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Thank you for considering KPW Law PLLC to assist with your deferred exchange transaction. The following information is a general summary of information to consider.

Like-Kind. In order to qualify for the tax-free exchange, the real property you are selling must be used for an investment or for productive use in a trade or business. The property you acquire must be of like-kind, meaning it must also be real estate. Example: You own an apartment complex that you are selling. The replacement property can be any type of real estate: a commercial property, more residential (not for your own living) properties, or even a ranch to be operated as a trade or business or for investment.

Our Fee. We charge a fee of \$1,200, which is paid out of the sale of your property. Additionally, we retain the interest that may be earned on the funds we hold as your Qualified Intermediary. If you purchase more than one replacement property, we charge an additional \$300 fee for each additional purchase, deducted from the 1031 funds we hold.

Contract Language: Be sure that your contracts are assignable because you will have to assign the contract to us as the intermediary. This can be accomplished by having the contract include your name "and/or assigns." You may also want to specifically state, "This contract is part of a 1031 deferred exchange transaction and is assignable to the qualified intermediary."

Deadlines. You have only 45 days from the date of the sale of your property to designate your replacement property. You can designate up to three potential replacement properties without regard to fair market value OR any number of properties as long as their aggregate fair market value does not exceed 200% of the value you received for the sale of your property. We will provide a form letter for you to use to identify your replacement property.

You must complete the purchase the replacement property within 180 days from the sale of your property. As soon as you have signed a contract for the purchase of replacement property, please send us a copy, along with the contact information for the title company or other entity handling the closing of the purchase.

To Get Started. 1.) Send us a copy of the contract to sell your property. **2.)** Provide the Name, Phone, and Email for the title company or other person handling that closing.

3.) Provide this information related to the property you are selling ("Relinquished Property"):

Name (how the property is titled): _____

Address: _____

Phone: _____

Email: _____

Taxpayer ID: _____

By acting as your qualified intermediary in these transactions, we are not undertaking to provide you any legal or tax advice or legal representation and are not acting as your attorney.