



Flathead Valley Brokers  
Commercial Services Division

# Self Directed IRA

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Take Control of your Future

# Is the stock market getting you down?

## Consider an alternative Investment approach

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- Self-directed IRAs have been around since the inception of IRA investing
- Typical Investments include:
  - Real Estate
  - Trust Deeds
  - Mortgages
  - Promissory Notes
  - Private Stocks and Bonds



# Is it legal to purchase real estate in my IRA?

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- YES...In 1974, Congress passed the Employee Retirement Income Security Act (ERISA), making IRA, 401(k) and other retirement plans possible. Only two types of investments are excluded under ERISA and IRS Codes: Life Insurance Contracts and Collectibles (art, jewelry, etc.) Everything else is fair game. IRS Code Sec. 401 IRC 408(a) (3)
- You may purchase real estate of all types as long as it is for investment purposes and NOT personal use. You may purchase rental properties, commercial real estate, triple net lease properties & raw land BUT the key is the purchase must be made from unrelated parties. You must not purchase real estate from a disqualified person.

# Who are disqualified persons?

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*"We not only help you find the right investment for your self-directed IRA but we help you with the process"*

*Call us for a full list of disqualified persons.*

Yourself, as an IRA owner

- Your IRA can't purchase your own home.

Spouse, Sons & Daughters

Mothers & Fathers



# What can't I buy?

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There are rules that prohibit investments in life insurance, collectibles such as automobiles, coins, art, gems and the like. Call us for a complete informational packet. 406.752.8883

# Advantages & Disadvantages

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## ADVANTAGE

- Diversification
- Capital Gains & Income Tax Deferred
- Capital Gains are tax exempt if it isn't a Roth IRA
- Ability to leverage if your IRA does not have funds for complete purchase.

## DISADVANTAGE

- Must keep cash reserves in the IRA to cover all expenses
- No depreciation benefit
- Real Estate investment may expose your IRA to liabilities

# What do I need to get started?

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It is very important to...

- Find a competent custodian
- Find a competent Real Estate Broker
- Find a competent Lender (if needed)

FVB Brokers are trained in Self-Directed IRA Real Estate Purchases

# Where do I find Custodians and more information?

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Check out these custodians for more information on  
Self-Directed IRA's

- <https://www.pensco.com>
- <https://www.iraresources.com>
- <https://www.equityinstitutional.com>
- <https://www.theentrustgroup.com>
  
- Call us at Flathead Valley Brokers and we will send you our informational packet.
  - **406-752-8883**

# Don't Mess with Uncle Sam

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Know the Rules Before you Buy!



DON'T INVEST IN PROHIBITED INVESTMENTS

*Transactions within your IRA must be Arms length. You may not buy or sell to yourself, ascendants or descendants*

*Never co-mingle personal money with IRA money. Consider third party management of investment properties.*

*The Self-Directed IRA must be set up & funded prior to writing a buy/sell agreement.*

*The Buy/Sell Agreement must be worded correctly. We can help you with this.*

*You may not purchase a vacation property or other property for personal use. This is a prohibited transaction..*

*Don't provide "sweat equity? For your investment.*

Do you want to take  
advantage of the  
best real estate  
buying opportunity  
in years?

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We can assist you with  
the purchase of real  
estate in your “Self-  
Directed IRA”.

Our agents are available  
to assist you every step  
of the way.

*Call Us..  
We are here to help*

**406-752-8883**

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## Disclaimer

- Flathead Valley Brokers offer no investment or legal advise. We strongly advise you to seek competent council when considering an investment in a Self-Directed IRA.
- Flathead Valley Brokers does not endorse any bank or custodial company (holding company) for your IRA investment.
- Flathead Valley Brokers is a Real Estate Sales firm servicing the Flathead Valley in Montana.