

Are you Ready to Sell, but Facing a Massive Tax Bill? We Can Help

A 1031 DST transaction can allow you to defer tax on your investment property or property used in your business.

WHAT IS A 1031 EXCHANGE?

Section 1031 of the Internal Revenue Code provides for the deferring of capital gains tax associated with investment, business property or farmland. By exchanging property for 'like-kind' real estate, property owners may defer taxes and use the proceeds to purchase replacement property. The process is illustrated to the right.



1031 EXCHANGE COULD ALLOW YOU TO DEFER A TAX BILL OF 20-40% OF YOUR PROPERTY'S VALUE!

WHAT IF YOU DON'T WANT TO MANAGE PROPERTY ANYMORE? THERE IS AN ALTERNATIVE!

DELAWARE STATUTORY TRUST (DST) permits fractional ownership in a single property or portfolio of properties and acts as 'like-kind' real estate for the purposes of 1031 exchange. Advantages of DSTs include:

- All income (net of expenses) sent out to the Investors (Mailbox Money!!)
- All debt Non-Recourse to the Investor
- Opportunity to invest in institutional class properties
- Estate planning tool – can pass a DST on to your heirs tax free & provide source of income
- Low minimums, flexible leverage options

The image displays three investment portfolio cards, each with a photograph of a property and associated financial details:

- Healthcare Portfolio**: Shows a modern building with a covered entrance. Details: Availability \$XM, Minimum 1031 Investment \$Xk, Loan-to-Offering Ratio 0.00%, Current Cash on Cash Return 5.35%.
- Multifamily Portfolio**: Shows a large apartment complex with a swimming pool. Details: Availability \$XM, Minimum 1031 Investment \$Xk, Loan-to-Offering Ratio 52.15%, Current Cash on Cash Return 5.23%.
- Office Land Zero Coupon**: Shows a modern glass office building. Details: Availability \$XM, Minimum 1031 Investment \$Xk, Loan-to-Offering Ratio 81.60%.

DEAL SUMMARY EXAMPLE

Investment Summary		Financing Summary	
Equity Offering	\$12.85M	Non-Recourse Loan	\$13.00M
Non-Recourse Loan	\$13.00M	Loan-to-Investment	50.29%
Total Investment	\$25.85M	Interest Rate	4.74%
Average Lease Term	14.5 Years	Interest-Only Period	60 Months
Gross Lease Term	49,287 Sq. Ft.	Loan Terms	120 Months
Projected Holding Period	5 Years	Debt Coverage Ratio	2.19:1
Credit-Rated Leases	100%		

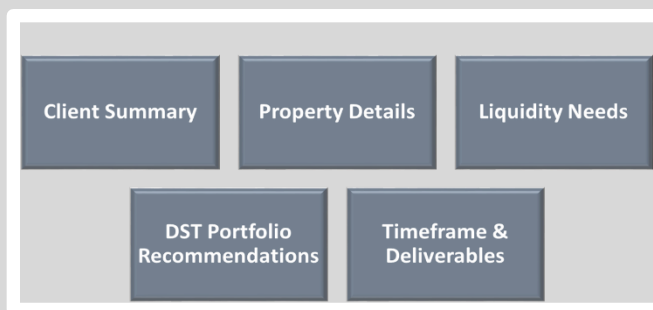
Cash Flow Projection Summary	
Projected NOI (1 st Year)	\$1.35M
Annual Loan Payments	\$615.9K
Net Cash Flow	\$706.5K
Projected 1 st Year Distribution Rate	5.5%
Projected 5yr Blended Annualized Distribution Rate	5.5%

WHAT IS THE NEXT STEP?

Schedule a planning session.

Here's what happens during our call:

- We will learn about you and start the planning process
- Introduce you to deals that are currently available
- Start identifying and working with a QI, your tax/lawyer representative and our DST sponsors.
- After our call, we will prepare needed paperwork, contact all parties and get to work for you!



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