

The Done-For-Your Life:

Real Estate Investing the
Way It's Supposed To Be!

MARK EVANS, DM, DN



Publishing

Deal Maker Publishing, LLC

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ISBN #: 978-09788170-3-9

Printed in the United States of America

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Dedication

I dedicate this book to my parents Mark and Sandy Evans for Always showing up to my games when I was younger and still showing up today. And to my my fiancé Deena for allowing me to pursue my goals and dreams daily. And to the readers...YOU!

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A Note from the Author

“Because of leverage, fortunes can be made in real estate investing”

Congratulations! You are holding in your hands a guidebook for real estate investors that is brimming over with tips and tools and techniques to help you get from where you are now and take you up to where *you want to be*! I don't claim to know where that is. Only you can answer that. Every investor's goals and dreams are different. Every investor comes into the business with a different set of expectations. The definition of success for you will be different from others around you.

My Dream of World Travel

I know in my own personal life, my idea of success is doing what I love to do, whenever I want, and that is travel. In order to do that, I must have a business that is automated; a business that I can conduct from my laptop while I'm at any spot on the globe. I've been on the go for almost five years now, and I love every minute of it. I have a beautiful home in Atlanta which is where I choose to hang out when I'm not traveling. This business allows me to do what I want whenever I want, and to go where I want whenever I want. That is a type of freedom that I love.

As a young man growing up in a small town in Ohio, I used to lie in bed at night and dream of being more and doing more. I wanted to be able to help people, but I needed a strategy.

I knew I wasn't very good at simply taking orders from someone, so I was fairly certain the typical work-a-day, nine-to-five type of life was not for me. I wanted to be, and needed to be, constantly challenged. I still wasn't sure what that life would look like.

The First Seminar

When I was eighteen, I attended a three-day real estate investing seminar in Ft. Myers, Florida, and it changed my life. I was broke. That meant that when everyone else headed to the bars to have drinks together, and headed to the restaurants to have meals together, I was in my room eating Doritos.

None of that mattered in the scheme of things. Because I watched one of the seminar leaders make a live cold call right in front of the entire audience and close a deal. That was it! I was sure I could do that!

Stepping Out

Fast forward a few years to December 31, 2005. In the face of many naysayers telling me I was out of my mind, I and my fiancé Deena, left Ohio and flew to Florida. I planned to stay for thirty days to scope out the real estate investing business there. I never returned to Ohio.

Was I scared? Yes I was. But it was a moment in time when I knew I had to step out and make things happen.

Where Are You?

Perhaps you are just starting out on this great adventure and you are like a blank slate. You have so much to learn and are eager to learn as much as you can.

Others of you have been in the real estate investing business long enough to have gulped down a huge dose of reality. You have already discovered that much of what you heard from some of the so-called real estate investing gurus isn't all true. In fact, some of it is downright misleading. Much of what you've tried is not working for you. But you do know the ropes (to some degree) and you now want to shift up into a higher gear, to achieve your goals, and to truly make a success of this business.

Then there are those who are known as "Seven-Year Newbies." I meet them every day. These are investors who go from seminar to seminar, they have floor-to-ceiling libraries in their home filled with thousands of dollars worth of books and CDs on tips and techniques of how to invest in real estate. However, they have yet to make their first deal. These are investors who instead of getting out there and making it happen, they are focusing on what doesn't really matter. Their priorities are mixed up.

Is there a place for seminars, study, and research? Absolutely. But when is it enough? Dragging it out for years simply keeps you on the sidelines.

Some who read this book are those who have actually been out there in the trenches, but the downturn in the economy caused you a few scrapes and bruises. You are wondering if there are fresh methods and strategies you can incorporate into your investing business to soar to new heights in spite of the adverse circumstances.

No matter which group describes you best, this guidebook has the potential to catapult you up into the level of success that you seek.

Why Real Estate Investing?

Real estate investing, as you no doubt already know, can be an erratic, unpredictable, and somewhat difficult business in which to become involved. (Notice I said it *can be*. You'll learn from this book that it doesn't *have* to be.) If this is true, why do so many people jump on board?

The most basic reason is because of the incredible leverage that is possible with real estate which can be achieved in few other business arenas. It's because of this principle of *leverage* that such huge fortunes can be made.

Why is the term *leverage* used in the business and monetary sense? It is based on the word and the concept of a lever. When you use a simple lever it allows you to move one end a little ways (say an inch), but the other end can now move a greater amount (one foot or more).

The term is also used as it pertains to a gearing ratio: if you move the larger gear one whole cycle it will move the smaller gear many cycles. Essentially then, leverage means that something quite small can have a much larger effect. Apply this in real estate investing and we find that one can invest a small amount of money and yet reap great dividends.

The *risk* of leverage, of course, is that you could invest the debt amount and then lose what you borrowed. (Perish the thought!) This could quickly wipe out any profits that might have been enjoyed. It's certainly happened to more than one real estate investor.

But what does positive leveraging look like?

Let's say you have \$10,000 to place down on a property.

You borrow \$90,000 and purchase a house worth \$100,000.

This leverage ratio is 10:1. This tells you that for every 10 dollars of the asset, you have invested 1 dollar of your own money.

In a few years, your property increases by 10%. Now the property is worth \$110,000. Your debt amount is \$90,000 and your profit is \$20,000. That means you have just doubled your money. You made 100% profit.

This obviously is a conservative example. There are many instances where no money was invested (as in the case of an assigned flip) and still profits are made. That's a prime example of leverage at work.

It is my intent through this book to guide you in how to capitalize on the principle of leveraging – not only in the monetary sense, but also in time and resources as well.

Because of leveraging, fortunes can be made in real estate investing. As a result those who are successful in their endeavors will achieve the lifestyle of their dreams. These life-changing results are yet another reason why so many people “try their hand” at real estate investing.

Why Automate?

One of the best ways to leverage time in this business is to automate as much as possible. It was my intent to create it as automated as possible. It's been my experience that most investors burn out quickly simply because they spend so much time doing mundane tasks. These are tasks that are not generating income. Time spent on tasks that do not generate income is mostly wasted time. This is the quickest way to shrink profit margins and the quickest way to go out of business.

If you are already a member of the *Done-For-You Deals System*, you are aware of the many automated perks provided for investors. These include such items as automated custom follow-

up that lasts for 30 to 40 days; marketing pieces that do all the ad writing work for you; a virtual office in which you store every lead; and customizable multi-media viral newsletters.

In this age of technology that is changing at the speed of light, failure to automate is suicide to any business. You'll learn more about automation later in this guidebook.

Why Use the Internet?

Statistics show that a full 90% of people who are looking to buy or sell a home will turn to the Internet. Most will browse the Net before they will call a Realtor®.

When you stop and think about this, that's a staggering number. If all of those people are browsing through the Net in search of ways to buy and sell their property, where is your real estate investing business? Are you still living in the dark ages relying only on newspaper ads and roadside signs?

Because you can reach so many people for so little cash outlay, the Internet is yet another way to leverage your time, efforts and money as you develop and grow your business.

I'm amazed at the number of investors I meet who are still reluctant to develop a web presence and take advantage of this vast audience. Remember, when you are on the Internet, these people are looking for you, and for what you have to offer. Can that be said about most other modes of advertising? I don't think so.

Still other investors have made an attempt to harness the power of the Internet, but are still struggling. This is because they haven't been taught how to use it correctly. Hopefully we can help you in that area as well.

Silver Platter Marketing Principles

For those of you who are members of the *Done-For-You Deals System* you are familiar with the fact that we help you build your business so deals come to you. It's like you are handed the deals on a "silver platter." I have included a number of Silver Platter Marketing Principles throughout the book. These principles are designed to add even more value to your investing experience.

As another incredible bonus, I am giving you access to my *Secret Stash* of free resources and tools that I use daily in my own business to make it as automated as possible. Watch for the *Done-For-You-Deal's Secret Stash of Freebies* sprinkled throughout the book where you will discover even more opportunities to automate your own business. (It's about *lifestyle*, remember?)

Under each freebie that is features look for three icons:



Learn what this resource offers.



Learn how this resource will benefit your investing business.



Learn tips on how to get started and how it works.

Guiding You Through the Maze

I am totally passionate about what I do. I am a marketer; I am an educator; I am a motivator; I am a mentor. My desire is to equip you as a real estate investor to do more than you ever

thought you could do with less time and with less effort than you ever thought possible.

My desire is also to light fires under you so that you can't sit still. You have to turn off the TV, get off the couch, carve out the time you need to *take action*. This book is part of that motivational strategy. It's difficult to get going when you aren't sure what action to take and where to begin.

This will be your how-to, your guidebook, as you make your way through the maze of this world called real estate investing. I trust that you will keep this book at your fingertips and refer to it often – and that through it you will discover ways to correct the mistakes you might now be making. And finally, that you will discover many new ways to grow your business.

In the first chapter, we will try to answer the most-asked question from real estate investors: “Where’s the money?”

“I just want to wake up excited to start every day.”
– Mark Evans, DM, DN

Show Me the Money!

“If you have a passion to do this business, I can assure you, you will find the money!”

“Where do I get the money to get started in real estate investing?”

This is, without a doubt, the most common question asked by those who are first starting out in the RE investing business. It appears at the outset to be the biggest hurdle to clear. Concern about getting the needed finances will many times stop an investor before they ever begin.

Granted, getting financing for your business is not as easy as it was a few years ago, but there will always be creative ways for a determined investor to locate needed funds. The most important thing is to think outside the box. Or better yet - get rid of the box altogether! Never confine yourself to the conventional methods.

No Money Down

The “No Money Down” mantra that has been perpetrated for the last few years regarding real estate can often be misleading. Is it possible to purchase properties with no money down? Yes it is possible. Our investors have done it many times, through such things as double closings (the investor purchases a property and on the same day, often at the same location, turns

around and sells it for a profit), or assignment of contract. (More about assignment of contract later in the book.)

Begin at Home

Those who start out in real estate investing with no money, credit rating in the basement, and no basis for obtaining a line of credit basically have three strikes against them. We all love to read the testimonies of such daring people in that exact predicament who come out making millions. But for every one you hear of, there are hundreds of others who went belly up in the first year or so.

Real estate investing is a business and should be entered into as a business. It's not a get-rich-quick game like playing the lottery. It is an exciting business with great potential for wealth, but it is a business that can be filled with pitfalls. It only makes sense to make the best start possible.

For the best chance of success, see to it that your own credit rating is robust and healthy. It's nice to be able to look good to any and all lenders that you may work with in the future.

While you may not have (or need) a million dollars in the bank, it's still good to have some cash reserve just in case. In spite of the fact that the late night infomercials repeatedly claim that you can do this with "none of your own cash," you'll have much more flexibility if you aren't operating on your last dime. Additionally, if you are desperate for the profit from your next deal, you will lose your negotiating edge. Your stress levels will be evident; you'll be tight as a fiddle string. Instead of connecting with your prospects you'll drive them away.

Invest the time it takes to maintain stellar credit and to repair your credit rating if needed.

Here is the complete contact information for all three of the major credit agencies. You are entitled to a free credit report

if you have been turned down for credit (due to your credit report) during the past 60 days.

EQUIFAX

Post Office Box 105252

Atlanta, GA 30374

www.equifax.com

1-800-685-1111

TRANSUNION

1561 E. Orangethorpe Ave

Fullerton, CA 93831

www.transunion.com

1-800-916-8800

EXPERIAN (formerly "TRW")

Post Office Box 2106

Allen, TX 75013

www.experian.com

1-888-397-3742

In some states, you can obtain a free copy once a year just for the asking. Stay on top of your own credit by checking the reports at least once a year or more. For the closest accuracy, it's best to order a score report directly from each agency.

There are online services that offer free credit reports. Some offers require that you subscribe to a service or buy different products in order to receive that report, so always be careful to read the fine print. Below are three reputable sites offering free reports:

www.DoneForYouDeals.com/creditmatters

Credit repair is a great solution for those who are struggling to raise their credit scores. You have no doubt heard

all the pros and cons whether to do this yourself or go with a credit repair service.

The do-it-yourself route can be agonizingly slow, and most people lack the discipline needed to stay with the process. Credit repair services vary from outright scams to highly reputable companies that have helped thousands of people raise their scores. Here are three highly rated services. Check them out for yourself:

<http://www.lexingtonlaw.com/>

<http://www.repairyourbadcredit.com/>

<http://www.skybluecredit.com/>

In spite of all the talk about not needing cash or credit in real estate investing, it will always be a huge advantage to have both.

Hard Money Lenders

It's often thought that the term hard money lender was used because this avenue was harder, or more difficult, than using a conventional lender. It's true that their requirements will be stricter, and their interest rates higher. Whether it is harder to acquire funding than with a conventional lender, only you can decide.

As a rule, hard money lenders offer a loan for around 50-75% of the after-repaired value of a house. Their interest rates range from 12% to 18%, and can last for a period of six months to five years. Look for them to charge between 2-10 points which is their up-front financing fee.

Finding hard money lenders and building relationships with them is always a wise business move. You'll want to have them lined up before you ever need them.

Because their terms and ways of doing business vary, it's to your advantage to get to know more than one. They may prefer to work in a certain part of the city, or deal with a certain type of investor.

Most of these lenders are more concerned with the value of the property than with the investor's credit rating. That doesn't mean they are willing to work with anyone and everyone; they still want someone reliable and trustworthy. But credit rating will not be as important as with say a bank or Mortgage Company.

Keep in mind that this type of lender is much more flexible than one who must work within the confines of an institution. The hard money lender can make his own judgment calls based on his own feelings, not based on the rules of a faceless institution.

A great advantage for the investor is that once you befriend a hard money lender and have built up a trust relationship, this will allow a greater level of confidence in making deals. Deals can be entered into and exited quickly because the backing is available.

Now you may be wondering where you can find these lenders. You can begin with settlement/closing attorneys. These are the people who are preparing the loan documents and usually are familiar with one or two hard money lenders. Likewise with title companies, insurance agents, and even real estate agents. Don't forget to ask other real estate investors; most have had to use a hard money lender from time to time

The more people you ask, the more likely you will be to find several.

Private Investors

Some investors see hard money lenders and private investors as the same, but there is some difference. In my experience the hard money lenders do this on a regular basis and are well versed in the procedures. A private investor may be someone who has an IRA and has never even considered investing in real estate.

What you are looking for are those who have some type of retirement account that is earning a small amount of return. You then offer them an investment opportunity to increase their return. An investment that is secured with the value of the property itself.

You will inform them that this will not exceed 75% loan-to-value (LTV) of the after-repaired value of the property. The guidelines you present will also explain that each investment is based on a specific property. They will have a chance to review the property and can turn down any property with which they are not comfortable.

You will ask that the decision be made within about 48 hours and that the funding can take place in 10 days or less. When your private lender has agreed to this particular investment opportunity, they wire the funds to the closing attorney where they are placed in escrow. Once the closing takes place, you give your lender a Promissory Note, a Deed To Secure Debt (mortgage) on the property, lenders' title insurance, and they are then listed as a mortgagee on the hazard insurance policy.

That's it. It's that simple. Finding private lenders is done by asking. If the person you talk to isn't the candidate you are looking for, they may know someone who is. So you keep on asking and soon you will have a pool of lenders which enables you to make more and more deals. Especially when you return

their investment with the higher earned interest. Most will want you to invest their money again, and again.

Stock and Bonds

With the dismal way the stock market has been performing in recent days, you might consider liquidating stock holdings and turning that cash into real estate investing capital.

HELOC

Beginning real estate investors often overlook a source of funding that is right in their own back yard – their home equity. HELOCs (home equity line of credit) have been advertised of late as a way to consolidate your debts. While that may be a good idea, it's even more advantageous to use this money in your investing business where it has a chance to multiply greatly.

The great thing about the HELOC is you can apply for it, get it all set up and have it in reserve until needed. If a motivated seller indicates that she would sell at a deep discount for cash, you will be ready. Another example would be at a foreclosure auction where cash is needed quickly.

A word of caution is needed here. Only use a HELOC if the deal can be turned quickly and the profit realized within a few months. Never use these funds for a down payment or for long term transactions. There's always the danger that you could lose your own home. (I don't think you got into this business to turn around and lose your own house!)

Hopefully your game plan is to eventually have a number of properties, each of which has a good-sized amount of equity. This then will become your own cash store against which you can borrow at any given time.

Credit Cards

If you have handled your finances wisely and have several credit cards with an extended credit line, this may be an option for investment funds.

Most major credit cards offer cash advances or check-writing through which you can borrow on the account. You are probably aware that the transaction fees and interest rates are high.

However, these funds can be accessed within 24 hours notice. Also, when you use funds from your credit card and you're making a cash transaction, there will be no other loan costs which you usually encounter in a real estate transaction. (Title insurance, appraisals, pest inspections, surveys, etc.)

Once you crunch the numbers you may find that you are better off paying 18% or more in interest for a few months on your credit card, than paying 9% interest on an institutional loan with considerable up front costs which takes years to recoup.

As with the HELOC, use credit cards only with great caution – and always for a quick and temporary solution. If you have a history of misusing your credit cards, you may want to avoid this strategy like the plague.

DFYD's Secret Stash of Freebies

www.Posterous.com



If you like using social media - posting properties, deals and attracting buyers and sellers all over the internet, but you get tired of managing all those sites, here's a great solution. Welcome to the time-saving and fun and wacky world of Posterous.com! Posterous.com is a brand new online tool that lets you post to all your social media sites just by sending an EMAIL! It's that simple!



Any tool that will save time and effort will benefit your investing business in a powerful way. Your time should be spent in money-generating activities, so stop the drudge work now by incorporating this simple system. No logging in. No managing five sites at once! And you can post not only written content - but audio or videos (like those new videos of your hot new property deals!)



You send an email to post@posterous.com and they reply instantly with your new posterous blog. If you can use email, you can have your own website to share thoughts and media with contacts across the country and around the world. When you send an email to Posterous, the domain you send the email to determine where on Posterous it goes. The domain is the part of the email address to the right of the "@" symbol. This system is an easy, quick no-brainer. If you can email, you can do this. What sites can you use Posterous.com with?

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Selling Stuff

Most everyone has something that can be sold for cash. Though it may be a little painful at the first, this could give you the capital needed to move forward. I have an acquaintance who placed his Star Wars collectibles on an EBay auction. When they sold, it brought in the cash needed to launch his real estate investing business.

What do you have to sell? A motorcycle? Boat? Sports equipment (your golf set)? Look around and consider what you can live without. Most of the items mentioned can always be purchased again once your cash flow is up to speed.

Relocate

I've known investors who were serious enough to sell their home and resort to living in an apartment. Money from the sale of the property was used to get their business up and running. This is a very serious step and if you are married, it needs to be totally agreeable with your spouse.

Gifts

It's certainly not unheard of for parents, grandparents, or a loving uncle, to give a couple the gift of money for a first home. Perhaps that same principle would apply for that relative to give the capital needed to launch your business. You'll never know unless you ask.

Summing Up

This chapter has presented a few ideas on where you can get the needed cash to begin turning deals in your real estate investing business. This by no means is a thorough discussion of the subject, but offers enough information to get your over the hurdle of stewing over where to get the money. If you have a passion to do this business, I can assure you, you will find the money!

Now that you know how to get the capital in the next chapter you will learn how to find the deals.

“A successful man is one who can lay a firm foundation with the bricks others have thrown at him.”
– David Brinkley



Silver Platter Marketing Principles #1

Marketing Solves All Problems

I have worked with tens of thousands of investors all across this country and around the globe. I have never heard one of them say, “I have a ton of leads, but I can’t figure out how to make any money with them.”

What do I hear instead? “I need buyers; I need sellers; I need leads.” The majority of investors spend their time looking for leads.

Or they spend an inordinate amount of time building a huge library of investing manuals and teaching CDs. They may have purchased a \$3,000 teaching course, or a \$1,000 set of contracts and documents and feel it all must be learned first. But no action is being taken.

This is why the *Done-For-You Deals System* was created. I knew that when the marketing is set up correctly, leads will follow. When the leads come in, the deals will follow!

I also knew that if there were an automated system set up to attract targeted leads, each investor could spend more time closing deals and therefore increase their profit level.

As an investor, once you realize that you are in the business of solving real estate problems for people, that mindset will change how you look at your business, and will change how you conduct your marketing strategies.

An investor with four or five deals on the table representing several thousand dollars in profits will find out what to do next, I guarantee it! My word to all investors, both newbies and veterans, don’t worry about the small things such as contract documents and paperwork until you have a steady supply of leads coming in. When you have the leads, you will have deals. When you are closing several deals a month, you will have success.

Show Me the Deals

“The more you specialize the more effectively you can market your business and the more successful you will become.”

Once you have built up your capital, the next step will be to begin acquiring properties. The manner in which you go about that process has a great deal to do with your own personal business goals. It will be crucial for you to know why you are getting involved with real estate investing, and what you want to gain from it.

If your goal is to slowly build up a number of properties and assess several thousands of dollars in equity, your strategy will differ from the investor who is looking to bring in cash in a hurry.

Basically you have three goals to choose from. You want to generate fast cash, generate cash flow, or build equity (generate wealth).

Buy and Hold

In past decades most investors were the ones involved in the buy-and-hold strategy. They purchased one property, fixed it up, put in a renter and let it begin to create cash flow and move to the second, the third and so on. Not only are they reaping cash flow from monthly rent, but year after year the properties are increasing in value as the notes are being paid down.

You may personally know such an investor. It's usually an older individual who started in this business years ago. Unless that person has chosen to use a property management company, he is the on-call, day-or-night repairman.

When considering the amount of cash flow a rental property will bring in, don't forget to factor in the upkeep, taxes, insurance, vacancies, improvements, and debt service. This could drastically change your perceived image of cash flow. If a rental sits empty, the mortgage still comes due.

Because of litigation dangers, because of the time and attention demanded of in the buy-and-hold strategy, and because of investment capital needed, fewer and fewer investors are taking this route – at least in the beginning.

Rehab

Oftentimes investors get their start by finding a fixer-upper and doing all the work required to make the needed repairs. Such properties are usually purchased at a discount and can be sold for a nice profit at the after-repaired-value.

Unless you are a whiz at repairing light switches, leaky faucets, hanging sheetrock and replacing broken windows, taking this route can often become its own disaster. While this may work for the first deal, few investors – having played the role of handy man – are willing to do it a second time.

Even if you possess these wonderful talents, I try to encourage investors to leave repairs to the general contractors. Why? Because your time is too valuable to be spent changing out light switches. Why spend your time in the mundane when you can be ferreting out deals that will profit you thousands?

If rehabbing is your favorite method of investing, find a crack contractor crew and put them to work. While they are getting that property ready, you can be locating the next one.

Flip

The term “flip,” and “flipping” has come to mean many different things in our industry. Basically it refers to buying and selling quickly as opposed to buying and holding a property for many years. For the sake of our discussion, we’ll put it in the category that requires the least amount of time and effort.

If you love finding the ugly houses that cry out for attention, but have no interest in the fixing up part, it’s a simple process to find an investor who is interested. Once you have the property under contract, you “assign” the contract to the investor who is deep into rehabbing. You have just “flipped” the property, and this could happen within days as opposed to 30-day conventional closings.

I know of investors who find and sell several of these types of properties a month. If the assignment fee runs from \$5,000 to \$10,000 each, that’s a tidy little monthly income with very little investment of time or money. This is what some refer to as “buy low; sell low.” This is not the place for the greedy. You make a little and are happy with a little.

Essentially, you become the person who locates properties for other investors. Your role will be to find out what these investors are looking for, and in what area, and for what price. Then you deliver what they want.

In this arena, you will be building relationships with these investors, and after time, they will come to expect good deals from you. Your reputation will help to build your business.

Wholesale

Acquiring property wholesale refers to buying at a deep discount and selling that property to the end user (home owner) or another investor who may use it as a rental or sale to an end user. The amount of repairs will, of course, vary greatly, but this category leans more toward minor repairs.

Your buying strategy must be well thought out and well executed in order to profit. Have in mind ahead of time how much you want to make out of a deal. And remember that time and circumstances will often change a seller's mind and position. A reluctant seller today may become a highly motivated seller tomorrow. Don't be in too big of a hurry to accept the first price given.

*“Sow an action and you reap a habit; sow a habit
and you reap a character; sow a character
and you reap a destiny.”*

– William James

DFYD's Secret Stash of Freebies

www.ooVoo.com



Want to do a live video conference with your virtual partners, friends and investors? Want to meet with 2,3,4 or even 5 other investors with live streaming video? Want to do it all for FREE?

ooVoo.com is super slick, super easy and super cool. Now you can negotiate or work virtual deals literally face-to-face!

ooVoo is an video conferencing and chat tool for Windows, loaded with useful, powerful tools that make it a viable alternative for small work groups using conference calls and screen-sharing applications.



The ways in which you can use this free tool is limited only by your creativity and your imagination. ooVoo can accommodate up to six live participants in a video conferencing session, all of which have access to all ooVoo 's videoconferencing features. No need to drive across the country or even across town. ooVoo also gives you the ability to send files to any other videoconferencing attendee. To say this is a time and money saver is an understatement. It will also exponentially increase your deal-making potential.



Using ooVoo is easy and fun, all you need is a computer, a broadband connection and a Web camera (a headset works great if you have one). In addition, ooVoo offers video messaging to an email or another ooVoo account, text messaging, and file sharing.

You can invite your contacts with either an email or a video message. In fact, you can import all of your contacts from some of the major email applications and services including Outlook, Gmail, AOL, Yahoo and Hotmail! You can even import contacts you have collected on LinkedIn, Windows Live Messenger, IC-QMail, MacMail, Mail.com and on Lycos Mail.

Is that mind-blowing or what? This is real estate investing in the fast lane!

Check it out now – you can download this video conferencing for free. Upgrades are available.

www.ooVoo.com.

Foreclosure

There is much talk (and hype) regarding foreclosures these days. Properties that are in foreclosure, or in the process of pre-foreclosure, are growing in numbers. You will hear the gurus spouting the facts and figures and telling you how much you can make in this area of real estate investing.

The truth is while there are foreclosures galore, not all foreclosures are a good deal for an investor. And not all are bargains. Because the potential looks so alluring, this is where many new investors are hitting the skids.

Foreclosures, either buying at auction or working through a short sale, is a highly specialized field of investing. It's not for the faint of heart.

Short Sale

Working a short sale through the office of a loss mitigation rep will try your patience to the breaking point. A short sale simply means that you have found a family in foreclosure and you step in to purchase the property from the lender at a deep discount, at which time the family can walk. They are out from under the weight of facing foreclosure, the bank will not have to take possession, and you have acquired a property way below value.

The process requires stacks of documents and paperwork, and at any point the lender can close down the entire process with no explanation offered.

On the other hand, this is exactly the kind of challenge some investors enjoy. They know the playing field is small and their chances for success are good if they learn the ropes and stick with it. They are good at negotiations and welcome the opportunity to deal with the lending company officer and help families in distress so that it comes out as a win-win-win

situation. Because of this, many investors are amassing a fortune just working short sales

Bank Owned (REO)

Another way to approach foreclosures is to purchase bank owned properties (REOs – or real-estate owned). The trick here is to work with the lender after they have purchased the property back but before the fix-up and repair begins. In this case, you have no foreclosure deadline looming and no distressed family to work with.

You may find that this same lender will not only sell to you at a discount, but will also work with you to finance the deal. After all, their main goal is to get this property off the books and back in to an income-earning position.

Be prepared to have cash on hand for fix-up as nearly all REOs are in need of at least the most basic repairs, and some more extensive.

Buying At Auction

Buying foreclosure properties at the public auction is probably the least popular route for most investors. However, it seems to get the most publicity. You may have been told that this is the way to make a killing with foreclosures.

The truth is, most properties have very little equity and therefore are not a good deal. The only one who shows up at the auction is the auctioneer and a representative of the lending company who holds the mortgage. On the other hand, the property may have a large amount of equity and such a large crowd shows up that the bidding competition is fierce. Certainly no place for a novice investor.

Cash is the name of the game in an auction. In many states you will hand over a percentage of the winning bid price

(usually 10%) in the form of certified funds. The balance will be due within 30.

Check to be sure, because other states require the entire balance on the day of the sale. Have in hand several smaller denominations of cashier checks or money orders as that will make it easier to put down your deposit.

The best advice in this scenario is to attend several auctions before you even consider bidding. Watch and get a feel for the players and how the bidding is done. When you are ready to bid, set your limit and don't go over. And no matter what – avoid getting into a heated bidding war. You'll come out the loser no matter what you pay.

It's pretty clear that the area of foreclosures is not cut-and-dried, but is many-faceted and sometimes rather complex. Those who find their niche here and build a reputation as the "foreclosure expert" and design their marketing to reflect that, can build a strong business that will see healthy growth and be around for years to come.

For more information and insight about foreclosures go to:

www.Foreclosures.com

Finding Deals

No acquisitions are ever made until you learn how to find the motivated buyers and sellers. I could make the statement "They won't come looking for you..." But the fact is those buyers and sellers are looking for you. It's up to you to learn *how to be easily found*.

You can purchase books, teaching CDs, online video courses, and attend seminars all on the subject of *marketing*. Space prevents us from going into detail in this guidebook, but we will do an overview.

Those of you who are members of ***Done-For-You Deals System*** have often heard me say: “No marketing; no business.” That is a fact that all investors must learn early on.

You can be the best at filling out legal documents, you may know how to create a dandy Excel spread sheet, you may know all seven of your favorite guru’s closing techniques, and you may have memorized all the terminology and know a MAO from an ARV, but if the deals are not coming in, you have no business. If you are not inundated with quality targeted leads which give you the deals you need, you have no business.

It is because of this that the ***Done-For-You Deals System*** was designed. The system is built around the goal of attracting motivated buyers and sellers. Through automated technology, all facets of the system bring leads to you. I like to say it gives you deals “on a silver platter.”

By using the Internet and automation, the ***Done-For-You Deals*** members are set up to display a professional web presence, offer three lead generating systems, free professional videos to use as giveaways, autoresponder follow-up letters, marketing materials, a virtual newsletter, and a virtual office where all the details of business can be organized in one place.

In this way, you are building your own leads list of possible prospects. And because you are following up for a month or more, the chances are greatly increased that these leads become viable, profitable deals.

I always encourage ***Done-For-You Deals*** members to merge online and offline marketing. In other words, a business card, a flyer, or a newspaper ad can lead your prospect to your website where their contact information can be captured. It works together like a well-oiled machine

Summing Up

The ways in which a real estate investor can acquire properties are many and varied. The strategies you use will depend on your desired end results – what you want and where you are going with your business.

It's my opinion, based on my experience and the experience of other successful investors, that it pays to specialize. Because there are so many ways to operate in real estate investing, no one can be all things to all people. That route can lead to burnout. Find the area that best suits you and your temperament and talents and channel your time, money and energies into that one. The more you specialize the more effectively you can market your business and the more successful you will become.

Now that we've looked at how to find deals, in the next chapter we'll discuss how to get back *out*. Your exit strategies will be as important, if not more so, than your acquisition strategies.



Silver Platter Marketing Principles #2

Never Marry the Model

Today we are living in a global marketplace and that marketplace fluctuates and changes quickly. Three or four years ago “subject to” deals were highly popular with real estate investors. Now we’re seeing that’s not always the best way. That means as an investor you must be ready to adapt, adjust and change.

Let’s look at a case study where large companies were *married* to their business model and because they were, they missed the boat.

Blockbuster Video is a huge corporation with buildings, massive overhead, employees and lots of inventory. For many years they were at the top of the game. They dominated the entire market. Their name and logo were recognized by consumers everywhere.

Then along came someone with the clever idea of placing a video vending machine within a supermarket. Shoppers simply stopped on their way in and out of the store (a place they were going anyway), selected their favorite movie, paid for it and walked out. The bright red vending machines, which couldn’t be overlooked, were called *Red Box DVD*. It worked because buyers didn’t have to make an extra trip to the video store. The idea caught on and Blockbuster’s business suffered because of it.

Of course Netflix came in with an even better idea – why go *anywhere* when you can get your videos through the mail.

Blockbuster (and Hollywood video stores as well) was hopelessly mired in sameness because they were “married to their business model.” Their response to the changes was too slow. Will they survive? Only time will tell.

Because you are a small business, your flexibility allows you to change course much easier than a large corporation would. That’s why it’s vital that your marketing principles be set in place. If you are building on that foundation of effective marketing, you are free to work with different marketing models. Even if a model is performing well (like Blockbuster’s massive stores and brand recognition), it may not do so long term. Always be ready to change your business model to fit changing times. But keep your marketing principles firmly in place!

Member Testimony

I was very fortunate. When my business partner Ken and I first became interested in investing, we were introduced to the ***Done-For-You Deals System***. Therefore, we have always had automation in our business. Our ***Done-For-You Deals System*** is working all the time, even when we're not. We can login to our back office from anywhere at any time to access our buyers, sellers, properties for sale, edit website pages, marketing materials, and emails. Everything is in one place, and we can access it instantly!

We get automatic email alerts to our phones whenever someone visits our website and leaves their information! For sellers – the system walks them through the process to submit a solutions request form. This form provides us all the information we need to analyze the deal before we ever talk to the seller!

Our buyers tell us what they want to buy, where they want it, and how they plan to pay for it! Mind you, this is all done while we are eating lunch or are at the movies.

“What’s that sound? Ah, it’s my email alert. I’ve got another subscriber!”

One of the most valuable pieces of the ***Done-For-You Deals System*** is the training from DFYD. I have learned so much from him, and he has inspired me to not become discouraged and to have confidence and enthusiasm. These tools are more valuable to me than all the wonderful marketing pieces in the tool-kit – and believe me, I love those! DFYD gives us great marketing pieces like business card templates, postcards and flyers.

What’s even better, DFYD teaches you step-by-step how to implement various marketing plans. These strategies work. I know because I’ve implemented them. DFYD has taught us how to effectively market our business and ourselves, how to negotiate, how to keep a positive attitude and how to be a great investor. He plays a major role in the success of our business.

Babs

Show Me the Exit

“Never enter into a transaction unless you first see your way clear to get out again – and hopefully with a big profit!”

The greatest nightmare for any new investor is the thought of having a property on their hands that they can't get rid of. What to do? The longer you hold it the more money you're losing.

The best solution to that problem is to have your exit strategies well in mind even before sewing up the deal. Take a close look at your options and review each one. Many investors have their buyer lined up well in advance.

In Chapter 2 it was pointed out how vital it is to have your own list of targeted buyers and sellers. Never is it more vital than when you are looking for an exit.

Never make the mistake of becoming so enamored with a deal (that looks to be a real steal), that you fail to consider what you will do with it after you get it. You aren't in this business to simply acquire properties, but to make a profit with those properties. And the only way you can do that is with a workable exit strategy.

Become aware of the ongoing economy in your part of the county and state. How is the job situation? Are interest rates

going up or down? All of these things could ultimately affect your profit margin.

I've already pointed out that it's important to know your own goals for your company. When you know what your goals are, you will know if you are looking to take profits and reinvest. Or if your strategy is to hold the property and use it as a rental for long-term profits.

When sizing up a potential property do you know how much you'd like to make on the deal? How soon will you need that profit? And how do you plan to use the money? All of those questions will shape your exit strategy and should be seriously considered. Your answers will not always be the same because your business is always in a state of growth and change.

Do you have cash in reserve if you end up having to hold it for a while? Could you possibly add a second mortgage to the property to help carry the investment? Always set up your initial financing with the future in mind. Always be planning ahead.

Sale to End Buyer

One of the most basic exit strategies for real estate investing is selling to the end buyer – a retail sale to a family who will live in the home. That buyer will pay a down payment and fund the rest of the purchase with conventional, or non-conventional, funding. The investor exits the transaction with no further interest in the property. And also hopefully with a sizable profit in hand.

In this strategy there may or may not be commissions paid to a real estate agent, along with the normal closing costs. All of these expenses must be taken into account.

Because there are so many variables in this kind of transaction, such sales are usually the least favorite among most

investors. Unless the need to dump the property is great, it would be better to simply turn it into a rental property.

Lease Option

Because of all the new restrictions in the lending industry these days, many families find it difficult to qualify for the financing of their own home. Investors who offer a lease with an option to purchase will find a ready market.

The lease option agreement is set up for a limited time during which the potential owner will work to get qualified for a conventional home loan. This may involve saving up for a down payment or doing credit repair.

Most investors require a non-refundable option deposit and state that the option/tenant is responsible for all of the upkeep and repair. Most tenants are more than happy to do this since their full intent is to eventually own the home.

In a lease option setup, the investor may have a monthly cash flow if the lease amount is more than the mortgage payment. Income is also realized from the option deposit. The bigger profit will be realized when the tenant qualifies and actually purchases the home.

I know of investors who specialize in lease option houses and are well known in their area for providing homes for families who otherwise would never qualify. It's a great contribution to the community.

If the tenant is unable to qualify to purchase by the time the option time runs out, the investor can extend the option or the tenant moves out and the investor locates another tenant who is better able to eventually qualify. At which time another option deposit is realized.

This exit strategy can be used in a down market with great success.

Owner Financing

Another strategy that's becoming more widespread among investors is owner financing where the investor carries the note, or becomes the bank. Like the lease option purchase, this is a solution to assist families who might not otherwise be able to qualify for conventional financing. Just because a credit report is not up to snuff doesn't always mean a person (or couple) is irresponsible.

The seller, in this case, has flexibility when setting up the terms – such as the interest rate and the duration of the payment period. For example, the seller may decide to offer seller financing on a short-term basis of five years or so. At the end of this time, the borrower will be required to refinance through a conventional lender.

In some cases, the investor offers only partial owner financing as a way to help the deal get done. This becomes a little more complicated since the lender will become the first mortgage holder. If the deal goes sour, they will definitely have first place in getting the settlement.

Seller financing is not something to be entered into lightly. A real estate attorney will be of immense value in helping with the documents and the closing. The most important aspect will be choosing the right owner by using a rigid selection process.

Have several options in place in case the buyer defaults. Again, look to your attorney to get the needed information and insight.

In this economic climate, the investor who is in a position to finance deals will have an edge on all the other investors who cannot.

DFYD's Secret Stash of Freebies

www.K7.net



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Now you can get free faxes! You can receive faxes to your own unique phone number!

And you can send them too for a minimal charge, but I just use them to receive faxes. Plus they get delivered right to your email box so you can get them from anywhere!

I may be a technology guy, but I HATE fax machines. That's why I LOVE this service.



With K7, you can receive faxes and voice messages without having to be at the office. You can receive both faxes and voice messages the same way you receive your email. Your voice messages and fax messages will be sent as email attachments and can be viewed with the click of a mouse. If you can't access your email remotely, you can receive both faxes and voice messages via the K7 Web site. K7 will also work with free email services such as Hotmail.

You'll quickly come to appreciate how a remote, phone-free fax can enhance your investing business. Contracts, Letters of Intent, leases and other documents can be received from across the country with no fax machine needed. And no phone line either. It's also a great way to get messages when you're traveling, since you save on all those long-distance calls. Think of the money you'll save



Other than your PC all you will need is a scanner in order to fax documents and photos that have not been created on your PC.

Your messages can be checked on the Web by logging into your own private mailbox at the K7 site. Your messages are stored here and no one else has access. You can also receive faxes and voicemail by having them sent to your email account.

If you don't want to buy a fax machine – or you already have one and want to get rid of it – here's the answer. Hook up today with K7 and receive faxes this quick and simple way.

www.K7.net

Flips to Investors

As we discussed in Chapter 3, one of the easiest and quickest exit strategies is reselling a property for an agreed-upon assignment fee. Having a list of investors is crucial for this to work. Have your list built up before you ever need it.

One tactic that investors use is to get the property secured with a simple letter of intent (LOI), at which time a buyer is brought on board. In this way the buyer is in place before the binding contract is ever entered into. If you are considering flipping properties to investors as your investing niche, you'll be in a place to make a regular income with very little cash outlay.

Foreclosure

Exit strategies for foreclosure properties will not be quite as easy or simple as these we've already discussed. No matter which facet of foreclosure you take on, never go in without being well armed with several optional exit strategies. Again, it's never a bargain if you have no way to move the property.

Don't wait until you get the letter of approval before you start looking for a suitable buyer – whether that is the end buyer or another investor.

Another thing to remember is there is no assignment of contract allowed in a foreclosure transaction. So a quick flip is out of the question.

Summing Up

Stephen Covey in his well-known book *The Seven Habits of Highly Effective People* encouraged his readers to begin “with the end in mind.” That's true in many areas of life, but especially so in the world of real estate investing. Never enter into a transaction unless you first see your way clear to get out again –

and hopefully with a profit! In this way, you'll build a healthy business, one where you're not continually getting stuck with properties that you can't move. Because this is such an important aspect of the business, I created an entire course on just simply attracting buyers into your business named the Reverse Real Estate system

Another way to have a healthy business is to surround yourself with key professionals who will form your "team." We'll discuss those details in the next chapter.

*"If you can find a path with no obstacles, it probably doesn't lead anywhere."
– Frank A. Clark*



Silver Platter Marketing Principles #3 ***Marketing is Not About YOU!***

You are not your target market. Base your marketing strategies on what works – not what appeals specifically to you. The world is full of people who come from a wide variety of backgrounds, with a wide range of ideas and opinions. Not everyone thinks like you. Find out what works and use that.

Marketing is vital to your business; that's a certainty. But only if it is effective marketing. And when it comes to marketing effectively, you must adhere to this cardinal rule:

It's not about you!

* In your mind those little pre-printed post-it notes look cheesy and silly. But it's not about you.

* You equate autoresponder letters to spam email. But it's not about you.

* You're pretty sure no one ever reads those little Penny Saver papers in the supermarket! But it's not about you.

* You'd never stoop to posting a flyer in the Laundromat with those little tear-off phone numbers on the bottom. But it's not about you.

Any one of those marketing techniques could land a sizeable real estate investing deal. That homeowner who is getting behind on payments might not know to search for "short sale solutions" on the Internet. But he just happens to pick up the Penny Saver and sees an ad offering a free report on how to avoid foreclosure. It's up to you to use different approaches and let the market tell you which one works.

This is not to say you are to step out of the boundaries of what you know to be ethical, nor that you compromise your integrity. Within those bounds, you are looking for what works.

Some of our members will watch one of our videos (the giveaways) and remark: "I'd never say that." Or "I'd never word it like that."

Again, it's because it's not about you. It's time to lay your ego down, and use the marketing tools and techniques that work.

Show Me the Team

“Step out and seek out those you want to have working alongside you and be proactive in creating these strong relationships.”

As you look at how your real estate investing business is evolving, does it resemble a tennis game – you are the star of the show – or is it more like a football game where there is a team of players involved? Wise (AKA *successful*) investors are intensely aware of the need to build a strong team. That means you are always surrounded by a team of quality professionals, any one of whom you can turn to at any given time. Even the best tennis player is supported by coaches, trainers, caddies, and perhaps even a physician on call.

You may have entered the world of RE investing because you longed to be an entrepreneur and do it all yourself and be your own boss. Forming a strong reliable team of professionals takes nothing away from your position as an entrepreneur. On the contrary, it only tends to enhance it. It’s because you are an entrepreneur that you have the freedom to choose the members of your team. That’s not usually an option for an employee of a company.

Let’s take a look at who might be on your team:

Realtor®

You may have heard all the bad news that Realtors® don't like, or appreciate, or understand real estate investors. That may be partially true, but there will always be exceptions. It's up to you to seek out those who are more than happy to work with you. Help your Realtor® understand that you're looking for more than just someone who can show houses.

You may come across a family who is ready to sell, but aren't interested in your "creative" ways of putting a deal together. Pass that lead to your Realtor® friend. Likewise, your Realtor® has access to the MLS and might be willing to pass expired listings to you. This is only one example of many ways in which you and a skilled Realtor® can be of benefit to one another.

Choose this member of your team wisely. Not everyone who holds a real estate license has the needed experience you're looking for. Here are a few things you might want to consider. You want an agent who:

- Has real-life experience working with real estate investors
- Understands your goal of creating ongoing cash flow
- Works at this occupation full-time
- Has a history of sharp negotiating skills – able to get for the buyer favorable pricing and terms
- Is familiar with the investment area in which you are working
- Boasts of a wide network of professionals who will assist in getting the property sold quickly and with the highest profit margin (this can include loan officers, appraisers, home inspectors, pest inspectors, title company officers, contractors and so on).

Your Realtor® should become your team member, business partner and hopefully your close friend. It pays to find the right one.

For further tips on working with a real estate agent go to:

www.Realtor.com

Real Estate Attorney

Not all attorneys are versed in the ins and outs of real estate procedures. Finding this team member may take a while. Inquire within your local real estate investing club if you have one. Otherwise, try asking other investors in the area. A call to a title company may give a few referrals. An online search may help as well. This will be a very important team member as you will want someone who can look over your legal documents and assure you they are all in order.

Mortgage Broker

As with your Real Estate Agent team member, a mortgage broker can be of great value to you. Perhaps you find a buyer for one of your investment properties, and that buyer is in need of financing. Your broker will love you for referring the prospect to her. In turn, the broker may have a prospect who cannot qualify for traditional financing, but is a perfect fit for one of your creative deals. Again, you will be receiving referrals from those in your area who are “in the know.”

Banker

It's true that most real estate investors like to think they have no need for a banker. On the surface that may be true, especially at the outset. However, as you grow your business, it will be an ace up your sleeve to have a good relationship with an area banker (or two or three). Eventually, you may want to build a line of credit with a bank or credit union. But it all begins with building a trust relationship.

Accountant

It's obvious that sooner or later you will need an accountant to help you, especially when it comes to the legal aspects of real estate taxes. It will be important for your accountant to be well versed in real estate. A good way to find this team member is to talk to owners of rental properties. It's a good chance they have just such an accountant and may have been working with that accountant for a number of years.

Insurance Agent

As your business grows your need for insurance will come into the picture. A trusted agent can give you insight into these matters. If you are involved in a rehab project, what is needed for coverage during the construction period? And if you have employed a contractor, can you be certain their insurance coverage certificate is valid? You may want your agent to take a look.

Experts for Hire

As your business continues to grow you will be looking for more and more ways in which to outsource many of the jobs that you do on a daily basis.

Two sites that feature experts in fields such as writing, website design, logo creation and graphic designs are www.Elance.com and www.Guru.com. Both sites offer hundreds of talented individuals to choose from. You can post your project and then view the provider's profile before making your choice. The price you pay is the price you choose.

Another site that offers experts is www.VirtualDealFactory.com where you will find an entire community of investors-helping-investors from all across the country. All are savvy about creative real estate deals and they fully understand what you want to do and it's free.

DFYD's Secret Stash of Freebies

www.TubeMogul.com



If you are into creating your own videos, here's a site that will allow you to make wide distribution.

TubeMogul is a free service that provides a single point for deploying uploads to the top video sharing sites, and powerful analytics on who, what, and how videos are being viewed.

I use this in my own business and it works great!



Distributing video on the web is huge, right? (Those of you who are Done-For-You Deals Members, you already know this.) Many investors create extra videos for properties and to tell prospects about your company. Now you can distribute them to the biggest video sites instantly and for free! What a way to expand your sphere of influence. Suddenly your web presence will grow by leaps and bounds.



You don't need to do anything fancy here. You can make a simple commercial telling homeowners and home buyers to come to your site to get a free *Creative Homeowner Video*! Then you can distribute with geographic specific keywords for your target investing area. Within minutes you're out in front of tens of thousands of viewers!

You will know when, where and how often your videos are watched. You can track and compare what's hot and what's not, measure the impact of marketing campaigns, gather competitive intelligence, and share the data with colleagues or friends.

Create custom groups of videos, video publishers and online video sites, and receive the analytics by group.

Any way you look at it, any way you choose to use it, you will find TubeMogul.com to be an invaluable resource!

www.TubeMogul.com

Structural Engineer

As a rehabber, you may feel you've hit a gold mine with a fixer-upper. A structural engineer can tell you if you have a real jewel, or a dud. He may tell you to raze the thing and start all over.

Contractor

Trustworthy, reliable contractors are hard to come by and when found should be well respected. Most investors prefer to have a contractor who has an entire crew. This means any fix-up project can be completed in a short time.

Lacking a contracting crew, you will want to have a good relationship with tradespeople such as electricians, plumbers, carpenters, roofers, heat and air company, drywall installer and so on. As with all members of your team, don't wait for an emergency before creating these relationships.

“The one thing you cannot outsource is sound judgment.” – Mark Evans, DM, DN

Mentor

A mentor is probably the most overlooked member of the real estate investor's team. This could be due to the entrepreneurial mindset of, “I can do this myself.” That may be a true statement, but think how many mistakes could be avoided if a mentor were in the loop. When seeking out a mentor you want a personality that you can work with. A person who is interested in your success, and who knows the ropes of this business of RE investing. This will be a person who has already achieved a level of success and therefore is not threatened by your presence.

If you are working foreclosures, you'll want to find someone who knows that aspect of the business. This will be a person who is experienced in short sales and working with loss

mitigation officers. If you work more in the area of wholesaling, your mentor will know how to create profitable flips and will understand techniques such as assignment of contract and how to set assignment fees. Our own team has mentored many people and helped them accomplish their real estate dreams and goals. If you would like to talk, simply get over to www.DoneForYouDeals.com/mentor!

It would be convenient if the two of you were in the same area, but in this age of the Internet, you could be across the country from one another and it will still work.

Having an experienced mentor will save you time and money in the long run. So don't eliminate this important member from your team list. Even the fastest runner has a coach.

Summing Up

It's always a good idea to begin formulating your team long before you need it. Step out and seek out those you want to have working alongside you and be proactive in creating these strong relationships. I guarantee, you won't be sorry.

In the next chapter we'll look at ways to analyze a deal to know for sure if it's a winner or a loser. You need to know the difference.



Silver Platter Marketing Principles #4

Direct Response Marketing – Marketing That Works!

Have you been trying to find motivated sellers and it's like finding the proverbial needle in the haystack? Then you need to learn about direct response marketing. You need to find the people who are looking for you and for what you have to offer.

If you are looking for a motivated seller, hold out to them something that will appeal specifically to that person. For instance, you might want to offer a free book or a free report that has to do with how to sell your home. If you are looking for distressed homeowners, you might offer a free report on short sales.

Direct response marketing is used throughout the Internet. You see it everywhere you look. Using direct response is in direct contrast to *brand recognition* marketing. Brand marketing is used by corporations such as Nissan, Sony, Honda, Coke and so on. These are the huge Fortune 500 companies. Buyers respond to the brands they recognize. As a small business owner, you will probably not have the resources or the time to build brand recognition.

On the other hand, direct response marketing can be up and running in a very short time. All of the ***Done-For-You Deals*** marketing tools are designed with this concept in mind. All are geared to allow our members to operate on the direct response principles.

If you have been spending all your time chasing lukewarm prospects (people who are *ho hum* about who you are and what you have to offer), *stop it!* That action is getting you nowhere. Make it very difficult for your prospects to say no to you. By handing them what they want and need, you are making it extremely difficult to say no.

By offering something free, you draw targeted leads to you. A flow of targeted leads is what will bring deals to you. It's live deals – not lukewarm prospects – that will build your business.

Show Me How to Analyze Deals

“The more creative you are, the more ways you see to construct the transaction, the more successful you will be.”

The Art of Analyzing

Before jumping into the subject of analyzing deals, I want to reiterate that you are not actually in the business of real estate. Really, you are not! Rather, you are in the business of helping people by finding creative solutions to their real estate problems. What’s this mean?

First, this is a people business, a relationship business. Never lose sight of that! Secondly, the better and more creative you are at finding solutions the more money you will make period!

Learning how to look at a potential real estate investing deal, size it up, and make a wise decision of whether to move forward or walk away, does not happen overnight. The art of analyzing deals correctly takes time to learn. You must be willing to make a few mistakes along the way. Keep in mind that even veterans slip up once in a while.

The clearer you are on your own personal objectives, the fewer mistakes you will make. Have a list of exactly what you want to accomplish with each transaction, and stay within the parameters you have set. If you have decided that you will make

no less than \$5,000 on every flip you make, don't back down from that goal. Instead, begin to work up from there.

We've already discussed how important it is to know how to exit a deal. Because you have that exit well in mind going in, that too will determine whether a deal is workable for you or not. (And if not, who in your network might be interested? Refer it to someone else.)

If you are looking for monthly cash flow, you will size up a deal much differently than an investor who is looking for up-front cash (which could happen with a flip), and no future cash flow.

Market Value

Once you've located a property that meets your criteria – whatever that is for you – the next step is to find out the value of the property. The seller has given you a figure, but can you go by that? How will you know for sure?

Most successful investors will not rely on one figure alone, but rather will gather facts and information from several different sources. From there they will sort the information to determine a price that will best reflect the true market value.

The county courthouse contains a wealth of information. In the land records department, or the assessor's office, you can access the tax records. Every courthouse system is different. Some will cooperate by answering questions over the phone. Some have all records on computer and offer a place where you can sit down in a big padded chair in front of a computer and research to your heart's content. Still others have the system so updated that you can access records from your home PC.

One of the best things you can do as an investor is become familiar with the ins and outs of the courthouse land records. Tax records will tell you exactly how much was paid for

the property when it was originally purchased. Now you have a better grasp on the property's value.

However, the principle to remember is that a property is worth what someone is willing to pay for it. Period. You must never lose sight of that fact. Never allow any seller to cause you to lose sight of it. Just because the price is reduced doesn't mean it's a good deal. A good deal is getting a property at a price below what others people are willing and actively desiring to pay right now!

Tax Values

Tax values may or may not be the best avenue of determining the market value of a property. However, they do provide a great deal of valuable information that can be of help to the investor.

Tax records will include details about the dates improvements were added to the land and can give a glimpse of the difference in property values from one neighborhood to the next.

Learn the general guidelines used which will help you determine how tax value compares to market value. Does the tax value equal 80 percent of market value? More? Less? This information can give you clues to finding the property's market value and can be the starting point for your research.

Appraisal

Looking to an appraisal for the market value will bring you a little closer to reality. Even though no two pieces of real estate are exactly the same, appraisers use what are called "comps" on which to base their decision. This means they take the prices of two or three houses of similar size in the same neighborhood that have recently sold. The subject property is then compared to those prices.

Even this approach is still subjective, so don't base your investing decision totally on a recent appraisal. Appraisals have been known to be refuted and then later adjusted to be more realistic. This will not happen without a valid reason for the objections, but it does happen. If you object to a certain appraisal, you will want to have proof in hand to back up your reasons.

Oftentimes, the appraiser is aware of the going sales price. This is especially true if a lender has ordered the appraisal. Most likely, the appraisal will come back at or near this sales price. This is because that appraiser is focusing on the needs of the lender and therefore will not spend a lot of excess time analyzing the property.

If you choose to order your own appraisal, make sure the appraiser knows your needs and your objectives. If a lender is involved, that lender may have the appraisal looked over by a third party, but by and large will be willing to accept a professional appraisal.

Realtors®

Here's where having a Realtor® in your network of professionals will come in handy. A Realtor® who is familiar with the area will know rather quickly what values are in that neighborhood. Additionally, they too can run the comps and give credence to that first estimate by comparing to recent sales in the area.

Personal Evaluation

Because you in the property business, it's always a good idea to get out into the neighborhoods and look at houses. Attend open houses on a regular basis. Get a feel for what's out there. Drive the neighborhoods and watch for selling activities.

Studying real-estate for-sale publications and browsing online FSBO sites is another way to do your homework.

Check court records to learn how much the current owner paid for a property. If you find a seller who needs to get out quickly, this can be a great help in your negotiations.

The more hands-on education you experience, the more you will get a *feel* for the value of a certain property. This is part of your growth to become a successful investor. The more knowledge you possess, the more quickly you can make a judgment about current and potential market values of the property you have under consideration.

“Anyone can be a genius if they pick one specific subject and study it diligently just 15 minutes each day.”
– Albert Einstein

DFYD's Secret Stash of Freebies

www.NewsPaperLinks.com



No doubt you've heard of Craigslist.com as an online site to find and advertise real estate deals. While Craigslist is good, it is becoming a very crowded venue. Lots of competition to deal with. To get a leading edge, you need a site that has the deals you are looking for, but with less competition.

NewsPaperLinks.com may be what you're looking for. This is a single source to get access to every local newspaper's online classified ads!



These local online classifieds are not as heavily searched as Craigslist, which means in many markets you will be one of only a few or possibly the only creative investor going after deals.

Additionally, there's less competition when you post your own ads which can also mean a better response. What a great boost this could be to your investing business.

Think about it – people who are new to the internet and not tech savvy will be much more likely to place an Online Ad through their newspaper because that's what they are used to.

You can also glean information about happenings in specific neighborhoods within a given city or community. As one interested in real estate values, this could offer needed insight.



To find U.S. daily and weekly newspaper home pages by state, simply click on the map displayed on the site. Or select the state from the list box and click "Search." You can also find a newspaper by typing in a city or any part of a newspaper name (e.g. Times, Dispatch, Daily News, etc.) in the field titled "Newspaper name or city" and clicking "Search."

One of the keys to being truly successful as an online investor is having access to better information than everybody else and being able to find it faster than your competition can!

NewsPaperLinks.com can help you do just that.

www.NewsPaperLinks.com.

Understanding Location

Everyone who's ever been involved in real estate (even if only purchasing your own family residence) knows the importance of location. A nice house in a marginalized neighborhood is worth less than the same house in a prime neighborhood that is on the rise.

If you are looking to flip a fixer-upper or rehab it, you're looking for a distressed property in a nice neighborhood, not a run-down house surrounded by houses that are all boarded up.

Here are a few things to consider with regard to location:

- **Schools:** Families with school-age children are highly interested in the school district. Some will buy on this reason alone.
- **Shopping:** How far to the nearest mall? Are there shops nearby?
- **Public Transportation:** Each region is different with regard to public transportation. Is it necessary in your particular area, and if so how available is it?
- **Recreation:** Where are the nearest parks, beaches, resorts, vacation spots, camping facilities, etc.? These are good to know
- **Safety:** Research the crime rate for the area. How available are the police, fire and other such services?
- **Sanitation:** Is the sewerage and trash disposal handled by city? Or private contractors? Is it sufficient? Is it satisfactory?
- **Parking:** Is there enough parking space on the property or in the nearby street?
- **Traffic Patterns:** Traffic patterns can have both positive and negative effects. Some neighborhoods are impossible to exit during rush hour traffic. Does the Interstate back up to the property? Research to find out if major changes

are looming in the near future – are the changes for the better?

- **Zoning:** If you are renovating a large house into a multi-family property will the zoning allow such a change? Become familiar with the zoning regulations in the area you are working in. Surprises of this nature are not fun!
- **Future Development:** Is an Interstate highway being planned? Is a mall coming to the neighborhood? This is information worth knowing. It could help make or break a sale.

As you can see, location has to do with more than the neighborhood. If you have an area in which you plan to specialize you'll soon know many of these details. Such knowledge will set you apart from all the other so-called investors and will lead you to the best deals.

Analyzing the Seller

Analyzing a deal is not all about numbers on paper. It also has to do with the seller and what kind of personality he or she has, what predicament is facing them, and what their need is at the moment. Their perception of the property can work to your advantage – what they see as a problem that needs to be removed, you see as a potential profit-maker.

Still and yet, that doesn't mean negotiations will always proceed problem-free. Contracts often go back and forth before everyone has agreed on all the terms. Only you can choose at what point you will decide the deal is not worth the hassle. Sometimes the seller simply needs time to reflect. If they are holding out for a better offer they may later change their mind when no better offer appears.

It's important that you learn to understand people and be willing to remain flexible. The more leads you are working with at any given time, the more relaxed you will be with all negotiations. If you are a desperate investor – *gotta have this*

deal or I may go under – the pressure will prevent you from making wise decisions.

Determine the *Real Cost*

Analyzing a deal means you look at all the expenditures involved, not just the price you plan to pay for the property. You will add in such things as planned improvements, holding costs (what if it takes two or three months – or more – to sell), closing costs, Realtor® commissions and so on.

One of the mistakes I see beginning investors make is failure to factor in all the possible costs involved. It's better to plan for more and have to pay less than the other way around. Depending on your present cash flow, you may or may not be able to hold a property for any given time. Now you become the distressed seller! That's not the way to make your business successful.

If you don't have the necessary cash in hand, walk away from the deal. Look for deals where you have the buyer lined up ahead of time, turn it quickly, pull your cash out of the deal and move on. If you begin with this pattern, soon you'll have enough cash to work with a more long-range transaction.

Summing Up

There's more than one way to skin a cat, as the old saying goes. And there's certainly more than one way to make a deal come together. The more creative you are, the more ways you see to construct the transaction, the more successful you will be. The *Prophet* in ***Done-For-You Deals*** helps you know how to make the most profit before you sign the deal! Using the software, you are able to explore various "what-if" scenarios and immediately discover how to make more profit with every deal!

As I stated earlier in the book, leverage is extremely important in this business. Using the *Prophet* software is one of

the best ways to leverage the time it takes to analyze deals. It only makes sense: the more quickly you can analyze each deal, the more quickly you can make an offer (a confident offer), and the more deals you can turn in less time. This is a great way to grow your business exponentially.

In the next chapter, we'll look at the part that makes many investors cringe – contracts and the paper work.



Silver Platter Marketing Principles #5

Understand Your Marketing Bottleneck

Marketing can be thought of as a funnel. There are three parts to this funnel:

1. Attraction
2. Capture
3. Conversion

Once you know and understand these three aspects of marketing, you are better equipped to isolate problem areas and solve them. Work to find out which one is not working.

I see so many investors who try one or two marketing techniques and if those don't work they throw it all out. They throw out the "baby with the bathwater" so to speak. It turns marketing into a gamble rather than a precise strategy.

Let's say your marketing does well in attracting, but lacks in being able to capture contact information. That doesn't mean the whole thing is broken. Rather, it means that one part is faulty and needs to be tweaked.

Or perhaps you are attracting and capturing, but conversion is weak. You begin to work on that area. You look for the bottleneck. Where are things bogging down? When you isolate that problem, you give it your full attention until it is fixed. It's totally up to you to find out what the problem is and how the problem can be solved.

When we schedule a new event, we will create new videos to attract our target market. We use new promotions to capture prospects. We then monitor to see what is working and what is not.

If you don't have enough leads, perhaps you need to try a new attraction such as giving away a free video.

If you aren't building a strong list, you may need to work on better ways to capture contact information.

If you have leads and a strong list but aren't closing deals, the call to action may be too weak. Try different methods of persuasion until you find one that works.

Marketing is never one dimensional. Learn the three steps, find the bottleneck and see your sales increase.

“Your most precious, valued possessions and your greatest powers are invisible and intangible. No one can take them. You and you alone, can give them. You will receive abundance for your giving. The more you give the more you will have!”
– W. Clement Stone

Show Me the Documents

“Let’s face it, the only way your business makes a profit is when you’re out there making offers.”

Real estate investing is a world of paperwork. Seemingly mountains of paperwork. There are a multiplicity of forms, contracts and documents which are enough to make the most stalwart shudder. If you are not the “accountant/detail” type of personality, this could be a stumbling block for you.

My advice to all investor newbies is to take it one step at a time. While you will want to become familiar with various contracts and documents, there’s no sense in learning each and every one until the need arises. Then you can ask your mentor, or your attorney, or perhaps your trusted Realtor®, to walk you through the process. If you worry too much about the contracts and paperwork, you’ll continually procrastinate and you’ll never make that first offer.

You, and only you, will make the decision whether you will be handling all the paperwork, or if you will be relying on another professional to do it for you. If you are only involved in quick flips, there’s a good chance you can do it yourself. However, if you are working with a lender and the closing is more complex, it’s best to trust all these details to the experts to carry out the details.

Several websites offer resources for forms. A popular site is www.VirtualDealFactory.com. This is a quick way to stock up on documents for FREE that you will want to keep on hand. It's important to ensure that any standard forms comply with the laws of your particular state. Eventually, you will want an attorney to be involved, but this is great place to start.

No matter who is on your team, it will still be up to you to snag the seller in the first place. And no agreement is solidified until you have it in writing. You must be prepared by having the necessary documents with you at all times. Entire books can be written regarding the ins and outs of real estate contracts, but let's look at a few of the most basic.

Purchase and Sell Agreement

The moment your seller agrees to a price that suits you both, don't hesitate to get that commitment in writing. If you wait, you could possibly lose the deal to your competition. This is what it means to be a professional. You will need to conquer any fear you might have of making written offers and filling out contracts. Once you put everything in writing, it seals the deal.

The purchase agreement sets out the basic details of the offer you are making to purchase the property. The same form can also be used when you are selling a property to a prospective buyer. You will do well to become familiar with this basic document.

If you are presented with a *standard* contract by a Realtor®, know ahead of time what type of addendum you will need in order for the contract to fit with your investing strategies.

Addendum

An addendum is simply something added as an attachment to a contract. It's something you can create to make the contract say specifically what you want it to say. If you plan

to work with Realtors® on a regular basis, you may want to create your own contract addendum and keep copies with you where it will be close by if you need it.

Lease Option Agreement

You may have a buyer who cannot qualify for conventional lending, but you feel they are responsible and could qualify in the near future. A lease option agreement allows the lessee (tenant) the right to purchase the property under specified conditions. This agreement can include such details as the selling price, the lease option deposit amount, the amount of the monthly lease option payments, and the time limit for the option.

Lease/Rental Agreements

For investors who plan to enter into lease option agreements or rent out properties, it is beneficial to have lease or rental agreements that clearly present all details that need to be covered. Once you locate the basic needed forms, they can be edited to fit specific needs for specific situations. Remember, the one who writes the contract is in control.

DFYD's Secret Stash of Freebies

www.RentSlicer.com



RentSlicer compiles data on how much properties rent for nationwide! Not only that but you can search for rent data by size of home, number of bedrooms and much more. When it comes to buying houses, making money on deals and managing profitable properties one of the most important things to know is *how much can this property rent for?*



Being aware of rent prices is important information for these reasons:

1. If you decide to hold the property, you need to know how much rent you can generate to cover any lease option or mortgage payments.
2. It allows you to access the general value of a property and whether or not it's a good deal.
3. When seeking to borrow money from a private money lender, they will NEED to know the numbers on how much you can earn on rent.
4. If you want to sell the property to someone as a private investor and explain how it's a profitable investment, you'll need to know the rent numbers as well.



OK, so what's the easiest and fastest way to come up with accurate figures on what your property can and should rent for? Just check out www.RentSlicer.com! RentSlicer compiles data on how much properties rent for nationwide! Not only that but you can search for rent data by size of home, number of bedrooms and much more.

As a virtual investor, this tool is priceless. While you may be familiar with the rent numbers in your area, when you come across amazing deals elsewhere, you probably have no experience with how much the rents go for.

Now you can invest with confidence since you'll have all the numbers you need in hand! Like I always teach, real estate investing is a *business*. Treat it like one and you'll make an outrageous amount of money doing it.

RentSlicer.com is just one of those tools you'll want to use as a super savvy and successful investor!

www.RentSlicer.com

Contract for Deeds

A contract for deed is somewhat similar to the lease option arrangement. Basically it involves a real estate installment selling arrangement whereby the buyer may use and occupy the land. However, no deed is given by the seller until all or a specified part of the sale price has been paid. Because the investor can command a larger down payment and receive higher monthly income, some prefer the contract for deed over a lease option. This is yet another form that most investors like to have on hand.

Land Trust

A land trust is a document used by investors who are careful about asset protection. Because of this, they like to keep copies of land trust forms in their files. This revocable, living trust allows the owner to hold title to real estate for privacy and anonymity. This document is fairly simple to complete but is valuable in keeping your assets hidden. In our highly litigious society it's an advantage to look "broke" on paper.

Summing Up

Once you become familiar with a few of the more basic contract forms and documents, most of your unfounded fears should be dispelled. Soon you'll be a pro at reaching into your briefcase and whipping out a contract and getting the signature on the bottom line.

Let's face it, the only way your business makes a profit is when you're out there making offers.

In the next chapter I'm going to point out a few clever tips and techniques that are used by successful real estate investors all around the country.



Silver Platter Marketing Principles #6

All Marketing is Test Marketing

Marketing is not a simple win or lose proposition. There are many variables. This is why it is so important to be prepared to test a number of marketing methods. Learn what works for you, for your area, and for your particular part of the real estate investing business.

Will you rely on the Internet? Use postcards and direct mail? Bandit signs? Flyers? What worked last month may not work this month. And what worked in the East Coast may not work in the Midwest.

But you are saying, “I tried this and it didn’t work. I failed. I quit!”

However, marketing is never a “win/lose” situation, and if you think it is, you’re setting yourself up to fail every time.

Consider the case study of Geico, the insurance company. You’ve seen their ads. They’ve used the animated gecko lizard with tremendous results. The scenes with the cavemen characters work well too. Now they’ve introduced the stack of money with the little set of animated eyes on top. All are clever; all are effective in their own way.

If the gecko doesn’t work in one area, do they throw it out to use the other two? No, of course not. They test and test and test again. They want to know which ads work best in which areas, or during what times of year, or for which demographic group.

This is why ***Done-For-You Deals*** members get a complete set of marketing tools. Everything we provide for our members works. All have been thoroughly tested, and we have hundreds of testimonials to prove that they work.

That doesn’t mean each tool will work in your area of the country. We’ve found that in some regions Craigslist is really hot. It works like a dream. In other areas Craigslist ads show little or no results.

Testing allows you to find out what is working and what is not. Discard what is not working and invest more into what is working. This is why I say, “All marketing is test marketing!”

This is the strategy that will make your profit margin grow!

Show Me Clever Tips and Techniques

“A chapter full of clever tips and techniques should whet your appetite to learn even more about the world of real estate investing.”

Every business and industry has its own set of creative techniques that save time and resources. This is by no means an exhaustive list of all the clever ideas you can incorporate into your business dealings; however, reading these may spark a few of your own ideas.

Letter of Intent

There may be times in your negotiations when you wished you could present something less complicated and less formidable than a full purchase agreement. There is. It's call the letter of intent or LOI. This is a simple form that gives you the right, but not the obligation to sell a property. You now have the right to market a property in which you have no controlling interest.

The LOI outlines for the seller the basic details of how the buyer will be purchasing the property and from there he or she can determine if the terms are acceptable or not. Most investors find that negotiations are much smoother and simpler when using the LOI. The seller does not have to wade through pages of formal contracts to make any changes. Since you, as the

investor, are writing the letter it becomes your responsibility to word the LOI as clearly and succinctly as possible so that nothing is misunderstood.

You will want to include:

- Purchase price
- Down payment
- Terms
- Conditions
- Due diligence time
- Closing time
- Other clauses or provisions

Once this agreement is signed, you can begin your due diligence regarding this property. Because it is a non-binding document you could back out at any given time. It's certainly not recommended that you back out of deals on a regular basis; otherwise your reputation could be damaged. But in a pinch it's good to know there is a back door.

Using the LOI allows you to make more offers and make them more quickly than if you relied totally on a full and binding purchase agreement. We have included a lot at the back of this book!

DFYD's Secret Stash of Freebies

www.City-Data.com/forum



I encourage all Done-For-You Deals members to engage in virtual investing around the country. But how can you turn deals in towns you've never even seen? And how do you know if a certain property is a great deal? How do you know if a certain area is on the upswing or the downswing? And what's the latest on those new zoning laws you heard about?

For all your answers and the inside scoop on towns and neighborhoods across the country, here is an invaluable tool: <http://www.City-Data.com/forum>



The more you know about a community, the smarter business decisions you will make. And this site has all the information!

- Over 74,000 city photos
- Graphs of latest real estate prices and sales trends
- Recent home sales
- Home value estimator
- Satellite photos
- Stats about residents (race, income, ancestries, education, employment...)
- Geographical data
- Crime data
- Cost of living
- Local news links
- ...and so much more

Whether you want to know what areas are the best and safest to rent, or what property prices are or if they are headed for a big increase or if you're even thinking about moving yourself – www.City-Data.com/forum has it all!

It's like being able to talk to neighbors across the country, even if you don't live there!



Go to the site and register - it's free and very quick! You have to register before you can post and participate in discussions with 700,000 other registered members! User profiles and some forums can only be seen by registered members. Once you've created a free account you'll be able to customize many options, and you will then have the full access to over 15,000 posts/day about local topics. What a resource for local information for any city in the nation!

www.City-Data.com/forum

Assignment of Contract

For the investor whose business is built on flips and quick turn-around, the assignment of contract becomes almost a necessity. Quite simply the assignment of contract allows the investor to sign a contract to purchase a property, then for a set fee (called an assignment fee) turn around and assign that contract to another investor. The assignment clause may have to be written into some contracts. The stipulation simply states “*the buyer and/or assigns.*” With that wording, the contract now is in your name, but allows you to assign it to another.

Assignment of contract prevents investors from having to actually take ownership of a property before flipping it. The savings in time and money allows the investor to flip more properties in less time than buying and selling in the conventional manner. It also avoids closing costs, taxes and other expenses.

Escape Clauses

Another way to reduce risk levels when making a purchase is to add escape clauses (otherwise known as contingencies) to your contract. A typical contingency has to do with financing. A clause is added that the purchase is contingent upon getting the needed funding. Yet another contingency clause might have to do with the condition of the property. The purchase will be subject to all conditions being acceptable to the buyer.

The most common time frame for setting up contingencies is ten days to two weeks. Some types of property inspections might take longer in which case an extension can be requested. In this day and age a number of environmental issues must be considered, as are issues of the presence of past methamphetamine labs. Contingencies for such inspections are for your protection.

Contingencies are also used to list what you want to remain on the property. This can be anything from drapes to the riding lawn mower in the garage – depending on the needs of both parties.

Escape clauses are used by some investors simply as delay tactics giving a longer time to find a seller. Others have devised a lengthy list of contingencies to add into the contract creating a variety of ways to escape. Such business practices could become counterproductive by eroding the level of trust and respect that the investor has been carefully building.

Escape clauses can be an important mode of buyer protection, but only if used wisely and sparingly.

MLS Marketing

There are instances when an investor could benefit by listing a property with MLS, but cannot afford to pay commissions to a Realtor®. This is especially true with rehabbers who sell to the end user.

It's a little known fact that there is what is referred to as a "Flat Fee MLS" listing. In this case you pay a pre-arranged fee to a real estate company in exchange for having your property entered into the MLS. There is no sales commission involved and, obviously, the real estate company does no marketing beyond entering your data into the MLS system.

Unlike most homeowners who are FSBOs (for sale by owner), an investor already has a marketing system in place. Listing properties on the MLS, and paying no Realtor® commissions can be a great addition to an existing marketing plan. Additionally, real estate investors use www.PropFrog.com to unload their properties fast.

Absentee Owners

For the rehabber investor, it's often easier to find fixer-uppers than it is to find the owners. The property could be owned by an out-of-state owner who has little or no present interest in it. It could be part of an estate and the family can't decide what to do with it. Perhaps the property is tied up in probate, but will be available soon. On and on the list goes.

When looking for an absentee owner, begin by calling the county land records office. Give the address and ask if the taxes on the property are up to date. If they are, ask the name and address of the person to whom the tax statements are being mailed. Now you have a starting point.

Land record clerks can be helpful in giving further information such as the lending company and what is owed. If the property is in default or behind on the taxes.

The clerks will seldom have a phone number, but armed with the name and address one could possibly track down a phone number by using www.411.com or similar online people search sites.

If this tracking leads you to a dead end, there are search services specifically designed for real estate investors, such as www.findtheseller.com. For a reasonable fee, they will run a search that is amazingly thorough – to the point that you will have contact information of possible relatives and neighbors.

Yet another great site brings together a number of search resources: <http://theultimates.com/white/>

If you are dead set on finding who owns that property there are definitely ways of finding out. Those who go the extra mile are most often those who land the incredible deals.

Living in Your Investment Property

Most investors understand that, contrary to popular belief, buying a home is not an investment. However, there are investors who systematically purchase and live in their investment property and then move on to the next while using the first as a rental.

For many years, investors in the buy-and-hold arena have purchased properties – usually one at a time – rented them out and every year or so added another. Then another and another. The tenants are paying down the mortgages as equity is rising. Cash is then building within the equity.

An alternative strategy to serial investing is to purchase a property as a family residence, live in it for two years or so, move out and turn it into a rental and do the same with the next. Hopefully the rent covers the mortgage payment, taxes, insurance and upkeep. The main advantage is that financing for an owner/occupant is most often the very best. You can get in for almost no money down.

For the patient, and for those who don't mind moving every few years, this can be an excellent plan for building a portfolio of properties.

Summing Up

I trust this chapter full of clever tips and techniques whetted your appetite to learn even more about the world of real estate investing. For those readers who are members of *Done-For-You Deals*, you are aware that your back office contains a veritable library of educational materials to help in every aspect of your business. Be sure to take advantage of them.

Because marketing is such a key facet of your investing business it's important that you do it right. In the next chapter you will learn about nine money-wasting marketing mistakes so, hopefully, you will never make them.



Silver Platter Marketing Principles #7

Cash is in Continued Relationships

Is your real estate investing business a sprint or a marathon?

I've seen investors running as hard as they could after this deal over here, or that deal over there. Finally, like a little puppy running in circles around the yard, they collapse in an exhausted heap.

Are you chasing after deals? Or are you building strong relationships? You could close one deal and yet never build a relationship. You may have made a profit, but did you create a friend? Will you ever receive needed referrals from that deal?

As a new investor you may find you are spending most of your time running after deals. It's time to begin to work smarter rather than harder by understanding the value of relationship building. Build your network of contacts and then stay in touch.

Once you know and understand this basic principle of building relationships you could find success in most any business – not just real estate investing. Because people do business with people they know, trust and like. You want to become that person.

Rather than sprinting here and there and wasting your time and energy, begin to think of everyone you meet as being a part of your business. Sooner or later everyone will either buy a house, or they will know someone who is buying a house.

As you build relationships, you will be the one they will call when that happens.

Member Testimony

It was November 2008 and my partner and I had just gotten our first property under contract to wholesale. We weren't sure how we were going to market it but I knew I wanted it on the web. I had been trying to get a website up that functioned with all the things I wanted, but didn't know how to build one. I had so many parts of programs and systems but couldn't figure out how to integrate them.

Then I saw an email for a **Done-For-You Deals** webinar and I was on the call that night. This was two days after getting the property under contract. I was blown away! This site could do everything but the dishes! A place to capture new leads with professional videos, a great place to showcase properties, a full back office for management, a newsletter, property syndication to the web, 100% expandable with as many pages as I wanted to add, and so much more. Now one year later is know I still haven't used everything!

The website, the back office training, the support and responsiveness of **Done-For-You Deals** has made a wonderful partnership with my business. I no longer have to worry about my web-presence – it's done for me!

By the way, I sold my property within two days of having my **Done-For-You Deals** site up and running. It came on line, I put my property up, advertised it and within 48 hrs, I had a guy call me at 8am from the front yard of the property and ask me where he could meet me with his deposit!

We are now a national company that has sold an average of 12.5 properties a month entirely through wholesaling with assignment contracts all over the U.S. We have developed relationships with investors all over the country, we have learned a great deal about the trials and tribulations of selling real estate outside our local market. We have learned a great deal about the "bulk reo" industry as well. No matter what we do, the one thing that I can always count on is my website and the team at **Done-For-You Deals**.

Thanks you guys for all you do for me and all the members. You make our businesses run better and you give us a solid and credible online presence – something every business needs today to succeed!

Leanne Lasky

www.AZSolutionsRealEstate.com

“The only people who achieve much are those who want knowledge so badly that they seek it while the conditions are still unfavorable. Favorable conditions never come.”

– C.S. Lewis

Show Me 9 Money-Wasting Marketing Mistakes

“Because marketing is so crucial to the success of your business, it is imperative that it is done correctly.”

I have mentioned previously that marketing is the very foundation upon which you build your real estate investing business. Without marketing there *is* no business. You can know all that needs to be known about operating your business, but if you have no leads coming in, you have NO business.

I have never heard an investor say “I have scores of buyers and sellers and investors, but I don’t know how to make any money!”

No, instead the problem is always, “I don’t have deals or buyers or sellers.” Yet I find that most investors are more concerned about finding the right paperwork and documents or other operational things rather than concentrating on marketing which is the heart of this business.

I’m not saying you don’t have to be diligent, because you do! This is a serious business. But believe me, when you have several motivated sellers on your doorstep ready to make a deal you will quickly find the answers you need, because you can see the money that is ready to be made.

My advice to investors is to jump in and correct your course as you go. You have to get off the bench and into the game. When you market right, it couldn't be easier!

Many investors agree with this premise, but still they are throwing their money away by making nine major marketing mistakes. If marketing is as important as we have just said – and it is – think how counterproductive it would be to commit these marketing mistakes. Ineffective marketing is not much better than no marketing.

Let's review these mistakes so you can see if you need to make a few corrections in your own marketing strategies.

Mistake #1 Marketing is NOT an Expense

One of the major mistakes an investor can make in marketing is to view this money as being *spent* rather than *invested*. Have you ever asked this question: "How much of my budget shall I spend on advertising?" If so, you could be inadvertently committing this first mistake. You pay the phone bill, the Internet bill, the utilities, and then you pay advertising and marketing costs. In your mind, they are all lumped together. After all, you did get a bill for that postcard mailing. And it does have to be paid. The bill came for you to pay for the list of foreclosures you purchased. That has to be paid as well.

The big difference is that marketing, when done right, is your money maker. The whole goal of marketing is to generate more income. Higher profits. Therefore, it is not an expense, but a wise investment.

If you knew you could make \$6 for every \$5 you spent, wouldn't you make more \$5 expenditures? Would you be ready to spend \$500 to make \$600? It'd be silly not to.

Boiled down, this is a paradigm shift. A new mindset. The more you begin to think this way, the more seriously you

will view your marketing dollars. If you continue to view it as a simple expenditure, then when things get tight that is the first place you will cut *expenses*. You will cut off the very thing that is feeding and growing the business.

All of your business hinges on this one thing: marketing that generates income. It is one of your wisest investments.

Mistake #2 It's Not About You

Have you ever watched an ad on TV that set your teeth on edge? You watch and wonder who could have come up with such nonsense and who would ever respond to such ads.

Or you stand in line at the supermarket and look at the unbelievable headlines on the periodicals stacked there. And again you wonder, "Do people really write this stuff?" And then the next question, "Are there people who really buy this stuff?"

The answer to both is, "Yes."

The reason you can't fathom that possibility is because that type of marketing is not about you. It's about the niche – it's about that segment of the population who responds to whatever advertising it is.

Is this how you plan your own marketing for your real estate investing business? For example, I have seen real estate investors spend big bucks to hire someone to design a beautiful full-color brochure. They look it over and smile. And then sigh. "Ahhhh. Just what I was looking for. This will work perfectly!"

Will it? Or will it just work for that demographic group to which you belong? What about all the other people out there that you need to reach? You will never know what works if you always operate under the assumption that everyone thinks like you think, and responds like you respond.

When it comes to marketing, you must put your emotions aside. It's not about what you like; it's all about what works. What is getting results.

Don't get hung up on thinking, "These are the ads that I would respond to." Because it's not about your feelings, it's about what brings in targeted leads that result in deals coming your way.

Take a good look at how you design your marketing campaigns. If you're honest, you may see that you've been guilty of this kind of wrong thinking. You've been working within a tight box of your own comfort zone.

It may be time to step out of that comfort zone and begin trying a few new techniques. If you don't try, you'll never know if they will work for you or not.

DFYD's Secret Stash of Freebies

www.SurveyMonkey.com



Ever wonder what your buyers are thinking? Ever wonder what is going through your seller's heads? Well here's a really cool way to find out.

You can create a survey for free by using SurveyMonkey.com!

Ask your buyers, sellers and private lenders all the questions you need to know to hone in and close the deal.



Using surveys is a great way to turn marketing into a money-making science. It's the results of the survey that you are after and you can view them as soon as they are collected. The site allows you to watch live graphs and charts, and apply filters to your results.

You can easily dig down to the individual response level to see the details of particular respondents, or to read the comments of open-ended questions.

Think of all the ways this tool can benefit your business. You can create a survey on your investor website to learn what your prospects are looking for, or why they want to sell their property. You can even use it to survey your buyer and seller leads who have not responded to your offer to find out why!

Place a survey on your blog and create a poll to draw the interest of your visitors.

Getting feedback from your prospects will better equip you to offer them workable solutions, which will in turn, grow your business.



SurveyMonkey.com is extremely easy to use and best of all has a very functional version that's totally free. (The paid version has some perks for sure, but I used the free program for months before ever needing anything extra.)

Don't worry if you're not experienced with survey design. SurveyMonkey.com offers over 50 survey templates in a variety of categories. Just use one of their professionally designed templates to jumpstart your survey design.

You're going to find this site is a big help in relating to your prospects and growing your business.

www.SurveyMonkey.com

Mistake #3 Failure to Understand that *All Marketing is Test Marketing*

Marketing is a fluid thing that changes from month to month and from day to day. Or it should be. Some investors get stuck in a rut of marketing only one way. They've been doing it that way for years and they see no reason to change.

While everyone would love to have a foolproof marketing method, such a thing does not exist. I can give you ideas, techniques and a few pointers, but it may work in your area or it may not. It may work for your demographic group or it may not. It may work at this time of year or it may not. It's fluid. It changes.

The only way you can know what is working is to try different techniques and methods. If something works, invest more time, energy and money into that until it stops working.

I've met investors who run a few ads or sent out a few mailings and if there are no results, they're ready to quit! But what if the ad wording is changed and tweaked? Or what if the mailings went out in colored envelopes? Or hand addressed? Or were mailed on a different day of the week? Now you get a couple of conversions out of a hundred mailed pieces, so you're ready to try it again.

Some campaigns will break even, some won't convert at all, and others are winners. You drop the losers and invest more money in the winners and keep moving forward. But you'll never know for sure if you're afraid to try a number of different approaches. Those who graduate to this higher level of thinking are willing to test until they know what works.

Knowing what works leads us to the next money wasting marketing mistake.

Mistake #4 Failure to Track Results

Picture this. You get into a car. Maybe it's a really hot car. Like a brand new Porsche! You buckle the seat belt. You turn the key. The engine ignites! You put your foot on the gas and reach for the wheel. But there's no steering wheel! Yikes! I hope you don't have dinner plans because you're headed for a serious crash!

That scene is repeated almost daily in the lives of many real estate investors all around the country. So what is the steering wheel of your investor marketing?

That steering wheel, which is designed to keep you moving in the direction for the greatest success, is ad tracking. As vital as this ingredient is for a successful real estate investing business, it is the one most neglected. Let's take a closer look.

We have already established how important marketing is to your success. But even if you have a great marketing program, you will still be high-centered if you are clueless as to which marketing campaign is working and which one is not.

Let me give you a prime example. I have an acquaintance who is a plumber. He is very good at what he does, but is somewhat lax in matters of marketing. Some time ago, he mentioned to me that he was going to try an ad in the Yellow Pages.

My response was, "That's fine, but how will you know if it works?"

He replied, "If my business improves, then I'll know."

I pointed out to him that his plumbing business could go up or down for any one of a dozen reasons. Or for a multiplicity of reasons. But in order to know if his marketing money was well spent, and to know if he should repeat this purchase the

following year, it would be necessary to know how many new customers actually came about as a result of the ad.

Tracking is the only way an investor can become responsible for the dollars spent on marketing. Previously, I compared the lack of ad tracking to a car with no steering wheel. Let me make it even clearer.

Failure to track your advertising results is like having an individual on your payroll and yet never finding out what he is doing. You don't know if he is doing the work or not. You have no idea if the salary is even warranted.

That's crazy and no businessperson would think of doing that. And yet real estate investors do it every day. They try some type of advertising campaign but have no idea if that is what is bringing in leads, or if it is something else. In that respect they have no idea what is working and what is not. They may decide to pull the plug on the very thing that has the most potential.

The secret to locating the most motivated buyers and sellers is to know exactly which of your marketing campaigns is working the best. And once you know that, then you invest more of your money into what works, and slow down on the others. Now you are strategically building on success.

Perhaps you run an ad that offers a free credit repair book. You can set up a web page that will capture only those who respond to this free offer. Very quickly you will know if this is working or not.

You may have a website that features the investment properties that you have to offer. The web form on that page can be designed to track only those who respond to the properties you have featured. Other online ads can have URL extensions that help in ad tracking.

The Done-For-You-Deal websites are all designed to track web views within the system. This information sheds an enormous amount of light on who is visiting your site and what pages interest them.

So who's got the wheel of your real estate investing business? Or is there any steering wheel at all? Only you can decide.

Mistake #5 Running Your Real Estate Investing Business with no Web Presence

If you are running your investing business with no web presence, you are, in effect, throwing away your marketing dollars.

If you are planning a vacation, where do you go to find out information about that location?

And when you're ready to take that vacation, where do you go to get flight information and make your hotel reservations?

The answer is the Internet. Everyone uses the Internet to get the information they are looking for.

So if you have contacted a prospect and you have offered them a workable solution to their problem, what are they going to do? They want to check you out at your website. That's where they will look to see if you have credibility and if you can be trusted.

If this is a family facing foreclosure, they are already being bombarded from all directions with people who are promising them the moon. They are skeptical and wary. What will they find when they go looking for your online presence? Are you there?

If not, you have committed a fatal marketing error.

Mistake #6 Running Your Investing Business with a Lackluster Web Presence

If you *do* have a web presence and it is bland and generic, you may be doing great damage to your reputation. We are past the days when you could throw together any kind of web site and impress anyone. We're past the days when a site could just be *read* like some kind of brochure – even if it's filled with a jillion links and newsy articles. Today's consumer is too savvy for that, and a cheap, poorly-designed site is a real turn-off.

This is an area where you never want to cut corners. If you have cheap graphics, bad layout, no multi-media, your credibility has been compromised. And it only takes the visitor a minute or two to decide to stay on the site, or click away to another one.

Today's website, in order to be totally effective, must be multi-media and fully interactive. If it's not, you are throwing away those marketing dollars. You want that visitor to be immediately drawn in and intrigued. That visitor is looking to see if anyone is "home." Is your personality shining through? Are human fingerprints evident, or is it cold and impersonal? You want to be at the "door" to greet them, take them by the hand and lead them through your site.

If your site is simply words on the screen, then you've created an *online brochure*. It may draw a few interested folks, but not many.

Done-For-You Deals websites are designed to be highly effective in capturing visitor contact information. It's because they are professionally designed, and full of multi-media features.

The marketing mistake of having a poor web presence, will cost you dearly.

Mistake #7 Failure to Merge Online and Offline Marketing

To be fully effective in marketing your investing business, you must merge both online and offline marketing. While you may be drawing many online visitors to your site, think of those who don't happen to be online. You want to lead them to your site by using offline marketing tools such as yard signs, newspaper ads, flyers, and post-it notes.

Having flyers distributed in a certain neighborhood in your area, that features your area of expertise and with your website URL, could draw a number of responses. These are individuals who might not otherwise ever locate your site online.

Is the Internet important as one of your key marketing tools? You bet it is. But can you draw even more visitors by leveraging its power by coupling it with effective offline marketing? Yes, you can.

Don't make the marketing mistake of becoming so enamored with the Internet that you lose focus of the hundreds of people who may need to be contacted through other methods.

Mistake #8 Failure to Understand Different Personalities

Few people come on board real estate investing armed with well-developed negotiating skills or people skills. Oftentimes these are aspects of the business that must be learned along the way. If you are a green newcomer, sooner or later you will be sitting across the kitchen table from a prospect with whom you would very much like to do business. You must know how to proceed to win their confidence. Once you've done it a few times, it's like any other new experience, it will become easier and easier. Before you know it, you will actually become comfortable in that role of negotiator.

One marketing mistake I see many investors make is failing to understand that each prospect has a different personality type. It's important to learn how to read people and work with them accordingly.

Most anyone who is trained in any type of sales work will learn the four basic personality types. They then use this information to give them an edge as they make a presentation. You can do the same thing.

Let's look at what these personality types are and how you can adapt your presentation to appeal to each one.

Analytical Person

The analytical type of personality is the person who feeds on numbers. This person likes analytical expressions and expects to be receiving numbers from you. If you talk to this prospect in terms of price comparisons, for instance, this will resonate with his personality and will cause him to warm up to you. To this personality, you become the number cruncher.

Relationship Person

This is the one for whom relationships are extremely important. This is a people person who is extremely people-oriented. You will talk to this person about their family: how this pending foreclosure is affecting the children, how a move from this neighborhood is what the wife is looking for and so on. As you speak in the language of relationships, this person will be drawn to you.

Status Person

The person who is interested in status is highly concerned about appearances. This personality is the one who is highly motivated by achievement and recognition. You will talk in terms of "not having that black mark on your credit report," or "don't need to damage your status," or "no need to let this foreclosure happen," and so on. They can be encouraged by

hearing that “even the most successful people have gone through situations like you’re going through.” Now you are talking their language.

Heartfelt Person

This personality type is emotion-driven. To them you will speak in terms of emotions. Choose terms such as distressed, embarrassed, feeling down about this. As you relate to them on an emotional level, you will find you are winning their trust.

The key in detecting these different types is to listen. People will drop clues quickly. As you listen to expressions and terminology used, you will pick up on which type they are. Don’t make the marketing mistake of treating everyone the same – or treating them as though their personality is identical to yours.

Remember that people want to do business with people they *know*, *like* and *trust*. And this is just one more way in which you can become that *known*, *liked* and *trusted* person.

As a result, your business will soar to new heights.

“You don’t manage people you manage personalities.” – Mark Evans, DM, DN

Mistake #9 Falling for the Meta-Tag Myth

Have you, as an online real estate investor, fallen for the meta-tag myth? Have you been taught that the use of meta-tags will secure your spot at the top of the search engines?

Some real estate investing educators tell you to purchase their replicating website, add some meta-tags and that is the answer. You will quickly learn that is *not* necessarily the answer.

The error here is in treating the Internet like it is a closed box. It's easy to fall for the idea that one strategy will be the end-all for all your marketing. It sounds so easy – so simple.

The power of the Internet is when it is open. For instance, you leverage online marketing with offline marketing which then opens the door for all of the aspects of marketing to work together.

The exact value of good meta-tags is a tricky concept simply because it's all up to the search engines. If you use a meta-tag such as “pre-foreclosure,” you are now competing with national banks, national mortgage companies and the US government. You'll wind up on page 100 and you'll never be found.

On the other hand, if you get very specific such as “foreclosures in Baltimore, Maryland,” this keyword may only be searched for a few times a month.

The truth is meta-tags are more designed for national companies. While meta-tags can and do work, they will never be the total answer to the power of the Internet. If you make the marketing mistake of thinking they are the magic needed to get to the top of all the search engines, you will be sorely disappointed.

Summing Up

Because marketing is so crucial to the success of your business, it is imperative that it is done correctly. Hopefully by pointing out these nine marketing mistakes, you will be able to hone your marketing skills for even greater profits!

In the next chapter you will learn about a concept that can literally change your life. I call it “car-crash” power.



Silver Platter Marketing Principles #8

Relationship Selling

Principle #8 is closely related to #7. “Relationship selling” is a principle I believe in and one I live by. The concept is to look for ways to help people. What kind of free information can you give that will help a family save their home? What kind of free information can you give to help a family save money (and pocket more) when they sell their home? You get the idea.

You don’t simply sell *people*, you offer solutions to their problems. You have a loan modification plan, you have a short sale plan, you have an offer to help a family get out from under an unwanted property. Everything you do is showing people that you care. You care about what happens to them and you care whether or not they have their problems solved.

Go the extra mile by doing such things as teaching seminars or writing articles for your local newspaper. Follow up with your online contacts by using the autoresponder letters offered through the Done-For-You Deals marketing tools. As you see your business in this light, you will come up with your own creative and original relationship-building ideas.

Recently, I called the phone number on a yard sign regarding a property in my neighborhood in St. Augustine, Florida. I probably called three times or more, but I never received a return call. I trust that’s not how you run your business. That’s not a good way to build trust or credibility

I don’t care what the economy is doing or not doing. It’s all about relationships. When you have helped someone, that individual is in a much better frame of mind to listen to what you have to say when you present an offer. That’s how the deals are made and closed. That’s how the money is made in real estate investing.

*"Marketing is too important to be left
to the marketing department."
– David Packard*

Show Me “Car-Crash” Power

“I’ve found in my own business that I’ve experienced the greatest successes when I had no choice but to succeed.”

The information I am going to share with you in this chapter is a truth that can totally transform your life. This truth – this concept if you will – is what I have come to call “car-crash” power. You’ll see why as you read on.

In the opening author notes, I shared about my youthful passion for wanting to be more, to do more and to help people. *I wanted to be able to wake up every morning and be excited to meet the day.*

Whatever that meant and how I could walk that out, I wasn’t totally sure, but I knew that was my driving goal. That passion has never changed and now I am living that dream and that goal.

But it all came about because I chose to pull out all the stops to make it happen. I chose to invoke “car-crash power.”

Super-Human Ability

I’m sure every person reading this book has heard stories about people who when in a crisis moment is suddenly endowed with an almost super-human ability to perform a physical feat. An example would be the scene of a car crash where a mother discovers that her child is pinned beneath the car. At that

moment, where there is no other recourse, the mother will lift that car to save her child. She does it because that is her baby under there, and there is no other way. It's unbelievable, but she does it. She invoked car-crash power!

How does that example relate with you and your real estate investing business? Simply this. You must put yourself in a position where you are *forced* to succeed. There is no other choice.

The Obstacle of Self

The biggest obstacle that entrepreneurs face is not lack of knowledge or expertise. It is not lack of finances or support. The biggest obstacle is *self*! We sabotage our own success by always giving ourselves a convenient way out.

“Well, if I don't make it in real estate, no big deal. I can always try something else.”

“If I don't close any deals this month, it's okay – there's always next month.”

What happens is, there are no real consequences for “not succeeding.” We push back our goals; then push them back again by continually putting off what needs to happen to succeed.

DFYD’s Secret Stash of Freebies

www.USTREAM.com



Ustream.com allows you to stream live videos right from your web cam or PC digital camera and gives you endless ways to make more money as an investor.



This tool is even more profitable to use with your ***Done-For-You Deals System***. With the proprietary automated multi-media, deal-generating technology behind your DFY System, you can host your shows live inside your ***Done-For-You Deals System!***

All your buyers, sellers and investors are right there ready to request your free videos, make a creative homeowner solutions request, make offers on your properties and do deals with you during your show!

What a way to set yourself up as the professional and the expert in this business.



This tool couldn’t be easier to use. Just set up a free account at UStream.com where they will give you an “embed code.”

You’ll click COPY, then log into your REI Virtual Office.

Go to Customize My Site > Custom Content. With your custom investor page technology, just paste the “embed code” right into a page! It’s so simple!

You’ll want to play around with it to make it look just the way you want before you go live.

But it’s that easy. And that powerful!!

Here are a few ideas. You’ll think of many more on your own.

You can have a live show and:

- * Host an online property auction
- * Have a nationwide open house for one of your properties
- * Present a seminar on credit repair for rent-own-buyers without leaving your home
- * Recruit & train an army of bird dogs in your pajamas

I use this tool myself. During the *Virtual Deal Factory Grand Opening*, we had over 1,000 investors doing deals with us on-air live and watching us eat cookies!

Makin’ money and having fun – now that’s the Done-For-You Deal life I’ve been telling you about!

www.USTREAM.com

Negative Consequences

A goal must be more than a promise. There must be action involved – with consequences. We most often think of how to reward ourselves when reaching the goal. I tend to believe that sometimes there needs to be negative consequences.

When I first began to travel, I knew my business would have to be more and more automated. In order to do that, I hired experts, people who were much smarter and better equipped than I, to handle different aspects of the business. I knew I could no longer do it all myself; now was the time to prove it. That action step, and our incredible time spent in world travel changed my life. Car-crash power can do the same for you.

As you read this begin to think of ways you can do this in your own life. How can you step out and take action? Action that means you must go forward. How can you put yourself in a situation where you must succeed or else? You *have* to make it happen.

“Your life will be defined by the uncomfortable decisions you are willing to make.” –Mark Evans, DM, DN

Taking Action

You know and I know that for most people, if they see an easy way out they’ll take it. That’s human nature. It’s called the path of least resistance and we’re all prone to go that direction.

But you’re different. You are an entrepreneur who wants to succeed in this business. And you can. You can take it up to the next level by thinking of ways to invoke car-crash power. When you take action you are so much closer to your goals.

For those of you who see yourselves as veterans in this business, you may think there’s no way you can do this. But you can. Look for areas in which you can begin to delegate tasks.

Hire people to do what needs to be done, and use that time to put together more deals.

No matter where you are in your business, you cannot listen to the naysayers. Yes, it appears to be a sluggish market right now, but if you use that for an excuse, you’ll use anything else for an excuse. If the market is stellar, some will complain that they can’t beat out their competition. It’s always something. But I’ve found in my own business that I’ve experienced the greatest successes when I had no choice but to succeed. This is the way by which I have engineered my own lifestyle.

Before leaving this subject of car-crash power, I want to share an interesting story that happened to a great friend:

When I was catching a connecting flight from Apricale, Italy to Jaco Beach, Costa Rica, we were in a layover at JFK airport. While there, I happened to run into a teacher whom I had worked with at my former place of employment.

I had not seen this man in about four years. We immediately recognized each other – I remembered his name but he had forgotten mine. However, as soon as we started talking, he said that although he’d forgotten my name, there was one thing he could not forget.

*He looked at me and said, “I remember you. You’re the guy with **no plan-B.**”*

He was absolutely right. That is what I said to all my co-workers when I left that company: “I am leaving to succeed and accomplish my dream or die trying. I have no plan-B.”

I knew full well, if there had been, when things got tough (as they often do) I would have been tempted to jump to plan-B. And I did not want that to happen.

How about you? Are you a person with no plan-B? Are you one who wants to utilize car-crash power in everything you undertake to do?

Summing Up

Are ready to stop making excuses and take the next step? If so, put your newly found car-crash power into operation today.

In the next chapter you will be learning about more ways in which you can begin to *engineer* your own lifestyle.



Silver Platter Marketing Principles #9

You Cannot be All Things to All People

There are many facets to real estate investing. If you attempt to do it all, you will surely burn out. Find out what you enjoy the most and focus and specialize in that area. Become known as the “go to” person for that specialty.

Consider this: Who earns more, a general practitioner physician or a highly skilled neurosurgeon? Obviously it is the one who specializes. In any field of endeavor – medical, law, engineering – it is always the specialist who earns the most and has the most clients. They are known for their specialty – you can do the same thing in your investing business.

Think of how you want to narrow your focus to offer solutions in a small area. Now it can’t be something absurd like marketing to “all single mothers who inherited a beach house from their parents.” But it can be a logical, specialized area such as helping blue collar workers find homes for dimes on the dollars. Or offering solutions to luxury home owners who are about ready to lose their properties.

Channel your time, your resources and your energies by knowing what you will do, and what you will not do.

You may not deal in credit repair, but you can refer your prospects to someone who does. Or you can offer them a free report on credit repair.

You may not deal in certain types of properties, but when you find a ready buyer, you may have the perfect Realtor® who will take that referral and run with it.

Have your own vision. Have your own area of specialization. Be passionate about what you do. Stop trying to be all things to all people. It will never work. Become memorable. Stand out in the crowd. And have fun in the process.

Once you become a specialist in real estate investing, your business will take off like a rocket.

“You are a rich and creative spiritual being. You can never be less than this. You may frustrate your potential. You may identify with that which is less than what you can be. But within you now and always is the unborn possibility of a limitless experience of inner stability and outer treasure, and yours is the privilege of giving birth to it. And you will, if you can believe.”

– Eric Butterworth

Show Me How to Engineer My Own Lifestyle

“Engineering your own lifestyle should be the end result of all the choices you are presently making.”

Throughout *The Done-For-You Life: Real Estate Investing the Way It’s Supposed To Be* I have attempted to give you a guide jam-packed full of tips, techniques and methods to help you grow your business. In Chapter 9, I encouraged you to be bold, to step out and take action. In this final chapter I want to help you look inward. As you build your business continually remind yourself why you are doing this. Have your goals well in mind.

I shared with you how one of my highest goals was to be able to wake up excited every morning – as opposed to dreading to go to work and living for the weekends. That is exactly how I’m living today. Excited and fulfilled each day. What is your highest goal? What are you dreaming of?

Perhaps initially you simply wanted to get out of the rat race. But soon you realized this solution led from one job to another. In other words, you became so involved in your own business you were working longer hours than ever before and still had no life of your own.

So what do you *really* want? Do you want to be your own boss? Or do you want a lifestyle that allows you a certain amount of freedom? Freedom to have the time and resources to do whatever you want to do and go wherever you want to go.

Even with just a modicum of success in this business, I was able to travel and “enjoy leisure” time. All the time I knew that my business was working for me. This to me means more than simply *being my own boss*.

Are You Where You Don't Want to Be?

I meet people every day who are stuck in a place that they don't want to be. It may be a job or position they dislike. Or it's a company that treats employees unfairly. Or they don't like the region where they live. Perhaps it's in the North and they hate winter. Or they're in the Deep South and hate the heat and humidity. What amazes me is that these are the people who are convinced that they are stuck. They see no way out. They just have to suck it up and hang in there.

I knew that one of my highest goals wasn't just to have “my own business.” My highest goal was to engineer my own lifestyle! I knew from the outset that I would work to create a business that was as totally automated as it could possibly be. I brought in a number of specialists to help me design amazing real estate investing software. Everything that could be automated would be automated. That's how I designed it, that's how it works to this day, and that's the mode of operation that is taught to all the members of Done-For-You Deals program.

It never made sense to me to jump from one workaholic trap into another. What's the fun in that? Granted that early on, as all the components of the business were in the creation stages, I did much of the work. And it was labor intensive. But I knew that was temporary. I knew I was creating each facet of the program to place me in a position where I no longer had to do

that certain task. And one by one, I eliminated them from my list of jobs. I concentrated mainly on creating deals that would generate the cash flow.

Ready for Change

Situations, circumstances and the economic climate change rapidly; only those who stay on top of the game will make it. The virtual RE investor is small enough and flexible enough to change quickly when necessary, and yet still be able to compete with large companies that have big buildings, big payrolls, and big overhead. It takes those companies months to change with the times, while you can adjust your operation within a few days.

*“It isn’t what you say or wish or hope or intend
that demonstrates what you really believe.*

It is only what you do.”

– Brian Tracy

DFYD's Secret Stash of Freebies

www.RoboForm.com



In this crazy techno age, ever feel like you have like a million usernames and passwords? You lose them. You forget them. And even when you remember it's such a pain typing them in when you're browsing. Well not any more!

RoboForm is a tool that will remember all your usernames and passwords. Personally, I didn't think this would save that much time. But it does! And it will cut down on frustration as well.



Consider what your time is worth. Each time you are forced to enter user names and passwords at any given website (oh yes, first you have to *remember* all those user names and passwords), you are involved in busy work that is not generating any income. Is that how you want to invest your time? If not, the only option is to utilize as many time-saving tools as you possibly can. RoboForm.com fits in that category.



RoboForm.com enables you to log into web sites and fill out web forms quickly and automatically. It also works with your iPhone and Blackberry.

No extra technology knowledge needed. Simple and easy to use.

Here are two important tips when using RoboForm.com:

TIP #1: Password Protect Your Computer! Since all your passwords are saved, if someone steals your computer they have access to everything. So you will want to password protect your main computer. These passwords are typically extremely hard to crack. Check with your computer's manufacturer on this.

TIP #2: Roboform is specific to your computer. That means if you switch computers your passwords will not be there. It might mean you need to get RoboForm twice if you travel with a laptop like I do.

Saving time in the mundane tasks is how you create more time to do money-making deals. You can do that easily with RoboForm.com

www.RoboForm.com

Deal-Generating Automatic Technology

The *Done-For-You Deals System* was designed so it will work for you! It doesn't matter what kind of real estate investing you are involved with:

- wholesaling
- working foreclosures
- flipping investment properties
- retailing houses

Whatever it is, you can and will profit from these systems. This is what I call “deal-generating automatic technology.”

I don't think you got into this business simply to create another “job.” I know I didn't. But I know many educators (so-called gurus) who are very successful in the investing business, but they work constantly. They answer phone calls in the middle of the night; they are tied to their phone. That's not my idea of *success*.

Most real estate investors don't really enjoy the marketing part or the follow up. But they do enjoy negotiating, putting deals together, closing deals, helping people, and as a result making lots of money.

The automation featured in the *Done-For-You Deals System* is in place to free you up to focus on what you do best. And to perform cash-generating activities. These are tools and systems that I use every day so I know they work. This means that if you are one who has a passion to engineer your own lifestyle, you can do it. It's within your grasp. And you don't have to reinvent the wheel like I did. It's all set up for you.

If I had to make the choice right now of making less money but keeping my present lifestyle, or going to corporate

America, I would choose the former in a heartbeat. I love my lifestyle the way it is now.

Spring the Trap

Think about your own lifestyle. Do you feel stifled and trapped? If you are still employed and working your investing business part-time, do you like being told when you can take a day off and when you can take a vacation? Or do you long to be free?

Would you like to live in the Caribbean for one month out of the year? Would you like to work when you want and take off when you want? Would you like to have enough flexibility so if you needed to take a break for a few weeks you could? Would you like to move to another location? Would you like to put your children in a private school? What will your new lifestyle look like?

The good news is, you are *not* stuck. Engineering your own lifestyle should be the end result of all the choices you are presently making.

Where would you like to be a year from now? Two years from now? Five years from now? Will you be able to look yourself in the mirror and honestly say that you did everything within your power to make things happen in your life? That you did what was needed to catapult you into the next level? All of it depends on what you do this very day.

The ***Done-For-You Deals System*** is designed to help you work your business with an immense amount of freedom, because nearly every facet is totally automated.

If you are already a member, are you utilizing all that the systems have to offer? Are you making the most of what is available?

If you are not yet a member, you may want to take another look at what all is at your fingertips. The system not only helps you find and analyze deals, but also aids in the organization of your leads and the needed follow up. Stop right now and go to the website and see what is available for the members: www.DoneForYouDeals.com You have nothing to lose and everything to gain.

My Moment of Realization

It was a Wednesday. Middle of the week. Folks back home were facing what they call the *hump* day on their way to the welcome weekend.

I, on the other hand, was hanging out at with Deena, my fiancé, at The Whaler in Maui, Hawaii, sipping a mai tai. As I watched the lazy waves rolling in and out and enjoying the gorgeous sunshine, I thought back to all of the people who told me it couldn't be done. Those who told me I was out of my mind to leave security in exchange for the unknown. I thought about my current lifestyle with no bosses, no commutes, no pressures and no undue stress. At that point, I'd been traveling the world for more than a year and a half. The next day, Deena and I would once again be basking in the Hawaii sunshine, and we could go home – or to our next stop – whenever we felt like it.

All of a sudden **I felt wealthier than I had ever felt in my life.**

I hope you are catching this truth – money is great, but only if it will create freedom for you.

If all I ever do is to teach you to make as much as you are making on your regular job, but to do it virtually from the Oceanside in Santorini, Greece – or wherever your heart longs to be – then I would be content.

So what are you waiting for? Put yourself in control today. You can make it happen - www.DoneForYouDeals.com



Silver Platter Marketing Principles #10

Go For Targeted Leads

Having hundreds or thousands of leads is not an effective marketing strategy. Don't settle for just *any* leads. Go after qualified, targeted leads. Go after those prospects who are specifically looking for what you have to offer.

Generic leads that are not targeted will require more work on your part, which means you have created another "job," and not an automated business that will give you the lifestyle you are seeking.

We here at Done-For-You Deals understand this. You can have a million leads but with no underlying relationship, it is virtually worthless.

If your leads are not targeted you still must:

- * Establish instant credibility
- * Attract buyers and sellers
- * Capture buyer and sellers contact information
- * Follow up with the leads to make them turn into deals
- * Pre-sell the prospects on wanting to work with you
- * Pre-qualify the leads so you can close them
- * Work with them to create referrals and future business

With targeted leads most of this is already taken care of. All of our Done-For-You Deals members have access to tools that bring in a consistent stream of targeted leads. The system offers credibility, professional web presence, lead capture, pre-sell and follow-up, just to name a few. The entire system is designed to create a steady supply of targeted leads so you can spend your energy on negotiating and closing deals.

Why accept anything less? How much better to have all this done for you through a totally automated system?

Working with targeted leads will save time, money, effort and energy while at the same time it will grow your business exponentially.

About the Author

Mark Evans, DM, DN is a four-time, best-selling author, full-time world traveler and full-time virtual real estate investor. He is a master at creating multiple streams of income and is a life-long student of marketing. As such, he has turned his attention toward reaching out to others; to teach them how to live life on *their* terms.

Mark has developed many ground-breaking online systems and best-selling real estate products. These online tools allow investors to easily create multiple streams of income online in their sleep.

Not only is Mark a real estate investor but he has subsequently become a successful Real Estate Investing coach and has students all around the world. He gets excited about helping others who are ready and willing to help themselves! His willingness to help is more than just words — Mark offers simple but powerful instruction, guidance and direction through his many programs.

This four-time, best-selling author (with many more to come) has a passion and a zest for life that is infectious. This zeal for life and reaching out is reflected in the fact that he donates book sale percentages to well-deserving charitable foundations. These philanthropic endeavors help those less fortunate. Says Mark, “We can always do more by helping others to achieve their goals.”

By achieving all of this (and more!), Mark Evans DM, DN truly does live up to his title of ***Deal Maker*** and ***Digital Nomad!***

This book is happy to support charities such as The Caring House Project Foundation and the Get Kids Fishing Foundation.

The Caring House Project Foundation

It was the Gospel of Luke that taught me:

"Much will be required of the person entrusted with much, and still more demanded of the person entrusted with more."

In 1998, my wife, Nilsa, and I founded the Caring House Project Foundation. Our primary objective is to provide housing, food, water, medical support and opportunity for the desperately homeless around the world, particularly in South America, the Caribbean, Indonesia, and here in the United States of America.

Think of the deep satisfaction experienced when seeing a self-sufficient village literally rise up out of the ground.

Contemplate the incredible impact that can be made on thousands and thousands of lives not just for today, but for generations.

This process is part of my business plan, my responsibility to steward the blessings God has entrusted with me.

Won't you join us by getting involved today?

Feel The Tap...

Frank McKinney

Learn more by going to:

www.Frank-McKinney.com/caring_project.aspx

Get Kids Fishing Charity

Mission statement: Get Kids Fishing Foundation, USA™ is a not-for-profit organization dedicated to being active in our community, giving our youth the knowledge and tools to enjoy the sport of fishing and teaching them how to respect and protect the great outdoors.

“The GKF² goal is to make every child’s fishing dream come true. We accomplish this exciting adventure through education, encouragement, and life changing outdoor experiences. So, please get on board and be part of the team that will help GKF² make great fishing dreams come true.”

Dave Dayton, Founder of GKF²

www.GetKidsFishing.org

Contacting the Author

Mark Evans DM has a busy schedule—working his real estate investing business and traveling across the world with his family...all while continuing to strive for excellence in business as well in helping his students propel forward to become more profitable, all through using systems.

However, he is always looking for opportunities to help those individuals who understand that success is a lifestyle. Those who are committed to achieving their goals may have the chance to take advantage of Mark's coaching, books, teleseminars, and live workshops. Please contact Mark's office at the web address below to see if you qualify for his available programs.

Mark Evans DM may also be available for speaking and seminar engagements, mentoring, consulting, marketing, and interviews, both for TV and radio.

To contact Mark Evans DM directly, go to www.MarkEvansDM.com

“There is only one true success – To be able to live your life in your own way.”

– Christopher Morley

Basic Contract Forms

Disclaimer: This material is for information and educational purposes only. This material does not constitute professional, commercial or technical advice and, *The Done-For-Your Life* nor any of its affiliates accept liability for any problems arising through negligence or for any other reason whatsoever. Although care is taken to provide accurate information, there cannot, of course, be any guarantee about the suitability, completeness or accuracy and www.101WaysToGetLeads.com does not accept responsibility for the content of that material.

Assignment Form

_____ assigns to _____ the Purchase Contract and/or Letter of Intent for the property located at: _____.

The original purchase contract is between _____ and _____, dated _____. The contract is being assigned for the amount of \$_____.

Upon execution of this assignment Agreement, New Buyer (Assignee) agrees to pay Original Buyer (Assignor) 100% of the above referenced option fee in the amount of \$_____.

New Buyer (Assignee) accepts all rights, obligations, and responsibilities of purchase contract executed by Original Buyer (Assignor) and the Seller of said property.

Original Buyer: _____
Date: _____
(Assignor – _____)

New Buyer: _____
Date: _____
(Assignee – _____)

Letter Of Intent

I am the owner of real estate located at _____.

It is my intent to enter into an agreement with
(hereinafter referred to as “Buyer”), on the following terms:

1. I will sign an Option agreement and related documents giving Buyer the legal right to lease and/or buy my property.
2. Sales price to be \$_____.
3. Length of time for Buyer to exercise Option to be _____.
4. Buyer has the right to lease my property for the monthly amount of \$_____.
5. Seller will prepare all documents at his/her expense to finalize this transaction.
6. I understand it is Buyer’s intention to find a Lease Option Tenant to occupy this property and assign the rights to lease and/or purchase the property for a fee.
7. I agree to allow Buyer to put a sign in the yard, and advertise the property for sale.

This is a Letter Of Intent and is not binding. If these terms are acceptable to Buyer, he/she will prepare documents that are legally binding to be signed by the parties.

Signed this ___ day of _____, 20__.

Seller _____

Buyer _____

Option to Purchase

THIS AGREEMENT made this ___ day of _____, 20___, between, _____, (collectively referred to as Optionor), and _____, (collectively referred to as Optionee).

IN CONSIDERATION of the Optionee's payment of \$____, the Optionor gives to Optionee the exclusive option, right and privilege of purchasing certain in real property located in the City of _____, County of _____, and State of _____, described as:

[Insert legal description]

Property Address: _____

This option is subject to the following terms and conditions:

- 1) Optionor grants Optionee the exclusive right to exercise this option for a period commencing on the ___ day of ___, and terminating at 11:59 p.m. on the ___ day of _____, 20___.
- 2) The purchase price of the property will be \$_____.
- 3) Notice of election to Purchase shall be given by Optionee in writing, and by first class mail, addressed to Optionor, at:
_____.
- 4) The option consideration is for the sole purpose of granting the Optionee the exclusive right to purchase the subject property at the stated price and terms.

Real Estate Purchase Contract

Dated this ___ day of _____, 20___, _____ (hereinafter “Buyer”) and _____ (hereinafter “Seller”) hereby enter into this contract for the sale of property located at:

_____.

1. Purchase Price. The purchase price paid by Buyer in U.S. funds will be in the amount of \$_____.

2. Terms. _____
(none if nothing inserted)

3. Contingencies.

A) Environmental Inspection: (This paragraph not applicable if number of days not inserted.) Within ___ days after the acceptance hereof, Seller agrees to permit the Buyer, Buyer’s lender, and the qualified, professional environmental consultant of either of them to enter the premises to conduct, at the expense of the Buyer, an environmental site assessment. Buyer agrees to indemnify and hold Seller harmless from any injury or damage caused by such inspection. If such assessment is obtained and the consultant recommends further inspection to determine the extent of suspected contamination or recommends remedial action, the buyer, at Buyer’s option may notify the Seller in writing, within the above specified period, that the contract is null and void.

B) Property Inspection: (This paragraph not applicable if number of days is not inserted.) Buyer, at Buyer’s expense, shall have ___ days after the acceptance hereof to have the property and all improvement, fixtures, and equipment inspected. Seller shall cooperate in making the property reasonably available for such inspection(s). Buyer agrees to indemnify and hold Seller harmless from any injury or dam-

age caused by such inspection(s). If Buyer is not satisfied with the condition of the property as disclosed by such inspection(s), Buyer may terminate this contract by delivering written notice of such termination to Seller within the time frame set forth in this paragraph.

C) Other Contingencies: _____

4. Title Insurance. Title insurance, if any will be paid by Buyer at Buyer's expense.

5. Taxes. Taxes will be pro-rated to the date of sale and Buyer will be given a credit at closing for any and all unpaid real estate taxes together with any and all penalties and interest.

6. Deed. Seller will provide marketable title via a general warranty deed with release of title to Buyer or Buyer's designee free and clear of all liens unless otherwise noticed (none if nothing inserted):
 _____.

7. Legal representation. Both parties have had an opportunity to seek legal counsel to advise them in this transaction.

8. Broker representation. Both parties warrant that they are not represented in this transaction by a licensed real estate broker or agent and no funds from this sale will be paid to a licensed real estate broker or agent.

9. Closing date. The parties agree that the closing will take place on or before the __ day of ____, 20__ at a title company of the Buyer's choosing. Buyer shall receive possession at closing.

10. Fixtures. This sale shall include any and all fixtures to the property including but not limited to: heating and air conditioning equipment, built-in appliances, curtains and curtain rods, attached carpeting, attached mirrors and lights, screens and

storm doors/windows, garage door openers, TV reception systems, outbuildings and all exterior plants and trees except as follows (none if nothing inserted): _____

_____.

11. Other. All representations and warranties of the parties are set forth in this contract and shall survive the closing. There are no representations, or agreements of the parties that have not been incorporated into this agreement.

12. Successors. This agreement and all provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

13. Risk of Loss. Seller bears the risk of loss to the property up to the time of closing. In the event that the property has incurred damage in the amount of \$5,000 or more, the Buyer may cancel this contract within 7 days of receiving written notice of the damage from Seller.

Signed on the date first written above.

BUYER

SELLER

**Buyer Notice Of Termination
Of The Contract***

Premises Address:

Seller:

Buyer:

Accepted Contract Date: _____

The Buyer is terminating the Real Estate Purchase Contract for the following reason:

____ Lender's Pre-Approval cannot be taken to completion

____ Lender's Written Loan Commitment cannot be taken to completion

____ Inspections and Tests: The Buyer has the right to have inspections and tests of the premises and to give this notice on or before _____.

The undersigned Buyer notifies the Seller that the Buyer is not, in good faith, satisfied with the condition of the premises because of unsatisfactory conditions and hereby terminates the Real Estate Purchase Contract.

____ Damage or Destruction of Premises

____ Other:

The Buyer requests the return of any/all of the Buyer's Earnest Money Deposit within 7 days of the date of this letter.

Buyer: _____
Buyer: _____
Date: _____

*It is recommended that all parties be represented by Legal Counsel.

Assignment Form

(Cash Transaction)

_____ assigns to _____ the Purchase Contract and/or Letter of Intent for the property located at:

_____.

The original purchase contract is between _____

and _____, and is dated _____. The contract is being assigned for the amount of \$_____.

Upon execution of this assignment Agreement, New Buyer (Assignee) agrees to pay Original Buyer (Assignor) 100% of the above referenced assignment fee in the amount of \$_____.

This assignment fee is non-refundable and represents both parties entering into a legal, binding contract. By signing below, New Buyer (Assignee) accepts all rights, obligations, and responsibilities of the Purchase Contract executed by Original Buyer (Assignor) and the Seller of said property.

Original Buyer: _____ Date: _____
(Assignor—please print name: _____)

New Buyer: _____ Date: _____
(Assignee—please print name: _____)

Your Own Investor's Word-List

Every industry has its own lingo, its own set of acronyms and terminology. Real estate investing is certainly no different. Below are a few of the terms and their definitions. Refer to this section when you are stumped because you have no idea what *that* means.

Abstract of Title – this summary will tell you all of the recorded proceedings that affect the title to any property.

Acceptance - a buyers or sellers agreement to enter into a contract and be bound by the terms of the offer.

Acknowledgment - a statement made by a person who has signed a document that says their signature is a voluntary act, made before a person who is fully authorized.

Acquisition Cost - the price and all fees needed to purchase a property.

Addendum - something added as an attachment to a contract.

Adjustable Rate Mortgage (ARM) - a mortgage loan that allows the interest rate to be changed at specific intervals over the life of the loan, based on an index that is monitored.

After Repair Value (ARV) - estimated value of a property once the repairs have been made.

Amortized Loan - loan that is repaid in installments. Each installment contains a part that is applied to reduce the principal

amount of the loan. Another part is applied to pay interest. With each successive payment a larger part of the payment goes to reducing the principal reduction. A smaller portion goes to the interest payment until the outstanding balance is taken down to zero.

Appraised Value – the estimate of a value of a property. The values are determined by one of three methods: comparable sales (residential), replacement cost (insurance), or income approach (commercial).

Appreciation - an increase in the value of a property.

Bankruptcy – when someone is unable to pay their debts when they are due they can seek relief through court action called bankruptcy.

Bankruptcy Discharge – this refers to when person filing bankruptcy is freed from the obligation to repay those debts.

Beneficiary - the person who receives or is to receive the benefits resulting from certain acts.

Bird Dog - someone who identifies a potential good real estate investment opportunity and passes that deal on to another investor for a fee.

Biweekly Mortgage - a mortgage that requires payments every two weeks and helps repay the loan over a shorter term.

Blanket Mortgage - a single mortgage which includes more than one property.

Breach of Contract – when someone violates the terms of a legal agreement, they are then in “breach of contract.”

Bridge Loan - mortgage financing between the termination of one loan and the beginning of another loan.

Broker - an individual who acts as a go-between for two or more parties for negotiating a transaction that is agreeable to all of the parties. In lending, the broker arranges and negotiates loan amounts, interest rates and loan terms between borrowers and lenders.

Broker Price Opinion (BPO) - real estate broker provides an estimated value of a property

Building Permit - permission granted by a local government or agency to build a specific structure at a specific site.

Buy Down - a payment of discount points in exchange for a lower rate of interest. This buy down provides the lender with a greater yield today in exchange for a lower yield in the future.

Capital - money used to create income, either as an investment in a business or an income property. It can also refer to the net worth of a business represented by the amount of profit or cash flow realized.

Cash Flow - the net operating income minus the total of all debt service payments.

Cash-Out Refinance - a refinance transaction in which the new loan amount covers the principal balance of the first mortgage, pays off any secondary mortgages or liens, and also covers the closing costs and points for the new loan. The excess is usually given to the borrower in cash and can often be used for debt consolidation, home improvement, or any other purpose. The borrower is actually borrowing against the home equity.

Certificate of Insurance - a document issued by an insurance company to verify the coverage.

Clear Title - a marketable title, one free of clouds and disputed interests.

Closing - the formal meeting where loan documents are signed and funds disbursed.

Closing Costs - the expenses which borrowers must pay to complete the loan transaction. Costs may include title searches, title insurance, closing fees, recording fees, processing fees and other charges.

Closing Statement - an accounting of funds from a real estate transaction, also known as a HUD-1.

Cloud on Title - an outstanding claim or encumbrance that, if valid, would affect or impair the owner's title.

Contingency - A condition that must be met before a contract is legally binding.

Contract - an agreement between competent parties to do or not do certain things for consideration.

Contract For Deed - a real estate installment selling arrangement allowing the buyer to use, occupy, and enjoy the land, but no deed is given by the seller. The deed is not given until all or part of the sale price has been paid. This is the same as land contract.

Conventional Loan - a conforming loan with no government guarantee; that is, a Fannie Mae or Freddie Mac loan.

Credit Line - A loan that allows revolving use of the credit; that is, after funds have been borrowed and repaid they may be borrowed again without applying for a new loan. Typically, a credit limit is established and some or all of the available funds can be paid out at the closing. Remaining funds are available for the borrower's use at any time. Payments are required only on the outstanding balance. They are similar in use to a credit card except that they typically use checks to access the funds. They are inexpensive, effective tools for investors.

Deed - written document, properly signed and delivered, that conveys title to real property.

Deed in Lieu of Foreclosure - the act of giving property back to the lender without foreclosure.

Default - failure to meet all of the commitments and obligations specified in the mortgage or deed of trust. Defaults usually give the lender the right to accelerate payments and start foreclosure.

Deferred Payments - payments to be made at some future date.

Down Payment - The portion of the purchase price paid by a buyer to a seller. This is usually out-of-pocket money outside the funds provided by a lender.

Due Diligence - The act of carefully reviewing, checking and verifying all of the facts and issues before moving forward. In lending it is, among other things, checking on employment, income and savings; review of the appraisal; credit report; and status of the title.

Due-on-Sale - reservation of lender's right to call the loan due and payable upon sale of the property.

Earnest Money - a deposit made by a purchaser of real estate to show good faith.

Encroachment - a building, part of a building, or obstruction that physically overlaps, or trespasses upon the property of another.

Encumbrance - any right to or interest in land that affects its value, including mortgage loans, unpaid taxes, easements, junior liens, or deed restrictions.

Equitable Title - the interest held by one who has agreed to purchase, but has not yet closed the transaction.

Equity - the value of a piece of real estate determined by subtracting the total of the unpaid mortgage balances plus the sum of any current liens against the property from the property's fair market value.

Escrow - an agreement between two or more parties providing that certain instruments or property be placed with a third party for safekeeping, pending the fulfillment or performance of a specified act or condition.

Escrow Account - An account from which funds can be disbursed only for specified reasons; i.e. the money is held in trust for a specific use. In lending, these accounts are most often used to hold and disburse real estate taxes and hazard insurance premiums which have been paid in advance (usually on a monthly basis) by the borrower.

Exclusive Listing - a written contract that gives a licensed real estate agent the exclusive right to sell a property for a specified time, but reserving the owner's right to sell the property alone without the payment of a commission.

Face Value - the dollar amount, shown by words and/or numbers on a document.

Fannie Mae (FNMA) - Federal National Mortgage Association, a federal corporation that buys mortgages and then packages them to sell as securities.

Federal Housing Administration (FHA) - an agency within HUD that administers many loan programs designed to make housing more available.

Fee Agreement - an agreement between a borrower and a broker which states the fee amount to be paid to the broker.

Fee Simple - absolute ownership of real property.

First Mortgage - that mortgage which is recorded at the earliest time. The time of recording is the sole criteria. Size of loan and type of mortgage are immaterial. When the first mortgage is paid off and released, the second mortgage (if any existed) becomes the first mortgage.

Fixed Payment Mortgage - a loan secured by real property which features payments of interest and principal which is the same throughout the life of the loan.

Fixed Rate Mortgage - a mortgage with an interest rate that remains the same through the life of the loan.

Forbearance - a course of action a lender may pursue to delay foreclosure or legal action against a borrower who is behind in mortgage payments.

Foreclosure - the process by which the mortgagor's (borrower's) rights to a property are terminated. While the general process is similar from state to state, the actual procedures tend to vary greatly.

Freddie Mac (FHMLC) - Federal Home Loan Mortgage Corporation, a federal corporation that buys up mortgages and then packages them to sell as securities.

FSBO - for sale by owner.

Fully Amortized Adjustable-Rate Mortgage - a mortgage that amortizes, or pays down, the balance of a loan.

Hard Money Loan - a loan that is underwritten with the condition and value of the property as the primary criteria for approval. Secondary issues may include the credit of the borrower, the ability of the borrower to repay the loan and/or the ability of the borrower to manage the property or successfully complete a rehab and sell the property.

Hazard Insurance - insurance to provide compensation if the improvements are damaged or destroyed. It is almost always a requirement of loans.

Home Equity Loan - in the most literal sense, this a loan secured by the available equity of an owner-occupied residential property.

Homestead Exemption - in some jurisdictions a reduction in the assessed value allowed for one's personal residence.

Housing and Urban Development (HUD) - a federal government agency established to implement certain federal housing and community development programs.

Improvements - additions to raw land such as buildings, streets, sewers, etc. that increase the value of the property.

Indemnify - to protect another person against loss or damage.

Insured Mortgage - a mortgage that is protected by the Federal Housing Administration (FHA) or by private mortgage insurance (PMI). If the borrower defaults on the loan, the insurer must pay the lender the lesser of the loss incurred or the insured amount.

Interest Accrual Rate - the percentage rate at which interest accrues on the mortgage. In most cases, it is also the rate used to calculate the monthly payments.

Interest Rate - the percentage of the loan amount charged for borrowing money.

Intestate - having made no valid will.

Joint Tenancy - ownership of realty by two or more persons, each of whom has an undivided interest.

Joint Venture - an agreement between two or more persons who invest in a single business or property.

Judgment - a decree of a court stating that one individual is indebted to another and fixing the

Jumbo Loan - a loan larger than the maximum allowed by conforming loans. The threshold amount has traditionally been in the low \$200,000's. Banks and mortgage brokers can quote the current threshold.

Junior Mortgage - a mortgage whose claim against the property will be satisfied only after prior mortgages have been repaid.

Lien - a claim on a property of another as security for money owed. Examples of types of liens would include judgments, mechanic's liens, mortgages and unpaid taxes.

Land Trust - a revocable, living trust primarily used to hold title to real estate for privacy and anonymity. Also known as an Illinois Land Trust or Nominee Trust.

Lease - a contract in which, for a rent payment, the one who owns the property (lessor) transfers those rights to another (lessee) for a specified period of time.

Lease Option - a lease combined with an option agreement that gives the lessee (tenant) the right to purchase the property under specified conditions.

Lease Purchase - a lease combined with a purchase agreement that obligates the lessee (tenant) to purchase the property under specified conditions.

Legal Description – the legal identification of real estate by government survey, metes and bounds, or recorded plat.

Letter of Intent - written expression of desire to enter into a contract without actually doing so.

Limited Partnership - one in which there is at least one partner who is passive and limits liability to the amount invested and at

least one partner whose liability extends beyond monetary investment.

Line Of Credit - an agreement by a lender to extend credit up to a certain amount for a certain time without the need for the borrower to file another application.

Listing - written agreement between an individual and an agent which gives the agent the right to perform services for that person involving owned property.

Loan Application (1003) - a loan application that is required for conforming loans. It has become the standard application for most residential loans, even non-conforming loans.

Loan Origination Fee - most lenders charge borrowers an origination fee for processing a loan. A point is 1 percent of the total loan amount.

Loan-to-Value (LTV) - the ratio of the size of the loan to the value of the property. If the loan is \$80,000 and the value of the property is \$100,000 the LTV is 80% ($\$80,000 / \$100,000$).

Management Agreement - a contract between the owner of property and someone who agrees to manage it.

Marketable Title - a title free from defect.

Maximum Allowable Offer (MAO) – factoring in repair costs and profit needed, this will be the highest offer for a property

Merged Credit Report - a report that draws information from the Big Three credit-reporting companies: Equifax, Experian, and Trans Union Corp.

Mortgage - A lien against real property given by a borrower to a lender as security for money borrowed.

Mortgage (Open-End) - a mortgage that allows additional money to be borrowed (up to the original loan amount) without refinancing the loan or paying additional financing charges.

Mortgage Loan - a loan which is secured by a mortgage lien filed against real property.

Mortgagee - the entity to whom the mortgage is given – the lender.

Mortgagor - the entity who gives the mortgage – the borrower.

Negotiation - the process of bargaining before the parties come to an agreement.

Net Cash Flow - investment property that generates income after expenses such as principal, interest, taxes and insurance are subtracted

Non-Qualifying - buyer is not required to qualify through traditional bank financing requirements

Non-Recurring Closing Costs - costs that are one-time only fees for such items as an appraisal, loan points, credit report, title insurance and a home inspection

Note - a written promise to repay a certain amount of money on specified terms.

Notice of Default - a lender's initial action when a mortgage payment is late and attempts to settle the matter out of court have failed.

Option - the right to purchase or lease a property upon specified terms within a specified period of time

Owner Financing (Seller Financing) - a method in which a buyer borrows from and makes payments to the seller instead of a bank. This can be done when a buyer cannot qualify for a bank loan for the full amount.

PITI - the shorthand way of stating the most usual elements of a residential mortgage payment which may consist not only of the Principal and Interest (PI) but the property taxes (T) and hazard insurance (I) as well.

Points - loan fees paid by the borrower. One point equals one percent of the loan amount.

Prepayment Penalty - fee charged for paying off a loan within a short amount of time after the loan has closed. Provision is currently found only in non-conforming products. The time period is usually one to three years

Principal Balance - outstanding dollar amount owed on a loan outside of the accrued interest

Promissory Note - promise to pay a specified sum to a specified person under specified terms

Quitclaim Deed - A deed that transfers without warranty whatever interest or title a grantor may have at the time the transfer is made.

Real Estate Owned (REO) - property acquired through a lender through foreclosure and held in inventory.

Real Property - the rights to use real estate.

Realtor - designation given to licensed real estate agents who are members of the National Association of Realtors.

Rescission Period - a federally mandated period of three business days (beginning on the day after a loan closes) during which the borrower may cancel the new loan. This waiting period only applies to loans which are to be secured by a mortgage on a personal residence for which the borrower is in title at the time of loan origination.

Redemption Period - period during which a former owner can reclaim foreclosed property.

Refinance - process of a borrower paying off one loan with the proceeds from another.

Seasoning - loan which has been in force for a period of time which establishes the borrower's payment history. This is usually a period of six months or one year.

Second Mortgage - mortgage recorded after another mortgage has already been recorded and not yet released, subordinated lien.

Section 8 - privately owned rental dwelling units participating in the low-income rental assistance program created by 1974 amendments to Section 8 of the 1937 Housing Act.

Security Deposit - cash payment required by landlord to be held during the term of the lease to offset damages incurred due to actions of the tenant.

Short Sale - a sale of a house in which the proceeds fall short of what the owner still owes on the mortgage. Many lenders will agree to accept the proceeds of a short sale and forgive the rest of what is owed on the mortgage when the owner cannot make the mortgage payments. By accepting a short sale, the lender can avoid a lengthy and costly foreclosure, and the owner is able to pay off the loan for less than what he owes

Subject To - buyer takes title to mortgaged real property but is not personally liable for the payment of the amount due. Buyer must make payments in order to keep the property.

Survey - process by which a parcel of land is measured and its area determined.

Tax Lien - a debt attached to the property for failing to pay taxes

Terms - conditions and arrangements specified within a contract

Title - evidence of ownership, evidence of lawful possession

Title Insurance - an insurance policy that protects the holder from loss sustained by a cloud or problem with the title

Title Search - an examination of the public records to determine the ownership and encumbrances affecting real property

Trust - an arrangement where property is transferred to a trusted third party trustee by a grantor/trustor. The trustee holds the property for the benefit of the beneficiary

Trust Deed - conveyance of real estate to a third party to be held for the benefit of another, commonly used in some states in place of mortgages that conditionally convey title to the lender. This is the same as Deed of Trust

Trustee - one who holds property in trust for another to secure performance of an obligation. The neutral party in a trust deed transaction.

U.S. Department of Housing and Urban Development (HUD) - a federal agency that oversees the Federal Housing Administration and a variety of housing and community development programs.

Underwriting - the act of applying formal guidelines that provide qualitative and quantitative standards for determining whether or not a loan should be approved.

Unencumbered Property - real estate that is owned free and clear.

Unimproved Property - land that has received no development, construction, or site preparation (raw land).

Urban Renewal - process of redeveloping deteriorated sections of the city, often through demolition and new construction. This

may be privately funded, but most often associated with government renewal programs.

V.A. Loan - home loan guaranteed by the U.S. Veterans Administration under the Servicemen's Readjustment Act of 1944.

Waiver - the voluntary surrender of some claim, right or privilege.

Warranty Deed – A deed that contains a statement that the grantor will protect the grantee against any and all claims. This usually contains covenants ensuring good title, freedom from encumbrances, and quiet enjoyment.

Wholesale - to contract a property with the intention of reselling it quickly at a higher price.

Without Recourse - words used in endorsing a note to denote the note holder is not to look to the debtor personally in the event of nonpayment.

Wraparound Mortgage - loan arrangement in which an existing loan is retained and an additional loan is made that equals or exceeds the existing loan.

Zoning - legal mechanism for local governments to regulate the use of privately owned real estate to prevent conflicting land uses and promote orderly development.

*"The people whom I have seen succeed best in life
have always been cheerful people who went about their
business with a smile on their faces"*

– Charles Kingsley

Contacting the Author

Mark Evans DM has a busy schedule—working his real estate investing business and traveling across the world with his family...all while continuing to strive for excellence in business as well in helping his students propel forward to become more profitable, all through using systems.

However, he is always looking for opportunities to help those individuals who understand that success is a lifestyle. Those who are committed to achieving their goals may have the chance to take advantage of Mark's coaching, books, teleseminars, and live workshops. Please contact Mark's office at the web address below to see if you qualify for his available programs.

Mark Evans DM may also be available for speaking and seminar engagements, mentoring, consulting, marketing, and interviews, both for TV and radio.

To contact Mark Evans DM directly, go to www.MarkEvansDM.com