How to Select a 1031 Tax Exchange “Qualified Intermediary”

- Only work with Qualified and Bonded Professionals.
- The IRS is very specific with stringent time lines that have to be met.
- The IRS can declare a property exchange as NOT QUALIFIED during any audit year. This could result in back taxes, penalties and interest.

Checklist: Finding an Accommodator

_ Is the accommodator a member of the Federation of Accommodators (FEA)?
_ Does the accommodator hold a Certified Exchange Specialist™ designation?
_ ***Will the accommodator take responsibility for losses if a mistake is made or the transaction does not qualify with the IRS?
_ Is the firm bonded by an insurance company? Will the firm provide a copy of the bond?
_ What is the accommodator’s professional experience with 1031.
_ Who receives the interest on the escrow account? The accommodator may quote a low fee as a tradeoff for receiving the escrow interest.
_ Is the accommodator accessible to your client and you? Will you meet face to face?
_ Is the accommodator willing to coordinate and work with other experts involved (attorneys, CPAs, Realtors, Lenders and Mortgage Brokers) to assure due diligence? Review documents? Handle financing?
_ Will an adequate paper trail be created?
_ Is the accommodator accustomed to handling a type (ranch, timber, farm, poultry, hunting) and size of transaction as the client’s?
_ Does the accommodator have a specialty? tenants-in-common? agricultural?
_ If a tenants-in-common ownership will be involved, is the accommodator a licensed securities representative?

National 1031 Firms:

- Custom 1031, Gary Bates
  Calculate the Taxes Link on site

- IPX
  Exchange Dead Lines

- Starker Services
  Capital Gains Calculator
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