

# Intelligence in 1031

It takes a certain special type of person to make a great escrow officer. You're dealing with people, real property and large sums of money, which can tend to be stressful under the best of circumstances. You'll need patience and compassion combined with nerves of steel and an analytical mind. Jan Kirch exemplifies all these in her business transactions.

To be a Certified IRS 1031 Exchange Specialist is a challenging career. "Section 1031 exchanges are not widely known about or understood by most investors today who stand to benefit from the deferral of capital gains taxes," said Kirch, Vice President and Escrow Officer at Pennington Title Company, from her office in Rapid City.

Perhaps this is why Jan currently holds the first (and only) Certified Exchange Specialist (CES) designation in the state of South Dakota. Jan received her CES designation in April of 2004, and specializes in helping investors



Jan Kirch

take advantage of a little-known IRS rule that allows for the tax-deferred exchange of investment property.

According to Kirch, "Under current regulations, almost anyone can claim

to be a qualified intermediary. However, Section 1031 exchanges are complicated and highly specific in nature. Pennington Title Company has been a member of the Federation of Exchange Accommodators (FEA) for over 10 years and has been directly involved as a Qualified Intermediary for 1031 exchanges since 1986, a year after I joined the company. Pennington Title has been in business since 1954, is a Five Star agent for Chicago Title Company and an active member of the Black Hills Association of Realtors, the Black Hills Home Builders Association, the South Dakota and American Land Title Associations and the Rapid City Area Chamber of Commerce."

As a CES candidate, Kirch was required to meet specific five-year exchange experience criteria as well as pass a comprehensive two-and-a-half-hour examination on exchange laws and procedures. Additionally, CES designees must adhere to a code of ethics and maintain continuing education requirements. Jan, supported by her assistant, Gretchen Jackson, and collaborating with Greg Wick and his assistant, Trisha Pudwill, compose the Pennington Title 1031 exchange team.

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Before joining Pennington Title in 1985, Kirch held a position with the FSLIC, the federal agency charged with helping to resolve the S&L crisis, where she had the opportunity to work with Greg Wick, the President and CEO of Pennington Title Company. Eventually, Wick lured Kirch away from the FSLIC and she's been at Pennington Title ever since.

"Part of what keeps my job exciting is the opportunity to assist our clients as a part of their professional team, including their Realtor, attorney and tax advisor, to ensure the successful completion of their 1031 exchange," Kirch said.

"Each transaction is unique in some way. Our role as the Qualified Intermediary is to successfully guide our clients toward their investment goals within the confines of Section 1031. We communicate with our clients and their advisors; then follow through with great customer service in all areas of our business, including title insurance products, closing services and 1031 tax-deferred exchanges."

While Kirch enjoys her job, she also enjoys giving back to the community. Kirch is an active member in Zonta, an international charitable organization that works to improve the status of women as well as promoting other causes, and in Business Network International, a professional referral network. ■



Certified Exchange Specialist on Staff

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