



Sovereign International Pension Services Newsletter

July 2013

Dear Valued Clients and Friends,

A home on a secluded tropical beach, a green investment in a reforestation project, or a casita in the highlands where the weather is always beautiful....all of these and more can be yours in your IRA or retirement plan!

Welcome to the July 2013 edition of News from Sovereign International Pension Services. This is a special edition of our newsletter dedicated solely to real estate. SIPS does not offer investment advice but from time to time we include articles of interest from outside advisors and other companies. This month we have decided to focus on real estate.

There are very few companies left that will allow you to invest in foreign real estate within your IRA or Retirement Plan. Here at SIPS we have assisted many clients in the fulfillment of their dream by assisting them in the purchase of real estate all over the world. It is a little known fact you can own virtually any type of real estate as long as it is not for your own personal use*.

Recently there was a very big move in the 10-year Treasury bond yield. In fact it moved by 40%. In 1994 the yield moved by over 20% during a 2 month period and this was viewed as the harbinger of a coming disastrous move in bond prices. With the specter of an overextended stock market and an extremely vulnerable bond market, real estate may make sense.

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There are numerous ways to own real estate within your retirement plan and each country has their own rules as you can imagine. Real estate is also considered to be an illiquid asset, which can actually be quite advantageous when seeking additional protection for your retirement plan.

Let Sovereign International Pension Services help you fulfill your dream.

NOTE: We are about to relaunch our website with a completely new design and more importantly, new and up to date information you need to protect *your* retirement plan. Check back for the new site and the latest information on taking your IRA or retirement plan offshore

Better Retirement With Real Estate Pensions

By Gary Scott

We can have better retirement with real estate pensions. For 45 years our business has generated income in three ways... publishing... conducting courses and... real estate. Real estate has always treated us well and we love the process of finding and fixing property.

In 1995 we started recommending Ecuador real estate as an investment. From 1995 to 2000, the growth was dismal because of the great economic crash of 2000. This five years was the time of great... almost unbelievable bargains.... especially during the sucre collapse. For example on [June 8, 2001 the daily message at this site](#) said:

Though I am not much of a coastal person any more, I have been recommending investing on Ecuador's Pacific Ocean for several years. I have shown condos for under \$25,000, Mediterranean houses with incredible ocean views for less than \$50,000 and even a 38 acre parcel for \$15,000! Yet one problem has been a reliable English speaking real estate service.



I took this photo of 38 acres with this view offered for \$15,000.

Many of our readers at that time bought lots in this Crucita gated community, Balsamaraqua, for \$2,500.



Now these lots fetch \$35,000 and more.
Some readers purchased houses like this for \$25,000 to \$50,000.



Now I see houses like this that recently sold for between \$170,000 and \$299,000.

After a huge bump in 2001, prices rose in the 10 to 15% range through 2008. During the recession acceleration slowed, but still provided steady growth unlike in the USA where prices collapsed.

Since we are always looking for troubled markets, we started selling Ecuador real estate and buying rental real estate in Smalltown USA real estate... in Florida.

I have recommend buying real estate elsewhere... even much earlier. In the mid 1970s we recommended buying real estate in London.



House in Bedford Park, London.

This advice was a huge winner. For example in the mid 1970s I saw a huge crash in London real estate had pushed prices to remarkable lows. I bought a 100 year old, five bedroom house in Bedford Park in West London. I made a 10,000 pound down payment and took a 25,000 pound loan to meet the 35,000 pound asking price I had negotiated (about US\$35,000 at that time).

I sold four years later for \$176,000. Today that house is worth millions. Readers who followed us then made fortunes as well.

Manx real estate came next. In the 1980s while visiting this island state I discovered that a long depression had forced over 2,000 properties onto the Island real estate market (population was only 60,000).



Douglas, Isle of Man. This shot and many more by Jon Wornham [can be seen here](#).

I began taking real estate buying tours to the Isle of Man when there was another distortion.

To read entire article click [HERE](#)

Nicaragua Real Estate

By: Natalie Sullivan

The Discover Real Estate website is currently being improved for friendlier usage; hopefully you'll see great improvements within the month!

Slow and steady progress is the name of the game for Nicaragua!!! All sectors continue to move forward including foreign investment in factories and businesses, telecommunications, exports, infrastructure, new housing starts, property sales, negotiations on the inter-oceanic canal, etc., you name it and it is probably growing.

This update includes some interesting articles about Nicaragua and **some of my listings!** If you don't see what you are looking for, please email me the details of your dream at Natalie.sullivan@discovernica.com and I'll send you photos of available properties that fit your budget and desires.



What Everybody Ought to Know About Healthcare in

Nicaragua

Posted on 04 Jun, 2013 by [Gran Pacifica](#) in [Healthcare in Nicaragua](#)
When most people talk about vacationing or [retiring in Nicaragua](#) they mention the stunning coastline, the Spanish colonial architecture, the low

cost of living - even the tropical climate. Although many people come to Nicaragua for these reasons, an overlooked fact is that the country also offers high-quality healthcare...

...Qualified bilingual doctors and medical professionals specializing in almost every area of medical practice are available in Nicaragua. In fact, many of the healthcare professionals in the country received their training in the United States...

Things You May Not Have Known about Nicaragua Healthcare

- Many people report that the cost of doctor visits, routine treatments, and services such as X-rays and mammograms cost less than a typical co-pay in the United States or Europe.
- Vivian Pellas Metropolitana, a private hospital in Managua that opened in 2004, is considered one of the finest hospitals in Central America. It's the only hospital in Nicaragua that the U.S.-based Joint Commission International Accreditation organization is considering accrediting. The hospital is open 24 hours a day...
- You'll find that health care in Nicaragua is high quality and costs much less than in the United States or Europe. Emergency treatment in public hospitals is even free...

The reasons people are not only vacationing and retiring, but [investing in Nicaragua](#) are the same reasons experts and publications such as *International Living* and channels such as MSNBC refer to Nicaragua as "The World's Best Kept Retirement Secret" and one of the "best places to retire overseas." Besides the fun, sun, low cost of living and exciting activities, [the country's healthcare system](#) is one more reason to visit or buy real estate in Nicaragua.

<http://www.granpacific.com/blog/healthcare-in-nicaragua/what-everybody-ought-to-know-about-healthcare-in-nicaragua/>

Three Latin America Countries To Develop Gulf Of Fonseca

MANAGUA, May 9 (BERNAMA-NNN- Agencies) -- The presidents of three Central American nations -- Nicaragua, Honduras and El Salvador -- agreed Wednesday to create a tri-national development zone in the Gulf of Fonseca, which all of the three share...

...The Gulf of Fonseca, located on the Pacific side of the region, borders El Salvador to the north, Honduras to the east and Nicaragua to the south.

The presidents gave a technical commission, which will consist of personnel from the foreign ministries of the three countries, a maximum of 30 days to present the development plan for the maritime region, which has previously been a source of tension among the three.

"The gulf will stop being a zone of conflict to become a zone of unity for these three Central American countries".

<http://www.bernama.com/bernama/v7/bm/wn/newsworld.php?id=948513>

Nicaragua fast-tracks huge, controversial canal project

By Luis Galeano, The Associated Press

MANAGUA, Nicaragua - Nicaragua is trying to revive a centuries-old dream of building an inter-ocean canal, a project experts say could take 11 years to build, cost \$40 billion and require digging about 130 miles (200 kilometres) of waterway...

...Just as the Panama Canal was a projection of growing U.S. power at the start of the 20th century, the Nicaragua project is an expression of China's growing influence and financial clout around the world. Some are concerned, however, that while China's record in big infrastructure projects is solid, its track record on environmental sensitivity is unenviable...

...the project looks daunting..."I mean these things that we have done, the entire interstate highway system, these are massive projects that, if you were trying to put a lens to them, and say 'we can't get this because they're so massive,' we probably wouldn't have done them, but nonetheless, there they sit."...

..."this is a question of a project that is very important for the country, and that is why it is being given urgent priority."

"I think it is urgently necessary to solve problems like unemployment and making Nicaragua more attractive to investors, and that's why we should approve this speedily," said Erwin Castro, a congressman from Ortega's Sandinista Front.

"I do not understand what the rush is," said opposition congressman Luis Callejas, who said lawmakers have been asked to discuss the bill Friday. "It's such a sensitive topic that the population should be consulted."

<http://ca.finance.yahoo.com/news/nicaragua-fast-tracks-huge-controversial-canal-project-182210717.html>

To read entire article, click [HERE](#)

Are You Missing Out on the Best Income Producing Real Estate?

By: Alex Wilson



Buying and holding income producing real estate inside your IRA is a very smart investment decision that provides real tax saving benefits. Tens of thousands of Americans have used this strategy to buy homes, condos, and vacation properties in many destinations the world over. While these kinds of properties are by far and away the most popular, they are **"not"** the most profitable.

After one takes into account the regular expenses of owning such properties; such as annual maintenance and repairs, property taxes, property management, insurances, etc., the bottom line generally is much lower than first expected.

Owning timberland on the other hand is very different. There are no doors and windows to paint, no appliances to replace, no home owners insurances or association fees to pay, and best of all - no renters to find or be concerned about! Few investors are aware of just how profitable timber has been the past 25+ years, returning an average 15% annually according to NCREIF's Timberland Index. And the future prospects for timber look just as profitable.

Jeremy Grantham, chief investment strategist for GMO, forecasts that the next seven years will see timber outperform all other asset classes and has stated timber is one of his long time favorite investment vehicles. Owning timberland has also been the preferred low risk - above average producing investment favorite of the super wealthy.

Timber is a great wealth creator and wealth preserver, and one of the best ways to profit from it is to become a direct owner and have professional foresters manage it for you. To learn more about how you can accomplish this and do it all inside your IRA, read this article <http://maderasfutura.com/wp-content/uploads/2012/08/Maderas-PaulowniaBB.pdf> or request a free information booklet here <http://maderasfutura.com/why-invest-in-hardwoods/tropical-hardwood-ownership-e-book>

A Better Small Retirement

By: Gary Scott

One way to fight big government and big business for a better retirement is to become smaller.

How can your retirement be better when surrounded by big guys who thrive on injustice and inequality?



This photo is from the website of Actionnc.org who fight for justice and equality.

I hope that you watched the video of blind "Bat Man" Daniel Kish linked in yesterday's message.

If not, please watch it now. This is only 58 seconds... it is incredibly inspiring. [Click here.](#)

In this video, Kish, who being blind uses echolocation to see, talks about how to overcome the fear of change and says: *"Our work requires that we spend most of our time in unfamiliar and ever changing circumstances"*.

This is worth mentioning as many readers send me notes saying that they fear how big business and big government often work together to beat down small businesses. I receive notes like this: *Our business is down over 30% this year. We are a small independent firm that helps hundreds of people overcome government red tape.*

The software company we used for 20 years was taken over by the largest firm in the business. This was then shut down. Many people think this was a plan by big business working with the government to get

rid of the small business independents. This resulted in losing enough income that it wiped out the profit in our business.

There is little question that many small businesses are being strangling both by big banks, big credit card processors, big competitors and big government bureaucracy. Big business and big government can work hand in hand to wipe out small independent firms.

The phenomenon in itself is not new. Big business with big money can impact the government system in ways that no small business can. The change... the fear comes from how much growth there is in this trend and how all encompassing this trend is becoming.

What can we do?

One way to beat the BIG beast is to be smaller... in overheads... in red tape required... in capital at risk... but not in profit.

Beast and the Beauty

The beauty is that technology makes small increasingly possible. Today it is not unusual to have a really small business that creates a pretty big income.

One way to accomplish this by by writing to sell. There are two keys for success... first, write useful, interesting and valuable information. Second, build a regular readership.

One way to build a following is with Social Media... like LinkedIn and Facebook.

Let me stress immediately... I have not used Facebook nor any social media in my publishing activity. There are numerous reasons for this. The main one is I am just too busy writing and had a large readership before Facebook came in.

Social media correctly used requires time I do not have. Working via Facebook would mean adding people to our business. Remember... we want to stay small.

However I am working with Merri and our webmaster David researching ways to expand through Social media without spending time or adding staff. We'll be reporting the results.

In addition I have asked a long time friend', Larry Grossman, to share some ideas on running a business with social media.

Larry is an overseas pension expert and used Facebook extensively to expand his pension business.

Since he is in the process of updating his social media system I asked for him to share his thoughts.

My name is Larry Grossman and I am the owner and Managing Director of Sovereign International Pension Services, (SIPS). SIPS is an IRA

Administrator providing custodial services through a U.S. Trust company. We also provide consulting services to Qualified Plans, (401k's Defined Benefit Plans, etc.)

What makes our business unique is we are one of the very few companies left that will allow clients to have their IRA or retirement plans held offshore. Our clients want to do things like have their IRA held at a foreign bank, establish an online offshore trading platform, hold precious metals in a vault in Switzerland or buy foreign real estate in addition to much much more. You would think with a business as unique as ours we have more business than we can handle. While I wish it were true it's not. Don't get me wrong, business is good but when I think about what is going on in our country and how many people out there want to protect their retirement plans I just think our phone should be ringing off the hook.....

But wait, therein lies the problem. You see I have been in financial services since the early 80's and during that time there have been some dramatic changes. I am probably what you would consider to be "old-school" and it's shown in how I try to get the word out about what we do.

Don't get me wrong I am not completely behind the curve. At one point in time I was considered to be an early adapter of technology. I always had the latest computer, pager, phone etc. In fact I was one of the first in my business to develop a website devoted to our business. I had an advantage though. At the time I was on the board of directors of one of the first technology companies dedicated to web enabled solutions for the financial services industry. We are talking pre-dotcom bubble.

In August of 2011 I started a Facebook page for my company. I've used it almost like a blog along with links to my articles and digital newsletter. I have also experimented with having Facebook promote some of my posts and most recently I tried advertising through Google with limited success.

Limited success?

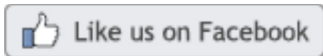
Really that doesn't even justify my experience. I have to admit I really didn't understand the emails I received from Google explaining how my campaign was going and how to improve my experience.

I recognized clearly it was time for a change and I need professional help!

To read entire article click [HERE](#)

Thank you for your time and cooperation. We appreciate your business. Make sure to visit us on Facebook for the most up-to-date information. Please take a moment to "Like us in Facebook".

If you have any questions or comments, please send them to lgrossman@offshoreira.com



Sincerely,

Larry C. Grossman

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