

# 1031 Exchange Step-by-Step Checklist – Ohio Investors

This checklist is designed for Ohio real estate investors to successfully complete a 1031 exchange and defer capital gains taxes. Follow each step to stay compliant with IRS rules while growing your portfolio.

- 1. Confirm Eligibility: Ensure the property being sold is held for investment or business purposes (not a primary residence).
- 2. Hire a Qualified Intermediary (QI): Select a trusted professional to hold exchange funds and manage compliance.
- 3. Sell the Relinquished Property: Complete the sale with proceeds transferred directly to the QI.
- 4. Identify Replacement Properties: Within 45 days, identify up to three like-kind properties in Ohio (e.g., multifamily in Columbus, retail in Cincinnati, industrial in Cleveland).
- 5. Verify Property Value: Ensure the replacement property is of equal or greater value to fully defer capital gains.
- 6. Secure Financing: Apply for DSCR loans, SBA 7a, SBA 504, or bridge loans with GHC Funding to meet acquisition timelines.
- 7. Conduct Due Diligence: Inspect property condition, review leases, and evaluate cash flow potential.
- 8. Close on Replacement Property: Finalize purchase within 180 days of the sale of the original property.
- 9. File IRS Form 8824: Report the 1031 exchange on your federal tax return.
- 10. Plan Future Strategy: Consider repeating exchanges to compound tax deferral benefits.

Tip: Timing and compliance are critical in 1031 exchanges. Partner with GHC Funding ([www.ghcfunding.com](http://www.ghcfunding.com)) or call 833-572-4327 for financing solutions—including DSCR loans, SBA programs, and bridge loans—to ensure your exchange stays on track.