

# Qualified INTERMEDIARY?

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**A 1031 Tax Deferred Exchange** requires that an actual exchange of property take place. A Qualified Intermediary becomes an integral part of the exchange by acquiring the Exchanger's interest as a seller of the relinquished property and as a buyer of the replacement property. By becoming a genuine principal in the transaction, the Qualified Intermediary is in a position to complete a trade. Security Title Agency, Inc. is a Qualified Intermediary. We have the expertise, the personnel, and the financial strength to assure your transaction is handled safely.

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**A 1031 Tax Deferred Exchange** is generally used to delay the tax consequences of selling real property. To this end, an Exchanger must avoid receiving the proceeds of sale in any fashion whether constructively or in fact. A Qualified Intermediary holds the proceeds of sale from the relinquished property in a fiduciary exchange account until they are required for the purchase of the new replacement property. A Qualified Intermediary should provide a written guarantee that the funds will be used for the sole purpose of accomplishing the exchange. This guarantee should be backed by a substantial fidelity bond such as the \$15 million bond provided by Security Title Agency, Inc.

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**An essential service** provided by a Qualified Intermediary beyond expertise and financial backing is the preparation of relevant documents such as the Exchange Agreement and any necessary Assignments. Written instructions are provided and our staff works closely with the escrow officer or closing agent to assure a successful completion of the exchange.

The IRS regulations make exchanging easy, inexpensive and safe. Security Title Agency provides unsurpassed security, service and expertise. One call to us is all it takes to initiate an exchange. Security Title Agency's 30 year history in the real estate and title industry makes us the best Qualified Intermediary to assist you with your exchange transactions.



TRUST DEPARTMENT

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