

# What qualifies for a 1031 Exchange?

The exchange property must be like-kind to the property sold—that is to say it needs to also be held for productive use in a trade/business or as an investment.

## QUALIFIES —

01

### Investment Property

*Any property held for the purpose of investment, does not necessarily need to be income producing.*

Rental Home/Unit

Raw Land

Vacation Home<sup>1</sup>

Water, Air, and other Rights

Perpetual Easements

Mineral Royalties, Overriding Royalty Interests, Working Interests<sup>2</sup>

Conservation Easements

And More...

02

### Business Property

*Any property held for the productive use in a trade or business.*

Farmland

Farm Buildings

Office Buildings

Apartments

Mobile Home Park

And More...

## DOES NOT QUALIFY —

Primary Residence

Vacation Home — primarily personal use

**For informational purposes only and not an exhaustive list of property types.** Not to be construed as an offer or solicitation of securities or investments, tax, investment, or other professional advice. Please refer to your tax professional regarding your individual tax situation. **1.** Vacation homes qualify under IRS Safe Harbor rules — the property must be rented at fair rental for at least 14 days per year, with personal use limited to the greater of 14 days or 10% of the number of days rented at fair rental. **2.** Eligibility of mineral and royalty interests depends on how the interest is structured and held. Working interests qualify without restriction on extraction rights.

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Forum Investor Relations  
[InvestorRelations@ForumIG.com](mailto:InvestorRelations@ForumIG.com) | 303.501.8804

[FORUMIG.COM](http://FORUMIG.COM)

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