

# Fed Up with Rent Control Laws, Investor Builds Diversified DST Real Estate Portfolio

## Overview:

**Here is a hypothetical case study that describes a typical client who came to Kay Properties to escape the over-regulation of rental property ownership in Southern California.**

**1.** Tom and Rebecca owned two-12-unit apartment buildings. They began to see how rent control laws and regulations were chipping away at their real estate's net operating income and eroding the equity they had worked so hard to create. They decided to sell.

**2.** The two at first considered investing in a NNN building, but were concerned about placing so much of their net worth into a single asset that would still require active management. They decided to enter a 1031 Exchange to defer capital gains.

**3.** The couple's CPA recommended taking a closer look at Delaware Statutory Trusts (DSTs) and advised that they contact Kay Properties & Investments who had an online marketplace of more than forty 1031 Exchange eligible DST properties from more than 25 different sponsor firms.

**4.** With Kay Properties' guidance, the couple completed their 1031 Exchange, and invested in a DST portfolio that included multiple asset classes, tenant types, and geographic locations.



**How Kay Properties Helped Southern California Couple Create a Diversified Portfolio Using Delaware Statutory Trusts**

## Summary:

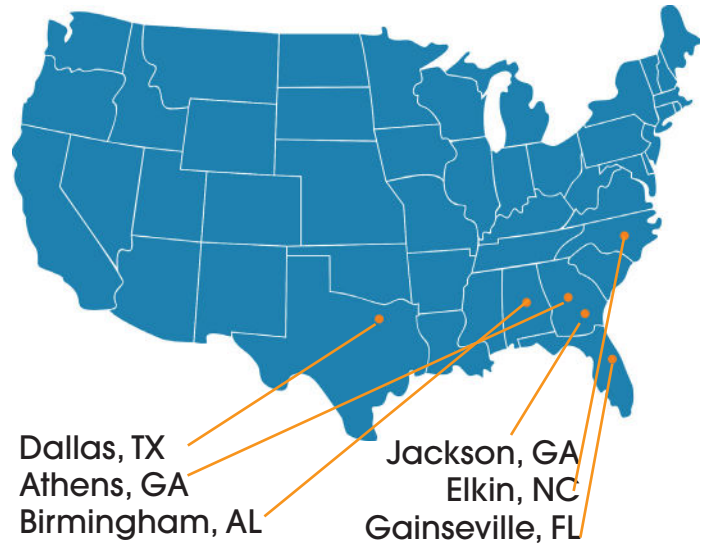
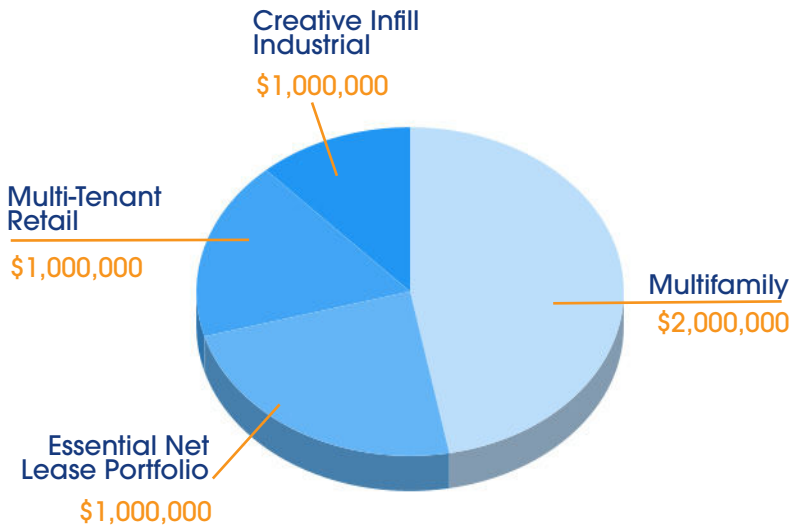
**Tom and Rebecca were able to use the Delaware Statutory Trust (DST) structure to achieve their investment goals of passive management, portfolio diversification, and regular distributions.**

**The two now enjoys the flexibility and freedom they worked so hard for, confident that their investment portfolio aligns with their financial goals and risk tolerance. They were grateful for the Kay Properties team's guidance and education throughout the process.**



\*These actual case studies are an abbreviated example of how Kay Properties helps real estate investors achieve passive management, the potential for monthly disbursements, greater diversification, and access to high-quality assets. These examples are the experiences of a few of our clients and may not represent the experiences of others. Past performance does not guarantee or indicate the likelihood of future results. Securities offered through FNEX Capital, Member FINRA/SIPC.

# How An Investor Built a \$5 Million Diversified Portfolio Using Delaware Statutory Trusts



<b>CREATIVE INFILL INDUSTRIAL DST</b>		<b>INVESTMENT HIGHLIGHTS</b> <ul style="list-style-type: none"> <li>• Opportunistic Acquisition for Investors</li> <li>• Purchased Below Replacement Cost</li> <li>• Significant Income Potential</li> <li>• Creative Infill Industrial Opportunity</li> <li>• Dynamic Athens, GA Market</li> </ul>
<b>MULTIFAMILY DST</b>		<b>INVESTMENT HIGHLIGHTS</b> <ul style="list-style-type: none"> <li>• Debt-Free Delaware Statutory Trust</li> <li>• Income Tax Free State of Texas</li> <li>• Value-Add 159-Unit Multifamily Offering</li> <li>• 721 Exchange Exit Potential</li> <li>• Dallas, TX MSA</li> </ul>
<b>MULTI-TENANT RETAIL DST</b>		<b>INVESTMENT HIGHLIGHTS</b> <ul style="list-style-type: none"> <li>• Opportunistic Acquisition for Investors</li> <li>• Purchased Below Replacement Cost</li> <li>• Value-Add Strategy to Potentially Increase NOI</li> <li>• More than 3.4 Million Visits a Year</li> <li>• Birmingham, AL</li> </ul>
<b>ESSENTIAL NET LEASE PORTFOLIO DST</b>		<b>INVESTMENT HIGHLIGHTS</b> <ul style="list-style-type: none"> <li>• 100% Occupied by Essential Businesses</li> <li>• Long-term, Corporate Backed Lease</li> <li>• Multiple Geographic Net Lease Locations in NC, GA and FL.</li> </ul>

Kay Properties helps investors choose 1031 exchange investments that help them focus on what they truly love in life, whether that be their children, grandkids, travel, hobbies, or other endeavors (NO MORE 3 T's - Tenants, Toilets and Trash!). We have helped 1031 exchange investors for nearly two decades exchange into over 9,100 - 1031 exchange investments. Please visit [www.kpi1031.com](http://www.kpi1031.com) for access to our team's experience, educational library and our full 1031 exchange investment menu. This material is not tax or legal advice. Please consult your CPA/attorney for guidance. Past performance does not guarantee or indicate the likelihood of future results. Diversification does not guarantee returns and does not protect against loss. Potential cash flow, potential returns and potential appreciation are not guaranteed. There is a risk of loss of the entire investment principal. Please read the Private Placement Memorandum (PPM) for the offerings business plan and risk factors before investing. Securities offered through FNEC Capital LLC member FINRA, SIPC.