

Ideal Candidates for a Deferred Sales Trust

1. Real Estate Investors and Developers

If you are a real estate investor or developer, you may be familiar with the challenges that come with 1031 exchanges. Finding a like-kind property within 180 days is not always possible. Comparatively, those who elect to use a DST are not limited to the 180-day reinvestment window required of a 1031 exchange, and they can reinvest proceeds across asset classes, not just real estate.



2. Exiting Business Owners

Business owners often face steep capital gains taxes when selling a company. A DST offers a better financial strategy for exiting a business, and it can do more than help you defer your taxes. It provides liquidity. While it is in the trust, you can still direct its use for future events such as retirement or legacy planning.



3. Cryptocurrency and Digital Asset Holders

Are you someone who invested in cryptocurrency before it became en vogue? If so, a DST may be the right financial strategy solution if you want to sell these high-value assets. And while cryptocurrency and other such high-value assets are a different form of wealth compared to established businesses and real estate, opting to use a DST to manage these assets means you can defer taxes while converting holdings into more traditional, diversified investments.

