PRECISION 1031

Replacement Property Identification

45-day notice under Treas. Reg. 1.1031(k)-1(c)

To: Precision Exchange, Inc., as Qualified Intermediary. Deliver to Start@Precision1031.com no later than midnight on day 45 after your sale closed, then call (310) 498-4883 to confirm we received it.

1. EXCHANGER AND EXCHANGE

EXCHANGER NAME(S), EXACTLY AS ON THE EXCHANGE AGREEMENT

EXCHANGE OR FILE NUMBER

RELINQUISHED (SOLD) PROPERTY ADDRESS

SALE CLOSING DATE (DAY 0)

DAY 45 IDENTIFICATION DEADLINE

DAY 180 DEADLINE (OR RETURN DUE DATE)

2. IDENTIFICATION RULE (CHECK ONE)

- ☐ Three-property rule: up to 3 properties of any value.
- ☐ 200% rule: any number of properties, totaling no more than 200% of the value of the property sold.
- ☐ 95% rule: any number and value, if I acquire at least 95% of the total value identified.

3. REPLACEMENT PROPERTY IDENTIFIED

#	STREET ADDRESS, OR LEGAL DESCRIPTION OR APN, WITH CITY AND STATE	EST. FAIR MARKET VALUE	INTEREST (E.G. 100%, 40% TIC, DST NAME)
1			
2			
3			
4			
5			
6			

More properties? Attach a signed continuation page. Improvements to be built: describe them as specifically as you can (plans, specifications, budget). Estimated values are needed only for the 200% and 95% rules, but we recommend listing them.

4. SIGNATURE (EVERY EXCHANGER MUST SIGN)

I identify the property listed above as replacement property for my exchange. I understand this identification can be changed or revoked only in a signed writing received by Precision Exchange, Inc. before the day 45 deadline, and that I have read the instructions on page 2.

EXCHANGER 1 SIGNATURE

DATE

EXCHANGER 2 SIGNATURE

DATE

PRINTED NAME AND TITLE (IF SIGNING FOR AN ENTITY)

PRINTED NAME AND TITLE (IF SIGNING FOR AN ENTITY)

FOR PRECISION 1031 USE: RECEIVED BY

DATE AND TIME RECEIVED

Precision Exchange, Inc. does not provide tax or legal advice. Review this form with your CPA or attorney before signing.

When and how to deliver this form

Your identification must be in writing, signed by you (every exchanger), and received by Precision Exchange, Inc. no later than midnight at the end of day 45 after your sale closed. Day 0 is the closing date. Weekends and holidays count, and the deadline is not extended if it falls on one. Email the signed form to Start@Precision1031.com and call (310) 498-4883 to confirm we have it. Keep a copy. Do not send it only to your agent, attorney or a seller.

Describe each property unambiguously

Use the street address with city and state, a legal description, or the assessor parcel number (APN). "A duplex on Main Street" is not enough. For a unit in a building, include the unit number. For a DST or tenancy-in-common interest, name the offering and the property, and state the percentage or dollar amount you intend to acquire.

The three identification rules

- Three-property rule: identify up to three properties of any value. This works for most exchanges (a first choice and backups).
- 200% rule: identify any number of properties, as long as their total fair market value is no more than 200% of the value of the property you sold.
- 95% rule: identify any number and value, but only if you actually acquire at least 95% of the total value identified. This rule is rarely practical. Talk to us and your advisors first.
- If you identify more than the rules allow, the IRS treats it as if you identified nothing, except for property you acquire by day 45 and property you acquire that meets the 95% rule.

Changes, incidental property and improvements

- You can revoke or change an identification only in a signed writing received by us before the day 45 deadline.
- Property you close on by day 45 counts as identified even without this form.
- Incidental personal property (such as furniture in a rental) generally does not count as a separate property if its value is no more than 15% of the real property it comes with.
- If replacement property will be built or improved, describe the improvements as specifically as you can now. Only what is built by the time you receive the property counts toward your exchange.

Closing by day 180

You must close on identified property by the earlier of day 180 after your sale or the due date of your tax return for the year of the sale, including extensions. If your return is due before day 180, file an extension. You may only acquire property you identified on time.

Before you sign

Identification is one of the strictest parts of an exchange, and a mistake can end your exchange. Call us at (310) 498-4883 to review your list before day 45. This form and its instructions are general information, not tax or legal advice; your CPA or attorney can tell you how the rules apply to you.

Precision Exchange, Inc. does not provide tax or legal advice. Review this form with your CPA or attorney before signing.