

# Teleseminar Notes Sheet

May 1, 2007

## Lesson 1 - How "Other Peoples' Money" Works:

- Private Lenders must be in 1<sup>st</sup> lien position to be secure
- Private Lenders will lend junior lien loans to experienced investors with a track record and references.

Investors who DON'T already have Private Lenders	Investors who DO already have Private Lenders

Q: Will a Private Lender lend money to a new investor with no experience

A: \_\_\_\_\_

Q: Will a private Lender lend several hundred thousand and even millions to new investors with no experience.

A: \_\_\_\_\_

95% of real new real estate investors fail for 2 reasons:

#1. \_\_\_\_\_

#2. \_\_\_\_\_

## Lesson 2. Where to Start:

New Residential Investors	Experienced Commercial Real Estate Investors (own at least Two 50+ unit apartment buildings)
Experience Residential Investors	
New Commercial Investors	
Apartment Buildings	Office Buildings, Retail Shopping Centers Warehouses, Stand Alone Buildings Land



### Lesson 3. How to Determine Value, Force Appreciation & Increase Income:

**Apartment Building Example #1**

\$300,000 Gross Annual Income  
- \$150,000 Expenses  
=\$150,000 NOI (Net Operating Income)  
/ 10% Market Cap Rate  
\$ 1,500,000= VALUE OF PROPERTY

**Apartment Building Example #2**

\$300,000 Gross Annual Income  
- \$200,000 Expenses  
= \$100,000 NOI (Net Operating Income)  
/ 10% Market Cap Rate  
\$ 1,000,000= VALUE OF PROPERTY

**Apartment Building Example #3**

\$300,000 Gross Annual Income  
- \$100,000 Expenses  
=\$200,000 NOI (Net Operating Income)  
/ 10% Market Cap Rate  
\$ 2,000,000= VALUE OF PROPERTY

### Lesson 4. Auto Pilot Properties:

### Lesson 5. How to grow your empire:

## Lesson 6. Why Passive Income?

## Lesson 7. Shifting Markets:

## Lesson 8. 12 reasons to start right now with Apartment Buildings:

1. No \_\_\_\_\_ or \_\_\_\_\_ needed
2. \_\_\_\_\_ Growth
3. Immediate positive \_\_\_\_\_
4. Much \_\_\_\_\_ than any other property type.
5. Value based on \_\_\_\_\_ not \_\_\_\_\_
6. \_\_\_\_\_ Trends
7. \_\_\_\_\_, not a \_\_\_\_\_
8. Much less \_\_\_\_\_, if any.
9. Top investors use the exact same \_\_\_\_\_
10. Increased \_\_\_\_\_ with no \_\_\_\_\_
11. Income is \_\_\_\_\_ as \_\_\_\_\_
12. \_\_\_\_\_ free \_\_\_\_\_

## Lesson 9. Use Software to quickly & easily evaluates properties

Lesson 10. Use a blueprint for creating strong monthly passive income deals when you're first starting out:

1. Locate \_\_\_\_\_ (13 Amazing Sources, starting on page 32)
2. Check and verify the \_\_\_\_\_
3. \_\_\_\_\_ and \_\_\_\_\_ offers.
4. Close \_\_\_\_\_ in the \_\_\_\_\_
5. \_\_\_\_\_ by increasing \_\_\_\_\_
6. Be conscious of your \_\_\_\_\_ strategy

Lesson 11. Six required ways to Minimize or ELIMINATE All Risk:

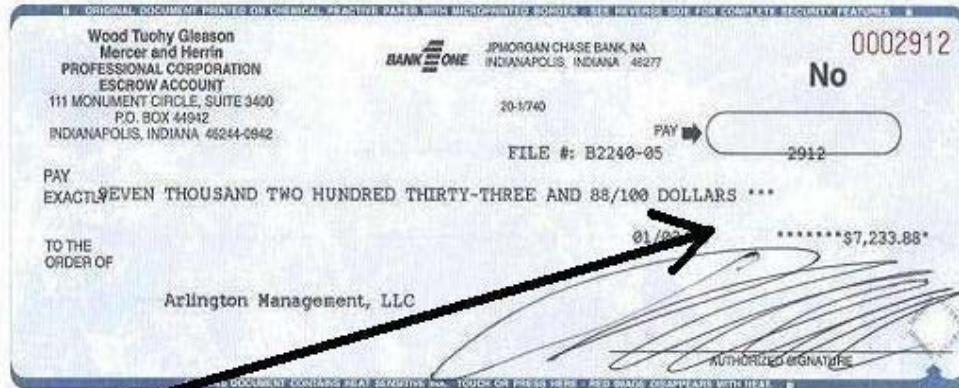
1. Buy WAY under \_\_\_\_\_
2. 30-Day \_\_\_\_\_ Period
3. Ironclad \_\_\_\_\_
4. \_\_\_\_\_ paying the mortgage instead of the \_\_\_\_\_
5. Verify the \_\_\_\_\_
6. A Steady Stream of \_\_\_\_\_:
  - Cash at \_\_\_\_\_
  - Immediate \_\_\_\_\_

Lesson 12. Why commercial vs. residential?

Lesson 13. When should you Get Started?

For More Information, Visit: \_\_\_\_\_

The day of closing on his first property... Along with the check he received when he bought it & the closing documentation.



**\$7,233.88**

217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	907,726.88	520. TOTAL REDUCTION AMOUNT DUE SELLER	909,676.88
300. Cash At Settlement From or To Borrower		600. Cash At Settlement To or From Seller	
301. Gross amount due from borrower (line 120)	900,423.00	601. Gross amount due to seller (line 420)	900,000.00
302. Less amounts paid by/for borrower (line 220)	907,726.88	602. Less reduction amount due seller (line 520)	909,676.88
303. CASH TO BORROWER	7,233.88	603. CASH FROM SELLER	9,676.88

(all referred to as the "Real Estate") for Nine Hundred Thousand Dollars (\$900,000.00) (the "P" following written terms and conditions:

1. Payment. The Purchase Price shall be paid as follows:
  - 1.1 Earnest Money Deposit. Zero dollars (\$0).

**Another \$5,225 in rents received within 3 days of this closing.**