

REVERSE 1031 EXCHANGE IN 10 STEPS

JLM Corp.
Reverse
Exchange
Services

Available
January
2019



STEP 1

The taxpayer enters into a contact to purchase a replacement property.



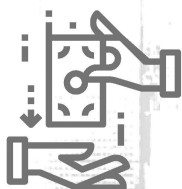
STEP 2

The taxpayer enters into a reverse exchange agreement with Exchange Accommodation Titleholder (EAT) LLC created by JLM Corp for the purpose of holding tile to the replacement property.



STEP 3

The taxpayer assigns the purchase of the replacement property to the EAT LLC.



STEP 4

The taxpayer and/or third-party lender loans money to the EAT LLC for the purchase of the replacement property.



STEP 5

The EAT LLC agrees to transfer replacement property to the taxpayer upon completion of the transaction per the reverse exchange agreement.

STEP 6

The EAT LLC closes on replacement property as owner.

STEP 7

The taxpayer enters into contract for sale of relinquished property and enters into a deferred forward exchange with JLM Corp as Qualified Intermediary (QI). Relinquished property must be identified with in 45 days and close with in 180 days.



STEP 8

The taxpayer directs QI to purchase replacement property from EAT LLC.



STEP 9

The EAT LLC takes funds received and uses them to repay acquisition financing given by taxpayer. Any remaining funds, are paid to third party lender.



STEP 10

The replacement property is deeded from the EAT LLC to the taxpayer.

