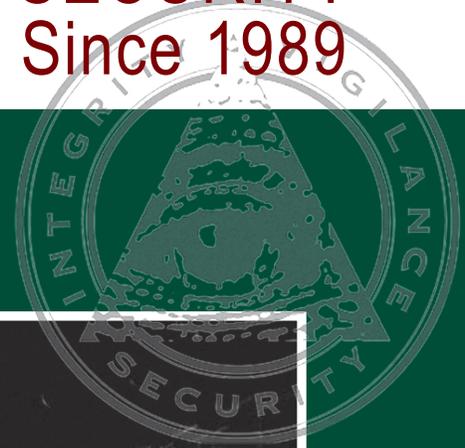
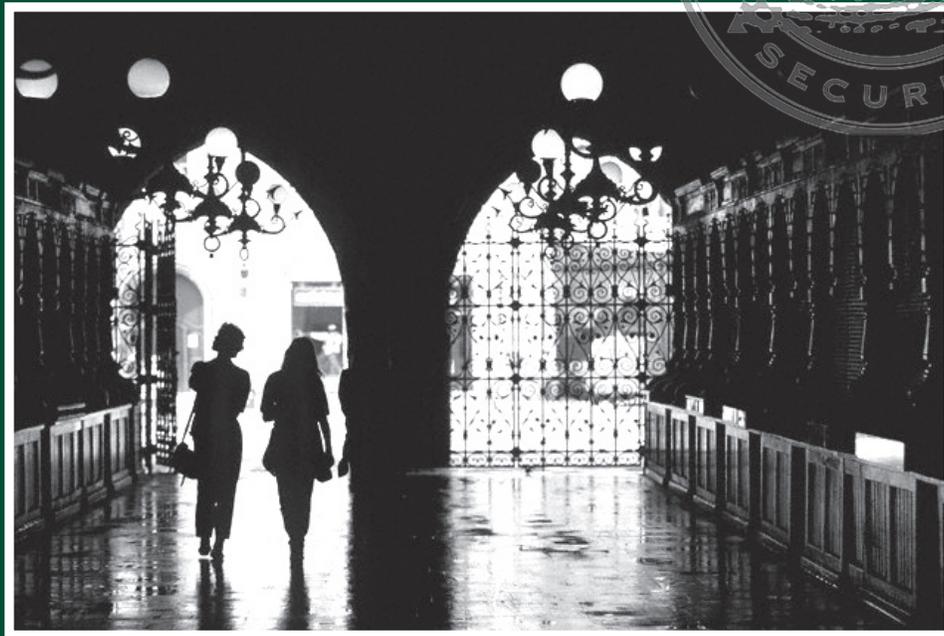


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# Ten Thirty-One Exchange Corp.

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[www.a1031exchange.com](http://www.a1031exchange.com)

## ANSWERS TO FREQUENTLY ASKED QUESTIONS



### Ten Thirty-One Exchange Corp.

SERVING AS A QUALIFIED INTERMEDIARY  
FOR OVER 4000 EXCHANGES SINCE 1989

- > Founded In 1989
- > Over \$1 Billion Worth Of Property Exchanged
  - > Transactions Closed In All 50 States
  - > Member Of The Federation Of Exchange Accommodators
- > Experience With Every Type Of Exchange:  
Delayed, Reverse, Build To Suit,  
And Personal Property
  - > Immediate Response  
With Same Day Service

#### QUESTIONS?

Call Us at 800-500-1031  
www.a1031exchange.com  
Based in Santa Fe, NM

### Ten Thirty-One Exchange Corp.

What are the deadline dates for a 1031 exchange? From the date of close on the sale of Relinquished Property, you have 45 days to identify a Replacement Property and have 180 days to close on the purchase of Replacement Property.

What type of property qualifies for a 1031 exchange? Any type of real property that is considered an investment can be used in a 1031 exchange. This includes: vacant land, residential property, rental property and commercial property. Personal residences, vacation or second homes, stocks, bonds, or property that was purchased for immediate resale do not qualify for a tax-deferred exchange.

What amount should be re-invested into the Replacement Property to defer all taxes? The value of the Replacement Property should be of equal or greater value than the Relinquished Property and the debt on the Replacement property should be equal to or greater than the debt on the Relinquished Property in order to defer all capital gains taxes.

When should I start an exchange? You should contact us to start an exchange any time before the closing of the Relinquished Property has been completed.

# ANSWERS TO FREQUENTLY ASKED QUESTIONS

Ten Thirty-One Exchange Corp.



## DEFERRED EXCHANGES:

When the relinquished property is transferred to the buyer, the taxpayer has often not yet chosen the new property he or she wants to acquire as a replacement. When that is the case, a deferred exchange is necessary. The taxpayer has 45 days to identify the replacement property. The transfer of the replacement property must close within 180 days of the transfer of the relinquished property.

## TENANT-IN-COMMON EXCHANGES:

Tenant in Common is also known as fractional ownership. Under this co-ownership structure, you will own an undivided fractional interest in an entire property and share in your portion of the net income, tax shelters, and growth. Further, you will receive a separate deed and title insurance for your percentage interest in the property and have the same rights as a single owner. Because Tenant in Common opportunities are often “packaged” with management and financing in place, they offer efficiency in the identification, acquisition, financing, closing, and operating stages of real estate ownership. Fractional ownership also provides you with the ability to diversify your 1031 tax free exchange into more than one property and to participate in potentially larger, institutional quality properties. Investors may participate in large industrial, commercial, and residential property investments all around the country.

## QUESTIONS?

EXCHANGES NATIONWIDE SINCE 1989  
800-500-1031 WWW.A1031EXCHANGE.COM  
OFFICES IN SANTA FE, NM & TELLURIDE, CO

INFORMATION ON SPECIFIC KINDS OF EXCHANGES

## BUILD-TO-SUIT EXCHANGES:

Also referred to as a construction or improvement like-kind exchange, these transactions allow the taxpayer to build, construct, or make capital improvements to a property before acquiring it as a replacement. Exchange proceeds from the relinquished property may be used to fund the construction or build-out within certain guidelines. An Exchange Accommodation Titleholder (EAT) may hold the property during construction as part of a Parking Arrangement. The Qualified Intermediary (Accommodator) controls exchange funds for acquisition of replacement property and payment of construction costs. By the end of the 180-day holding period for the exchange, the improved replacement property is transferred to the taxpayer to complete the tax-deferred exchange. Structuring a Build-To-Suit Exchange may allow the taxpayer to purchase a replacement property of lower value, and make capital improvements to increase the value to equal or greater than the relinquished property- thereby avoiding tax liability. by avoiding tax liability.

## REVERSE EXCHANGES TYPE A & B:

If the Taxpayer has found his or her replacement property and must close on it prior to the time that the relinquished property is ready to close, then the transaction becomes a “reverse exchange.” The IRS requires that a reverse exchange use one of the two parking procedures below:

A. Relinquished Property Parked Taxpayer acquires replacement property and conveys the relinquished property to the Exchange Accommodation Titleholder (“EAT”), using an exchange intermediary.

B. Replacement Property Parked The EAT acquires the replacement property. The EAT may construct improvements on the property if needed. When the taxpayer’s relinquished property is ready to close, then the taxpayer will exchange the relinquished property for the replacement property through an exchange intermediary.