



# Real Estate for Investment Inside a 401K - Part 1 of the FinancialSuccessInstitute.org Educational Campaign

---

Hello,

I'm Richard Geller, CEO and operating manager of [FinancialSuccessInstitute.org](#). If you are not already a regular reader and subscriber to the vital information and resources provided by the Institute, I encourage you to visit the website and sign up now at: [FinancialInvestmentInstitute.org](#). The Institute is devoted to researching and reporting on new and high paying alternative investments that you can hold tax free in a 401K or IRA retirement account.

This issue of our newsletter kicks off the FinancialSuccessInstitute.org's campaign to educate subscribers why they should have real estate for investment inside a self directed 401K account. More and more of our subscribers hold rental houses as real estate for investment in their 401K. The first article in this newsletter teaches you about the little known benefit when a 401K protects your assets from a frivolous or even a legitimate lawsuit. A single mistake shouldn't wipe out a lifetime of savings. The 401K offers much stronger protection than an IRA. The second

article goes into detail about why and how you can take full control of your retirement account today when you switch to a self directed 401K. Other types of retirement accounts require a third party custodian but the self directed 401K allows you to be the custodian. It's another way to keep others from getting at your assets. Finally, the last article begins teaching you about the laundry list of benefits you receive with a self directed 401K that don't come with other retirement accounts. To learn everything there is to know about the self directed 401K, you'll want to pick up your copy of the in-depth book [Wall Street Won't Make You Rich - That's Your Job](#).

The newsletter also addresses issues to help you maximize your retirement account earnings with information about how the little known self directed 401K is likely a much better way for you to hold rental houses and other real estate for investment in your 401K. You'll also learn about holding real estate mortgages instead of owning a real estate investment property. This can be a much better alternative because you're not

responsible for the investment property expenses. You simply collect a monthly check for a mortgage paying 8% or more.

No one cares more about you becoming wealthy than you do and no one else should. You'll do much better taking full control of your financial future starting today!

At [FinancialInvestmentInstitute.org](http://FinancialInvestmentInstitute.org) you'll learn exactly how to retire wealthy when you take control of your financial future!

Please visit us at [FinancialInvestmentInstitute.org](http://FinancialInvestmentInstitute.org) to leave questions and comments. However, we cannot give direct advice because we don't know the details of your situation or all the laws in your state regarding securities and investments.

Thanks and Wishing You Great Success With Your Investing,  
Richard Geller

So if YOU can't draw money out of your IRA or 401K, neither can the IRS!

This is where a 401K beats an IRA bigtime. An IRA is not a qualified retirement plan for most purposes. And a 401K has protection as a qualified retirement plan that an IRA does NOT have.

So the trick here is

1. Convert your IRAs to a 401K
2. Make sure you CAN NOT get to your 401K

## **How to protect your 401K so it isn't in pay status and the IRS can't touch it**

Your 401K can be NOT in pay status and then the IRS can't get it. Neither can creditors. Remember, this ONLY applies to 401Ks and similar "qualified retirement plans", NOT an IRA.

If you are not yet 59 1/2 years old, you can make sure your 401K is NOT in pay status. You are NOT allowed to take money out of the 401K and neither is the IRS.

## **401K Asset Protection**

January 25th, 2012

### **Can a 401K Protect your Assets Against Creditors and the IRS**

Can a 401K can provide great asset protection? Can a 401K protect you against the IRS if they try to seize your cash? And can an IRA protect your assets against creditors and the IRS?

I'll answer that in this article.

The IRS can place a lien on your property whenever they want. The lien applies to all your property, both real estate and cash and personal property like cars or even jewelry.

So if you owe the IRS and they want to, they can churn out a tax lien and slap it on you with no real due process.

To take your stuff, the lien has to graduate to become a levy. A levy action is when the IRS actually seizes property that it has liened.

Can the IRS slap a lien on your IRA? Can they slap a lien on your 401K?

### **If your 401K is under pay status, the IRS can take your 401K money and property**

Your 401K is in pay status if YOU can access the 401K proceeds.

That's the key. The IRS doesn't have "super powers." If YOU have the power to take cash or distributions from your 401K or IRA, so does the IRS. They can step into your shoes and do whatever YOU have the power to do.



Lock up your 401K against the IRS. Photo courtesy of <http://www.flickr.com/photos/tyrian123/>

That achieves extremely high asset protection via a 401K. If you have IRAs, convert them into a 401K, which you can usually do, and then you can protect everything in the IRAs which are now in the 401K and until you are 59 1/2 you can keep everyone's mitts off your cash.

### **What happens at 59 1/2 so your 401K is protected against creditors and the IRS?**

Once the IRS decides what you owe, they have 10 years to collect it. If they can't collect it, it's gone! You don't owe it. So it's a waiting game. Wait them out and after 10 years from when they decide what you owe, you owe nothing more.

If you are older than 59 1/2 and less than about 70, you can often keep everyone from accessing your 401K. The same techniques with a few variations work.

There is no asset protection better than a 401K if it's set up right.

## How to form a 401K so it protects your assets and so you can invest in whatever you want

You can roll your IRAs and your spouses's IRAs into a 401K, a solo 401K. All you need is a small part time business. It doesn't even have to make a profit. It can be a network marketing thing, or a part time consulting business, or renting out a room in your house. Whatever.

Now you can have ALL your retirement funds in one place. And they are in one 401K and that 401K can invest in all sorts of things.

Real estate.

Notes and loans.

Gold coins and silver coins (that you can hold in a safe or at the bank or bury.)

Stocks and bonds and options and futures.

And much more.

About the only thing you can't own in your 401K is artwork, collectible cars, that type of thing. And you can't live in a house that your 401K owns, although there are ways around this to a great extent.

And the power of a 401K may be greatest not just in protecting your retirement against the IRS and against creditors, but in the fact you can borrow up to \$100,000 for a joint 401K or \$50,000 in single solo 401K, and use those borrowed funds for anything and pay it back to YOURSELF with interest over five years and sometimes longer.

It doesn't get better than this. Remember to use a good consulting firm to set up your 401K, make sure you have the type of 401K that lets you write checks and not have to get someone's permission to invest. And make sure that you don't have the ability to pay yourself from the 401K. Then the IRS can't get the money either.

Disclaimer: check out everything you read here with a lawyer. I can't be responsible.

[Click here for how to get a consultation on converting your IRAs into 401K so you can write checks, and for a video and course on how to originate notes that can get you 8% to 15% fully secured](#)

## Take Control of Your Retirement Fund Today

January 25th, 2012

The days of a company pension or retirement fund are long gone for most. It's now essential people take control of their financial well-being and that means controlling their retirement fund from the beginning.

In his New York Times piece: [No Pension, No Chance](#), Thomas Geoghegan writes:

*"In 1980, two out of three American workers were in defined benefit pension plans with guaranteed lifetime benefits. Now it's one in five and falling."*

That means 80% of American works don't have an employer sponsored retirement fund. It also means Americans need a way to invest securely in a retirement fund so they can retire. The best way to do this is with a self directed 401K invested far away from Wall Street.



Will your retirement fund let you retire early with the money to do what you want? Photo courtesy of: [www.flickr.com/photos/ianz/6336028347](http://www.flickr.com/photos/ianz/6336028347)

## Retirement Fund – Alternative Investments

When your retirement fund is invested in a self directed 401K, your investment options are limitless. Real estate is becoming a popular alternative retirement fund investment. You can own real estate out right or you can hold mortgage notes paying 8% or more. You'll be able to accurately predict when you'll have enough in your retirement fund to stop working and enjoy things you've always wanted to do.

Maybe, you want to invest part of your retirement fund in something a little more exotic. Timber has become the choice for some. There is a growing demand and shrinking supply of timber. Timber has become a renewable resource but it takes 60 years to grow the most harvested timber.

How about green technology. Do you know of a private corporation in the green industry sector that you are excited to invest your retirement funds in? With a self directed 401K you can get in on the ground floor and possibly become a millionaire if the company goes public in a few years.

Obviously, some alternative retirement fund investments are much riskier than others. Residential and commercial real estate are secured by the physical asset your retirement fund owns. Same with owning timber. However, buying shares in a developing business can be risky because it's no more than a paper asset. The point is that when your retirement fund is in a self directed 401K, your investment alternatives are at your full discretion.



## Why You Need a Wealthy Retirement Fund

Your retirement fund can also be your emergency fund when you have a self directed 401K. This is the only retirement fund that allows you to borrow from it tax and penalty free.

In his New York Times article, Thomas Geoghegan, cautions about being financially prepared.

*“something always does go wrong: a wife has a stroke, the boarder you took in to help suddenly lost a job, or ... you lose your job. Then it’s on the Visa card, and 20 percent of your income is going to interest of the bank, because of one little accident over which you had no control. Poof: there goes the house, if it was not under water already. Or there go 30 years of savings on an I.R.A., for which your bank out of the goodness of its heart had been paying interest under 1 percent.”*

You can borrow up to \$100,000 from a self directed 401K retirement fund. However, it doesn’t have to be an emergency for you to borrow the money. You can pay off the mortgage on your home and pay the interest to your retirement fund that you’ve been paying to the bank. Or you can use the money borrowed from your retirement fund to pay off your high interest credit cards.

There’s no day like to day to start on your path to having a wealthy and wisely invested retirement fund. Follow this link and Financial Success Institute will help you get started with a truly secure and wealth building [retirement fund](#).

Visit [FinancialSuccessInstitute.org](http://FinancialSuccessInstitute.org) now for more **FREE** retirement wealth resources!

## Enjoying the Many 401K Benefits or a Chump Change Retirement

January 25th, 2012

As I’ve posted here before, when it comes to your retirement savings you are on your own. If you aren’t fully informed about the wealth building 401K benefits, you’re destined to either retire very late in life or retire poor. Here’s a quote from Ken and Daria Dolan in their article [7 Deadly Retirement Savings Sins](#).

“Yes, it’s true that many Americans have simply ignored the fact that with the end of most pensions and the threats to Social Security, we’re pretty much on our own in retirement. And surveys show that the average American has just \$25,000 in the retirement kitty — not even close to good enough.”



You need to take advantage of available 401K benefits or you’ll retire to collecting aluminum cans for chump change. Photo courtesy of: [www.flickr.com/photos/wonderdawg777/426080592](http://www.flickr.com/photos/wonderdawg777/426080592)

## Self Directed 401K Benefits

More specifically, you need to take advantage of the self directed 401K benefits. This is a highly desirable retirement account for small business owners. Any small business owner. Taking advantage of self directed 401K benefits is as easy as turning your hobby into a small business. Even if you have an employer sponsored retirement plan, you can have a separate account with more and better 401K benefits.

A short list of the 401K benefits available to you includes tax-free profits from investments that compound into real wealth for you and your family. Among the important 401K benefits is the strong asset protection not found with other retirement accounts. The ability to invest outside of Wall Street is one of the 401K benefits that attract many savvy investors. You can invest in real estate, tax liens, gold, or anything else you think will seriously go up in value.

I can’t cover all of the 401K benefits here but a couple more are that you are in complete control because you don’t need a custodian the way you do with a self directed IRA. Among the

most desirable 401K benefits is the ability to take a penalty and tax free loan to pay off debt or use it as you see fit. You'll find the long list of 401K benefits in the newly published book [Wall Street Won't Make you Rich – That's Your Job](#).

## Social Security Only Supplements Your 401K Benefits

Here's another important point Ken and Daria Dolan make about 401K benefits:

“For one-third of all Social Security recipients, that Social Security check is their only source of income. But Social Security was always meant to be extra income to supplement your retirement savings, not your only source of retirement funding. And in today's deficit crisis, even that safety net is at risk.”



Probably top among 401K benefits is retiring young to spend time with grand kids. Photo courtesy of: [www.flickr.com/photos/wonderdawg777/426080592](http://www.flickr.com/photos/wonderdawg777/426080592)

If you have to retire early, you'll certainly appreciate having 401K benefits because you could lose as much as 25% of the little Social Security does pay. Retiring as early as age 59 1/2 could be among the 401K benefits that is most attractive to you. Your chances of retiring early are much better when you take advantage of alternative investment as one of your self directed 401K benefits. You could invest in mortgage notes paying 8% interest reliably. When you know how much your retirement account is earning each year, you can accurately calculate when you can retire. When you stay with Wall Street investments, you never know when you can retire or even what your account will be worth tomorrow.

It all comes down to you starting to take advantage of the self directed 401K benefits today. No one is ever going to care more about your retirement than you do. Whether your retirement dreams are to travel the world, spoil grand kids, or spend time at a lakefront home, it all begins today by getting in on the 401K benefits available to everyone.

## One on one strategy session to help you achieve your wealth building objectives FREE if you qualify (or collect \$100 cash, your choice)

written by Richard in *Free Reports*

I want to show you how to triple your net worth in 3 years, and if I can't then I will pay you \$100 cash via Fedex. Simply apply for a Strategy Session with my team and you'll learn the following:

- Learn super secret ways we build wealth in real estate with terrific cash flow, NO cash of our own, and NO landlording or fix-up
- If you speak to us and haven't learned a ton, simply say so on the call and we will Fedex you \$100 in cash as our payment for your time!
- How to build wealth tax free for life...this one trick can save you hundreds of thousands, even millions over your lifetime
- You need \$75K liquid assets or greater as some of the strategies we show you only apply for that type of wealth

[Click Here to Apply](#)