1031 Exchange Checklist: What to Have Ready Before You Sell

By Kenneth Millar, Founder and Principal Managing Partner, SREI Group · November 2026

The smoothest 1031 exchanges start before the property sells. Once the sale closes, you have 45 days to identify replacement property and 180 days to complete the purchase, so there is little time to gather facts afterward. Use this checklist to organize the details that shape your exchange, share it with your CPA, and bring it to your first conversation with SREI Group.

Have answers, or at least estimates, for the questions below. Each one affects how much gain you may be able to defer, which replacement options fit, and how much time you will have to decide.

Name: _____ Date: _____

Property: _____ CPA / advisor: _____

The sale

- [ ] Is the property listed, under contract or already sold?
- [ ] What is the expected or actual closing date?
- [ ] What is the sale price, and what are the estimated net proceeds after closing costs?
- [ ] Is the property real estate held for investment or business use (not your primary residence)?

The numbers

- [ ] How much mortgage debt will be paid off at closing? To defer all of the gain, the replacement property generally needs equal or greater value and debt, or added cash.
- [ ] Do you know your adjusted basis and the depreciation you have taken? Your CPA can estimate the capital gains and depreciation recapture an exchange may defer.
- [ ] Do you plan to keep any proceeds as cash? Cash kept from the sale is generally taxable.

Ownership and title

- [ ] How is the property titled (individual, joint, trust, LLC or partnership)? The same taxpayer that sells must generally buy the replacement property.
- [ ] Who are the owners, and do they all agree on the plan?

- [ ] How long have you owned the property?

The exchange

- [ ] Have you engaged a Qualified Intermediary (QI) before closing? Proceeds must not pass through your hands.
- [ ] Have you marked your 45-day identification deadline and 180-day closing deadline? Find your dates with our 1031 Exchange Deadline Calculator at sreigroup.com/education/1031-deadline-calculator/.
- [ ] If you are considering a Delaware Statutory Trust (DST), do you meet the accredited investor standard required for most DST offerings?

Your goals

- [ ] Is steady income, less hands-on management, diversification or estate planning most important to you?
- [ ] Would you like the option to own property directly again later, or to move toward an UPREIT (721 exchange) in the future?
- [ ] Who else should be part of the conversation: your CPA, attorney or financial advisor?

This checklist is for general educational purposes only and is not tax or legal advice. Consult your tax and legal advisors about your specific situation.

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