

The Buyline

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Thoughts from the desk of Bob Repass...

This edition marks the one-year anniversary of *The Buyline*. Our goal with this monthly newsletter is to bring you the latest industry news as well as updates on what's going on with our family of companies here at **NoteSchool, Colonial Funding Group, and Colonial Capital Management**. We want to keep you well-informed and apprised of the latest developments in the note business and help you grow your real estate note investment portfolio.

In addition to *The Buyline*, which comes out monthly, our social media channels are a great way to keep up with the many educational opportunities we offer plus the latest news on the ever-changing market. If you don't already follow us on **Facebook** and

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Twitter, please do so today.

We have a lot of exciting deals and projects taking place as we wrap up the first quarter, and our forecast for the remainder of 2015 tells us this is going to be a great year across the various asset classes in the note space. Be sure to stay connected!

Bob Repass
Managing Director

The Trading Corner

Individual Health Savings Accounts

By Martha Speed

HSAs: The Triple Crown

The Self Directed Retirement account specifically for health care cost is the Health Savings Account (HSA), which is another great way to grow tax-free income for future expenses.



Accounts must be open by year's end and contributions must be made on or before April 15 of the year following. Contribution limits for 2015 are \$3,350.00 for individuals and \$6,650.00 for families. Those over 55 can contribute an extra \$1,000.00 per year catch-up contribution.

HSA Advantages (the "Triple Crown")

- Annual contributions are tax deductible
- Money withdrawn is tax-free for qualified medical expenses
- Money grows tax free!

Funds in a HSA can be invested and self-directed in a wide variety of assets, including real estate or real estate notes, precious metals, and public and private stock.

HSA Drawbacks:

- Requires purchase of a high-deductible health plan
- Withdrawals must be strictly for medical expenses until age 65, when withdrawals for expenses other than medical are treated like a traditional IRA and taxed
- Withdrawals before age 65 are subject to income tax plus a 20% penalty

The biggest hurdle to get over is keeping your money working by *not* withdrawing HSA funds for present-day medical expenses as they are incurred. One strategy is to make a short-term investment and use profits for current medical expense and put

the original contribution back to work again in another investment.

Loopholes

Distributions don't have to be taken in the year the expense is incurred. This allows you to grow the account and at a later date use the tax-free dollars at your discretion (maybe an overseas trip with Walter?) by claiming those prior year health expenses in one lump sum.

You can view a quick list of eligible expenses at <http://www.hsacenter.com/qualified-med-expenses.html>. Even "over-the-counter" medications can be expensed with a written prescription on file in addition to vision, dental, long-term care, and more.

A recent study by Fidelity Insurance reported the rising health care cost in 2014 at \$220,000.00 for a retired couple. This may be a great time of the year to compare health plans, eligibility, and the rules and regulations for another Tax Free Income Account.



The Push for Regulatory Relief

The Seller Finance Coalition got off to a fast start in 2015. Our bill's champion, Congressman Roger Williams from Texas, was appointed to the powerful Financial Services Committee in the 114th Congress. Williams' position allows him to maneuver inside

committee meetings and hearings, as he gets ready to reintroduce our bill during the first legislative session. He has already secured the support of the lead Democrat co-sponsor in Henry Cuellar from Texas.

This past month, the SFC Leadership Team came to Washington to strategize with the offices of Congressmen Williams & Cuellar to plan the bill's reintroduction. The team also met directly with staff of the Financial Services Committee. Adding new language for the bill and a reintroduction plan to be rolled out in the springtime were among the topics of discussion during those respective meetings.

The 2014 midterm elections ushered in a new Republican majority in the Senate which gives us a better opportunity to pass our bill in both the U.S. House and Senate. We need to take advantage of this opportunity by activating our grassroots leaders. We will be

mobilizing SFC members across the country to call on their members of Congress to ask them to join our effort.

Visit our website for the latest information on how you can become a part of our industry's efforts to defend and promote the great work we do as seller financiers. Also, remember to follow us on Twitter @SFCdotORG and Facebook.com/SellerFinanceCoalition.

Employee Spotlight



The “Top Ten” with Rachel Suttles

There are many people behind the scenes that drive the engine to make our companies successful. In our continuous Top Ten series, we turn the spotlight on one of these people so you can get to know him/her better. This month the spotlight is on one of the key members of our Road Sales Crew, Rachel Suttles.

How long have you been with Colonial Funding

Group/NoteSchool: Two years

What is your role at Colonial Funding Group/NoteSchool: Sales Administrative Support

Favorite Color: Red

Favorite Food: Manicotti

Favorite TV Show: *Walking Dead*

Favorite Movie of all-time: *Dirty Dancing*

Last Book You Read: Bible

Favorite Sports Team: Carolina Tar Heels

The 3 people you would like to have dinner with (dead or alive): My Mother, Maya Angelou, and Albert Einstein

What do you like best about working at Colonial Funding Group/NoteSchool: I enjoy meeting all the new students and traveling around the country.

Capital Markets Update



Colonial Impact Fund II has Arrived

We are excited to share with you that after many months of preparation, listening to investors about their investment objectives and desired fund features, positioning relationships with large, institutional sellers of assets and adding additional back-office operational technology and people support, Colonial Impact Fund II is ready to acquire assets and accept capital from trusted and accredited investors.

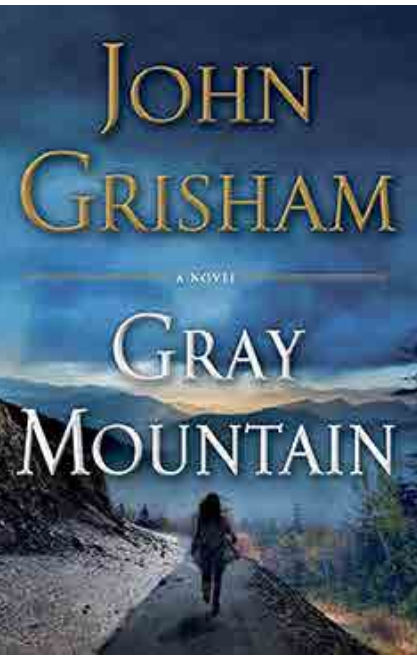
We have several large trades in the due diligence phase that will allow us to deploy investor capital fairly quickly. For more information visit www.ColonialCapitalManagement.com

Quote of the Month

"Risk comes from not knowing what you're doing."

– Warren Buffett

Recommended Reading



Gray Mountain

John Grisham's latest thriller takes place just after the start of the financial crisis in 2008. Wall Street lawyer, Samantha Kofer is "furloughed" by her firm and finds herself working at a legal aid clinic in the heart of Appalachia. There she encounters a new set of realities far from the big city life she left behind. Gray Mountain is a fascinating read about the coal industry and its impact on the coal mining communities.

Upcoming Events

Big Money 3 Day Class

March 6-8 – Kansas City, MO

IMN Crowdfunding Forum for Real Estate

March 9-10 – New York City, NY

Tampa Bay area REIA

March 12 & 14 – Tampa, FL

3rd Annual Charity Hog Hunt

March 19-22 – Spanish Fort, TX

Big Money 3-Day Class

March 27-29 – Orlando, FL

NoteExpo & 4th Annual Appreciation Event

Save the Date - November 4-8 – Dallas, TX

