



DelCam Fund II - Investing with a Self-Directed IRA

20% of the Invested Capital in DelCam Fund I was Invested Through Self-Directed IRA's

Many investors are surprised to learn they are not limited to stocks, bonds, and mutual funds when it comes to retirement investing. It is common to use self-directed IRAs to invest in a variety of assets, including real estate, private placement securities like hedge funds and private equity vehicles, foreign exchange, and even cryptocurrencies. Investors who open self-directed accounts often do so to diversify their portfolios with alternative investments, within a tax-advantaged environment.

A self-directed IRA can coexist with your Traditional IRA, Roth IRA, 401(k) or 403(b), SEP, Simple IRA, defined contribution or defined benefit plan. An individual may own a self-directed IRA in addition to any other type of retirement savings account. Further, self-directed IRAs can be funded through contributions, transfers, or rollovers.

There are several US domiciled institutions that specialize in the custody of self-directed IRAs. However, these custodians are less well known than their traditional IRA custodial counterparts. Some custodians for self-directed IRAs include the Entrust Group, Rocket Dollar, Equity Trust, Madison Trust, Millennium Trust Company, Pacific Premier Trust and IRA Financial.

There are several compelling reasons to make private equity investments through a self-directed IRA, including:

01. Diversification:

Private equity can help diversify an IRA investment portfolio. By including uncorrelated private equity investments in your portfolio, you can spread your risk across different asset classes and potentially enhance your overall portfolio performance.

02. Higher Potential Returns:

Private equity funds can offer the potential for higher returns compared to traditional investments, such as stocks and bonds.

03. Alternative Investment Opportunities:

Investing in private equity with a self-directed IRA allows you to access a broader range of investment opportunities beyond traditional investments. This can provide you with greater flexibility and options for building a well-rounded retirement portfolio.

04. Tax-Advantaged Growth:

With a self-directed IRA, your investments grow tax-deferred or tax-free, depending on the type of IRA you have (Traditional or Roth). This can allow your private equity investments to compound over time without the burden of immediate taxes.

05. Investment Control:

Self-directed IRAs give you greater control over your investments, including the ability to choose and manage private equity investments according to your investment strategy and risk tolerance. This allows you to have a more active role in managing your retirement funds.

06. Portfolio Customization:

Private equity investments can be tailored to your specific investment goals and risk tolerance. This can provide you with the opportunity to create a more customized and diversified portfolio that aligns with your individualized objectives.

07. Long-Term Investment Horizon:

Private equity investments typically require a longer investment horizon, which can align well with the long-term nature of retirement savings. By including private equity investments in your self-directed IRA, you can take advantage of the potential for long-term capital appreciation.