

C R A I L H U N T L Y[®]



The Structured Sale

A Powerful Solution for
Individuals Selling
Real Estate or
Businesses

You have worked long and hard building your business and it's now time to capitalize on your success!

Your business or investment property is probably one of your most valuable assets, and the sale proceeds are expected to be a major funding source for your retirement or other income needs. So it's very important that you retain the most you can after-tax and assure a desired income stream that is secure and predictable.

Introducing The Structured Sale

What Is the Structured Sale?

The Structured Sale is a simple tax deferral program that enables Sellers to manage the receipt of sale proceeds and payment of taxes.

This flexible program can be used as the foundation of an exit strategy and allow individuals to invest proceeds on a before tax basis and at a guaranteed rate of return.

How does the Structured Sale Work?

It works by creating a means for the Seller to construct the sale transaction, or a portion thereof, as an installment sale for the tax advantages, but still keep it a lump sum cash transaction from the Buyer.

This program does not change the disposition of the property and should add no additional complexity to the transaction.



Key Advantages

- Defer Some or All of the Taxable Gain – *For As Long As You Want*
- Receive a Guaranteed Payment Stream of Income – *For As Long As You Want*
- Lock-In a Guaranteed Rate of Return – *For As Long As you Want*
- Invest Before Tax Proceeds – *As Much As You Want*
- Don't Pay Taxes Until You Actually Receive the Proceeds – *Whenever You Want*

Security!



Typical Client Profile

The Structured Sale can accommodate any sale situation where there is sufficient cash available to structure and the Seller does not need all the sale proceeds to reinvest.

Examples:

- A Seller is Retiring or Pursuing other Interests
- A Seller is Concerned about His/Her Taxes
- A Seller is Concerned about the Investment of His/Her Sale Proceeds
- A Seller is Not Interested in a Traditional 1031 Exchange
- A Seller is Concerned about Asset Protection or Spendthrift Protection
- Multiple Owners/Sellers Who Each Want an Individual Exit Plan

Performance

The Structured Sale is very competitive, especially since it uses pre-tax sale proceeds. The tax deferred interest credited is consistent with other current fixed rates and is guaranteed by the Insurance Company for the entire duration of the payment period.

A Numeric Example

The economic advantages of this program are powerful. It provides the ability for you to defer the payment of taxes, while earning interest on all pre-tax proceeds at a guaranteed rate.

For example, if \$1,500,000 was allocated to the Structured Sale from the sale of a business or property, it could be designed to pay you a **guaranteed** monthly income of approximately **\$11,700.00 per month for 15 years**. That would total almost **\$2,100,000** and you would only pay taxes as each payment is received.

If, instead, you had paid all the taxes in the year of the sale, invested the remaining proceeds, and withdrew the same \$11,700 per month, you would have to achieve more than a 12% gross rate of return per year for 15 years to outperform the Structured Sale.



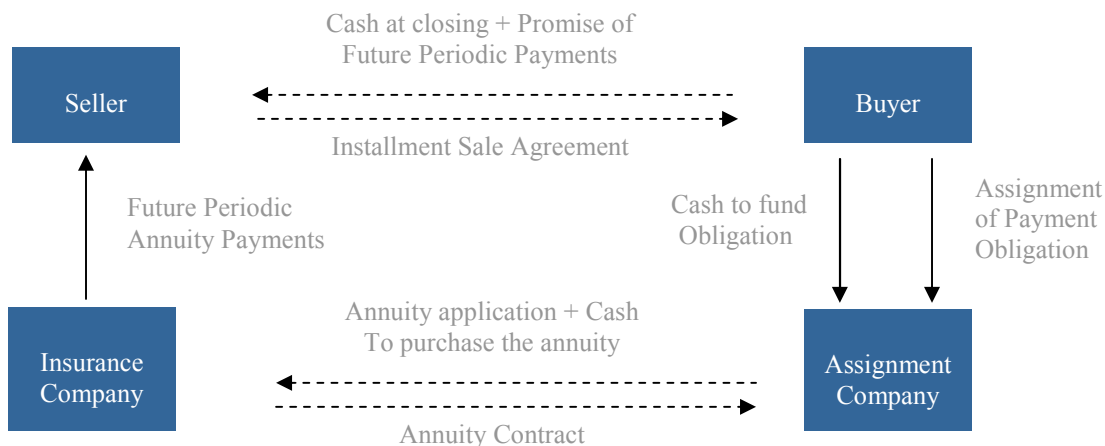


Simplicity!

How is the Structured Sale Implemented?

The Structured Sale is easy to construct with no complicated legal requirements and no on-going management fees. It requires six simple steps, which CrailHuntly will manage with all parties involved.

1. Buyer and Seller enter into an installment sale agreement designed to the Seller's specifications
2. Buyer transfers payment obligation and required sale proceeds over to a third-party "Assignment Company" owned by a major insurance company
3. The Assignment Company immediately purchases, and owns, a Structured Settlement Annuity designed to mirror the exact terms of the installment sale agreement, and names the Seller the beneficiary
4. The Insurance Company makes all prospective payments to the Seller
5. Buyer is released by the Seller from any and all payment obligations under the installment sale agreement; and, Buyer is given clear title to the property
6. Seller only pays a pro-rata share of taxes as each payment is received



Subject to the terms and conditions of IRC 453 and the structured settlement annuity utilized. Contact CrailHuntly for details and all assumptions used in this example. Information contained herein is not intended or written to be used, and cannot be used for the purpose of avoiding any tax penalties. Individuals should seek advice from an independent tax advisor. Copyright CrailHuntly LLC 2007. All Rights Reserved.

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Who We Are?

CrailHuntly, a provider of the Structured Sale, is a national independent insurance planning company with a strong regional presence in the Midwest. Our focus is on providing specialized tax and estate planning solutions for individuals involved with the disposition of businesses and commercial real estate; and, to do so through expertise, innovation and technology.

It is our belief that you cannot be an expert at everything, thus we have assembled a superior group of independent strategic partners to support our efforts, and all are industry leaders in their respective fields

Our Strategic Partners Include:

- Insurance Companies
- Commercial Real Estate Brokers
- Business Brokers & Investment Bankers
- Private Equity Groups
- Mortgage Bankers
- Financial Planners
- Attorneys
- Accountants

Collectively, these companies constitute the power behind CrailHuntly.

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Management



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