

## Section 121/1031 with a Delaware Statutory Trust

<https://www.sequent-rewm.com/resources-dst-replacement-property-solution>

### Relinquished Property Transaction:

Sale Price: \$2,000,000

Section 121: \$500,000

Loan: \$750,000

LTV: 50%

Cost Basis: \$100,000

Taxable Gain: \$1,400,000

### 1031 Exchange:

Amount need to replace: 1,500,000

Debt needed to replace: \$750,000

Cash in exchange:\$750,000

DST Replacement:

Class A Multifamily DST (1)

Cash: \$375,000

Non-Recourse Debt: \$375,000

Real Estate Replaced: \$750,000

Class A Multifamily DST (2)

Cash: \$375,000

Non-Recourse Debt: \$375,000

Real Estate Replaced: \$750,000

Total Real Estate Replaced: \$1,500,000

Let me know if you would like an introduction to the team that recently researched and arranged a similar scenario for a retired couple (CPA, 1031 Specialist, DST Specialist, and me).

We were able to save them nearly 500k in capital gain taxes and help them buy a replacement property with the FHA's H4P program. 50% down payment and no monthly loan payments for life.

They now have a newer one-level home.

No mortgage payment

Lower maintenance costs

More retirement income from the DST.

And they deferred ALL capital gain taxes.

**DISCLOSURE:** This is for informational purposes only, does not constitute as individual investment advice, and should not be relied upon as tax or legal advice. Please consult the appropriate professional regarding your individual circumstance.

There are material risks associated with investing in real estate securities including liquidity, tenant vacancies, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating commercial and multifamily properties, short term leases associated with multi family properties, financing risks, potential adverse tax consequences, general economic risks, development risks, long hold periods, and potential loss of the entire investment principal.

Past performance and forecasts do not guarantee future results.

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