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FEA President's Update  
Teresa Person, CES®  
2018 President  
1031 Exchange Corporation  
Austin, TX

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## FEA – FACT SHEET

**Mission:** To serve, preserve, and advance Section 1031 Exchanges and the QI industry.

**Vision:** FEA is recognized by public policy makers and US taxpayers as the industry leader and standard setter for the exchange industry.

**Purpose:** Educate consumers, provide resources to members, network with other professionals related to 1031 activities, drive legislation for the benefit of our industry.

**Certification Program:** Certified Exchange Specialist® or CES®  
[www.1031ces.org](http://www.1031ces.org)

**Year Founded:** 1989

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## FEA – FACT SHEET con't

**Member Companies:** Regular Members 118/Affiliate Members: 34 = Total Contacts: 626

**Member Breakdown:** Members include Qualified Intermediaries (QIs), their primary tax and legal counsel, & affiliated industries (DST/TIC sponsors, banks, real estate brokers, title companies, settlement/escrow agents, etc.)

**States represented:** 40 of 50 states represented – 80%

**Association Headquarters:** Federation of Exchange Accommodators (FEA)  
 1255 SW Prairie Trail Parkway / Ankeny, IA 50023-7068  
 Office Phone: (515) 244-6515 Fax: (515) 334-1167

**Association Website:** [www.1031.org](http://www.1031.org) / Issues Website: [www.1031taxreform.com](http://www.1031taxreform.com)

**Lobbyist:** David E. Franasiak, Principal, Williams & Jensen, PLLC  
 701 8th Street, NW, Suite 500, Washington, DC 20001  
 Phone: 202-659-8201 / Email: [defranasiak@wms-jen.com](mailto:defranasiak@wms-jen.com)

**Management Company:** Association Management Ltd. / Lynn M. Harkin, CAE, Executive Director  
 Direct: (515) 334-1067 / Email: [director@1031.org](mailto:director@1031.org)

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# FEA Leadership

2018 Officers/Other	FULL_NAME	Company	CITY	STATE
Vice President	Michael Anderson, CES®	Exchange Services, LLC	Salt Lake City	UT
New (Ethics Co-Chair)	Julie Baird	First American Exchange Comopany	Denver	CO
New (Membership Co-Chair)	Toija Beutler, Esq	Beutler Exchange Group, LLC	Lake Oswego	OR
Ethics Co-Chair	David A. Brown, CES®	Iowa Property Exchange, LLC	West Des Moines	IA
Past President (Nominations Chair)	Stephen C. Chacon, CPA, CES®	Accruit, LLC	Denver	CO
Conference Co-Chair	Mary Cunningham, CES®	Chicago Deferred Exchange Company	Chicago	IL
New (Affiliate Chair)	Geoffrey Flahardy	ExchangeRight Real Estate, LLC	Acworth	GA
GAC Co-Chair	Suzanne Goldstein Baker, Esq., CES®	Investment Property Exchange Services, Inc.(IPX1031®)	Chicago	IL
GAC Co-Chair	Max A. Hansen, CES®	American Equity Exchange, Inc.	Dillon	MT
MB Co-Chair	Carol A. Hayden, Esq., CES®	Investors Title Exchange Corporation	Chapel Hill	NC
GAC Comm/LEB	William Horan, CES®	Realty Exchange Corporation	Gainesville	VA
Comm/Mktg Chair	Margo McDonnell, CES®	1031 Corp.	Collegeville	PA
President	Teresa Person, CES®	1031 Exchange Corporation	Austin	TX
Treasurer/Secretary	Scott Saunders	Asset Preservation, Inc.	Palmer Lake	CO
New (Finance Comm)	Stephen A. Wayne, Esq., CES®	Liberty 1031, LLC	Miami	FL
Exec Director	Lynn Harkin, CAE	Federation of Exchange Accommodators	Ankeny	IA
CES® Co-Chair	Pierre Priestly	Investment Property Exchange Services, Inc. (IPX1031®)	Chicago	IL
CES® Co-Chair	Marisa LoCoasio	1031 Corp.	Collegeville	PA
<b>CONTRACTED GAC</b>				
Contract Govt Relations	Lucas Ecklund-Baker		Valparaiso	IN
Lobbyist	Nicholas K. Karellas	Williams & Jensen	Washington	DC
Lobbyist	David E. Franasiak	Williams & Jensen	Washington	DC
Lobbyist Staff	Samuel M. Brooks	Williams & Jensen	Washington	DC
<b>COMMITTEE CHAIRS</b>				
Conference Co-Chair	Eric Brecher, Esq.,CES®	City National Bank	New York	NY



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# FEA's Management Team

Name	Management Team Contact Information	Email
Lynn M. Harkin, CAE <i>Executive Director</i>	FEA Headquarters (Association Management Ltd.) 1255 SW Prairie Trail Parkway, Ankeny, IA 50023 Phone: 515-244-6515 / Direct: 515-334-1067 Fax: 515-334-1167 / Cell: 515-250-1489	<a href="mailto:director@1031.org">director@1031.org</a>
Kelly Kipping <i>Membership, CES®, AR Certification, Registrations</i>	Association Management Ltd. Phone: 515-244-6515 / Direct: 515-334-1074 Fax: 515-334-1174	<a href="mailto:kkinging@aml.org">kkinging@aml.org</a>
Darcy Watson, CAE <i>Website</i>	Association Management Ltd. Phone: 515-244-6515 / Direct: 515-334-1066 Fax: 515-334-1166	<a href="mailto:dwatson@aml.org">dwatson@aml.org</a>
Denise Hoffman <i>Meeting Planner</i>	Association Management Ltd. Phone: 515-244-6515 / Direct: 515-334-1049 Fax: 515-334-1149	<a href="mailto:meetings@1031.org">meetings@1031.org</a>
Donna Donovan <i>CFO</i>	Association Management Ltd. Phone: 515-244-6515 / Direct: 515-334-1060 Fax: 515-334-1160	<a href="mailto:ddonovan@accounting.aml.org">ddonovan@accounting.aml.org</a>
Molly Lopez, CAE <i>AML President</i>	Association Management Ltd. Phone: 515-244-6515 / Direct: 515-334-1043 Fax: 515-334-1143	<a href="mailto:aml@aml.org">aml@aml.org</a>



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# THANKS TO OUR AFFILIATES

## AFFILIATES FIRST!

Support Those Who Support Our Industry  
They Also Sponsor Our Events!

For a complete listing:  
<http://1031.org/FEA/Membership/Affiliates>

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# FEA Events

**FEA Annual Conference**  
**September 12–14, 2018**  
**Kansas City Marriott Country Club Plaza**  
**4445 Main Street**  
**Kansas City, Missouri, 64111**  
[Focus: Everything Real Estate!]  
Room rates \$169 plus tax per night

**FEA Midyear Meeting**  
**Dates TBD**  
**Washington, DC**

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# FEA Events con't

## FEA CES® Program - Webinars

*Tuesday, December 26, 2017 – 12:00PM Eastern*

**Ethics of Real Estate Law: Lessons for QIs from the World of Lawyers**

Lee David Medinets, Esq., CES®

This webinar will highlight the legal authority supporting ethical practices and professional conduct of attorneys, accountants and qualified intermediaries. **Don't miss this chance to earn your ethics credit—this webinar qualifies for CE ethics credit.**

*Thursday, December 28, 2017 – 12:00PM Eastern*

**CES® Council Ethics Roundtable**

CES® Councilmembers

This webinar will focus on several ethical dilemmas often encountered by QIs and how they were dealt with. **Don't miss this chance to earn your ethics credit—this webinar qualifies for CE ethics credit.**

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# FEA MEMBERSHIP

2017 Revenue Range	Dues Level	# of Companies
\$0 - \$250k	3,300.00	72
\$250k - \$750k	6,300.00	26
Over \$750k	9,300.00	18
Sub-total		116
Affiliates	2,750.00	29

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# FEA MEMBERSHIP

2018 Revenue Range	Dues Level	# of Companies
New Member	2,000.00	5
\$0 - \$250k	3,300.00	72
\$250k - \$750k	6,300.00	26
Over \$750k	9,300.00	18
Sub-total		121
Affiliates	4,000.00	34

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# FEA's CURRENT FINANCIALS

## 2018 Budget:

- Income: \$1,465,090
- Expense: \$1,317,722\*  
(May be adjusted if tax reform passes)
- Net: \$147, 368

## NOTES:

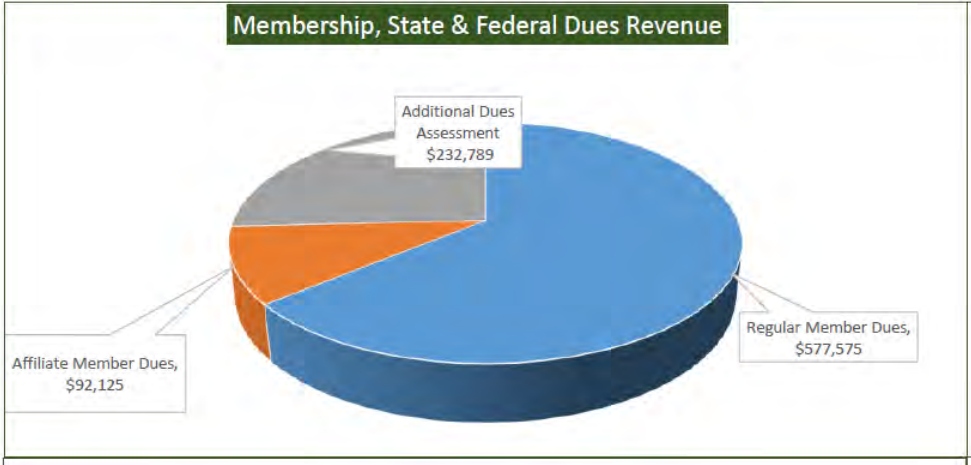
- Kept regular member dues at 2017 levels
- Increased affiliate dues by 68%
- Instituted a first-time member fee of \$2,000 for both regular members and affiliates
- 2018 Additional Membership Contributions: \$516,000 (May also be adjusted)

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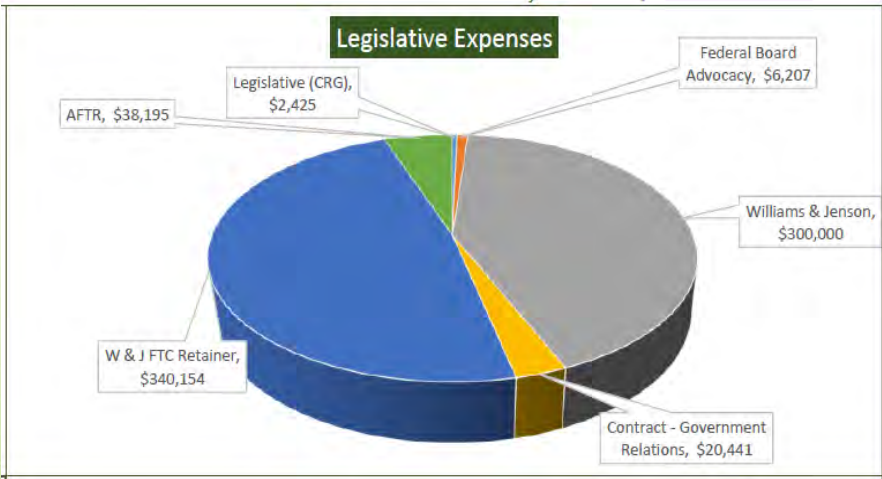
# 2017 FEA REVENUES As of Nov. 30



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# 2017 FEA EXPENSES as of Nov 30



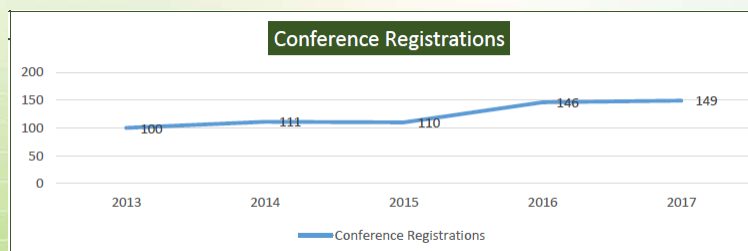
\*Other Expenses = \$400,153 includes Conference, Professional Fees, Publications, Variable Office Expenses, Board, CES®, Management Fee and Other Miscellaneous

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# FEA CONFERENCE HISTORY

Annual Conference						
	2013	2014	2015	2016	2017	Trend
Registrations	\$ 58,126	\$ 86,895	\$ 94,895	\$ 134,083	\$ 142,470	
Sponsorship	\$ 48,000	\$ 58,026	\$ 66,525	\$ 85,000	\$ 124,650	
Conference Expense	\$ 54,099	\$ 99,444	\$ 96,574	\$ 108,810	\$ 122,324	
Net Profit	\$ 52,027	\$ 45,477	\$ 64,846	\$ 110,273	\$ 144,796	



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# ETHICS

- Activity in 2017:
  - Very few alerts experienced
  - Keeping a watchful eye
  - Ethics Committee updating Member Guide to Internal Controls and Procedures for Handling Exchange Funds to enhance information on wire fraud.

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# STRATEGIC PLANNING

Conducted in 2006, 2008, 2010, 2013 & 2016.

## Current Goals:

Goal 1: To develop a budget that supports our strategic initiatives

Goal 2: To enhance communications with all FEA members

Goal 3: Expand educational opportunities for our members

Goal 4: Preservation of 1031 and QI through direct involvement of Williams and Jensen

Goal 5: To Increase member engagement

Goal 6: To promote the role of FEA QI and CES® designee

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# 2018 INDUSTRY MESSAGES

1. FEA had a significant impact on how policy makers viewed 1031 Exchanges.
  1. Retained for Real Estate Exchanges
  2. Loss of Personal Property Exchanges
2. Tax Legislation could still change in 2018
  1. Unintended consequences
  2. Turnover in Congress
3. Real estate, including investment opportunities booming in most markets
  1. Gen Z appears to want more structure, suggesting a return to offices
  2. Multifamily remains a strong investment
  3. Senior housing momentum growing
4. Low interest rates spurs investment
5. No talk of higher capital gains tax rates

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## HERE'S HOW FEA DID IT (NOT ALONE!)

1. FEA engaged K-Global, a Washington-based advocacy PR firm, for help in message and messenger development, media relations, op-eds and coordination of third-party outreach at a cost of \$105,000.
2. FEA expanded a Grasstops advocacy campaign, focused on legislators on tax writing committees in both the House and Senate (six states/seven targets.) Combining this with FEA's very strong grassroots advocacy campaign, legislators have confirmed they have 'heard all about 1031 exchanges.' The aggregate fee of \$253,500 covered 12 months.
3. FEA determined that engaging in monthly Hill Visits in Washington, DC until there is resolution on the current tax reform initiatives would greatly benefit FEA's cause and therefore FEA allocated funds - nearly \$462,000 - to cover the retainer & overages for work done by Williams & Jensen. Scheduling key monthly fly-ins, setting up meetings with legislators, regulatory agencies, staffers, and coalition members and distributing multiple daily information pieces to GAC leadership
4. \$10,000 contribution to the BUILD Coalition's Grasstops efforts to educate members of the tax writing committees about the need to retain the deduction for interest paid on business debt.

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## HERE'S HOW FEA DID IT con't

5. FEA Board agreed to nearly \$4,000 to expand research on several existing studies – one to address immediate expensing and one for an addendum to PwC Study.
6. Over \$6,000 was spent on the production of materials for fly-ins. All the materials produced were created by the FEA Board and GAC volunteer leaders.
7. FEA created a website focused on tax reform ONLY. [www.1031taxreform.com](http://www.1031taxreform.com) and the contracted government relations work with Lucas Ecklund-Baker along with the VoterVoice program for grassroots generation of letters. These efforts totaled almost \$27,000.
8. Prior to 2017, FEA paid retainers to Americans for Tax Reform to handle blogs, letters to the editor, information flow, consultation on tax reform, get a pulse on the status of tax reform issues.
9. While entirely separate from FEA's financials, the FEA 1031 PAC sent 48 checks totaling \$70,000 to key congressional races.

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# FEA PUBLICATIONS



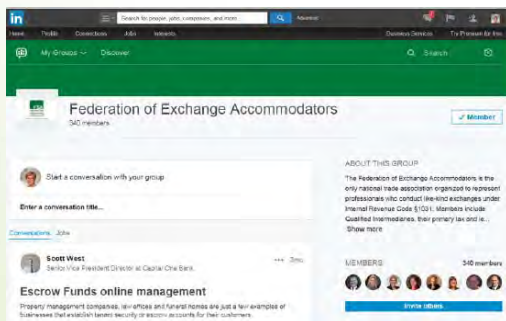
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August 2017

**FEA**  
FEDERATION  
of EXCHANGE  
ACCOMMODATORS

# FEA SOCIAL MEDIA SITES



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ACCOMMODATORS



## OPPORTUNITIES FOR 1031 INDUSTRY & FEA

- Great opportunities are born during the most difficult times
- "Doom and Gloom" is hopefully been left in the rear-view mirror
- FEA: Smarter, sharper and fiscally sound BUT  
do need to build reserves
- Poised as an industry for continuing growth and improvement
- Future is bright for the FEA

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## LEADERSHIP PARTICIPATION

- Major Point of Emphasis in 2018:
  - Participation = insight and opportunities resulting from strong relationships with colleagues
  - You have a voice
  - Significant partnership with management will continue to grow the Association
  - It's pretty simple: It's about preserving our livelihoods & cannot take our foot off the gas right now.
  - Share the heavy lifting (financially, volunteering, leading)
- Volunteer Forms available

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