

[Law Firm/Accounting Firm Letterhead]

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Tax Opinion Regarding Forward Deferred Like-Kind Exchange under Section 1031

Dear [Client Name],

You have requested our legal opinion regarding the federal income tax consequences of a proposed deferred like-kind exchange (the "Exchange") to be executed by [Client Name] (the "Exchangor") pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code").

FACTUAL BACKGROUND

Based on the representations provided to us, the Exchangor intends to transfer certain real property (the "Relinquished Property") held for investment or use in a trade or business. Following the transfer, the Exchangor intends to acquire replacement real property (the "Replacement Property") to be held for investment or use in a trade or business. The transaction will utilize a Qualified Intermediary (the "QI") to facilitate the exchange in accordance with Treasury Regulation § 1.1031(k)-1.

DOCUMENTS REVIEWED

In rendering this opinion, we have reviewed the following:

- The Purchase and Sale Agreement for the Relinquished Property;
- The Exchange Agreement between the Exchangor and the QI;
- The Assignment of the Purchase and Sale Agreement to the QI;
- The Escrow/Closing Instructions.

OPINION

Based upon the facts and representations provided, and subject to the limitations set forth herein, it is our opinion that:

1. The Relinquished Property and the Replacement Property constitute "like-kind" property within the meaning of Section 1031 of the Code.
2. The use of a Qualified Intermediary and the proposed Exchange Agreement satisfy the "safe harbor" requirements of Treasury Regulation § 1.1031(k)-1(g)(4).

3. Provided the Exchangor strictly complies with the 45-day identification period and the 180-day exchange period, the transaction will qualify for non-recognition of gain or loss under Section 1031.
4. The Exchangor will recognize gain only to the extent of any "boot" received, including cash proceeds not reinvested or a net reduction in mortgage liabilities.

LIMITATIONS

This opinion is based on the Code, Treasury Regulations, and administrative rulings currently in effect. Any change in law or facts may affect the conclusions stated herein. We express no opinion as to state or local tax consequences.

Sincerely,

[Signature]

[Name of Authorized Signatory]

[Firm Name]