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Strategic Investor TM by Private Money Blueprint

Insider's Circle

Delivering Profits, Prosperity, and Freedom Since 2008

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The Best Source Of High Equity Homes (That Other People Aren't Finding)

A big complaint I hear these days is from investors who are having trouble finding deals that aren't WAY over leveraged. There are short sale opportunities almost on every block... but what about deals that don't require the headaches and hassles of negotiating with banks.

One of our members, James S., emailed in the other day and said that finding motivated sellers has been difficult because they usually list the property with a Realtor or broker.

How do you find deals in today's market that have plenty of equity AND that aren't already listed?

Before I share the one strategy with you that consistently generates more high-equity home leads from motivated sellers than any other I've ever found, check out my first marketing plan...

- "We Buy Houses" ad in our local newspaper in the "Housing Wanted" section on the weekends
- "We Buy Houses" bandit signs... I was super aggressive and put out around 50+ signs per week
- Pre-foreclosure properties. I researched the list of properties that were facing foreclosure and went door knocking (not much fun, but effective)

And since then I've tried many other strategies... from billboards and TV commercials to all kinds of direct mail – out of state owners, foreclosure leads, expired listings, targeted farm neighborhoods, burned out landlords, you name it.

But there's one strategy that stands out as my best source of high-equity homes that other people aren't finding... and it's...

Properties that show a sales price of \$100 bucks or less on public record - aka transfer properties.

Many of these properties are inheritance or divorce situations and the most important thing to the sellers often times is NOT price - it's getting rid of the problem property. And it just so happens (from my experience) that these leads typically have lots of equity.

For instance, we got a lead on a property in Goose Creek, SC that was a divorce situation. The sellers, Richard and Diane, owed \$107k and it was worth \$180k. As soon as we got the lead, I set up an appointment and my partner in my investment biz, Dusty, rushed to the property.

When he got there, Richard was on one side of the living room and Diane the other. They wanted to be as FAR away from each other as possible and just wanted to sell the property quickly so that they never had to see each other again.

The sellers could have cared less what they sold the property for. They just wanted out. We offered to take this problem off their hands for what was owed, and they enthusiastically said, "YES!"

Now you're probably wondering, "Ok Patrick, sounds great. How do I get my hands on this transfer list and what's the best way to contact 'em?" Great questions.

(Continued on pg. 2)

There are a couple different ways you can get the list...

1) You can buy a list through a list broker company. Companies like...

- www.listsource.com
- www.courthousedirect.com
- www.melissadata.com

OR

2) You may be able to get a list (for much cheaper) through your county courthouse.

In Charleston County, in the tax assessor's department, you can get the transfer list (or any other list you want) for only \$50 bucks. Any time I want a new or updated list, I just call Vicky, tell her exactly what info I want, and she emails me the list in Excel in a few days.

I ask for the owner's name, the property address, the mailing address, tax assessed value, and last sale price on record (which for transfers I target prices less than \$100).

Contact your county courthouse to find out if you can get your list through them.

To answer your next question about the best way to contact these sellers, refer to the "Swipe and Deploy" section. We've got an awesome template for ya that you can take... and immediately put to work to get high-equity sellers contacting you.

Happy Investing!

Something to think about...

"I found that when you start thinking and saying what you really want, then your mind automatically shifts and pulls you in that direction. And sometimes it can be that simple, just a little twist in vocabulary that illustrates your attitude and philosophy."

— Jim Rohn

Pat's Inbox

**You've Got Questions...
Pat Has ANSWERS.**

How To Get A Local Mentor For FREE

Alrighty, this month in Pat's Inbox, we have a great question from PMOD member, Joseph Harris from Hampton, VA. Check it out...

"Is it possible to get a local mentor for free? I need a coach but I cannot afford one right now." - Joseph

Let me tell you a story...

My first year investing, we came across a motivated seller who owned her property free in clear. It was a single family home in pretty good condition (needed \$8k in cosmetics)... on Morningdale Drive in Mount Pleasant, SC.

The seller wanted to move back home to Virginia to be with family and did NOT want to list her home with a Realtor. We made a low cash offer and she didn't accept at first. But we followed up, and three weeks later had a signed contract. Only problem... we didn't have the \$112k in cash to close the deal. But we knew that if she accepted the offer, it was such an awesome deal, that we would figure out a way to fund it.

Long story short, we got a bit desperate and decided to go door knocking on all the realty and mortgage brokerage offices in the area... and showed the deal to anyone who would listen. Finally after much persistence, we found Barry. He took one look at the deal and said "I'm in!"

We partnered together on the deal and bought, renovated, and sold it in less than 60 days. And doing that deal with Barry was great, but the relationship that we formed was extremely valuable. He became my local mentor.

Barry had been flipping properties for over a decade,

The #1 Difference Between Those Who Succeed and Those Who Fail Miserably (over and over)

I was talking with other local entrepreneurs recently at our Young Entrepreneur Society event (a local entrepreneur networking group I started last year) and the conversation veered in the direction that conversations about entrepreneurship, success, abundance, wealth... etc. tend to go.

One of the members asked what we thought is the main difference between people who succeed and kick ass doing something... and the hoards of people who “try” the same thing and fail miserably. Answers were thrown around, all of them 100% valid and true (like focus, resources, etc.)... but one entrepreneur hit the nail on the head (more on that here in a bit).

Before I tell you the #1 difference between people who succeed and those who fail at something... I want to dive into a couple stories.

Story #1: How 2 Failed Companies Led To One Of The Most Recognizable Brands In History

Henry Ford, you’ve probably heard of him. Right? What most people don’t know is his history and how he built what eventually became the Ford Motor Company. Ford was born in 1863 and was an engineer by trade. At 30 he was just a “run of the mill” Chief Engineer at the Edison Illuminating Company. In his spare time he tinkered with things and built a gasoline powered engine.

But, what happens next isn’t what you think.

At 36 Ford resigned from the Edison Illuminating Company and started his first auto company... Detroit Automobile Company. That company dissolved (i.e. – failed) less than 2 years later because they weren’t able to make a quality car at a price that they could make a profit on.

Ford wasn’t alone. In a quick search I did online I found a list of failed American auto companies that has over 131 failed automakers... AND THAT’S JUST THE COMPANIES THAT START WITH THE LETTER “A”. The full list of bankrupt, out of business American automakers is over 1,000 strong... and most of them between 1890 – 1920.

Next for Henry Ford, he didn’t decide... “*Well shoot, I gave that a try... I’ll just go back to my old engineering job*”. Instead just 10 months later he started another company called the Henry Ford Company, backed and ran by the team of shareholders who helped him with his first failed company. Within months the management team made a move Ford didn’t like and Ford left that company that was named after him (that company later changed to the Cadillac Motor Company once Ford left)... to start a 3rd company with a partner called Ford & Malcomson, Ltd which later became the Ford Motor Company in 1903... when Ford was 40 years old... almost 10 years after he ventured out to start his own automobile company.

We all know what happened next as Ford invented the assembly line system that all automakers use today and Ford became one of the most well known brands in the world.

But, none of this would have happened if Ford hadn’t done one thing. I’ll tell you what that one thing is in a bit.

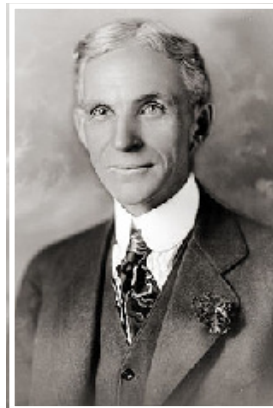
Story #2: The Oldest Rookie

In 1983 a young left handed pitcher (I love baseball, so I had to throw in a baseball story!) named Jim Morris was selected 4th overall in the amateur baseball draft by the Milwaukee Brewers. Over a period of 4 years Jim suffered arm injury after arm injury... and never made it even close to his childhood dream of pitching in the “big leagues”. By 1989, after being released from 2 different teams... he retired

and became a high school teacher and baseball coach at a small high school in Texas.

Now, this is where the story gets cool

While coaching his high school baseball team in 1999 (10 years after he was flushed out of the minor leagues) Jim made his team a promise: “*Win the district championship and I’ll try out for Major League Baseball again*”.



Henry Ford, c. 1919

Jim never thought his team would win... in fact, that high school had never won a District Championship in its history.

Well, his team did the "impossible" and won the title that year... and Jim was forced to hold up his end of the bargain. An open try-out for the Tampa Bay Devil Rays was being held where anyone could show up and try out for a shot at getting picked up. As he walked on the field at 35 years old (ancient in baseball... especially for a rookie)... he just did what he does... threw the ball. But what no one was expecting was that he threw 12 consecutive pitches that were clocked at 98 miles per hour (for all of you non baseball nuts, that's FAST... like in the top 2% of all major league pitchers... and he was 35).

Jim was signed to a professional contract and in September of that year he worked his way up to the Major Leagues... striking out the first batter he faced in the "biggs" on 4 straight pitches.

Arm troubles cropped back up for Jim which forced him into retirement again in 2000... but 10 years after his initial failure... after everyone told him his career was over and he'd never live his dream of pitching in the big leagues... Jim Morris reached that goal. You might recognize this story... Disney made a movie out of it in 2002.

The #1 Thing Separating Successful People From The Average Mediocre Who Tries But Fails

The major thing that I can personally attest to as the main difference between people succeeding or failing at anything in life is... **persistence and the ability to stick with something until you succeed.**

Everyone fails. But for guys like Henry Ford and Jim Morris... they didn't stop at that first (Ford had **2 companies fail**) failure and let it stop them from claiming the life they wanted to live.

For me, it took me **18 months** of struggling, living off of my credit cards to really have things click for me business wise so I could live (and thrive) from 100% of the money my businesses generated (which now generate the high 6 figures to low 7 figures each year). But, I know people personally who are good friends who say they want to quit their jobs, I personally mentored them step-by-step... but the minute they don't get immediate results they quit... even when I could 100% guarantee their success if they stuck with it long enough.

So, where are you right now? Are you on the verge of quitting on your dreams because you think it's "never gonna happen" or didn't happen fast enough? Are people telling you that you need to focus on your day job and just work for 30 years and get a good retirement? I say screw that. Pick a path... and stick with it until you make it happen. And always be 100% mentally positive that you'll get there.

Success isn't a matter of "if" you get there... but "WHEN".

was a Realtor and mortgage broker, and knew the local market inside out. Anytime we had a deal that we wanted to pass by him (whether we were looking to partner or just looking for his opinion and feedback)... he would check it out and let us know what he thought.

A few months later, we got another property in Mount Pleasant under contract and thought we struck GOLD! We were moving quickly towards closing and decided to ask Barry if he'd come take a look at it. He took one step inside the property and said... "NIGHTMARE!" There were both structural issues and problems with the stucco... which would have cost around \$80k to fix. Whew! That was a close call. Having a local mentor is an invaluable asset.

3-Steps to Finding a Local Real Estate Investing Mentor

First, I want you to know that you don't have to do a deal with someone for them to be your local mentor. That's just how it happened for me. Here are 3 steps to find your local mentor...

Step 1 – Determine what qualities you want in a local mentor

Always begin with the end in mind. Take 5 min now to write down the ideal qualities your mentor will have.

Step 2 – Where to look

Here are a few good places... your local REIA, foreclosure auctions, tax sales, meetup groups related to investing (check out meetup.com), call investor marketing - bandit signs, newspaper ads, billboards, etc

Step 3 – Ask, "How can I help you?" & go to work for FREE!

This is the part where most people really screw up. The mindset of the average investor is WIIMF (what's in it for me). You want to put 100% focus on the other person and see how you can help them.

For example, one of our Platinum members, Jason Tooley, made a great decision to work for free for a couple local active wholesalers in their biz. He understood the incredible value he would receive working side-by-side investors doing exactly what he wanted to learn... even if he wasn't compensated monetarily. Fast forward and after joining our PMBP program, Jason locked up \$970k in private money in 26 days... and then I helped him put together an \$8mm dollar package deal that cash flows \$16,000/mo. Boom!!

Hmmmm do you think it was worth it for Jason to "work for free" for his local mentor to learn the biz? Yeah, I'd say so.

Here's this month's resource to...

Swipe and Deploy

Your monthly template, marketing idea, or script to profit from in your own biz today!

Here's Your Transfer Property Letter Template

In my cover article, you learned about THE best source of high equity home leads that I've ever found. And either through a list company or your local county courthouse, you know how to get the transfer property list.

Now it's time to answer the question, "How do you contact these owners?"

You could search online through a site like www.whitepages.com for a phone number and cold call 'em... but my preference is to send a letter in the mail. And that's where this month's "Swipe and Deploy" resource comes in - your transfer property letter template.

Download your copy at: www.privatemoneyblueprint.com/transfer

Before kicking off your mailer campaign, it's important to remember that marketing is all about

consistency. Determine how many letters you're going to send out per week/month and commit to hitting that goal for at least 3 months. Then if you want more motivated seller leads, simply raise your weekly/monthly goal.

To increase the response you get from your letters, here are a few tips for ya...

- 1) Use a standard white number 10-size envelope
- 2) Handwrite the seller's name/address and return address
- 3) Use blue ink
- 4) Use a live stamp (which is more expensive than bulk rate postage but your letter will get a higher open rate)

If you're thinking, "You know Patrick, I don't have the time nor the patience to do these letters myself. Is there a way that I can get someone else to stuff, stamp, and hand address these for me?" Yes there is!!



First, put the word out to your network – friends, family, work colleagues, anyone who you think may be interested in earning a little extra cash or who may know someone who would be interested.

If you don't find someone through your network, put an ad on Craigslist. You'd be surprised how many people would LOVE a little more income from something they can do wherever and whenever they want.

Buy the supplies needed and offer to pay \$50 bucks (or whatever makes sense to you) for every 200 letters.

Alrighty, download your copy of the transfer property letter now at:
www.privatemoneyblueprint.com/transfer



Private Money Monthly

Where you come to find the latest in “private money getting” strategies and techniques.

By Patrick Riddle

3 Simple Steps To Offer A Debt Investment

When presenting a debt investment opportunity, you want to be very specific with your offer in relation to what rate and time frame you will need the funds for. Then, ask the prospect how they would like to receive their interest.

1) Determine the annualized rate of return

When I first started getting private money, I offered a 12% annualized return. I thought I needed to offer a double-digit return to get people interested.

But that was just a limiting belief... many times offering high rates can raise skepticism in your prospects and even scare them off.

Determine what specific rate you'll be offering based on your business model and the deal that you need financing for at that time.

Many of our PMBP members get private money for between 5% and 10% per annum... no fees, no points.

2) Time Frame of Loan

Based on your exit strategy, what would be the ideal time frame for the investment loan?

Always ask for the longer than you think you will need. The longer time frame allowed paying back the loan, the more flexibility this gives you. If things don't work out flipping a property as quickly as you thought or a lease option buyer isn't able to get qualified in the time frame you wanted, there's already a safety net built in with additional time.

A good addition to your note as well is an extension clause. Tell your private lenders that it's standard to have a 3 or 6 month (or longer) extension in your note. That way, if something happens and you're unable to pay the loan back within the original time frame, you have additional time built in.

With one of my investors, if the loan is not paid back within the time frame allotted, the interest rate goes up 2% for the first additional month and 2% the next month. The loan is then capped at that interest rate until it is paid in full. This gives me an incentive to pay the loan back on time but also gives me added flexibility if extra time is needed.

3) Payment Schedule

How is the investor going to receive their interest? Will it pay out monthly, quarterly, annually? Or will the interest just accrue until the property is sold? My goal is always to meet the needs of the investor the best I can. If an investor wants to receive the interest monthly, that's how it's paid.

Really, don't get caught up in over thinking how to structure the loan. It can be structured in virtually any way you can dream up... so try to keep it as simple as possible while meeting everyone's goals.

Quick Tip: Make sure that the note is structured to pay only for the time that you are using the money. For example, if you borrow money for a year and pay the loan off in full after six months, you only pay the investor for the six months that you borrowed the funds.

Make sure there is NO PREPAYMENT penalty. This allows you to set a 12 month note but to pay it off in a shorter time if you want to without penalty... and you only pay the interest rate on the money for the time you have it.

Happy Investing!

Members Makin' IT Happen!

In the last couple weeks, we have gotten a couple emails from one of our members who is really makin' it happen!

"Hey it's Bobby Freiler again, how are you doing? I want to know what I need to do to get the "nothing held back, top of the line" stuff from Patrick. I want to learn how I can recruit an endless amount of Private Money (or as much as possible haha). Please let me know the suggested services/products and I'll proceed from there!!! Thank you Charity.

Bobby Freiler,"
Whitehall, PA

Then a few days later Booby emailed to let us know:

"I've already gotten \$160k in private money and I feel like I haven't tapped into 10% of the potential! I'll speak with you shortly, thanks again!

Bobby"

Great job, Bobby! Keep us posted!

*"Hi Patrick,
I just wanted to thank you for this email, and your willingness to reach out and help when we need it. We are taking it all in and will surely have questions at some point. So thank you again, for letting us know we have your support.*

Have a great day!

Rebecca and Jim Hutchins"
Lake Zurich, IL

"Patrick and the PMOD Peeps!

Yesterday morning I completed the PMOD training video. It was very inspiring! Great training. Last night I sat down in front of my computer for about 90 minutes and developed a list of private lenders. This list of 8 people have loaned a total of \$1.7 million dollars in my market in the last 60 days! AWESOME!

Mark Weildman"
Barrington, IL

Strategic Investors Insider's Circle Membership Info

Instructions

1. Check your email for your username and password.
2. Visit the members area of Private Money Blueprint at:
www.privatemoneyblueprint.com/members
3. Enter your username and password.

For Assistance

If you are having problems logging in, or just have a question about the system or program, just email support@privatemoneyblueprint.com. We're here for you!

What you receive with your Strategic Insider's Circle Membership

- Incremental access to the online Private Money Blueprint system
- Downloads and resources for your success
- Private Money Articles from our faculty
- Access to interviews and case studies of successful private money getters
- Live monthly group call with Patrick

Mystery Training

On this disc....

Mystery Training

For this month's live training, Patrick has something special planned for ya. He's calling it the "Mystery Training."

You're about to get an insider's view behind the scenes in Patrick's biz and life.

- Find out about Patrick's big WHY
- The setbacks he has had and how he has kept moving forward
- What success really means
- And Much More!

Coming Next Month....

Successful Student Interview with Shae Bynes

- How she has used our system and steps to become highly successful!
- How she is paying it forward, in life and in her biz!
- And much more!

Did you receive a faulty disc? Let us know and we will send you a replacement. Send an email with your name and mailing address to **Charity@privatemoneyblueprint.com** or call 541-255-2255, and we will get a disk out to you right away.