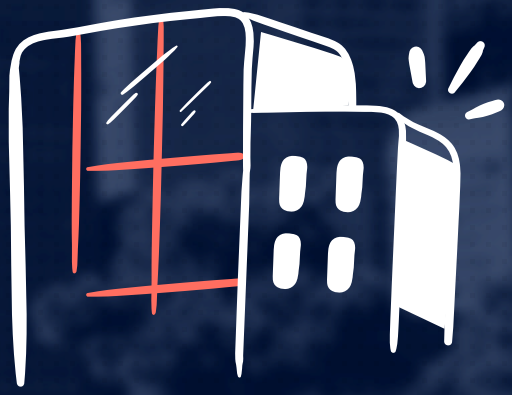
PRIME

1031 EXCHANGE



If you own investment or business real estate that has appreciated significantly in value, a 1031 Exchange may allow you to sell that property and defer capital gains taxes by reinvesting the proceeds into another qualifying property.

Rather than paying taxes immediately upon the sale, this strategy allows you to continue rolling your investment into new real estate opportunities while preserving more of your capital for reinvestment. For many real estate investors, this can become a powerful long-term wealth-building tool by allowing gains to compound over time instead of being reduced by taxes at each sale.

A 1031 Exchange applies specifically to qualifying investment and business-use real estate and must follow strict IRS guidelines. When structured properly, it can provide significant flexibility for investors looking to upgrade properties, diversify holdings, consolidate assets, or shift investment strategies without triggering an immediate taxable event.

QUALIFICATIONS

A 1031 Exchange is generally best suited for real estate investors who want to continue growing or repositioning their portfolio without triggering an immediate tax bill.

This strategy may be a strong fit if:

- **You own investment real estate with substantial appreciation:** The greater the built-in gain on the property, the more meaningful the potential tax deferral can become.
- **You plan to stay invested in real estate:** A 1031 Exchange is designed for investors who want to reinvest into another qualifying property rather than fully cashing out.
- **Your property is used for business or investment purposes:** Rental properties, commercial buildings, land held for investment, and other income-producing properties commonly qualify. Primary residences generally do not.

IMPLEMENTATION

For a detailed implementation checklist and other helpful resources, scan the QR code below or click **here**.

- **You're looking to evolve your portfolio:** Many investors use this strategy to consolidate properties, diversify into different asset types or markets, transition into more passive investments, or upgrade into larger assets.
- **You have long-term wealth-building goals:** This strategy is often most impactful for investors focused on preserving capital and compounding growth over time.



WHY DO INVESTORS LOVE THIS STRATEGY?

One of the biggest advantages of a 1031 Exchange is the ability to preserve more capital for reinvestment.

Without an exchange, a large portion of the proceeds from a profitable property sale may be lost to capital gains taxes. By deferring those taxes instead, you're often able to reinvest a much larger amount into your next property—potentially accelerating long-term portfolio growth.

GOT QUESTIONS?

Email **decoder@primecorporateservices.com**
or contact **(855) 577-4639** for more information.

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