



1031 Exchange Basic FAQs – Days and Rules

**45
days**

HOW LONG DO I HAVE TO IDENTIFY REPLACEMENT PROPERTY?

You have **45 days** after the sale of your relinquished property to identify your replacement property(ies). Identification of replacement properties must be unambiguous, using a legal description or physical address. It must be in writing, dated, signed, and received by your Qualified Intermediary (QI) within the 45 days. The 45-day requirement is strictly enforced with no option for extension.

**180
days**

HOW LONG DO I HAVE TO PURCHASE THE REPLACEMENT PROPERTY?

You have **180 days** after the sale of your relinquished property to purchase your replacement property(ies). The 180-day requirement is strictly enforced with no option for extension. Additionally, your replacement period could be shorter if your tax return due date is prior to the expiration of the 180 days. If that is the case, you should file an extension on your tax filing.

**ID
rules**

AM I LIMITED TO THE NUMBER OF PROPERTIES I MAY IDENTIFY?

The IRS provides three rules in which you can identify your replacement property(ies). The most common being the **3-property rule**, simply put you can identify three properties. The **200% rule** allows you to identify more than three properties so long as the fair market value of all properties does not exceed 200% of the sales price of your relinquished property. Lastly, the **95% rule** states that should you over-identify the first two rules, then you have to purchase 95% in value of what was identified.

**Like
kind**

WHAT PROPERTY IS “LIKE KIND” TO MY PROPERTY?

For a 1031 exchange to be valid, your properties must be like-kind. As it pertains to real estate, all real estate is like-kind to other real estate. Some examples include: an apartment complex exchanged for a cell tower easement; an office building for farm land; or a rental home for water rights. Generally speaking, the only real estate that does not qualify under a 1031 exchange is a vacation home and personal primary residency.

**ID
rules to
purchase**

DO I HAVE TO PURCHASE ALL OF THE PROPERTIES I IDENTIFY?

You have the option to purchase one or all of the properties you identified; you are not required to purchase all identified properties. Identifying more than one property just provides you with more options to ensure you have a replacement property within the 180-day exchange period. Additionally, you need to state how many properties you plan to purchase.

Advocus National 1031 Exchange, LLC, is an entity owned and operated by Accruit and is the Qualified Intermediary. Advocus National Title Insurance Company is the Managed Service Facilitator. Accruit, an Inspira Financial Solution, offers national 1031 Exchange Qualified Intermediary services and technology. Advocus National Title Insurance Company, as Managed Service Facilitator, will receive a portion of the Exchange Fee and will also receive a portion of the interest, if any, accrued on the investment of the proceeds of the sale of the Relinquished Property.



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