



Contact us to request a 1031 checklist

1031 questions? We have the answers!

 Beutler Exchange Group, LLC
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Taxpayers are urged to consult with their tax and legal advisors to determine if a 1031 tax-deferred exchange is right for their situation.

Beutler Exchange Group

Providing 1031 exchange services to
the Northwest and the Nation.

- ✓ Forward
- ✓ Reverse
- ✓ Improvement

With 50 years of combined
experience, we've seen it all.

If you have exchange questions,
we have the answers!

Give us a call today
and speak directly with
one of our coordinators

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§1031 Tax-Deferred Exchanges



Beutler Exchange Group, LLC

Providing 1031 Tax-Deferred Exchange Service to the Northwest and the Nation

We handle the following exchanges: forward, reverse, and improvement

What property qualifies for §1031 tax-deferred exchange treatment?

Internal Revenue Code Section 1031 permits exchange treatment for the following properties.



Property held for productive use in a trade or business, for example:

- Ag land



Property held for investment, for example:

- Rental houses
- Commercial properties—multifamily, retail, industrial, etc.
- Investment land

Like-Kind Rules!

The definition of “like-kind” is generous. All real estate is like-kind with all other real estate as long as what is being sold and purchased falls within either “productive use in a trade or business” or “investment.” So, it is possible to sell a rental property and buy commercial. Land is like-kind with residential rental. And on, and on.

While the primary benefit of an exchange is deferring the payment of capital gain taxes and recapture of depreciation, through this generous “like-kind” definition Exchangers can also achieve important business and personal goals with the purchase of the Replacement Property.

1031 Deadlines

From the transfer date of the Relinquished Property the Exchanger has **180 days** or the date their tax return is due, whichever comes first, to close on the Replacement Property(ies). (Filing an extension to the tax return will enable the Exchanger to take full advantage of the 180 days.)

The first **45 days** of the 180 is the Identification Period during which the Exchanger must submit a list of target properties. The majority of Exchangers are restricted to a list of three (3) properties and they *must* purchase from the list.

Reinvestment Rules

To get the best result in an exchange the Exchanger will:

1. Use all net sale proceeds to purchase Replacement Property(ies)
2. Obtain equal or greater debt on the Replacement Property(ies) (Exception, cash the Exchanger adds to the exchange offsets the requirement for replacement debt.)
3. Acquire only like-kind property(ies). To the extent the Exchanger fails to follow these rules (receives cash, experiences debt relief, receives a seller carryback, etc.) they will owe tax.

Relinquished Property Cooperation Clause

Seller intends to complete a §1031 tax-deferred exchange utilizing the services of Beutler Exchange Group, LLC. Buyer agrees to cooperate at no expense to Buyer.

Replacement Property Cooperation Clause

Buyer intends to complete a §1031 tax-deferred exchange utilizing the services of Beutler Exchange Group, LLC. Seller agrees to cooperate at no expense to Seller.

Security for Exchange Funds



Beutler Exchange Group, LLC protects exchange funds in the following ways:

Segregated Bank Accounts in the Exchanger’s name with the Exchanger’s Tax ID.

Monthly Bank Statements are provided directly to the Exchanger by the Bank.

Accounts are reconciled monthly by an outside financial services provider.

Beutler Exchange Group, LLC maintains bonding and errors and omissions coverage.

We want to sleep at night, too.

Why Beutler Exchange Group, LLC?

The owner, **Toija Beutler**, is a real estate attorney with more than two decades of 1031 experience and has overseen more than 19,000 exchanges. Toija and her team have more than 50 years of combined experience and commitment to the 1031 industry.

Beutler Exchange Group, LLC is a full service exchange company providing documentation of real estate exchanges, including, reverse and improvement exchanges. We serve as a resource to attorneys, tax advisors, real estate professionals, investors and anyone with a 1031 question.