



Are you taking full advantage of your tax benefits?

The TOTAL 1031 Exchange Solution

Savvy businesses across all industries understand that no asset management strategy is complete without a comprehensive 1031 Exchange solution. Regardless of your industry or the size of your company, Accruit can help you maximize the value of your assets, driving a strong cash flow proposition in ways that allow you to remain focused on what you do best – run your business.

Why 1031?

When selling business or investment assets, a tax in excess of 40% of the sale price can sometimes be triggered. That's a high price to pay for cash-strapped businesses looking for ways of growing their operations. However, Accruit can show you how to safely unlock the cash hidden in your valuable business assets.

By conducting a 1031 Exchange, your business can sell assets and defer taxes on gain. Buy and sell just as you always have – only now you can defer the realized gain, potentially indefinitely.



A Fully-Stocked 1031 Toolbox

Tax law allows several kinds of 1031 Exchange. Accruit can help with all of them.

Simultaneous Exchange: In a simultaneous exchange the relinquished property and the replacement property transfer concurrently. This process isn't as simple as transferring the relinquished property and acquiring the replacement asset on the same day. To avoid the risk of the exchange being deemed a taxable sale by the IRS, it's important to involve a Qualified Intermediary (QI).

Forward Delayed Exchange: The sale of the relinquished asset and purchase of the replacement property don't need to occur at the same time. The exchanger first sells the relinquished property and then acquires the replacement property within 180 days of the sale. If the replacement property is not purchased within 45 days of the sale of the relinquished property, the exchanger must identify the replacement property by midnight of the 45th day.

Reverse Exchange: An exchanger may not be able to sell the relinquished property before purchasing the replacement asset. In these cases, the exchanger can structure the transaction as a reverse exchange. Reverses are more complex than simultaneous or forward exchanges and require an Exchange Accommodation Titleholder (EAT) to take ownership to either the relinquished or replacement asset until the relinquished asset is ultimately sold to a buyer.

Improvement Exchange: An exchanger can purchase replacement property and use some of the proceeds to make improvements to the asset as long as the exchange is structured as a "build-to-suit" or improvement exchange. This process is often used to renovate an existing building or to construct a new building on vacant land; it can also be employed for upgrades to many kinds of tangible assets. Like the reverse, an improvement exchange is more complex and requires the EAT to take possession of the replacement property.

Program Exchange: Businesses with extensive asset portfolios (like leasing firms or heavy equipment dealers) often find it advantageous to conduct forward exchanges on an ongoing, programmatic basis. For these enterprises, repetitive exchange programs handle multiple assets and exchange transactions with significant documentation pursuant to a master Program Exchange Structure.

"When Accruit talks about maximizing cash flow and minimizing administrative burden, they have captured the essence of their value to their customers. Their comprehensive 1031 solution helps leasing enterprises generate significant operating cash while remaining focused on what they do best – running their business. Successful companies have come to understand that Like-Kind Exchanges aren't something that you simply do, they're an integrated component of any winning asset management strategy. We're convinced the only reason more companies aren't doing this today is simply due to lack of knowledge on what qualifies." – Fidelity National Information Services

Maximize Your Gain. Minimize Your Risk and Administrative Burden.

Your Accruit 1031 solution integrates secure, reliable QI services with the only patented LKE process in the country.* You can maximize cash flow while minimizing tax risk and administrative burden through a seamless exchange management process; next-generation software; and an unparalleled, one-to-one client service experience.

We've helped hundreds of companies in over 20 industries safely and simply transform billions of dollars of tax liability into working cash flow. Our long list of success stories includes small businesses, Fortune 500s and everything in between, with clients ranging from construction firms to thoroughbred farms, leasing enterprises to heavy equipment dealers, and energy companies to private investors. **Our client retention rate of 98%** provides strong testament to the end-to-end value customers find in their 1031 programs.

- **Significant Financial Value:** Accruit's powerful 1031 LKE solutions represent a dramatic financial proposition for cash-conscious businesses operating in a competitive marketplace. Our customers tell us that there's no other part of their business that affords the same ROI as their Accruit solutions.
- **Ease of Use:** Our next-generation Web-hosted platform makes the complex simple, providing clients with an efficient, advanced technology-driven alternative to an otherwise cumbersome paper-based process. You can manage multiple exchanges and track your assets online 24x7.
- **Speed and Responsiveness:** Easy to engage and implement, you'll begin seeing the results of your Accruit solution quickly.
- **Personalized Service:** Accruit dedicates a member of our highly trained client services team to your account. This professional is intimately familiar with your operations and is responsible for making sure that your LKEs are effectively and efficiently managed from inception through completion. If you've got a question, help is just a phone call or e-mail away.
- **Minimized Administrative Overhead:** Accruit manages your exchange without overburdening your administrative staff. We automatically provide asset-level tracking, real-time reporting and comprehensive audit-ready documentation for tax preparation. We adhere to federal safe harbor guidelines and manage the administrative details so you don't have to worry about missed deadlines, non-compliant exchanges or increased internal workload.
- **Uncompromising Cash Management and Data Security Processes:** Each client's funds are held in a dedicated account in one of the nation's top-rated financial institutions. All money deposited into these accounts is invested with the primary objective of assuring liquidity and preservation of principal. Client funds are never commingled with our operating account and our exchange management system requires your authorization for the release of your funds. We're fidelity bonded and insured and your sensitive information is secured in a national datacenter with multiple redundant ISO and SAS-70 audited processes.

* U.S. Patent No. 7,379,910 and other patents pending

Auto/Truck Rental
Construction
Green
Heavy Equipment
Leasing
Manufacturing
Mining
Oil & Gas
Personal Investment
Real Estate
Telecommunications
Transportation
Utilities



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