

1031 EXCHANGE

By Alan Fruitman, www.1031tax.com

Everyone wants NNN Property!

NNN leased properties are hot. 1031 exchange buyers, baby boomers, doctors, lawyers, REITs and seemingly everyone else who has money to invest wants to own NNN property.



Alan Fruitman

Before 2008, many investors desired shopping centers with high vacancy and upside potential. These investors thought the predictable cash-flow from NNN properties was boring. However, in 2013, "high vacancy" and "upside potential" with multi-tenant properties are keywords for danger and foreclosure.

Guaranteed income, a tenant with an Investment Grade Credit Rating from Standard and Poors, a long-term lease, no property management, no property maintenance, and a prime location are what investors now crave. These are the attributes that make NNN properties so desired and hot.

NNN properties are one of the only investments that yield stable and guaranteed income with a relatively high rate of return. Multi-tenant properties have sporadic vacancy, management hassles and continuous maintenance requirements. Dividend yield on stocks is miniscule. 10 year US Treasury bonds yield less than 2%. Bank savings accounts yield less than 0.2%. Income has become scarce; risk has not. In contrast, most NNN properties yield between 5% and 7.5%.

Investors often purchase NNN properties for the passive / retirement income. In addition to retirement income, it is very easy for a spouse, child or charity to inherit a NNN property since minimal real estate expertise is needed to own this type of investment.

Robust investor demand for NNN properties has created a challenging marketplace. The inventory of available properties is low and properties sell fast. It is not uncommon for a quality property that is properly priced, with a long-term lease (15-25 years) from a

financially strong tenant, to receive multiple offers the first day the property comes to market, is one key to your purchasing success. Another key to your purchasing suc-

secure the property before you do.

1031tax.com receives and reviews more than 100 NNN properties from its network of developers, owners and real estate brokers every day. 1031tax.com selects the best of the best and sends between 5 and 12 confidential NNN properties to its select principal buyers every weekday.

Here are a few examples of credit worthy companies (tenants) that 1031tax.com sends to its clients: Walgreens - \$38 Billion, CVS Caremark - \$64 Billion, McDonald's - \$96 Billion, AutoZone - \$14

Billion, Dollar General - \$16 Billion, JP Morgan Chase - \$189 Billion, Wells Fargo - \$188 Billion. Market caps have been rounded. Source: www.finance.yahoo.com on March 3, 2013.

Contact Alan Fruitman, Jim Slinkard or Elizabeth Laesecke at www.1031tax.com. Alan, Jim and Elizabeth are available to discuss your specific property requirements and will send a nationwide inventory of NNN properties to you.

Alan Fruitman is president and managing broker at 1031tax.com. ■

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to market.

Receiving and promptly reviewing NNN properties the first day the property comes to market, or before the property officially comes

to market, is being decisive. Once you find the right NNN property, you must quickly submit a Letter of Intent (LOI) to purchase the property. If you wait, another buyer will

NNN Properties Nationwide

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