



What is a 1031 Exchange?

A 1031 exchange or tax deferred exchange is a method for selling a qualified property and then proceeding with the acquisition of another qualified property within a specified timeframe. A 1031 exchange is different because the transaction is considered to be an exchange and not a sale. The act of exchanging and not buying and selling enables the taxpayer to qualify for a deferred gain treatment.

Any property owner should at least consider a 1031 exchange when there are plans to purchase a replacement "Like Kind" property following the sale of existing property. Otherwise, the property owner would be subject to capital gains tax on the sale. The sale of the relinquished property and the acquisition of the replacement property do not have to be simultaneous. In the case of a non-simultaneous exchange, the seller must use a Qualifying

Intermediary, follow IRS guidelines and use the proceeds of the sale to buy more qualifying, like kind property. The seller has 45 days after the sale to identify a replacement property and 180 days after the sale of the old property to complete the purchase of the new property.

The steps in completing a 1031 exchange are as follows:

1. Consult with your attorney or CPA.
2. Sell the original property.
3. Identify a Qualified Intermediary and enter into a 1031 Exchange Agreement with him.
4. The sale of the original property closes with the proceeds of the sale going to the Qualified Intermediary.
5. The seller sends written identification of the address or legal description of the replacement property to the Qualified Intermediary on or before day 45 of the exchange.

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6. The seller will enter into an agreement to purchase the replacement property.
7. The purchase of the replacement property by the Qualified Intermediary is completed.
8. The seller files the necessary forms with the IRS and state agencies.

The above is a simplified description and explanation of a 1031 tax deferred exchange and meant only to make you aware of the possibility of using a 1031 exchange. We do not intend to give legal or tax counsel in any way. The 1031 exchange can be a complicated matter and

there are procedures and restrictions that must be closely adhered to in order to qualify for the tax deferred exchange. You should definitely consult your accountant and attorney prior to entering into a 1031 exchange agreement.

The Coyote

The coyote is a species of canine found throughout North and Central America, ranging from Panama to Alaska and all but the northernmost portions of Canada. Originally the native range of coyotes was confined to west of the Mississippi. Then, foxhunters deliberately released coyotes into the wild in the southeast for the purpose of hunting. The coyote was first documented in Alabama in the early 1920s. A significant increase in coyote populations was noted in the 1970s due to the decline of red wolf populations and land management practices such as widespread timber harvesting. Today the coyote can be found in each of the counties of Alabama.

Coyotes are often mistaken for small to medium sized domestic dogs. Coyotes grow up to about 4 feet in length and weigh on average about 25 pounds. The northern subspecies of coyote generally



grows bigger than the southern subspecies of coyote. The Eastern coyote is the largest of all and has been found to be the result of a few remnant wolves mating with incoming coyotes in the northeastern states of the USA. They have a long, bushy black-tipped tail, pointed ears and a narrow pointed face. Their fur varies in color, from light brown to grayish. The fur on their belly is usually white.

Coyotes make their dens in rocky crevices, logs, caves or the dens of other animals. Though they are capable of digging their own den, they usually will find an abandoned den of a badger or a fox and enlarge it. This becomes the center of the coyotes territory which can ex-

tend to 12 miles around the den. The size of the territory depends on how much food is available.

Coyotes are highly omnivorous, feeding on a variety of plant and animal material. They eat small mammals such as voles, prairie dogs, eastern cottontails, ground squirrels, mice, birds, snakes, lizards, deer, javelina, and livestock, as well as insects and other invertebrates. The coyote will also target any species of bird that nests on the ground. They will eat carrion, but tend to prefer fresh meat. Fruits and vegetables can form a significant part of the coyote's diet in the summer and autumn. Part of the coyote's success as a species is its dietary adaptability. As such, coyotes have been known to eat human rubbish and domestic pets.

Not only will a coyote's diet shift to whatever prey items are in abundance or readily available, but it may also reduce

or increase reproduction to adjust to its changing environment. Coyotes breed only once a year, with litter size averaging four to six pups. However, they are capable of having litters ranging up to nineteen pups. Research suggests that litter sizes may vary depending on prey availability. Studies also suggest that coyotes will increase their

fecundity rates in areas where attempts are made to eradicate them. This type of reproductive capability could explain why coyotes are capable of withstanding such rigorous control measures.

Historically the coyote has generally been nocturnal but now can often be seen during

the day in areas where they are not persecuted by humans. In areas where they are heavily hunted and trapped they tend to remain nocturnal with most activity occurring around sunrise and sunset.



Managing the Coyote Population and Deer Survival

Do coyotes cause deer populations to decline? The jury is still out on whether coyotes have a real impact on herd numbers. While the alpha male and female may attempt to take down an adult deer, most of the pack would rather stick to smaller game. They will, however, take fawns without hesitation. If you are concerned that too many of your fawns are being taken by coyotes, you can protect your fawn population with habitat.

Creating fawning areas of super dense cover that is few

acres in size will do wonders for fawn survival. The abundance of thick habitat makes it easier for fawns to hide from predators.

Cutting young 3- to 6-inch trees three quarters of the way through (hinge cutting) and tipping them over one atop the other creates good cover for fawning and nesting. It is very labor intensive but it makes excellent cover for the fawns.

Plant warm-season native grasses in 2- to 4-acre blocks. They grow very dense

and a fawn buried deep in one of these fields is almost scentless as winds seldom penetrate deep enough.

A good timber clear cut with lots of tops left to shelter regenerating trees and brush should provide excellent fawn cover in a few years. The trick in creating cover is to get daylight to the ground.

Habitat creation is the key to fawn protection. It may not be the total solution to the coyote problem, but it certainly is an important part of it.

We want to hear from you!

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7 Smart Strategies for Remodeling Your Bathroom

Most homeowners dream about getting a bathroom that's high on comfort and personal style but are concerned about making the right decisions on materials, fixtures, and amenities that will have lasting value. Fortunately, there's good news.

A bathroom remodel is a solid investment, according to Remodeling magazine's annual Cost vs. Value Report. A \$15,000 bath remodel will recoup almost 75% of those costs when it's time to sell your home, and a more extensive \$50,000 job returns 70%. In addition, you can maximize the value of your investment by using smart strategies to help you to get the bathroom of your dreams while keeping costs undercontrol.

1. Create a plan, and stick to it

"The biggest issue in a bathroom remodel is adequate planning, no question," says

Jeani Lee, a certified kitchen and bath designer and president of the Iowa chapter of the National Kitchen and Bath Association (NKBA). "You need to thoroughly evaluate how you plan to use the space, what kinds of materials and fixtures you want, and how much you're willing to spend. Don't begin your project until you have answers to every aspect of your plan."

In fact, the NKBA recommends spending up to six months evaluating and planning before beginning the actual work. That way, you can be confident of your priorities and won't make decisions under duress. Once work has begun—a process that averages 2-3 months—refrain from changing your mind. Work stoppages and alterations add costs. Some contractors include clauses in their contracts that specify premium prices for changes to original plans.

If planning isn't your strong suit, consider hiring a

designer. In addition to helping establish style and effective use of space, a professional designer makes sure all aspects of a project are harmonious so that contractors and installers are sequenced in an orderly fashion. A pro charges \$100 to \$200 per hour, and spends 10 to 30 hours on a bathroom project.

2. Keep the same footprint

No matter the size and scope of your planned bathroom, you can save major expense by not rearranging walls, and by locating any new plumbing fixtures near existing plumbing pipes. You'll not only save on the demolition and reconstruction that moving walls and pipes require, you'll greatly reduce the amount of dust and debris your project generates.

3. Make lighting a priority

When it comes to adding creature comforts, your first thoughts might be multiple

shower heads and radiant-heat floors. But few items make a bathroom more satisfying than lighting designed for everyday grooming. You can install lighting for a fraction of the cost of pricier amenities.

Well-designed bathroom task lighting surrounds vanity mirrors and serves to eliminate shadows on faces. The scheme includes two ceiling- or soffit-mounted fixtures with 60-75 watts each, and side-fixtures or sconces providing at least 150 watts each distributed vertically across 24 inches (to account for people of various heights). Four-bulb lighting fixtures work well for side lighting.

4. Clear the air

Because bathroom ventilation systems are basically hidden, they usually don't appear on a must-have list. Nevertheless, bathroom ventilation is essential for removing excess humidity that fogs mirrors, makes bathroom floors slippery, and contributes to the growth of mildew and mold. Controlling mold and humidity is especially important for maintaining healthy indoor air quality and protecting the value of your home—mold remediation is expensive, and excess humidity can damage cabinets and painted finishes.

A bathroom vent should exhaust air to the outside—not simply to the space between ceiling joists. Better models have whisper-quiet exhaust fans and humidity-controlled switch-

es that activate when a sensor detects excess humidity.

5. Think storage

“Adding storage to the bath is a challenge, and should be a top consideration in the planning stages,” says Linda Eggers, editor of Kitchen and Bath Ideas magazine. To add storage:

- Think vertically. Often, upper wall space in a bathroom is underused. Freestanding, multi-tiered shelf units designed to fit over toilet tanks turn unused wall area into storage. Spaces between wall studs can be used to create niches for holding soaps and toiletries. Install shelves over towel bars to use blank wall space.
- Think moveable. Inexpensive woven baskets set on the floor are stylish ways to hold towels. A floor-stand coat rack can be used to hang drying towels, bath robes, or clothes.
- Think utility. Adding a slide-out tray to vanity cabinet compartments gives you full access to stored items and prevents lesser-used items from being lost or forgotten.

6. Contribute a little sweat equity

You can shave labor costs by doing some of the work yourself. Again, discuss this with your contractor; the agreement you both sign should specify what projects you'll assume responsibility for. Some easy DIY projects:

- Install window & base board trim; save \$250
- Paint walls and trim, 200 s.f.; save \$200
- Install toilet; save \$150
- Install towel bars and shelves; save \$20 each

7. Use low-cost design for high visual impact

If you'd like to add visual zest to your bathroom but are concerned about going too far or creating a one-of-a-kind look that might put off a future buyer, try a soft scheme. A soft scheme employs neutral colors for permanent fixtures and surfaces, then adds pizzazz in items that are easily changed, such as shower curtains, window treatments, towels, throw rugs, and wall colors. These relatively low-cost decorative touches provide tons of personality but are easy to redo whenever you want.

With good planning and budget-savvy strategies, your new bathroom will provide years of satisfaction.

Source: NATIONAL ASSOCIATION OF REALTORS®
HouseLogic.com

Listings!



1255.15 acres, more or less: Sections 35 and 36, T15N, R9E and Section 1, T14N, R9E on Alabama River southwest of Selma in Dallas County, Alabama. Excellent timber/recreational property. \$5,500,000. CALL GARY at 334-217-0595.



520 acres in Marengo County: Located 1/2 mile from Demopolis. Cattle farm with 2 bedroom/1 bathroom log house. Lake. 2400 SF barn with shop area and office area, pole barn and large hay barn. 5 food plots with blinds. \$2,000,000. CALL BILL at 341-7966.



460 acres in Crenshaw and Covington Counties: Located 5 miles southwest of Brantley and 6 miles northwest of the Rose Hill community. Forest stands on the property include premerchutable pine plantation, pine, bottomland hardwood, and streamside management zone timber types. There is one wildlife food plot on the property and a number of sites that could easily be put into wildlife food plots. This tract has frontage on the Conecuh River and is well suited for timber production and recreation in the form of hunting. CALL GARY at 334-217-0595.



3469 County Road 19, Greensboro: 3 bedroom/2 bath ranch-style home on 200 acres just north of Greensboro in Hale County. Truck shed, horse stable, 3 barns, 4 small shooting houses, 1 large shooting house, a water well and 2 5-acre lakes with a pier each are all featured on this great property! Property to be sold by lump sum, sealed bid on May 8. CALL GARY for more information or for a prospectus.



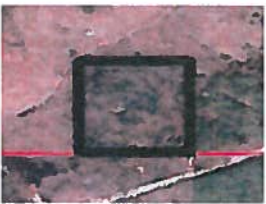
140 acres on YC Stone Road: East central part of Perry County, Alabama. Premerchtable pine plantations and standing timber. 3 wildlife food plots with shooting house. Good hunting and investment property. Property to be sold by lump sum, sealed bid on May 1. CALL GARY for more information or for a prospectus.



173.3 acres in Marengo County: Features some areas in pine plantation, clear cut areas, bottomland hardwood areas and several wildlife food plots. Chickasawbogue Creek crosses the north end of the property. A cell tower provides annual income and future development of some of the property into residential use should be a possibility. Property to be sold by lump sum, sealed bid on May 1. CALL GARY for more information or for a prospectus.



40 acres in Bibb County: Timberland located near Randolph in the southeast portion of Bibb County, Alabama. Forest stands include well-stocked 20-year old pine plantation ready to be thinned. Good site index for loblolly pine. Priced at \$75,000. CALL GARY at 334-217-0595.



40 acres in Tuscaloosa County: This tract is located on the Tuscaloosa-Hale County line near the Talladega National Forest and is bordered by timber companies on the south and east boundaries. This secluded tract is well stocked with stands of pine and mixed pine hardwood timber and should be an excellent timber investment and recreational property. Property to be sold by lump sum, sealed bid on May 1. CALL GARY for more information or for a prospectus.



80 acres in Greene County: Borders the City Limits of Eutaw on its north side. Excellent timber and recreational property with pine and streamside management zone timber types. 10 acres of lime rock outcropping serve as excellent wildlife areas. There are several areas on the tract that could be utilized as wildlife food plots. Property to be sold by lump sum, sealed bid on May 1. CALL GARY for more information or for a prospectus.



54 acres in Lamar County: Located near the Detroit Community in the NW portion of Lamar County. Forest stands consist of 11-13 year old natural hardwood regeneration and a streamside management zone. Priced at \$50,000. CALL GARY.



36 acres in Marion County: Located in the SW section of Marion County. Forest stands include pine plantation, pine, pine upland hardwood and streamside management zone timber types. Priced at \$50,000. CALL GARY.



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Housing Market Update

Existing home sales decreased .4% to a seasonally adjusted annual rate of 4.6 million in February from 4.62 million in January. This is 7.1% lower than February 2013 sales.

Single-family home sales dropped .2% to a seasonally adjusted annual rate of 4.04 million in February from 4.05 million in January, and are 6.9 % below the 4.34 million-unit level in February 2013.

Existing condominium and co-op sales decreased 1.8% at a seasonally adjusted annual rate of 560,000 units in February and are 8.2% lower than one year ago.

Total housing inventory at the end February rose 6.4% to 2 million existing homes available for sale, which represents a 5.2-month supply at the current sales pace, up from a 4.9-month supply in Janu-

ary.

Building permits rose 7.7% from in to a seasonally adjusted annual rate of 1,018,000 in January. Builders broke ground on 907,000 homes, a .2% decrease over January's totals.

Source: Department of Commerce and National Association of Realtors Press Releases

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