

Banking your 1031 exchange in uncertain markets

There has been a great deal of turmoil in the financial markets and banking industry as several large and well known financial institutions have stumbled. Given these concerns, it is important to understand the typical 1031 escrowed funds process.

During the exchange, the Qualified Intermediary you select has control of the funds. While a Qualified Intermediary may accept your input regarding where to place the deposit, it is ultimately up to them.

As a subsidiary of FirstBank, 1031 Corporation segregates your account from all other exchange accounts. The exchange we facilitate for you will have an account number that, upon request, can be viewed 24/7 on FirstBank's Internet Banking site. Our clients know exactly where the money is and don't need to fear swings in the stock market. Account segregation is very important for security of funds.

It is also worth checking on the stability, strength and customer service the bank provides - particularly in times of uncertainty. 1031 Corporation, as a subsidiary of FirstBank, deposits all client escrow funds at FirstBank.

Solid History - FirstBank was founded in Lakewood, Colorado in 1963. It is employee owned with a long term focus. Over 100 officers and nearly 600 employees have more than 10 years of service with FirstBank.

Strong Financial Position - FirstBank is viewed as well capitalized under regulatory guidelines. FirstBank's assets total \$9.5 billion as of June 30, and deposits were \$8.7 billion. FirstBank continues to experience solid growth in both assets and deposits.

Record Earnings - FirstBank reported outstanding results for the first half of 2009. FirstBank's net income was \$72,264,000 in the first six months of 2009, up 7% from the comparable period last year.

Unique FDIC Insurance Options - While most banks can only provide FDIC insurance up to \$250,000 of your exchange funds, FirstBank's 25 separate bank charters make it possible to be insured for up to \$6.25 million. No longer is there a need to "spread the risk" around by opening multiple accounts at various financial institutions.

No Subprime Involvement - FirstBank does not originate, hold or purchase subprime mortgage loans or securities. Continued focus on credit quality enables them to succeed in all economic cycles.

Bonded and Insured - We maintain a fidelity bond of \$25 million and professional liability insurance of \$15 million to provide increased confidence. Many in the industry are no longer able to obtain bonding. We can provide a copy of our insurance coverage to any exchange client.

Open For Business - FirstBank has over 130 locations in three states (Colorado, Arizona and California) serving over 600,000 customers.

You have the right to know where your exchange funds are held. It is extremely important in these times of uncertainty! 1031 Corporation offers:

- Segregated Accounts
- FDIC Insurance Options
- Low Flat Fees
- Personal Service

Give us a call today toll free at **888-367-1031** or email us at 1031@1031cpas.com.

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1031cpas.com or efirstbank.com/business/1031

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