



DAE RHO PARTNERS, LLC

1031 | 721 Exchange Strategies

8 The Green, Ste. A
Dover, DE 19901
www.dae.capital

What do we do?

We acquire parcels of property, 20 acres or more, within two miles of at least a 5MW power source. On those parcels we install Modular Data Centers with Ground Source Heat Pumps, Battery Energy Storage Systems (BESS), Solar fields, and Biofuel generators. Our tenants are the Data Center users (AI, Crypto, Cloud Computing, and more), with the Data and Energy Facilities' revenue streams secured by the local utility companies.

What do you exchange into?

Depending on the amount of your Exchange, our Rho transaction options allow you to find a Data Center focused replacement property that fits your diversification, liquidity, and security requirements.

Benefits to the Exchanger.

- We provide a minimum of 12% Cap Rate equivalent on your exchange equity
- When you place your funds into a Rho exchange, liquidity options are structured to return principal capital efficiently – from 65% to potentially upwards of 90% within Year 1 (excl. LINE and DST)
- Exit events are enabled between Year 2 and Year 5½, exchange dependent, with property appreciation targets ranging from 2x to 10x
- Rho exchange strategies embed Tax Deferral, Passive Income, Portfolio Diversity, and Estate Planning Benefits

What types of 1031 and 721 exchanges do we offer?



1031 Improvement Exchange

a 1031 exchange set up to enhance your 1031 funds, giving you direct ownership in a DC-ready property; property improvements allow us to distribute tax-exempt proceeds to our Exchangers/Limited Partners

Scalability: \$500k to \$5m



721 DownREIT Exchange

Free and Clear properties can also be placed directly into a 721 exchange with no investment timeline like a 1031 exchange: properties either incorporate on-premises facilities or are leveraged to build new assets

Scalability: \$1m to \$100m



1031 Lease and Easement

the 1031 Leasehold Interest and Easement (LINE) purchase agreement gives you the ability to buy a long-term Facility lease with a 12% annual return, a 5½ year Put option, and a shadow Investment Grade tenant

Scalability: \$25k to \$25m



1031 Delaware Statutory Trust

the 1031 DST gives you flexibility to diversify across multiple property locations and into both digital and electrical infrastructure assets, while giving you the option to exchange back out or move into our UpREIT

Scalability: \$5k to \$10m

Which exchange strategy is right for you?

Jim Carmichael
Co-developer
1031jc@gmail.com
(859) 801-0906