

### **Quadrupling Your Quadruplex**

A young owner of a 4-unit non-rent controlled property in Inglewood was carefully considering performing a 1031 exchange and was concerned about whether or not it was a good business decision. She consulted Danielle Hoston and Dana Mendez about her property's value and her options in the current market. She was emotionally tied to the property but was open to her options because, after all, it was an investment.

She owned the property for a few years and knew she had equity but was surprised at how much equity she had after the evaluation was performed. She was even more surprised when she discovered that how low her return on equity was and how poorly her investment was performing.

While she remained hesitant due to her emotional ties, she agreed to go to market and list the property with Hoston & Associates, Inc. The market began to shift during her marketing period and the owner became concerned when she saw that her equity may be slipping through her fingers. Danielle Hoston and Dana Mendez vigorously increased the marketing efforts – even going so far as to pass out treats on Halloween – in order to locate a buyer and, shortly thereafter, opened escrow.

The owner was thrilled with the marketing efforts in a difficult market that Danielle and Dana executed and was happy to close escrow but still remained concerned about replacing her cash flow. Twenty days later, Danielle and Dana located a 16-unit non rent-controlled property in Los Angeles to complete the owner's 1031 exchange.

After some negotiation, Danielle and Dana were able to negotiate the price within the parameters of the owner's exchange dollars. She was able to close escrow without paying one dollar of capital gains OR using any of her own money. Furthermore, she nearly TRIPLED her cash flow and QUADRUPLED the number of units she owned. Needless to say, the owner was thrilled to complete a 1031 exchange and is looking forward to her next one.

**WHO SELLS YOUR PROPERTY, HOW IT IS SOLD, AND TO WHOM  
MAKES THE DIFFERENCE IN YOUR NET PROCEEDS!**