Comparison Chart

CORCAPA 1031 ADVISORS
Specialists in 1031 Exchange Replacement Property

	DST Delaware Statutory Trust	vs	DST to UPREIT 721 Exchange
QUALIFIES FOR 1031?	YES See IRS Ruling 2004-86		YES See IRC Code 721
PROVIDES PROJECTED INCOME (Subject to performance)	YES Monthly approximately between 4%-5%		YES Usually quarterly, between 4% - 6%
INCOME TAX SHELTERED	Substantially YES If select moderately leveraged multifamily, senior housing, student housing (less so with industrial, commercial, hotel)		Substantially YES If initial selected DST has debt and increases your basis
LIKELY LIQUIDITY	Unlikely before the DST asset sells in 5 to 10 years		Highly likely to have good liquidity after a total of 3 years (2 years as a DST and an additional 1 year in the REIT) - subject to the terms of the sponsor's share repurchase program
RISK SPECTRUM	Lower risk on all cash assets, moderate risk on leveraged assets (we do not select highly leveraged assets for our clients) Risk can also be mitigated with multi-tenant assets, there could be higher risk with single tenant assets		Lower risk spectrum on REIT as diversified portfolio, high quality core assets, leverage often less than 40%, income tends to be quite stable
FUTURE 1031 EXCHANGE AVAILABLE	YES		NO
PROS	Defer capital gains, diversify into 2-10 assets, receive meaningful passive income, and possible income tax shelter from tax due to depreciation, and maintain future 1031 eligibility		Defer capital gains, diversify into 100+ assets, receive meaningful income and possible shelter income from tax due to depreciation, and have liquidity
CONS	Relatively illiquid - best to wait until the full DST sells rather than sell early, secondary market sales are possible but very limited, less diversification. 7 Deadly Sins of Rev 2004-86 General Real Estate market risks, etc.		No continuation of 1031 exchange, general real estate market risks, etc., Possible limits on REIT's share repurchase program, REIT share value may decline, loss of control, tax law changes