

Let's compare Sale vs. Exchange



Utilizing the figures in our example, below illustrates the difference in the Proceeds through a traditional real estate sale compared to the proceeds available through a 1031 Exchange.

SALE		EXCHANGE	
SALE PRICE	\$5,000,000	SALE PRICE	\$5,000,000
EXPENSES	- \$300,000	EXPENSES	- \$300,000
ADJUSTED BASIS	-\$1,700,000	=	
TAXABLE GAIN	\$3,000,000		
NET AFTER TAX PROCEEEDS	\$3,939,600	GROSS PROCEEDS (1031=TAX DEFFERAL	\$4,700,000