

# 8 Strategies to Grow an Account Worth LESS Than \$50k



**AMERICAN IRA**  
Self-Directed IRAs and 401Ks

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



# American IRA, LLC

## Who We Are

- 3<sup>rd</sup> Party Administrator.
- New Vision Trust Company is our Custodian.
- We were founded in 2004 by Jim Hitt, CEO.
- Over \$500,000,000 in assets under administration.
- Thousands of clients worldwide.

## Why American IRA, LLC

- Low fees.
- Specialist in self-directed retirement plans.
- Local bank feel.

Disclaimer: American IRA, LLC, a North Carolina limited liability company (“Administrator”), serves as a Third-Party Administrator (“TPA”) providing educational and administrative services on behalf of the Custodian, New Vision Trust Company, a state-chartered South Dakota Trust Company (“Custodian”).

**Would you  
rather pay  
\$2,000 or  
\$285 a year?**

Your self-directed IRA  
company shouldn't make  
more money just  
because you do!

Account Value	American IRA Advantage Account Value Fees	Typical Competitor Account Value Fees
\$70,000 Account Value	You pay <b>\$285/year</b>	You pay \$400/year
\$200,000 Account Value	You pay <b>\$285/year</b>	You pay \$660/year
\$500,000 Account Value	You pay <b>\$285/year</b>	You pay \$1,680/year
Number of Assets	American IRA Advantage Account Per Asset Fee	Typical Competitor Per Asset Fee
1 asset	You pay <b>\$285/year</b>	You pay \$300/year
1 note and 2 properties	You pay <b>\$285/year</b>	You pay \$900/year
8 assets	You pay <b>\$285/year</b>	You pay \$2,400/year

Unlimited assets and unlimited account values with a:  
**\$285 Low, Set Annual Fee**

# Who should you trust with your retirement?

## American IRA

- Overall BBB star rating of 5/5 and have been A+ accredited since 2009.
- Overall Google star rating of 4.7.

If you enjoy our educational materials or if you have had a great experience with American IRA, then please leave us a review!

[Google Review Link](#)

[BBB Review Link](#)

# Is Your Plan Working?



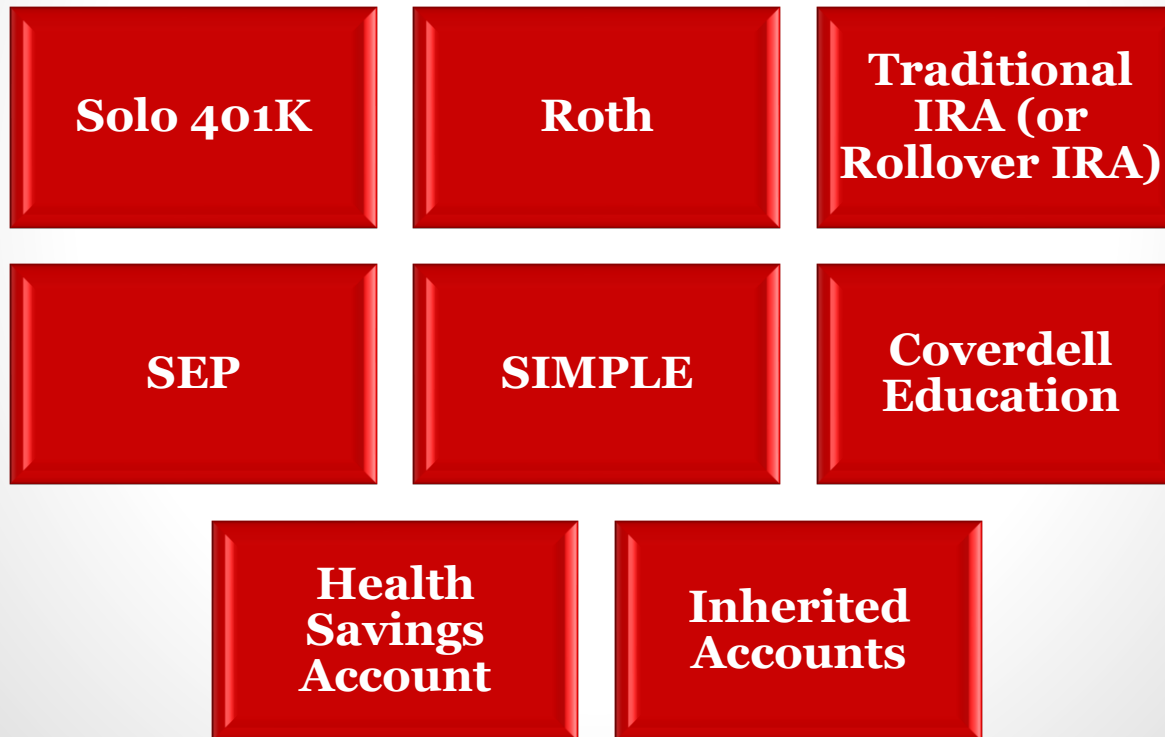
# What is a Self-Directed Retirement Account?



- You are the sole decision maker for your IRA/401(k).
- Your IRA/401k can invest in a vast array of assets such as real estate, mortgages, private placements, and precious metals.

# What Types of Retirement Accounts Can Be Self-Directed?

- All of them!!



# Retirement Investment Options

- Raw Land
- Condos/Townhomes
- Single Family Homes
- Commercial Buildings
- Trust Deeds/Mortgage Notes
- Unsecured Notes
- Precious Metals
- LLCs
- Tax Liens/Deeds
- Privately Held Companies







# 1. Purchasing Tax Liens

# Basics

- If a property owner is delinquent on their taxes, the county will place a lien on the property.
- That lien is auctioned off to investors.
- You will either receive your principle plus interest or the right to acquire the property.



# Strategy to Consider



- \$10k in your Self-Directed IRA.
- You purchase 5 tax liens each year for the next 5 years.
- Most of the time you are simply receiving 12% interest on your money, NOT BAD!
- In the 5 year, you hit on a property and acquire land that is worth around \$80k.
- You sell to a builder for \$60k.

# Results After 5 years

- Started with \$10k.
- If you were able to make a Roth or Traditional Contribution each year- \$6k/year.
- Investing in a state that pays 12% interest (I compounded the return at 8% for this example).
- Subtotal- \$51,400.
- Year 5, \$60k sale of the land.
- Total- \$111,400.





## **2. Lending on Mobile Homes**

# Basics

- Money is in the niches.
- Providing financing to investors that have difficulty getting financing from traditional institutions.
- Your IRA is the lender for a real estate investor that flips mobile homes.
- He has more deals than capital and banks will not lend on properties (especially single-wide mobile homes).



# Strategy to Consider



- Each deal will typically cost \$30k for purchase and rehab.
- The borrower agrees to pay you \$1k/month until exit, **NO PRORATION OF MONTHLY PAYMENT.**
- Borrower pays your American IRA fees.
- If capital is out for 35 days, your account makes \$2k.

# Results after Year 1

- IRA was a lender on 8 deals.
- Average days from close to close was 42 days.
- Your \$30k in capital turned into \$46k.
- 53% return on your investment.







# 3. Cryptocurrency Investing

# Concept

- Your IRA/401k can invest in cryptocurrency such as Bitcoin, Ripple, Ethereum, etc.
- In order to purchase these assets, you must create an IRA owned LLC.
- The LLC will set up an account with the provider of your choice.



# The Strategy



- Like all other investment strategies, there are long term investors as well as short term traders.
- We have seen clients create IRA owned LLC's with as little as \$5k in capital to deploy in various crypto based assets.



# 4. Purchasing Securities

# Options for your Account

- Most investors are aware that they can typically invest in stocks, bonds, and mutual funds with their retirement account but many of our self-directed clients are NOT aware that they can invest in those assets through American IRA as well.
- Our vendor is TD Ameritrade for securities.



# The Process

- Instruct our Team to create a sub account with TD Ameritrade.
- Decide on the amount of funds that you would like to place with TD Ameritrade for that portion of your portfolio.
- This gives you complete flexibility with all asset classes.





# 5. Wholesaling

# Basics

- As a RE investor, you may come across an off-market deal that doesn't fit your criteria.
- You decide to put the property under contract with the intention to assign that contract to another investor to purchase.
- That investor will pay you a fee for bringing them a deal.





# Numbers for a Wholesale Deal

- You identify a property that is worth \$100k in its current condition.
- Your 401(k) puts the property under contract for \$68k with the owner.
- Your 401(k) assigns that contract to a landlord for \$82k.
- Your 401k invested \$1k to make \$14k!
- We see this happen EVERY DAY with our clients.



# 6. Investing in Private Companies

# Basics

- Your IRA/401(k) can invest in start up companies as well as existing companies looking to expand.
- It can be anything from a landscaping company to a technology company.



# How to Invest

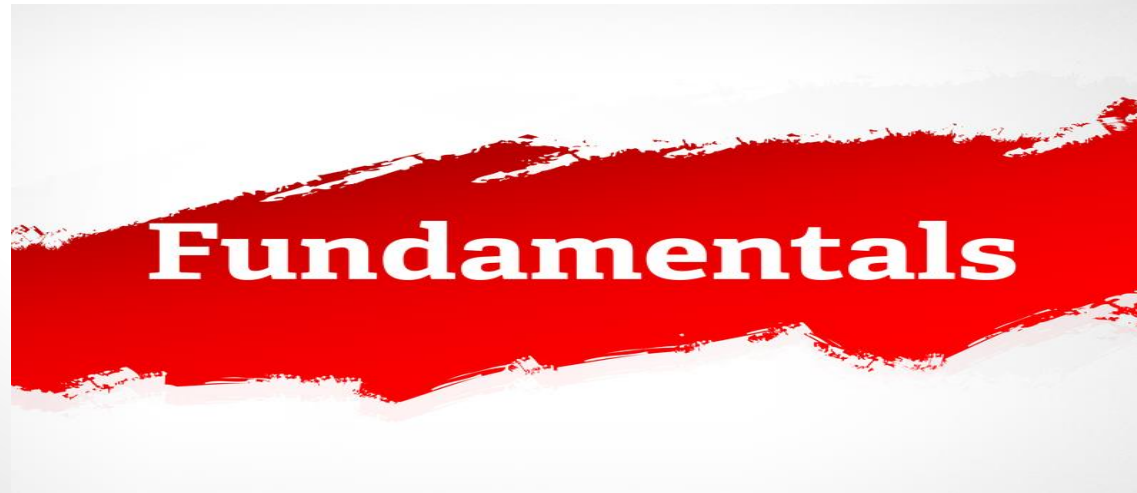
- There are many clubs that you can join to learn about investment opportunities.
- Some groups have requirements such as a specific net-worth, others are open to all.
- The groups will bring in founders to pitch their business with the hopes of raising money from investors (you).
- Some companies will flourish while others will not succeed.
- You can invest in some companies for as little as \$7,500!



## 7. Lending as a Junior Lien

# Fundamentals

- Many times, investors will need to raise more capital than they originally intended for a particular investment such as a fix and flip house.
- One way that they can solve this issue is by putting additional mortgages on their property.
- This can be a way to invest a small amount of money into a real estate deal.



# Things to Consider

- If you are going to be a “Junior Lien”, you may want to speak with the other lenders to make sure they are comfortable with the additional debt on the property.
- You will also want to understand the TOTAL debt to value of the property to make sure it has a margin of safety.



# Numbers on a Deal

- Property is currently worth \$200k.
- The initial lender is owed \$110k.
- The borrower is looking for \$15k to finish up the rehab.
- The means that with the additional \$15k, the TLTV or Total Loan to Value will be 62%.
- If you are comfortable with that ratio, that may be a great way to make 12-18% on your money (arbitrary numbers).





# 8. Buying Properties with Seller Financing

# Basics

- If you are able to directly speak with homeowners, you can create win-win deals that work for all parties.
- Some long-term landlords prefer to sell their homes and carry the financing instead of getting a big lump sum of cash, it is FAR more tax efficient for them to sell this way.



# Example

- Mr. Jeffries was looking to get out of the rental property game and sell his last rental.
- Property was worth approximately \$130k-\$140k.
- Mr. Jeffries sold the property for \$120k.
- He wanted \$10k down payment.
- We settled on \$5k down payment.
- \$115k on a 30-year note (at 3% interest) with a balloon in 20 years (\$49,852.04).

# Final Numbers

- The mortgage payment \$484.84.
- Taxes \$200/month.
- Insurance \$30/month.
- PITI- \$714.84/month .
- I put approximately \$3k into the property at the time of purchase.
- Have had the same tenants for the last few years.
- Property rents for \$1,250/month.



# Thank you for attending!

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**WAIVING SET UP FEE!**