§1031 treatment is available for mixed use and mixed asset properties. The exchange documentation will reflect the portion of the property that is “qualified” property whether investment or trade or business.

There are many examples:

- **Ranch properties** that include the primary residence, out-buildings, housing for ranch staff, ranch land.
- **Bed and Breakfast** where the Exchanger also resides in the property.
- **Duplex** where the Exchanger lives in one-half.
- **Live-work space** with the Exchanger’s business located on the ground-floor and the primary residence on the second floor.
- **Primary residence** with a rental granny flat over the garage.
- **Gas stations**
- **Hotels**
- **Multi-family**

The Exchanger must consult with their tax advisor in making allocations of the sale price between the different components. The requirement is that the allocation be *reasonable*. They may take the sale proceeds allocated to the non-qualified property. The balance of funds will be delivered to the exchange account.