



*Unlocking a World of Investment Opportunities*

## **IRA Financial Group's Self-Directed IRA LLC Real Estate Solution**

**Invest in what you know and understand tax-free!**

The IRS has always permitted real estate to be held inside IRA retirement accounts. In fact, it says it right on the IRS website:

**“IRA law does not prohibit investing in real estate but trustees are not required to offer real estate as an option.”**



[www.irafinancialgroup.com](http://www.irafinancialgroup.com)

### **THE IRA FINANCIAL GROUP**

Unlocking a World of Investment Opportunities  
244 Fifth Avenue Suite # 1798 New York, NY 10001  
New York | Miami

1-800-IRA-0646

## Why Buy Real Estate Using a Self-Directed IRA LLC?

The IRS has always permitted real estate to be held inside IRA retirement accounts. In fact, it says it right on the IRS website:

“IRA law does not prohibit investing in real estate but trustees are not required to offer real estate as an option.”

So, why buy Real Estate with a Self Directed IRA LLC?

- Gains are tax-free
- Positive cash flow is tax-free
- No time limit for holding property
- IRA can borrow money - Leverage your investment with non-recourse financing
- Potential to earn a larger rate of return on invested capital
- Invest in what you know and understand
- Diversify your retirement portfolio from over-exposure to Wall Street
- Protect your retirement funds from inflation or a falling U.S. dollar
- Invest your retirement funds in hard assets



## How Does it Work?

The Self-Directed IRA LLC involves the establishment of a limited liability company (LLC) that is owned by the IRA (care of the IRA custodian) and managed by you or any third-party. As manager of the IRA LLC, you will have control over the IRA assets to make traditional as well as non-traditional investments, such as real estate, by simply writing a check.

- Set-up an IRS compliant “Checkbook Control” Self-Directed IRA LLC with the IRA Financial Group.
- Rollover existing retirement funds from current custodian to new IRA passive custodian.
- IRA passive custodian transfers rollover retirement funds to newly established IRA LLC bank account at local bank.
- Identify the real estate investment property for purchase.
- As manager of the IRA LLC, purchase the real estate investment property by writing a check or executing a wire transfer from the new IRA LLC bank account. No need to seek the consent of the custodian with a Self-Directed IRA LLC with “Checkbook Control” solution.
- Title to the real estate investment property and all transaction documents should be in the name of newly established IRA LLC. Documents pertaining to the property investment must be signed by the LLC manager.
- All expenses paid from the investment property go through the IRA LLC. Likewise, all rental income checks must be deposited directly into the IRA LLC bank account. No IRA related investment checks should be deposited into your personal accounts.
- All income or gains from the real estate investment will generally flow through to the IRA without tax!



**THE IRA FINANCIAL GROUP**

Unlocking a World of Investment Opportunities  
244 Fifth Avenue Suite # 1798 New York, NY 10001  
New York | Miami

1-800-IRA-0646

## It's All About Tax-Free Growth

When purchasing real estate with a Self-Directed IRA LLC, in general, all income and gains generated by your pre-tax retirement account investment would generally flow back into the retirement account tax-free. Instead of paying tax on the returns of a real estate investment, tax is paid only at a later date, leaving the real estate investment to grow unhindered. Generally, Self-Directed IRA real estate investments are usually made when a person is earning higher income and is taxed at a higher tax rate. Withdrawals are made from an investment account when a person is earning little or no income and is taxed at a lower rate.



For example, Joe established a Self-Directed IRA LLC with \$100,000 to purchase real estate and make other investments. Assume Joe kept his Self-Directed IRA LLC open for 20 years. Further assume that Joe was able to generate an average annual pre-tax rate of return of 8% and the average tax rate was 25%. By using a tax-deferred Self-Directed IRA LLC strategy, after 20 years Joe's \$100,000 investment would be worth \$466,098 - a whopping \$349,572 after taxes on the earnings. Whereas, if Joe made the investments with taxable funds (non-retirement funds) Joe would have only accumulated \$320,714 after 20 years.

**THE IRA FINANCIAL GROUP**

Unlocking a World of Investment Opportunities  
244 Fifth Avenue Suite # 1798 New York, NY 10001

New York | Miami

1-800-IRA-0646



## What Kind of Real Estate Can I Purchase With a Self-Directed IRA?

The Internal Revenue Code does not describe what a Self-Directed IRA LLC can invest in, only what it *cannot* invest in. Internal Revenue Code Sections 408 & 4975 prohibit the IRA holder and his or her lineal descendants (disqualified persons) from engaging in certain types of transactions that would directly or indirectly personally benefit a “disqualified person”. Below is a partial list of domestic or foreign real estate-related investments that you can make with a Self-Directed IRA LLC:

- Raw land
- Residential homes
- Commercial property
- Apartments
- Duplexes
- Condos/townhomes
- Mobile homes
- Real estate notes
- Real estate purchase options
- Tax liens certificates
- Tax deeds



## The Self-Directed IRA LLC Real Estate Advantage

- **"Checkbook Control":** You no longer have to get each real estate investment approved by the custodian of your account. Instead, as manager of the IRA LLC, all decisions are truly yours. Buying real estate is as easy as writing a check!
- **Tax Advantages:** You have all the tax advantages of a traditional IRA, as well as tax deferral and tax-free gains. All income or gains from the sale of real estate goes back to the retirement fund tax-free!
- **Investment Options:** You can invest in almost any type of investment, including real estate, tax liens, or precious metals!
- **Speed:** When you find a real estate investment that you want to make with your retirement funds, simply write a check or wire the funds straight from your retirement account bank account to make the investment.
- **Retirement & Investment Vehicle All in One:** Save for your retirement while gaining the ability to make real estate and other investments without paying tax.

### Getting Started

IRA Financial Group will take care of setting up your entire IRS compliant "Checkbook Control" Self-Directed IRA Real Estate solution. The whole process can be handled by phone, e-mail, fax, or mail and typically takes between 7-21 days to complete, the timing largely depending on the state of formation and the custodian holding your retirement funds. Our tax and ERISA professionals are on-site greatly reducing the set-up time and cost. Most importantly, each client of the IRA Financial Group is assigned a retirement tax professional to help with the establishment of the Self-Directed IRA LLC structure.



If you would like to get started on establishing your "Checkbook Control" Self-Directed IRA LLC real estate solution, please contact a retirement tax specialist at:



800-472-0646



**THE IRA FINANCIAL GROUP**

Unlocking a World of Investment Opportunities  
244 Fifth Avenue Suite # 1798 New York, NY 10001  
New York | Miami

1-800-IRA-0646

## Work With the Leaders

- **Expertise:** The IRA Financial Group was founded by a group of top law firm tax and ERISA lawyers who have worked at some of the largest law firms in the United States, such as White & Case LLP, Dewey & LeBoeuf LLP, and Thelen LLP. With our work experience at some of the largest law firms in the country, our tax partners' retirement plan and tax knowledge in this area is unmatched. Unlike other facilitator companies, we don't need to hire outside counsel for legal and tax advice regarding the taxation of retirement funds. The tax attorneys who founded the IRA Financial Group have advised thousands of clients, including hundreds of attorneys, on the tax laws concerning the Self-Directed IRA LLC solution.
- **Leadership:** IRA Financial Group is the market's leading Self-Directed IRA and Solo 401(k) Plan provider. We have helped over 8,000 clients establish IRS compliant Self-Directed retirement solutions and invest over \$2.6 billion in alternative investments.
- **Prestige:** IRA Financial Group and its founders have been featured on CBS News, PBS Nightly Business Report, and in over 100 major print publications, including Forbes, Fox Business, The Wall Street Journal, CNN Money, USA Today, The San Francisco Chronicle, The Dallas Morning News, Law.com, American Lawyer, The Houston Chronicle, The Chicago Tribune, and many more.
- **Compliance Focused:** When choosing the IRA Financial Group, you will have direct and unlimited access to our in-house tax partners and CPAs. Each client of the IRA Financial Group is assigned a retirement tax partner and CPA to assist in establishing an IRS compliant Self-Directed IRA LLC structure.

We are a member of the BBB and our tax partners have been featured in over 75 major news outlets, including CNN Money, CBS, Fox, Forbes, The Dallas Morning News, The San Francisco Chronicle, The Miami Herald, USA Today, Etc.



We look forward to having the opportunity to help you establish an IRS compliant Self-Directed IRA LLC solution.





**For more information on the Self-Directed IRA LLC Real Estate Solution please contact a Retirement Tax Professional at:**



**800-472-0646**

[www.irafinancialgroup.com](http://www.irafinancialgroup.com)



**BERGMAN LAW GROUP**  
ATTORNEYS AT LAW

**800-472-0467**

[www.bergmanlawgroup.com](http://www.bergmanlawgroup.com)

**Self-Directed  
IRA Lawyers**

**800-472-0467**

[www.selfdirectediralawyers.com](http://www.selfdirectediralawyers.com)



**THE IRA FINANCIAL GROUP**

Unlocking a World of Investment Opportunities  
244 Fifth Avenue Suite # 1798 New York, NY 10001  
New York | Miami

**1-800-IRA-0646**