

Selling Real Estate: What You Need to Know

When you'd like to sell an asset in your account, we're here to guide you through the process. But first, we want to make sure any unintended tax consequences are avoided by making you aware of some important information.

Third Party Documents Not Signed "Read & Approved" by the Account Owner

Anything for which the escrow company, title company, or attorney requires a PENSICO signature or initials must be signed by the Account Owner as "Read & Approved." Note: Some escrow or title companies will not accept the documents after the Account Owner signs them "Read & Approved"; please submit both a "clean" and "Read & Approved" copy to expedite the transaction process.

Commonly Missed Third Party Documents to Include

The following documents are required to ensure that the vesting is listed properly, and that the property is not being purchased by a disqualified party:

- Proposed Conveyance Deed
- Estimated Settlement Statement or HUD
- Additional Escrow/Closing Documents, if they require a PENSICO signature (questionnaires must be completed in their entirety by the account owner)

Vesting Reflected on Sale Documents

When preparing sales documents, the vesting should appear the same as in the recorded deed held by the county. If you're unable to obtain a copy of the recorded deed from the county, please contact PENSICO's Client Services team to assist you.

Selling Your Real Estate Investment to a Disqualified Party (Under IRA Section 4975)

Selling property to a disqualified party is a prohibited transaction that can lead to potential tax consequences for the Account Owner.

Selling Real Estate Investments Through a Land Contract

The following documents are required to ensure your transaction goes smoothly, that the vesting is listed properly, and that the property is not being purchased by a disqualified party:

- Memorandum of Land Contract
- The Land Contract
- The Deed of Trust/Mortgage/Secured Note Investment Authorization form

Carryback Investments

Due to the new laws adopted in the Dodd-Frank Act on January 10, 2014, if your retirement account, as the seller, is providing financing there are specific criteria that must be met as it pertains to your retirement account, the property, and the note. Please discuss with your Financial Advisor or Tax Advisor regarding these criteria before proceeding.

PENSICO Trust Company performs the duties of an independent custodian of assets for self-directed individual and business retirement accounts and does not provide investment advice, sell investments or offer any tax or legal advice. Clients or potential clients are advised to perform their own due diligence in choosing any investment opportunity as well as selecting any professional to assist them with an investment opportunity. Alternative investments are not FDIC insured and are subject to risk, including loss of principal.

Real Estate Sale Authorization

IMPORTANT INFORMATION

Use this form to initiate and authorize a real estate sale. Please ensure that each document requiring initials and signatures is signed "Read and Approved" by the client. The following documents should be submitted to PENSCO for review along with this form:

- Estimated HUD or Sale Settlement Statement
- Proposed Conveyance Deed
- Additional Escrow/Closing Documents* (If applicable. Any questionnaires must be completed in full by the client)

If you are doing a seller carryback and financing the purchase of the buyer, please complete our **Deed of Trust Mortgage/Secured Note Investment Authorization form** and include all applicable items for our review. If documentation was submitted with contract, please resubmit them to PENSCO. **DOCUMENTS WILL NOT BE REVIEWED UNLESS SIGNED "READ & APPROVED."**

1. Account Owner Information

Account Owner Name (first, mi, last)

Account No.

Phone No.

Email Address

2. Property information

Street Address

City

County

State

Postal Code

Property Parcel No. or APN

Percentage of Ownership

%

PENSCO Asset ID (if known)

3. Sale Information

This is a:

Full sale in the amount of \$_____ (estimated IRA proceeds)

Partial sale in the amount of \$_____ (estimated IRA proceeds)

If partial sale, please indicate the lot/parcel/address being sold _____

Closing Date: ___/___/___ Is there a liability currently associated with this property? Yes No

If "Yes", please writer the lender's name _____

4. Agents Receiving Commission

Note: If receiving commission, this individual cannot be a disqualified party.

Buyer's Agent Name

Seller's Agent Name

5. Directions for Returning Executed Documents

Company Name

Contact Name (first, last)

Street Address

City

State/Province

Postal Code

Phone

Please send documents via (check all that apply)*:

Email: _____ Fax: _____

Regular mail to address above

Express mail delivery to address above, and:

Charge my PENSCO account for an overnight fee

Use a Third Party's Billing Account # _____ FedEx UPS Other: _____

Use the enclosed prepaid UPS/FedEx Label

**If no option is selected, the default will be to overnight at the client's expense. Please refer to your fee schedule for details.*

6. Acknowledgments & Signature

I have initialed and signed where appropriate, for each document PENSCO Trust Company, LLC (PENSCO) requires initials/signatures. I acknowledge that if there is an amendment or subsequent documents submitted separate from this form for this transaction, I will need to sign the applicable pages as "Read and Approved" before PENSCO can process. Additionally, I authorize PENSCO to discontinue all recurrent payments, if any, related to this property. If the sale is unsuccessful, it is my responsibility to resubmit documentation and re-activate as needed.



Account Owner Signature

Date

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INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

Upload forms to:
www.pensco.com/upload

Send mail to:
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