

1031 Tax Deferred Exchanges

# THE TAX-WISE WAY TO UPGRADE YOUR BUSINESS AND INVESTMENT

Devon Bank can help you save significant dollars by deferring the Capital Gains Tax when you sell a property and buy another of equal or greater value.



## DEVON BANK

Serving the Community for Over Half a Century

6445 North Western Avenue, Chicago, Illinois 60645

950 Milwaukee Avenue, Glenview, Illinois 60025

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All locations: 773 or 847 465 2500

[www.devonbank.com](http://www.devonbank.com)



# TAKE ADVANTAGE OF DEVON BANK'S AFFORDABLE 1031 EXCHANGE (STARKER TRUST) EXPERTISE

In today's economy, many investors have turned to real estate as an alternative to the volatility and unpredictability of current financial markets. As these investors look to strengthen and upgrade their property holdings, it makes sense to take advantage of the unique benefits of a Starker Trust.

## DEFER CAPITAL GAINS TAX

Simply put, a Starker Trust allows you to defer the Capital Gains Tax when you sell a business or investment property and purchase another of "like kind". In a Starker Trust, all proceeds from the sold property must be held by a Qualified Intermediary such as Devon Bank Exchange Company L.L.C., a wholly owned subsidiary of Devon Bank. In addition, an exchange agreement signed by the taxpayer and buyer must be provided to the Qualified Intermediary before the closing date.

To complete the exchange, the investor must comply with these 1031 Exchange regulations:

- **45-Day Rule.** The taxpayer must formally identify a replacement property or properties within 45 days of the property sale.
- **3-Property Rule.** Up to three properties may be identified without regard to value.
- **200% Rule.** The total value of the identified properties cannot exceed twice the value of the property sold.
- **180-Day Rule.** The taxpayer must purchase one or more of the properties identified within 180 days of the sale of the property.
- **95% Rule.** The property or properties purchased must have a fair market value equal to at least 95% of the value of all the identified properties.

## 1031 EXCHANGE EXPERTISE

When you choose Devon Bank Exchange Company L.L.C. as your Qualified Intermediary, you'll work with Trust specialists who have extensive experience setting up and managing the Starker Exchange process efficiently and cost effectively.

- **To make the exchange process easy and efficient, we utilize our own form documents.**
- **We provide same-day document execution, so there are no delays.**
- **We are significantly more affordable than many institutions who offer this service.**
- **All sales proceeds are segregated and monitored in our Trust Department.**
- **Our experienced staff is readily available to help you and your clients with the intricacies of Starker Exchanges.**



Call our Land Trust Department at  
773 or 847 465 2500 x 1216.