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Retirement Millionaire

Extra Money That Could Be Available to You



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I love loopholes.

I used to think only attorneys, politicians, or investment bankers could take advantage of the sorts of things I'm about to share with you – things like tax avoidance, early IRA withdrawals, and interest-free loan loopholes.

But after years on Wall Street and befriending some of the top bankers, lawyers, and investment advisors in America, I can tell you that the world is full of loopholes... opportunities to take money back from the government or even tap some of the value of your home while you live in it.

Don't worry... you won't be obliged to any Wall Street scam artist or Washington scum by following my advice.

Your only obligations will be to your own financial freedom... You see, by following the herd, most folks miss out on my *Retirement Millionaire* "free money" opportunities.

My associates and I have found ways for you to extract free money out of your home... and get extra money from Social Security you didn't know existed. We've also uncovered a loophole that allows you to start withdrawing your money from your IRA today, without penalty. And how about converting plain old air into cash?

I'll show you how to do all this and more.

None of these opportunities require the help of a lawyer. But they are true loopholes in a system designed to screw the little guy. So please don't tell anyone else. The more folks find out about these loopholes, the more likely they'll be shut down by Washington.

Here are the details...

If You Own a Home, These Next Two Techniques Are for You...

The first two opportunities show you how to use your home to raise a substantial amount of extra cash.

Both allow you to live in your home until you die. Of course, everyone's situation is different, but if you're one of the thousands of retirees who is running low on cash, these could be perfect for you...

No. 1 – Share Your Future Wealth and Get Cash Today

I've discovered a remarkable company in San Diego, called EquityKey, that can help you live your retirement dream. It actually has patents pending on its product and services. The patents let it do some-

thing unique with your home. It actually offers large sums of cash in exchange for an option on your real estate. Let me explain...

If you are between 55 and 85, EquityKey will pay you a lump sum today in exchange for a share of the future appreciation of your property. Essentially, in exchange for its cash today, you agree to share the future gains in your property's value with EquityKey when you sell your house. The upfront cash is like the premium you get for selling an option. You can do whatever you want with the cash, and the home remains yours forever.

Whether you live in or rent out your home or commercial property, these folks can help you.

From a recent article in *U.S. News and World Report*:

Gladys Tully, 72, got \$106,000, and used the money to pay down part of the principal of her mortgage and remodel her bedroom and bathroom, without giving up her passions: painting, the large garden and orchard on her property, and a hiking trip to Europe every year.

I'm not talking about a first or second loan on the property. In fact, it's not a loan at all. So you owe EquityKey nothing – no monthly payments or interest charges – and it has zero control over what you do with the house *until you sell it*. Only at the end of the transaction is EquityKey entitled to a payment and even then, only if the value of your home has increased.

Again, you're essentially selling an option to share between 50%-100% of the future appreciation on your home. In exchange for this option, EquityKey pays you a lump sum.

The best part is that you get to keep all of the current equity you have in your home. EquityKey takes some of the risk of owning real estate from you. It recoups the money it pays you now through future long-term growth in the property.

The company will pay between 8% and 16% of current property value in exchange for 50%-100% of the future increase in value of the property as measured by the Standard & Poors/Case-Shiller Index.

EquityKey has partnered with Standard & Poors to use its monthly index for 20 of the largest metropolitan areas across the country to independently measure and report changes in residential home values. This gives homeowners and investors transparency and confidence in changes in home values up and until the property is sold and the transaction ends. If your property ends up selling for more than what the index suggests, you keep the entire surplus.

The application and underwriting is really quick and easy. If you have at least 25% equity in your home today (meaning if you have a \$600,000 home, your current loans cannot exceed \$450,000) and are current on your payments, you can close the transaction and receive a lump sum payment in as little as two weeks. The company is currently taking applications for homes in the major counties surrounding San Francisco, Los Angeles and San Diego with plans to expand to several other large areas like Seattle, Portland, New York, Boston, and Washington D.C. in the coming months.

I recommend a look at their website www.equitykey.com or talking to:

Lara Watson
8880 Rio San Diego Dr, 4th Floor
San Diego, CA 92108
Direct: 619-400-8962

If you live in a different state than the ones that EquityKey does business or if you don't want to give away the future upside in your real estate, you can use my second free-money tip to get cash from the home you live in.

No. 2 – Cash-Out Your Home Now

This next free-money technique was once thought to be dangerous for the elderly. In truth, the problems have been cleaned up and it's now a perfectly safe tool. Most people of retirement age still scoff at the idea of a reverse mortgage because of the stories from the early 1980s.

But not my friend Loretta in Minneapolis. She told me her story just last summer:

Loretta had just turned 69, and her three boys were concerned. She had told them over and over what she wanted to do, but they just didn't believe it was true.

At the time, Loretta felt trapped. She had lived alone in her house for 16 years. Between the interest-only mortgage and her car loan, she felt "smothered." So Loretta was literally tapping into her personal goldmine.

It turns out the Federal Housing Administration gave her money that she will never have to pay back while she's alive. You can do the same. And depending on where you live there may be a fortune waiting for you to tap. If you live in an average home, you can easily get \$200,000. If you are in a "major" city, up to \$625,500 awaits you. But this can vary from place to place.

The money she got "gave her a new life," Loretta said.

Today, Loretta loves life. She works part time for a small, boutique company called Gentle Transitions. The job involves packing up elderly people as they move to smaller living spaces. She then helps them unpack in their new place on the second day. A big smile came across her face as she told me how happy and peaceful her life is.

The best part: *She can live in her house until she dies, without ever paying a penny to the bank.*

If you feel like Loretta once did – stuck financially, but with a home almost paid off – the reverse mortgage will help you safely tap into that wealth. Here's how it works...

In a typical mortgage, you obtain a loan for the purchased real estate and then slowly over the life of the loan pay it back to the bank. The reverse mortgage works exactly the opposite. We get the bank to pay us while our health is good, and we don't have to pay it back until we die. This is the sort of deal I like to uncover for readers.

Some lenders offer several types of reverse mortgages, but the Home Equity Conversion Mortgage (HECM) is the one I recommend. It is insured by the FHA and thus has lower costs.

Before you apply for these loans, the U.S. government requires you to meet with an approved independent counselor. The counselor explains all the costs, features, and the pros and cons of receiving these loans. This law stems from unscrupulous practices back in the late 1970s and early 1980s when some lenders took advantage of the elderly.

Today, these practices are outlawed. The lender can't kick you out, and he certainly can't own equity.

Who Can Get These Loans?

The loan requirements are simple and easily met.

You must:

- Be at least 62 years old.
- Own the property with little or no balance on your mortgage.
- Live in the home as your primary residence.
- Receive approval from a reverse mortgage counselor (that simple face-to-face meeting where they make sure you understand what you're doing).

The amount you can get from your home is based on your age, the value of your home, current interest rates, and whether you "roll" your closing costs into the loan.

Generally, the older you are, the more valuable your home, and the lower the interest rates, the more money you receive. For example, if your house is worth \$400,000 and you're 65, you can get around \$200,000 to \$230,000. If you are 85, you can get \$280,000 to \$285,000 – where you live makes a difference.

Once you are approved, you can receive your loan money in several ways. You can take the money as a lump sum, a stream of payments, a line of credit, or a combination of the three.

If you establish a line of credit, the available credit grows automatically over time. In fact, it grows at about 3.5% each year. You can find out how much you might receive here:
http://rmc.ibisreverse.com/rmc_pages/rmc_aarp/aarp_index.aspx .

For example, you can get a reverse for \$200,000 today, but take out only \$100,000 now. Over 10 years, your \$100,000 remaining line of credit could grow again to \$200,000.

Then guess what? You take out another \$100,000 at age 78 to pay for, say, a world cruise with your wife and family. This again leaves the same \$100,000 to grow some more... Can you imagine another cruise at age 88? I can!

Of course, interest accrues on the first and second \$100,000 payments, but you don't have to pay them back while you're living in your home. Isn't this amazing? So whatever you do, don't tap the full line of credit initially and watch your credit line grow over time.

If you decide to do a reverse mortgage, your heirs might protest at first, but explain to them that all you're doing is borrowing against money you've already saved over your lifetime.

It's your money. And you can do anything with it you wish.

Is the Reverse Mortgage for You?

If you are older than 62 and own your home, then you absolutely must look at how a reverse mortgage improves your lifestyle. The questions you must ask are simple ones:

- Is there a special trip or large ticket item I've waited my lifetime to have?
- Could I face cash flow problems in the next few years?
- Am I worried about inflation and not having enough money 15 years from now?

If the answer is yes to one or more of these questions, then a reverse mortgage will give you peace of mind.

How to Tap Your IRA Right Now

Sitting on a pile of IRA money? Want to buy your dream piece of real estate, but don't have a job or enough cash flow? This secret is for you. Some of you may want to retire today, but aren't yet 59.5 years old. Well, using this little known secret in the IRS code, I can show you how to get your money right now without paying any IRS penalties or fines.

Your broker probably doesn't want you to know about this either. If you start taking your money out of your account, his fees to manage your IRA get smaller. But through an IRS loophole, you can retire today and begin your "Early IRA Distribution" tomorrow. Our method is perfectly legal and simple to do. Even the rationale behind the loophole makes sense.

And you can start taking the money out, pay taxes on it (but no fines or early withdrawal penalties), use whatever you need, *AND* still make regular contributions to a separate IRA if you'd like. Here's how...

No. 4 – One IRS Loophole We Can Be Grateful for

The IRS has a rule called the 72(t)(1) which provides for a 10% tax on early distributions from an IRA before the age of 59.5 years. But if you take out your IRA money, in what the IRS calls "substantially equal periodic payments," for at least five years or until you reach 59.5, then you pay no penalty. All you do is pay regular income tax rates on the income (which you eventually would have anyway).

The IRS allows you to determine the amount using one of three different methods:

Retirement Millionaire Tip

One person I trust who can help you get started thinking about reverse mortgages is Matt Martin (612-910-0778) in Minneapolis. Give him a call and he can easily help you. I do not get any compensation from him or his bank in any way. Matt is actually certified to do these types of loans in all 50 states. He's also the nice banker Loretta used.

Another person you can contact is John Leer in Hopkins, Minnesota. He's a reverse mortgage specialist with Wells Fargo. You can call him at 612-316-4768 or send him an e-mail at john.p.leer@wellsfargo.com. Again, I do not get any compensation from him or Wells Fargo.

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- Required Minimum Distribution method (RMD)
 - Fixed Amortization method
 - Fixed Annuitization method

Essentially, the methods look at tables to estimate your life expectancy and apply an interest rate to the IRA balance. The methods provide a dollar amount that you may pull out every year.

A *Forbes* article shows how a chiropractor, Alfonse DeMaria, took \$700,000 in his IRA and converted it to a \$3,000-a-month income stream. He bought himself a six-bedroom home with 269 acres in rural New York to enjoy now with his family. “My kids and I can start enjoying the house now rather than 25 years from now, and it will still be here then, too,” he said.

The different IRS methods give slightly different amounts, so the best choice may vary depending on your needs. Here’s an example straight from the IRS, although I’ve simplified it a bit (that IRS code is kind of dense in places):

Mr. B is 50 years old and has \$400,000. In the first year:

- The RMD method will give him \$11,695.91.
- The Fixed Amortization method would allow \$23,134.27.
- The Fixed Annuitization method allows for \$22,906.88.

As you can see, the amounts vary. Please carefully consider each method. If you take out more earlier, you’ll have less later and vice versa. By the way, the IRS tables and math are not that difficult. Regardless, I urge you to seek more advice from a tax accountant or financial planner if you are unsure about what to do.

And don’t worry about changing your mind. Say you start with one method, the RMD, and find you need more money later, the IRS allows you to change your method one time. So you could switch to one of the fixed methods in later years and take out more when you’re older.

One of the questions I always hear is “How long do I do this?” The answer is five years, or until you turn 59.5, whichever comes *last*. So if you start this at age 48, you must continue for another 11.5 years. If you started at age 57, you would need to continue until 62 years of age.

If you just lost your job and are thinking about an early retirement, this secret really helps provide a source of income. If you have a large sum of money in your 401(k) and looking for another job isn’t appealing, consider retiring early. It’s quite simple to do. Just roll the money over to a self-directed IRA and start taking it out using this method. Perhaps you don’t need that much income? Consider rolling your 401(k) into two different IRAs. Keep one growing and start the 72(t) withdrawal process in the other. Again, this is perfectly legal and simple. Happy retirement!

A Paper Worth \$250,000 For Your Retirement

For Americans in critical need of money for retirement, I’ve found a financial “loophole” that could be the perfect solution of last resort.

This has *nothing* to do with investing or spending a single penny of your own money, yet it can possi-

bly help you collect hundreds of thousands of dollars in just a matter of weeks.

The crazy thing is, very few Americans realize this loophole is available. In fact, I've met some people who have literally thrown this money away!

For example, consider the case of Nate Gibson, who threw away \$250,000 in 2004.

I'm not talking "throw away" like an ex-girlfriend saying you're "throwing away something special." And I'm not talking "throw away" like a virtuoso pianist "throwing her career away" to go save poor children in Africa.

Nope, Nate literally threw away \$250,000... He waded up a quarter-million bucks and chucked it in the trash.

You see, Nate was utterly clueless the "security" he threw out was worth a substantial amount of money to a small group of powerful investors. And you need to know his story because you might be tempted to do the same thing very soon. You too could have a stash of wealth in your sock drawer and not even know it.

The story began almost 100 years ago (1911) when the U.S. Supreme Court decided these documents were worth something. Justice Oliver Wendell Holmes wrote this type of security "has become in our days one of the best recognized forms of investment and self compelled saving." Today, few people know about the secret market for these assets – *although millions of everyday folks own them*.

The security I'm talking about is life insurance. The standard policy you probably have right now can generate substantial income for you *while you're still alive*.

The Supreme Court's 1911 ruling essentially deemed life insurance a security. So policies can be traded, just like a stock or a bond. In fact, a "secondary" market for selling these securities has blossomed. Nearly \$12 billion worth of this stuff was sold in 2008, this up from \$240 million in 2002.

In this report, I'll show you how to tap into that secret market.

Some estimates show Americans hold at least \$100 billion worth of life insurance policies.

My good friend Nate was one of them. But sadly, he told me about how he and his wife took two of these and just simply "threw them away" five years ago. The more I looked into their story, the more I realized the mistake he made... He walked away from a great way to get free money.

How the Life Settlements Market Could Bring You Millions

The market I'm talking about is the "life settlements" market. A life settlement is simply the sale of a life insurance policy. The seller (the original policy holder) gets cash upfront. The buyer gets the payoff from the policy when the covered person dies.

In my friend Nate's case, he had two life insurance policies that were about to expire. Instead of continuing the coverage, he let them lapse – and that's where he made his big mistake.

You see, although those policies seemed worthless to him, people in the life settlements business would have paid him big money for them. He and his wife had kept these policies in his dresser drawer. When I looked at old copies them, I cringed. I estimate he literally threw away about \$250,000.

That's when I realized we were onto something special for the *Retirement Millionaire* reader. I started researching it further and quickly discovered this market could bring millions to the right people.

Here's the story...

The ideal candidate for a life settlement is age 65 or older and has less than 15-20 years of life expectancy. (To check out your life expectancy, go to <http://www.annuityadvantage.com/lifeexpectancy.htm>.) The average 70-year-old man, for example, has an expectancy of 13.27 more years. A 70-year-old woman, 15.72.

For the purpose of selling your policy, it's actually worth more to you the worse your health. The life insurance policy has value depending on several other factors, too.

- Joint survivorships are the most valuable, followed by term policies. Variables are the third-most valuable, and whole-life holds the least value.
- The lower the "cash surrender" value the better. (Some policies "bank" a portion of the premiums you pay, so if you cancel the policy you get back some of the value you have built up over the years... This is the policy's "cash surrender" value.)
- Loans against the policy reduce the value of the policy.
- Lower premiums are worth more than higher ones.

[Note: If you're unfamiliar with insurance terms – like the difference between "term" and "whole-life" policies, check out <http://www.insure.com/articles/interactivetools/glossary/glossary.jsp>. It will help you. Just type the term into the white search bar and hit "go."]

The amount you receive from selling your policy is a percent of the death benefit amount. It varies depending on personal circumstances, but you can receive anywhere from 20% to 65% of the death benefit. This means if you have a million-dollar term policy, you could get as much as \$650,000 by selling it.

Some people with less than two years to live, say with a known terminal illness, can get even more... But I don't recommend doing this unless your circumstances are very unusual. These policies are known as "viaticals," which comes from the Latin "preparations for a journey."

Emotions run high once someone receives a medical death sentence and the person's estate or family is set to receive the full amount relatively soon. In these cases, cash needs could easily be met with a loan against the policy as opposed to cashing out early with a life settlement. Why settle for less than you're about to get relatively soon?

I spoke with two advisors who work with families and individuals to help them determine whether a life settlement makes sense. The stories they shared about recent sellers brought tears to my eyes.

One guy, R.L., was 68 years old with a \$1 million, 10-year term policy that was rolling over into its 11th year with a renewal offer. The offer increased his annual premium to \$30,000 a year from the \$8,000 a year he paid previously.

He couldn't afford the new amount and didn't think insurance was that important to him anymore. Around this same time, his doctor told him he had Stage IIIB lung cancer and three years to live.

He was still relatively active and felt pretty good, so he and his wife decided to spend the money now while they could enjoy things together. They converted the policy to permanent coverage – something most term policies allow you to do – and then sold it. They got \$640,000 and tucked a large chunk of that away for her, but spent the next year traveling the world together arm in arm.

Another person, S.G., was 80 when her Alzheimer's worsened so she needed full-time, in-home care. Her husband decided to cash in the \$1.5 million, whole-life policy with a cash-surrender value of only \$72,000. He sold it for \$535,000 and now uses it to pay her \$4,000-a-month nursing bill.

When he initiated his life settlement, he told his financial advisor he needed the money now "for health care expenses and if she dies in the next few years I'll still have a large amount of money left over. My kids are doing OK, and they'll eventually get my insurance money, but I need financial help right now."

One question you should ask yourself is: Why should I execute a life settlement? There are many reasons:

- Your premiums have gotten too expensive to keep paying.
- You're divorced or your spouse has died, so the intended beneficiary has changed.
- You need to pay for expensive health care.
- You want to eliminate premiums and purchase a smaller policy.
- You want financial security today.
- You want to salvage a lapsing policy (like Nate should have done).

By the way, be sure to get full disclosure of how much your insurance broker is making.

Right now, the life settlement industry is completely unregulated... It's like the "Wild West" of the financial world.

Here's what I mean...

Some states – like Arizona, California, Florida, New York, Virginia, and Illinois – require complete and full disclosure. Some states don't require any disclosure, whatsoever.

The brokers I met said they take the greatest of 6% of face value or 30% of the amount over the cash-surrender value, but I suspect they might negotiate these prices.

To me, this is a bizarre compensation structure, for obvious reasons. If your policy has a face value of

\$1 million, that means your agent or broker gets \$60,000... no matter how much money they get for you.

To me that makes no sense. I want a broker who has an incentive to get me the most money. The more he gets me, the more he gets paid.

Think about it compared to the sale of real estate (where the rates are also usually around 6%). Your real estate agent wants to help you get the most money because that's how he gets paid the most money.

What if your real estate agent said his rate was 6% of the *list price*... no matter what the home eventually sells for. You'd never go for that, right? He'd have no incentive to get you the best price.

Well, unfortunately, that's how it works right now in the life settlement world.

Also, I think 6% of the face value is high. (After all, those rates mean they got \$60,000 for helping R.L. and \$93,600 for S.G. That's a lot of money for a few days of work.)

Yes, the broker incurs \$1,000 or so of costs for each policy he sells... and he often has to split the fee with an agent. Still, these transactions are relatively straightforward. It's not like selling a house, which can take six months and dozens of showings, plus listing fees... photos... etc.

My point is, just remember it's the Wild West of the insurance world.

You need to shop around for the best deal... and I strongly encourage you to negotiate for better rates than the "industry standard."

I think if I were to ever do one of these, I'd negotiate a rate of 3%-4% of face value with a maximum fee of \$20,000-\$25,000 for any amount greater than \$500,000. The paperwork is the same, and the broker doesn't take any risk in setting these up. So why should they get so much of your money? (Don't tell them I said so, please!)

You might wonder who makes the markets in these securities.

Large financial companies (with insurance experience) like Berkshire Hathaway, General Electric, and many large insurers pool these policies together and resell them to other big investors looking for a reliable rate of return. Many of these pools of securities provide 10%-12% internal rates of returns to their investors, and of course, all of the policies eventually pay off.

One other thing you should know, and it's a little creepy...

Once you complete a life settlement, the company will assign you a "tracking agent," who literally keeps tabs on you until you die.

For obvious reasons, the company wants to know when it can collect on your policy – heck you've sold the policy and already have your money so you don't care anymore. But they do, and that means a periodic phone call or an e-mail to make sure you're still kicking. Don't worry, they're highly regulated and can't harass you.

So before you let an old life insurance policy lapse, consider a life settlement. Or if your cash-

surrender value is low and you want more money, talk with your insurance or financial adviser.

If you truly need (or want) the money and your kids raise hell, tell 'em where to stuff it. *You gave them life, love, and a roof over their heads.* As far as I'm concerned, that's all you owe them. This is your money. So it's your decision, and you deserve to be happy.

Once you decide you're interested in doing a life settlement, you need to do two things.

First, I recommend calling two guys I trust to set up a life settlement, John Yaker or Chuck Lewis. I don't have any financial connection to either of these guys. However, after talking with them, I believe both are honest and interested in doing what's right. Their reputations rest on it, and the law requires them to protect your fiduciary interests.

If you talk to either of them, please let me know how the experience was. Feel free to tell them we sent you.

John Yaker in Baltimore: 410-327-9550

Chuck Lewis in New York: 212-843-8989

Second, once you're convinced you want to actually do a settlement and BEFORE you sign anything, give Glenn Daily a call. Glenn is a smart, soft-spoken guy who lives in New York City and is an expert on the finances of life insurance.

One of Daily's specialties is life settlements. He will analyze your current policies and advise you on their values and your best settlement options.

His analysis includes an estimate of your policy's market value, an estimate of the value of your policy to your heirs if you keep it, and a comparison of the death benefit with the projected value of other investments.

But here's the catch: He's a fee-only insurance adviser. Daily normally charges \$1,895 to do a thorough analysis. I know that sounds expensive, but understand he doesn't make money from anyone but you. Daily doesn't sell insurance or get any commission for his referrals. He only gets paid to tell you what he objectively thinks is the best insurance deal. So there's no conflict of interest between you, him, the insurance brokers, and the insurance businesses. I spoke with Glenn, and he's promised *Retirement Millionaire* subscribers a couple things:

- 1) Before charging you a dime, he'll listen to your story. If he thinks you shouldn't do it he'll tell you and he'll tell you why. Quite honestly, he'll encourage other options for you if he smells anything funny in what you've been told.
- 2) He will give us a \$300 discount from his normal fee. He said he will charge us only \$1,595 for a full analysis and for determining the value of your policy. He'll give you a figure at the end that, as he puts it, "is fair." (This fee savings alone is worth many years of subscriptions.)
- 3) He will encourage you to pay less commission and keep more for your self. Like me, he thinks the commission for these transactions should only be 5%-10% of the purchase price. He won't help you negotiate this amount, but he'll give you the ammunition to go back to your insurance brokers and get the money you're owed.

Again, I know Daily's fees seem steep, but remember, selling your insurance can be worth hundreds of thousands of dollars. On a million-dollar policy, paying Daily for his help could save you tens of thousands of dollars. Spending a small percentage of that to ensure you get the best deal only makes sense.

Also, his website gives you some excellent information about how settlements work, the typical fee structure, etc. To visit his site, go to www.whatsmypolicyworth.com or give him a call: 212-426-6265.

Be Careful What You Throw Away

If there's a chance you have a life policy somewhere, go and look for it now. Don't be like Nate and throw a quarter of a million dollars in your trashcan.

Once you have the policy in hand, realize the old rules of passing the money on to your heirs are no longer valid. You have numerous ways to tap your wealth while you're alive. Life settlements may be just that thing.

As you explore the idea of using your life insurance as a source of wealth, make sure you understand the tax and estate issues involved. The experts I mention (John, Chuck, and Glenn) can help you explore the implications for your finances. Also, be sure to take control of this process yourself. It's your life and your money. Don't let anyone cheat you out of what you want.

Finally, if you decide to do a life settlement, negotiate hard for the final settlement number. There's gravy all around to be slopped on everyone's plate, make sure you're the first in line.

Find Your 'Missing Money'

Close to \$33 billion in unclaimed money is sitting right now in state treasuries... and some of it could be yours. For example, Idaho has more than \$1.8 billion in unclaimed cash.

Where does all this money come from?

This money comes from stocks, bonds, payroll checks, checking accounts, utility deposits, pension payments, and more. If the money is left untouched for a certain number of years, by law, it gets turned over to the state.

Some states, like Illinois, can make interest on your money and keep the interest even after you've claimed your property.

I've met people who've found thousands of dollars owed to them by the state. There are many safe, easy ways to find unclaimed assets in your name. But there are companies out there trying to rip you off and charge you for something I'm going to show you how to do for free.

I've found several legitimate companies that will help you find your money.

The National Association of Unclaimed Property endorses www.missingmoney.com.

That's where I recommend starting your search. All you have to do is type in your name and the site

will search for unclaimed property in your name 36 states (although more states are being added). You can also filter the states if you have a common name. I recommend searching every state you've lived in.

You can also go to www.unclaimed.org to search every state in the U.S.

To improve your chances of find money, trying typing variations to your name. For example, if you're name is John Paul Smith you can enter John Smith, J.P. Smith, or some other variation. And don't worry about entering your name into these search engines. The search is private and your name will only be used to generate the results of your search.

\$160,000 for your '2nd Deed'

If you own land that contains certain rocks, oil, gas, or minerals, you can sell this special "2nd deed" to make more than \$100,000.

For example, some landowners in Pennsylvania made as much as \$160,000 by selling their "2nd Deed". Right now, one of the hottest topics in natural resources is Pennsylvania's Marcellus Shale. Many energy analysts predict the Marcellus Shale will become a major contributor to natural gas resources in the U.S. People with land in the shale region have taken advantage of this gas boom by selling their "2nd deed."

But don't worry... with this special deed, you still maintain full ownership of your house and land. You're simply leasing what's below the surface. This "2nd deed" is called a mineral right.

Let me explain how this works: Owning property involves different types of ownership. The most basic is called "fee simple." This gives the owner control of the surface and subsurface of the property. Control can be split into "rights."

The two most common are surface rights and mineral rights. Surface rights designate the owner of the surface of a parcel of land, including any buildings.

A mineral right is the right of the owner to mine minerals lying beneath the property's surface. If you own property that has rock, minerals, oil, or gas beneath the surface, you can sell or lease the right to produce or mine them to others.

The key, of course, is owning land with valuable minerals. A mineral is technically a naturally occurring inorganic substance, things like copper, gold, and nickel. The term "mineral rights" also applies to energy assets like oil and gas.

If minerals have been discovered at sites near where you own property (often minerals are discovered by accident during a construction process), it may be worth your time to hire a surveyor. A surveyor will determine the types of minerals located on the property. But he won't be able to tell you the amount of quality of a substance. A drill holes would have to made to determine this.

The cost of hiring a surveyor depends on the size and type of land being surveyed. It can run you a few hundred dollars for a small plot of land or a few thousand dollars. You can find a surveyor in the phone book under the "U.S. Government Offices" section.

Keep in mind, if you only own a few acres of land, that's probably not enough to make this worth your time. Large corporations look for people who own a hundred acres or more that have the potential to produce a lot of the substance found. But in some instances, communities have gotten together to negotiate mineral rights collectively.

If you have several types of minerals on your property, the rights can be divided. For example, you can sell the rights to coal production to one company and natural gas production to another. Typically, the property owner is paid per acre for the right to mine and also given a royalty payment. This is a share in the production income.

Once the mineral content of the property has been verified, you can begin finding a company to buy or lease rights to the mineral. Selling mineral rights can be complicated. If you have minerals below your property's surface and have no experience negotiating the rights, you may want to find a lawyer who specializes in mineral rights. You can also research the process on your own. Two sites I'd recommend are www.geology.com and www.mineralweb.com.

Once you've sold the rights, it can be years before mining the mineral actually begins. Also remember: mining can be very disruptive to a property. The mining process may cause cracks within the ground that result in the land sinking or damage buildings on the surface. Mining can also damage water wells, which can lead to a permanent loss of water to that property.

More Free Money from the Government

My friend Paul has some land in Maine. He is one of the few doctors I know who understands investing well. For years, he has taken his extra cash and bought land in North Carolina and Maine. His plan has always been to harvest trees – beautiful old hardwoods. He sells some of them and makes gorgeous furniture from the others. But his latest venture intrigued me the most...

No. 5 – Let the Wind Provide Free Money for Your Retirement

I couldn't believe what I was hearing. Paul was putting up a wind turbine on a ridge on his land and was going to sell it back to the utility company. The numbers looked great.

The turbine cost about \$1 million installed. But most states offer rebates and incentives to do this sort of green energy project, and Maine is no exception. A state rebate of \$100,000 plus a 35% rebate of total project cost cut Paul's costs to \$550,000. A small business loan financed the deal for 15 years at 3%, for a monthly cost of \$3,800. Let's add some other maintenance and insurance and round it up to \$4,000 per month. Now let's look at the income.

The windmill generates about 1 million kilowatt-hours per year, and the utility will pay him about 6 cents per kWh. This brings in about \$60,000 a year, or \$5,000 per month. But it gets better. The IRS allows for a tax credit of 1.8 cents per year for wind-powered energy. This is a tax credit of \$18,000, or \$1,500 per month.

With the tax benefit of the credit and the positive cash flow from the wind-power, he'll net about \$2,500 per month cash from the one windmill. If the neighbors don't mind, I think he'll put up several of

these over the next few years. Not bad income for his coming retirement: \$30,000 per year tax-free on land that was basically worthless.

Notice that what makes the math work for him is the tax incentives and benefits. It's not often the various government agencies come together and present great investment opportunities like this one. My guess is the government will hatch more of these unique opportunities in the future. I plan to watch for them and promise to share what I find with you so you can improve the quality of your retirement and live a richer life.

Let's recap the unique opportunities for free money in this report:

- Sell an option on the future appreciation of your home and collect free money.
- Let the government give you a large chunk of money today for the equity you've taken a lifetime to build. Live your dream in retirement, and don't pay a cent until you die.
- Retired and need more income now? Reset your Social Security and boost your income today... and even take out a free loan from the government.
- Tap your IRA before retirement age and don't pay a dime in penalties or fines to the IRS – our secret IRA loophole.
- Let the government pay you to produce electricity from your land – at a profit.







We welcome comments or suggestions at rem@stansberryresearch.com. This address is for feedback only.

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