

Title:

You Can Do What With Your IRA!?

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437

Summary:

Use your IRA Funds to buy real estate using a self directed IRA.

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Article Body:

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Everyone knows you can invest in stocks, bonds, and mutual funds with your IRA. About 97% of the trillions of dollars of IRA funds are invested in these types of assets. Did you know you can also invest your IRA funds into non-traditional assets like real estate, energy, and tax liens?

What!?

Yes, you can invest your IRA funds into a house, a duplex, or a commercial building along with many other non-traditional assets. A lot of people are choosing these types of investments to better diversify their retirement portfolio. These are the people that don't want to see their portfolio rise and fall dramatically due to stock market fluctuations.

Any good broker will tell you to keep your portfolio diversified with many different stocks, bonds, and mutual funds. More savvy investors say to keep your portfolio diversified with many different assets such as stocks, bonds, mutual funds, energy & real estate. Some of their portfolio's actually increased during the most recent bear market! This was due to their portfolio's being truly diversified.

There are two main reasons that more and more people are choosing to invest a portion of their IRA funds in non-traditional assets. First, they don't know or trust the stock market since it has performed poorly the last couple of years, and nobody can predict what the market will do over the next 5, 10, or 20 years. Second, they may or may not know what certain companies are doing on the other side of the country, but they do know about that "hot" piece of property just

around the corner that would be a great rental house!

One of the added benefits to a self directed IRA is investing in assets that you know, and understand. The more you know and understand, the better judgment you can make in your own investments.

Once the self directed IRA is set up, you have investment control of the funds. You can use the funds to purchase the house and the income from rent will go back into your IRA. If you decide to sell the house, the capital gains from the sell will go back into your IRA as well. Depending on the type of IRA you have your gains can be either taxed deferred or tax free!

With the self directed IRA, you are in control. Many people are using the self directed IRA to take control of their retirement investments.

Stocks, bonds, and mutual funds still need to be in your portfolio to be diversified, but it's important to understand that you do have choices outside the stock market!