



Newsletter

Toll Free 888-899-1031  
Fax 303-715-1012

infox@1031x.net

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## Use 1031 Exchanges to Boost Your Income

**WHY INVEST IN REAL ESTATE?** Right now the IRS favors real estate investors over all other kinds of investors. Why? Because real estate exchanges can be accomplished in a tax deferred manner. By deferring taxes, the IRS gives the real estate investor an interest free loan. Taxes that otherwise would be due and payable, instead are deferred to a later date. Until due, the money can be put to use by the investor. This favorable tax treatment is not available in any other form of investment.

**MOTIVATING THE SELLER.** When you advise that real estate can be exchanged without tax liability, investors can be encouraged to list their property with you. Moreover, by exchanging properties investors can diversify, consolidate, increase leverage, increase cash flow, or solve management problems. Overcoming any of these issues can motivate an investor to list their property.

**MULTIPLE COMMISSIONS.** Tax deferral encourages investors to use you to locate replacement property. Replacement property must be purchased within 180 days, so you are dealing with a motivated buyer. Frequently an investor will acquire more than one replacement property. These multiple legged exchanges generate large commission dollars for you. **REPEAT BUSINESS.** When an exchange is accomplished the tax liability is deferred, not eliminated. When an investor acquires replacement property in an exchange, the gain from the relinquished property is carried forward into the replacement property. When the investor decides to dispose of the replacement property, he or she will be motivated to exchange again because failing to exchange will trigger tax liability on the entire sequence of the transaction. In the future, when the investor is ready to dispose of his current holdings he will again seek you out to sell and buy the exchange properties.

This is a great time for investing in real estate for the investor and for you.

Please call [www.1031x.com](http://www.1031x.com) at 888-899-1031 or email [infox@1031x.net](mailto:infox@1031x.net) for a free consultation!