

Discover How to Invest In Luxury Mexican Beachfront Condos with IRA

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Most people, are unaware you can use your IRA funds to invest in any legitimate business, including foreign or off-shore real estate. Most custodians including self directed IRA custodians perceive such investments as risky so they place additional restrictions on IRA holders who would like to use their IRA to invest in foreign real estate.

However the truth is that foreign real estate investment is no more risky than any other form of investment provided you know what to look for and what to avoid.

First, you need to set up your IRA with the right structure for carrying out these forms of investment. As already stated most IRA custodians will not allow you to invest in foreign real estate investment. This means that you have to take charge of your IRA and rollover the retirement funds over from a traditional IRA or 401k, to a Self Directed IRA LLC with Checkbook Control.

The major advantage of this transaction is that you gain check book control of your IRA. This means you can invest your funds where you like to the amount you like within a timeframe that suits you rather than have to wait for approval or suffer delays due to administration.

There are additional advantages. For example, since the IRA owns a IRS compliant LLC the profits are not subject to tax and are protected against litigation. Finally, the administrative costs of your IRA are shrunk because effectively the LLC represents one asset even though as a company it may own several.

The downside of this transaction is - if you set up the LLC wrong - you will be considered to have taken an early distribution from your IRA and suffer a 10 % penalty plus any taxes as a result. Therefore, it is important to get competent advice on rolling over your IRA to an IRA LLC from an expert. You should also make sure that whatever deal you set up does not come under the category of "self-dealing" (doing business with or benefiting yourself from your investment). For example, you cannot buy a holiday home for yourself or members of your direct family line - although it would be legal to buy one and rent it to your brother or sister and their children.

Second, you need to do your homework on foreign real estate investment. Costa Rica and Mexico are both popular choices for Americans to invest in foreign real estate. However, it is important to understand the local property laws and what restrictions, if any, exist on ownership and investment.

For example, in Mexico, there are laws against foreigners directly owning regions on the coast or near the border. Instead the title must be held in trust. While this is effectively ownership in all but name, it does complicate the legal documentation.



eco-tourism. In short, there is something for everyone and if you are serious about maximizing growth in your IRA funds, foreign real estate investment is a must in.

Why just vacation in Puerto Vallarta when you own a piece of paradise? Puerto Vallarta is located on the Mexican Pacific Gold Coast. Currently, Puerto Vallarta is teeming with new real estate development on the beach.

Learn more about beachfront real estate investment opportunities by visiting <http://www.fundVallarta.com>.

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