

**DATA SHEET TO START A 1031 EXCHANGE**

[Please fill in as much as you can expeditiously complete and send to 1031 Exchange Counsel, LLC]

**1. THE PROPERTY YOU INTEND TO SELL** (the property to be "relinquished"):

Address \_\_\_\_\_  
 [Attach a copy of the legal description if it is readily available]

Title is now in the name of:  Individual(s)  Partnership  Trust  Corporation  LLC  Other: \_\_\_\_\_

Owner(s) \_\_\_\_\_

Taxpayer Identification or Social Security Number(s) \_\_\_\_\_

If it is an entity, individual(s) authorized to sign \_\_\_\_\_, title \_\_\_\_\_

Seller's phone \_\_\_\_\_, fax \_\_\_\_\_, email \_\_\_\_\_

Mailing address \_\_\_\_\_

Proposed date of SALE \_\_\_\_\_ at (title company) \_\_\_\_\_, phone \_\_\_\_\_

Sales price \$ \_\_\_\_\_, approximate net sale proceeds \$ \_\_\_\_\_

Buyer(s) \_\_\_\_\_

**[The SALE proceeds will be held in an IRS 1031 Qualified Intermediary's (QI's) "exchange account" IN YOUR NAME for use by you to make deposit(s) and buy the "replacement" property.]**

**2. THE PROPERTY YOU INTEND TO BUY** (the "replacement" property):  Not yet determined or  describe:

Address \_\_\_\_\_  
 [Attach a copy of the legal description if it is readily available]

Proposed date of PURCHASE \_\_\_\_\_ at (title company) \_\_\_\_\_, phone \_\_\_\_\_

Purchase price \$ \_\_\_\_\_, approximate amount of funds needed to close \$ \_\_\_\_\_

Seller(s) \_\_\_\_\_

**3. PLEASE RESPOND TO THE FOLLOWING:**

The property to be SOLD is being held as an investment or for business purposes?  True  False

How is it being used (apartment, etc.)? \_\_\_\_\_

Do you (the Seller) plan to take back any secondary financing on the SALE?  No  If so, please describe:

The seller financing: \_\_\_\_\_

You (the Seller) have spoken to a financial advisor about a 1031 exchange?  True  False

Do you understand that the net SALE proceeds will be placed in an escrow account in your name to be used for you to BUY property to "replace" the property to be SOLD?  Yes  No  Do not understand

Have you started looking for replacement property (property to BUY)?  Yes  No

Are you considering BUYING property from a party related to you?  Yes  No  Not sure

You plan to BUY the property to be held as an investment or for business purposes?  True  False

How will it be used (apartment, etc.)? \_\_\_\_\_

Title to the property you plan to BUY will be placed in the same name and Taxpayer ID or Social Security Number(s) as the property being SOLD?  True  False

You (each of you) have read and signed the attached Advisory Notice?  Yes  Explain:

**Please email your responses to [Bob@Trust-Counsel.com](mailto:Bob@Trust-Counsel.com) and call 877 / 884.1031 with your questions**

**ADVISORY NOTICE****PLEASE READ CAREFULLY AND ACKNOWLEDGE THE FOLLOWING ADVISORY:**

IRC Section 1031 may only be used to exchange property held for productive use in a trade or business or for investment purposes for other property intended to be held for productive use in a trade or business or for investment purposes.

To properly obtain full tax deferral on your exchange (i.e., to avoid tax on "boot"), you must:

- Purchase property (i.e., one or more parcels of "Replacement Property") for not less than the amount for which your "Relinquished Property" was sold less commissions and closing costs; and
- Spend all cash proceeds from the sale of the Relinquished Property (i.e., the whole exchange account) to acquire the one or more parcels of the Replacement Property.

You must identify in writing the Replacement Property you want to acquire by midnight of the 45th day after the date of transfer of the first Relinquished Property and close the acquisition of all Replacement Property by midnight of the earlier of either:

- The 180th day after the date of transfer of the first Relinquished Property; or
- The due date (including extensions) of your federal income tax return for the year in which the Relinquished Property was transferred (you may to get an extension).

These deadlines are statutory and strict. After the sale of the Relinquished Property we will send you a Property Identification Form to be used by you to "identify" the Replacement Property to **1031 Exchange Counsel, LLC**. It is important that we receive detailed information concerning the Replacement Property to be purchased well before the closing dates so that we can prepare the necessary exchange documents.

Pursuant to Section 1031, the Qualified Intermediary is restricted from releasing any funds held from the exchange, meaning the exchange proceeds can be held for 180 days, except for the following:

1. Payment to Qualified Intermediary.
2. Purchase of Replacement Property. No exchange funds shall be released by the Qualified Intermediary on behalf of the Exchanger(s) unless used for a deposit or purchase including settlement costs for any Replacement Property and not until such time that a properly executed authorization to release of funds form for the Replacement Property has been received by the Qualified Intermediary.
3. The expiration of 45 days and no replacement property has been identified.
4. Qualified Replacement Property has been identified and all Replacement Property has been acquired.
5. If Replacement Property has been properly identified but not purchased, at the end of 180 days after the initial sale date.
6. After 45 days and you are not able to acquire any of the replacement properties identified due to a material and substantial contingency relating to the properties identified and which is outside of your control.

Example: If you identify a property and do not purchase it, your funds may be held for 180 days or if you identify more than one replacement property and only purchase one, any remaining unused funds may be held for 180 days.

**I UNDERSTAND THAT AS A "QUALIFIED INTERMEDIARY" OR "QI" UNDER INTERNAL REVENUE CODE SECTION 1031, 1031 EXCHANGE COUNSEL, LLC CANNOT PROVIDE LEGAL OR TAX ADVICE AND ADVISED ME TO CONSULT LEGAL OR TAX ADVISOR(S).**

I/We certify that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ I/we have read, understand and received a copy of this Advisory Notice from my/our Qualified Intermediary.

\_\_\_\_\_  
Seller/Exchanger

\_\_\_\_\_  
Seller/Exchanger

**[Please document to 1031 Exchange Counsel, LLC when this Advisory was read and signed]**

1031 EXCHANGE COUNSEL, LLC

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Please visit our website <http://trust-counsel.com>