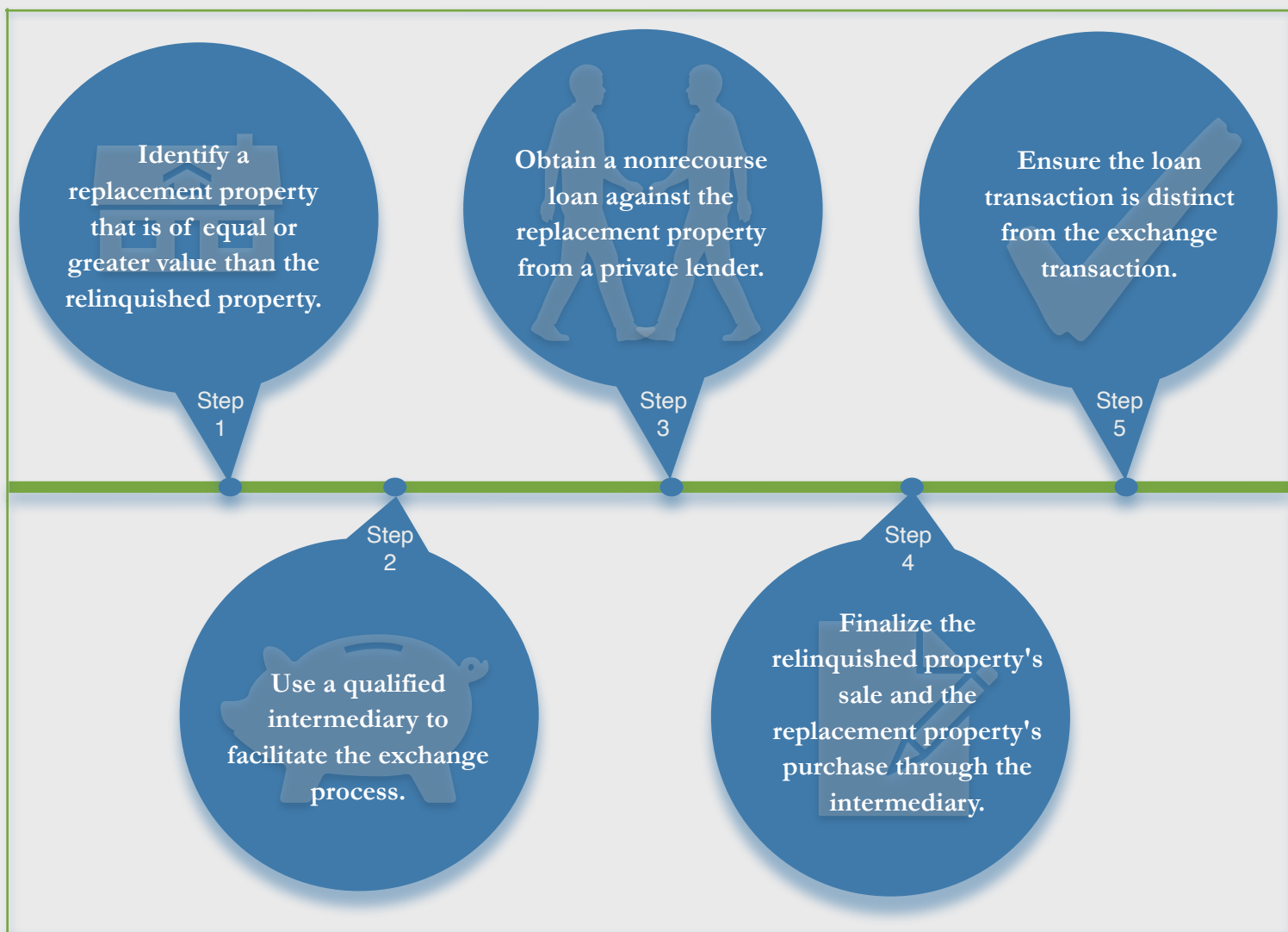


Cash-Out 1031



Benefits



Simple Underwriting



Tax Deferral



Immediate Cash Liquidity



Flexible Financing

Questions

? How can I ensure compliance with IRS rules?

To ensure compliance, separate the loan transaction from the exchange, maintain thorough documentation, and clearly define a business purpose for the loan. Adhering to best practices and referencing legal precedents also help mitigate risks.

? Are there any risks involved?

Potential risks include IRS scrutiny if transactions are not properly separated, the risk of taxable boot if the exchange is not correctly structured, and market fluctuations affecting property values and loan terms.

Income Types

The cash-out 1031 exchange strategy applies to various types of income associated with real estate investments:



Rental Income
Income generated from leasing the replacement property.



Capital Gains
Deferred gains from the sale of the relinquished property.



Loan Proceeds
Cash obtained from the nonrecourse loan against the replacement property.