



# Real Estate Investment Direction

For Purchase, Transfer or Rollover

## Form Submission Instructions: (Choose One)

Option 1: **SERVICENOW**, e-sign and submit forms securely to STRATA. Use this option for faster form submission.

Go to <https://www.stratatrust.com/resource-center/forms/> for form access and instructions.

Option 2: You may print + email, fax, or mail the form as shown below:

Email: NewInvestments@StrataTrust.com  
Fax: 512.495.9554  
US Mail: PO Box 23149, Waco, TX 76702  
Overnight: 7901 Woodway Drive, Waco, TX 76712

### Section 1

### Account Information

Accountholder  
Name

IRA Account #  
(if known)

Social Security Number  
(Last 4 Digits Only)

Daytime Phone  
Number

Email  
Address

### Section 2

### Real Estate Property Information

#### Property Information

Property Name

Contract Price

\$

I authorize STRATA Trust Company to wire the contract price plus closing costs as specified on the Settlement Statement or Closing Documents that I have signed as "Read and Approved".  
\*Verbal confirmation of this transaction may be required.

☐ New Purchase

☐ Foreclosure of Existing Note Investment

☐ Transfer In-Kind  
Complete Sections 1, 2, 4 and 5 of this form and the  
IRA Transfer Request form.

☐ Rollover In-Kind  
Complete Sections 1, 2, 4 and 5 of this form and the  
Deposit Certification form.

Property  
Ownership

☐ My IRA will own 100% of the Property.

☐ My IRA will own an Undivided Interest of \_\_\_\_\_%.

#### Property Type

Check all that apply:

☐ Unimproved Property

☐ Improved Property

☐ Debt Financed Property (Non-  
Recourse Promissory Note only)

☐ Non-Income-Producing Property

☐ Income Producing Property (3<sup>rd</sup> Party  
Property Manager Required)

#### Title Company/ Closing Agent

Title Company/Closing Agent:

Company Name

Contact Name

Address

Phone

Email

#### Property Manager

Property Manager (An unrelated third-party is required if Income-Producing Property):

Company Name

Contact Name

Address

Phone

Email

#### Closing Documents

All Closing Documents should reflect the buyer name and address of STRATA as shown below and be signed as "Read and Approved" by you:

STRATA Trust Company Custodian FBO (Accountholder Name) IRA (Account #)  
PO Box 23149  
Waco, TX 76702  
Tax ID: 26-2637994

## Section 3

## Investment Funding

I authorize and instruct STRATA Trust Company to purchase this Real Estate investment in the manner indicated below.

### How to Send Funds and Handle Fees

★ If fees will be deducted from your account, keep this in mind when requesting a transfer or other transaction to cover the funding of this investment. Otherwise, your investment may be funded for a lesser amount than you have indicated in Section 2.

<input type="checkbox"/> <b>Send Funds by Wire</b> A wire fee will be charged in addition to the Real Estate Processing Fee – see IRA Fee Schedule	
Bank Name	Bank Phone
Bank Location	City State
ABA Routing #	Must be 9 digits _____
For Credit To	Account Name Account #
For Further Credit To	Account Name Account #
<b>Document Delivery Payment Instructions</b>	
Investment Document Delivery	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Fax to _____ <input type="checkbox"/> Overnight (see IRA Fee Schedule)

### Additional Instructions

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## Section 4

## Processing Fees

If selections made above referred you to STRATA's IRA Fee schedule, please indicate below how you would like these fees to be paid so that there are no processing delays regarding your request. Typical transaction fees include wire fee, overnight fee, withholding fees, and funding processing fees.

- ☐ Deduct processing fees from cash in the account. I understand this could result in a lesser amount being remitted if there is not sufficient cash in the account.
- ☐ Charge fees to the credit card on file (Fee Payment Authorization form must have previously been submitted for this to be a valid option).
- ☐ One-time charge to a credit card. Credit Card Authorization form must be submitted separately. Otherwise, fees will be deducted from available cash.

If no valid option is chosen, then fees will be deducted from cash in the account prior to processing your request which could result in a lesser amount being remitted.

## Section 5

## Accountholder Representations

### Prohibited Transactions

In general, a prohibited transaction is defined by Internal Revenue Code Section 4975 as a transaction that occurs between a plan (your IRA) and a disqualified person (you, your spouse, ancestor, lineal descendant, spouse of a lineal descendant, your IRA beneficiary, any entity of which you or a disqualified person owns a combined 50% or more, or a fiduciary who exercises discretionary control in managing your IRA). You understand and agree that your IRA cannot buy property that you or a disqualified person owns (or has been in the chain of title).

- ☐ By checking this option, I represent that I am not related to or affiliated with the Seller (individual or entity) of this real estate property.
- ☐ By checking this option, I represent and disclose that I am related to or affiliated with the Seller (individual or entity) of this real estate property. The nature of the relationship is as follows:

Nature of Relationship \_\_\_\_\_ Percentage Owned \_\_\_\_\_%

Other examples of prohibited transactions include, but are not limited to, personal use of the property by you or any disqualified person, paying for property expenses personally rather than directing the payment from your IRA, using the property in your IRA as collateral for a personal loan, or selling property from your IRA to yourself or a disqualified person. The consequences of engaging in a prohibited transaction may include the loss of your IRA's status as well as adverse taxes on the value of your IRA. Please review Internal Revenue Code Section 4975 and/or IRS Publication 590 for more detailed information regarding prohibited transactions.

I understand that STRATA Trust Company may fully rely on my representations in this Investment Direction and may require that I obtain a legal opinion if the potential for a prohibited transaction exists.

**Important:** Please ensure that you read the following disclosures before you sign and date this document.

I direct STRATA Trust Company ("STRATA") to execute the purchase, transfer, rollover, or exchange-in of the above-named Investment Property ("Property") for the benefit of my self directed IRA account ("Account"). In directing the purchase, transfer or rollover of this Property, I hereby make the following certifications and representations to STRATA.

1. I have read and understand all information pertaining to the purchase of this Property, and I meet any and all suitability requirements for the purchase. I understand that STRATA does not make any determination with respect to whether I meet any or all suitability requirements for the purchase. Furthermore, I understand that STRATA has no duty to question or conduct any suitability analysis on my behalf.
2. I acknowledge that my Account is self directed, and I am solely responsible for the selection, management, and retention of all investments held within my Account. I understand and acknowledge that STRATA will exercise no discretion with respect to the funds in my Account, will not under any circumstances provide investment advice or recommendations, and will in all events invest all of the funds in my Account solely and exclusively at my direction. I further understand that I have entered into a "custodial" agreement under which STRATA has no duties or responsibilities with respect to the investment of the funds in my Account. Finally, I understand and intend that STRATA shall not assume the responsibilities of a trustee, a "fiduciary", or a person entitled to exercise any discretionary authority with respect to the funds in my Account, as those terms and concepts are defined in the Internal Revenue Code ("IRC"), ERISA, or other applicable federal, state, or local laws.
3. I understand that for new purchases, the entire purchase price (including earnest money and all closing costs) must be paid by my Account. If the property is debt financed, I acknowledge that only a non-recourse promissory note is acceptable, and I must authorize the periodic payments on the non-recourse promissory note by submitting written authorization to STRATA to process the payment from my Account.
4. I understand that it is my sole responsibility to manage the Property held within my Account, and that STRATA has no responsibility to question any investment directions given by me or my Representative (if I have appointed/designated one), regardless of the nature of the Property. I understand that STRATA is in no way responsible for monitoring the performance of the Property held within my Account. I understand that STRATA has not conducted a due diligence review of this Property, nor has STRATA made any investigation with regard to this Property, or any party affiliated with this transaction. I understand that STRATA has not reviewed the prudence, viability or merits of the Property.
5. I agree that I am responsible to monitor all aspects of the Property on behalf of my Account. I agree to be responsible for all administrative duties including, but not limited to, proper recording and filing of deeds, ensuring that any necessary environmental inspections/audits are performed, title insurance is properly in place and maintained in good order at all times, all taxes and any other expenses are current and paid in a timely fashion by my Account, monitoring all aspects of note payments (if Property is debt financed), and communicating with STRATA regarding all of the above matters.
6. I understand that if my Representative or any other financial representative suggested that I retain the services of STRATA as custodian for the Property purchased within my Account, that such person is not in any way an agent, employee, representative, or affiliate of STRATA. I acknowledge that STRATA is not responsible for and is not bound by any representations, warranties, statements or agreements made by my Representative or any financial representative beyond the terms and provisions contained in my STRATA Custodial Account Agreement and other STRATA forms. I further understand that STRATA has not made and will not make any recommendation or investigation with respect to my Representative or any financial representative, nor does STRATA compensate my Representative or financial representative in any manner.
7. I understand that STRATA does not make any determinations as to whether an investment is acceptable under ERISA, the IRC, or any other applicable federal, state or local laws, including securities laws. I acknowledge that it is my responsibility to review any investments to ensure compliance with the above requirements and to avoid the occurrence of any prohibited transactions in my Account arising out of this transaction. I understand that I should have all investments reviewed by my attorney and/or tax advisor prior to directing STRATA to process this or any transaction on behalf of my Account.
8. I understand that certain transactions are prohibited for tax-exempt retirement arrangements under IRC Section 4975. I further understand that the determination of whether the transaction directed hereby is a prohibited transaction depends on the facts and circumstances that surround this transaction, and I understand that STRATA makes no determination as to whether this transaction is a prohibited transaction. I understand that I and any other "disqualified person" (as defined in Section 4975(e)(2) of the Internal Revenue Code) or a "party in interest" (as defined Section 3(14) of Title I of ERISA) are prohibited from personal use of the Property in any way, and that my Account is prohibited from purchasing from or selling property to a disqualified person or party in interest. I warrant and represent that the Property is being held for investment purposes only, that I have consulted with such advisors as I deem necessary and appropriate, and that I have determined among other things, that the acquisition of this Property does not constitute a prohibited transaction as defined in IRC Section 4975. I understand that should my Account engage in a prohibited transaction, a taxable distribution equal to the fair market value of my Account will result and certain penalties may be incurred. I further understand that if such a deemed distribution takes place prior to my attaining age 59½, an additional premature distribution excise tax may be imposed.
9. My Account has sufficient liquid funds to make the initial purchase plus any future contractual payments or assessments, including insurance premiums, real estate taxes, property improvements, or debt obligations. I acknowledge that such payments or assessments shall be borne solely by my Account to the extent such payment is authorized by me or my Representative, and may reduce or exhaust the value of my Account.
10. I further agree to indemnify STRATA for any and all payments or assessments which may result from holding the Property within my Account, and I understand that STRATA shall be under no obligation whatsoever to extend credit to my Account or otherwise disburse payment beyond the cash balance of my Account for any payment or assessment related to the Property.
11. I understand that if there are any administrative requirements or duties beyond the capabilities or expertise of STRATA to provide, then I agree to seek out suitable agents or counsel necessary to perform such duties and deliver a written service agreement acceptable to STRATA for execution on behalf of my Account.
12. I understand that if the Property is income-producing, I agree to appoint an unrelated third party to act as the property manager. I further understand that neither I as the accountholder, nor any family member may serve as the property manager.
13. I agree to furnish payment instructions to STRATA regarding any invoice, assessment, fee or any other disbursement notification received by STRATA on behalf of the Property, and I understand that STRATA has no duty or responsibility to disburse any payment until such instructions are received from me or my Representative.
14. I understand that STRATA has no responsibility or duty to notify me or forward to me any notices, assessments, or other documents received by STRATA on behalf of the Property, unless I or my Representative request each such document in writing.
15. If the Property to be purchased is debt financed, I understand that such Property may generate Unrelated Business Taxable Income, or "UBTI". I further understand that, if the UBTI attributable to my Account exceeds \$1,000 for any taxable year, an IRS Form 990-T must be filed along with the appropriate amount of tax, payable from the assets of my Account. I understand that STRATA does not monitor the amount of UBTI in my Account and does not prepare Form 990-T. If the tax is applicable, I agree to prepare, or have prepared, the proper Form 990-T and forward it to STRATA, along with authorization to pay the tax from my Account. If I am required to file Form 990-T with regard to any UBTI, I understand that I must obtain and use an Employer Identification Number ("EIN"). I will not use the EIN of STRATA or my own social security number. I understand that I must apply for my own EIN prior to or in conjunction with requesting STRATA to pay any taxes I may owe with regard to any UBTI that might be incurred.
16. I understand that STRATA has no duty or responsibility to monitor the performance of the Property nor to monitor the sufficiency or adequacy of my actions or duties or those of my heirs, successors, agents or assigns, and STRATA will not be required to monitor the acts of any paid consultant to whom STRATA may have contractually delegated any duties or responsibilities pursuant to my directions or the directions of my Designated Representative.
17. I understand that STRATA has neither performed, nor caused to be performed, any environmental audits or hazardous waste inspections on the Property. I further understand that the discovery of hazardous materials in, on, under, or immediately adjacent to the Property could have a negative effect on the value of the Property, could result in liability for clean-up expenses, and could delay my ability to effectively sell or develop the Property. I agree to assume responsibility for obtaining any necessary environmental audits or other inspections for hazardous materials on the Property. I understand the costs for such audits or inspections must come from the Account, and I agree to maintain sufficient liquid assets to pay the same.

18. I understand that I must provide STRATA with either a formal property appraisal or a Real Estate Valuation Update Request form (STRATA's form) completed by a qualified real estate professional on an annual basis or at the time of a taxable event such as an in-kind distribution or Roth conversion. Until a formal property appraisal or Fair Market Valuation Update Request form is provided, STRATA may carry forward the last known value (if available) or report the Property's value at acquisition cost. I further understand and acknowledge that, if STRATA has not been provided with formal property appraisal or Real Estate Valuation Update Request form, STRATA may distribute the Property in-kind to me.
19. I understand that in-kind distributions I receive from my Account are subject to Federal income tax withholding unless I elect not to have withholding apply. By signing and dating below, I elect not to have withholding apply to in-kind distributions from my Account, subject to my right to revoke this election at a later date. I also understand that if I revoke this election and there is no cash or insufficient cash in my Account at the time of distribution, STRATA must sell any non-cash investments to pay withholding and will distribute the remaining proceeds, if any. I understand that I am responsible for paying Federal income tax on the taxable portion of any distribution from my Account and that I may be subject to tax penalties if my payments of estimated tax and withholding, if applicable, are inadequate.
20. I agree to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and bringing any other suits or actions which may become necessary to protect the rights of my Account as a result of the operation or administration of the Property. I understand that any legal filings made on behalf of this Property are to be made in the name of "STRATA Trust Company Custodian for benefit of (my name) IRA". I agree that I shall not institute legal action on behalf of this Property without the written consent of STRATA to litigate and that I shall prosecute any legal action. I agree that any such legal action will be carried out in a manner that does not cause STRATA to incur any costs or legal exposure.
21. I understand that I am the only person authorized to make changes or corrections to this Investment Direction form. If any changes or corrections to this form are required to process this Property transaction, I will provide STRATA with a corrected copy of this form.
22. I understand that, except to the extent of the cash which is invested in the Horizon Bank NOW Account (which is FDIC insured), or directed into other FDIC-insured bank products, investments held within my Account are not FDIC-insured, nor are any amounts in my Account guaranteed by STRATA, and such investments may lose value.

The foregoing representations and warranties are true and accurate as of the date hereof and shall be true and accurate as of the date of delivery of the funds for the Property purchase and shall survive such delivery. If in any respect such representations and warranties shall not be true and accurate prior to delivery of the funds for the Property purchase, I shall give written notice of such fact to STRATA specifying which representations and warranties are not true and accurate and the reasons therefore.

I acknowledge that I have sole responsibility for directing the investment of my Account. I acknowledge that STRATA will not exercise any discretion, assume any fiduciary responsibility, perform a due diligence review, or undertake any investigation as to the prudence, viability, merits, or suitability of the Property purchase. I acknowledge my understanding that STRATA is not a "fiduciary", or a person entitled to exercise any discretionary authority with respect to the Property, as those terms and concepts are defined in the Internal Revenue Code, ERISA, or other applicable federal, state or local laws, and I agree to hold STRATA harmless from any liability for any loss, damage, injury or expense which may occur as a result of the execution of this Investment Direction.



\_\_\_\_\_  
Signature of Account Holder

\_\_\_\_\_  
Date