

The Megatel Group Expands Platform to Offer 1031 DST Private Placements

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The Megatel Group will begin offering Delaware statutory trust investment funds through their investment affiliate, Megatel Capital Investment (MCI), to investors seeking the tax deferral benefits afforded under Section 1031 of the Internal Revenue Code.

MCI first entered the retail investment space in 2015 and sponsors other private placement offerings that partially fund the operations of Megatel Homes, a Texas-based homebuilder.

Megatel recently [introduced their Rent Back](#) incentive program, which offers renters a credit of their previous year of rent that can be applied towards upfront home purchase costs. The company is an active homebuilder and



believes that many potential homebuyers continue to rent due to a lack of funds to pay the upfront costs associated with home ownership.

The DST initiative and Rent Back program are part of Megatel's push into higher density housing, including the acquisition and development of multifamily communities. The company plans to focus on buying stabilized multifamily programs with its DST offerings and introduce the Rent Back program to those properties.

Megatel said that it believes the Rent Back program "will add greater value to the multifamily properties owned by its DST investors, as the program should drive greater occupancy and lower rent concessions, which are not available to renters who choose to participate in the incentive program."

"We have launched this rent-back program to create a bridge between renters and homeownership," said Zach Ipour, co-founder of Megatel Homes. "We are seeking to provide a solution to one of the biggest hurdles many would-be homeowners face - the lack of funds to pay for upfront homeownership costs. In concert with our multifamily DST offerings, we believe the Rent Back program will deliver a unique value add component to our investors while continuing to expand access to this unique program."

Megatel Homes was founded in 2006 and has completed more than 100 housing developments comprised of several thousand homes during that period. The company currently has more than 100 communities and is spreading throughout the Dallas-Fort Worth metroplex.

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