



Although there is no statutory requirement that a contract or purchase and sale agreement contain language specifying that one of the parties is taking part in an IRC §1031 tax deferred exchange, there are several reasons to consider including the language. Below, please find examples of language which may be added to a sale or purchase contract.

Sale Contract Language:

Buyer hereby acknowledges that it is the intent of the Seller to structure its sale as a tax deferred exchange under IRC §1031 and/ or pursuant to Revenue Procedure 2000-37. Seller covenants that this will not delay the close of the subject transaction nor cause the Buyer any additional expenses. The Seller's rights under the purchase and sale agreement may be assigned to Legal 1031 Exchange Services, LLC, a Qualified Intermediary for IRC §1031 Tax Deferred Exchanges. Buyer agrees to cooperate with the Seller and the Qualified Intermediary to complete the exchange.

Purchase Contract Language:


Seller hereby acknowledges that it is the intent of the Buyer to structure its purchase as a tax deferred exchange under IRC §1031 and/ or pursuant to Revenue Procedure 2000-37. Buyer covenants that this will not delay the close of the subject transaction nor cause the Seller any additional expenses. The Buyer's rights under the purchase and sale agreement may be assigned to Legal 1031 Exchange Services, LLC, a Qualified Intermediary for IRC §1031 Tax Deferred Exchanges or other designated entity as part of the tax deferred exchange process. Seller agrees to cooperate with the Buyer and the Qualified Intermediary to complete the exchange.

QUALIFIED INTERMEDIARY SERVICES NATIONWIDE

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