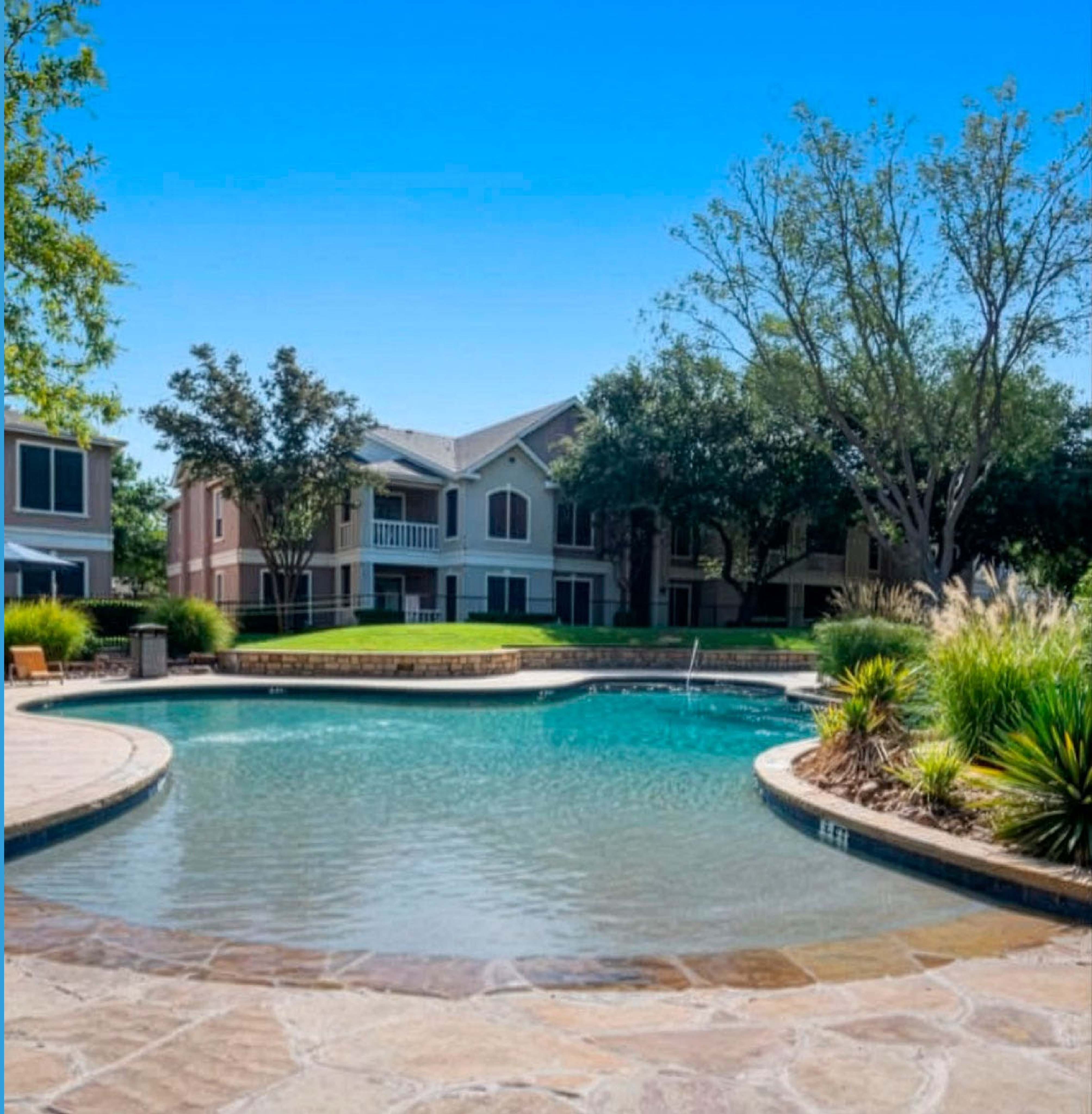
1031 EXCHANGE

INVESTOR'S GUIDE

The Paskin Group

INVESTING IN COMMUNITY



REAL ESTATE OWNERSHIP, WITHOUT THE BURDEN OF MANAGEMENT.

The Paskin Group has been executing institutional-quality real estate investments since 2003. For investors completing a 1031 exchange, we offer a proven, structured path to reinvesting proceeds into high-quality multifamily communities — without taking on a single management responsibility.

Our Tenancy-in-Common (TIC) structure is purpose-built for the 1031 exchange investor. You hold title directly as a co-owner of real property, fully satisfying IRS like-kind exchange requirements, while we handle everything else: acquisition, financing, property management, and asset management.

The result: institutional-grade real estate exposure with the legal and tax treatment of direct ownership.

TPG brings over 80 years of combined real estate experience and a team of attorneys, CPAs, and qualified intermediaries who have successfully closed dozens of tax-deferred exchanges. We understand that time is not on your side when you're mid-exchange — and we have built our process around your timeline.

Whether you are early in contemplating a sale or already counting down your 45-day identification clock, we are equipped to move with you, and to provide the guidance, documentation, and responsiveness that a successful exchange demands.

THE EXCHANGE TIMELINE —
AND HOW WE WORK WITHIN IT.

A successful 1031 exchange is governed by two hard deadlines set by the IRS. We plan around them from day one — and we strongly encourage you to contact us before you list your property for sale. The more time we have together, the more strategic your replacement options become. Many of our most successful exchange investors begin conversations months before their relinquished property is closed.

DAY 0

Relinquished Property Closes

Your sale proceeds are transferred to a Qualified Intermediary (QI) — they must never touch your hands or bank account. The exchange clock begins. TPG is most effective when engaged here or earlier, giving us maximum time to locate, underwrite, and structure the right replacement property for your proceeds.

DAY 45

Identification Period Closes

You must formally identify up to three potential replacement properties in writing by midnight of Day 45. There are no extensions — TPG works with your QI to ensure identification paperwork is completed correctly and on time. We recommend identifying multiple properties where possible to preserve optionality.

DAY 45-180

Transaction Phase

During this window, TPG is coordinating debt placement (Freddie Mac or Fannie Mae), finalizing TIC operating agreements, coordinating with your QI and legal counsel, and preparing all closing documents. Our in-house team — supported by specialized 1031 exchange legal counsel and CPAs — manages this process so you are not navigating it alone.

DAY 180

Replacement Property Must Close

All proceeds must be invested in the identified replacement property by Day 180. This deadline is absolute under IRS regulations. TPG's closing team is experienced in coordinating simultaneous multi-party TIC closings within exchange timelines, including managing lender, title, QI, and investor documentation in parallel.

THE TIC STRUCTURE

HOW YOUR OWNERSHIP IS STRUCTURED

The Tenancy-in-Common structure is an IRS-recognized form of direct real property ownership that satisfies like-kind exchange requirements under Revenue Procedure 2002-22.

You hold title directly

As a TIC investor, your name — or your entity — appears on the deed as an undivided fractional owner of the real property. This is direct real estate ownership in the eyes of the IRS, your CPA, and your estate plan.

Fully passive — no management duties

You have no obligation to participate in day-to-day management. TPG handles leasing, maintenance, vendor relationships, reporting, and all operations on your behalf through our professional property management platform.

All tax benefits of ownership

Because you hold direct title, you receive a pro-rata share of depreciation, interest deductions, and other tax benefits — identical to what you would receive owning the property independently.

Non-recourse agency financing

TPG sources Freddie Mac and Fannie Mae loans at the portfolio level. As a TIC investor, you are a borrower on the loan — but not a personal guarantor. Your liability is limited to your equity in the property.

THE NON-MEMBER MANAGER ROLE

What it is

Michael Paskin, founder and CEO of The Paskin Group, is designated as Non-Member Manager of each TIC entity. This is a named administrative role required to identify an experienced key principal — a designated sponsor with a traceable track record — before placing institutional debt.

Why it matters to you

TPG's relationships with agency lenders and our established history as a key principal are what enable access these programs at the most favorable terms available. Without this, TIC investors would be limited to higher-cost bridge or conventional financing.

What it does not change

This designation does not alter your ownership percentage, your economic interest, or your rights as a TIC investor. You retain your full fractional share of title, cash flow, appreciation, and tax benefits. This role carries no claim on investor distributions or proceeds from a future sale.

Your decision rights are preserved

Under IRS Revenue Procedure 2002-22, TIC investors must retain specific major decision rights to qualify as like-kind exchange property. These rights are contractually protected in the TIC Operating Agreement. The NMM's authority is expressly limited to day-to-day operational and lender compliance matters.

YOUR RIGHTS AS A TIC INVESTOR

WHAT YOU CONTROL — ALWAYS.

IRS Revenue Procedure 2002-22 requires that TIC co-owners retain meaningful rights over major property decisions. These rights are expressly enumerated and protected in your TIC Operating Agreement.

01

Sale or disposition

No TIC co-owner's interest may be sold, and the property itself may not be sold or disposed of, without co-owner approval as specified in the operating agreement.

02

Lease approval

Any master lease or new leasing arrangement affecting the property requires co-owner consent. Day-to-day residential leasing is managed operationally within pre-approved parameters.

03

Financing decisions

The decision to refinance, encumber, or otherwise modify the debt structure of the property requires co-owner approval — your interest cannot be leveraged without your consent.

04

Management selection

Co-owners retain the right to approve or replace the property management company. TPG's engagement of its management partner is subject to co-owner consent.

05

Capital improvement decisions

Major capital expenditures above pre-agreed thresholds require co-owner sign-off. Routine maintenance and lender-required improvements are handled within operating guidelines.

06

Transfer of your interest

Your TIC interest may be transferred or sold at any time, subject to standard right-of-first-refusal provisions. Your interest is yours — TPG does not hold transfer approval authority.

FROM FIRST CALL TO CLOSED INVESTMENT.

We have refined this process across dozens of exchange investments. Every step is designed to reduce friction, meet your timeline, and produce a closing you feel confident in.

1

Initial consultation

Understand your timeline, equity, and property goals

2

Property matching

Present available opportunities sized to your exchange proceeds

3

Identification support

Work with your QI to file ID documents before Day 45

4

Documentation & financing

TIC agreements, agency debt placement, lender coordination

5

Closing & onboarding

Exchange funds wire, title transfer, investor portal access

EXPERIENCE YOU CAN
RELY ON UNDER PRESSURE

A 1031 exchange is one of the most time-sensitive transactions in real estate. The team you choose must have done this before — many times, and at scale.

$600M+	20+	$82M+	180%
Current portfolio value	**Years of combined real estate experience**	**In total operating returns distributed to investors**	**Average total return across all realized investments**

Dedicated exchange legal counsel

TPG works with attorneys who specialize exclusively in 1031 exchange transactions and TIC structures. Your operating agreement is reviewed, negotiated, and tailored to your specific exchange, equity position, and estate planning needs — not a form template.

CPA coordination and tax documentation

We prepare and deliver all required tax documents — including Schedule K-1s, depreciation schedules, and year-end financials — no later than March 15th each year. Our CPAs work directly with your advisors to ensure your exchange is reported correctly from day one.

We always advise: involve your own attorney and CPA throughout this process. We will work collaboratively with your advisors to answer their questions, provide documentation, and ensure your team is fully informed before you sign anything.

FAQ

WHAT INVESTORS WANT TO KNOW

01

What is a 1031 exchange, and why does it matter?

A 1031 exchange allows a property owner to defer capital gains taxes on the sale of investment real estate by reinvesting the proceeds into a “like-kind” replacement property. Rather than paying tax in the year of sale, the gain is deferred indefinitely as long as you continue to exchange. Done correctly over a lifetime, a 1031 exchange is one of the most powerful wealth-preservation tools available to real estate investors.

02

What qualifies as “like-kind” property?

Under IRS regulations, “like-kind” for real property is interpreted broadly — any real property held for investment or business use qualifies, regardless of property type. A residential rental can exchange into a multifamily community, a commercial building, or a TIC interest in any investment-grade real estate. Both the relinquished and replacement property must be held for investment — not personal use.

03

What is “boot” and how do I minimize it?

Boot is any portion of your exchange proceeds not reinvested into a like-kind replacement property — and it is taxable in the year of the exchange. To defer all gain, you generally need to: (1) reinvest all net proceeds, and (2) take on debt equal to or greater than what you relinquished. TPG works with your QI and CPA to structure your investment to minimize or eliminate taxable boot — but every situation is different, and you should always consult your own tax advisor.

04

Do I need a Qualified Intermediary (QI)?

Yes — a QI is legally required for a valid 1031 exchange. The QI holds your sale proceeds between the close of your relinquished property and the close of your replacement property. If the proceeds ever touch your hands, the exchange is disqualified and the entire gain becomes immediately taxable. The QI must be a disinterested third party — TPG and your real estate agents cannot serve as your QI. We can refer you to experienced, bonded QIs if you do not have one in place.

FAQ

INVESTING WITH TPG IN A TIC STRUCTURE

01

What do I actually own?

You own an undivided fractional interest in the real property — your name or entity is on the deed as a co-owner. This is direct real estate ownership, not a fund unit, not a REIT share, and not a limited partnership interest. You receive all the same legal rights and tax treatment as if you owned the property independently, including depreciation, mortgage interest deductions, and the right to complete a future 1031 exchange upon sale.

02

Can I sell or transfer my TIC interest?

Yes. A TIC interest is transferable and can be sold at any time, subject to right-of-first-refusal provisions in the operating agreement. These investments are intended as long-term holds — typically 5–10 years — and there is no liquid secondary market. A TIC interest you hold today can be relinquished in a future 1031 exchange, allowing you to continue deferring gain across multiple exchange cycles.

03

What happens when the property is eventually sold?

When TPG and co-owners determine the time is right to sell, all TIC investors have the right to participate in a subsequent 1031 exchange into a new TPG offering — or to take their sale proceeds directly (in which case deferred gains would become taxable). Disposition decisions require co-owner approval and are made collectively with the objective of maximizing long-term investor outcomes.

04

What documents will I need to sign?

Exchange investors typically sign: a TIC Co-Ownership Agreement, a Property Management Agreement, an Asset Management Agreement, and loan documents as a co-borrower (note: you are a borrower but not a personal guarantor on non-recourse agency debt). You may also be asked to provide KYC documentation for lender underwriting. TPG's in-house team guides you through every document.

05

Should I involve my own attorney and CPA?

Absolutely — and we encourage it. Every investor should engage their own legal and tax counsel when reviewing an investment with TPG. A qualified 1031 exchange attorney can confirm that the investment structure satisfies your exchange requirements and advise on estate planning implications. Your CPA can model the tax impact including depreciation, boot exposure, and future disposition scenarios. TPG's team is available to answer questions from your advisors directly.

READY TO START THE CONVERSATION?

The earlier you engage us in your sale process, the more strategic your exchange options become. Whether you are 12 months out or counting down your 45-day clock, our team is ready to move with you.

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