Think Twice: Savvy Ways to Leave it to the Kids!

Thinking of passing on your investment real estate directly to your kids? It might be time to press pause and explore some better alternatives to protect and streamline your family's property investments.

When you reach **THIS** fork in the road; there are two simple directions that you can take to prepare your heirs for ownership:

1. **Involve your heirs in managing your property portfolio today.** This will result in peace of mind and an eventual seamless transition.
2. On the other hand, if there is no interest or expertise; it can be best to transition to low or no management real estate, preserving your wealth, avoiding heartache and dreaded capital gain taxes.

Simplifying Estate Planning: The Real Deal

- Estate Planning Misstep: Handing over investment properties to your children might seem straightforward, but it's not always the wisest move. It could lead to complications that affect not just the properties' value but also your heirs' peace of mind.
- Ownership Complexity: If your heirs lack the desire, know-how, or resources, they will face a tough time managing the complexities of investment properties, from stubborn vacancies to nagging maintenance issues.

Heirs and Headaches: Avoiding the Common Pitfalls

- Vacancy Challenges: Without the necessary expertise, your heirs may struggle with filling empty spaces, which can be an intricate dance involving marketing, legal documents, and building upgrades—potentially straining their finances.
- Maintenance Woes: Overlooked repairs become costly surprises down the road, demanding significant investments for upkeep and possibly leading to unexpected financing needs. As any seasoned owner knows, deferred maintenance snowballs.
- Debt Refinancing: Navigating the refinancing world is tricky, and if the numbers don't add up favorably, your heirs might find themselves in a cash flow crunch.

Smart Moves: A Strategy for You and Your Heirs

1031 Tax-Deferred Exchanges: Consider transitioning your complex assets into more manageable Net Lease or Delaware Statutory Trusts. It's a win-win: You get a simplified

MERIDIAN COMMERCIAL
Ces Cecchin
CA LIC #01763657
(415) 762-8064
ces@meridiancommercial.com
17 E Sir Francis Drake Blvd., Ste. 203
Larkspur, CA 94939
(415) 451-4900
www.meridiancommercial.com

portfolio with the possibility of enhanced cash flow, and your heirs dodge the bullet of property management headaches.

Securing Legacy and Wealth

Preserving Wealth: Transferring your assets through a 1031 exchange can mean big tax savings for you and your heirs when they eventually sell, safeguarding a significant portion of your property's value and income.

What can you do about it? In essence, direct inheritance of investment real estate isn't always the smartest legacy strategy. Look towards options like 1031 exchanges into Net Lease or Delaware Statutory Trusts for a smooth transition.

Plan smart, plan ahead - your heirs will thank you for it!

What do I do?

I specialize in helping investment property owners increase their asset value, make profitable investments, divest, and attain their real estate objectives. I have extensive experience brokering commercial and investment property sale and leases in the San Francisco bay area.

Testimonial

"Ces Cecchin was transparent, presented all of the options, and helped us make the important decisions. I trust him and would recommend him to anyone looking to sell their investment building."- **Edward D., Investment Property Owner, Kentfield CA.**

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