

## ny Company of the Month

DRG'S EXTENSIVE OFFERINGS HAVE BEEN WELL RECEIVED BY INVESTORS THROUGHOUT THE COUNTRY

# DeSanto Realty provides the industry's best with the right combination of experience and ingenuity

**RADNOR, PA** Since 1951, DeSanto Realty Group (DRG) has used keen vision and learned experience to establish itself as a profitable and trustworthy firm. Today, it is evident that 55 years of hard work and out-of-the-box thinking has paid off as DRG has established itself as a leading 1031 exchange specialist.

That success is a combination of vision, real estate savvy, and family collaboration. When the company began those five decades ago, it was led by founder Louis DeSanto, who took his willingness to work hard and combined it with a set of core investing skills. Using that experience and vision, he acquired an impressive number of investment properties in the mid-Atlantic region. Fifty years later, his son, Gary DeSanto, took the reins with the goal of broadening the company and expanding its offerings. DRG's offerings have been well received by investors throughout the country and in the Northeast, including New York

Keeping in line with Louis DeSanto's consistent desire to stay above the curve in the industry, Gary DeSanto led the firm into the tenant-in-common (TIC) industry after seeing the growing demand for that type of quality investment. Today, the company has ten TIC properties in five states. The properties include multifamily, office and medical buildings in Pennsylvania, Ohio, Michigan, Tennessee and Kansas.



**Gary DeSanto**

Because of DRG's ability to source properties in thriving markets and attract a broad base of investors, the firm is growing swiftly. In 2007, DRG generated \$71 million in TIC equity, more than doubling its figures from 2006. As a TIC sponsor, DRG looks beyond the primary metropolitan markets on the East Coast. As a result, the sponsor has been able to offer equity investments in fundamentally strong properties located amid expanding populations and diversified economies.

#### Specializing in TIC investments

TICs, which offer a group of up to 35 investors the ability to purchase a share of institutional quality real estate, are typically utilized by those carrying out a 1031 exchange to defer capital gains taxes. TIC properties offer management-free

ownership and flexibility in the amount invested.

Because of that, they're a popular choice for those looking to utilize that section of the federal tax law. A 1031 exchange provides for the capital gains taxes from appreciated real estate to be deferred if the funds are put back into another real estate investment of like kind. By deferring the tax, the investor has more money to put into another property, allowing them to maximize on the return.

However, while the benefits of TIC ownership are many and well-documented, the success of that investment lies in the abilities of the sponsor to source viable properties and conduct the transaction in a timely and effective way. That is why so many investors have taken note of the DRG reputation and, as a result, the company continues to grow.

To meet the increased demand for TIC investments, DRG is actively seeking properties in a variety of markets, including the midwest and southeast. Those markets, according to DRG CEO Gary DeSanto, are an ideal setting for TIC investments. While acquisitions in larger metropolitan areas sometimes grab more than their share of headlines, the fact is there is a lot of opportunity in smaller, but economically stable markets throughout the U.S. in multifamily, office and retail properties. And so DRG, which is continuing to seek solid investments for their associated investor, intends to extend its reach in those markets.

#### The team to make it happen

Just as the success of TIC investing is contingent upon the knowledge and ability of the sponsor, the success of the sponsor rests upon the knowledge and aptitude of its team. DRG has established a team of more than 25 dedicated professionals responsible for acquisitions, property management, due diligence, sales, marketing, investment closings and more. The in-house resources maintained by DRG allows the company to pursue sound acquisition strategies, offer high-quality property management and provide our clients with high-quality customer service for all transactions.

Clients can feel confident in their investment because of the caliber of talent DRG has working to make the investments as successful as possible, starting from our acquisitions department, which is headed by Michael Blank. Blank, DRG's director of finance and acquisitions, uses his 22 years of experience in the real estate and mortgage industries to carry out a number of tasks, including sourcing proper-



**Northwoods, a 153,000 s/f office building in Harrisburg, Penn.**



**Perry's Crossing, a 296-unit apartment community in Perrysburg, Ohio**

ties, completing due diligence and loan structuring and underwriting. Once the property is sourced, DRG's sales department, led by Joe Downs, educates our affiliated registered representatives and their clients about the offering.

DRG's operations team, led by Joe Colia, helps to ensure all transactions are carried out smoothly and according to all regulations and standards. Donna Torpey, as director of accounting and investor relations, leads the team that is the link between the investor and the company. Additionally, DRG has its own in-house asset manager, Jill Neff, who oversees the properties to achieve the highest possible return for our affiliated investors. By implementing these various in-house functions, DRG is able to stay on the cutting edge of the TIC industry while securing class A properties, providing the best in customer service, and offering high-quality property management.

#### What Sets DRG Apart

The right combination of experience and innovation makes DRG

a leader in the TIC industry. After more than 55 years of being in the real estate business, DRG is firmly rooted in the industry. As a result, clients can have confidence in their investment.

DRG takes pride in its forward-thinking approach to property acquisitions and investment, and relies heavily on a skilled team of acquisition specialists to source profitable properties in a variety of markets. The DRG team works diligently to maintain and expand the number of quality 1031 exchange opportunities through due diligence, market research and comprehensive property management. A willingness to think outside the box, combined with its positive track record, has allowed DRG to align a successful contingent of properties that promise to have significant upside with minimized risks. And as an experienced owner and manager of real estate investments, DRG is equipped to manage the entire life cycle of a real estate investment, resulting in a successful transaction and, most importantly, a satisfied client.



**Cason Estates, a 262-unit apartment community in Murfreesboro, Tenn.**



**ClearView, a 376-unit apartment community in Holland, Mich.**