

New Special Confidential Report#1

*10 Secrets for Finding Sweet Deals On
Investment Properties That Your Real
Estate Agent Doesn't Want You To Know!*

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For Insiders Group Real Estate, LLC

In this report you'll discover:

- **10 low or no cost proven ways to find the very best deals on the market.**
- The number one secret real estate agents don't want you to know that will save you thousands of dollars on every deal
- **Incredibly simple ways to get people to drop deals right in your lap (Your phone will be ringing off the hook everyday with great deals)**
- How to create a powerful network of professionals that will let you in on insider deals that the average investor will never even know exists
- **Totally simple... yet highly successful ways to find the hidden deals in your newspaper**

Dear Friend,

In this special report I'm going to reveal to you the most closely guarded secrets the best real estate investors use for finding sweet deals on investment properties.

As you read along, please have a pen in your hand and a few sheets of paper by your side. This is because you're about to be exposed to the best kept secrets for discovering the true hidden treasures in real estate... and... you'll definitely want to take detailed notes as you go along. In my personal opinion, no more than 3% of investors take advantage of these resources to find good deals. Most seem to make the same mistakes in their searches... over and over again, without realizing it.

Strategic Objective

As an investor your objective is to find property at 50 to 60% of fair market value (FMV). If you buy at 60% FMV, you can quickly sell it at 90% FMV.

If you are investing in rental properties, your cash flow per year should give a 20% return on investment after mortgage, interest, tax payment and other expenses. **Example:** If you put \$30,000 down on a \$300,000 property, your net cash flow should be \$6,000 annually after expenses. $30,000 \times .20 = 6,000$

100:10:3:1 Rule

Finding good deals in real estate is a numbers game. The general rule is that you will have to look at 100 properties to find 10 worth making an offer on. 90% of properties you look at will not suit your investment needs. The ten offers you submit will not all be accepted. Most often 70% are not accepted (In fact, if all 10 were accepted, you're probably offering too much). If three are accepted, you still have to arrange for financing for them. Of the three you try to arrange financing for, you might only close on 1. After that, it starts all over again. You will have to look at 100 more properties to close on another investment property.

One great benefit of looking at so many properties is that in the process of looking at what's out there, you will get a feeling for what is the norm. You will become an expert, and be able to recognize a great deal when you see one.

10 Secrets for Finding Sweet Deals

Sweet Secret #1 - Choose A Specialty

Before you get started, you must decide what type of real estate you will specialize in. This will play a significant role in how and where you look for deals. There are five basic categories of real estate. They are:

- Land Speculation
- Single Family Homes
- Multi-family Homes
- Commercial and Industrial Properties
- Retail Shops and Shopping Malls

Land Speculation is the investing in land with the hope that it will go up in value sufficient to (a) cover the cost to hold or (b) provide a desired return over and above the total invested capital.

Buying **single family homes** as an investor usually falls into one of these different investment strategies

1. Buy, fix up and sell
2. Buy and rent (with or without fix up)

Multi-family homes are properties that have more than one unit. The smallest would be a duplex. The largest could have hundreds of apartments.

Commercial and Industrial Properties range from office buildings to warehouse complexes and everything in between. Commercial properties fall into two basic categories; single use and multi-use.

Retail Shops and Shopping Centers are difficult for the new investor to tackle. I would strongly suggest specializing in one of the other areas until you are more experienced.

Find Your Comfort Zone

All real estate investors should focus their time and effort to narrow the market area. This should be directed to the exact kind of real estate you want to purchase.

Once you decide which real estate type you will specialize in, you must choose a geographical area to specialize in as well. Take an inexpensive city map of an area that you know well. Go over the map and mark off the different areas with which you are familiar where you will find the type of property you are looking for. This will be your comfort zone.

When you pick an area as your comfort zone, it is important to ascertain how the different categories of property fair in the market. What was the trend that resulted in the present situation? This pattern is essential to understand in order to remove risk from your investments.

Four Keys to Building a Workable Comfort Zone

1. Establish a geographical territory
2. Become the expert on that territory
3. Build the investment techniques for the type of real estate you will specialize in
4. Recognize and act on opportunities

Sweet Secret #2 - Public Forums

Public Hearings, city or county council or commission meetings are an excellent source for getting information on deals long before others find out about them. This will inform you of growth trends of an area, the local problems, upcoming new investments and changes in zoning or other regulations or rules that affect real estate both directly and indirectly. By being selective about which local meetings to attend, a newcomer to a community can in a very short time, develop a keen sense of awareness about that community.

Sweet Secret #3 - Realtors and Real Estate Agents

Buyers Brokers - The buyer broker represents the buyer and not the seller. This differs from the common broker-client relationship in which the agent legally represents the seller and is obligated by law to make every legal attempt to get the best deal for the seller.

Unless there is a specific agreement between the buyer and the agent that establishes a buyer broker agreement, the buyer must assume that all real estate agents work for the seller. In a buyer's broker agreement the buyer agrees to pay his agent a fee and the agent agrees not to

collect a fee from the seller. Under this situation, the buyer broker is obligated to act in the best interest of the buyer.

Sweet Secret #4 - Attorneys

Estate sales are an excellent source of undervalued properties. Simply stay in regular contact with attorneys that specialize in estate planning. Get a list from the Bar Association. When family needs and conflicts necessitate a quick sale of an estate, you'll hear about it. It's also a good idea to stay in touch with the probate agency in your city to determine the state executor on file.

Real estate attorneys often have clients that need to sell quickly especially when a potential buyer has backed out at the last minute. Contact real estate attorneys and let them know you are interested in being contacted if their deals fall through.

Be advised however of attorney ethics rules. Some attorneys may not be able to tell you anything depending on the circumstances, because they have to protect their clients' identity.

Sweet Secret #5 - Newspapers and Real Estate Magazines

Newspaper Classified Ads - A good place to look for a great deal is in the newspaper if you know what to look for. Check the classified ads in your local newspaper (Sundays are the best). The mistake most people make is that they don't know the hidden signals in the ads that let you know that it is a great deal. I have listed below the key words to look for in a classified ad as well as the words you must absolutely avoid in order to save you time in your search.

KEY WORDS TO LOOK FOR IN CLASSIFIED ADS

| | |
|----------------------|---------------------|
| Price reduced | For sale by owner |
| Non-qualifying loans | Nothing down |
| Must sell | Out of town owner |
| Desperate | |
| Moving | Motivated seller |
| Transferred | Will sacrifice |
| Illness Forces | Sale repossession |
| Bankruptcy | Estate sale |
| Foreclosure | Investment property |
| Below Market | Distressed property |
| Below Appraisal | Seller Anxious |
| Bought Another | House Reduced |
| Divorce | Handy man special |
| Needs Work | Make offer |

STAY AWAY FROM THESE WORDS IN ADS

| | |
|---------------------|-----------------|
| Gorgeous | Great view |
| Oversized den | Large bedrooms |
| Ceiling fans | Custom work |
| Wall to wall carpet | Walk in closets |
| Gorgeous fireplace | Newly Renovated |
| Large bedrooms | Mint Condition |
| Immaculate | Appraised Value |

Sweet Secret #6 - Write Your Own Ads

Your Own Ads - A great way to let people know about what you do is run inexpensive classified ads in the newspaper and in real estate magazines. Test the ads with different copy to see which pulls the best responses from qualified sellers. You can use something simple like this:

Serious Investor Seeks Properties

Any Location or Condition. No Problem
Quick Closings Available. Free Property Evaluation
Call Now (Your Phone #)

Direct Mail - Can be a great source of finding deals if you have the right mailing list. A list broker may not be the best source for acquiring your mailing list. If you can acquire the mailing lists of real estate agents, title companies, mortgage lenders or anyone else that has direct contact with buyers and sellers, you will get a far greater response. Some agencies sell their lists. Some will exchange lists with you, and some will give you their list in exchange for a fee for anyone that you eventually earn a profit from that came from their list.

In direct mail, the headline and sales copy is critical to grabbing the interest of the reader. Look at direct mail pieces you have received on similar topics that you feel will move your prospects to contact you, and model your letter after them. If you have no experience in direct marketing, your best bet is to hire a professional copywriter to write the letter for you the first time.

Sweet Secret #7 - Banks & Lending Institutions

Lenders, financing companies, shopping mall loan companies and second mortgage companies all have to take back real estate. The Real Estate Owned Department or Special Asset Department can provide a list of repressed properties. Find these institutions and develop a friendship with their managers.

Look in the phone book or on-line for finance companies. Ask to speak to the manager and let him/her know what you do. Ask if they have any properties for sale, and ask them to call you or send a list of new foreclosures on a continuing basis. I recommend calling 10 to 20 finance companies each month to see what properties are available. Many of these institutions will offer you financing as well.

Sweet Secret #8 - Referrals from People You Know

Let everyone you know that you are in the business of buying real estate, and you will be amazed at how many people will help you - especially if you pay them. If someone brings you an address, the name of an owner, or someone who needs to sell a property at a reduced price, and you buy that property and later turn it into profits for yourself, pay the person a finders fee. This will ensure that they will continue to look for properties and good deals for you. If you close on a property, give them \$500 cash. Do not pay for leads that may turn into nothing. Make sure that the fee will not be paid unless and until you close.

Sweet Secret #9 - Networking

A strong network is a key ingredient in succeeding in real estate. As an investor, you are looking for motivated sellers and buyers. You want to identify prospective buyers who are looking for good deals. To build a network of people who can help you and ensure that you profit in the long run, meet as many people as you can and keep a list of their names, addresses, phone numbers and related information.

Some people you will want to network with are accountants, other investors, attorneys, builders, contractors, financial planners and anyone that would come into contact with sellers or buyers. Accountants and other professionals know of other investors, of divorces, real estate sales and other special situations in which people in financial trouble need to sell. Try to make these relationships reciprocal. When contractors, bankers and attorneys bring you deals, try to return the favor by bringing them more clients and business as well.

Investment Clubs, associations, exchange groups, etc. are also great resources for finding deals. Many times other investors will bring you deals they have heard of but for any number of reasons are not taking advantage of themselves.

Sweet Secret #10 - Offer Free Educational Seminars

Hold an educational seminar at a well located library or community center. In your ads and direct mail piece, offer to educate your prospects for Free on such topics as “What to Do to Get More Money if You’re Thinking About Selling Your House!” or “How to Get Top Equity Out of Your House!” You can also bring different speakers (bankers, mortgage firms, etc.) willing to talk about subjects of interest (e.g. loans, refinancing, how to buy more property by trading your existing house, free evaluations, etc.) You can tell attendees, “if you qualify, we can buy your house in one day flat.”

The amount of ways to find deals is only limited to your imagination. But... Armed with these sweet secrets, you will get a huge head start on your competition. Are you ready for the challenge? That’s a question only you can answer... but... if you feel you’d like to explore these secrets and dozens of additional secrets more deeply, feel free to call or email me.

I’ll give you some ideas to help you take your investing to the next level.

Call Toll Free 1- 800-614-4018 or email me at insidersecrets@mindspring.com

Yours in Success,

Heru Ur Nekhet

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- “I came to the course without a clue. Heru and Augustine gave us so much information and offered their experience and expertise without hesitation. I now know how to find a deal, negotiate a deal and close a deal! It’s all up to me now!
-Sekhmet Alesia Matthew, B’klyn., NY
- **“I got explanations to all of my real estate questions. Knowledge is a lot better than ignorance.”**
-Otis Beharry, Queens, NY
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