



THE EXIT WISE SIMPLICITY TOOLKIT



A practical planning guide for elder
commercial real estate owners and their families.

*Helping families simplify ownership,
preserve value, and leave a plan —
not a problem.*



Rich Vaaler | Vaaler Commercial Real Estate



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Helping families simplify ownership, preserve value, and leave a plan — not a problem.

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Your legacy deserves a plan.

We are here to help you simplify, preserve,
and create a better future for you and your family.

Let's get started.



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THE EXIT WISE SIMPLICITY FRAMEWORK

Helping elder commercial real estate owners create simplicity, protect value, and prepare a thoughtful transition plan for the next stage of life.



1 RADICAL SIMPLICITY

DELIVERABLES

- ✓ The Simplicity Scorecard
- ✓ Property Burden Audit
- ✓ Simplified Ownership Path



2 STRUCTURED CONTINUITY

DELIVERABLES

- ✓ Real Number Review
- ✓ Pre-Transition Value Plan
- ✓ Advisor Coordination Map



3 OPTIONALITY ENGINEERING

DELIVERABLES

- ✓ Exit Options Matrix
- ✓ Replacement Income Menu
- ✓ Family Decision Playbook



“

I help families avoid the moment where a valuable property becomes a confusing problem.

”



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— SIMPLICITY SCORECARD —



Check one box per category to measure how simple or complicated ownership has become.

Client Name _____

Date _____

Property _____

Reviewed By _____

CATEGORY	SIMPLE (1)	MODERATE (2)	COMPLEX (3)	NOTES
 1. Tenant Mix	☐	☐	☐	_____
 2. Lease Rollover Risk	☐	☐	☐	_____
 3. Management Burden	☐	☐	☐	_____
 4. Maintenance / Repairs	☐	☐	☐	_____
 5. Capital Improvement Exposure	☐	☐	☐	_____
 6. Income Reliability	☐	☐	☐	_____
 7. Debt / Refinance Pressure	☐	☐	☐	_____
 8. Family Readiness	☐	☐	☐	_____
 9. Exit Flexibility	☐	☐	☐	_____
 10. Advisor Coordination	☐	☐	☐	_____



HOW TO SCORE

Check one box in each row.
Add the points.
Lower scores mean
greater simplicity.



TOTAL SCORE

/ 30



INTERPRETATION

- 10–15 = Relatively Simple
- 16–22 = Moderate Complexity
- 23–30 = High Complexity

SUGGESTED NEXT STEP



Hold As-Is



Simplify
Operations



Prepare
for Sale



Explore 1031
Exchange



Family Planning
Meeting



Advisor
Review



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PROPERTY BURDEN AUDIT

A practical review of the time, stress, cost, and complexity of property ownership.

Client Name _____

Date _____

Property Name / Address _____

Reviewed By _____

Property Type _____

1 PROPERTY SNAPSHOT

Number of Tenants _____

Occupancy % _____

Lease Expirations in Next 24 Months _____

Debt Status ☐ None ☐ Fixed ☐ Variable ☐ Other

Approximate Age / Condition _____

2 TENANT & LEASE COMPLEXITY

☐ Many Tenants

☐ Delinquencies

☐ Short-Term Leases

☐ Heavy Renewal Work

☐ Below-Market Rents

☐ Other _____

Notes _____

3 MANAGEMENT & TIME BURDEN

Owner Involvement ☐ High ☐ Moderate ☐ Low

Frequency of Calls / Issues ☐ Daily ☐ Weekly ☐ Monthly ☐ Rarely

Property Management in Place ☐ Yes ☐ No

Time Spent per Month _____ Hours

Notes _____

4 PHYSICAL CONDITION & CAPITAL NEEDS

Rate each category:

	Good	Fair	Poor	N/A
Roof	☐	☐	☐	☐
HVAC	☐	☐	☐	☐
Parking / Lot	☐	☐	☐	☐
Structure	☐	☐	☐	☐
Deferred Maintenance	☐	☐	☐	☐
Upcoming Capital Projects	☐	☐	☐	☐

Notes _____

5 FINANCIAL PRESSURE POINTS

Rate the current level of pressure:

	Low	Moderate	High
Vacancy Risk	☐	☐	☐
Insurance Increases	☐	☐	☐
Taxes	☐	☐	☐
Repairs	☐	☐	☐
Rent Growth Challenges	☐	☐	☐
Cash Flow Reliability	☐	☐	☐

6 FAMILY / TRANSITION READINESS

☐ Heirs Understand the Property

☐ Clear Decision Maker Identified

☐ Advisor Team Identified

☐ Emergency Plan in Place

☐ Other _____

Notes _____

7 OVERALL BURDEN SUMMARY

Top 3 Burden Points

1. _____

2. _____

3. _____

Overall Burden Rating

☐ Low

☐ Moderate

☐ High

Recommended Next Step

For planning purposes only. Review legal and tax issues with your attorney and CPA.



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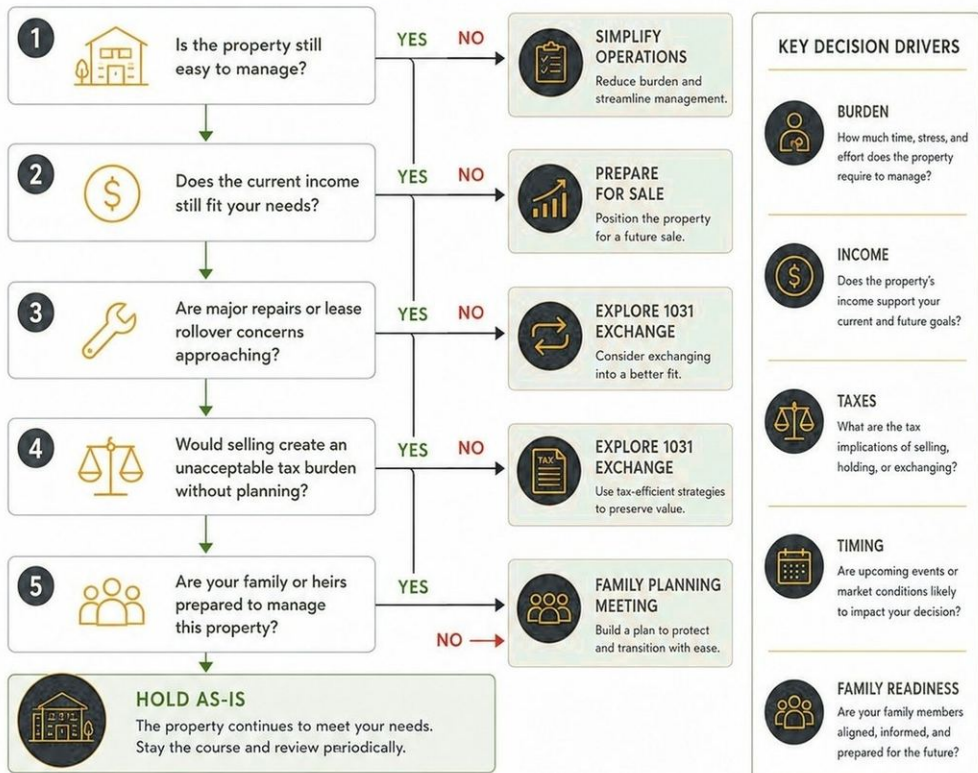
SIMPLIFIED OWNERSHIP PATH



A DECISION GUIDE

to help owners choose the next best step before complexity becomes urgent.

Client Name _____ Property _____ Date _____ Reviewed By _____



RECOMMENDED PATH / NOTES



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REAL NUMBER REVIEW



Turn value, debt, taxes, and proceeds into a clearer decision.



Client Name _____



Property _____



Date _____



Reviewed By _____

1

PROPERTY VALUE SNAPSHOT



Estimated Market Value

\$ _____

Current Occupancy

%

Current Loan Balance

\$ _____

Major Lease Expirations

Annual Net Income

\$ _____

2

ESTIMATED SALE DEDUCTIONS



Loan Payoff

\$ _____

Estimated Capital Gains Tax

\$ _____

Closing Costs

\$ _____

Estimated Depreciation Recapture

\$ _____

Brokerage

\$ _____

Other Costs (describe)

\$ _____

Repairs / Credits

\$ _____

3

NET PROCEEDS SUMMARY



Gross Estimated Value

\$ _____

Total Estimated Deductions

\$ _____

=

Estimated Net Before Tax

\$ _____

=

Estimated Tax Exposure

\$ _____

=

Estimated Net After Tax

\$ _____

4

EXCHANGE / REINVESTMENT CONSIDERATIONS



☐ 1031 Exchange Interest

☐ Replacement Income Goal

☐ Debt Replacement Needed

☐ Family Simplicity Goal

☐ Liquidity Need

5

QUESTIONS TO REVIEW WITH CPA / ATTORNEY



6

RECOMMENDED NEXT STEP



Planning worksheet only. Confirm tax and legal matters with your CPA and attorney.



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PRE-TRANSITION VALUE PLAN



Protect value before the market, the family, or the buyer forces the timing.

Client Name _____ | Property _____ | Date _____ | Reviewed By _____

1

LEASE & TENANT FILE CLEANUP



- ☐ Confirm lease abstracts
- ☐ Verify rent roll
- ☐ Identify delinquencies
- ☐ Review rollover schedule

2

FINANCIAL RECORDS & REPORTING



- ☐ Gather operating statements
- ☐ Organize tax bills
- ☐ Confirm insurance costs
- ☐ Summarize repairs history

3

PHYSICAL CONDITION & DEFERRED MAINTENANCE



- ☐ Roof review
- ☐ HVAC review
- ☐ Parking / paving review
- ☐ Safety / code issues
- ☐ Cosmetic cleanup

4

BUYER / DUE DILIGENCE READINESS



- ☐ Prepare property summary
- ☐ Organize service contracts
- ☐ Confirm zoning / use
- ☐ Gather surveys / plans
- ☐ Build clean due diligence package

5

TIMING & STRATEGY



- ☐ Clarify hold vs. sell goal
- ☐ Review market timing
- ☐ Identify pricing strategy
- ☐ Discuss 1031 possibility
- ☐ Coordinate with advisors

6

PRIORITY ACTION TRACKER

ACTION ITEM	OWNER	TARGET DATE	STATUS		
			☐ Not Started	☐ In Progress	☐ Complete
			☐ Not Started	☐ In Progress	☐ Complete
			☐ Not Started	☐ In Progress	☐ Complete
			☐ Not Started	☐ In Progress	☐ Complete
			☐ Not Started	☐ In Progress	☐ Complete
			☐ Not Started	☐ In Progress	☐ Complete



A cleaner story usually supports a stronger price.



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EXIT OPTIONS MATRIX

Compare the major paths available before a decision becomes urgent.



OPTION	BEST FIT	INCOME CONTINUITY	TAX IMPACT	MANAGEMENT BURDEN	CONTROL	FAMILY SIMPLICITY	NOTES
Hold as-is Maintain current ownership and operations.	Moderate	High	Low	High	High	Low	Good if performance is strong and you're not ready to change.
Improve and hold Reposition the property to increase long-term value.	High	Moderate	Moderate	High	High	Moderate	Adds value over time but requires capital and patience.
Sell outright Sell the property and realize proceeds.	Moderate	Low	High	Low	Low	High	Simple and immediate but may trigger high tax liability.
1031 into STNL (Single-Tenant NNN) Exchange into a single-tenant, triple-net lease property.	High	High	Low	Low	Moderate	High	Passive income with strong tenant and easy management.
1031 into DST (Delaware Statutory Trust) Exchange into a fractional ownership interest in a DST.	Moderate	High	Low	Low	Low	High	Highly passive and diversified with limited control.
Refinance and hold Access equity through refinance and continue holding.	Moderate	High	Moderate	High	High	Low	Unlocks capital while keeping the long-term upside.
Partial sale / portfolio trim Sell a portion of your portfolio to rebalance.	High	Moderate	Moderate	Moderate	Moderate	Moderate	Maintains exposure while reducing concentration risk.
Hold for estate transfer Retain property for estate planning and legacy.	Moderate	Moderate	Low	High	High	High	Supports legacy goals but requires careful estate planning.

HOW TO USE THIS MATRIX



- 1 Clarify your goals first.**
Define what matters most for you and your family.

- 2 Compare tradeoffs, not just price.**
Evaluate each option across what matters most.

- 3 Coordinate with your CPA and attorney.**
Align tax, legal, and financial strategies before you act.



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REPLACEMENT INCOME MENU

Explore simpler ownership options that may better fit your next stage of life.



OPTION	BEST FIT	INCOME PREDICTABILITY	MANAGEMENT BURDEN	LIQUIDITY	CONTROL	FAMILY SIMPLICITY	NOTES
 Single-Tenant Net Lease (STNL)	Income stability with minimal management	 High	 Low	 Moderate	 Moderate	 High	Long-term tenant with strong lease protections.
 DST (Delaware Statutory Trust)	Passive income with diversification and ease	 High	 Low	 High	 Low	 High	Institutional management and potential tax advantages.
 Managed Multi-Tenant Property	Higher income with professional oversight	 Moderate	 Moderate	 Moderate	 Moderate	 Moderate	More complexity than STNL but broader tenant base.
 Treasuries / CDs / Cash	Capital preservation and maximum liquidity	 Moderate	 Low	 High	 Low	 High	Lower returns, highest liquidity and security.
 Partial Sale / Retain Core Asset	Unlock cash while retaining upside and control	 Moderate	 Moderate	 Moderate	 High	 Moderate	Balance liquidity and legacy by keeping a core holding.
 Medical or Industrial NNN	Durable demand with long leases and rent growth	 High	 Low	 Moderate	 Moderate	 High	Essential-use properties with strong tenant profiles.



HOW TO USE THIS MENU

- 1 Clarify your income goal.**
Define the level of income, risk, and involvement that best supports your lifestyle and legacy.
- 2 Compare burden and control.**
Use the ratings above to find the right balance of management responsibility and decision-making.
- 3 Coordinate with tax and legal advisors.**
Ensure your strategy aligns with your tax situation, estate plan, and long-term family goals.



**THE GOAL IS
NOT JUST INCOME.**
**THE GOAL IS INCOME
THAT FITS YOUR LIFE.**



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ADVISOR COORDINATION MAP

Align your trusted advisors. Protect your legacy. Simplify ownership.



★ COORDINATION PRIORITIES

- ☐ Estate plan reviewed
- ☐ Tax basis understood
- ☐ Emergency contacts updated
- ☐ Property records organized
- ☐ Family meeting scheduled



ADVISOR TYPE	NAME	COMPANY / FIRM	PHONE	EMAIL	ROLE / NOTES
CPA / Tax Advisor					
Estate Planning Attorney					
Business / Real Estate Attorney					
Financial Advisor / Wealth Manager					
Insurance Agent / Broker					
Lender / Banker					
Property Manager					
Commercial Broker					
Family Office / Trustee					
Other					



This worksheet helps organize your advisor team and key contacts.



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FAMILY DECISION PLAYBOOK

*Practical next steps for common scenarios.
Protect your family, your property, and your legacy.*



FAMILY NAME: _____



PROPERTY / PORTFOLIO: _____



DATE PREPARED: _____



PRIMARY CONTACT: _____

1



IF THE OWNER BECOMES INCAPACITATED



Identify the decision maker.



Contact key advisors.



Review authority documents.



Locate property records.



Stabilize operations.

2



IF THE OWNER PASSES AWAY



Notify attorney and CPA.



Secure records.



Contact property manager and lender.



Communicate with family.



Decide whether to hold or sell.

3



IF A MAJOR TENANT LEAVES



Assess income impact.



Review lease strategy.



Estimate costs.



Consult leasing/brokerage help.



Update the family.

4



IF AN UNSOLICITED OFFER ARRIVES



Compare to current value.



Review tax implications.



Evaluate timing.



Assess replacement options.



Consult advisors.

5



IF HEIRS DISAGREE



Identify goals.



Gather facts.



Involve advisor team.



Compare options.



Avoid rushed decisions.



IMMEDIATE ACTION CHECKLIST



Key documents organized



Advisor team identified



Emergency contacts updated



Family meeting held



Decision framework reviewed

The goal is to leave a plan, not a problem.



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FAMILY PROPERTY BRIEF

A CLEAR SUMMARY FOR YOUR FAMILY

1 PROPERTY INFORMATION

Property Name _____

Property Address _____

Property Type _____

Year Built _____ Total SF _____

Lot Size _____



2 AT A GLANCE

Estimated Value \$ _____

Net Operating Income \$ _____

Annual Cash Flow \$ _____

Total Debt \$ _____

Equity (Est.) \$ _____

3 INCOME SUMMARY (ANNUAL)

Gross Rental Income \$ _____

Other Income \$ _____

Total Income \$ _____

Operating Expenses \$ _____

Net Operating Income \$ _____

4 KEY CONTACTS

Phone / Email

Property Manager _____

CPA _____

Attorney _____

Insurance Agent _____

Lender _____

Broker _____

5 TENANT SUMMARY

of Tenants _____

Major Tenants _____

Largest Lease Expiration _____

6 IMPORTANT DOCUMENTS LOCATION

- Lease Documents _____
- Loan Documents _____
- Insurance Policy _____
- Property Tax Information _____
- Other _____

7 KEY RISKS TO KNOW

- | | |
|--|---------------------------------------|
| ☐ Lease expirations in next 24 months | ☐ Vacancy risk |
| ☐ Major capital needs | ☐ Market risk |
| ☐ Tenant concentration | ☐ Other _____ |

8 EMERGENCY CONTACT

If something happens to me, please contact:

Name _____

Relationship _____

Phone _____



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THIS PROPERTY IS AN IMPORTANT PART OF OUR FAMILY'S FUTURE.
PLEASE USE THIS INFORMATION TO HELP PROTECT AND PRESERVE IT.

1031 EXCHANGE READINESS ROADMAP

KNOW THE TIMING. BE READY. PROTECT YOUR OPTIONS.



1 BEFORE LISTING

- Understand your goals and timeline
- Review preliminary value and tax impact
- Meet with CPA and attorney
- Identify qualified intermediary (QI)



2 BEFORE CONTRACT

- Confirm 1031 is the right strategy
- Structure sale with 1031 language
- Inform all advisors and QI
- Begin replacement property planning



3 BEFORE CLOSING

- Confirm net proceeds estimate
- Execute purchase and sale agreement
- QI prepares exchange agreement
- No receipt or control of sale proceeds



4 45-DAY IDENTIFICATION PERIOD

- Identify potential replacement properties in writing
- Up to 3 properties of any value or any number if total value does not exceed 200% of relinquished property.



5 180-DAY CLOSING PERIOD

- Complete due diligence
- Negotiate and go under contract
- Close on replacement property within 180 days
- Extensions are limited — plan ahead.



6 REPLACEMENT PROPERTY PLANNING

- Focus on investments that match your goals
- Consider single tenant net lease
- Consider DST or other passive ownership structures
- Analyze cash flow, risk, and management needs



7 ADVISOR COORDINATION

- CPA — tax planning and projections
- Attorney — contracts and legal structure
- QI — exchange structure and compliance
- Broker — market intelligence and options

KEY SUCCESS FACTORS

- ✓ Plan early
- ✓ Communicate with your advisors
- ✓ Know your numbers
- ✓ Act within the deadlines
- ✓ Keep your goals in focus



REMEMBER

Timing is everything in a 1031 exchange. Preparation today protects your options tomorrow.



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Plan today. Protect tomorrow. Preserve what you've built.

FINAL ACTION PLAN

TURN INSIGHT INTO ACTION.

1 TOP 3 CONCERNS

1. _____
2. _____
3. _____

2 TOP 3 OPPORTUNITIES

1. _____
2. _____
3. _____

3 RECOMMENDED PATH

- ☐ Hold as-is
- ☐ Simplify operations
- ☐ Prepare for sale
- ☐ 1031 Exchange into STNL property
- ☐ 1031 Exchange into DST / other passive structure
- ☐ Refinance
- ☐ Partial sale / recapitalize
- ☐ Estate transfer / family holding
- ☐ Other _____

4 ADVISOR FOLLOW-UP NEEDED

- ☐ CPA
- ☐ Attorney
- ☐ Financial Advisor
- ☐ Lender
- ☐ Insurance Agent
- ☐ Property Manager
- ☐ Broker
- ☐ Other _____

5 FAMILY MEETING NEEDED

☐ Yes ☐ No

Key family members to include:

6 TARGET DECISION DATE

Date: _____

7 NEXT MEETING WITH VAALER COMMERCIAL REAL ESTATE

Date: _____ Time: _____

Location / Format: ☐ In Person ☐ Phone ☐ Video Conference

Notes / Agenda: _____



A PLAN TODAY LEADS TO PEACE OF MIND TOMORROW.
BEFORE YOUR CHILDREN INHERIT THE PROPERTY,
MAKE SURE THEY **INHERIT A PLAN.**



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NOTES

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YOUR LEGACY DESERVES A PLAN.



Simplify ownership. Preserve value. Create better choices.
Leave a plan — not a problem.

This toolkit was designed to help commercial real estate owners and their families organize information, evaluate options, coordinate advisors, and prepare a thoughtful transition plan before decisions become urgent.

INSIDE THIS TOOLKIT

- ✓ Assess ownership complexity
- ✓ Clarify value, taxes, and options
- ✓ Prepare for sale, exchange, or transition
- ✓ Coordinate advisors and family members
- ✓ Turn insight into action with a clear next-step plan



*Before your children inherit the property,
make sure they inherit a plan.*

LET'S START THE CONVERSATION



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