



7 Steps to Profit from the Easy Wholesale Deal

THE
Leaf Arnold
SYSTEM OF REAL ESTATE INVESTING

MONEY

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7 Steps to Profit from the Easy Wholesale Deal

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> Introduction: What is Wholesaling?

You probably know me as the private money guy, right? Because of this, you maybe wondering, why is the private money guy talking about wholesaling? If you have been attending all of our monthly CEO Fire-side Chats, you know that we've covered everything from foreclosures to short sales, from wholesaling to lease option buying. Why? It's simple, if we don't have good deals that you've procured either in your local market or in other areas that need for you in funding is going to be much less than we would like it to be. As a lender, we want to help you identify as many lending and funding opportunities as we can. That's why we do what we do, and that's why we are here.

Today, we're covering the 7 Steps to Wholesale Success.

We're going to show you:

- Item 1: How to create a marketing plan.
- Item 2: How to build a buyer's list.
- Item 3: How to build a seller's list.
- Item 4: How to negotiate the deal and put the property under contract.
- Item 5: How to conduct and perform your due diligence.
- Item 6: How to assign the contract.
- Item 7: How to get paid, celebrate, and do it again.

“A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.”

- Winston Churchill

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Why wholesale? Well, it's the fastest way to create quick cash, and let's be honest, as real estate investors, that's really what we all want.

Secondly, you don't have to deal with tenants or contractors. This is a great boon for those of you who don't really have an interest in holding onto property, and as somebody who used to manage and own over 85 rental units by myself, I can appreciate not wanting to deal with tenants and toilets and all that comes with property management. Certainly, there are some of you that are geared to that particular style of business, and that's great. However, the focus here is on wholesaling and making quick money. I can tell you this, as a real estate broker, private money lender, and landlord of rental properties it never hurts to have some additional revenue coming in just from your ancillary businesses. If you are conducting yourself in a professional manner, you're going to come across a lot of great deals, and I think we can all agree that you can't possibly buy them all. If you have proven yourself to be a good procurer of deals, where you can negotiate them effectively, tie them up at an agreeable price and then offer them out to other investors, you can make a significant amount of ancillary income just in your normal day to day business operations.

Here's what drives me crazy about the wholesaling strategy as a whole. Many of you are reading this, or watching the training video, because you just want to be a wholesaler. I don't necessarily agree with that particular methodology because you will pass over dollar after dollar after dollar in your pursuit of the wholesale transaction. I believe that you

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should be more of a well-rounded investor where you have some income properties that are giving you at least a monthly paycheck while you're not wholesaling deals. I think we can all agree that if you have multiple streams of income, you can then use the wholesaling strategy to put \$5,000, \$10,000, \$15,000, \$20,000 extra in your pocket on each transaction. It lacks consistency for a lot of people. And as you build your pipeline of deals, you've got this mad dash to get all the deals closed and assigned.

What I have found with most of my private consulting clients is that as they built up this pipeline, they stop their marketing efforts and once they cycle out of the current pipeline, it's going to take another 30, 60, 90 days to rebuild. The best thing you can do as an investor is to have consistency in both cash flow and revenue. The only way to do this is to have multiple streams of income.

Wholesale or Own the Property?

Don't shy away from owning the property. Regardless of your credit score and your financial situation, if it's a good deal, money will be readily available for you. Don't worry about where you're going to get the money, or how you're going to finance the transaction. I want you to forget about all that stuff. I want you to just be focused on finding good deals because as a lender, we've done almost a billion dollars in real estate lending and real estate related transactions, I can tell you, the money

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always follows the deal. I would encourage you to write that statement down. **Money follows the deal always.**

That very statement in its essence is freeing in a lot of ways in my opinion. When you finally realize that money has really nothing whatsoever to do with you, suddenly your credit score, your education, your background, your credit score, or the amount of money in your bank account doesn't matter if you've got a good deal.

**“Call it a clan, call it a network,
call it a tribe, call it a family:
Whatever you call it, whoever you
are, you need one.”**

Getting back to why you should do the wholesale deal? It allows you to make big money without cash or credit.

- Jane Howard

There's little to no risk since you don't have to close, you can assign contracts and you don't have to know very much about real estate investing. When you're wholesaling, it's a very surface level transaction because you're not going to be in this deal for the next 6, 12, 24, or 30 years. It's usually very transactional in its nature and on most deals you will only own them for less than 24 hours if you structure them in the right fashion.

What is wholesaling? A wholesaler puts a property (oftentimes distressed) under contract and assigns or resells the property to another investor. Distressed speaks to a lot of different factors, not just the

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condition of the real property. Distressed can speak to the motivation of the seller, where are they at? What's going on in their head, what's going on in their personal life, what's going on in their professional life? There are a lot of things other than just conditional elements related to the property itself that can be a good reason for somebody to be looking to move a property quickly.

Once it's under contract, and it's assigned. The end buyer investor uses cash, lines of credit, or private money loans to acquire the property. This allows quick closing on properties that sometimes need repairs. Some of you right now are thinking in terms of A to B, B to C, "Lee, what about transactional funding?"

Here's what I want to do. I want to table all of the things related to the financing side because they have no bearing on this conversation until we've actually identified a good investment opportunity. Let's start there and then we can discuss the financing and funding side.

So, let's first start with a great wholesale example. We find a house that will sell fixed up for \$100,000. It needs about \$10,000 in remodeling. We have it under contract for \$55,000. What this means to an end user buyer is we've got a great deal! It's going to need about \$10,000, not a major renovation or repair, but just some lipstick here and there. Make the house pretty. So, it's \$65,000, less financing fees and everything

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else, so the end user will be in it for \$75,000 and then turn it around for \$100,000. They will put \$25,000 in his/her pocket. For an end user, the person who's actually going to come in and do the work, if you bring a ready-made package deal, and say, "I've got this amazing opportunity. I can assign it to you, for only a \$5,000 assignment fee?"

If you show the end user all the supporting documentation that says it only needs \$10,000, it will sell quickly based on the comps from the surrounding properties, and it will put \$20,000 in his/her pocket, on a \$75,000 investment in a short period of time, then chances are the end-buyer will make that \$5,000 deal. You've gone out, procured the seller, found the great deal, negotiated it properly, and put it under contract. You've done all of the necessary steps. All the end-buyer has to do is take over the deal, put the cash together, fix it up and get it sold off. It's a great trade off to make \$20,000, while only paying the wholesaler \$5,000.

What Types of Properties

Let's put this example now in your court. Imagine you've contracted a great property for \$55,000, and you find an investor buyer for \$60,000. You sell it or assign the contract for \$60,000. You bought it for \$55,000 so you just made \$5,000 in a matter of days. Now, where it says you bought it for \$55K, I want you to put altering language in there so you just "control" it. The difference between those two words really sums up how you wrote the offer initially. Did you write the offer that you going

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to buy it, period end of statement, or did you write the offer subject to, and/or assigns? Here's what's interesting—you've all been to real estate investment seminars and they all teach you in the buyer line to write your name and/or assign. You can't do that with bank-owned properties, FHA properties, or a lot of these government foreclosure sales, because banks won't let you get away with and/or assign language.

Wholesaling works best on non-MLS, non-REO, non-listed properties. Keep that in mind. Wholesaling is most effective when you're not dealing with government or financial institutions. Please write that down. I can't tell you the number of people who have called me and said, "Lee, I'm so frustrated. I've got this amazing FHA deal under contract. I've got another ready-made, willing buyer and they'll buy it, but FHA says I can't put the property up for 120 days, I've got to get financing to hold it and it's messing with my numbers. What do I do?" Well, what you should have done is heeded my advice six months ago and not pursued FHA or REO type inventory. The best deals are the unlisted deals.

Some of you are saying, "Where do I find those deals?" Here's what you guys have got to know. As an end-buyer investor, I don't need you to write shotgun offers on MLS properties. I can write my



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own offers. If I'm not a broker, I can find an agent that can comb through all of the MLS data and I can write shotgun offers myself.

I have a client, she lives up in Minnesota. I've been working with her for several years, and there's a new group that just entered her market. As part of our consulting times, one hour each week, she'll bring me these deals. What this group has done is they've come in and simply set up auto responders within the MLS telling you what areas they want

to buy, what kind of discounts they're looking for based on market keywords or search term items, like needs work or handyman special. Then they simply go in and they lowball all of these properties. They put them under contract. They attach financing to the deal through a third party company, and then they make them available to other investors, like my client, to come in and buy them for a \$20,000 or \$30,000 increase. All these guys are doing is combing MLS properties and then making them available to other investors by attaching financing and making a package deal.

I can tell you this, I have had my client go out and look at three of these different product offerings and based on our conversation just last week, I said, "You know what, this is ridiculous. Here's what you're going to

“Learn everything you can, anytime you can, from anyone you can, there will always come a time when you are grateful you did.”

- Sarah Caldwell

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do. You're going to go get your real estate license and we're going to do the exact same thing and we're going to cut out the middle guy."

You've got to understand that as a wholesaler, investors are thinking that very thought. Why don't I just cut out the middle man? If the middle man is getting his/her inventory simply from the MLS, it means that inventory is readily available at any time to someone who has a license or has an agent with a license. If you're pursuing MLS inventory, as your method for procuring wholesale opportunities, you're going to be out of this business faster than you got into this business. That's the worst place you can go for wholesale inventory.

I'm going to show you where you need to go to find these great deals, but you've got to trust me in this. You cannot use the MLS as your primary source of deals. I believe that I've beat proverbial dead horse long enough, so we will continue.

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I'm wealthy but that doesn't mean that's because I work hard, I work smarter not harder. I'm going to go after the easy, or what I've heard called the "low hanging fruit" by putting together a marketing plan and generating an easy and consistent steady flow of leads.

So, let's lay it on the line and let me give you a little tough love. Many of you consistently fail to market on Craigslist. What that means is, on Craigslist you've got to write and post a new ad every 48 hours. If you understand at all how Craigslist works, every time a new person posts an ad your ad gets pushed down. So you've got to consistently update that Craigslist ad because it's an area where you can find the low hanging, non-MLS fruit. Don't discount Craigslist.

I was out camping with my family this weekend. Family comes up from California, Oregon, and Western Washington and about 50 of us up camp in a little place called St. Maries, Idaho in North Idaho. One morning, I got up early and went down to the dock. My cousin is there fishing with his 5 year old son, who has already caught three perch. They're about 12-15 inches so they're big enough to keep and eat. My cousin goes on to convey the message that he has been up since 5 o'clock in the morning because he couldn't sleep. It's now 9 a.m. and he hasn't caught a single thing nor has he gotten a nibble. His 5 year old son on the other hand comes down to the dock at 8:30 and in the last 30 minutes has caught three fish. He's using one of those little 2 1/2 foot poles with Superman on the reel. All he has done is he has taken a simple hook, put a

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worm on it, and dropped it in the water right off the end of the dock, which is about 12 feet deep. In 30 minutes he's caught 3 fish.

What is the purpose of my story? The purpose is this: I meet so many investors who go out and buy the \$50,000 fishing boat, the \$1,500 competition reel, the \$500 big mouth bass lure that they saw on late night TV. They'll spend hundreds of dollars in fuel driving to the perfect place to find the perfect fish. At the end of the day, all they have to show for it is a lot of expenses with no results. The question is, do you want to be that guy, or do you want to be the 5 year old with a Superman reel?

Here's the great part about wholesaling. You can succeed at wholesaling with a 2 1/2 foot rod and a hook and a worm. That's what the simple low hanging fruit items do for you. And this low-hanging fruit can easily be found on Craigslist, Facebook, Backpage, and LinkedIn, or opt ins from Private Money Exchange and the PME Blackbook. These are all tools that we offer to our affiliates. You then don't have to spend a lot of money to reel in the great deals.

It's so frustrating to me. I'll have affiliates call me up and say, "Lee, I haven't had a lead come to my affiliate landing page in 60 days."

I'll say, "Tell me where you're currently marketing. Where are you posting your ads?"

"Well, I haven't posted any ads lately."

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"Oh. Ok. Do you think that possibly that's the reason you're not getting any leads?"

"Yeah, probably."

"Ok, well why don't you consistently place ads in these locations and then call me back, then we can talk."

Don't be afraid to give your best to what seemingly are small jobs. Every time you conquer one, it makes you that much stronger. If you do the little jobs well, the big ones will tend to take care of themselves."

- Henry Ford.

Here's what I've learned about business. I've been an entrepreneur for almost 20 years. I have charged millions of dollars in consulting fees, but today, I'm going to give you some million-dollar advice for free.

If you are not spending money and time, daily, weekly, monthly, quarterly, and annually marketing your business, you don't have a business. You need to invest time and money in direct mail—you've got to buy a lead, write some sales copy and lick a stamp, phone calls—you've got to pick up a phone, newspaper ads, and REI Meetings/ Networking meetings.

I'm giving you proven strategies. I'm giving you the Superman reel and a worm to just drop off the dock. I guarantee that you will catch several fish. Yet some of you will discount everything that I'm saying. You're going to sit on a webinar tomorrow night and invest \$1,500 in the latest

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slick piece of software that you don't even have a clue how to use in the hopes that it will make your job easier.

I'm trying to think of the person who said the quote, but the quote was this, "The problem with success is that it's often dressed up in overalls and looks like work."

We've got to get past that. You will not succeed until you start implementing these simple, but proven (and sometimes work-laden) marketing tools. Until you are consistently implementing the simple, you have no business investing in the hard. This is a business of consistency and follow through.

We're going to run ads in Craigslist. "Lee, I don't even know what to write in Craigslist." I'm going to give you a real simple ad. "Anxious investor seeks anxious seller of junky property."

"Lee, I was taught I should never be a motivated buyer." No, I'm telling you to be motivated in getting your phone ringing. Marketing is making the phone ring. Sales is closing the caller. If you don't have peo-



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ple consistently calling your phone and looking to do business with you, then your business is sufficiently lacking.

Let me treat you like I would treat one of my consulting clients. We're coming up against our 1 hour long phone call, which I do weekly. Consulting with me costs you \$50,000 a day and I require a 3 day minimum. If you're going to work with me directly, it's going to cost you \$150,000.

Here we go.

"Hello John, Suzy, Sally, Roger, Damian, (whoever you are), How is your week going so far? How many phone calls have you received this week?"

"Well, I haven't received any."

"OK. How many letters did you send last week?"

"Well, I got busy."

"How many ads did you post on Craigslist last week?"

"Well, you know, Lee it was just really busy."

"Ok, how many postings did you put on Facebook? How many REI Club meetings did you attend? How many outbound phone calls to in-

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vestors who are posting in the local newspaper or the local Nickel Nick or Penny Saver did you make?"

"You know Lee, life is just really busy."

"Tell you what I'm going to do. Rather than waste an hour of your time with me, I'm going to hang up the phone now so you have an extra hour to work on your business."

At which time I'm going to hang up the phone. Bottom line, if you aren't doing these simple tasks, your phone will not ring and the last thing you need is a consultant. You need to be doing the things that will make your phone ring so that when we do indeed connect, we can start having conversations about real tangible deals.

Rifle vs. Shotgun Marketing Approach

Create a marketing plan. That sounds like a lot, right. I'm a former grocery store bag boy that made \$3.90 an hour and a community college dropout. When people used to say to me, you need to create a business plan or a marketing plan, or put together a SWOT Analysis, my eyes would glaze over and I would say, "What are you talking about?"



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Today, I'm actually going to give you a marketing plan so you don't have to worry like I worried. You need a targeted marketing plan and a shotgun plan. This is the shotgun versus the rifle plan.

Targeted Marketing Plan: Shotgun vs. Rifle

Shotgun Approach: Groups with Common Interests

- Fan pages
- Networking Meetings
- REI Groups
- Associations
- Linked In

Rifle Approach: Specific Individuals with Narrow Interests

- Direct Mail
- Direct Calls



You need to successfully implement both strategies. One you're just throwing a net out there and pulling it up and then sorting out the fish you want and eliminating the fish you don't want. That's the shotgun approach, it's a big net.

In the rifle approach, we are indeed fishing with one worm, one hook, and at one hole specifically, but we are fishing in absolutely the right

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spot. That's what we get with direct mail, as well as direct outbound calls.

For those of you who have a telephone that weighs 150 pounds whenever you have to pick it up to call and talk to strangers about their deal, let me encourage you to go back to school, get yourself a degree, and go get a good job. I'm done pandering to the people who are unwilling to do the things necessary to succeed. You're going have to pick up the phone. You're going to have to talk to people. You're going to have to negotiate contracts. If you are unwilling to do those things, then let me save you a whole bunch of time, money, energy, and effort. Go get a job. If you want to succeed as an entrepreneur, you better be willing to do the things that entrepreneurs have to do, which is pick up the phone, meet with people, and negotiate deals.

"Well Lee, you're incredibly successful. Why don't you just send somebody else to negotiate deals?"

Here's what I've learned. Nobody can do it as good as I can. Let me give you some interesting news about you. Nobody can do it as good as you can. That's a true statement. Some of you are saying, "You don't know me. I've been a housewife for 20 years and my kids are grown up and gone. I'm just now getting back into it." Or, "I was in corporate America for 30 years and I'm retiring and I'm looking to supplement my income and I just wouldn't be any good at that."

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At this moment, you're probably right. Was it Ronald Regan who said, "If you think you can or you think you can't, either way you're right?" Think about that. You're either going to be successful, or you're not. If you're going to be successful, let's start being successful. If you're not, stop wasting everybody's time.

If you're ready, then here's your marketing plan.

Target Approach in the 25/25/2/2 formula to Success

25 Letters Mailed Each Week (1300 Per Year)
+ 25 Calls Made Each Week (1300 Per Year)
+ 4 Networking Meetings each month (48 REI Clubs
or Seminars)
+ 2 Offers Written Each Week (104 Per Year)

= HUGE REAL ESTATE
SUCCESS

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You're going to send 25 letters every week. If you break it down, this is only 5 letters a night. At the end of 5 working days, you'll have sent 25 letters. The letters that you're going to be sending are to out-of-state owners, who own properties that are either free-and-clear, or they have limited debt against them. If you go to listsource.com and set up an account there, you can actually pick a zip code in your local area, and request that they send you all of the properties of homeowners that own property in other states, or the tax mailing notification being sent to a market other than the market you're in where there is no underlying mortgage. It's one of the best lists that you buy. You're going to send 25 pieces of mail to that list every week.

You're also going to make 25 phone calls each week. Now, preferably I would like you to be making phone calls to follow up on the letters that you've sent. Unfortunately, with the leads that you will be buying from List Source, many don't have a phone number. You can get a phone number by going to Google or data search or some of these other people finder type websites online. Even with that, you're going to have about a 30% success rate of finding a good usable phone number. It's not the best use of time from that standpoint.

So, who are we going to call? Call people from the real estate section in the Sunday paper, the Penny Saver, or your Nickel Nicks, as well as other people posting online in Craigslist. Have you ever gone to Craigslist and looked at Real Estate? Look at all properties for sale where there is no broker. If there is a broker involved, wholesaling is going to be very

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difficult. If there's no broker involved, wholesaling gets really easy, really fast. That's a great list for you to be making outbound phone calls to. Go to forsalebyowner.com, and call those leads.

“Money follows passion--not the other way around.

**– David Siteman Garland,
Host of Rise to the Top**

Go to two REI Meetings or Seminars, but make sure you're connecting and networking at these events and that your sole purpose is to find and sell deals at these events. Now, as you know, I travel around a lot. I speak at a lot of different events. Inevitably, I see the same people at every single event and I always ask, "How many properties have you bought so far?"

"Well, I haven't bought any yet. I'm still kind of researching."

Understand that “researching” is another term for wasting time. You can figure it out while you're moving through it. If you continue to go to event after event, after event, and you have yet to purchase your first deal or cash your first check, couldn't we all agree that maybe events aren't the best thing for you to be focusing time, energy, and effort on? You're spending on education and you're not getting a return on that investment. As a good business person, you eventually need to get a return on your investment. How do you do that? You stop attending events (unless they are my events, of course) and you start actually doing these things. Just so we are clear, if you come to 2 or 3 of my events and you still haven't bought a property, I'm going to personally kick you in the rear

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and make you go do something. I take it personally when you attend my events and don't put these actionable items in place to make more money. The difference between my company and events and what everyone else is doing, is that I have a vested interest in your success. I'm giving you the education so that you can go get deals that I can then lend you the money to buy them with. It's a much different philosophy, wouldn't you agree?

My goal here is for our mutual success. As a lender, I want to create ongoing relationships with people who are knowledgeable and doing multiple deals throughout the year. With the recent acquisition of our license now in California, through our Cogo Capital branch, we have opened up 38 million more people that we can now lend to and lend through.

In addition, you need to write two offers each week. I talk to seasoned investors all the time when I'm out at networking events and functions. Someone will inevitably come up and say, "Oh man, I have a home run deal. This is going to put a million dollars in my pocket."

I say, "Hey, that's great! How much did you get it under contract for?"

"Well Lee, we haven't got it under contract yet."

"Then why are you telling me about it?" If you don't have it under contract, you are wasting everyone's time bragging about a deal that you don't yet control. You should be on the phone locking that deal up. I

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can't tell you the number of investors that I have met that lost the deal because they never put it under contract. You've got to write the offer.

"Well, offers are scary, contracts are scary, and what if I don't find the money, and what if there's something in the property that I didn't anticipate?"

You need to understand simple contract writing procedure. You can put in all kinds of "weasel clauses," or protectionary clauses, like subject-to financing, subject-to partner inspection, subject-to approval clauses. There are so many subject-to clauses that you can put in an offer so that you don't have to worry about losing your earnest money. I can tell you, I have had clients that have lost earnest money. You want to know why? They didn't put in the protection clauses that I told them to put in because they were worried they would lose the deal.

"No great man ever complains of want of opportunity."

– Ralph Waldo Emerson

I've been reading the Essays of Warren Buffett, which is a phenomenal book. One of the things he said is, "As an investor, the worst position you can be in is the position of wanting to buy something, or needing to buy something." That's kind of how you have to approach your business if you don't need to wholesale a deal. You don't need to put money up to buy it. You don't need to make money.

I know that for the vast majority of you that's an absolute false statement because you NEED to make money and you need to make money, like,

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yesterday. I get that, but you cannot bring that neediness to the market-place because it will eat you alive. You've got to be very rigid in your approach and your structure and you must go into a deal ready, willing, and able to walk away from it if needs be. Here's what I know, there is no shortage of deals. What there is a shortage of is competent people who know how to lock up a deal properly.

Part of the reason that I do the CEO Fireside call each month, the Funding Tours throughout the year, the Insider Wealth Summit in August, and private consulting with clients is that it keeps me focused on what's happening on the ground. As the CEO of a multi-million dollar company, it's easy to get lost with my head in the clouds. That's not where our business lives and breathes. Our business lives and breathes in the trenches, out with the investors, like you, that are buying, fixing, and selling, wholesaling, or renting and leasing. That's where our business resides. The CEO Fireside, our events, and the one-on-one consulting allow me to come down and work in that arena with you.



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> Step Two: Build a Buyer's List

The next thing you've got to be really good at is finding people to buy the deals from you. We're going to call other investors from their marketing efforts (their signs, their ads). We're going to attend real estate investment associations. We're going to run Craigslist ads and we're going to call other investors on their Craigslist ads.

If you're a Private Money Exchange affiliate, you are also going to call the borrowers or lenders who have visited your site. Speaking of which, congratulations to Butch Wells who just won our Affiliate Contest. Butch had over 265 people come into his website in just a matter of a few months. As thrilled as Butch should be that he won an all-expense paid trip to the Insider Wealth Summit in August, Butch should be even more excited by the fact that he has a database of over 265 active investors. For those of you who are affiliates and you're not consistently generating and creating leads, I would ask you why in the world are you not? These leads are the lifeblood of your business.

Over the last 17 years, I have built a database of over 400,000 investors across the country. When I send an email, I can talk to 400,000 within seconds. That is not something that I just put together yesterday. That is something that I continually and consistently built. You should be doing the same thing.

I have a meeting with my marketing department every week. One of the line items that we discuss is how many leads were created this week. We try to be granular in our accounting of where the leads are coming from, how they were procured, how much it cost us to procure them, and then

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what the overall life value of the lead is as we lend to them, as they borrow from us, as they lend through us, as they attend our events, as they invest in our high-level consulting programs. We monitor the value of each lead in that way.

It's really important as you're hearing and reading this. My goal is not to overwhelm you with the information, but I do want to remind you that 20 years ago tonight, I was working the 6-10 shift bagging groceries for \$3.90 an hour and attending community college. I've learned all of this over the last 18-20 years of being in the business and I'm giving you guys the cream of the crop information. This is the stuff that lifts to the top that will make you more money than anything else you can do. You've got to be a proficient marketer.

I always find it fascinating that people go to sales conferences to learn how to sell. The first question I will ask them is, "What is the source of your leads?" If you are not procuring your own leads, if you are not the cause and effect of lead generation, you don't have



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> Step Two: Build a Buyer's List

a business. You are beholden to somebody else and that is not the place you want to be.

We need a group of buyers that are ready, willing, and able to take these properties off of our hands. We're going to build a database with these customers and start sending emails to them with messages like, "Hey investors, this is the next great deal. It's a house in a Lampshade Heights. It worth \$150,000 fixed up. It needs about \$20,000. I've got it under contract for \$60,000 and I'm offering it for a \$10,000 assignment fee." If you do this, within seconds you'll get responses from people saying, "Hey, what's the address, I'd like to look at it. Can you meet me out there tomorrow so I can walk through it?" If you do the front end labor, the heavy lifting now, the leverage of technology will make you incredibly wealthy.

I don't want you to feel bad, and if I'm making you feel bad, understand that it's not my purpose or my intent. If you have been woken up today, then I guess there's goodness in that. I heard a statement the other day and it said, "Knowledge is the result of not getting what we originally wanted." What that quote means is that many of you have been attempting to be real estate investors for a very, very long time unsuccessfully. You can say, "I'm a failure." Or, you could look at that experience like Thomas Edison who said, "Well I discovered a lot of ways I shouldn't do it." I'm now giving you the way that you should do it.

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For those of you already doing 5, 10, 15, 20 deals a month or year, good for you! But I don't want you to discount this information as not being for you. If anything, you should be going through here and checking off your list. Are you doing these things? Here's what I know, for my clients that consistently perform these functions that I'm giving you here tonight, at a minimum, my worst performer is making at least \$250,000 a year. If you're not making consistently \$250,000 or more per year, and you consider yourself to be a pretty successful investor, you need to be asking yourself, "Am I doing these things?" If the answer is no, you need to start doing these things today!

Add to your marketing list Bandit Signs, foreclosure auctions and cash buyers.

Here are some questions you should ask to qualify the buyer:

- What types of properties are you looking for?
- What areas are you interested in?
- What price range are you looking for?
- What is your experience level?
- How do you plan on financing the deals I send you?
- How quickly can you close?
- What constitutes a good deal for you? (% of value, minimum profit, minimum cash flow)

All we're doing here is we're trying to profile who this investor is, and what their appetite is for in the marketplace. Do they like commercial,

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> Step Two: Build a Buyer's List

do they like multi-family, do they like single family, do they like residential multi-family? What is their sweet spot? Now, again going back to the targeted versus the shotgun approach, as I'm building up my database of prospective borrowers and people I can wholesale deals to, I know who to call when I've got a commercial deal. I know who to call when I have a residential deal. I know who to call when I have a duplex. You're going to call those people first because they are your highest and best leads. You know exactly what they want and you've got exactly what they need.

Ask those seven questions and then number 8, what level of repairs are you comfortable with? Some investors are comfortable doing a complete straight tear-down rebuild. Others are looking for just cosmetic lipstick-type repairs. Others are ok with some heavier things. One of the questions I would ask as a follow up is, "What level of repairs are you comfortable with?" If they are interested in doing rebuilds, scrapes, or room additions then ask them if they are active licensed, bonded, insured contractors? If they answer yes, it is not out of line to ask them for their license. Now you have a good contractor, to use and refer out.

What have you done with your leads? What are you doing to collect more leads?

If I'm going to go to a conference, I make sure I leave with 300-500 cards. I see so many of you go these networking meetings and seminars

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and collect and exchange business cards, and then stack them next to your computer never to look at them again. In fact, you may be reading this right now and looking at a very big stack of cards going, "Good grief, he's right. I've got all these names, and I've got all these contacts and I've done nothing to assemble them or put them into an order that I can actually begin to monetize these relationships." If you're not monetizing these relationships, what do you need them for?

"Oh Lee, that's horrible. You don't have to monetize everybody you meet." You need to understand that there's a limited amount of time in every day, and you need to determine your relationships as friends or business relationships. If it's a business relationship, start monetizing it. If you're not monetizing it, then it's time to kick them to the curb to free up time to work with more interested parties.

"Lee, that's so horrible." There's a reason that I'm making money. You need to determine which of your leads are actual doers that you can make money with. I'm not saying make money from, this is not a transactional relationship where we're going to take and take and take. No, this is reciprocal. If you are a competent borrower, ready to buy, and I've got a great deal, I'm going to sell it to you and we're going to make money together. That's one of my favorite statements in a closing or a sales call is, "How can we make money together?"

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> Step Two: Build a Buyer's List

It accomplishes a lot of things. One, it starts opening up the lines of creativity. How could we make money together? Furthermore, it sells the idea of reciprocity where I'm not just in this for me. I want to give back as much as I'm getting. What does that look like? How can we now begin to make money together? If it doesn't happen very quickly, then you need to identify it and end the relationship. I can't tell you the number of people that I have met and worked with that originally came to the meeting or into the relationship as a partnership. If you're in a partnership, you have an obligation to that partner to be giving as much, if not more, than they are.

Partnership in business is very much like marriage, and the problem with marriage is that people approach it with this 50/50 mentality. I'll give 50%, you give 50%, that's the wrong mentality. The mentality is 100%, I'm going to give you 100%, and in turn, you're going to give me 100%. Do you have a business partner that is giving you 100%? If not, why are in business with them? What contributions are they making that you really need them to be making that you couldn't do without them? Think about that.

"Oh Lee, you're making me very uncomfortable tonight. This is tough love, I wasn't ready for this."

Well, welcome to Lee Arnold System of Real Estate Investing.

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> Step Three: Build a Seller's List

Now we need to build a qualified sellers list. Again, post free online classified ads on Craigslist: "Cash for houses. Any area, any condition." Drive around for dollars and look for vacant, boarded up, or properties in disrepair. Research the addresses online in the county records or on a free app that I love called Agent First, or My Agent First. Find out of state, free and clear owners through List Source. We talked about that.

And always Dial for Dollars. Look for signs of motivation in the ads like "motivated seller, must sell, out of state owner, or estate sale" and then call to get more information. I think a lot of you are sabotaging yourself because you're afraid to pick up the phone and call strangers. You've got to understand that a deal takes numerous phone calls, and numerous contacts, and numerous points of negotiation. You need to know that first call, second call, and third call, is nothing more than informational gathering. That's all it is. If you maybe break it down to those simplistic parts and elements of what is really going on here, maybe that might make it a little bit more palatable for you dial for dollars. As I mentioned before, if you're not picking up the phone calling and talking to



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> Step Three: Build a Seller's List

people, you do not have a business that's generating income. If you don't have a business generating income, you don't have a business. Know this, that first, second, and third phone call is simply to develop rapport, identify what they've got, what their motivations are, what their needs are, how you can accommodate them, how you can help them, and how you bless them. When you approach the phone call from that standpoint, suddenly there's no anxiety because there's no agenda.

Here's an example:

Calling a for sale owner (FSBO) lead.

"Hi, is this so-and-so?"

"Yes."

"This is Lee Arnold and I saw your bandit sign on the corner of Division and Wellsley, and it said that you're looking to sell a house. Tell me, what have you got?"

"Well Lee, I've got this property here. <Client describes the house>"

"OK, well that sounds like it's a beautiful home, but it really sounds to me like you're targeting a retail end user buyer and that's not really the nature of my business. I'm a real estate investor. I'm looking for any kind of beat up or motivated seller type scenarios where the seller needs to sell. Do you know anybody like that? Can you refer me to anybody? If you've got a phone number I'll just give them a quick call to see what they've got and if it's something I can take off of their hands?"

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> Step Three: Build a Seller's List

When you approach it from that standpoint, it's always very pleasant it's very friendly.

People have actually paid me \$150,000 to fly out to their house and sit at their desk for 3 days and just make phone calls with them. If that's what it's going to take for you to pick up the phone, then you should probably write that check. If you can overcome the anxiety by yourself, then you should. It will save you a ton of money. It's not that difficult, and it must be done if you want any measurable success in this business.

Questions to Qualify the Seller

The last list was borrower or buyer qualification questions. These are the questions we're going to ask our sellers.

Here's what it will sound like:

"Hi, this is so-and-so."

"Hi so-and-so, this is Lee Arnold. I was calling you because I know that you're looking to sell your property. Can you tell me what's your current situation? How come you are selling?"

<Client describes their situation>

"Ok, so are you just trying get out from the property. Do you know if there is some equity there that maybe you'd like to realize at the closing?"

"Well, you know, I do have some equity."

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> Step Three: Build a Seller's List

"OK, well that's great. Is there any part of the financing that you'd be willing to carry? The house is worth about \$150,000. I see that you have an underlying mortgage here for \$80,000 that you took out from Wells Fargo in 2001. If I could get you another \$20,000 or \$30,000 would you be willing to carry that in the form of a second mortgage at possibly 0% interest on a 30 AM with no payments for 12 months and a 60 month balloon?"

"Yeah."

"Ok, we can talk about that later. We don't need to negotiate it now. I just wanted to know where you were at. Tell me, how fast do you need to sell?"

"Well you know, I was supposed to be in Denver like a month ago. My husband's already there and we need to sell this thing."

"OK. If I could maybe write you an all cash offer and close by the end of next week could we maybe put something together?"

"Yeah, that would be great."

"OK, well, I've got everything I need. On your pricing is that really the best you can do?"

"Well you know Lee, we'd really like to get at least \$120,000 for it."

"Well you know what, it's not necessary to come to terms on it here today. I was just calling to get some information. What I would like to do next is come out and meet you at the property."

"Well I can't meet you at the property, I'm out of town."

"Ok, well is there a key box on the house? Is there some other way I could get into it? Do you have a friend or a relative that lives nearby that

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> Step Three: Build a Seller's List

maybe could let me in? I would prefer that they be there just so you know I'm not taking anything while I'm there. I would like to get in as soon as possible and see if I can get you an offer here in the next 24 to 48 hours."

"Yeah, that would be great. Why don't you call my cousin Betty, she'll run right over."

"Ok, great."

So I'm going to meet with cousin Betty. I'm going to walk through the property and take a lot of photos. I'm going to write down any issues like a leaking roof, cracks in the sheetrock, a settling foundation, or a kitchen that kind of slopes to one side. I'm going to look at the knob and tube wiring because the house was built in 1923. I'm going to look at the lead based pipes. I'm going to look at the asbestos roof, and the asbestos shingles. I'm going to notice all of these things that the property has. I won't mention any of this to cousin Betty. I'm going to wait to talk to my seller again. I've got everything I need.

Now the next thing is not, contrary popular belief, to just call the seller and unload on her. Instead I'm going to call her and say, "Hi seller, this is Lee Arnold. Thank you again for having cousin Betty come out. She was really a delight. I did go through the property. There were just a few items that were a concern to me. Did you want me to talk about those now with you, or would you rather I just reflect those in my offer?"

Again, remember that everything is leading up to the offer. No offer, no deal.

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> Step Three: Build a Seller's List

She's going to say, "Well, why don't we talk about them now."

"Ok, as I was coming into the kitchen area, I noticed that the ceiling had been leaking. Have you had the roof looked at? Is that coming from the shingles, or is there something like a pipe leaking in the attic?"

"Oh, yeah, I'd noticed it was dark, but we really hadn't had time to look at it."

"Ok, well if we can come to terms, I'll have it inspected and we'll look at it. Also seller, the built was built in 1923. Have you ever looked at updating the electrical system or the plumbing? I noticed that you still have knob and tubes running through there, and you've got some lead based pipes."

"Yeah you know, we just haven't gotten around to it."

"Ok, also in the kitchen, I'm sure you noticed this, but it seems that there's a slope and I measured it. It drops about 4 inches from one end to the other. Have you had the foundation looked at, because it looks like the foundation is settling in some areas and I need to have that addressed before I can move forward.

Based on all of these findings, I could do one of two things. I could either write you an offer that would allow for you to go ahead and take care of and fix all of these items of concern, or I can just write an all-cash offer but you need to know that if it's an all cash offer, it's going to be lower than you were wanting and it's most likely going to be pretty close to what you owe. What would you like me to do?"

Notice I didn't say, "Do you want me to write you an offer or not." I simply said, "Do you want me to write a higher priced offer where you

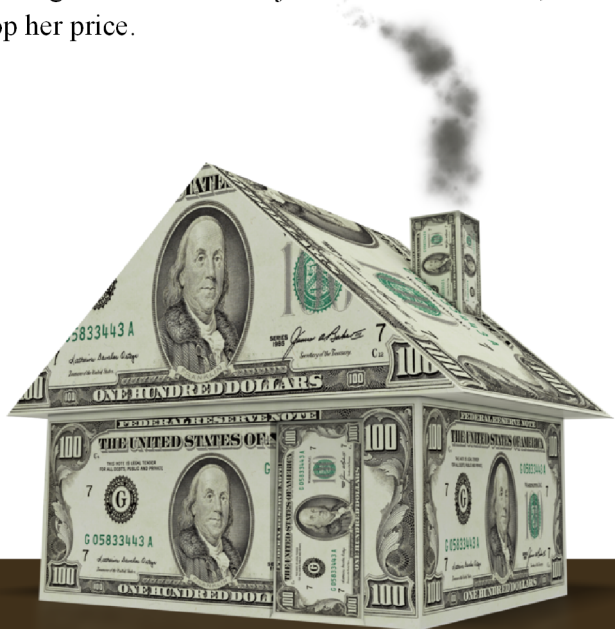
OPPORTUNITY

> Step Three: Build a Seller's List

fix everything, or do you want me to write you a low priced offer where I'll take all of these nightmares off your hand?"

Notice there was no misrepresentation of the condition of the property. I simply made her aware of things that she already knew and perhaps avoided or had forgotten them. If you notice, when you live in a property for years and years and years, you kind of don't see the things that are problems anymore, because they just become part of the house. She hasn't seen this for a very long time.

Really what I'm doing her is I'm negotiating and I'm doing it based on two things, either price or terms. If she wants a higher price, she's going to need to fix all of those things. If she wants to just be done and out it, she's going to need to drop her price.



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> Step Four: Negotiate and Put the Deal Under Contract

Always be the last person to name the price. First price always loses. Notice that I didn't tell the seller right out that I was going to offer her \$80,000. I said, "If I'm going to be responsible to fix all of those things, I'm probably going to get you an offer closer to what you owe." She can quantify that in her head however she wants.

Notice that I was fact driven, I was highly qualified, and I was ready to walk away at any time. I don't need to buy ever. Please write that down. **I don't need to buy ever.**

Treat the initial offer as an opportunity to gather information about the seller's motivation for selling. Are they retiring and wanting to down-size? Do they need to make a quick move because of a sudden job change? Let their price and their reaction to your counter set the tone. AND always be firm and realistic on your price.

Once you've done that, make sure you put the property under contract. No offer, no deal. You can accomplish this easily by doing these 4 easy steps.

Step 1: Prospect and review potential properties.

Step 2: Write offers.

Step 3: Get the offer accepted by the seller.

Step 4: Put earnest money in escrow to complete the contract. No consideration, no deal. All states require some type of monetary consideration to tie up the transaction.

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> Step Four: Negotiate and Put the Deal Under Contract

Once these four steps are completed, you have a fully executed purchase and sale agreement, the property is under contract, and you are half way there.

Some of you who have taken a deal from start to finish and you've fixed it, remodeled it, rehabbed it, and you've sold it. You're looking at the first four points of this and thinking, "That's what I did on every other deal. How is this seminar about wholesaling?"

That's where people get confused because they believe that wholesaling is either less work or it's a lot easier. No, it's simply means that you're going to go out, find deals and still put them under contract. You're going to unload them at this point so that you don't have to take them from contract to close, to fix, to market, to retail, to sell. You're simply getting out before you have to go the rest of the way. You've got to go at least this far whether you're buying for retailing or buying for wholesaling. It's the same process up to this point. You've got to get the deal under contract.

At the beginning, I said, "One of the worst things you can do is decide that I'm just going to be a wholesaler." What happens if this seller is



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> Step Four: Negotiate and Put the Deal Under Contract

willing to take \$80,000 for a property that if fixed up would sell for \$400,000? Is that really a deal you want to wholesale, or is that maybe one that you might want to take through from start to the finish? That's why you can't be so rigid in what you do as an investor. I'm a wholesaler. I'm a lease option person. I'm a foreclosure specialist. I'm a hold and profit from renters. I'm a short sale guy.

Just be an investor and be the best darned investor you can be and you'll be amazed at the kinds of opportunities that you are presented with.

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> Step Five: Do Your Due Diligence

Notice we are doing the due diligence after the property is under contract. I don't have inspectors crawling through attics. I'm not investing in an appraisal or title report until after it's under contract. That's where my conditional inspection period comes into play. This offer is subject to a qualified home inspector going through the attic and telling me that everything is going to be ok. If they don't want to do that, then we'll write them an as-is/where-as offer.

Before you start writing as-is/where-as offers, you better make sure you know what you are looking for and you know the signs of danger. If you haven't been doing this long enough, then you never want to write an as-is/where-as offer because you will be stuck with whatever problems that property has—many of which you didn't even know could exist. Do a few with inspections before you get into the as-is/where-as type of offer. Those are much riskier for you, especially if you don't know what you're doing.

The due diligence items most end-buyers of a wholesale deal are looking for are:

1. An Estimate of Repairs
2. Comparable Properties
3. Title Report

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> Step Five: Do Your Due Diligence

You could and should (at least before you know what you're doing) get a couple different contractors to give you estimates, a realtor can help you put together a CMA (comparative market analysis), and get an attorney, title company, or title researcher to make sure the title is clean.

Here's where wholesaling steps in. We've done all this due diligence. We've put the property under contract. We know what we have, we know where it is, we know what it's going to cost to fix it up. We know how much we're going to get when we sell it.

Now, we start offering it to our list of buyers. We email, call our list, contact them, go to events, or send email blasts, and we say, "Hey, here's an amazing opportunity. It's ready to go, it's signed sealed and delivered."



OPPORTUNITY

> Step Six: Assign the Contract

Again, if this is an REO, bank-owned property, their contracts specifically state (and you have to use their contract) that this contract cannot be altered and/or assigned. If they see that you're making money on the deal without ever touching the deal, they're going to kill the deal. Which is why they implemented that 120 day rule because people were going out and buying houses and flipping them the next day for \$30,000 or \$40,000 profit. It was pissing banks off, so they said, "We're going to put an end to that and require you to hold the property for at least 120 days."

You can avoid all of that stuff if you'll just go after non-listed, non-MLS, non-institutional, non-government-backed deals. You might be thinking, "Well, Lee that's where all the deals are."

No, do you realize 30% of all the real estate in this country, in the good ol' USA is owned free and clear. 30%! Which means every 10 properties you drive by, 3 of them don't even have a mortgage on them. Don't tell me that the MLS is the only place to get deals, and government FHA foreclosures and REO's is the only deals out there. That's what lazy people say. The rich people don't even call their realtor unless they have a property to sell. They don't need the MLS to find good deals. I cannot tell you guys the last time I've bought a deal off the MLS.

I buy deals from my marketing efforts, my relationships, and my joint venture partners who are bring deals directly to me. I've positioned my-

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> Step Six: Assign the Contract

self in my marketing to accomplish that feat. You can do it too. Many of you are probably much smarter, much more educated than I ever was or am. If I can do it, you can do it too.

The assignment agreement states that you are assigning your interest in the original purchase contract over to your end buyer for X amount (which is your assignment fee).

Here's another example of what that looks like:

Let's say we have an original contract with the seller for \$100,000. You find an end buyer for \$115,000. You fill out an assignment agreement stating that you are assigning all of your rights in the original contract over to your end buyer for the amount of \$115,000.

You collect a deposit from your end buyer once the assignment agreement is executed (example \$2,000), then fax or email a copy of the agreement to your title company. Here in this deal, you make 15 grand.

Here's where being a Private Money Exchange affiliate can really help you a lot. As an affiliate at Private Money Exchange, not only can you offer the assignment deal, where you say, "Hey I've got a deal worth \$200,000. You can have it right now for \$115,000. With a small down, I can finance the rest."

OPPORTUNITY

> Step Six: Assign the Contract

Many of you should be advertising your wholesale assignment deals as for sale by owner, seller will carry the financing. Or, seller has arranged financing. In that scenario, you are the seller. As an affiliate, you have arranged the financing because we will actually lend the money to your buyer so that you get you paid at the closing and we get a loan out of the transaction. You win, we win! You put \$15,000 cash in your pocket! By the way, you also get paid the referral fee for being an affiliate and bringing us a \$100,000 loan. I think that's pretty cool. I don't know about you, but I think that's pretty cool.

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> Step Seven: Get Paid, Celebrate, Do It Again

On the day of closing, the seller and the end buyer will show up to sign all of the documents, and the end buyer will bring funds for the purchase of the property, plus your assignment fee, or Private Money Exchange will bring in additional funds for the purchase of the property, plus your assignment fee and your referral fee.

Once everything has been signed and the money has been collected for the purchase, the title company will cut you a check for your fee.

You celebrate, and then you rinse and you repeat. Congratulations you are now a successful wholesaler!



OPPORTUNITY

> Common Questions and Answers

Question: Do you provide non-recourse financing to the deals through a Roth IRA.

Answer: The answer is yes, we actually do provide non-recourse lending so that you can use your IRA. I invest through my IRA, I have CESA accounts (College Education Savings Accounts) for all of my kids. I use the IRA investment strategy almost exclusively. We use the IRA funds for the bulk of the acquisition and then we'll use PME non-recourse funds to bridge the difference of what we don't have. It is non-recourse and it's written right into the note, so we have not had any challenges at all with any custodial firms. We work with Pensco, Equity Trust, Mountain West IRA, and a few that I'm missing here, but just know that we work with a lot of custodial firms. Last I heard, 60% of our business is either done through lenders that are doing it through their IRA or through borrowers who are buying through their IRA. It's a very wise thing to do.

Question: How does one become an affiliate?

Answer: Call the office at 800-341-9918 and talk to Roxanne Fresques. She can give you more information on becoming an affiliate. The price to become an affiliate is \$997. I don't want you to be blindsided by that. Roxanne will go through and give you all the benefits of being an affiliate and how you can realize the tremendous upside for just a small one time investment. Also, know that although we store in-house on a secured server, you have the ability to market directly to your leads through our system. Most people find that to be worth all the invest-

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> Common Questions and Answers

ment. In addition to getting affiliate fees every time somebody borrows or lends money through us, you get a referral.

Question: What about the HUD foreclosures?"

Answer: HUD foreclosures have the same challenges. You're dealing with a government agency, they don't allow assignment fees. They don't allow any of that stuff. Also properties with a HUD don't actually go to a foreclosure auction. HUD properties are not actually loans being foreclosed. HUD is a government program that subsidizes banks for their loss. HUD is Housing and Urban Development. If you go out and you get a loan from Wells Fargo, Wells Fargo will sell the loan to HUD for maintaining the servicing. If that loan goes delinquent at any time, Wells Fargo will be responsible to foreclose the property. They will calculate their total loss. They will then take the property and the loss to HUD. HUD will write Wells Fargo a check for their losses and then take on the property and sell it as a REO. You won't actually go to a foreclosure sale and see a property being sold or foreclosed on by Housing and Urban Development.

I've gone to foreclosure auctions for 10+ years and I can tell you I've seen maybe 2 HUDs there, but it was a very strange and odd occurrence. When you say HUD, you're dealing with HUD properties that are REO's where you've got to write offers on their contracts, making them close to impossible to assign. I won't say impossible, because I've seen it done,

OPPORTUNITY

> Common Questions and Answers

but the paperwork is very lengthy, and it's a big round-robin process. Be aware of that before you get tangled up in one of these deals.

Question: With the housing market going up, do people wait it out to sell their house?

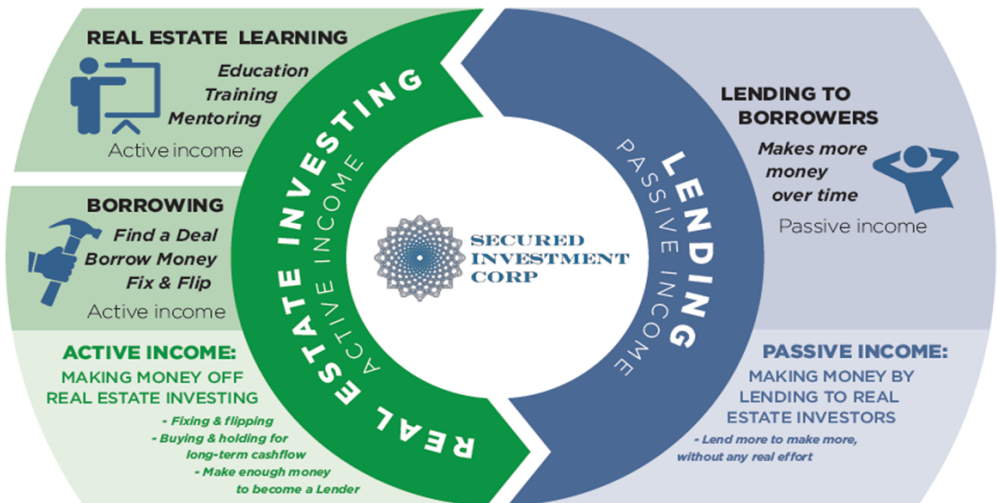
Answer: Let me answer that question with a question: “With the housing market going up, do people wait to die, get divorced, lose their job, move across states, get transferred by their company, get fired, or promoted?” My point seems comical, but that is not on purpose. I’m simply saying that the housing market has no bearing on a person's personal situation, and personal situations are what dictate pricing. Not the housing market, assuming that you have efficiently pursued a motivated seller. They're not motivated because of the market fluctuations, rather they're motivated because of their own personal situation.



MONEY

CIRCLE OF WEALTH

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OPPORTUNITY

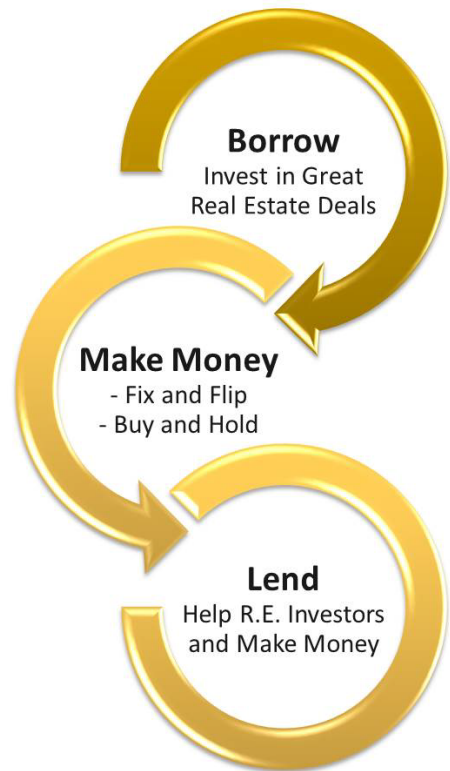
> Get Involved in the Circle of Wealth

After years of teaching and mentoring around the nation, I found that education doesn't mean a lick, if the person being taught doesn't have the capital to put their knowledge into genuine action.

So, I took the challenge and created a place, Private Money Exchange, where real estate investors could go for unlimited funds for their non-owner occupied investments.

While the progression seemed natural, we were missing one, very large and essential piece of the pie. The marketplace was teeming with people who had the funds, who aspired to make higher returns on their invested dollar, but lacked the desire to get involved in real estate at the ground level.

In light of this opportunity, we created Secured Investment Corp, which gave people a medium to lend on first trust deeds (real estate), and



> Get Involved in the Circle of Wealth

make higher returns than they were currently seeing in their stock market, bank CDs, or bond investments.

As we combined all these facets—training, funding, and the means to lend on real property—we began to notice a progressing trend of growth and success with the clients involved.

Through this model, what we call “*The Circle of Wealth*,” we also noticed that people who entered in at the training level and borrowed funds for their real estate investments, eventually became lenders in their own right. They then helped others obtain the capital needed to grow their real estate portfolios.

This allowed everyone, on every side, to win!

It is our goal that **everyone** can enjoy some level of success in *The Circle of Wealth*, and inevitably lap it several times over! We hope you’re one of them!

Circle of Wealth Member

“I chose to invest with Private Money Exchange because I have watched Lee over the past few years. I have been impressed by his attitude, ethics, and humility. My experience has shown that the company performs excellent due diligence before agreeing to an investment.

Becoming a lender was an easy business decision for me. But a thank you gift was icing on the cake. Where do I send my thank you note.

I have to believe this is a terrific place to work! Thanks for all your help.”

- Susan C.

> Who is Lee Arnold?

Like most self-made millionaires, I began at the bottom of the financial food-chain. My humble beginnings started as a bag boy at a local grocery chain in Spokane, Washington working for \$3.90 per hour. My first “aha moment” happened while I was aspiring to a management role at the store and was reading the life-changing book, “Rich Dad, Poor Dad” by Robert Kiyosaki. Suddenly my management aspirations looked very small, but my future possibilities became extremely big.

My second “aha moment” happened while I was sitting in a philosophy 101 course in college. My attention span was divided between the slow ticking of the clock and my professor’s long winded discussion on the economy. While the minutes ticked by, he let it slip that he was making only \$45k a year. That information and the knowledge I gained from Kiyosaki’s book, made me realize I was on the wrong path to success and needed to make some very important changes fast. So, from those experiences and an influential nudge from an incredibly persuasive late-night infomercial, I went into real estate.

I began the way many people do—in the educational and training space. Like many, I went to real estate seminar after seminar and bought course after course. Through long years of trial and error, I built up a very profitable, million-dollar real estate business from the ground up. I’m proof-positive that the training system can and does work! Because of this, I decided to help others by teaching them how to translate workbook education and real estate theory into the real world of real estate investment.



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