS PREFERRED, EMAIL TO ADAM@AX1031.COM (PLEASE KEEP COPY OF YOUR SENT EMAIL). IF RETURNED BY FAX, PLEASE SEND TO 877-480-1031 AND TIME STAMP FAX, IF POSSIBLE. IN ADDITION TO EMAILING OR FAXING TO ASSET EXCHANGE COMPANY, YOU MAY WANT TO FAX OR EMAIL TO YOUR CPA OR TAX ADVISOR AS ADDITIONAL EVIDENCE OF IDENTIFICATION. SIGNATURE OF THIS FORM ALSO CONFIRMS EXCHANGOR HAS READ "IMPORTANT NOTES", ATTACHED TO THIS DOCUMENT.

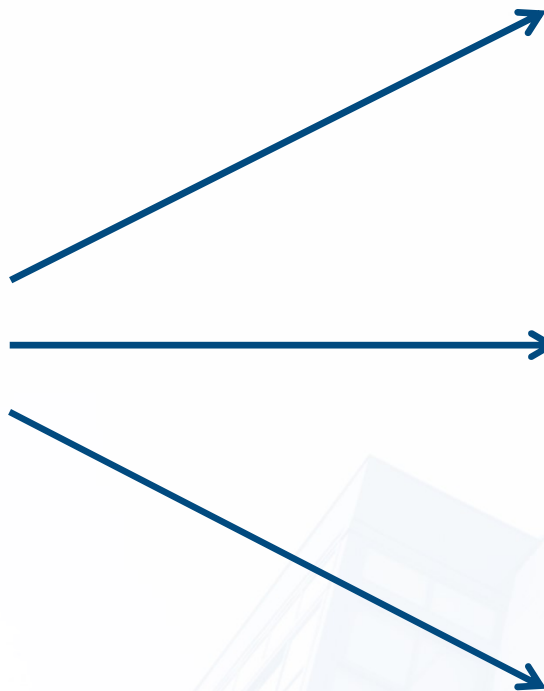
Phone: (877) 471-1031 info@ax1031.com

Fax: (877) 480-1031 www.ax1031.com



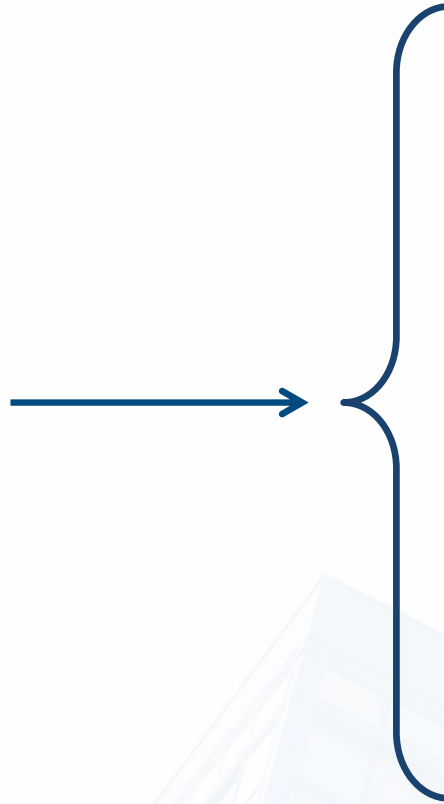
Guideline #4

3 Property Rule



Guideline #4

200% Property Rule



200%

1031 Guidelines

Basic Requirements

- ✓ Property Qualifications
- ✓ Tax Deferral Requirements
- ✓ Timeline
- ✓ Identification Rules



Alternate Investments

Delaware Statutory Trusts (DST's):

1. Fractional ownership in an institutional grade property
2. Offered via a “sponsor” thru a DST broker
3. Completely passive investment
4. Eligible for 1031 Exchange (Revenue Ruling 2004-86)



Guest Speaker



Jason L. McMurtry, MBA
Managing Partner

[Zoom Link](#)

[Schedule a Meeting](#)

Jason is the founder and Managing Partner of 1031 Capital Solutions, where he blends more than two decades of experience in the investment industry together with his real estate expertise to provide customized solutions for accredited investors seeking real estate investment opportunities. Through a consultative and collaborative process, Jason seeks to provide guidance and solutions specifically for investors who want exposure to real estate, real estate-backed investments and other tax strategies.

Prior to founding 1031 Capital Solutions, Jason held executive and sales positions at industry-leading firms including Steadfast Capital Markets Group, Berkeley Capital Securities, Grubb & Ellis, ING, Citigroup, Met Life and John Hancock.

In 1996 Jason graduated from University of California Santa Barbara with a bachelor's degree in philosophy and holds an MBA from South University. He holds a California real estate license (BRE 01781509), a California insurance license (0B87761) as well as Series 7 (General Securities representative), 63 (Uniform State Securities Agent), and 65 (Uniform Investment Adviser) securities registrations.

A Southern California native, Jason has lived in the San Diego area for most of the last 20 years. He enjoys surfing, sailing, golfing, snowboarding, jiu jitsu, spending time with his wife Michelle and two children, and has completed two Ironman triathlons.

Contact Info

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