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Former Wachovia Exchange Veteran Opens Qualified Intermediary Shop

New model solidifies and insures transparency in 1031 exchange accounts

James Brennan, JD, LLM announces that he will open ES Group, LLC, a 1031 exchange qualified intermediary (QI) headquartered in Reston, VA. Brennan, a former Vice President with Wachovia Exchange Services, decided that having the flexibility to allow clients to select from a fully FDIC insured exchange as well as allowing for the placement of exchange proceeds with existing banking relationships of clients will instill client confidence in the exchange process.

Giving clients the comfort of possibly using their own bank for escrowing funds, was highly appealing to the seasoned veteran. Brennan said, "Today it is about safety of principal and transparency in both the transaction and the relationship. Using only one bank alienates a majority of your client base that has varying degrees of comfort with different financial institutions. You have to give clients a choice on where they park their money."

A like-kind exchange is a highly popular method to defer capital gains taxes upon the sale of an investment property. The number of exchanges has blossomed since the Internal Revenue Service created a safe harbor method of executing an exchange using a qualified intermediary.

ES Group, LLC, will be one of the only full-service full-time qualified intermediaries based in the Mid-Atlantic.

In the wake of two large misappropriation cases and several national bankruptcy cases, ES Group, LLC was formed in the current 1031 exchange landscape to provide a new, more transparent way to execute 1031 exchanges. Additionally, ES Group, LLC will work directly with banking institutions and credit unions in providing 1031 exchange services to their client-base without having to pay a fixed cost of starting a QI department.

Brennan has conducted hundreds of like-kind exchanges for clients on investment sales ranging from \$500,000.00 to over \$1.5 billion. Brennan has managed the Mid-Atlantic markets for two of the largest captive, bank-owned intermediaries; Washington Mutual and Wachovia Bank. However, Brennan's reach goes beyond the DC-area market since he has facilitated exchanges for clients throughout the United States. As an adjunct professor at George Washington University Business School and a keynote speaker at national tax and commercial real estate conferences on like-kind exchanges, Brennan is seen as a trusted authority by industry leaders.

Brennan explained, "Working for large institutions and providing a finite number of exchange services was highly limiting to the amount of options I was able to offer my clients. I am well aware of how leery clients are of banks and the exchange process in the wake of recent, well publicized events. Being independent of a bureaucratic organization allows me to provide additional services and add value to my clients in order for them to have the highest possible level of comfort with their transaction."

ES Group, LLC is a Qualified Intermediary headquartered in Reston, VA. 1031 Exchange Services are provided nationally and ES Group will work with clients' tax and legal advisors to ensure their exchange complies with the controlling rules and regulations.