

# YOUR TAX TEAM

## 9 THINGS TO CONSIDER BEFORE DECIDING ON A 1031 EXCHANGE

- Will you have a taxable gain on the sale of your property?
- Do you have any tax losses, benefits or offset strategies you can utilize to reduce or eliminate the taxes from the gain on sale of the property?
- Is the estimated tax bill from the sale of your property more than you want to pay?
- Will the tax savings from doing the 1031 exchange outweigh the associated costs?
- Are you planning to re-invest the proceeds from the sale into additional investment properties?
- Will you be able to satisfy the 45-day requirement to identify potential replacement properties?
- Will you be able to close on the purchase of your replacement properties within the 180-day requirement?
- Will you be able to purchase replacement properties that have the same or higher purchase price as what you sold the relinquished property for?
- Will you be able to purchase replacement properties that have the same or higher equity compared to your equity in the relinquished property?