

ACKNOWLEDGEMENT  
1031 Exchange Offerings

\_\_\_\_\_ ("Broker-Dealer") has offered to assist me in finding an appropriate Delaware Statutory Trust (DST) interest in real estate to exchange for real property that I presently own. This is to acknowledge that I understand that in this connection Broker-Dealer will not provide tax advice. Tax deferred exchanges under Section 1031 are a highly technical. I acknowledge that I have been advised to consult, and that I intend to consult, an independent tax professional to assist me with any tax questions that I have.

I also acknowledge that it is possible that Broker-Dealer will locate potential exchange opportunities which eventually do not take place either at all or within the time periods that exchanges must take place in order to meet the requirements of Section 1031. Closing and purchase of the exchange property may depend upon factors other than my own willingness to participate in the exchange. I therefore understand that there is no guarantee that the exchange offerings that may be presented to me for consideration will necessarily permit me to make a tax deferred exchange.

I understand that if it is crucial for me to find an appropriate exchange property within a limited period of time, I should not rely entirely on Broker-Dealer's efforts to locate such exchanges but should seek potential exchanges wherever they may be found in order to have a better chance to meet the requirements of Section 1031 within the time limits set by the law.

I also understand that the IRS has released Revenue Procedure 2002-22 which sets forth advance ruling requirements for 1031 exchanges. I understand that the exchange opportunity that Broker-Dealer finds for me is not expected to be eligible for an advance ruling under that Revenue Procedure. While the Ruling states that its guidelines "are not intended to be substantive rules and are not to be used for audit purposes," failure to meet all or substantially all of the listed requirements may be an indication that there is an increased risk that the exchange will ultimately be disallowed.

I understand that an exchange necessarily means my investment choices will be limited, illiquid, and lack diversification. Normally, Broker-Dealer will only recommend to me investments which it believes are suitable taking into consideration my other security holdings and my financial situation and needs. In this instance, I understand the Broker-Dealer will introduce me to opportunities for real property exchanges exclusively. Therefore I do not expect the resulting investment to be as suitable to my financial needs and objectives as I might otherwise make if I were

investing cash. I understand and accept this limitation on the Broker-Dealer's ability to recommend what otherwise might be more suitable investments.

Dated:

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[Signature]

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
[Print Name]