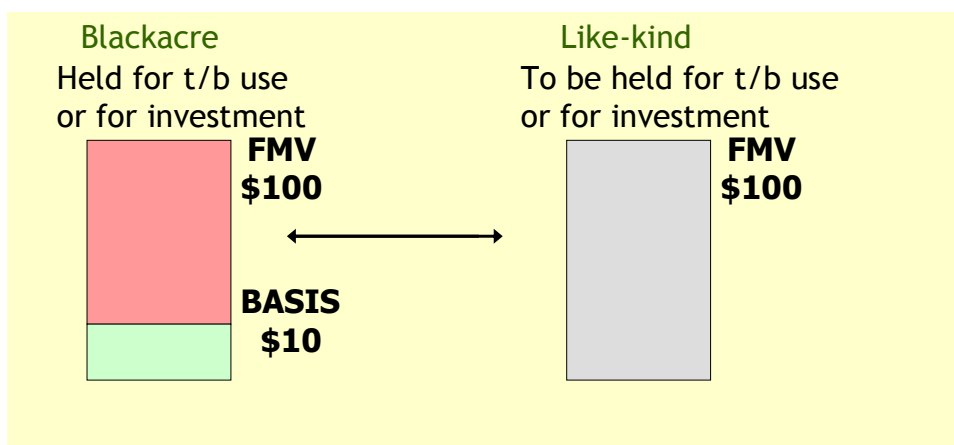


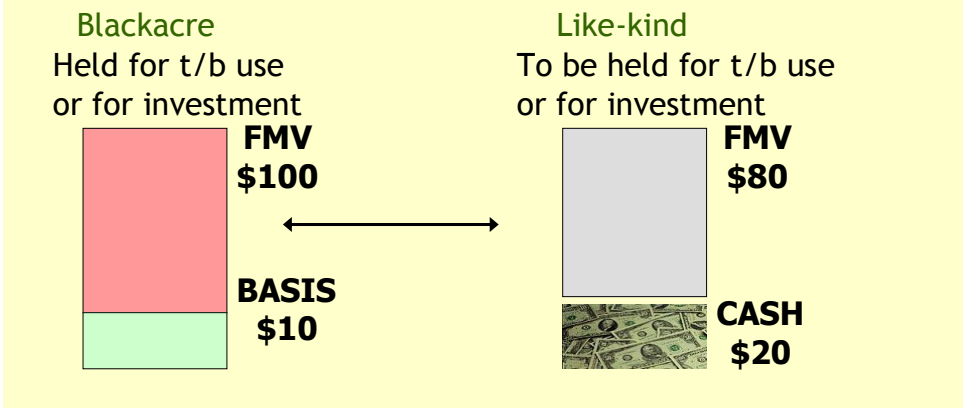
## Requirements for IRC § 1031

- Taxpayer is giving up real property held for use in trade/business or for investment
  - Not personal-use property
  - Not property held for sale (real estate dealer property)
- Taxpayer is receiving real property to hold for use in trade/business or for investment
- Exchange (not sale, purchase)
- Properties given up/received are of "like kind"

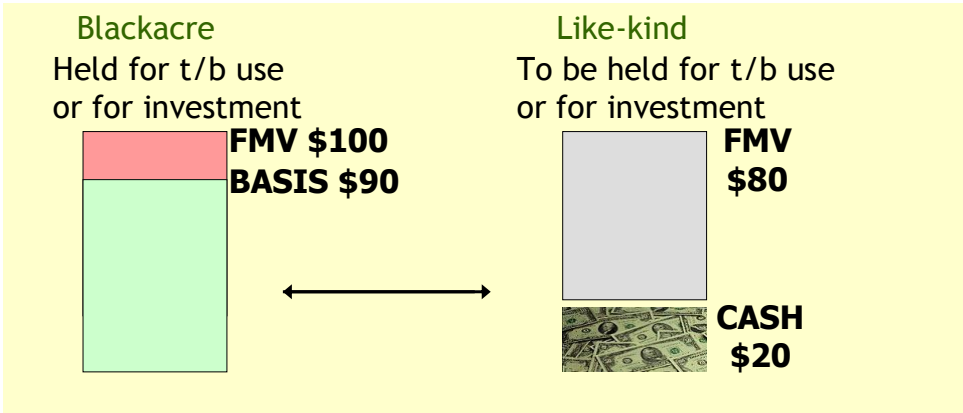
## Like-kind exchange analysis



Realized gain or loss (\$ 1001)	Recognized gain or loss	Basis of new property



Realized gain or loss (\$ 1001)	Recognized gain or loss	Basis of new property



Realized gain or loss (\$ 1001)	Recognized gain or loss	Basis of new property