

# DST Investments, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of DST Investments, LLC. If you have any questions about the contents of this brochure, please contact us at (800) 378-0515 or by email at: [support@dst.investments](mailto:support@dst.investments).*

*The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about DST Investments, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). DST Investments, LLC's CRD number is: 306402.*



### **DST Investments, LLC**

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## Item 2: Material Changes

There are no material changes to report.

## Item 3: Table of Contents

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

DST Investments, LLC (hereinafter “DST”) is a Limited Liability Company organized in the State of Delaware. The firm was formed in January 2019, and the principal owner is Paul J McIntyre.

### B. Types of Advisory Services

#### *Portfolio Management Services*

DST offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. DST creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

DST evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

DST seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of DST’s economic, investment or other financial interests. To meet its fiduciary obligations, DST attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, DST’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is DST’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### *Portfolio Monitoring Services*

For accounts involving one or more portfolio properties or DST Investments, that are requesting continuous portfolio management services, the following categories of data may be included in portfolio monitoring reports on those underlying properties in a client’s portfolio:

- A. Business
- B. Consumer Spending
- C. Demographics
- D. Maps
- E. Market Potential
- F. Sponsor Review

Each client’s advisory agreement will provide details on elements of each category to be provided on a case by case basis. The purpose of the continuous portfolio monitoring service is to assist DST Advisory Clients to:

- Better understand trade areas around a property to identify potential new sites or find competitors
- Measure traffic data and other business locations around subject properties.
- Reposition future DST acquisitions for diversification
- Better understand customers' purchasing habits, financial behaviors, and financial product and services preferences. Locate sites with potential to reach the most customers
- Improve forecasting and business planning.
- Analyze existing and potential sites and territories Identify high-demand areas by traffic patterns
- Understand the specified location and surrounding area including standard reference layers such as highways, major roads, rivers, and county boundaries.
- Understand customer preferences of a property
- Make future portfolio allocation changes
- Reallocate future DST 1031 properties into new or different areas or markets
- Vote in important matters driven by Sponsor communications.

### ***Subadvisor Services***

DST may also act as a sub-adviser to advisers unaffiliated with DST. These third-party advisers would outsource portfolio management services to DST. This relationship will be memorialized in each contract between DST and the third-party adviser.

### ***Financial Planning***

Financial plans and financial planning may include but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

DST generally limits its investment advice to real estate funds (including REITs) and private placements, although DST primarily recommends 1031 exchanges. DST may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

DST offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. DST does not participate in wrap fee programs.

## **E. Assets Under Management**

DST is a newly established RIA (Registered Investment Adviser) and reports assets under management annually. Currently there are no discretionary or non-discretionary assets under management.

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

All Fees are negotiable which are based on the scope of work to be performed. DST Investments offers two general pricing options, which are selected when an investor becomes a client. These two options are based on the client's personal preference and needs for services to be provided. *DST will not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the Account.*

**Option 1: Evaluate, Research and Recommend\***: Review client objectives and risk tolerance, research current DST market opportunities, provide client recommendations and deliver documentation to effect and an investment with a DST Sponsor.

- **Option 1 Fee:** No annual or monthly fee, but a negotiated flat fee paid at closing by the Qualified Intermediary, Custodian or Sponsor.

**Option 2: Evaluate, Research, Recommend and Monitor\***: In addition to Option 1, provide quarterly continuous portfolio monitoring and management services as outlined in "*Portfolio Monitoring Services*" above.

- **Option 2 Fee:** Annually a negotiated flat fee paid at closing by the Qualified Intermediary, Custodian or Sponsor and a negotiated quarterly fee until the investment is no longer owned.

*\*Clients have authorized DST Investments to withdraw management fees directly from the Sponsor, Custodian or Qualified Intermediary at closing or when due.*

#### *Maximum DST Investments Fee*

For a single large or a group of bundled DST transactions involving numerous placements and subsequent analyses, within a 12-month period, DST Investment will cap their fee in all cases at \$50,000. See below Fee vs Commission Example below.

As stated earlier, fees are generally negotiable, and the final fee schedule will be memorialized in a client's advisory agreement. Clients may terminate the agreement without penalty for a refund of unearned advisory fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

### Fee vs Commission Comparison Example

DST Aggregated Amount(s)*	Typical Broker Sealer Commission	Maximum DST Investments Fee	Potential Additional Client Equity Retained
\$5 Million	\$300,000	\$50,000	\$250,000
\$7.5 million	\$450,000	\$50,000	\$400,000
\$10 Million	\$600,000	\$50,000	\$550,000
\$15 Million	\$900,000	\$50,000	\$850,000

\*Includes bundled DST transactions involving multiple DST purchases within a 12-month time period.

### ***Sub-adviser Services Fees***

DST may also act as a sub-adviser to unaffiliated third-party advisers. The notice of termination requirement and payment of fees for sub-adviser services will depend on the specific third-party investment adviser engaging DST as sub-adviser. This relationship will be memorialized in each contract between DST and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency.

### ***Financial Planning Fees***

#### **Hourly Fees**

The negotiated hourly fee for these services is between \$500 and \$700.

Clients may terminate the agreement without penalty for a refund of unearned advisory fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in arrears.

### ***Payment of Sub-adviser Fees***

Sub-adviser fees may be withdrawn from clients' accounts or clients may be invoiced for such fees, as disclosed in each contract between DST and the applicable third-party adviser.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check, cash and/or wire.

Hourly financial planning fees are paid in arrears upon completion.

### **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by DST. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### **D. Prepayment of Fees**

DST collects its fees in arrears. It does not collect fees in advance.

### **E. Outside Compensation For the Sale of Securities to Clients**

Some advisors may be a registered representative of a broker-dealer and an insurance agent and in these roles, accept compensations for the sale of investment products to DST clients.

#### ***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of securities to DST's clients. This may present a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, DST will document the conflict of interest in the client file and inform the client of the conflict of interest.

#### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase DST recommended products through other brokers or agents that are not affiliated with DST, however that would potentially increase overall costs and reduce the client's capital account(s).

#### ***3. Commissions are not DST's primary source of compensation for advisory services***

Commissions are not DST's primary source of compensation for advisory services.

#### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are reduced to offset the commissions or markups on investment products recommended to clients.

## Item 6: Performance-Based Fees and Side-By-Side Management

DST does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

DST generally provides advisory services to the following types of clients:

- ❖ High-Net-Worth Individuals
- ❖ Other Investment Advisers

There is no account minimum for any of DST's services.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis & Investment Strategies*

DST uses long term trading and planning strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### *Methods of Analysis & Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance.



Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

As a registered representative of MSC-BD, LLC, Paul J McIntyre and Al DiNicola may accept compensation for the sale of securities.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither DST nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Paul J McIntyre and Al DiNicola are registered representatives of MSC-BD, LLC and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. DST always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of DST in such individual's capacity as a registered representative.

Paul J McIntyre is an investment adviser representative with another investment advisory firm, Naples Asset Management Company LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. DST always acts in the best interest of the client and clients are in no way required to use the services of any representative of DST in connection with such individual's activities outside of DST.

Paul J McIntyre is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. DST always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of DST in connection with such individual's activities outside of DST.

Paul J McIntyre is a real estate broker or dealer. From time to time, he will offer clients advice or commercial real estate products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. DST Investments, LLC always acts in the best interest of the client, including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of DST Investments, LLC in their capacity as a real estate dealer or broker.

Alfred Joseph DiNicola Jr. is a registered representative of MSC-BD, LLC and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. DST always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of DST in such individual's capacity as a registered representative.

Alfred Joseph DiNicola Jr. is a real estate broker or dealer. From time to time, he will offer clients advice or commercial real estate products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. DST always acts in the best interest of the client, including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of DST in their capacity as a real estate dealer or broker.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

DST does not utilize nor select third-party investment advisers.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

DST has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. DST's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

DST does not recommend that clients buy or sell any security in which a related person to DST or DST has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

DST will not recommend to clients securities in which the firm or its representatives also invest.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

Please see Item 11.C above.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

DST does not recommend brokers/custodians.

#### **1. Research and Other Soft-Dollar Benefits**

DST does not trade client's accounts and therefore receives no research, product, or services from a broker-dealer ("soft dollar benefits").

## **2. *Brokerage for Client Referrals***

DST receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. *Clients Directing Which Broker/Dealer/Custodian to Use***

DST does not trade client's accounts.

# **B. Aggregating (Block) Trading for Multiple Client Accounts**

DST does not trade clients' accounts and therefore does not have the ability to block trade purchases across accounts.

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for DST's advisory services provided on an ongoing basis are reviewed at least Monthly by Paul J McIntyre, Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels. All accounts at DST are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Paul J McIntyre, Chief Compliance Officer. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, DST's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of DST's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

DST receives compensation via its arrangement with its underlying sub-advisers, but otherwise does not receive any economic benefit from any other third party for advice rendered to DST's clients.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

DST does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, DST will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

DST does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

DST will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

DST neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

## **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither DST nor its management has any financial condition that is likely to reasonably impair DST's ability to meet contractual commitments to clients.

## **C. Bankruptcy Petitions in Previous Ten Years**

DST has not been the subject of a bankruptcy petition in the last ten years.