

NEVADA QUALIFIED INTERMEDIARY RULES

"SUBSIDIARIES OF TITLE INSURANCE COMPANIES ARE EXEMPT"



Compliments of

NRS 645.605, within the Nevada Revised Statutes and Nevada Administrative Codes, requires that an entity who acts as a qualified intermediary in Nevada must register with the Real Estate Division. However, these rules provide an exception as reflected below:

"If you are a bank or other depository institution, an escrow company, a title insurer, an agent licensed pursuant to change 92A or NRS or a subsidiary or employee of such an organization, you need not register."

Since Asset Preservation, Inc. (API) is a subsidiary of Stewart Title Company and a part of Stewart Information Services Corp. (NYSE: STC) family of companies, we are exempt from registering with the Real Estate Division.

SECURITY OF PROCEEDS IS OUR FOREMOST CONCERN

At API, security of the exchange funds is paramount to all other aspects of an exchange. An investor selecting a qualified intermediary in an IRC §1031 tax deferred exchange should thoroughly explore all the security mechanisms provided by the qualified intermediary.

BETTER THAN BONDED

Asset Preservation, Inc. is proud to offer all four of the "safe harbors" provided in the Treasury Regulations. Our many levels of security, backed by a written "Letter of Assurance" from Stewart Title Company, provide Exchangers with the highest degree of security for exchange proceeds

QUESTIONS TO ASK AN INTERMEDIARY

- 1) Where will the exchange funds be held? (If held in a bank, are you aware that FDIC coverage is only for \$100,000 per account?)
- 2) In what type of account are the funds invested?
- 3) Are separate accounts set up for each client?
- 4) What are the requirements for the withdrawal of any exchange proceeds? (Is the Intermediary authorized to move funds without the Exchanger's written approval?)
- 5) Can the Exchanger elect to require their notarized signature for the movement of funds at all times? (What written documents specify this requirement?)
- 6) Can a written "3rd Party Guaranty" be provided to all Exchangers? (Is this backed by a well known entity with an established track record and sufficient assets to cover a potential loss of exchange proceeds?)

Call the professionals at Asset Preservation. We are confident you will find our security to be unparalleled!



A National IRC §1031 "Qualified Intermediary"

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Asset Preservation, Inc. does not give tax or legal advice. The information contained herein should not be relied upon as a substitute for tax or legal advice obtained from a competent tax and/or legal advisor.