



Thurrow Wealth Management, Inc.

# Case Study for Delaware Statutory Trust Investment Summary

In 1998, Karen and her husband Bob purchased a twelve-unit apartment building in San Francisco in the amount of \$480,000. In March 2021, they sold the property through their real estate broker for about \$3.3 million.

Their reason for finally selling was that they no longer wanted to manage the property or deal with restrictive rules and regulations when Bob retired. In addition, they also wanted to diversify their investment portfolio beyond just one property in one location and, hopefully, improve their after-tax cash flow.

While the property was in escrow, Karen and Bob were introduced to Thurrow Wealth Management. After getting familiar with their situation and what they wanted to accomplish, TWM's principal, Dieter Thurrow, outlined a 1031 exchange option into Institutional Quality, Professionally Managed Delaware Statutory Trusts (DSTs), that would defer all Capital Gains taxes while achieving their other objectives.

For Karen and Bob, it was "Mission Accomplished." They completed their 1031 Exchange and now own an interest in seven different properties with a Total Value of over \$1.2 Billion. That portfolio is significantly diversified by type, geography, number of tenants, income source, etc. (*SEE ATTACHED DST INVESTMENT SUMMARY*)

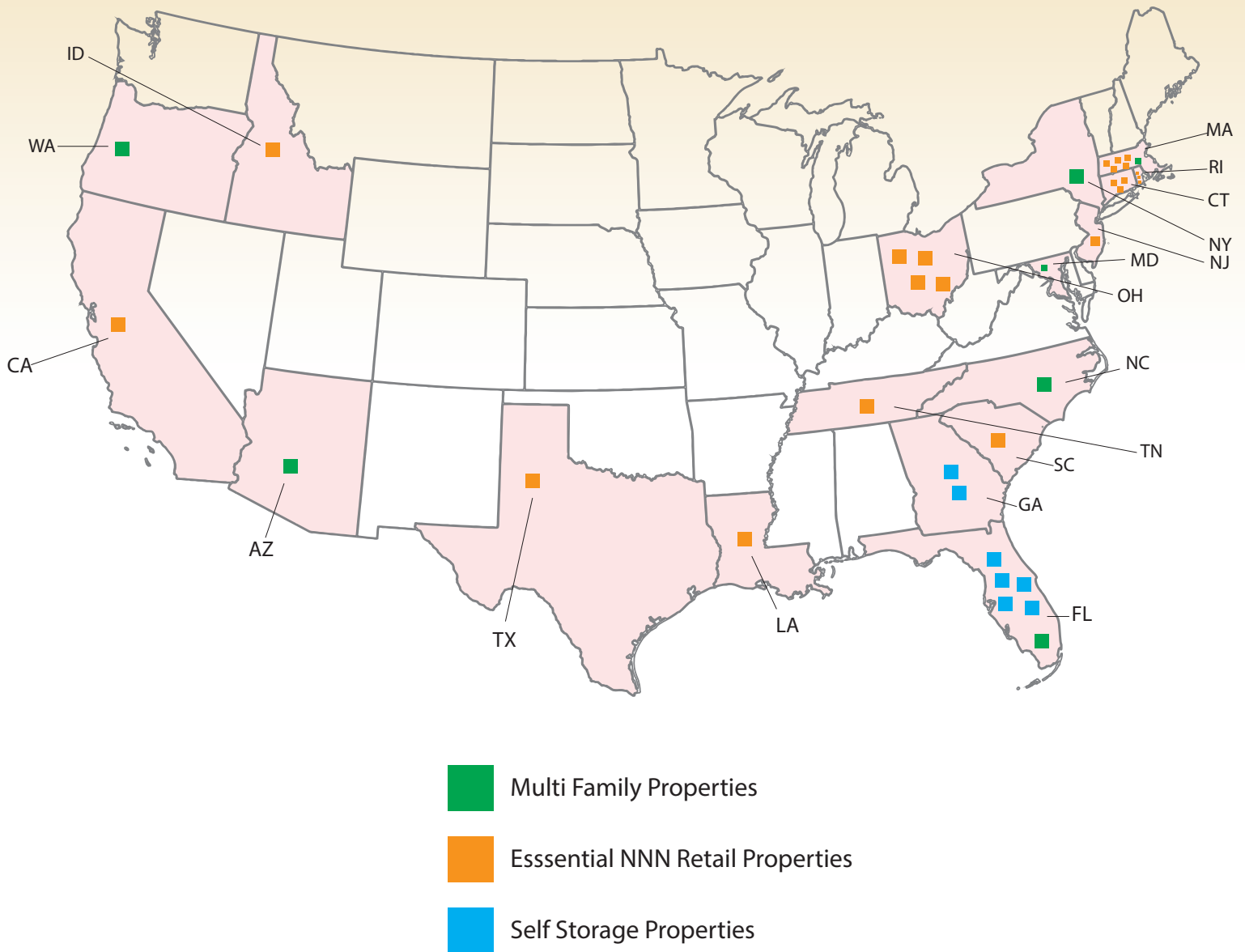
Most importantly, their real estate portfolio is now hassle and property management free which permits them to pursue other, more enjoyable interests.

Not an offer to buy, nor a solicitation to sell securities. All investing involves risk of loss of some or all principal invested. Past performance is not indicative of future results. Speak to your finance and/or tax professional prior to investing. Any information provided is for informational purposes only.

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Securities and advisory services offered through Emerson Equity LLC Member: FINRA/SIPC and a registered investment adviser. Only available in states where Emerson Equity LLC is registered or operating pursuant to exemption from registration. Emerson Equity LLC is not affiliated with any other entities identified in this communication. 1031 Risk Disclosure: There is no guarantee that any strategy will be successful or achieve investment objectives; Potential for property value loss – All real estate investments have the potential to lose value during the life of the investments; Change of tax status – The income stream and depreciation schedule for any investment property may affect the property owner's income bracket and/or tax status. An unfavorable tax ruling may cancel deferral of capital gains and result in immediate tax liabilities; Potential for foreclosure – All financed real estate investments have potential for foreclosure; Illiquidity – Because 1031 exchanges are commonly offered through private placement offerings and are illiquid securities. There is no secondary market for these investments. Reduction or Elimination of Monthly Cash Flow Distributions – Like any investment in real estate, if a property unexpectedly loses tenants or sustains substantial damage, there is potential for suspension of cash flow distributions; Impact of fees/expenses – Costs associated with the transaction may impact investors' returns and may outweigh the tax benefits.

## Investment Diversification by State



### Sample Client DST Investment Summary

#### GEOGRAPHICAL DIVERSIFICATION

##### Multi Family

Invested in 2,517 apartment units located in 7 states.

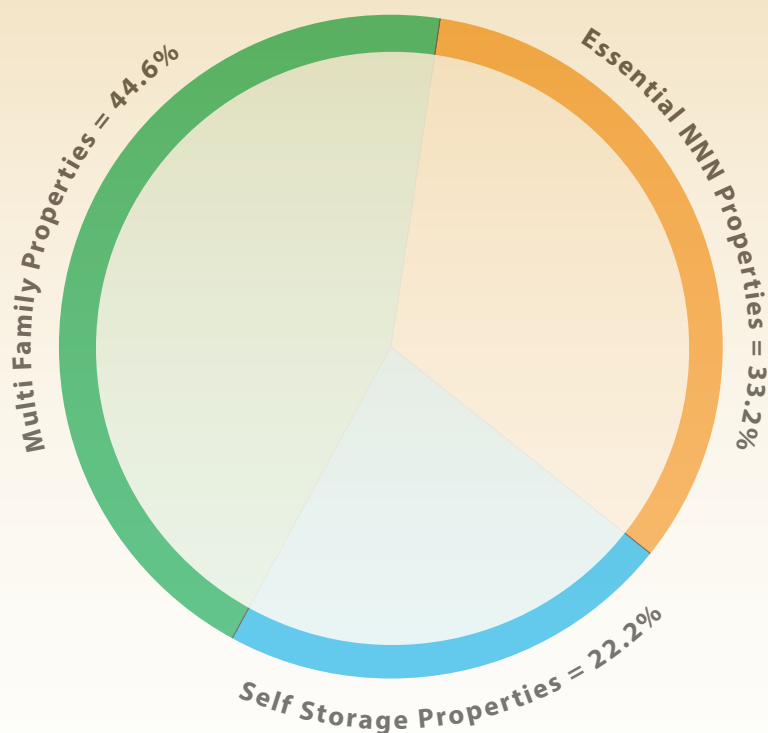
##### Essential NNN Leased Retail

Invested in 23 NNN Leased Essential Retail Properties in 9 industries located in 12 states with approx. 1,181,000 sq. ft.

##### Self Storage

Invested in about 5,000 Self Storage units with approx. 500,000 sq. ft. in 2 states.

## Sample Client DST Investment Summary



### Portfolio Diversification by Type, Sponsor, Amount & Geography

	Sponsor	Investment Amount	Total Equity Raised	% Ownership	Financing	Total Purchase Value
<b>■ Essential NNN Retail Properties</b>						
Grocery Stores DST	Sponsor #1	\$800,000	\$159,989,000	0.50%	\$157,930,000	\$317,919,000
Net Leased Property #47 DST	Sponsor #2	\$250,000	\$38,850,000	0.64%	\$20,000,000	\$58,850,000
<b>Subtotal Essential NNN Retail Properties</b>		<b>\$1,050,000</b>				
<b>■ Multi Family Properties</b>						
Central Florida Multi-Family DST	Sponsor #1	\$300,000	\$46,758,000	0.64%	\$50,940,000	\$97,698,000
Diversified Residential Portfolio DST	Sponsor #1	\$300,000	\$221,999,000	0.14%	\$234,939,000	\$456,938,000
MD Multi Family DST	Sponsor #3	\$550,000	\$38,100,000	1.44%	\$57,431,000	\$95,531,000
NC Multi Family DST	Sponsor #4	\$260,000	\$38,243,000	0.68%	\$39,298,000	\$77,541,000
<b>Sub-Total Multi Family Properties</b>		<b>\$1,410,000</b>				
<b>■ Self Storage Properties</b>						
Self Storage DST	Sponsor #5	\$700,000	\$85,892,000	0.81%	\$65,000,000	\$150,892,000
<b>Subtotal Self Storage Properties</b>		<b>\$700,000</b>				
<b>Grand Total</b>		<b>\$3,160,000</b>	<b>\$629,831,000</b>	<b>0.50%</b>	<b>\$625,538,000</b>	<b>\$1,255,369,000</b>