WESTCHESTER COUNTY REAL ESTATE INVESTORS CLUB

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The Top 24 Mistakes New Investors Make When Starting Out

Frank Sanchez & Larry Friedman

Table Of Contents:

Chapter One

Introduction

How did this book come about? Well, if you're reading this book right now, then that tells us that you are interested in Real Estate. One of the greatest things that we can invest our time, our money, our energy into is learning how to invest in real estate. We can then use this knowledge to build wealth, not just for ourselves, but for our family and for generations to come after us.

Real Estate is a Business in itself, and it's not just about flipping a house, or making a quick paycheck, rather, it is a business. Hence if you treat it as a business, it will grow into a company that will pay you for many years to come. However, there is a risk in Real Estate. There are also risks in other forms of investing. Hence whether we look at real estate or stocks or bonds or buying businesses; whatever we look at, to find our way to financial freedom, there are risks involved.

We have to look at it from a form of investing. Whether it's investing in capital, time, energy, or other people's money, investing is risky if you don't educate yourself. We have said it over and over that the only way to mitigate risk is to learn the business inside and out. This is because mitigating risk comes from knowledge and education.

We can only say that you are reading this book because you understand what we just said that some mistakes can be made in investing. And with mistakes come loss, but loss can also come with a considerable learning curve. Everyone will eventually learn more through mistakes than they will ever learn through success. Now we don't want to run out there and make all the mistakes that everyone else has made in real estate because we probably wouldn't last very long to do that which brings us to the main REASON why this book was written.

We have had the privilege of meeting with thousands of investors all over the country from east coast to west coast, from north to south and everywhere in between. We have been fortunate to do that since we started our career in real estate investing and we continue to do this, even today. We currently have two coaches and are part of multiple real estate masterminds.

In this book, you are going to learn from not only our mistakes but others investors mistakes that investors have made and shared with us that we will now share with you !

We are confident that in these 24 mistakes there are lots of things that will grow your business and help you avoid some potential landmines. We hope that by reading this, it will make you a better investor, smarter investor, and also put you in a position to see the whole picture.

We took the mistakes that were commonly shared by other investors that we met with and also added in mistakes that we made. Then we summarized all these mistakes to get the 24 chapters of mistakes you will find in this book!

We are going to speak to you from these mistakes and not only what they are, but we are going to dig a little deeper into them in each chapter.

We are going to break each one of these mistakes down over the next 24 chapters. It will be a straightforward read for you as you move forward through this.

Now, you might ask, who are you?

Well, we are Frank Sanchez and Larry Friedman. We have been business partners since we started this real estate journey! If you don't know us or haven't met us, then you should know that we have been doing this business for a very long time; (over 20 years combined experience as full-time investors).

We have spent the last ten years of our investing career honing in on the NY Tri-State market, but we also invest virtually.

We invest in other markets too. We do private lending in our local area for deal partnerships. We have invested in all types of investing strategies like: wholesaling, straight line financing, land contracts, rehabbing, assignment deals, and all others.

We have done everything from single-family rentals to bulk property purchases to small apartments, to syndications and funds.

Not just all that, but we have also helped so many people all over this great nation to find a path into real estate. Most of the students we have helped have come to us through one of our books, videos they found online or our real estate club in the Westchester County area of New York.

They reached out for help, and we were there to help them. We have also been very fortunate to be able to grow our business in multiple ways; from real estate to having a training institution where we have gone out, and trained people all over the country.

Our own Real Estate experiences as well as our interviews of other Investors have given us the tools and understanding of what we needed to share in this book; We thank you for getting a copy of this book and reading it. This book will help you grow as an Investor no matter if you are new, or you have been doing the business for a few years.

Remember it takes years of Investing to get to a point that you can really teach someone how to do this business. We see it all the time - someone comes into the investing world they go to a few seminars, flip a few deals and think they are the next Guru. They want to go out and start teaching others, and this is a huge mistake for the new person listening to them. That 2-4 years' experience just isn't enough to really understand what they are doing and if that time was spent flipping in a hot market, well it's even worse advised, because they haven't had to make it work in a down market. This is the true test of an investor.

You see, be very careful of this type of person that wants to teach you!! Stay clear of people that want to show you the way when they haven't figured it out themselves.

Stay clear of the 2-4 year Investors that think they are going to teach you how this business works. Stay clear of people that say you should only be focused on one strategy. Remember you are going to need help but getting help from the right person is key. There is a lot to learn in this business.

This will be one of the hardest things you ever do, and it will be one of the most rewarding too. We hope you enjoy this book. We hope you enjoy all the resources and information here, We hope you find something in here that will guide you into a better path of Real Estate. If you know someone that is getting started in this business share our link with them so they can get their Free copy.

Enjoy!

Frank & Larry

Chapter Two

Not Starting soon enough

This seemed to be a common thread amongst all the successful investors that we had talked to over the years. One of the things that they would say quite frequently is that they would spend too much time in the process of trying to learn everything. The fear of actually moving forward would hold them back, and a lot of them would share, some of the things that they were afraid of. This could be common with you too, whether making the wrong offer, or not knowing your numbers, whether they would be able to sell it, or did they have the right team. How are they going to find a buyer? All these will hold a buyer back.

But one of the things that we must think about in the process is that, sometimes it's better to start something than to not start at all. When someone would say, *I waited too long to start*, it always reminds us of the many students that we have worked with.

A lot of the new Investors face the same challenge. They keep buying books, they keep going to meetings, they keep learning, but they have a great fear of moving forward or pulling the trigger. This is a common thread. Even amongst some of the largest Investors out there today that we know of or have met with - initially, when they began, they all second-guessed their actions.

They were fearful; they thought they needed to know everything first. The reality is, you don't need to know everything first. You will learn more through action than you will ever learn through the studying process but get some help, so you have a clear path on where you are going.

There is a significant difference between being *book smart* and actual *street smart*. The word *street-smart* is seen as something that means being out there looking at properties, meeting with contractors, getting along with agents, understanding the lay of the land, talking with funders, identifying where the markets are for rehabbing, where the markets are for rent, and putting your team together.

How much studying do you have to do before you take action? How many more books do you have to read before you take action? How many more seminars do you have to go to before you take action? How long are you going to wait before getting someone to help you?

Maybe it's something you want, but you feel like you have become a consumer of information and not moving in the process of taking action. I can tell you this, the market is not going to slow down and wait on you. It will move forward with or without you.

We must think about this and say to ourselves, *I am not going to wait.*

You have to identify the start time and that time is now. It is now for you to start because lost time cannot be made up in the markets cycle again. It could take five, six, or ten years through a cycle correction or a cycle of engagement.

You must identify where you are and what you want.

Are you willing to keep waiting or are you willing to get out there, make it happen, and start in the important process of gaining the knowledge that you need? There is something that you should be aware of, and it's not that knowledge is power! Rather, it is applied knowledge that will give you the power to create success in your life.

When you sit back and think about it, you can be the smartest person in the world, but if you are not applying that knowledge to something that is going to make your life better, then you are not that knowledgeable. Rather, you are a consumer of information.

You must practice the art of applied information. You must practice the art of getting small chunks of information and applying that into your business and market. Moving forward is something that is not natural for a lot of people. We live in a world where comfort is the creature that holds us back.

You might be a person that's two, three, four, five years into this and you don't need to take action to get started anymore, but you need to take action in the next level of your business. It could also be starting the new journey in the business, in life, anything. We are always starting new journeys.

We are always starting new processes, and we can sit and think about it and let time go by as we have done over the years, or we can take the action needed to move forward.

Chapter Three

Not Networking

What a big topic this one is, and we can tell you that we have learned so much from doing this.

There is so much to learn from networking. How important is networking?

For those successful investors that we discussed this topic with, it was a huge mistake for them that they didn't start it early enough, they simply just didn't understand how networking was going to increase their business or their revenue. It was a touchy subject for a lot of people simply because some of them did not like networking for several different reasons like, they were shy, they didn't communicate very well or didn't like going out to social events.

And then you would have the other type of Investor that we would talk to, and they were very outgoing, they were very chatty, networking for them was not a problem at all.

They would tell you that it was a powerful influence for them and their business. So when we talk about the power of networking, what we must understand is that networking is something that is a marketing source. It is a stream of leads, that come from the developmental process for the business and yourself because the power of networking can bring you back 10, 20, 30, 40, or even hundred folds on your time that is spent building relationships, especially in your local area. That is the community in which you are Investing in. Getting to know legal teams, agents, closing attorneys, property management companies, and all the niches that revolve around the world of Real Estate Investing is connected via networking.

Networking puts the message into the market that you were here. You're doing business here. You're in a business industry that is the same as theirs, and you want to find common ground where you can work together or at least you can share information and ideas to benefit each other. Sometimes it's difficult for some people but this is something that you need to overcome.

It is easy to say things like, well, I don't know the person, so I didn't know how to meet with them. That’s the reality, where you must step up the plate, and reach out to them. Whether it is a text or a phone call or social media, it could be a Facebook message over to them that says;

Hey, I see that you're in the market doing deals and or you're a service provider into the real estate industry. I was looking to have a meeting with you and see what it is you do in relation to what I do in Real Estate and how these two things could come together.

You could set a meeting.

Here’s the thing - one of the points we learned a long time ago about networking is that, you should do it in an environment that does not require you to be there long if you don't need to be.

What do we mean by that?

Don't have your first networking meeting over dinner. Coffee meetings are better. We like doing the coffee meetings because they can be quick, or you can stay longer if the conversation synergy is there. The other reason is that when you put a cup of coffee with somebody in the morning, they are pretty talkative.

There's not a lot of food or mess to clean up or be in your way. That's just a little bit of a tip.

The power of networking goes much further than you because, once you start networking with other people, not only are you going to build a relationship with them, but you're creating a referral type of marketing stream from all the people that they know too. This will build strong relationships.

Soon, you will get to the point where the key people in your market will want a meeting with you once or twice just to have coffee and talk. This happens to us all the time in our market. The Investors that are really making things happen we know, and they will reach out to have a coffee meeting with us about every 3 months. We expect it now and it’s a good thing because we can sit down and talk about what we see that is happening and where we see things going in our market.

When you find the synergy between you two, there is the temptation to move the collaborative process forward and quickly too, but it is a big mistake. Keep calm and work the relationship. If you meet with someone that shows that they are enjoying the meeting but never follow up with you then they have no interest in working with you. So, don’t rush into the new relationship until you are clear that both people want to move in the same direction.

Here's the other thing about networking. Don't be the only one talking and demanding information, you would become overbearing to the person.

But what happens a lot with us is, if someone wants five minutes of our time, even when we are out somewhere, we are always happy to give five minutes. We are happy to hear what someone has to say.

However, we love the conversations with the people that respect time. They are to the point, they're clear, they're appreciative, and they want to show value. Then you have the other type that wants to demand information, wants to demand that you tell them this or you tell him that or how does this work and how does that work? They come with no value of themselves, this same person will tell you to give freely but they will not give at all.

We shared that with you because you don't need to leech on someone. Seek information but seek information through serving and providing information too. Do all you can to help so that there is synergy because that is what is needed.

When the topic comes up about networking, know that there are lots of people that have said it was a huge mistake for them not to have done it soon enough.

Chapter Four

Only working with Real Estate Agents

This one is common amongst all Investors, especially new Investors. When we first started, we thought you had to have an Agent to be able to buy Real Estate.

We didn't know you could buy it without an Agent. A lot of new Investors are making the same mistake. They think that they have to have an Agent, or they think they have to have money to do Real Estate. They do not understand Creative Real Estate Investing, or Creative Financing Strategies or even how to do Real Estate Investing using other people's money. So, the new person would not know that they can put a contract together directly between the seller and themselves.

When it comes to an understanding of Real Estate Investing, this is needed. When we started over 10 years ago, the information just wasn't out there. It was something you had to look for, and you had to seek it out, and you had to find people or training events that were going on.

It was not a known topic; Back then, when you would talk to an Agent, they would be a little leery about you. One of the things some successful Investors that we met said was that for several years they only worked with Agents because it was the properties on the MLS they were going for.

That itself limited their ability for growth.

Okay. Let's be clear because it doesn't just limit your ability for growth; it also increases your competition. To be working with Agents only that will look for deals is simply because you are reluctant to do anything else. This may be either because it costs money to do marketing or you don't know enough about it to do it. Sometimes, you may think to yourself; *well, I don't have to spend money on marketing. I could get deals on the MLS.*

That is a deceiving line of thought.

We have Agents on our team, but when you only work with an Agent, you're restricting your ability to grow, you're restricting your ability when it comes to lead in take, and you are dependent on if new leads come on the MLS, but then what else is the issue?

It’s a competition level because, right now, not only are you going after that deal, everyone's going after it too. We can give you so many examples of this. When we first started, we saw a deal, and it was an excellent deal, and it was the first day on the market.

So we went out to the property to do an evaluation on it and walk through it, to give us an idea what it was going to cost to renovate.

By the time we got there, there were already 20 other people looking at that property and there was five offers above ask!

Although the MLS and our Agent is one stream of deals that we get, we have many other sources and honestly, we buy one to two deals max per year on the MLS, so it is a small source.

If you want to grow this business, you not only need to work the MLS and have an Agent on your team, but you must be working other lead sources as well.

Getting other lead sources that are going to be better. There's going to be lead sources that you can tap into, you can have an abundance of them, and there's going to be lead sources that have less competition.

And that's why those leads will be your better-quality leads; just as the MLS is highly competitive, you can get the advantage by trading other leads. However, it depends on the market that you're in. If you're in a market and the foreclosures are on the rise and REO’s are coming on, then yeah, the available inventory on the MLS will go up.

But when you're in a market where you're sitting on two, three months of inventory, maybe four months of inventory, you can't rely solely on the MLS. But if you're in a market where you're sitting on five, six, seven months of inventory, then you're going to find some good deals off the MLS, but you must make sure that you keep it broad, keep other leads working also.

You should understand the difference between a private and a public lead source. Private lead sources are where we do our own marketing; we generate our leads and there is less competition.

Finally, you need an Agent on your power team. You need to work with an Agent, but you don't need to work with an Agent to find lead sources to grow your business.

Chapter Five

Building the Wrong power team

You must have heard of Power Team, if you haven't, let me introduce it to you. We all know and incurred or have read or have been told, if we have been in the business for a little bit or anytime that you must have a power team; you have to have a power team.

A power team is significant. Power teams are critical. It's one of the fundamental processes to your ability to move into a market quickly and proliferate.

But a common mistake is picking the wrong power team. It all comes down to building the right power team. Because when you're first starting, you don't know who's right or who's wrong or who's who and the right fit for you.

A lot of new investors just didn't put enough time and energy into picking their power team. Usually, It is more of an emotional act when picking the team – i.e. picking someone you know or picking your uncle's friend who is an Agent, or your 'neighbor's son who is a "Contractor". Often it is more of an emotional decision instead of a logical or researched decision.

We have made that mistake before. We learned from it, and realized really quickly that the wrong people are not beneficial to the business. It might be beneficial to the relationship because you're offering them business. But the reality is, if something goes wrong, the relationship will be on the edge. You must mend the relationship. But to succeed, you must separate a business relationship from friendship.

If there was one, it could get very convoluted and cloudy, it's just not worth it. And that's the emotional action. When we're under emotional decision making, you might be aware of what you are doing, but in most cases, you may not be aware of it. But

NO, Real Estate is not an emotional business. It's logical, and it's a number-based business.

We can relate to this very much because we have made these mistakes ourselves. Most of the mistakes in this book were mistakes that we made early on when we first started out and that's the thing, we want you to understand. These mistakes are so common, and most investors will make many of these mistakes when they start out. — hence one of the reasons we wanted to put this book together – to list the mistakes so you do not make the same ones!

Part of that was identifying these things like building the wrong power team and so on. To get above these mistakes, you have to ask yourself this question; how do I know not to act emotionally and how do I know how to move into a process that will identify the right Agent or identify the right Management Company. That comes from asking the right questions and asking the right questions only.

For example, if I'm going to pick an Agent to buy deals from; I will be looking for Agents that have years of experience in the market, and that understands the MLS. That has the time to spend looking for deals on the MLS. An agent that knows the market; so, when they see a deal on the MLS, they can shoot it to me and say, this looks like a good deal. They know how to run searches in the MLS and assuring that they know the neighborhood that sells for $300 a square foot, and then can advise to pull any listing in this area that is listed for $250 a square foot or less. These are some of the little strategies that you can factor in selecting the right Agent.

Our selling Agent will be somebody completely different, and when we finish a project, we stick it on the market at that moment; we're looking for Agents — not the ones that we already have relationships with. We're not trying to bring emotion into it.

We are looking for Agents that are already selling houses in that neighborhood, that's who we want to identify, and that's who we want to turn our property over to because they've already been marketing in that area. They're already getting buyers.

If a buyer doesn't like the house that they are showing, they can take them to our house. Same way with property management companies, asking questions the same way that we would require for contractors. We're looking for referrals. We want to identify that they can do the skill set of the work that we want. It's just not emotional, and at the end of the day, you have to remember just anyone isn't the right choice and just because you say I don't know any other contractor, but I know this guy. I'm going to use him. That doesn't mean that that's the right choice. It only means that it's an available choice.

The easy choices aren’t always the best choice, but remember that when you're picking your power team, you also have to realize that when you build a power team, this is someone, somebody that you're going to be in a relationship with business wise and you need to be on the same page. You need to have synergy. You need to be able to trust them, and they trust you and that you do business together in growing that business.

As you grow your business, your power team will not always grow with you. So, staying with your power team too long can cost you revenue and growth in your business. Always be in the habit of re-evaluating the current power team you're with, make sure they're able to keep up with you and your growth. If they are holding you back, you have to dismiss that part of your team, and you have to bring a new person on.

They can help you keep growing and going to the next level, so you always remember, never pick on emotion, never buy on emotion, and never keep any relationship either personal or business based on emotions.

If it's not serving you and a method or a process to keep growing in your business or even in your personal life, always seek more, look for someone else.

How do I gain more information? How do I get more data that can help me make better decisions? How do I move into the market quicker and are you the right team that's going to take me there because you are not going to do this alone? You must have a team to support you.

Chapter Six

Thinking You Can Do It Without Help

Wow, what a significant chapter this one is. Even though it may not have a lot of pages, it's still a big part of mistakes that everyone makes. Honestly, in any venture, this mindset is predominant and likely to occur. It could be a mistake you make in any business journey or relationships.

The truth is simply understanding that being alone is not going to create the growth is critical.

One big mistake is thinking that you can do it all on your own and thinking that you do not need anybody to help you, thinking that you can bully your way through the journey. If this is what you do, you will quickly find out that you are now a solo preneur in the journey, this is a nightmare, and this is a train heading for disaster. Mostly, this occurs because we have been taught throughout life that the most successful people are alone because of their hard work. They stay away from people. They don't go out and serve the community. They don't hang out. They are loners. They make lots of money by themselves.

That's the mindset that we're taught from a very young age; that if you want to be successful, you've got to do it alone and you've got to push everybody else away from you, and you can't be social, and you can't do fun things.

That's one of the things we are taught, so our mindset is, when we start businesses, if I'm going to do this, I can't hang out with anybody. I can't do this. I can’t do that. And yes, there is some truth to that, but there's a point where you must understand that you will need others.

What will happen is, you will create another job for yourself if you're the only one doing it, and we see this all the time, it's the biggest mistake out there for most solopreneurs; getting started, especially in real estate. They don't want to hire an assistant. They don't want to outsource. They don't want to get help. They don't want to hire a coach. They don't want to build a team that's going to help them, and some of them will even say to you; oh well, I have it I'm strong.

Even when they have an agent or a property management company and contractor, they will ignore them; internally they're still doing it themselves. They're still handling all their accounting. They're still handling all their day-to-day operations. They're still handling their marketing. There are still handling all their phone calls and their data running in their inbound services and their acquisitions team and their disposition department. It's all of them and even worse, they're still the ones going out and looking at every single property. They're the ones going out, looking at the property, coming back and evaluating. They think that no one can do it better than them or that they think they are saving money by not hiring someone. This is a true key factor to understanding if someone really has made it as an investor. Are they still doing all this, or do they have systems in place and others are doing this? Remember, be careful who you listen to.

At some point, you must do all of that, but you also have to understand that it is a huge mistake to stay there, and the mindset usually is, why would I pay someone to do this when I'm not even paying myself yet?

We get it. It's a business.

But that will be devastating in our way of thinking. It teaches us to think I'm putting work in. I need to get paid. I'm putting work in. But the problem with that is entrepreneurship is not that way.

It's about reinvesting. It's about investing in ourselves. It's about investing in people. It is about investing in the process, and the biggest mistake is thinking that you can do it on your own and being alone is the worst thing; you have no one to talk to. You have no one to communicate with. You have no one to bounce ideas off of. You have no one to tell you if you're going in the right way or the wrong way, and that's where most investors make mistakes, or they listened to the wrong person.

They listened to somebody that might have been doing it a year or two years, and they don't have enough experience under their belt. They don't have enough failures under their belt that they came through. There's a big difference in failing and quitting and failing and then succeeding even more. That's the people you want to learn from.

We had this misguided outlook on who we should get advice from or who we should get help from because when a new person comes on and they haven't done anything, and then they see a person who's a year or maybe two years into the business the new investor naturally thinks “hey I should pick his/her brain to see how they can help me”. Well, this help is good but can be very bad also. The person they are wanting help from doesn’t have the history to be able to give the right advice for growth and how to become successful because they haven’t reached it yet. Now they might have been successful figuring out how to do a deal or two but not long-term success.

The other problem is that success for most of these new investors is short-lived in most cases where someone that has been through over a decade of real estate cycles and been through the ups and downs and had losses and wins during that time to learn from will be able to help you at a much higher level.

You have to have a team. The team is significant for your growth. Being able to build a business model is essential for your growth and the infrastructure of an assistant to help you put your time where it needs to be.

When you're doing the day-to-day stuff, you're just creating a job, and that's where you think you need to pay yourself for that job. No, you don't. You need to pay someone else for that job. You need to be focused on the growth. You need to be focused on the business. You need to be looking at it from a high-level overview and where it's going, and you need to really think about the direction you want the business to be in, and that is what the entrepreneur does. He/She may not get paid for a while or maybe even get paid less than what he's paying someone else as it starts to grow.

But the rewards from the time put in, come from the growth of the business. And that's the most significant part.

What we realized very quickly was that we were making lots of mistakes, that were costing us money. We knew these mistakes could be prevented if we had someone around us that had a decade or more of experience that he/she had been through- and we ultimately found that person and it changed our entire business.

Someone getting started with some quick success doesn't know how to see the future. They don't know how to understand the market cycle when it changes or how to be prepared for that or what to be doing now to be prepared for that if they haven't been through it already. Best question we were taught to ask someone before we start taking advice from them was, "How long have you been investing and how many market cycles have you been through and did you make mistakes" The answer to these questions are very important.

So, you have to be careful who you get advice from, and honestly, the fastest way to your success is through coaching and mentoring. It will cut years of learning time off for you and make your success much faster and safer. It will save you thousands in costly mistakes, and it will guarantee a level of confidence that you have someone to back you through that process. We are big believers in coaching. We currently have two full time business coaches. We also pay for mentoring and are members of several high-level mastermind groups. We also coach and mentor people all over the world really, and the beauty of that is watching the developmental process. We know that if we want to keep growing, we have to keep investing in coaches and mentors and it will be a lifelong journey of ours.

When we started reaching success with our first coach and mentor, we knew at that point that we would always have a coach and a mentor in our life because we did not want to be doing it alone.

Even our power team, they might say, well, I'm not alone. I'm with the power team. Yeah, but your power team isn't focused on your business and where it's going. But our mentors and my coaches focus on our business and where they're going and what directions they're going in and how do we make that work.

Just like when we are working with someone, we are focused on their business with them and how do we help them get it to the next level. Think about where you are, where do you want to be, and know with certainty, you're going to need help to get there.

Chapter Seven

Not Making Enough Offers

So, when we think about offers, we always think that an offer has to be sent to get a deal, but other times a lot of new people, are fearful of offers. Maybe like you reading this book, you may think, what if I make a mistake? What if I made my numbers wrong? What if I can't get out of the deal? What if I lose money? What if, what if, and what if?

Right, but we will tell you this, one of the most significant mistakes that new investors make is that they do not make a lot of offers.

We will say this; it is because of lack of information, lack of knowledge, lack of education, lack of direction, lack of support, lack of mentoring or coaching. It was a lack of all that because if they would've had that, then they would have been more comfortable moving forward with making offers because they would have had somebody to help look at their offers with them, make sure they're doing it correctly, make sure they're getting their contractor bids and their expected repair costs.

All of that would have been taken care of, and so they wouldn't have had the fear to move forward.

They didn't see the value of investing in education through some form of support. A lot of people feel that way. A lot of people don't understand the value of investing in themselves until they start making huge mistakes, and then it costs them an arm and a leg, and then they begin to sound like, I wish I would have gotten someone to help me.

Maybe they want to get free help, and so free help will only last so long, and this help isn't going to just dedicate their time and energy and services to you because they're not being paid for it, so it goes back to the old statement; that you pay for what you get right, but making enough offers is crucial for a real estate investor.

We mean the slogan is more offers, equals more deals, equals more profits, and there's nothing more accurate than that one statement, and you have to make offers.

If you're not making offers, you're not in the business. You can sit around and read all the books you want. You can go to all the seminars you want; you can study, study, study. But if you don't start making offers, then you're not in the business. You're not even in the execution of acquisition yet, and it goes back to not starting soon enough, right?

It goes all the way back when you guys read Chapter Two, right, but let's get back to Chapter Seven; Not Making enough offers. You must get into a position of understanding, that if you're not making offers, you're not in the business, and we don't mean making one offer a week.

We don't even mean making a few offers a week. You must be making 5, 10, 15, 20 offers a week to get the deals you want out of the market. You may think I am a new investor, but then that is why you're reading this book. That's why you're getting this support. That's why you're getting some form of education that will hopefully lead you into the idea that you understand that there is more to learn and there are more safety nets that you can create by putting the right people around you and part of your team. But you have to make offers.

The more offers you make, the more money you'll make. When we first started, we were an offering machine. We will never forget that. However, the offers we made were not always that well thought out or accurate – We were unsure of the ARV, unsure of the repairs and sometimes even unfamiliar with the market. And we did get some of those offers accepted (although we wish we didn't!!). We were missing coaching and training and someone to help us check our ARV and repairs. But we did make offers and as we said you are not in business, unless you make offers.

The most successful investors will tell you that the number of deals they do is very relevant to how many offers they are making, so you have to overcome that fear of making offers.

So why are most investors scared of this; new and even some even old investors that are still stuck with this issue even after a couple of years? Why are they scared of making offers? Well, it's simply because of the commitment. It is said that once we make an offer, we have a level of commitment in that process because if they accept it, I will be committed. We got to make things happen, and it's really in that point that that an investor now must accept reality. Reality has hit them. Reality is actually the process of making the offer. If accepted, I have to do something, and I have to move forward, I have to start getting my ducks in a row.

I've got to do all these things, and a lot of times for a new investor, this is where they make a mistake because they didn't build their foundation correctly. They didn't put their team in place.

They didn't pick their markets correctly. They didn't get their funding together before they start making offers and so they're making offers and as it gets accepted, they find themselves in a difficult situation trying to catch up with the accepted offers.

Another reason an investor fears making offers is the acceptance role they have to make sure gets done. We can't tell you how many times our own students have said; I haven't made any offers because what if they accepted it?

We would always say back to them… Well, that's excellent news. Let's do the deal, but you also have to understand all contracts have contingencies. They'll have contingencies. A window in which you can get out of the deal based on a contingency or you could choose to stay in the deal, and that window is what we use when we're making offers to either stay in the deal or get out of the deal.

It's contingent on an inspection, and you might run into people who say, oh, well, don't put an inspection contingency in there. They won't accept it. Well, then we don't want the deal. It's pretty point blank with us. In over 20 years of combined investing, we always put an inspection contingency in our offers. Now obviously there are exceptions for certain situations, , but our point is, that's always something we seek to do.

You will lose deals that you're looking at because you're looking at it too long and not making the offer. If you want to have a safety net, you will want to get some offers out there, but you want to do it in a way that you do not really have to be held accountable, or you do not have to be bonded in an agreement because once the contract is signed, there is a bond there.

With a purchase and sales agreement there's a connection between two parties coming together to agree to purchase a property and it is binding. As discussed, you can often insert contingencies into contracts to protect yourself, if for some reason you need to back out of the deal.

Just remember making offers is a necessary process for investors, and a lot of people say that was a huge mistake for them not making enough offers when they got started.

Chapter Eight

Only Looking At Deals That Have Equity

Now you might think; why would you go after deals that don't have equity? Well, that's the same thing that thousands of other new investors have asked themselves. Look for deals with equity, buy low, sell high, buy low, sell high. And it is a typical thought process. It's standard training.

It's what most people are told when they get into real estate investing. But we found out quickly that only looking for deals that had equity in it was a big mistake. Just think everyone is looking for the same deals with equity too. So, what if you figured out how to go after deals with no equity and make money off them. Game changer, right?

Also, another thing to look at; those who say I'm wholesaling, and I have to find deals with equity. Well, that's wrong. If you only know how to wholesale one way, then you are misguided in the avenue of learning wholesaling, meaning whoever you are learning from doesn’t really understand wholesaling and that there are 6 ways to wholesale. Remember be careful who you listen to.

There are multiple ways to wholesale, and if you're only learning one, then you're losing out. The reason that we need to know other ones is so that we can do something with deals that don't have equity in them or a little bit of equity or maybe they're even upside down. And yes, you can still make money from those deals. But if you say, I'm just a rehabber, and I have to buy it low so that I can fix it up and make profits so they can sell it at a retail price; that could be true, but this goes back to being a one trick pony, which we'll talk about more in this book and if that's the only thing you're doing, you are missing out on everything.

And so, we share that with you because this is a common mistake. Learning only one strategy

This is from lack of education you can fix this, but you will need to invest in your education.

You must ask yourself the question; do I learn how to look at properties that don't have equity or a little bit of equity and still structure those deals to make a profit. It goes right back to investing in yourself, right?

Getting more education, learning the different strategies, not just reading a book on it and not just doing a one hour training on it, but really learning and putting the time needed into learning this business if that means going to a two day event or three days into a class that's going to teach this and or hiring someone that has done this over and over throughout their career to help you with it, whatever you choose is your choice. Just remember you will lose deals and profits from not being educated.

Also, remember equity deals are great, but they're not everything. Equity deals are just some of the deals out there.

There's a more significant portion of deals on the market or the market, but in the market that will give us a better opportunity to do more deals consistently if we don't just look for deals that have equity in them. Big and Colossal mistake! When someone says to us, I only buy deals with equity in it. Then that tells us two things. They're probably a rehabber only, or they're a wholesaler that only knows one way to wholesale, and they're just not educated enough to become a great real estate transactional engineer.

It all boils down to becoming knowledgeable about how all deals work and how you can control deals using other strategies to gain a profit. Not everyone is looking at these other types of deals. They're not looking for deals that don't have equity.

The majority of the population that's coming into real estate investing are only looking for deals with equity in them so you can really set yourself apart by gaining the knowledge, putting the time into investing in yourself and really growing your ability to get educated on becoming a transactional engineer, which will allow you to have options and opportunities for all types of sellers.

No matter what their situation is in or what the property situation is in, whether it has equity, or it has little to no equity or even if it's upside down, there’s still the ability to control that property with long-term positioning to build equity in it over time that you would gain from because you got smart early.

Chapter Nine

Waiting Too Long To Look For Funding

We all have heard the fact that you need to have money to do real estate, but then in the same token, you've probably also heard that you don't need money to do real estate. Both are true. If you're going to do creative financing and creative deal structuring or even wholesaling where you're selling a contract, you don't need funding to buy the property, and in some cases, you don't even need funding to do deals.

However, you need someone else's money; not yours, Other People's Money OPM. This takes us back to; you need funding for real estate, So the question becomes how quickly did you start raising money? Or do you need to have money when you start or should you focus on raising private money or institutional money?

And the answer is that you should raise from all types of different sources. It could be from banks, hard money lenders, asset-based lenders, bridge funders, private lenders. These are all a form of raising money, meaning other people's money, not your own money.

Back to the question, do you need money to do real estate? The answer could be no, because why? You don't need your money to do real estate deals. Now, we want to be very clear with you. You are going to need money to do real estate. You're going to need money for systems and tools and your business. You're going to need money for marketing your business.

You're going to need money to help grow your education in this business. It is inevitable that you will have to invest in yourself. You can't think that you're just going to go out there and do this business without spending the money to get the education you need to build this business. So, we want to get clear on that message, but to acquire a piece of property, no, you don't need your money. You can use OPM, Other People's Money to do that. And so yes, when people say you can do this business without money, then that is a very true statement, but you have to start finding that money.

You have to start recruiting and gathering and talking and raising money. Before he became our student, A new investor that we met, was stuck in the wholesaling business because he was using wholesaling to create capital and then using that capital to go and do rehab deals and it was taking forever to do one rehab deal.

It was all because he was scared to raise money. He was afraid of the word NO. And he will say to this day that it was the worst mistake he made because now, the amount of money he uses now from other people's money is extraordinary. But it boils down to the mindset of thinking of the answer. NO. We're afraid to be rejected. We're afraid to be pointed out by our financial flaws; to show our real income and our expenses. Because in our mind we say, nobody would fund me because somewhere along the line we were told that we had to have perfect credit and we had to be making a lot of money for people to loan us money. And that's not true; asset-based lenders work on the asset.

They might pull your credit to see what type of borrower you're going to be, but they don't use your financial statements. Hard money lenders are the same way, but the cheapest money you will ever get is traditional banks, where the next level up from banks is private investors. And that's more of a relationship type lending. In the traditional world, most new investors that don't have a perfect credit score or have the financials to show that they're strong financially hence won't go to a traditional bank.

They're scared to walk into the front door. And that was a standard answer from new investors. If you talk to any seasoned investor, they will tell you that they wished they would have started going to banks sooner to build a relationship, to start talking to those banks, even though in their mind they would think that bank is never going to loan me money.

They wish they would have started the process sooner to build all types of relationships.

You see, most people are afraid to go into the bank because they think the bank will say is NO. But instead, be prepared for the NO, ask for the plan, walk in, talk to the bank and say; I don't have the most significant credit. My financials are not in order, but here's what I want to do. You want to start buying investments, and I want to work with you and build a relationship with you. What do you need me to do so that I can walk back in here next time prepared, so you will lend me money for an investment property? And here's the beauty, the bank will say; you need to do x, y, and z?

Now you have a plan of execution to be able to work with that bank and here's the best part. You don't have to have deals to start talking to lenders. That's another misconception that we were told at the beginning of our investment career, hence we didn't start raising money fast enough because we didn't have any deals.

The first meeting never has to be about a deal. The first meeting needs to be about you being a borrower. It needs to be about you walking in and saying; I want to look for banks that will work with me and I want to buy investments properties. What do I need to do to qualify with you? What type of funding do you offer on investment properties? What areas do you like to invest in?

And on top of that, what are the lending criteria with you? How much do you loan based on the contract? How quickly will you refinance the property? Can I do cash out refinances?

You start building that rapport to get an apparent understanding, and we will say this; one bank is not enough. One asset lender is not enough, and one hard money lender is not enough. One private investor is not enough.

You want to have multiple banking relationships; in our local community, we bank with six different banks. People often ask, why do you bank with so many banks? It's because they each have different criteria for what they like to invest in or what they'll do.

Some banks will refinance seventy percent of an appraised price while we have other banks that will refinance at 85% percent of the price. We have some banks that will do 90% percent and we have other banks that don't like to touch them.

Each bank has different criteria just like each lender is going to have different criteria, and so you have to get clear that even if you don't have deals, start building relationships, start talking to banks now, start building private lender connections, start going out and making that a reality for you by not waiting.

Chapter Ten

Worrying About The Cost Of Money

This chapter is dedicated to all those who are trying to get started in real estate investing and either have or do not have the money they are looking for but then are using assets or hard money.

A long time ago we learned that leveraging money is the secret to growing wealth quickly; however, in some cases, OPM (other people's money) can be an expensive amount of money. It can cost 12-15 percent interest on the money borrowed and actually, that is quite expensive.

But the real question is; does the cost of money matter?

As we started our business and was coached and mentored along, we were always told from the beginning, about using other people's money. Hence, we never really worried about the cost of money We borrowed; We looked at it as an expense in the profit calculation of the property. And if we could still make money, we could do the deal. However, many people have a problem with this.

Some students that we have worked with have complained that the money they were getting was too expensive. They were paying two to three points upfront also and were charged 12 to 15 percent annually for the money.

They thought it was too expensive. They thought that type of interest was just too astronomical, and there was no way that they were going to pay that kind of money. So instead, they either lost the deal, or they wholesaled the deal and made 5,000 to 15,000. A lot of those cases could have yielded between 30,000 and 40,000.

So we asked a fundamental question; "why would you turn down the deal." The students replied that it was too expensive. But what is expensive? What makes that money expensive? Maybe it's because of the 12% interest. Maybe you could get cheaper money like going to a bank or a traditional lender?

The problem is that we fail to see the money as a tool. Money like that should be seen as a tool which would yield $40,000 on it. The rate on the money is not your concern but the returns are.

This is the epiphany that a lot of people have to go through. it is a mindset problem, that has to be overcome. The reality is if you have the money in the bank account and you're using that money to buy real estate with. Then you have your own money.

But that is the worst return you'll ever get versus leveraged or borrowed money. At the same time, if you don't have that money and you can't go to a bank, then what does it matter what someone charges for their money. It's their money. They charge what they want for it, and you can either accept it or not, but the reality of the whole equation is this; you just run your numbers and ask yourself this question.

Does the deal still make profits from borrowed money, even at a high rate? If it does, then move forward. Don't get stuck in this idea that the money is too expensive. What does it matter what you pay for money? If you're able to complete the deal and make money on the deal, then borrow the money. Hence the cost of money is irrelevant. Is it expensive? No. It is merely a part of the deal. In most cases, borrowed money at a high rate of interest is still cheaper than partnering with someone and splitting the deal 50/50.

Here is something to think about; if you have the money, use your own money, and it wouldn't matter, but if you don't have the money, then use any form of money you can get to start building your business.

This is the key in this. However, it may take a little bit of time to wake up to this idea because some people will always look at it as; I can't believe what they are charging that kind of money. If you have your own money or access to cheaper money, then no need to borrow; but if you don't, then use whatever you can find and what resources you have to get to the point that you need to get.

The real big statement is to stop complaining about the cost of money only. Do the deal.

When we first started, we were giving up 50 percent of all of our profits to the private investor that we worked with.

We have been doing this a very long time and have seen the good, the bad and everything in between. We have seen the right markets, the down markets, the hot markets, and we have made a lot of mistakes along the way. But one of the mistakes we never made was worrying about the cost of money. We always looked at it as something we needed to grow, and that money allows us to make more money no matter what we had to pay for it; whether it was a little bit or whether it was a lot.

We always looked at it as a steppingstone to get me where we needed to be, and we encourage you to do the same.

If this chapter resonates with you and you've had those same thoughts like, money with high interests are expensive money, we hope you have a rethink and we hope you come back around and look at it from a different angle.

Chapter Eleven

Starting With Wholesaling

Wholesaling is a very hot topic. It is a strategy that we learned when we first started. It is a strategy that most people gravitate to when they're first starting because of the minimum risk involved.

You are specializing in the art of selling contracts, being a contract engineer, utilizing your ability to find leads, your skillset to negotiate deals, your networking skills, your ability to find buyers and your understanding of contract laws in your area that allow you to use contracts to secure properties with the right clauses in them so that you stay safe and legal and then selling your rights to another investor for cash this is traditional wholesale.

Keep in mind that wholesaling is an earned income strategy. Yes, if you stopped working; it will stop paying you, and that's just how it is. Wholesalers have to be very good at marketing, they have to be very good at lead generation, and they have to be very good at communicating with the seller to be able to secure a contract with that seller before or during other people looking at that property.

Wholesaling can be a tough job, it can be a competitive world, and it is an earned income. To begin with, we ask the first question; why do most people start wholesaling?

We started as wholesalers, but the reality is that although we still do some wholesaling, we moved into other investing strategies like rehabbing and buying and holding cash flowing properties for long term generational wealth. This process is called the evolution of investors.

We are going to explain when you should use wholesaling as a strategy or when you shouldn't use wholesaling;

We started as wholesalers because we didn't know how to do other avenues yet. We grew into rehabbing and then we moved into rentals and private investing and finally syndications and buying commercial buildings.

We just kept growing through the evolution, which is where you will be eventually over time, as long as you keep investing in yourself and you keep educating yourself, and you get the right support around you. You too will be on that same journey.

But the thing about wholesaling which can be misleading is that it doesn't give you wealth. It doesn't create long term assets for you to pass onto your kids. It doesn't give you the long-term profits.

You will be looking for and finding the best deal in the market, and then you're wholesaling that off to an investor who's going to make $40,000 to $50,000 while you just made $15,000 or $20,000 on it. So, you can see that there's a big difference, but a lot of people don't realize, that there are funders out there that you could build relationships with and will help fund these deals; then you can be the one buying them.

They don't look at it from the point of view that they could go down to the bank and start working a buy and hold model. This is because some people might be sitting on $20,000 to $40,000 and they don't want to buy one rental property with it.

Because they would run out of money when they don't truly understand, they could buy that rental property, get it stabilized, get a refinance, pull their money out and buy another property, get it stabilized, refinance it, pulled their money out and built this domino effect.

So, they go for wholesale deals, but we are not against it, we started that way.

Do we wholesale today? Yes, but is it our primary strategy? No. let us explain that; wholesaling should be a secondary strategy, not your primary strategy hence if you're in any position to establish funding relationships, whether those are hard money lenders or asset-based lenders, banks, lines of credits, you should ensure to take the chance.

Wholesaling should not be a primary strategy. It should be a secondary strategy. Your primary strategy should be going after cash flowing properties, fix and flip deals to make more massive amounts of money and that's something that you need to think about.

Where are you in your business and where do you need to be and what strategy do you need to be using? Your response to this will be your primary strategy. If you can do one of those two, that will be your primary strategy and then any deals that come your way that doesn't meet those primary strategic goals those deals become wholesale type transactions hence it is referred to as a secondary strategy.

When should wholesaling be your first strategy? When you are starting, and you absolutely cannot get a lender to fund you on any deal, or you don't have the ability at all to execute a deal to rehab it or to buy or control it. If you can't do any of that, then yes, wholesaling should be the first strategy. Also, when you don't have the knowledge yet, or you don't have the understanding of how to do rehab or how to find the best deals for rentals or you just haven't studied enough to gain the knowledge, or you haven't invested in yourself enough to move into that process. If that's the case and you want to start learning the basics of real estate, then yes, wholesaling would be a primary strategy for you.

However, don't get stuck in wholesaling. We wish that we would have moved over to other investing strategies faster. Although wholesaling broadened our understanding of marketing and contracts and negotiations and building buyers and networking, it didn't lead us into a path to create wealth fast enough.

We try to tell people all the time when they come to us, especially people looking for consulting and coaching, we ask them why did you pick wholesaling? What's your financial situation like? Where are you in your knowledge base? Can you build relationships with banks? After they have responded to these questions, then we know more about what they can or can't do. They may not know yet only because they don't have the level of experience that we have. We can usually tell when someone should be doing wholesaling and when someone should not be doing wholesaling with just a few questions.

We are not against wholesaling at all, not at all, but we also think there are other strategies that a lot of people could be starting with to make more money than just wholesaling.

Chapter Twelve

Listening To The Wrong People

This is one of the biggest mistakes we all have made, and it's costly too. It is a hammer. It can knock you out of the game for months, sometimes years or it is something that will slow you down in your progress, and it happens everywhere. It happens all over the country. It happens to new investors and seasoned investors too.

We get so eager to want to learn something that we will listen to anybody that has done something we're trying to do at any level, and that is a massive mistake because listening to someone who has done a few deals over a year or two can be very disastrous.

They haven't done it long enough. They haven't been successful long enough. They haven't had significant fails and losses and came back from it. They haven't gone through market cycles and built companies and then had to take them all the way back down to two or three employees and then rebuild again. They haven't gone through the journey long enough to be able to help you honestly see the direction and the forecast of what's to come.

They haven't built enough wealth yet to be able to understand how to personally position themselves for growth even more and haven't had the timeline to see that wealth grow and determine if the decisions they made were right or wrong.

Listening to the wrong person is a costly mistake. Bad advice will slow you down; it doesn't create the growth. It moves you into bad mistakes. It's one of the most expensive mistakes, and this entire book is about correcting the error of listening to the wrong person.

It's not the person giving you the advice that you are taking is the problem. It's you not listening to your subconscious or your gut; knowing that even if this person is having a lot of success early in the first couple years that doesn't say they have made it as a real success yet. They haven't had the time, and they haven't put in 40,000 hours into their business. They haven't put in the wins and the losses yet. They can't teach you how to be financially free when they haven't reached it themselves. Think about that.

That's what it boils down to. But we listened to them. We listened to them because we think that they know more than us meanwhile the reality is that even if they know a little bit more than us, yet they don't know anything about what will help us increase into our desired levels of financial freedom because they haven't made it themselves.

We call people like this the "hallway guru" - it's the person that comes out to the events, the seminars and talks about how they know everything and how they've got this figured out and how they are having massive success. But then when you ask them how long they have been doing this, they tell you it's just for six months or about 1 or 2 years. They want to be the person who has had the years of experiences. And now they want to be out there at a different level helping, guiding and coaching people in their masses. They want to be that person even though they'll tell you they don't. They go to events, and they talk a big game in the hallway or at the back of the room to the new people.

They fill up their ego a little bit from it, but you must be careful about this because it will lead you down a path of destruction. So, we are saying to you that it is a bad mistake.

So, there is a question about how to know the right person. What you need to do is find someone who has a good number of years of experience? Point blank.

Firstly, one of the reasons that we have had so much success with our students is because of our years of experience. We have gone through trials and errors. We have listened to the wrong people too. Hence, We know how to spot them. We have spent over 20 collective years in this business.

We've seen market cycles. We’ve seen it all. You must find that person wherever you are reading this. If you're in Seattle or Texas or Florida or wherever, you've got to find that right person with the right years of experience. You've got to find that person in your market, who is not just a thought leader, but someone who is an active investor and has the years of experience to be able to help you and guide you.

That's the person you're looking for. You've got to find that person, but that does not mean you are going to hire that person. You don't have to, but that would be a choice on you, but if you had the opportunity to you should; We would hire that person in a heartbeat.

People seek us out in our local market to have us work with them and help them grow their business and help them structure deals and become better marketers and raise money and build a business from it. We have helped a tremendous number of people quit their jobs and become full-time investors. One of the things we love more than anything is sharing information and at the same time, helping people become successful. That is always going to be a passion for us.

Listening to the wrong person will cost you money, but it's an easy fix. Find someone who's been doing it, 10, 12, 14, 20 years. Find someone who has the experience. Find someone who has the track record, and you connect with them. And if you have to pay them, you pay them. The first person we ever went to work with on a deep level in our local market wanted to be paid for his time, and that was probably the most significant investment we have ever made at the time; it was the most rewarding and with the highest return that we could've ever done anywhere in our life.

We hired coaches outside of our market before, and they would guide us and point us in the right directions. However, once we found someone local that knew our local market and that knew what was going on; - they knew how to connect us , they knew things we didn't know about our local area.

That investment in ourselves was a life turning event for us. This is why we share this story with you so you can understand that we have been there where you are, and we know where you're trying to go. We decided for ourselves to get away from the people that had one, two, three years of experience, because they WILL NOT get you to where you want to be.

You can hang out with them. That's great. We always want to know what they're doing, but we needed to find the person that was going to take us to the next level. We needed to find the person that was going to take us above and beyond the people we were associating with.

Our network of investors was excellent. However, we knew that we would stay right where we were if we didn't find the help we needed to be doing things at a higher level than the people we were hanging out with. We had been doing it longer, and it could take us to a more prominent place than our peers were, and that's why we made that investment in ourselves.

Anyway, listening to the wrong person is a huge mistake. If you're reading this and you're in our local area, we encourage you to reach out, so we can see if there's something we can do for you. We would be happy to sit down with you, see where you are in your business, see where you want to take it, see if what you're trying to achieve is even going to work, and we will lay out a plan for you, we look forward to maybe having that meeting with you.

Chapter Thirteen

Being A One Trick Pony

This chapter is dedicated to all the new investors that are starting and don't have a desire or want to learn other things. They may have this feeling because they think it will hinder their growth process, but there is more benefits to learning more things than you think.

If you remember what we talked about with wholesaling in Chapter 11, then you will know that this chapter is going to help you think that you could do more than one thing; more like buy and hold, rehab, seller financing deals, or even wholesale.

Having that mindset will help you become a multiple stream earner instead of a one streamer and as we have all been told, if you've read any success books or been around any highly successful people, then they'll all tell you the same thing. To become financially free, you need multiple streams of income.

Multiple streams of income create wealth and so the more streams that we can have ultimately will determine how fast we'll get to the wealth model. And if all we do is one thing, like creative financing, seller financing, and we don't do anything else, our income will not grow as fast as we project.

There is no need to be limited to one stream of income, even though it can be a considerable stream; yet there are lots of benefits to having multiple streams.

So being a one trick pony is not advisable. One of the things that we teach are four levels of investing. We call them the four tiers system. One is the multiple ways to wholesale, not just traditional wholesaling. There's a total of six different wholesaling methods that can be used in today's market. But most new investors only know of one which is Traditional Wholesaling. Even people who want to start teaching only teach one way, because they don’t truly know how to be a master wholesaler.

Tier one is wholesaling where we are being creative with the paperwork. In tier two, you have creative financing like lease options, subject 2, wrap mortgages, seller financing, land installment agreements, contract for deeds to name a few. You have multiple ways to structure a creative financing deal. All these are tier two. Tier three is rehabbing, and that is putting a team together, securing properties at a discount so that you can buy them, do some work on them, and make them have a higher value. When you are finished, you can sell them for retail price. Tier four is moving into the cash flow model, and that could be buying single families for rentals.

It could be a commercial building, warehouse space, mobile home parks. All of that could be under tier four cash flow. So, inside each tier, you can have different streams, but if you are still stuck as a one trick pony, you will miss out on lots of deals.

So, to make this thing become what it needs to be for you, you have to embrace the term becoming a transactional engineer so that you can learn how to not only wholesale deals but also do creative financing deals, fix and flip and buy and hold.

Also, you need to be in a position to build a team to rehab the deals that have bigger profits in them, and also being in the cashflow game as well. That gives you multiple ways to build your wealth: multiple avenues, multiple cash flow streams. And then each side of those tiers, you have multiple streams in each one of those like wholesaling.

There are multiple ways to structure a rehabbing deal. You could be a specialist like a low-end rehab where you pay up to 80 percent on newer homes that can't sell and put a little bit of work into them and put them right back on the market. Or you could go into light rehabbing, which is just finding things that need carpet, paint and some updating.

You could also go in and start specializing on deals that most people don't even want to deal with. The ones that need major work, foundation work, burnouts, all of those are different income streams inside of the different ways to rehab and then naturally cash flow. There is a plethora of streams through all these.

All these in itself helps break down the one trick pony, and so it would behoove you to not just learn one strategy but invest in yourself and learn all the strategies so that you will get back your money you invested in your education. If you invest in yourself and learn wholesaling and you apply your knowledge, and you apply your time to do it, you'll make that money back that you invested tenfold.

If you've invested in yourself and learn how to do creative financing and learn how to do rehabs and you apply that to the deals that you're getting, you will get back tenfold, and then you can actually start to use the term or the statement that I am a property solutions provider. It is a massive title for yourself as a real estate investor.

You can provide solutions on about every type of property out there and when you understand how to do them all, and you have put the team around you to support you, then you can get there faster by getting somebody on your team like a mentor or coach. Coaches and Mentors can guide you down the path of success much faster then you could on your own. With a Coach or Mentor, you will be able to look at all deals, and you'll be able to become a transactional engineer and structure deals in many different ways and ultimately leads you into becoming a property solution provider.

Chapter Fourteen

Staying Only In One Market

This chapter hits home with us because it was something that we learned as we moved into virtual markets. We moved into virtual markets about four years into our investing career. This helped to maximize our potential and our ability to grow much quicker and get better deals.

Once you start getting brave enough or reaching out for help to learn how to move into other markets, your business can double, triple, quadruple. Because you can duplicate the model and can easily move into other markets. You can find better markets that move faster and can close without attorneys. Our NY Tri State Local market is a difficult market to do deals in compared to other markets. Therefore, being able to do deals in states that have more investor friendly laws is a big bonus.

Additionally, some of the markets we are in are very competitive markets, and it is difficult competing when you have a lot of investors all chasing the same deals. One of the biggest mistakes you can make is spending many years trying to compete only in the markets that are overrun with competition.

However, no matter what someone says to you, competition is here. It will always be here in all parts of your life. And if you don't learn how to work either against that competition or around that competition, then you will not grow in a market where there's heavy competition. Sometimes, we like to think that we can all work together and, in some cases we can. But be very clear in business competition is there and most are not here to play nice.

Most people have a naive why of thinking and want everyone to work together, we wish this was true. It would be nice if everyone did work together but it just isn’t true. Some investors are great, and you can absolutely work together – However this not always the case.

People are in the business to win, and they are in the business to grow their businesses. Levels and intensity of competition change over time. We can give you an example. There is a market just north of us, which is Putnam County. When we first started, there was very little competition in this area. Each year we noticed new investors entering this market and subsequently it became more difficult to buy houses there. Other investors moved into our market and starting intensely competing as they were looking for better deals because they saw Putnam County as a less competitive market. Now we didn’t like this because it meant more competition in our market.

You might ask, why should we be looking at other markets? Well, there are lots of reasons, firstly, because even if you're in a market that doesn't have a lot of competition, then you will be leading the pack. But the competition will eventually come.

We can give you another broad example. About five years ago, there was hardly anyone in general buying off market properties and we were getting deals like crazy and no competition. There were just incredible deals. But fast forward to today; everybody wants to buy off market properties and there is more available coaching and mentoring. We are all for that, but what it also does is put competition in the market, which means prices are going to rise, which means there will be fewer deals; this can lead to lack of good deals and so that is why you would move into another market; which means you don’t have to stay in just one market but move to other markets too.

Even if you're in a market that hasn't reached that level of competition, keep your eyes open for other markets. There are three markets that you should always be looking in. The first market is where you live. The second market is going to be a market that is just pure cash flow. Wholesaling to landlords is easy in these cash flow markets also. Investors from all over the country might be wanting to buy there because the cash flow, the rate of return is higher than where they are at, and it just makes a great little market to build a rental portfolio in.

The third market is going to be some form of emerging market. A market that is great for flipping. There's massive growth in these markets and the population is on a climb by three percent or higher and foreclosures are down, low days on the market. These are all some signs of how to start identifying some of these markets that you want to be in and being ahead of everybody else and flip during the growth process. Also, you want to keep your eyes on all the indicators, so you know when to get out of these markets.

But staying with three markets is the key to building market share, we've learned this over the years from the mentors we have hired to teach us the things we now do in real estate; from segmenting to finding markets and how to scale up our business. Our mentors showed us a lot about the business and how it works and how to move money and how to find markets and how to invest wisely.

Our mentor helped us pick three markets, and those were the three types of markets he told us to stay in, and we have done so ever since. What that will do for you is that it will build market share for growth. It will allow you to keep growing. It creates multiple streams of deal flow. So, if the market you're currently in is slow one month, the other two markets might be producing at a higher level, but instead of having one market that you're in, you're now able to spread the risk out over three markets so that you can always stay on a growth pattern.

So, building market share is the crucial action for your business when it comes to not making the mistake of being in only one market.

Chapter Fifteen

Not Setting Up The Business

Oh boy. Is this a big one? This is a crucial chapter because we think this really should drive home to almost anyone in business in general. We say that because when we go out, we learn about real estate and the money that is in it.

We know that there's risk involved and yet we will run out and begin doing real estate without any protection, without any shield. In light of all that, when we do make money, we allow ourselves to be in a position to have all the money we make be in a very vulnerable situation and worst of all it can be taken away by some type of lawsuits.

We have all heard stories about how some investors have not set up their protection and lost everything via fees they had to pay for some of the suits that they got involved in. All of this could have been resolved just by merely setting up the business, setting up the entity structure for success, setting up the protection that's needed for your business, working in setting up multiple entities for the direction that you need to go based on your investing strategy and to understand some of the tax laws.

This is the key on why this is such a big mistake. Most people think "it wouldn't or couldn't happen to me"; this is quite the most common thing that we say right before we get into a very bad situation or something tragic happens. But the reality is you need to work on it. Lack of education is not an excuse for not knowing how to protect your assets and your family and doing things the right way.

You must get the education. It is on you. You are the one reading this. You're the one seeking to go out and build real estate wealth from this. You need to keep educating all the way from the strategies to understanding how to protect yourself with entity structures to be able also to protect your money and using strategies that will help you pay little to no taxes on some of those earnings.

Some of these strategies will save you thousands of dollars in taxes like a 1031 exchanges or investing with your self-directed IRAs and all different types of ways to get you in a better position financially, but it will do you no good start the journey, and immediately you get into a situation and because you didn't have entity structure or you weren't setting up your business correctly, it was all taken away from you, and it would be because of not getting educated, or your willingness to invest in yourself, but because you thought you could figure it out on your own or you didn't need anybody's help or you think you would just read a few books and eventually figure this out.

That's not how it works. Reading a few books or even a lot of books does not make you an expert, does not give you the security blanket that you think you need to be able to protect yourself. You must get educated. You must spend time with people that understand that model and understanding how to do it and have been doing it for 10, 12,14,16 or 20+ years.

For example, one of the things that was taught to us years ago that investors have a horrible scenario is when they run across the dealer taxation scenario, and that can eat them up.

They can label you as a real estate dealer. You need to seek your legal advice on this and find an accountant that understands this. Work close with them because most accountants don't even understand what the dealer taxation is or how you could be labeled as a real estate dealer.

So, you need to be finding people who specialize in this and working with them to get clear on it is the best thing to do. One of the reasons we have our investing models set up where we have companies that we flip real estate in and we have companies that we hold real estate is because it has everything to do with how those companies are taxed and how the profits are passed through. This is something that you need to talk to your professional accountant, advisor, financial advisor, someone that understands real estate investing. Because ultimately for the protection side, you're going to need some form of LLC and yeah, you can buy the cheap little LLC for $200 or $300. Those are designed for little at home businesses and maybe a little brick and mortar, but they're not designed for real estate investing.

There are specific things that we need in our LLCs that are going to help us stay protected as real estate investors. And there are companies, real estate attorneys that know how to draw up these LLCs for that purpose.

But some people will want to ask you what you think about setting up as a sole proprietor or doing business as an individual. We don't think they give you the protection that you want. We don't think that they're going to give you the structure that you want. And we don't think ultimately that they're going to give you what you're trying to achieve when that is putting a shield up on your organization so that no one can break it. So, we encourage you to take chapter 15 to heart and don't wait to set up your business. Take action and do it now!

Chapter Sixteen

Quitting Your Job Too Early

You wouldn't think that this would be a big mistake, but the reality is that this is a big mistake. A lot of new investors are just Emotionally unhappy at where they are working, and so when they jump into real estate, that emotion makes them see things a little bit different over on the investing side. They start playing tricks on themselves and making themselves believe they could go ahead and quit, and it makes them feel they need more time on the investing side to grow their business.

We don't believe that this is a smart idea, at least in the beginning of your journey. We think that if someone is telling you to do this it is terrible advice, and we don't think it's very sound advice. Here's the big one; why would you cut off one stream of income? It just doesn't make sense. We would never cut that stream of income off until we had already built an income to the level of that stream or more and only then we would cut it off because now you have proven the model. Now we've executed the model, and have shown that it works, and you can sit there and can say, ‘this model works.’ It is making me money, and I can grow it more if I put more time into it.

That is removing the emotion and looking at it logically and being very clear about knowing, that this is when I'm going to execute my plan, but a lot of people don't do that and when they don't do it, they go out get excited and then quit their job and now they are even more stressed out. But they don't understand the pressure that will come on them when they don’ have that paycheck coming in and the business isn’t making money yet. The other problem is that when the business does make some money, they want to pay themselves first because they have to instead of knowing you must reinvest a lot of those profits back into the business to keep it moving forward and keep it growing so that you can build it into something that will pay you for life.

We don't care how emotional you want to be about it or how much you dislike your job. It is still a stream of income, and you've also got to remember there's that benefit to it. There is a benefit to keeping that job. If you go all the way back to the other chapter where we talked about not asking or raising money soon enough or faster, this is part of what you need. You're going to want to walk into a bank and say, oh yeah, I have a job, and I'm making money, and I'm paying my bills, and I want to borrow money from you to make investments.

When you quit your job too early; then you go out and try to walk into a bank, the bank will tell you that you don't generate any income anymore. They will look at your debt-to-income ratio and when you don't have that income anymore you are killing your chance with the bank.

But you may be forced on hard money and asset-based lending, and we know they don't look at your job history or income. You need to think about it promptly if this is what you are going to lean on. But remember why would you cut off one stream of income…? Remove the emotional state and get clear like; this is something that I will eventually do full time and leave my 9-5, but not until I have proven the model and I make more money investing in real estate than at my current job.

Then the question arises, when is the right time to quit? We touched on it earlier. The right time to quit is when you have gotten to a point where the business is generating revenue equal to or higher than the revenue you're earning at your employment, putting in 40 hours a week. So, if you're putting in 40 hours a week in your employment, and then you're putting in another 20 hours a week in your investment business; that's 60 hours a week, and that means you're going to have to work a lot on building this business, and that's how anything great has ever been created.

The time you put in is how you build it.

Now you've got 20 hours in the investment company every week and 40 hours a week at the JOB making the same amount, 20 hours in your investment company, 40 hours in the JOB, making you the same amount of money; when this pivotal moment strikes, that is when you can start to identify the shift being made, but only if the market that you're in and the strategies you're doing is making results and not just speculation on the market.

What do we mean by that?

This is what we mean.

If you're in the rehab business and you're rehabbing deals and your average six months earnings are equal to your average six months earnings from your job, then in that scenario you would know that this is the time to make the transition. But then it depends; if you're in the rehabbing business, is the market still going well?

How much longer do I have in this good market? When will it turn, or is it going to turn? So that's why I say it’s a risk factor, but if you are doing some rehabs and you're buying rentals in your business and the rental income is equal to the income you're earning with your JOB then you have a clear sign.

Now you have a stabilized income on the business which is rental income; so, then that could be a logical transition or if you just built rental income equal to the income of your JOB this would be very logical. As long as you are learning how to run a rental portfolio and how to run your numbers and identify vacancies and maintenance, reserve accounts and you're right, but that's how you have to look at it.

Not just I made a $100,000 this year in my job, and I just did three deals and I made $100,000 so I am going to quit my JOB… That's not logical. Those three deals could have been a windfall. Logic says, do I have stabilized income over here that is guaranteed when I make the decision to quit. Think about it, understand it, and be logical about the decisions that you're making when you're making a move from dropping one income stream and going full time into your business. Be logical. Don't be emotional.

Chapter Seventeen

Chasing The White Elephant

Is there such a thing as a white elephant? We are not sure. So, what is a White Elephant and what does chasing White Elephants mean? A White elephant is something that is like a mystical thing that if you achieved it and got it, everything would be okay. And Chasing White elephants is what most new investors do -they chase the big deal with an enormous spread.

When new investors start, they have to get very realistic with their dreams and their goals because, chasing the white elephant WILL not get you paid. You're dreaming about what it would be like to do the big deal, but what you're doing is you're not taking the time to slow down and think out the process of what will get you paid now. What is realistic for me right now? The Best question to ask yourself is, what do I have to work with? What is my knowledge base? How much knowledge do I have? What kind of access to resources do I have and how much time do I have available? These questions will help you understand what you need to do to get started. You could use the same analogy as base hits win the game. Although hitting home runs are exciting, they don't win the game. They can get the blood flowing, but logically base hits win the game - It's the same thing in business.

Sometimes we've seen people make huge mistakes wanting to chase the Big Deal too fast. They start their investing journey and a couple of months later or maybe four or five months later, and they're like, I'm going to go out and do big apartments. I'm going to go do 150, 200-unit apartment building. But yet they have no resources to do these deals, their network is all the wrong people, their knowledge base is all wrong. What does that mean? Why did we throw that out there? Well, it should be about education and taking a long hard look at what you are working with when it comes to yourself.

It should be about knowledge, resources, time, and network, and we will explain what those four are because if you're starting and you want to start doing big commercial deals, right? Do you have the education, the knowledge?

Have you invested in yourself enough to give you the ability to identify commercial buildings, speak the language; know what you're doing when you're going after it, without looking like an idiot and a newbie?

Have you done that? Let's see. Check that box if you have put the time in to get educated. Number two is this, do you have the resources to go after the big deal? Do you have the funds, or do you have access to the funds, or can you get the funds to be able to do those deals? Do you have the time needed to be able to execute and do the things you want to do?

One of the other things we hear all the time, someone will say, oh, my goal is to do a million dollars my first year out. Look, that sounds great, but we must get real, right? Like are you chasing the white elephant here that you were never going to find and you're going to get discouraged or you’re going to feel let down, let's create measurable goals for success?

And so that's why we talk about time. What kind of time do you have? Do you have time to commit to your education. Do you have time to commit to the growth? Do you have time to commit to the business and the network? What does your network look like? Who's in your network? Do you know People who know people that can connect you and get you to where you want to be to accomplish the goals that you have set out?

Education, resources, time and network - this is how you identify what you should be going after. And it's not a bad thing. Don't take your eye off the prize, but start setting small, measurable goals. Like I want to get to commercial, but here's what my education has given me, my resources I have available to me, my time and my network and this is where I think I can get to in the next six to 12 months and then there I can start to measure what I'm working with and then I can set another year's worth of goals to keep moving to where I want to be.

Small, measurable goals, small wins, equal big wins. This is why we bring this up, this whole chapter is about getting real clear on what you want and how you are going to get it, because we think that a lot of people don't get real with their goals. It is hard to say “I want to make a million dollars this year” if you work Sixty hours a week, have no resources, and minimal time. You don't get out and socialize, so you don't have a network, and your education is a few books that you read because you won't invest in yourself to get the education that you need, but yet you want to go out and make a million dollars this year. We all want to do it that way. But that's not realistic or feasible.

You must put the time in, you have to put the work in, you're going to have to build resources, you're going to have to network, and you're going to have to get the education by investing money into yourself. There's just no way around it. Or you'll chase the white elephant that will never show up. And in a year from now, two years from now, you'll get discouraged. You'll get let down. You'll wonder why you didn't succeed! The answer will be because you didn't get real with your goals and real with yourself.

Chapter Eighteen

Not Taking The First Offer

This chapter hit home with us for a few reasons; primarily because, we've made this mistake many times before.

We tend to want to hold out for the best offer. We've had an offer on a property, and we thought, oh, we can get more than what this buyer has offered. And then we wait, and we don't take it. The next thing is that we are waiting for another two, three months on a deal to get another offer, so it's bitten us, but it's a hard to overcome because it's emotionally tricky.

It's financially tricky. It taps into our ego and our greed in these types of scenarios because we think, oh, I'm not going to take that offer and I'll wait for a bigger one, but there's the emotional side of, as our property is worth more than that, the greed side of us says I want more. The Ego side says, oh; let's see if they'll come up some more.

We'll see who could wait out the longest. And so, it touches all three of them, and it's a tough one. And you can tell probably by reading this, that we have a hard time with it, but fair to say it was one of our common mistakes when we first started.

You see when we wait, we never know the outcome of waiting. We might assume, we might believe we might think, but that's all scenarios of the unknown.

When an offer is right in front of us, it's there. It's an offer. It's a good offer. As long as you're not listing for $200,000 and you get an offer for $140,000, right? You're not going to take that.

But let's say you've listed your property for $200,000 and you got an offer for $190,000 then that is very close to your offer, and you should take it. The cost of holding it longer and never knowing how long you might have to hold it could cost you the same amount of the offer discount or more. This is when you have to think about the cost of money and what you can do with the money that you can get out of the property now!

So, the question is do you pass on the $190,000 offer? Or do you take it? This is where the emotional side makes it tricky, right? Because you think you should wait. You think you should negotiate, wait it out and see what happens. We'll see what happens is the voice in your head. There will be more to come, but the reality, you've got to think about it. It's there. It's there now if it's reasonable, don't wait.

Don't wait for an extra $3,000, $6,000, or $9,000 when you don't have to, because what it boils down to is, what is the cost of the time, what's the cost of the lost revenue from not having access to the funds tied up in the deal.

Because if you don't, if you dismissed that offer, and you wait and you have to pay another two months of payments, taxes, and insurance while you are waiting and so, it costs you more and more time and money. This is significant and something you have to understand. You also have to put your ego in check as ego has a tendency to cause us to make these types of decisions.

The other side of it is, I know that if I can get that money back from the deal, I can reinvest it. So, it's not just time that the delay is costing you – it is the velocity of money. The faster I can get the money back, the faster I can move it into another investment, and I can turn that money again, and the more times. Turning that money, this is the key - the faster I can turn the money, the more significant rate of return that I can achieve. This is a critical concept to understand. Read this again if you don't fully grasp this concept as it is so important.

We are not saying this one's going to be an easy mistake for you to overcome, especially if you're in a market that seems to be hot, you never know where that other offers coming from or when it's coming in.

So be careful with this one. Keep yourself in check and think about the cost of the money, the cost of the time and the velocity of money. If you don't take the first offer, it goes back to the old saying, right? A bird in the hand is better than two on the fence. If you can close your deal, cash your check, and make money, don't wait for a few extra thousand dollars. Take the deal, close it, take the money, and go reinvest it.

Chapter Nineteen

Not Firing Contractors Fast Enough

So, we want to be very clear before we dig into this chapter - Not all contractors are bad. We want to be very clear on that. We have had very few contractors that We've had a disagreement with or that didn't perform or that we had to fire. Some of that could be how we set those relationships up, who we hire, which we'll talk about in the next chapter on how we set boundaries.

The challenge is that we usually only hear the bad from people. We only hear about what went wrong or who they don't like or what someone said or what someone did, you know people like to gossip about other people like crazy. We hear the negativity from people. We will say this, stay away from people that just want to talk negative about others.

We want to make all our readers clear that your business is always going to be built around your relationship with your team and a contractor is part of that team. You're going to need a contractor if you're doing rentals that need work, or flips. You are going to need contractors.

If you're going to build a rehab business, you are going to need contractors on your team and you might need several of them. In our business right now, we work with several contractors because we do multiple projects at any given time and work in multiple different regions. Contractors are an integral part of the business, so you have to find the good ones.

But trying to find a good one might mean you will find a bad one along the way and not firing them fast enough is a mistake that is very common among people when they first start working with contractors.

And when they don't fire them fast enough, they run into a situation where the contractor takes more and more and more advantage of them. And then the situation gets worse. The bleeding keeps on bleeding. And then the next thing, the investor doesn’t ever want to buy and fix up another house because of one contractor. The reality is, it's their choice to make the decision, whomever the investor is, it's their choice to keep that kind of contractor or let that contractor go.

Keep in mind that not all contractors are going to work it out. Sometimes they have issues in their personal life which is causing these problems. This may cause some contractors to want additional draws or advances or constantly asking for money all the time from you. Some contractors may show up late or not show up at all. Some may bring in a very small crew so only a small amount of work gets accomplished which wastes a ton of time. Other contractors may not be very skilled and hence not do a good job.

You must really look at this as a business and always remember, you are the one letting them do this to you. So, you have to get comfortable with letting these contractors go in situations like this.

If we walk in on a job, we will give you an example. We just let a contractor go a few months ago, we had bought a house that needed some rehab on it this was a straightforward job. It was a two-week job, and we brought a new contractor in and gave him the scope of work, and he'd been in it to give us a quote, and so we said, great, how long is it going to take you?

He said, about ten days. And we said, awesome. And about day five. What we realized was, is he wasn't even halfway through the project list, and so we confronted him aboutit, and I said, look, what's the plan to get this done in the next five days? And he had every excuse in the book; my brother's uncle's sister's daughter got sick, and I couldn't find my keys. And we just started noticing that he wasn't showing up on the job.

And so, we went straight over to the job, met with him, told him he had to go. It was over. We cutour losses, let him go and moved on. And that is precisely what we have to do. But emotion tells us not to do that because emotion says, if I let him go, now I've got to hire someone else.

And then I've got to pay them, and I'd probably have to pay them more. No, you will probably end up saving money by doing that. But emotionally we don't see it that way.

Chapter Twenty

Hiring The Cheapest Contractor

This ties into chapter 19, because in chapter 19 we talk about firing contractors and how that relationship should be with them. We have to fire fast and hire them slow. If you're brand new, you probably do not have any contractors you've ever worked with.

So, when you're first starting, before you have established relationships and before you've built connections and learned how to work with a contractor that you're happy with you will have to find one. When it comes to finding a great contractor there is a process of finding them. This is where the real question comes into this chapter, picking the cheapest contractor isn't the right choice.

It is a major mistake just picking the cheapest contractor. Most new investors think that picking the cheapest contractor is a smart choice as they are going to save money. When the bids come in on your first project - let's assume, one would be for $15,000, another for $18,000 and one for $20,000. The new investor will almost always go with the $15,000 bid and then try to negotiate the bid down. The problem with this is so many issues are going to arise from that.

Page | 69

And the biggest issue is you're not saving money. Let us repeat… You are not saving money. And the question is, why are you not saving if you pick the lowest bid? What you have to think about is the skill of the contractors themselves, their years of experience, the size of their crew, and how fast they can get the job done.

So if you have a contractor who's going to be the cheapest bid on a job that should be $20,000 or maybe $18,000, and he's bid it at $15,000, that's because they need the work and if they need the work really bad, then that means that they are not really doing the things they need to do in their business and probably in their personal life in order to be able to run that company effectively.

Which means in return to provide a service to you in your business will not be what you want it to be. Especially when your project is based on time and money and budgets, and if he can't do that in his own business, what's to say he/she could do that on a job for you? Well, the reality is most of the low bids can't.

And that's a huge problem because now what you have is somebody who's come to bid your job super cheap to get it, barely making any money on it, which means if he can't get in and out of that job super-fast, then he's/she's lost money on that job. So, what do they have to do? Well, they now have to get another job and another job and another job because now bills are starting to add up and the payroll is due now, now they're pressing you for money.

And then the worst-case scenario is when they started saying, oh, it's going to cost more money. The other case scenario is they're going to press you for early payments or hit you with change order requests and argue with you on pricing. And then they will start saying things like "I didn't say I would do that" this becomes a word game with them to try and make something off the job.

And, if you didn't have a contract in place prior to starting the job, then obviously that's a "he said, she said" situation, which usually just becomes a nightmare. This happens because the contractor is in a money crunch and trying to figure out how to get you to come up on the $15,000 bid. Often these types of contractors will play guilt trips, mind games, etc. And on top of that, it becomes a time issue because now they are prolonging the job because they need money. So now they've had to start another job just to keep up with the bills.

Now you don't have them on your job anymore, and you're wondering what's going on, and they are delaying and lying to you and telling you stories why they can't be on the job. We don't want to deal with that, and we don’t have to, go back to Chapter 19!

So please do not make the mistake of picking the cheapest contractor. We are also not advocating that you choose the most expensive contractor. We would say the middle bid is going to be your best choice. You will likely pay a little more, but you will start to work with a contractor who really understands the construction business. The contractor is biding from the view of “if I'm going to be able to do this job and stay on this job and give this client and customer of mine the attention that they need, I'm going to have to make some money to make me want to stay on that job”.

You will have a better chance of getting and building a relationship with a contractor who has this mentality. And ultimately the biggest key to this is when you're first starting, get three bids, have some conversations with the contractor, talk about what they do, how they do it, some other jobs they've done, ger some referrals from them and look at the three bids and make sure that they're bidding the same things.

And so that's another mistake that we see in bids too that could offset them is one contractor might have bid something where another contractor's not. Make sure you look at all three bids, make sure they're all bidding the same thing using the same material types (apples to apples!)

And then usually the one in the middle and the higher end bid are the ones we pull together and say, okay, these are the two we are going to work on, and we make sure those two bids are identical, they're bidding all the same stuff.

And then we call each one of them up, and say, look, we’ve narrowed it down to two bids. We want to know is this the best price that we can do on this job. What you will see is the contractor who turned in a bid at $18,00, will say, “this is where I'm at”.

And then the $20,000 bid from the other contractor will come back and says we could probably go down to $19,000.

We have two solid bids now. It's really about referrals at this point to see which one has the best work history. So, you will need to start calling their references. It is important to validate who they are and what kind of work they've done.

And once reference check out, we say, look, We don't want to negotiate the price down anymore with you and We are not trying to take money out of your pocket.

But what we would like to do at this point is look at the material list in your bid and see if there's something in there that we could change to something different or use a different material or anything that can be altered in that material list that will help us be able to make up, $2,000 or $3,000 more dollars. Doing it this way will show them that you're working with them and not trying to beat them up and take profits away from their bottom line.

Now they see that you've got good intentions, and you are thinking about them also.

Buy saying I know that's the best price you can do but let's look at the material list and where in there can I save money? You show them you want to work together to get the job done. They will both go back and start looking at the material list and see what they can come up with to help out on the job. Whoever's giving you the best price, then you pick them and congratulate them for winning the job. Doing it this way hopefully will help you have a long relationship with them. But this mistake is a big mistake that most new investors make because they just haven't done enough flips yet to really see the true numbers.

Let's face it - Although you think you are saving money by hiring the cheapest contractor-- YOU ARE NOT!

Chapter Twenty-One

Over-Improving A Property

Have you ever watched any of the house flipping shows on TV? Those shows that are on HGTV or A&E, and you have the husband and the wife, the guy or girl who they film as they go into a property and then buy it, and then they fix it up super fancy, and then they sell it for top dollar.

Well in most cases, not all those TV shows are accurate, and a lot of the times, they stage a lot of things that happen on those shows. One of the things that they always do, they refer to it as the HGTV style house when the house has been completely remodeled, and it looks fantastic, well that's great, and it's on tv, but what we have to be careful about, which we all kind of fall into, this is what we always see on that isn’t always real. You also need to remember that what they are doing on those shows doesn’t always work in the market or even your market.

A lot of times we're influenced by that, and we see that we want that too. The emotional side kicks in and we want it to look like a showcase home and yes it could be done if you bought it at the right price, but it all comes back down to budgeting.

When you are first starting out and you're rehabbing your first property, it is total understandable to want your house to look fancy, and because of this you're in the Home Depot and you're looking at the different color charts and the different floor pads, and you've got the tile laid out, and you're like, yeah, but this one looks better. You think you are an interior designer because you watched a few TV shows.

So, you're in that new feeling and that new mindset, that euphoria of you've got your first house, that euphoria will go away very, very quickly when you realize that decision that you’re making to buy that more expensive tile that more expensive paint and you want to just start redoing all kinds of things in the house and things like ripping the cabinets out when they didn't need to be ripped out anyway, and let's pay $50 for knobs instead of a $5 and the list goes on and on. So, you decide to go with these high-end detail lamps and lighting and switch cover plates, and the reality is you probably don't need all of that. Look at sold comps in the area and see what they did to the property to sell it quickly.

That's the TV show not real world. In the real world, homes in certain areas command a certain price and the reality is that no matter how great the renovation is, the ceiling price that the home and area will support is unchanged. So all of those fancy extras and expensive upgrades do not translate into a higher sales price - all it does is increase your renovation budget and decrease your profit! Do not get caught in the trap of doing the renovation and looking at the home as something you would live in. That's the euphoria of doing your first rehab. The problem with that is it starts to creep its way into your budget by a $100 here, $500 here, $1,200 here, $2,000 here, $3,000 here, $7,00 here, and all of those little things that you're doing to try to get it to that HGTV style type home is really, really eating up your budget and you haven't even gotten through the project yet.

That's where the stress comes. That's where the, oh, I don't want to do this anymore comes when rehabbing isn't that difficult. When you have discipline, and you have systems, and you have processes, and you put the time in to learn and get to a point where you understand what needs to happen to the property for it to sell and not just look at buying a house is a cool thing and how pretty I can make it, but you get to start looking at it as this is a very logical decision and this is a business that I need to manage correctly.

When you look at it from this way you will start to see every dollar you spend takes money away from your ability to gain financial rewards from this, and I need to have discipline in the process of what I'm doing. These are my numbers. This is what I will stick to. If it starts getting over budget, I don't sacrifice my profits because that's what will end up being sacrificed. I go back and say, what can I change in the materials or what can I take away from this bid to finish the job like I needed to be finished and still leave my profits intact.

It's why we don't over improve a property even though emotionally we want to. It's not an emotional business. This is a logical number driven business models that you're either in, or you're embarking upon and so the other thing you have to be aware of is you have to stay with what the market demands when it comes to improving the property, and that really is all about looking at sold properties to really identify what your property has the potential to sell for, which is known as an ARV (after repair value), but you also want to look at those sold properties to see what did they do to those properties.

What kind of materials? Did they change the carpet or not? Did they leave carpet in the living room? Did they stain the floors? Did they use granite in the kitchen, did the cabinets look like they'd been replaced with new or is it original just sanded and stained or painted, what type of doors did they use, or do they have a new lighting package?

You're starting to look at things and say, what do I need to do and what do I not need to do? And that's the key to not over improving a property. Also, remember rentals are rentals, they're not flipped. If you're renting in a C type neighborhood or a B-type neighborhood, there is no reason for you to go in and turn your rental property into a flip property that you're just going to rent.

It's a rental, and it needs the basics. It needs to be cleaned; it needs good flooring. It needs clean painted walls. You need tile or vinyl in the wet area, carpets or Vinyl plank in the bedrooms. You do not have to go into them and start putting all brand-new stuff in them if the existing stuff is in decent condition.

And some people say, yeah, but the cabinets were kind of old, there were doors that were hanging off and they were cracked or busted. We say OK, but all we need to do is replace the cabinet doors because the boxes are still good. So, think about that. This is something that you can control. It's referred to as discipline on the project. So that's how you stop making a mistake when it comes to over improving properties.

Chapter Twenty-two

Not Starting Your Marketing Sooner

So, this is a kind of tricky subject,

When we started out, we thought the best way to get leads would be to just look for all the free leads, network with real estate agents and put in bids on hud homes and auctions. We had the mindset that marketing was an expense and not a revenue generating activity.

Think about this "The person who will win market share will control the marketing". This is a powerful and true statement. You're not in control of anything, your business, or your income unless you're in control of your marketing. If you're not in control of your marketing, then how are you going to keep getting deals?

How do you know that all the deals you're looking for are always going to be on craigslist and other websites like, classified ads or through brokers channels? How do know they're going to be there every month? You don't. How would you ever be able to grow the business if you couldn't control lead generation? You can't.

Takes us back to some of the other chapters when we talked about you have to just start.

Working with an agent or online free ads is not building a marketing strategy. If you do this, you are putting yourself in a bad position. 1 or 2 streams of leads will never get you to your goals.

This is a common mistake that many new investors make. They think they are saving money but in reality, they are actually costing themselves lots of money. But it goes back to chapter four, work with agents only. Wow. That was a problem.

The other thing is not starting. Waiting too long to get this marketing going. We think this is a big mistake a lot of new investors make when first starting out. It's because of the mindset we have and how we don't understand marketing. If you think about it, the mindset of the entire process of doing anything inside this book, not starting soon enough, stop chasing the elephant, not firing contractors fast enough or set boundaries or putting my time into getting educated on how to pick different markets or get trained.

This whole book is one common thread which is not starting soon enough and marketing is the same. No business will ever grow without a lead flow that's controllable.

Most new investors look at marketing as an expense. This is why they do not see it as something they HAVE to do.

When in reality, marketing is not an expense. It's a revenue-generating activity. When you only see it as an expense, then you don't see marketing from the return it will bring your business. You should see it as an investment, and you will get a return on your investment. Now the other reason people don't do marketing is just because they don't know how to do marketing.

They don't know and haven't studied marketing or haven't taken any classes on marketing. One of the most important things you have to understand is how you are going to track the marketing you are doing. So, when you're looking at marketing, it's not an expense. It's an investment in creating revenue. Marketing will create leads for your business. It is critical to know to study and learn how to track marketing and its return. How do we get the returns that we're looking for?

How do we test and tweak each campaign because ultimately the secret is "the number of deals that you want a year should be equal to the number of marketing streams that you have deployed in your business".

And that was the eyeopener moving into paid traffic so if we wanted to do 20 deals a year, then we need to get in the mindset of saying I need 20 marketing streams running at all times. So, what could 20 marketing streams be? It could be three or four or five wholesalers in your market, bringing you deals.

It could be online searches like looking online at sites like Craig's list, classified ads, FSBO, you can get this lead through some monitoring service, so there's not a lot of work on your end to keep up with it. It could be referral based like some property management companies in the area. You could have a bird dog on your team that's ten right there. You can do direct mail, cold calling, texting, TV, radio, you tube ads, Facebook ads, bandit signs, PPC, SEO and the list goes on and on….

You have to make that shift and say, I'm going to get my mind around doing marketing. I've got to have enough marketing streams running to be able to say, look, I want one deal from each source once a year, and if I can get one deal off of each one of them a year, then that's awesome.

That's a fantastic outcome from the efforts that you would put in. But you must remember you've got to start it the right way. You've got to move into the marketing game and understand that that's a part of the business, but you need to get some training on marketing if you don't understand it or how to do it.

And you also need to learn and dial in how to track the performance of that marketing if it's paid and even if it's not paid because you have effort and time involved. So, remember, move into paid marketing as fast as possible.

Chapter Twenty-three

Not Evicting Tenants Fast Enough

This is a common mistake among new landlords and those that are in the infancy stages of building their rental portfolio.

But we all start somewhere, right? Just like yourself. If you're reading this, you either have started somewhere, or this could be your start. This could be your journey.

This could be the moment that you're starting to say, look, this is what I want to do. You might even be in a situation where you are saying I have to do something now.

Or you could be just seeking something more in your life. Like, you might want extra income. You might want to retire early. And real estate is the path for you to go. Just like us, we started with that same vision, that same focus, that same desire. And you have to ask the simple question - is the situation I'm in with my JOB or whatever I am doing now - will this get me to where I want to go in the future? For us, the answer was no, and we knew something had to change!

So, just like you reading this, we started looking into Real Estate Investing, and it has changed many people's lives: us included as well as all of the people that we've helped along the way in this crazy journey to financial freedom.

And one of the things is when we're brand new, we don't always seek out the help. Right? And so we tend to learn things the hard way.

It's funny how we are just weird that way? We want to learn things the hard way. We've been doing it our whole lives and making that shift from learning it the hard way and not getting the training and not getting the help that we should get leads us into some of these mistakes.

And so just like not evicting tenants fast enough because when you're first starting, and you get your first rental property then you get a tenant and you’re excited! Bad news is you're probably self-managing the property, which is a mistake. But we'll get into that another time. You are probably self-managing because you are trying to save money. We get it – we used to self-manage and had the same mindset. Now let’s get back to the rental property. Let’s say you have a tenant that isn’t a great tenant and it's becoming a headache. The side effect is you depend on the money, and you have added the income to your lifestyle.

But why would it become a headache?, Usually because the tenant misbehaves or does something they're not supposed to, or stops paying the rent on time, or breaks the lease in any form or way, or they are damaging your property. Let us say this before we move on. Not all rentals are bad properties and not all tenants are bad tenants. We have had way more good tenants than bad tenants.

Now, back to the scenario with the bad tenant. You want to keep working with them and help them out and be the savior for their life. The problem is, the stress that comes from letting their issues come into your life and the weight of that, the anxiety from it starts to burden you, you're letting their excuses control you and your investment, their lives, their sorrows and now their situation somehow becomes your problems. This all happens because they can't pay rent and you want to help them out.

It is your problem, and you will hold onto that problem until you learn to remove the emotions. And because you want to help you are always going to let their problems in your life. The other reason this happens is because YOU ARE SELF MANGAGING the property. Entrepreneurs are designed to see opportunity where others don't to grow, to build things and to help others. So, it's not that you're doing anything wrong, you're doing the natural state of what a human being will do.

You've got to learn to flip a switch because when someone's behind on rent, and they keep telling you “I'll catch up next month, I'll catch up next month”. – Guess What? They Will NOT catch up!

Anytime you take partial payments from that tenant - You are now prolonging the eviction process. So, if they missed it once and you let them pay you a little at a time you are not able to start the eviction process. Let's say you were just lovely, and you gave them 30 days, and they said I could pay this month, but I might have to keep catching up a last month's rent. No, you do not keep moving forward with that tenant. This is a case that will always get you in the end.

You take that payment for the previous month's rent, and you make sure it's apparent that it was the last month's rent this month and then you start that eviction process this month. As soon as possible. Because it will keep going and so they either have to pay, or they have to leave, and that's a big problem when people do self-management because they own the house, they know the tenant and now they are personally involved rather than it being a pure business decision.

For that reason. You have to put somebody in between you and them so that that rule of that lease can be enforced.

You can make sure that you're moving forward in your business because you're going to lose more money leaving them in. It's just going to drag out and eventually they'll stop paying it altogether. So, you want to nip this stuff in the bud and work with your management company to stay on top of this stuff.

This is crucial as a landlord. As you buy properties or buy more properties and start to do cash flow type deals and rental properties - You'll learn really quick that management is the key to your business.

Management is the absolute key to your rental business, and so when you start to do that, then now your role has to be managing that management company, making sure they're not letting people stay, making sure they're not getting emotionally in these types of transactions, sticking to a strict lease that you provide, and then they become the manager of the dwellings in which you own, and you build strong relationships with those management companies, and everything works out as it should be, but this is a topic that comes up and whenever we would bring up the question, Hey, who owns rental properties? We would hear about this mistake.

We would say; that this was one of the biggest mistakes that we made with our rental business. We should have evicted tenants faster when they don't pay and should have worked with professional managers. When You buy a rental property, make sure you run it as a business, not a charity.

Chapter Twenty-four

Overthinking A Deal

Have you ever heard of the statement analysis paralysis? That's a real thing in everyday life, especially in real estate investing and another common mistake that a lot of new investors make. It is easy to overthink things or to get paralyzed for over analysis.

Analyzing a deal too much is a huge mistake. Of course, you must understand the basics of what you need to do when running your numbers. You must get to a point where you start to look at everything from a rate of return, like if I am going to buy this piece of real estate and I'm going to invest money into it, what's my rate of return on my money?

If I am going to invest in stocks, what's my rate of return? If I'm going to invest in bonds, what's my rate of return? Same thing with analyzing a deal. It is all about the rate of return on your money. You should know how to run your numbers. One of the most important things you can do is get clear on how you run your numbers, but there's an entire process to this also.

You have to got to get good at understanding ARV (after repair value). You've got to get good at understanding what things cost to fix up a house. You’ve got to understanding what closing fees are going to be in your area and what resale fees are going to be in your area as well as the holding time for your investment.

You must look at it and say, what are the expenses that I’m going to be responsible to pay?

You see most people get stuck in the analyzing phase because they are not comfortable with finding the ARV or truly knowing what all the expenses are going to be on the deal. And the expenses can change based on the deal you are looking at.

As an example - are you looking at a rental and is there a maintenance expense you need to be aware of? Or are there other types of costs in a flip such as specific local taxes, HOA resale fees, recording taxes, title fees, etc.

That's all inside running the numbers, but you can overthink that. The key is knowing the numbers and sticking to the formula to run the numbers.

If you don't know how these numbers work, then you need to go and build confidence in that by educating yourself. The main issue is that most are not very confident because they have never done it before and have no way of being sure of their numbers.

You need to find one process and stay with that. Ideally on your first few deals, work with someone who has done this and can assist you and get you comfortable with your numbers.

Another mistake that we run into with our students, is that often when students would reach out to us for help and we would start talking, we would find out that they are using this spreadsheet to run their numbers and it is not applicable for the market they are buying in. The students often get this spreadsheet from some nationwide guru and unfortunately it does not capture the specific costs for our local market.

Another mistake we see is that new investors run their numbers differently on each deal they are analyzing. Since they do not have a singular way to do this, they lose confidence in their ability. You need to stick with one method and master it.

In general, overthinking a deal will cause you to be confused. And all of us know the saying - A confused mind says NO. So what this does is cause us to kill the deal and unfortunately this process just repeats itself over and over. So, It all starts with building confidence in running your numbers. Once you do this, and pick one strategy, you will have confidence in your numbers.

Learning this process of running your numbers is one of the most important parts of the business, learn it! Also staying with one person is a huge factor in the learning process. Because if I'm learning from 3 different people, I am learning 3 different methods, and this will cause the confusion we have been discussing. It goes without saying but make sure the person you are working with is someone with lots of experience that you know, trust and respect.

And then at that moment when you have a singular process to run your numbers, you will start acting quicker on deals. And so, we will repeat this since it is so important - Overthinking is the killer of all good things, even opportunities for yourself. We know many times where we've had the opportunity to buy a business or take a jump in on something that's about to take off and we lost that opportunity because we overanalyzed it. Don’t let this continue to happen.

We are not going to say that we haven't been able to react and take advantage of opportunities, but it's because we've learned to move quicker instead of not trusting ourselves. We trust the training that we’ve received, we trust our mentor's and the processes they taught us. So, we don’t over think it anymore and we move fast on deals. Overthinking anything is going to give you time to talk yourself out of a good thing, just like investing in ourselves, right? It's the most significant return we will ever make in our lives, but yet we hesitate when it comes time to invest in ourselves, when it's the best place to invest our money.

You can't buy a business and make the same type of returns that you will get from investing in yourself. The longevity that you will get from investing in yourself is something you can pass on to your children’s, children.

The other thing that happens with new investors is while they are running numbers on a deal and asking the question, is it a good deal? And if it's a good deal, then it must be too good to be true, or it may not be right. We get into this mindset where we don't believe that we found something that we deserve, or can it really be true? Did I find it? It's too good to be true; that's the way our mind starts to think. That's the shift that happens because of the way that we've been taught.

We've been raised this way to think it can only happen for other people, but here's the thing, it's not always like that. If it’s a good deal, move on it because if you don't move on it, we promise you somebody else, will move on it. So, in the moment of decision making, we have a five-second rule. We will talk ourselves out of making any decision within five seconds. So, we look at it, we say, oh yes, this is what I want to do. But then we start thinking maybe it isn't going to work out? So, we don't take action especially when it requires us to invest capital into our business or invest in ourselves like putting money into marketing that's investing in the business.

Getting someone to help you and educate you and getting training materials that can help you grow this is all investing in yourself, but we will hesitate. We talk ourselves out of it.

When in reality we should be doing those things. We should be educating. We should be investing in ourselves. We should be investing in our business for marketing. But we hesitate in those moments of choice because we don't want to make the wrong choice. We've put so much weight on this idea that making the wrong choice is worse than just moving forward with a choice. And so at least you can say, I tried and failed, but I tried! Don’t live with regret because you wouldn’t make a decision.

And so it comes down to that. You've got to be ready to choose because someone else is going to make that choice. Someone else is going to take that deal. Someone else is going to buy that property before you do. Someone else is going to move quicker on that property.

Someone else is going to step up. Someone else may take that opportunity from you to get educated in an opportunity that may be limited access. Someone else will always take that choice. You, my friend, have to be prepared to do that.

The question is how much time has to go by before you build that confidence, when you could be making choices right now, to invest in yourself and build that confidence by getting the training, the education, the mentoring that you need to build confidence. We share this with you, so you know overthinking on a deal is a colossal mistake. But in life in general, analysis paralysis is a colossal mistake. Take action in your business and in your life. Stop sitting on the fence and get in the game and play full out.

Chapter 25

Not Getting The Education You Need

This must be the number one mistake, hands down, across board. We always hear the following" I wish I had educated myself sooner. I wish I had gotten started sooner!"

Some people get some education to start. Then they don't get education to keep growing. You've got to constantly be doing this. We currently have several coaches and are part of several masterminds. Education is critical.

People say "we didn't think the investment was smart; we didn't think the investment was right" -Unfortunately, they're referring to investing in themselves. Whether you're buying some form of training that cost five bucks or a $100 or a thousand dollars or even more; it's not the amount you're spending that really matters, it's what you will gain. When you're looking at it as an expense and not an investment, you will never see that.

It's an investment in you. It's an investment in your time. It's an investment in your energy and your knowledge base, in your skills and your generational wealth process. So, what it comes down to, is that we don't understand the value of education. We started trying to do it on our own - thinking we can figure it out.

Then what happens is we learn very quickly that we are just bouncing back and forth and not getting anywhere and then we say I need to get some education. I need to get some help. I need to get trained in my local market. We've helped lots of people with this process - We've helped them one on one, We've helped them in group environments and they've gone off and done deals and become successful and do it full time. It Is such an awesome feeling for us knowing we helped people begin or advance their real estate journey.

We have seen students in our market that understand education to the point that they got the education and were already out there doing deals, but then recognized that they're stuck on a plateau. They haven't really put the systems or time or energy into it to grow to the next level to scale it up. But these students understand the value of education and they will come to us and say, look, I need some help and some directions. They're at a point that they understand investing in themselves has gotten them into that business and has gotten them to where they are and they understand investing in themselves again, will grow their business even more.

Once you truly understand the power of getting the education that you need and getting the support, however that support may be, it's the power of understanding the value in it. It is an investment into your personal bank of knowledge that has the best return that you'll ever have and also remembering that you don't just get some education and get started, you're always staying in the knowledge stream.

You're always educating yourself. You're always sharpening your tools. You're always staying sharp and what's coming next and what's happening and you're staying in it. A lot of times this means you need to be involved in your local area. You need to be out at your local Real Estate Clubs, which is what we are, here at the Westchester Real Estate Investors Club. We are your local real estate club in the area.

There are many ways that you can start to gain that information that you seek.

One of them is staying in the knowledge stream, always be educating, and come out to the local area. Our local Area is the New York Tri- State area. We have been helping local investors for many years. We know this market like the back of our hands. We are both born and raised in this market and transact here. We know the investors. We know who's buying, who's not buying. We know the resources. We know the attorneys and the contractors. We know the title companies. We know the agents, the brokers, the lenders, and the banks. There's a lot of power when local investors come together and support each other.

We’ve been investing for more than 10 years now and have seen our market do a lot of great things. We have seen some new investors come in and get help and now they are full time investors. We have seen some come to a meeting or two then stop coming and then we never hear about them again.

So, this tells us when new investors keep coming to the meetings and get trained, they will succeed. We also know this business is duplicatable. If you can follow a process that someone else has already laid out for others, then you can have the same results as they have. You have to understand that not getting that education will cost you more in the long run than you will ever believe – let this sink in.

If we did it all over again, we would have found ourselves a local investor that was willing to help that had been investing for more than 10 years and we would find a way to work with that investor. Because when we first started out, we knew we needed some type of coaching, but we didn’t know enough about how coaching worked because we had never gotten it before. So, like most people, we looked to hire a coach but didn’t think about having a local coach – we started with a national coach and that was a big mistake!!!!

They did help us, but our business did not really explode or grow until we found a local mentor, someone that was specialized in that area and had been doing it a long time. We would have to say, that was probably the best decision We’ve ever made. It will be good to mention that our mentor didn't work with us right away. We had to wait, but it was still one of the best decisions that we ever made.

Ultimately what it really boils down to is that you will never grow your business yourself, your financial stability, and your freedom if you don't put in time to get the education that you need - the investment in yourself to achieve that. That's why this is the number one mistake people make. They don't really treat it like it needs to be.

It's a business, it needs information. It needs to be guided in the right direction. You need to know how to maneuver and how to win and how to create what the business needs to become a leader in it. You have to get educated. You're the captain of that ship and you have to educate yourself on how to be the best captain you can be. Honestly, it will be the best investment you ever make in your life. It absolutely will be. It will be better than stocks. It will be better than bonds. It will be better than buying a piece of real estate. It will be better than all of that or even gold, silver, bitcoin, you name it. It will be better. And here's why. You will never get the same return that you will get from investing in yourself and your knowledge tank, because all that you invest in yourself will duplicate and make tens of hundreds of thousands of dollars during your life.

Remember, you're becoming an entrepreneur in real estate investing. You have to think into the future and where you're going with things because planting the seed doesn't just grow a tree overnight.

You've got to water it.

You've got to spend time making sure it's protected - it is your business. You've got to make sure you're feeding yourself the proper knowledge to know how to grow. You've got to get the information. You've got to get the knowledge. You've got to get the skill set to be able to run that business correctly, and that requires you to constantly be getting new knowledge to grow the business.

Your knowledge base brought you where you are today. Whether you're already in real estate and you're at a certain point where you're not getting any further, or it's just in your life and you're just starting out, you haven't even really started doing much in real estate.

Your knowledge base has gotten you to this point, how are you are going to get to that next level? You have to gain more knowledge and actionable information. Reading books is great, but it's not going to get you where you need to be. You need to overcome your fears, you've got to create confidence, you've got to know how to be safe about it, and that requires you to be educating yourself, working with mentors, working with coaches, working with something or someone that's leading you forward with accountability, and when you have that accountability, you're now held accountable, you're being pushed, it cuts years off the learning curve and it really saves time, mistakes, aggravation, and money.

So, at the end of the day, you've really got to start thinking about some things in your business. Are you doing well? Awesome. Could you be doing better? Yes. Why are you not doing better? You don't have the information to do better.

If you're just starting out, could you already be doing it? Yes.

Could you be moving forward and working on a business plan for your real estate business that's going to help you build wealth? Yes. Why are you not? Well, if you're brand new, it's probably a confidence issue. It's fear. And how do you overcome fear? You overcome fear with knowledge. How do you build confidence? You work with someone that can help guide you and lead you through that process and that really is specialized knowledge. It comes from local experts that know your area, that can help you. That is another reason you should be at our Real Estate meetings. If you are part of our Group, you're going to find lots of education there and you'll be able to take action on your journey by gathering that information from the training and other members at the Westchester County Real Estate Investors Club. And we are just happy to be able to be part of the Westchester County Real Estate Investors Club where we do provide this education at a very high level, and we do it consistently.

We have been Co-Founders of the club since it started and it's something that just continues to grow. Our information is always current and up to date with things that are going on in the market. We have a very large reach with our connections and venders to help you and that's where you're going to start finding specialized knowledge.

So, we encourage you to come out and be part of the Westchester County Real Estate Investors Club. You can find us at www. westchestercountyinvestorsclub.com. We've got lots of great things on that website for you such as what we're doing or what's coming up. You will find monthly announcement and preferred venders on there also. If you're looking to get into the business and you're wondering things like where do I find an attorney? Where do I find an inspector? Where to find a property management companies? Our site has all of this. There are also preferred vendors that we have worked with or some of our members have worked with. There is a lot of cool stuff and resources. It is also where our members log in to their training centers and learning centers and get all the past meetings that have been recorded. It's where members have their entire learning center and it's also a place to come and actually get local information with experts from our local real estate market.

So check out our website, www. westchestercountyinvestorsclub.com. Looking forward to having you come out, visit with us and share some of what you're trying to do in your real estate business. We also have our Facebook and YouTube channel and there are lots of great tips and videos that are on those websites.

Chapter 26

Final Thoughts

Well, as we wrap this book up, we can't help but sit and think about the journey from when we started to where we are today and all the things that we've had to learn, mistakes that we've made, successes that we've had. Over the years of investing, we've been able to really understand real estate and keep educating ourselves during that time. One thing that we know for sure that helped us more than anything was the ability to always ask for help and get help.

Whether that was finding someone that we could work with on deals together or finding a mentor or really connecting in groups, we always looked for someone to help us grow our business over the last ten years. And to this day we still have people that help us. As we write this, we have two full time coaches and are part of mastermind groups. One of the things that we know is to always ask for help.

We often think about if we could go back, what would we do differently?

We would surely do things differently. We know many of our mistakes slowed us down. We know they cost us tons of money. We know that these mistakes caused us hardship and heartaches that we had to go through.

We tried to list the key mistakes that we made and detailed them in the previous chapter. We hope that through reading this book, you've been able to identify some mistakes that you will not make. You may even be making some of these mistakes now. Moving forward, you may catch yourself about to make a mistake. Just keep in mind that all of us have similar challenges especially when starting out.

We are so grateful that we were able to start with real estate and then move into helping and teaching other people. We have been lucky to be around great people and it something that we hope to continue to do. We will continue down the journey for many more years to come. One of the things that we always have to learn, and we talk about is in the power of the team aspect of the business. You must keep reaching for more, even when it comes to the people who are helping you. The people who help you now will get you so far, but to go to that next level, to scale the business, to grow, to build team members, to turn it into something next, you have to seek out somebody that has done that and can guide you through that process.

You must always be learning. You always have to keep growing. You always have to keep investing in yourself. You always have to keep educating yourself. If you want to get to the next level, you need to invest in yourself. We learned that ourselves over the years. What It ultimately boils down to is that you have to get dialed in on specialized knowledge for this business.

To get this specialized knowledge you can go read books and you can go to seminars, and you can meet with this person or that person, but you're still going to have to find someone that can give you specialized knowledge in the direction that you want to go because all the meetings and all the books will not give you that.

Finding someone that knows your area, finding someone that has been investing for 6, 8, 10 plus years or more and really see what it is you need to do to get help from that type of person. Because remember, this is your journey, and you only get one shot at it. Get the help you need so you can take full advantage of the market and all it has to offer. But we promise if you sit down and really think about what you want to do and then ask yourself how you are going to make it happen, you will see that you need some form of specialized knowledge and you need someone to teach you that.

Where you want to be in a year from now is a choice you're going to make now or within the next 30, 60, 90 days. It's a choice you're going to make, and that choice will determine where you're going to be in 12 months from now.

And if it is to change things in your life and to change the mindset on how you look at money and to really dig into real estate and go after real estate, then let that be it. But you need to get someone that's going to hold you accountable through that process. So, by doing that, not only are they going to help push you forward and hold you accountable, but they're also going to help when it comes to making mistakes that will slow you down or cost you money. That's what you really need to be thinking about.

So, our final thoughts.

Educate yourself, invest in yourself! Get the help that you need so that you don't lose money in this business or get caught up not knowing and that will cause you to slow down, and don' t take too long to get the education you need so you can get to where you want to be. Don't quit because you're not really clear on how to move forward or because you don't have anyone helping you, hence make sure that you have someone holding you accountable.

And that is what we will leave you with.

We appreciate you taking time to read this this book. We want you to come out to the Westchester Real Estate Investors Club. If you haven't been to one of our meetings in Westchester area, you can go to westchestercountyinvestorsclub.com and click on meetings. Come out and see what we're all about.

We have all kinds of ways to help you; from our events, property tours, coffee meetings to our monthly meetings where we meet once a month and have a topic to talk about or to our one-day boot camps for beginners, or to our three-day bootcamps for rehabbing and building wealth.

It's not just about coming and sitting and learning. If you need specialized help, we offer one on one mentoring. We offer group coaching and deal consulting and that might be something that you're interested in as well. If this interest you, then please let us know. You can always go to our contact us page on the website, or you can give us a call.

This is Frank Sanchez and Larry Friedman. Looking forward to meeting you one day If we have not met. We wish you all the best in your journey as a real estate investor and all that it has to offer you.

RESOURCES:

Our websites:

westchestercountyinvestorsclub.com.com

You can also find lots of Resources here:

www.westchestercountyinvestorsclub.com/resources

Facebook Group:

Westchester County Real Estate Investors Club

Our Meetup Group:

www.meetup.com/westchesterny-investors-club

Events To Sign Up For:

www.RealEstateStartNow.com

www.wholesalingstartnow.com

www.JoinThe3Day.com

Contact Us:

Email: Admin@WestchesterCountyInvestorsClub.com

Call Us: 1-914-662-1414