

A CHEAT CODE TO BUILDING WEALTH

WHAT IS A 1031 EXCHANGE?

A 1031 exchange is the swap of one investment property for another investment property without paying tax. This 100-year-old strategy creates vastly more wealth far faster than by outright selling your property and it’s not even close.

HOW DOES IT WORK?

A 1031 exchange transaction happens just lke a standard real estate transaction with 3 key differences:

1. You must hire a Qualified Intermediary (QI) to facilitate your exchange.
2. You must not take constructive receipt of the funds from the sale of your investment property. Your QI will direct and protect your funds until you are ready to purchase your replacemnt property.
3. Once you have sold your property, you have 45 days to identify what you want to purchase next and 180 days to successfully complete your exchange.

BENEFITS OF 1031 EXCHANGES

- Avoid up to 40% taxes on gains
- Consolidation into fewer properties
- Diversification into multiple properties
- Elimination or creation of joint ownership
- Relocation of an investment property or business
- Opportunity to depreciate higher basis replacement property

DON’T SELL...EXCHANGE!

Contact BARBERMURPHY for more information about 1031 exchanges.

BARBERMURPHY
COMMERCIAL REAL ESTATE SOLUTIONS
1173 Fortune Blvd., Shiloh, IL 62269
618.277.4400 BARBERMURPHY.COM