



SPAIN PRICE READER
& THOMPSON, P.C.
ACCOUNTANTS & BUSINESS CONSULTANTS

MARCH 13, 2019

MIKHAIL KUCHEROV
19 S MOSSROCK RD
SPRING, TX 77380

RE: SIGI ASSET 1, L.L.C.

DEAR MEMBER:

ATTACHED IS YOUR COPY OF THE 2018 PARTNERSHIP FORM 1065 SCHEDULE K-1. THIS SCHEDULE SUMMARIZES YOUR INFORMATION FROM THE PARTNERSHIP. THIS INFORMATION HAS BEEN PROVIDED TO THE INTERNAL REVENUE SERVICE WITH THE U.S. PARTNERSHIP RETURN OF INCOME, FORM 1065.

THE INFORMATION PROVIDED ON THIS SCHEDULE SHOULD BE ENTERED ON YOUR TAX RETURN, IN ACCORDANCE WITH THE INSTRUCTIONS IN SCHEDULE K-1, PAGE 2. IF YOUR RETURN WILL BE PREPARED BY YOUR ACCOUNTANT OR ATTORNEY, YOU SHOULD PROVIDE A COPY OF THIS SCHEDULE TO THE PREPARER WITH YOUR OTHER TAX INFORMATION.

IF YOU REQUIRE FILING INSTRUCTIONS FOR YOUR SCHEDULE K-1, THEY ARE AVAILABLE ON OUR WEBSITE AT WWW.SPRT.COM/TAX-FORMS.

WE THANK YOU FOR THE OPPORTUNITY TO SERVE YOU.

VERY TRULY YOURS,

SPAIN, PRICE, READER & THOMPSON P.C.

Schedule K-1
(Form 1065)
Department of the Treasury
Internal Revenue Service

2018

For calendar year 2018, or tax year

☐ Final K-1

☐ Amended K-1

OMB No. 1545-0123

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership													
A Partnership's employer identification number 46-3045049													
B Partnership's name, address, city, state, and ZIP code SIGI ASSET 1, L.L.C. 1316 CLEVELAND #C HOUSTON, TX 77019													
C IRS Center where partnership filed return E-FILE													
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)													
Part II Information About the Partner													
E Partner's identifying number 112-92-5899													
F Partner's name, address, city, state, and ZIP code MIKHAIL KUCHEROV 19 S MOSSROCK RD SPRING, TX 77380													
G <input type="checkbox"/> General partner or LLC member-manager <input checked="" type="checkbox"/> Limited partner or other LLC member													
H <input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner													
I What type of entity is this partner? INDIVIDUAL													
J Partner's share of profit, loss, and capital:													
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Beginning</th> <th style="text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: right;">2.2000000 %</td> <td style="text-align: right;">2.2000000 %</td> </tr> <tr> <td>Loss</td> <td style="text-align: right;">2.2000000 %</td> <td style="text-align: right;">2.2000000 %</td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">2.2000000 %</td> <td style="text-align: right;">2.2000000 %</td> </tr> </tbody> </table>		Beginning	Ending	Profit	2.2000000 %	2.2000000 %	Loss	2.2000000 %	2.2000000 %	Capital	2.2000000 %	2.2000000 %
	Beginning	Ending											
Profit	2.2000000 %	2.2000000 %											
Loss	2.2000000 %	2.2000000 %											
Capital	2.2000000 %	2.2000000 %											
K Partner's share of liabilities:													
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Beginning</th> <th style="text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Nonrecourse</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Qualified nonrecourse financing</td> <td style="text-align: right;">\$ 85,580.</td> <td style="text-align: right;">\$ 84,684.</td> </tr> <tr> <td>Recourse</td> <td style="text-align: right;">\$ 1,306.</td> <td style="text-align: right;">\$ 2,407.</td> </tr> </tbody> </table>		Beginning	Ending	Nonrecourse	\$	\$	Qualified nonrecourse financing	\$ 85,580.	\$ 84,684.	Recourse	\$ 1,306.	\$ 2,407.
	Beginning	Ending											
Nonrecourse	\$	\$											
Qualified nonrecourse financing	\$ 85,580.	\$ 84,684.											
Recourse	\$ 1,306.	\$ 2,407.											
L Partner's capital account analysis:													
Beginning capital account \$ -6,898.													
Capital contributed during the year \$													
Current year increase (decrease) \$ -933.													
Withdrawals & distributions \$(925.)													
Ending capital account \$ -8,756.													
<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book													
<input type="checkbox"/> Other (explain)													
M Did the partner contribute property with a built-in gain or loss?													
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
If "Yes," attach statement (see instructions)													

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items	
1 Ordinary business income (loss) 0.	15 Credits
2 Net rental real estate income (loss) -921.	16 Foreign transactions
3 Other net rental income (loss)	
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends	17 Alternative min tax (AMT) items
6b Qualified dividends	A -10.
6c Dividend equivalents	
7 Royalties	18 Tax-exempt income and nondeductible expenses
8 Net short-term capital gain (loss)	
9a Net long-term capital gain (loss)	19 Distributions
9b Collectibles (28%) gain (loss)	A 925.
9c Unrecaptured sec 1250 gain	20 Other information
10 Net section 1231 gain (loss)	Z * -921.
11 Other income (loss)	AA * 0.
	AB * 61,926.
	AC * 0.
	AD * 0.
12 Section 179 deduction	
13 Other deductions	
14 Self-employment earnings (loss)	
A 0.	

*See attached statement for additional information.

For IRS Use Only

SCHEDULE K-1 SECTION 199A ITEMS, BOX 20
CODES Z THROUGH AD

CODE	DESCRIPTION	AMOUNT
	RENT - MULTI-FAMILY RESIDENCE	
Z	SECTION 199A QUALIFIED BUSINESS INCOME	-921.
AA	SECTION 199A W-2 WAGES	0.
AB	SECTION 199A UNADJUSTED BASIS	61,926.
AC	SECTION 199A REIT DIVIDENDS	0.
AD	SECTION 199A PTP INCOME	0.

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODES Z, AA, AB, AC AND AD. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		
Passive loss	J Work opportunity credit	See the Partner's Instructions
Passive income	K Disabled access credit	
Nonpassive loss	L Empowerment zone employment credit	
Nonpassive income	M Credit for increasing research activities	
2. Net rental real estate income (loss)	N Credit for employer social security and Medicare taxes	
3. Other net rental income (loss)	O Backup withholding	
Net income	P Other credits	
Net loss	16. Foreign transactions	
4. Guaranteed payments	A Name of country or U.S. possession	Form 1116, Part I
5. Interest income	B Gross income from all sources	
6a. Ordinary dividends	C Gross income sourced at partner level	
6b. Qualified dividends	Foreign gross income sourced at partnership level	
6c. Dividend equivalents	D Section 951A category	Form 1116, Part I
7. Royalties	E Foreign branch category	
8. Net short-term capital gain (loss)	F Passive category	
9a. Net long-term capital gain (loss)	G General category	
9b. Collectibles (28%) gain (loss)	H Other	
9c. Unrecaptured section 1250 gain	Deductions allocated and apportioned at partner level	
10. Net section 1231 gain (loss)	I Interest expense	Form 1116, Part I
11. Other income (loss)	J Other	Form 1116, Part I
Code	Deductions allocated and apportioned at partnership level to foreign source income	
A Other portfolio income (loss)	K Section 951A category	Form 1116, Part I
B Involuntary conversions	L Foreign branch category	
C Sec. 1256 contracts & straddles	M Passive category	
D Mining exploration costs recapture	N General category	
E Cancellation of debt	O Other	
F Section 951A income	Other information	
G Section 965(a) inclusion	P Total foreign taxes paid	Form 1116, Part II
H Subpart F income other than sections 951A and 965 inclusion	Q Total foreign taxes accrued	Form 1116, Part II
I Other income (loss)	R Reduction in taxes available for credit	Form 1116, line 12
12. Section 179 deduction	S Foreign trading gross receipts	Form 8873
13. Other deductions	T Extraterritorial income exclusion	Form 8873
A Cash contributions (60%)	U Section 951A(c)(1)(A) tested income	See the Partner's Instructions
B Cash contributions (30%)	V Tested foreign income tax	
C Noncash contributions (50%)	W Section 965 information	
D Noncash contributions (30%)	X Other foreign transactions	
E Capital gain property to a 50% organization (30%)	17. Alternative minimum tax (AMT) items	
F Capital gain property (20%)	A Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
G Contributions (100%)	B Adjusted gain or loss	
H Investment interest expense	C Depletion (other than oil & gas)	
I Deductions - royalty income	D Oil, gas, & geothermal - gross income	
J Section 59(e)(2) expenditures	E Oil, gas, & geothermal - deductions	
K Excess business interest expense	F Other AMT items	
L Deductions - portfolio (other)	18. Tax-exempt income and nondeductible expenses	
M Amounts paid for medical insurance	A Tax-exempt interest income	Form 1040, line 2a
N Educational assistance benefits	B Other tax-exempt income	See the Partner's Instructions
O Dependent care benefits	C Nondeductible expenses	See the Partner's Instructions
P Preproductive period expenses	19. Distributions	
Q Commercial revitalization deduction from rental real estate activities	A Cash and marketable securities	See the Partner's Instructions
R Pensions and IRAs	B Distribution subject to section 737	
S Reforestation expense deduction through V	C Other property	
W Other deductions	20. Other information	
X Section 965(c) deduction	A Investment income	Form 4952, line 4a
14. Self-employment earnings (loss)	B Investment expenses	Form 4952, line 5
Note: If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.	C Fuel tax credit information	Form 4136
A Net earnings (loss) from self-employment	D Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
B Gross farming or fishing income	E Basis of energy property	See the Partner's Instructions
C Gross non-farm income	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
15. Credits	G Recapture of low-income housing credit (other)	Form 8611, line 8
A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	H Recapture of investment credit	See Form 4255
B Low-income housing credit (other) from pre-2008 buildings	I Recapture of other credits	See the Partner's Instructions
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings	J Look-back interest - completed long-term contracts	See Form 8697
D Low-income housing credit (other) from post-2007 buildings	K Look-back interest - income forecast method	See Form 8866
E Qualified rehabilitation expenditures (rental real estate)	L Dispositions of property with section 179 deductions	See the Partner's Instructions
F Other rental real estate credits	M Recapture of section 179 deduction	
G Other rental credits	N Interest expense for corporate partners through Y	
H Undistributed capital gains credit	Z Section 199A income	
I Biofuel producer credit	AA Section 199A W-2 wages	
	AB Section 199A unadjusted basis	
	AC Section 199A REIT dividends	
	AD Section 199A PTP income	
	AE Excess taxable income	
	AF Excess business interest income	
	AG Gross receipts for section 59A(e)	
	AH Other information	