

# Private Lending Made Easy

Prospecting for Buyers Who  
Want to Purchase Real Estate  
With Their IRA Or 401k



**Home Study System for Real Estate Investors**

by

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# Private Lending Made Easy

## Prospecting for Buyers Who Want to Purchase Real Estate with Their IRA or 401k

We are delighted and honored that you have chosen this system to take your real estate business to the next level.

As a result of the current state of the economy, many would-be buyers are finding it more and more difficult to obtain financing to purchase real estate. But there is an alternative for these buyers and this home study system will teach you how to introduce this alternative to your prospects. It will show you how to assist them in implementing it.

This is a system I have used, so the legwork has already been done for you. There's no need for you to reinvent the wheel. Simply follow the steps outlined in this home study system and you'll have buyers with IRAs calling you.

Along with this guide, you're receiving forms, checklists, postcards, ad copy, a power point presentation, and an audio recording of me making a presentation to a prospect.

I look forward to hearing about your amazing success, so please keep in touch!

Sincerely,



E. Alan Cowgill  
Member  
Colby Properties, LLC

P.S. Your system is guaranteed to be free of defects. Should you need a replacement CD, please contact us.

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# Dedication

This book is dedicated to my wife, Julie, and our children and grandchildren.

Thank you all for your support and love!

## ABOUT THE AUTHOR

E. Alan Cowgill is the owner of Colby Properties, LLC and President of Integrity Home Buyers, Inc. Alan is a full-time real estate investor, investing in single family and small multi-family properties in Springfield, Ohio.

Since 1995, Alan has bought and sold hundreds of investment properties. He uses private lenders, not banks, to finance his real estate purchases. By doing this, Alan has created his own private bank of \$1,000,000 in funds. He looks for “win-win” situations, where the seller, the lender, and the eventual homeowner will all benefit. Alan is not a Realtor; he is a *private real estate investor*.

Alan has served as an elected official to the Board of Directors for the Clark County Property Management Association. He is an author, consultant, and speaker. He was been invited to speak about various real estate investing topics, including “*Investing for the Beginning Investor*” and “*Finding Private Investors*”. Alan's first home study system, “*The Premium System*”, which shows both new and seasoned investors how to find private lenders to finance real estate purchases, met with overwhelming success.

In addition, Alan:

- Holds a B.S. Degree in Business management;
- Has over a century experience in Business management;
- Is a published author of book about both real estate investing and American Industry;
- Has been featured in the business section of the Springfield News-Sun newspaper;
- Worked as an adjunct professor at Clark State University;
- Was acknowledged in the book “e-mail Basics” ISBN#0-9676313-1-9;
- Has had international speaking engagements;
- Is a business trainer and consultant;
- Is a Member of the Springfield Chamber of Commerce;
- Appeared in a 28-minute real estate information which was televised nationwide.

And best of all, Alan is the father of three children.

# Private Lending Made Easy

## Prospecting for Buyers Who Want to Purchase Real Estate with Their IRA or 401k

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Audio of Alan Giving A Luncheon

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34-Page IRA Booklet

Credibility Kit

Webinar Check Sheet

Seminar Check Sheet

PowerPoint® Slide Presentation

Newspaper Ad

Postcard

Letter of Introduction

Interest Form

## **INTRODUCTION**

The demise of the sub-prime mortgage market and subsequent implosion of the banking industry along with record setting unemployment rates and plunging real estate values has made it difficult for many real estate investors to move their inventory of properties. At the heart of the problem is the fact that it has become much more difficult for buyers to obtain financing from banks.

As I did years ago when I began using private lenders to finance my deals, I began seeking a solution for this problem. How could I find qualified buyers who did not have to turn to a bank to finance a real estate purchase? Most people don't have hundreds of thousands of dollars sitting in their checking or savings account. So where is the money? It occurred to me that the money is in IRA and 401k accounts.

So, the question became, can people access these funds to purchase real estate? And if they can, how do they go about doing it without incurring penalties and tax consequences?

Most people don't realize that they can invest their pensions in houses, condominiums, vacant land, apartment buildings, and other forms of real estate. They can also use their pensions to investment in businesses, make loans, and a host of other investments. So, I needed to figure out a way to get a group of potential buyers together to show them how they can investment in real estate with their IRA or 401k.

So, last year, I hosted a luncheon to make my pitch to potential buyers. But, to my surprise, only two people showed up. I admit that I did not do much advertising; I just assumed that more people would show up, especially since people's investments were tanking because of the many bank failures and the subsequent bailout that followed. I thought people would be looking for a way to invest that would offer them more control over their money and yield a higher return.

You see, I have used my IRA to invest in real estate and I know how beneficial it can be. So, I needed to find a way to share this knowledge with other people. My next step was to create a webinar that would show people, step by step, how to use their IRA or 401k to buy real estate. This evolved into the creation of a home study system for my students who have inventory that they need to move and who want to find buyers with IRAs or 401k accounts who want to purchase real estate.

What follows is a complete, step by step, guide which shows investors how to locate buyers with 401k and IRA accounts.

# MODULE A

## WEBINARS



## Section #1

# WEBINARS

A webinar is a meeting or seminar conducted over the Internet. A webinar is a great way to present any program because it's less expensive than a luncheon and you have an opportunity to reach people outside of your immediate vicinity (if you choose to market outside of your area).

## 9 STEPS TO CONDUCTING A WEBINAR

### 1. TARGET A WEBINAR DATE

Picking a date is key to maintaining forward momentum and actually making the webinar happen. If you do all the other steps, but fail to select a date for the webinar, chances are it will never happen. I recommend scheduling the webinar for Tuesday at 9:00 p.m.

### 2. SELECT A WEBINAR PROVIDER

You must choose a webinar provider to host your webinar. If you are new to this, I suggest you read the article, "*Finding the Best Webinar Provider*" by Tom Cruz. You can link to this article at <http://ezinearticles.com/?Finding-the-Best-Webinar-Providers&id=1509359>.

A few webinar providers you might want to consider are:

1. [www.GoToMeeting.com](http://www.GoToMeeting.com)
2. [www.TheWebinarPros.com](http://www.TheWebinarPros.com)
3. [www.MeetingBridge.com](http://www.MeetingBridge.com)

You must schedule the webinar to get the registration link that you will include on your postcard and in the newspaper ad.

You can either purchase a domain name and set up a website or go to [tinyURL.com](http://tinyURL.com) and purchase a link that redirects your prospects to the webinar link. You'll want to do this because some of the webinar provider's sites can be somewhat confusing.

### 3. TARGET A GROUP OF PROSPECTIVE BUYERS

Remember, the goal is to draw people with IRAs and 401k accounts to the seminar.

- a) Send letter to your current list of private lenders;
- b) Buy a list of IRA and 401k owners from Dunhill International List Co. or another list broker;
- c) Run an ad in the local paper, penny saver magazine, or senior's magazine;
- d) Buy a list of e-mail addresses (You can buy a list of targeted leads from InfoUSA.com for about \$400);
- e) Advertise on FREE websites such as Craigslist.com
- f) Tell your warm market (family, friends, church members, etc)

You should do three mailings to your prospects via USPS about the webinar. The mailing should be sent out every seven days on Tuesday. I recommend using Click2Mail.com for your mailings.

The mailings should be as follows:

1<sup>st</sup> Mailing – FREE Webinar Reveals

2<sup>nd</sup> Mailing – Elizabeth Postcard

3<sup>rd</sup> Mailing – FREE Webinar Reveals

**Note: With each mailing, you should clean up your mailing list by deleting or updating addresses as postcards are returned to you as undeliverable. You should also not continue mailing to anyone who has already signed up for the webinar.**

**Note: I recommend leaving your company website and phone number off of the first two postcards and including only the registration link for the webinar. On the last postcard, include your website address, phone number, and the registration link. The logic behind this strategy is to reduce the number of phone calls on the first two mailings and force your prospects to webinar site to get more information.**

If you plan on doing an e-mail blast to your prospects, you should send three e-mails as follows:

1<sup>st</sup> e-mail blast – On the Friday before the Tuesday webinar

2<sup>nd</sup> e-mail blast – The Monday (day before) before the webinar

3<sup>rd</sup> e-mail blast – The day of the webinar

**Note: You should choose which of these steps you want to follow based on your budget. You can mix and match them to fit your needs.**

#### **4. PACKET ORDER OPTION**

You'll have to decide which "Packet Order Option" you want to offer your prospects.

- a) Drive folks to a website where they will fill out an online form, leave their e-mail address, and get two downloads: The IRA Booklet and Your List of Properties **OR**
- b) Have them e-mail or call you so you can mail the packet of information.

#### **5. CREATE A BUYER PACKET**

#### **6. CREATE A CREDIBILITY KIT**

#### **7. CREATE A POWERPOINT® PRESENTATION ABOUT USING IRAS AND 401k ACCOUNTS TO PURCHASE REAL ESTATE**

#### **8. DESIGN A DIRECT MAIL POSTCARD TO MAIL TO PROSPECTS INVITING THEM TO ATTEND THE WEBINAR**

#### **9. DESIGN AN AD TO PLACE IN THE LOCAL NEWSPAPER INVITING PEOPLE TO ATTEND THE WEBINAR**

**The following pages will explain each of these steps in more detail.**

## **STEP #1**

### **TARGET A WEBINAR DATE**

Picking a date for the webinar is critical. If you do all of the other steps, but don't choose a date and time for the webinar, chances are it will not happen. By choosing a date and time, you're naturally creating momentum and propelling yourself forward.

Additionally, you need a firm date and time for the webinar because newspaper advertising and other time sensitive steps hinge on having that information.

## **STEP #2**

### **SELECT A WEBINAR PROVIDER**

When considering a webinar provider, it's important to know exactly what you are getting for your money. If you know it takes you one hour to make the presentation, plan for an hour and fifteen minutes.

You also need to know how many people can attend your webinar. Most webinar providers limit the number of participants depending upon the type of package you are buying.

You should consider paying the extra money to have the webinar provider handle "event management".

## STEP #3

### TARGET A GROUP OF PROSPECTIVE BUYERS

Marketing 101 says to contact your warm market - your family, friends, and associates, first. So, make a list of these people. I want to caution you, though. Sometimes your warm market can be the toughest. So, you should also target others and invite them to the webinar.

A good starting point is to invite your private lenders to attend the webinar. You already have credibility with these people. So, they should be eager to hear what you're proposing.

Finally, consider buying a list from a list broker such as Dunhill International List Co.

Dunhill International List Co., Inc.  
1951 N.W. 19<sup>th</sup> Street  
Boca Raton, FL 33431-7344  
1-800-DUNHILL  
(561) 347-0200  
Fax: (561) 347-0400  
<http://www.dunhills.com>  
E-mail: [sales@dunhills.com](mailto:sales@dunhills.com)

When buying a list, you need to be very specific about the demographic you're targeting. I recommend you ask for a list of people who own IRA or 401k accounts and who make at least \$50,000 per year, own a home, and purchase things through the mail.

For your first webinar, I recommend that you target your county. Additionally, the list should only contain residential addresses (no commercial addresses).

Within a week, you will receive your list via e-mail. The list will contain the names, addresses, and home numbers. The list will be formatted to allow you to generate mailing labels using EXCEL software.

I recommend printing the mailing labels on white Avery 5160 labels. This allows for a sharper print quality and results in a more professional look.

Because you'll have the e-mail addresses of the prospects on the list, you can also send an e-mail blast inviting them to the webinar.

**Option: Have Dunhill's blast your promo to the list. If you choose this option, you will need to provide Dunhill's with a PDF of the promo materials. This is pricy.**

**Note: Be sure to mention my name when you order the list from Dunhill's. By mentioning my name, Alan Cowgill, you will receive a discount.**

## **STEP #4**

### **PICK PACKET ORDER OPTION**

You'll need to decide which packet order option you want to offer your prospects. You can either:

1. Drive the prospects to a lead capture page where they will be required to fill out an online form, leave their e-mail address in order to receive two FREE downloads: the IRA Booklet and a List of Your Properties
2. Have the prospects e-mail or call you to request that the information be send to them via snail mail

## **STEP #5**

### **CREATE A BUYER PACKET**

There are two reasons you want to create a buyer packet. First, you want to send a message to your prospects that they are dealing with a reputable professional. If you don't have professional, sleek materials to provide to your prospects, they may get the impression that you're scamming them.

Next, a buyer packet can be used as a mailable lead-generation tool. You may get responses to your postcards or newspaper ad from people who cannot attend the webinar, but want to receive more information about purchasing real estate with IRAs and 401k accounts.

You should include the following in the buyer packet:

- 1) Introductory Letter
- 2) Info about several of your properties with color photos
- 3) 34 Page IRA Booklet

You should save all these documents as PDF's and, if you receive requests for more information, e-mail them to your prospects the day after the webinar in a zip file. You can purchase low cost zip software online at <http://www.winzip.com>.

The buyer packet is included in this system as a separate handout.

## **STEP #6**

### **CREATE A CREDIBILITY KIT**

It critical that you present a professional image to your prospects. One way to do this is to create a credibility kit. You should e-mail the credibility kit to the people who have registered for the webinar so that they can review it after the webinar. Send the credibility kit via e-mail as soon as the prospect registers for the webinar.

Your credibility kit should include:

- 1) A page of color pictures with short descriptions of the properties you have for sale;
- 2) A page about your real estate investment company
- 3) A page about you (could be a resume, but doesn't have to be that formal);
- 4) Certificates from boot camps, seminars, etc. that you've attended;
- 5) Testimonials;
- 6) Miscellaneous Information
  - Press Releases about your real estate investment businesses
  - Newspaper articles in which you've been featured
  - Programs from seminars at which you've spoken
  - Teams that you've sponsored
- 7) Free Reports that might be of interest to the seminar attendees

Save each element of your credibility kit as a PDF and e-mail the kit to each prospect who has registered for the webinar. I recommend sending this e-mail no later than the morning of the webinar.

There is a CD-ROM included in this system which contains a sample credibility kit. Feel free to use this sample as a template for your credibility kit.

## **STEP #7**

### **CREATE A POWERPOINT® PRESENTATION ABOUT USING IRA AND 401k ACCOUNTS TO PURCHASE REAL ESTATE**

This is the “heart” of the webinar. This home study system includes the presentation I use. I suggest you use the bulk of this presentation and only change the information that is personal to you, such as the name of your company, the story of your company, and the properties you have listed.

Your presentation should contain between 45 and 55 slides. You should split the presentation into two sections:

#### 1) Purchasing Real Estate with IRA and 401k accounts

This is your opportunity to sell your prospects on using their pensions to purchase real estate. You must be able to explain how this program works in a way that is clear and easy to understand.

#### 2) Company Overview

This section should contain your story – how you became a real estate investor. You should include interesting information about your company and its success.

During the presentation, be sure to share information about the real estate business and your company. Stay focused and don't waste any time talking about things that are not related to real estate.

You should plan for the webinar to take about 1 hour. This will allow you to take about a minute on each slide.

## STEP #8

### DESIGN A DIRECT MAIL POSTCARD

One of your primary marketing tools will be the direct mail postcard. The goal of the direct mail postcard is to elicit an emotional response in your prospect so that they will call you or come to your webinar to get more information about your product or service.

You will use the mailing labels you created from the list you purchased from the list broker for these postcards. Send out the postcards at least three times in the ten days before the webinar. **DO** include the date and time of the webinar on the postcard. The postcard should also include the registration link for the webinar. An example of the postcard I use is shown on the next page.

**FREE Webinar Reveals Amazing IRA Alternative To Low Paying CD's And Risky Stock Market. Find Out What Your Banker And Broker Don't Want You To Know!**

- Tired of 2-4% CD's earning measly amounts of interest?

- Rightfully scared of the crazy and risky stock market?

- Let us show you how to maximize your returns!

- What have you got to lose?

**Reserve Your Seat  
For This  
FREE Webinar**



**June 5<sup>th</sup>, 2010  
9:00 p.m.**

**Register online at  
<http://>\_\_\_\_\_**  
For More Information Call Tami at  
**937-555-5555**  
Or  
e-mail  
**info@lbuyHomes.com**

**RETIRED?  
LAID OFF?  
QUIT JOB?**

Convert your 401K into a money-making machine!

Adult kids still at home? Use your IRA to launch.

Learn how to earn a high rate of return!

**CALL NOW!**  
While it's fresh on your mind!

## **STEP #9**

### **PLACE A NEWSPAPER AD IN THE LOCAL NEWSPAPER TO ATTRACT PEOPLE TO THE WEBINAR**

The newspaper ad and the postcard should be almost identical in look and in content. The goal is to create recognition in your community. Remember, the same people who receive your postcard will most likely also see your ad in the newspaper.

The message in the ad should be clear and concise.

Run the newspaper ad for seven consecutive days before the webinar.

I recommend running a 3 x 2 ad (3 columns wide by two inches long).

An example of the ad I use is shown on the next page.

**FREE Webinar Reveals Amazing IRA Alternative To Low Paying CD's And Risky Stock Market. Find Out What Your Banker And Broker Don't Want You To Know!**

- Tired of 2-4% CD's earning measly amounts of interest?

- Rightfully scared of the crazy and risky stock market?

- Let us show you how to maximize your returns!

- What have you got to lose?

**Reserve Your Seat  
For This  
FREE Webinar**



**June 5<sup>th</sup>, 2010  
9:00 p.m.**

**Register online at  
<http://>\_\_\_\_\_**

**For More Information Call Tami at  
937-555-5555**

**Or  
e-mail  
[info@lbuyHomes.com](mailto:info@lbuyHomes.com)**

**RETIRED?  
LAID OFF?  
QUIT JOB?**

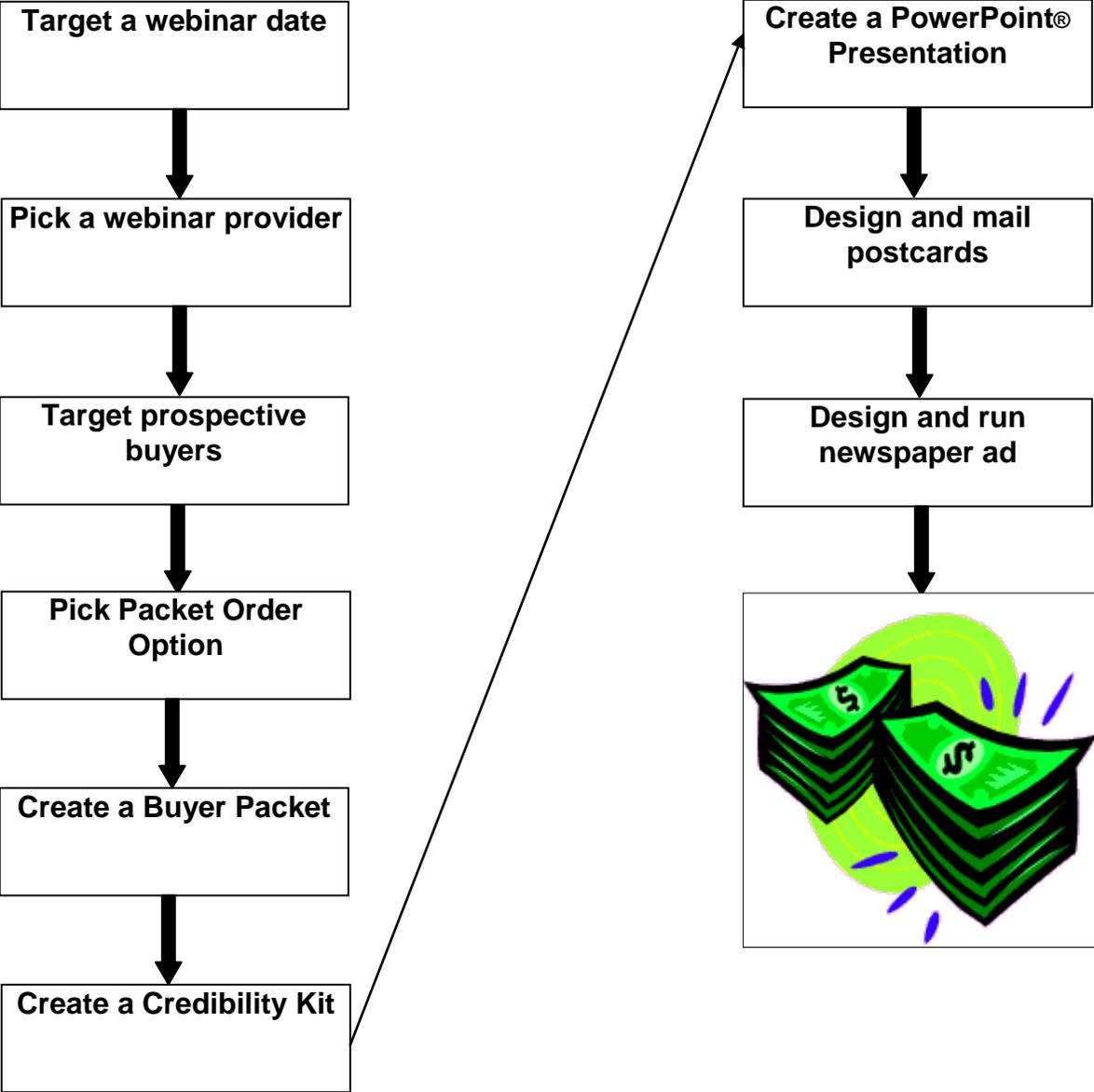
Convert your 401K into a money-making machine!

**Adult kids still at home? Use your IRA to launch.**

**Learn how to earn a high rate of return!**

**CALL NOW!  
While it's fresh on your mind!**

**9 STEPS TO SUCCESS**



## Section #2

### THINGS TO DO PRIOR TO THE WEBINAR

#### Webinar Check Sheet

Once you decide to have a webinar, you should print out the webinar check sheet and fill in as much information as possible. A copy of the webinar check sheet is included at the end of this section. Refer to it as you read through the information that follows.

The best webinars are those that are well planned. Although I like the check sheet included in this home study system, you are free to modify it in any way you please so that it works best for you.

There are two categories of items you need:

- 1) Those you need to produce
- 2) Those you need to order

Some marketing and advertising materials may take a while to produce, so you must plan ahead. Be sure to order any items you do not have in stock as soon as you decide to have a webinar.

#### **A. Location**

In the upper right-hand corner of the check sheet is a place to record the date, time, and provider of the webinar.

Staple the pages of the check sheet together and put them on a clipboard. Put the clipboard on a hook in a highly visible spot on the wall so the entire staff is working from the same check sheet with the same information. As arrangements are made and procedures completed, the check sheet should be updated accordingly. Everyone involved in organizing the webinar must have access to the check sheet so that they know what has been completed and what has yet to be completed.

Next to each task listed on the check sheet is a line which should be initial and dated by the person who completed the task.

#### **B. PowerPoint® Presentations**

Make sure you are clear with the webinar provider what their parameters for the PowerPoint® Presentations are. You need to determine how far in advance you have to provide them with the presentation and what the dial-in number for the webinar is.

## **C. Advertising**

All advertising must be set up and the timing must be coordinated.

## **D. Handling Webinar Reservations**

Most webinar providers will provide you with a link so that the webinar attendees can register in advance. Make sure that the provider you choose offers this service.

If you go with a webinar provider that offers event management services, be sure you have a clear understanding of what those services entail.

## **E. Information for One-on-One Meeting After Webinar**

You should prepare all the information that you will give to your prospects when you meet with them one-on-one. I recommend keeping several of these packets available so that they are ready when you schedule an appointment with a prospect.

Buyer Packet  
See Step #5 above

Credibility Kits  
The Credibility Kits can be e-mailed to your attendees on the morning of the webinar.

## **F. Day Before Webinar**

Confirm that everything is ready to go with the webinar provider.

## **G. Day of Webinar**

1. Send an e-mail reminder via auto-responder to all who have registered for the webinar
2. Make sure that your PowerPoint® Presentation is ready and has been uploaded to the webinar provider

## **H. Day After Webinar**

1. E-mail thank you note via an auto-responder to all webinar attendees
2. Make notes about anything that you want to change or improve about the webinar
3. File the check sheet

## I. Notes

We use this part of the check sheet to record any special notes or observations from the seminar.

**Note: The presenter needs to practice, practice, practice the presentation so that it goes smoothly and he or she sounds knowledgeable and professional.**

**Webinar Check Sheet**

Date of Webinar \_\_\_\_\_

Time of Webinar \_\_\_\_\_

Webinar Provider \_\_\_\_\_

**A. SCHEDULE WEBINAR**

\_\_\_\_\_ Log on to webinar providers website \_\_\_\_\_  
*(Name of Webinar Provider)*

to reserve date and time

\$ \_\_\_\_\_ / min or hour  
*(circle one)*

\_\_\_\_\_ Event Management Service Purchased \_\_\_Y \_\_\_N

Additional Cost \$ \_\_\_\_\_

What's Included \_\_\_\_\_  
\_\_\_\_\_

Other Services purchased from webinar provider: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Cost of Additional Services \$ \_\_\_\_\_

**B. ADVERTISING**

\_\_\_\_\_ Date post cards sent: \_\_\_\_\_

\_\_\_\_\_ Dates and times of ads: \_\_\_\_\_  
\_\_\_\_\_

## Webinar Check Sheet

Date of Webinar \_\_\_\_\_

Time of Webinar \_\_\_\_\_

Webinar Provider \_\_\_\_\_

### C. DAY BEFORE WEBINAR

\_\_\_\_\_ Confirm with webinar provider

### D. DAY OF WEBINAR

\_\_\_\_\_ Send friendly e-mail reminder of the webinar to all who have registered

\_\_\_\_\_ Make sure all PowerPoints® are ready and have been uploaded to webinar provider if necessary

### E. AFTER WEBINAR

\_\_\_\_\_ E-mail via an auto responder thank you note along with follow-up questionnaire to all attendees

\_\_\_\_\_ Record any notes or observations below and on the back of this page

\_\_\_\_\_ File the check sheet

Number of reservations: \_\_\_\_\_

Number of guests: \_\_\_\_\_

Number of no shows: \_\_\_\_\_

### F. NOTES

**Please Fill Out This Form  
and E-mail it to \_\_\_\_\_  
or fax it to \_\_\_\_\_**

**To Receive Your FREE 34-Page Report**  
**Thanks for tuning in to our webinar!**

Name \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: Day \_\_\_\_\_ Evening \_\_\_\_\_ Fax \_\_\_\_\_

- YES! I would like to get started as soon as possible. I am interested in one of the properties you currently have for sale.
- YES! I am very interested, but I have some questions I'd like to discuss one-on-one. Please contact me to schedule a meeting.
- NO! I'm just not ready to use my IRA or 401k to purchase real estate at this time.

I have some friends I believe may be interested in your program.

You  May  May Not use my name when contacting them.

Name \_\_\_\_\_ Phone \_\_\_\_\_

Name \_\_\_\_\_ Phone \_\_\_\_\_

At this time, I have available in my IRA or 401k to purchase real estate:

- \$25,000 - \$50,000       \$50,000 - \$100,000       More than \$100,000

## PROSPECT EVALUATION

Essentially, you are creating three groups through the use of the Interest Form. In actuality there is a fourth, those who were on the webinar and don't fill out the form. I'll address each one in turn:

**Group Zero** – Those who were on the webinar and don't fill out the online form.

Of course these are the worst leads of all the groups, but they did sign-up to be on the webinar. Therefore, my thought is to go ahead and send them the 33-page Investment Guide with an email reminding them to fill out the form. Hopefully, the Law of Reciprocity will kick in and they'll fill out the form which will move them into one of the following groups.

**Group 1** – Those who qualify themselves as not interested.

First of all, they'll receive an email with the 33-page Investment Guide as their reward for filling out the form. But I would also send them a formal request for referrals along with your list of available houses explaining that while this may not be for them, they probably have friends or family looking to buy or invest. Simply ask them to send your office the referrals' contact information and you'll be in touch with them regarding these investment techniques.

**Group 2** – Those who qualify themselves as interested and want more information.

As before, they'll receive an email with the Investment Guide. This email however, should be congratulatory in nature as they realize the value of the opportunity they have to reach their investment goals. The email should also spell out their next step in the process, to call your office to set up a one-on-one meeting.

Along with the guide, this group will receive your list of available houses and the sales letter for the program with a call-to-action to call your office to set up a one-on-one meeting. Finally, after 2-3 days of not hearing from a Group 2 person, I would follow-up with a phone call to touch base, handle their objections, answer questions, and hopefully set up a meeting.

**Group 3** – Those who qualify themselves as ready to get started.

Everything for Group 3 is the same as Group 2, except I wouldn't bother sending the sales letter to them. The email should be very congratulatory and should tell them exactly who to call to set up their one-on-one. Give them time to call, about 1 day, and then call them directly to set up the meeting.

**Note: These evaluation techniques may also be used for seminar attendees.**

# MODULE B

## GROUP LUNCHEONS



## Section #1

### GROUP LUNCHEONS

This system describes the procedure for holding luncheons for prospective buyers who may be interested in using their IRA or 401k to purchase real estate.

#### 10 STEPS TO CREATE THE SEMINAR

##### **1. TARGET A SEMINAR DATE**

Picking a date is key to maintaining forward momentum and actually making the luncheon happen. If you do all the other steps, but fail to select a date for the luncheon, chances are, it will never happen.

##### **2. SELECT A LOCATION**

Select a location that is centrally located, easily accessible, and that has free parking. I've found that the best locations for this type of seminar are:

- a) Hotels/Motels
- b) Country Clubs
- c) Churches

##### **3. HIRE A CATERER OR DELI TO PROVIDE LUNCH FOR THE ATTENDEES**

##### **4. TARGET A GROUP OF PROSPECTIVE BUYERS**

Remember, the goal is to draw people with IRAs and 401k accounts to the seminar.

- a) Send letter to your current list of private lenders
- b) Buy a list of IRA and 401k owners from Dunhill International List Co. or another list broker

##### **5. CREATE A BUYER PACKET**

##### **6. CREATE A CREDIBILITY KIT**

##### **7. CREATE A POWERPOINT® PRESENTATION OF PROPERTIES YOU CURRENTLY HAVE FOR SALE**

This presentation will run during the registration period before the seminar begins.

- 8. CREATE A POWERPOINT® PRESENTATION ABOUT USING IRAs AND 401k ACCOUNTS TO PURCHASE REAL ESTATE**
- 9. DESIGN A DIRECT MAIL POSTCARD TO MAIL TO PROSPECTS INVITING THEM TO ATTEND THE SEMINAR**
- 10. DESIGN AN AD TO PLACE IN THE LOCAL NEWSPAPER INVITING PEOPLE TO ATTEND THE SEMINAR**

**The following pages will explain each of these steps in more detail.**

## **STEP #1**

### **TARGET A SEMINAR DATE**

Picking a date for the luncheon is critical. If you do all of the other steps, but don't choose a date and time for the seminar, chances are it will not happen. By choosing a date and time, you're naturally creating momentum and propelling yourself forward.

Additionally, you need a firm date and time for the seminar because newspaper advertising and other time sensitive steps hinge on having that information.

## **STEP #2**

### **SELECT A LOCATION**

When considering a location for the seminar, it's important to choose a place that is centrally located and easily accessible. You also want a location that has FREE parking.

The following are examples of locations to choose from:

- a) Local hotel or motel
- b) Country Club
- c) Church
- d) Restaurant with a private meeting room

I recommend that you select a room that is on the small side. The reason for this is that if the turnout is low, you don't want to be in a huge room because it will only emphasize how few people are in attendance.

Another thing to consider is the subtle message about your credibility and who you are that your location will send. If you choose a cheap motel, you send a particular message. On the other hand, if you choose the local country club, you send a completely different message. Of course, your budget will play a significant role in the location you choose and I certainly don't recommend you go broke. However, I suggest that you spend more on the location and less on the food if you're working with a limited budget.

## STEP #3

### HIRE A CATERER OR DELI TO PROVIDE LUNCH FOR THE ATTENDEES

When you are making inquiries with hotels and country clubs, be sure to ask whether they will allow you to use an outside catering service. Some locations offer catering service and do not want outside catering brought in.

You should be conservative in your head count, but you certainly don't want to overestimate because you won't get a refund. You will need to give the caterer or deli a final head count a few days before the seminar. A good rule of thumb is to assume that you will have 20% fewer people in attendance than have actually registered for the seminar.

If you are on a tight budget, you might want to consider scaling back and having a sub shop or diner provide the meal. If your budget is extremely limited, you might want to offer beverages and light snacks, rather than a full lunch. If you choose to go with beverages and light snacks, your advertising ***should not*** indicate that lunch is included.

## STEP #4

### TARGET A GROUP OF PROSPECTIVE BUYERS

Marketing 101 says to contact your warm market - your family, friends, and associates, first. So, make a list of these people. I want to caution you, though. Sometimes your warm market can be the toughest. So, you should also target others and invite them to the seminar.

A good starting point is to invite your private lenders to attend the luncheon. You already have credibility with these people. So, they should be eager to hear what you're proposing.

Finally, consider buying a list from a list broker such as Dunhill International List Co.

Dunhill International List Co., Inc.  
1951 N.W. 19<sup>th</sup> Street  
Boca Raton, FL 33431-7344  
1-800-DUNHILL  
(561) 347-0200  
Fax: (561) 347-0400  
<http://www.dunhills.com>  
E-mail: [sales@dunhills.com](mailto:sales@dunhills.com)

When buying a list, you need to be very specific about the demographic you're targeting. I recommend you ask for a list of people who own IRA or 401k accounts and who make at least \$50,000 per year, own a home, and purchase things through the mail.

I recommend that you target your county and keep the target area to within a 15-20 mile radius of the location you've chosen for the seminar. Additionally, the list should only contain residential addresses (no commercial addresses).

Within a week, you will receive your list via e-mail. The list will contain the names, addresses, and phone numbers of the prospects. The list will be formatted to allow you to generate mailing labels using EXCEL software.

I recommend printing the mailing labels on white Avery 5160 labels. This allows for a sharper print quality and results in a more professional look.

**Note: Be sure to mention my name when you order the list from Dunhill's. By mentioning Alan Cowgill, you will receive a discount.**

## **STEP #5**

### **CREATE A BUYER PACKET**

There are two reasons you want to create a buyer packet. First, you want to send a message to your prospects that they are dealing with a reputable professional. If you don't have professional, sleek materials to provide to your prospects, they may get the impression that you're scamming them.

Next, a buyer packet can be used as a mailable lead-generation tool. You may get responses to your postcards or newspaper ad from people who cannot attend the seminar, but want to receive more information about purchasing real estate with IRAs and 401k accounts.

You should include the following in the buyer packet:

1. Introductory Letter
2. Info about several of your properties with color photos
3. Formula for Using an IRA to Purchase Real Estate – FREE Report

Place the pages in a nice folder and include your business card.

The buyer packet is included in this system as a separate handout.

## **STEP #6**

### **CREATE A CREDIBILITY KIT**

It is critical that you present a professional image to your prospects. One way to do this is to create a credibility kit. You should place the credibility kits strategically around the room on the day of the seminar so that attendees can look at it before the seminar starts and during breaks throughout the day.

Your credibility kit should include:

1. A page of color pictures with short descriptions of the properties you have for sale;
2. A page about your real estate investment company;
3. A page about you (could be a resume, but doesn't have to be that formal);
4. Certificates from boot camps, seminars, etc. that you've attended;
5. Testimonials;
6. Miscellaneous Information
  - Press Releases about your real estate investment businesses
  - Newspaper articles in which you've been featured
  - Programs from seminars at which you've spoken
  - Teams that you've sponsored;
7. Free Reports that might be of interest to the seminar attendees

Take the master copy to *CopyMax* and have copies made. You will then place the credibility kits in a folder with a clear plastic cover on the front and a hard cardboard back and have them spiral bound.

The credibility kits are not take-aways for your guests, so be sure to place a label that says "PLEASE DO NOT REMOVE FROM CONFERENCE ROOM. PROPERTY OF 'YOUR NAME'" on the bottom right hand corner of the cover of each folder. And, remember to ask the attendees to pass all the credibility kits to the front of the room at the end of the seminar.

There is a CD-ROM included in this system which contains a sample credibility kit. Feel free to use this sample as a template for your credibility kit.

## STEP #7

### CREATE A POWERPOINT® PRESENTATION OF THE PROPERTIES YOU CURRENTLY HAVE FOR SALE (Optional)

This step is optional, but I really think it's a good idea because it allows you to get your properties in front of people who have already expressed an interest in purchasing real estate.

You should have the presentation playing continuously during the registration period before the seminar begins. This **“Parade of Homes”** sets the stage and gets the attendees thinking about buying the properties you have for sale.

The other plus about having this kind of presentation playing is that it gives you credibility. It demonstrates that you have experience in the real estate investing business.

The PowerPoint® presentation should contain two main elements:

1. Before and after pictures of the properties you have for sale. You should include an assortment of interior and exterior photos.
2. You should intersperse slides with pictures of cash and interesting or funny quotes about wealth, real estate, and making/losing money.

You should have the presentation on a “continuous loop” which runs until the seminar begins. During the seminar, you should refer back to the houses featured in the presentation as examples of the types of properties you typically buy, rehab, and sell.

**NOTE: Remember, this step is optional. If you only have one or two properties that you're currently trying to sell, feel free to include slides of houses you've already sold. You can superimpose the word “SOLD” across the slide with the sales price. You can also include photos of houses that you're in the process of rehabbing and superimpose the estimated completion date across the slide.**

## STEP #8

### CREATE A POWERPOINT® PRESENTATION ABOUT USING IRA AND 401k ACCOUNTS TO PURCHASE REAL ESTATE

This is the “heart” of the seminar. This home study manual includes the presentation I use. I suggest you use the bulk of this presentation and only change the information that is personal to you, such as the name of your company, the story of your company, and the properties you have listed.

Your presentation should contain between 45 and 55 slides. You should split the presentation into two sections:

#### 1) Purchasing Real Estate with IRA and 401k accounts

This is your opportunity to sell your prospects on using their pensions to purchase real estate. You must be able to explain how this program works in a way that is clear and easy to understand.

#### 2) Company Overview

This section should contain your story – how you became a real estate investor. You should include interesting information about your company and its success.

During the presentation, be sure to share information about the real estate business and your company. Stay focused and don't waste any time talking about things that are not related to real estate.

You should plan for the seminar to take about 1 hour. This will allow you to take about a minute on each slide and it will give you enough time to take questions from the audience.

**Note: I prefer to use a PowerPoint® presentation. I have it on my laptop. You may prefer to have your presentation copied to transparencies and use an overhead projector for your presentation.**

## STEP #9

### DESIGN A DIRECT MAIL POSTCARD

One of your primary marketing tools will be the direct mail postcard. The goal of the direct mail postcard is to elicit an emotional response in your prospect so that they will call you or come to your seminar to get more information about your product or service.

You will use the mailing labels you created from the list you purchased from the list broker for these postcards. Send out the postcards at least three times in the ten days before the seminar. **DO** include the date and time of the seminar on the postcard. A copy of the postcard I use is on the next page.

**FREE Luncheon Reveals Amazing IRA Alternative To Low Paying CD's And Risky Stock Market. Find Out What Your Banker And Broker Don't Want You To Know!**

- Tired of 2-4% CD's earning measly amounts of interest?

- Rightfully scared of the crazy and risky stock market?

- Let us show you how to maximize your returns!

- What have you got to lose?

**Reserve Your Seat  
For This  
FREE Luncheon**



**June 5, 2010  
Northwood Hills  
Country Club**

**For Reservations, Call Tami at  
937-555-5555**

**Or  
e-mail**

**info@IBuyHomes.com**

**RETIRED?  
LAID OFF?  
QUIT JOB?**

Convert your 401K into a money-making machine!

**Adult kids still at home? Use your IRA to launch.**

**Learn how to earn a high rate of return!**

**CALL NOW!  
While it's fresh on your mind!**

## **STEP #10**

### **PLACE A NEWSPAPER AD IN THE LOCAL NEWSPAPER TO ATTRACT PEOPLE TO THE SEMINAR**

The newspaper ad and the postcard should be almost identical in look and in content. The goal is to create recognition in your community. Remember, the same people who receive your postcard will most likely also see your ad in the newspaper.

The message in the ad should be clear and concise.

Run the newspaper ad for seven consecutive days before the seminar.

I recommend running a 3 x 2 ad (3 columns wide by two inches long).

An example of a newspaper ad you can modify and use follows on the next page.

**FREE Luncheon Reveals Amazing IRA Alternative To Low Paying CD's And Risky Stock Market. Find Out What Your Banker And Broker Don't Want You To Know!**

- Tired of 2-4% CD's earning measly amounts of interest?

- Rightfully scared of the crazy and risky stock market?

- Let us show you how to maximize your returns!

- What have you got to lose?

**Reserve Your Seat  
For This  
FREE Luncheon**



**June 5, 2010  
Northwood Hills  
Country Club**

**For Reservations, Call Tami at  
937-555-5555**

**Or  
e-mail**

**info@IBuyHomes.com**

**RETIRED?  
LAID OFF?  
QUIT JOB?**

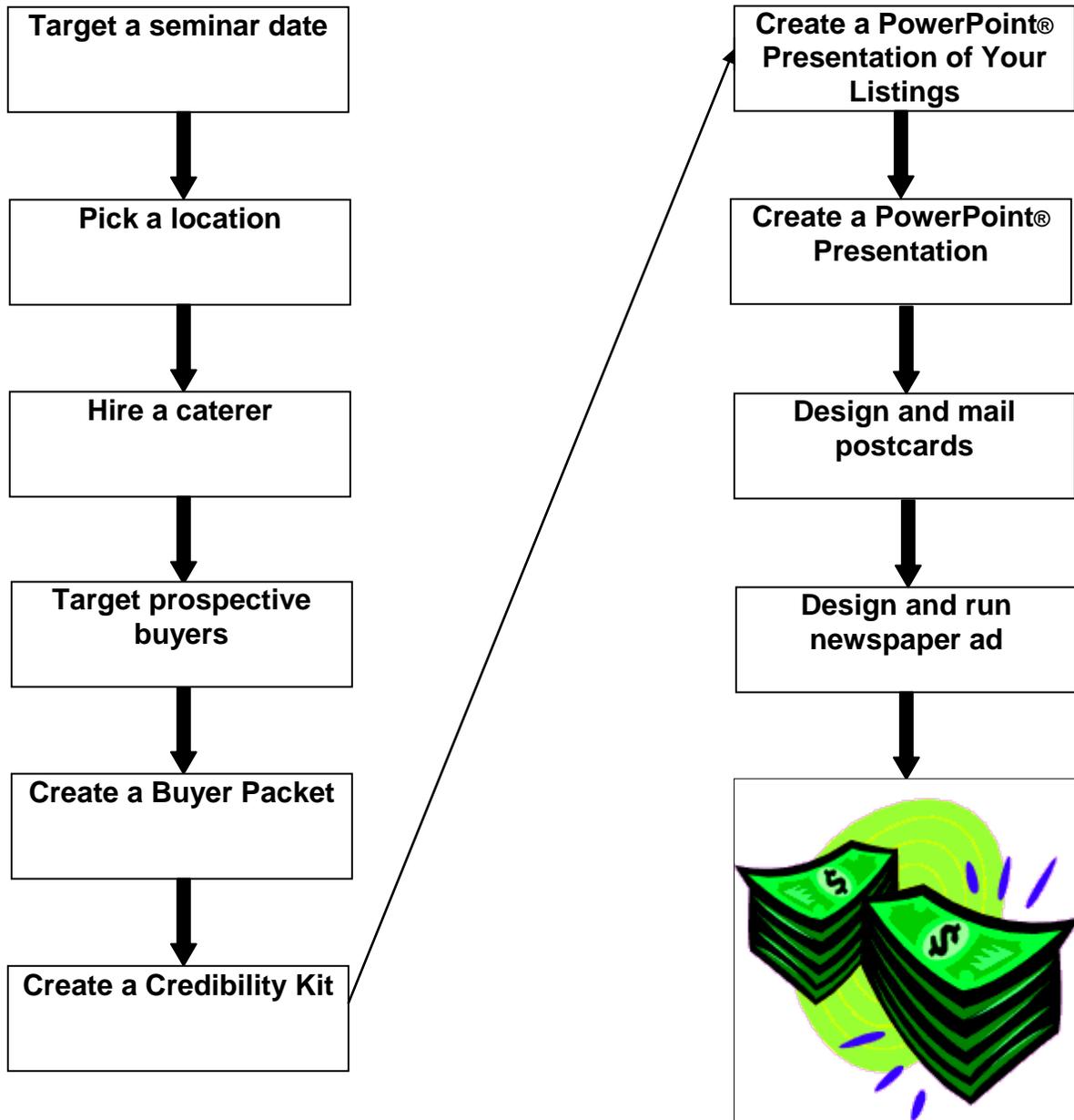
Convert your 401K into a money-making machine!

**Adult kids still at home? Use your IRA to launch.**

**Learn how to earn a high rate of return!**

**CALL NOW!  
While it's fresh on your mind!**

## 10 STEPS TO SUCCESS



## Section #2

### **THINGS TO DO PRIOR TO THE SEMINAR**

#### Seminar Check Sheet

Once you decide to have a seminar, you should print out the seminar check sheet and fill in as much information as possible. A copy of the seminar check sheet is included at the end of this section. Refer to it as you read through the information that follows.

The best seminars are those that are well planned. Although I like the check sheet included in this home study system, you are free to modify it in any way you please so that it works best for you.

There are two categories of items you need:

1. Those you need to produce
2. Those you need to order

Some marketing and advertising materials may take a while to produce, so you must plan ahead. Be sure to order any items you do not have in stock as soon as you decide to have a seminar.

#### **A. Location**

In the upper right-hand corner of the check sheet is a place to record the date, time, and location of the seminar. This information should be recorded on each page of the check sheet.

Staple the pages of the check sheet together and put them on a clipboard. Put the clipboard on a hook in a highly visible spot on the wall so the entire staff is working from the same check sheet with the same information. As arrangements are made and procedures completed, the check sheet should be updated accordingly. Everyone involved in organizing the seminar must have access to the check sheet so that they know what has been completed and what has yet to be completed.

Next to each task listed on the check sheet is a line which should be initial and dated by the person who completed the task.

#### Menu

There is a line in the "Location" section of the check sheet for you to make note of your menu. I like to end my seminars with a lunch or dinner that is catered by

the hotel or country club where the seminar is being held. If you choose a location, such as a church or motel, for your seminar, you must hire a caterer or have lunch brought in by a deli.

Preferably, you will have several long tables set up which will seat up to six buyers each. There may be three couples at each table. Remember, these people most likely won't know each other. During the meal, they'll chat with each other about the seminar. They'll share their insights with one another and will feed off of each other's excitement and curiosity about what they heard during your presentation. This can be very powerful.

As the attendees chat with each other, they are sure to have more questions, so be sure to circulate during the meal so that you can answer any questions your attendees have.

It's a good idea to alternate the time you hold the seminar. This way, your prospects can choose to attend at a time that's convenient for them. You will find that lunchtime seminars seem to attract retirees, while the evening seminars attract younger people who have daytime jobs.

## **B. Projector and Screen**

I prefer to use a laptop and a projector so that I can show the PowerPoint® presentations. If you prefer to use an overhead projector with transparencies, that's fine.

Although people still tend to be impressed by PowerPoint® presentations, it's not uncommon to run into technical difficulties which can derail your seminar. I prefer PowerPoint® presentations because they are sleek and much less cumbersome than transparencies.

There are some pros to using transparencies, though. Because there are fewer machines, the chance of encountering technical difficulties is slim. Moreover, you don't need to coordinate with an audio visual company to come in and get everything set up. (Note: Some locations may have the projector and everything else you need for a PowerPoint®.)

Cost is the other benefit of using transparencies. It's simply a lot cheaper to use transparencies than it is to put together a PowerPoint® presentation.

The biggest draw back to using transparencies is that you lose the impact of the "Parade of Homes" showing the properties you currently have for sale or have recently sold.

### Finding an Audio-Visual Company

The quickest way to find an audio-visual (AV) company is to look in the Yellow Pages. Typically, audio-visual companies are listed under these categories:

Audio-Visual Consultants  
Audio-Visual Equipment Dealers  
Audio-Visual Equipment Rental  
Audio-Visual Equipment Service & Repair  
Audio-Visual Supplies & Parts  
Audio-Visual Equipment Production Services

The check sheet contains a space for you to write in the name and phone number of the AV company you choose. It also has a space for you to write in the price and size of the screen or overhead projector you are renting.

I usually rent an overhead LCD projector and a 7 x 7 screen.

Make arrangements to meet the AV team at the seminar location at least two hours before the seminar is scheduled to begin. Be sure to bring your laptop computer with the PowerPoint® on it. The AV team will help you hook up your laptop to the projector and will make sure everything is working properly before they leave.

If you have never used this type of equipment, you may have to rent the equipment for a practice session or hire an AV expert to teach you how to use the equipment. Another option is to hire a high school or college student to run the equipment during the seminar.

### **C. Advertising**

All advertising must be set up and the timing must be coordinated.

### **D. Handling Seminar Reservations**

Make sure your prospects' first contact with your company is professional.

As people call in to reserve a seat at the seminar, record the number of people in the party, the name of each person in the party, and their phone number. This is important for several reasons:

1. Head Count – Keeping track of how many people have reserved a seat for the seminar allows you to give the seminar location (and your caterer) an accurate head count. This will ensure that you have enough seats in the conference room and that you have enough food. Additionally, having an accurate head count will ensure that you don't waste money on food that goes uneaten. Remember, the caterer won't give you a refund if you've ordered too much food.
2. It allows you to quickly check off names as your attendees arrive at the seminar.

3. You'll quickly be able to identify “no-shows” and use the “no-shows” follow-up procedure.

I suggest you use a 24 hour/day, 7 day/week answering service to receive your calls. The person answering the phone or returning the calls should have the date and time of the seminar and the directions to the seminar location.

## **E. Handouts**

The list on the check sheet shows the items we take to each seminar. You should assemble everything a day before to ensure that things goes smoothly on the day of the seminar.

### *Gift Pens*

You should order pens that have the name of your company and phone number on them.

### *Business Cards*

You should place your business cards on the registration table in the conference room.

### *Credibility Kits*

The Credibility Kits are not give-aways for the seminar attendees. Anyone who attends is welcome to look at a credibility kit. You should make sure to retrieve them at the end of the seminar.

### *Laptop Computer*

Be sure to bring your laptop computer with the PowerPoint® presentation loaded.

If you are using transparencies, make sure you have them with you and that they are in the correct order.

### *Sign-in Sheet on Clipboard*

Be sure to bring the check sheet to the seminar. Keep it at the registration table, but not on the table. Once the presentation begins, your assistant should check the reservations against the 3 x 5 cards (see below) to identify no-shows, confirm that we have correctly recorded the names and address of attendees who made reservations, and add the names of guests who did not have a reservation.

### *Black Felt Tip Pens*

Use a black felt tip pen for the name tags. This makes them easier to read.

### *Name Tags*

All assistants wear name tags. Using just the first name makes it more friendly.

### 3 x 5 Cards

Each guest should complete a card and include their name, address, and phone number. We later use the cards in our buyer file box. You should note the date of the seminar they attended, the date you sent them a thank you note, and any other relevant information.

The cards should be filed in alphabetical order. This is a crucial step because it allows us to verify that we have the correct/current contact information for each attendee.

### Direction Signs

Your meeting location may or may not have signs that point your guests to the conference room. If you have to provide your own signs, make sure they look professional.

### Posters and Tripods

I recommend you have a few posters made highlighting different aspects of the process of purchasing real estate with an IRA or 401k and place them on tripods. The tripods should be placed strategically around the meeting room.

Having these visual cues positioned around the room will grab the attention of your guests and get them thinking about what they're going to hear during the seminar.

### Scissors, Tape, Trash Bags, Extra Pens, Note Pads

It's a good idea to have a few note pads and pens for any of your guests who may have forgotten to bring a pen and something to write on.

Scissors, tape, and trash bags always come in handy.

## **F. Day Before Seminar**

See Section #3

## **G. Day of Seminar**

See Section #4

## **H. Day After Seminar**

See Section #4

## **I. Notes**

We use this part of the check sheet to record any special notes or observations from the seminar.

**Note: The presenter needs to practice, practice, practice the presentation so that it goes smoothly and he or she sounds knowledgeable and professional.**

## Seminar Check Sheet

Date of Seminar \_\_\_\_\_

Time of Seminar \_\_\_\_\_

Location \_\_\_\_\_

### A. LOCATION

\_\_\_\_\_ Call \_\_\_\_\_

*(Insert Name, Address, and Phone Number of Seminar Location)*

to reserve date and time

\_\_\_\_\_ Classroom style with dining tables

\_\_\_\_\_ Menu (\_\_\_\_ Lunch) (\_\_\_\_ Dinner)

### B. PROJECTOR AND SCREEN

\_\_\_\_\_ Call the Audio Visual company at (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ for:

- 7 x 7 Screen = \$ \_\_\_\_\_
- Overhead LCD projector = \$ \_\_\_\_\_/day
- \$ \_\_\_\_\_ Delivery Charge each way
- Confirm AV company's arrival at seminar location at least one hour before seminar \_\_Y \_\_N
- They will bring all necessary cables, etc.
- They will hook up projector and make sure everything is working properly before they leave
- They can stay, if needed, for \$ \_\_\_\_\_/hour minimum \_\_\_\_\_ hours
- Give them your credit card information

### C. ADVERTISING

\_\_\_\_\_ Date post cards sent: \_\_\_\_\_

\_\_\_\_\_ Dates and times of ads: \_\_\_\_\_  
\_\_\_\_\_





## Seminar Check Sheet

Date of Seminar \_\_\_\_\_

Time of Seminar \_\_\_\_\_

Location \_\_\_\_\_

### F. DAY BEFORE SEMINAR

- \_\_\_\_\_ Confirm with audio-visual company
- \_\_\_\_\_ Confirm with meeting location manager
- \_\_\_\_\_ Pack all handouts, supplies, and equipment listed in Section E
- \_\_\_\_\_ Friendly reminder call to prospects

### G. DAY OF SEMINAR

- \_\_\_\_\_ Load all supplies
- \_\_\_\_\_ Arrive at seminar location two hours before seminar to verify all arrangements are perfect and to set up

\_\_\_ Signs at entrance

\_\_\_ AV equipment

\_\_\_ Room set up correctly

\_\_\_ On registration table(s)

Table Cloth

- Names Cards and pens
- Gift Pen and folder
- Reservation List to check off names

\_\_\_ Under table

- Extra Handouts

\_\_\_ Distributed

- Credibility Kits
- Buyer Packets

## Seminar Check Sheet

Date of Seminar \_\_\_\_\_

Time of Seminar \_\_\_\_\_

Location \_\_\_\_\_

### H. AFTER SEMINAR

- \_\_\_\_\_ Load all supplies, equipment, etc. and return to office
- \_\_\_\_\_ Record any notes or observations below and on the back of this page
- \_\_\_\_\_ File the check sheet

Number of reservations: \_\_\_\_\_

Number of guests: \_\_\_\_\_

Number of no shows: \_\_\_\_\_

Number of buyers: \_\_\_\_\_

Number of contracts: \_\_\_\_\_

### I. NOTES

## Section #3

### THE DAY BEFORE THE SEMINAR

The main things to do the day before the seminar are:

- Confirm reservations with audio-visual company
- Confirm with the AV people what time the projector and screen will be delivered to the seminar location
- Confirm reservations with seminar location manager
- Ask whether they need any more information to ensure everything on their end goes smoothly
- Pack all supplies and equipment
- Friendly reminder call to buyers reminding them of the date, time, and location of the seminar

Use the check sheet

By now the check sheet should show:

Page 1 – Complete

Page 2 – Should show at least five confirmed reservations

Page 3 – Record the number of guests. To that number, add about 50% more for supplies. For example, if you have six guests, take enough supplies for nine people. (While there may be no-shows, it's also possible that you have a few people who just show up without having made a reservation.)

Load all items into boxes and put by the office door so they are ready to be taken to the seminar location.

Assemble all materials. (Don't wait to do this until the day of the seminar because it will only stress you out!)

## Section #4

### THE DAY OF THE SEMINAR

Plan to arrive about one hour before the seminar is scheduled to begin. Arriving early allows you time to set up and make any needed arrangements.

1. Dress professionally.
2. Set up a registration table at the entrance to the room for people to sign in and get a name tag.
3. Continue to use the check sheet.

**Keep it fun, professional, and not high pressure.**

**The goal is to help your prospects understand your program. DON'T BEG!**

#### **Appearance**

The presenter should wear a business suit and all assistants should wear business attire. Remember, you can only make one first impression. So let your appearance say that you and your staff are successful, professional business people.

#### **Location Set Up**

##### **Entrance Signs**

If your seminar location does not provide signs directing your guests to the meeting room, you will need to provide your own signs. If you have arranged for the seminar location to provide a sign, check to make sure that the sign is there and that your company's name is spelled correctly.

##### **Presenter's Table**

As pre-arranged, the AV people should have the equipment at the location early.

## Classroom Style

See the attached diagram of room layouts. There are different set-ups depending upon the number of attendees you have.

If twelve or more people have registered for the seminar, set up only the exact number of chairs. You want it to appear like you have a “full house” and this is an important place to be. Have a couple of chairs set aside in the back of the room that you can pull out if more people show up.

## Receptionist Table

You should arrange for the seminar location to provide two tables with tablecloths that you will use as registration tables.

Neatly arrange the following items on the registration tables:

- 3 x 5 cards
- felt-tip pins
- name tags
- markers
- Buyer Packets
- gift pens
- notepads
- Credibility Kits
- business cards

Make sure the  
table is tidy at all  
times!

Put extras and everything else under the table.

## Greet Guests

Welcome your guests.

Check off reservations as guests arrive.

Fill out name tags with first name only.

Have guests complete 3 x 5 cards with their name, address, and phone number.

Give each guest a Buyer Packet and a gift pen.

Direct them to sit wherever they like.

## **Staff Overview**

Your assistants should listen to the presentation and make notes on anything that can be improved or clarified.

A staff member may need to time the presentation and give the presenter a signal when it's time to stop.

At the end of the presentation, the presenter needs to direct the guests to the registration table to make an appointment for a private meeting.

## **After the Seminar**

Check to make sure you have retrieved all unused supplies and equipment. Refer again to page three of the check sheet for a list of everything you brought.

Remain in the meeting room until the audio-visual company has picked up their equipment.

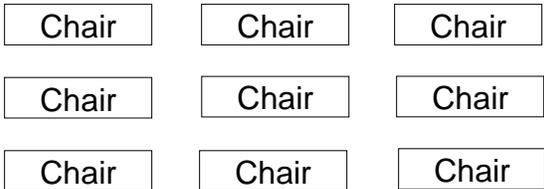
Review the notes that your assistants took during the seminar. If they are not legible, get clarification while the seminar is still fresh in their heads.

# ROOM SET-UP DIAGRAM

## 6 to 9 Guests

7 x 7 Screen - centered

Card  
table with  
projector

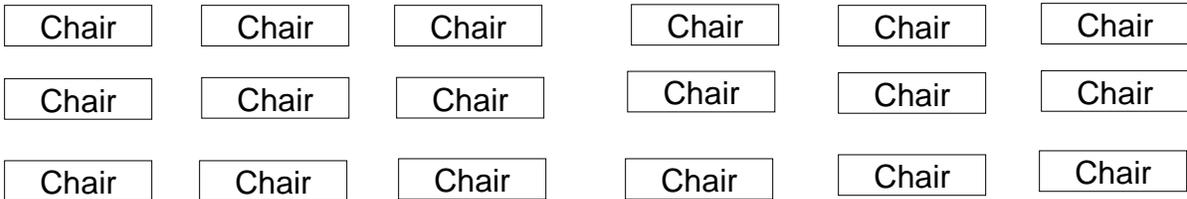


---

## 10 to 18 Guests

7 x 7 Screen - centered

Card  
table with  
projector



# Please Fill Out This Form and Turn It In Before Leaving Thanks for Coming!

Name \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: Day \_\_\_\_\_ Evening \_\_\_\_\_ Fax \_\_\_\_\_

- YES! I would like to get started as soon as possible. I am interested in one of the properties you currently have for sale.
  
- YES! I am very interested, but I have some questions I'd like to discuss one-on-one. Please contact me to schedule a meeting.
  
- NO! I'm just not ready to use my IRA or 401k to purchase real estate at this time.

I have some friends I believe may be interested in your program.

You  May  May Not use my name when contacting them.

Name \_\_\_\_\_ Phone \_\_\_\_\_

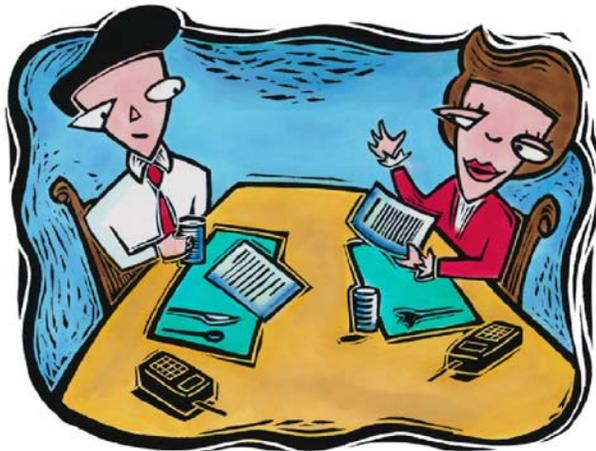
Name \_\_\_\_\_ Phone \_\_\_\_\_

At this time, I have available in my IRA or 401k to purchase real estate:

- \$25,000 - \$50,000       \$50,000 - \$100,000       More than \$100,000

# MODULE C

## ONE-ON-ONE MEETINGS



## **ONE-on-ONE MEETINGS**

Occasionally you will need to present your information to a prospect one-on-one. This meeting may take place at your office, the prospect's home, or at a local restaurant.

For a one-on-one meeting, you will need to take the following with you:

1. Printed out copies of the presentation slides. I suggest putting them in a 3-ring binder for easy reference.
2. A printed copy of slide 16 which shows how the system works
3. Your laptop with the PowerPoint® presentation
4. A buyer packet
5. Flyers of the properties you have for sale
6. Business Cards
7. Company pens

When you meet with the potential buyer, simply explain slide 16. Use the 3-ring binder as reference information only. Your prospect wants to purchase real estate and make money and the program explains how that happens. There is no need for a "hard sell". If after your presentation the prospect says he needs time to "think it over", thank him for his time and give him the buyer packet with the commitment form. Put the prospect's name on your follow up list.

If the prospect wants to buy a property, complete a Purchase and Sale Agreement and have the prospect sign it. Make sure the prospect understands that he will need to set up his self-directed IRA first and that the closing will happen after he has completed that process.

Give the prospect the name and phone number of the closing agent and make sure he knows that he must either wire the funds to the closing agent or bring a certified check to closing.

# MODULE D

## THE PRESENTATION SLIDES, SCRIPT, AND INFORMATION



## Section #1

### **THE PRESENTATION SLIDES, SCRIPT, AND INFORMATION**

In this module, you'll find:

1. The PowerPoint® Presentation
2. A copy of each PowerPoint® Slide with the script/and or information I use for each slide
3. A consolidated talking points script
4. A handy reference page to help you tailor the presentation to your company

#### ***TOUGH QUESTION!***

The toughest question I get is: *“How many homes have you sold to buyers who used their 401k or IRA to purchase the property?”*

Here's how I've answered this question:

1. This is a new program and I'm just getting the word out.
2. This is a new program and I'm just getting the word out. But, I've purchased several properties with my IRA.

These answers get better responses than some of the other answers that I've given to this question.

By asking this question, your prospect is trying to measure your credibility by determining whether other people had enough confidence in this system to follow it. The bottom line is that you must be prepared to answer this question.

# “Where To Get The Money”



## Investing Made Easy

### Agenda

- Choices For Your Retirement Funds
- Self Directing Your IRA
- Options You Have
  - How you benefit.

Please hold your questions for (2) reasons:  
1) I'll probably answer it anyway  
2) Some folks are on time restraints

### Would You Like More Choices For Your Retirement Funds?

- It's a common misconception among Americans that the only investments allowed in a retirement account are:
  - CD's
  - Stocks
  - Bonds
  - Mutual Funds
- Truth is that broader investment options have been available to the public since 1975, the first year contributions could first be made to IRA's

### More Options Available

While these kinds of accounts may be right for some, they don't offer the kind of freedom that a self-directed qualified retirement plan offers

### What Does Self Directed Mean?

- To fully maximize your investment options, you need to have a retirement plan that allows you to select your own self-directed investments
- A fully self-directed retirement plan allows you the freedom to invest in many types of assets- assets that are not prohibited by the U.S. Treasury Department regulations and the Internal Revenue Code

**The IRS decided not to tell us what types of investments we can make in our IRA's, rather what we cannot invest in.**

## Prohibited Holdings

- Investment of IRA funds in life insurance
- Collectibles
  - Works of art
  - Rugs
  - Antiques
  - Metals other than gold or palladium bullion
  - Gems
  - Stamps
  - Coins (other than certain U.S. minted coins)

## Prohibited Transactions In A Self Directed IRA

- Borrow money from the IRA
- Sell, exchange or lease personal property to the IRA
- Use the IRA as security for a loan
- Transfer plan income or assets to disqualified persons
- Lend IRA money to disqualified persons
- Furnish goods, services, or facilities to disqualified persons
- Allow fiduciaries to obtain or use the plan's income or assets for their own interest

## For IRAs Or 401ks, A Disqualified Person Is...

- The IRA holder and his or her spouse
- The IRA holder's linear descendants, ascendants and their spouses
- Investment advisors and managers
- Any corporation, partnership, trust, or estate in which the IRA holder has a 50 percent or greater interest

## Following Are Not Prohibited

Transactions with;

- Siblings (Brothers and Sisters)
- Stepchildren or step grandchildren
- Friends
- Strangers

## Think About How Your Bank Makes Money Today?

- They take in money on low interest savings, IRA's, and CD's.
- They then loan the money out at a higher rate of interest to other people to buy houses.

**We Can Show How You Can Be The Bank.**

## What Types Of Real Estate Investments Can Be Made With Your Retirement Funds?

- Single Family Homes
- Multi- Units / Apartment Buildings
- Condominiums (residential-office)
- Raw Land
- Options on any of the above
- Tax Lien Certificates
- Mortgages
- Notes

## Why Real Estate

- Real Estate offers a class of investment asset that helps to diversify the portfolio of investments within your IRA/401K
- Easy to understand the local market because we live here;
  - We know what local homes and land are selling for
  - We know what local rents are

September 11, 2007

## Using Their IRAs to Make Home Loans

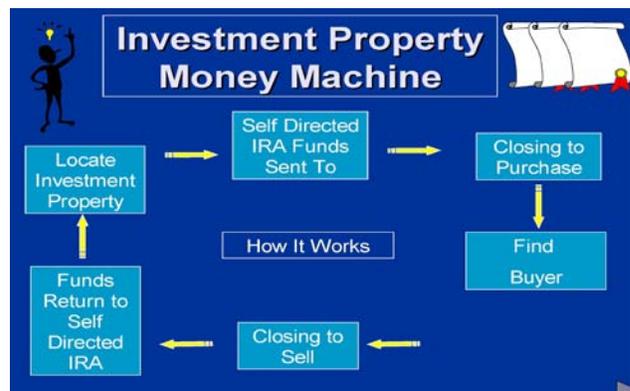
By KELLY GREENE  
September 11, 2007; Page D1

In the midst of the mortgage meltdown, some lenders are actually rooting for foreclosed investors who make mortgage loans with their IRAs. Through a little-known tool known as a self-directed individual retirement account, individuals can pursue a wide variety of investments, from real estate to businesses. Now, at least several thousand people are trying to goose their retirement savings by using self-directed IRAs to invest in mortgages, according to companies that promote the strategy.

Typically, IRAs invest in securities, but some self-directed IRAs invest in mortgages. more often, they make loans with terms lasting from three months to a few years to fixer-uppers, small-scale developers or families who are relocating and need a bridge loan between home sales. They normally find borrowers through an informal network of real-estate agents, mortgage brokers and other investors.

## Why I Like Buying Real Estate With My Self Directed IRA

- I'm in control
  - As opposed to loaning \$\$ to someone else
- High return
- Potential to an even higher return if they leave
- Consistent monthly \$\$\$



## Formula For Success

- |   |   |            |            |            |
|---|---|------------|------------|------------|
| <p>Following is an example</p> <ul style="list-style-type: none"> <li>■ Buy an investment property for \$80,000</li> <li>■ Sell for a higher price than what you paid                             <ul style="list-style-type: none"> <li>■ \$100,000 sales price</li> <li>■ Mortgage issued at 8 1/2% = \$762.92 a month</li> <li>■ \$762.92 month x 12 months = \$9,227.04 a year back into your IRA</li> </ul> </li> <li>■ That's a 11.5% return</li> </ul> | <ul style="list-style-type: none"> <li>■ Same \$80,000 in a bank CD @ 2% = \$1,600.00</li> </ul> <table border="0"> <tr> <td>\$9,227.04</td> </tr> <tr> <td>\$1,600.00</td> </tr> <tr> <td>\$7,627.04</td> </tr> </table> <ul style="list-style-type: none"> <li>■ If they pay all 30 yrs that is \$276,811 paid into your IRA for a \$80,000 Investment</li> </ul> | \$9,227.04 | \$1,600.00 | \$7,627.04 |
| \$9,227.04  |   |            |            |            |
| \$1,600.00  |   |            |            |            |
| \$7,627.04  |   |            |            |            |

## Win/Win Advantage

- You can adjust the mortgage so it works for the buyer
- They pay all taxes and insurance because you actually sell property to them
- Since you buy property with IRA funds you have NO mortgage payments

- Goal could be to have them pay loan off in 30 years or you could balloon it to be paid back in 5-10-15 years, etc.
- I picked 8 ½% interest because I want to get as much as I can without them refinancing. You could charge more but in time they might refinance.
- If they don't pay you then you can foreclose and fix the house to sell again – but it's done with IRA money

## Take Control Of Your Future

Are You:

- Retired
- Self Employed
- Laid Off

Have You:

- Quit Your job

## If You Have Money In IRA's, 401K Pension Plans

- You can self direct your IRA (Traditional/Roth) or pension plan.
- Your returns stay tax deferred or tax free.
- It's simple, easy and we can show you how to do it.

## You're In Control

1. Open an account with a third party administrator (that You select)
2. Transfer/Rollover funds to new plan administrator from your current TPA
3. Self direct funds to closing
4. When house sells (closes), funds are sent directly back to administrator / custodian
5. You decide if you do it again!

## Your Buyer

- You don't need a conventional buyer!
- That is the whole idea.
- This is a HUGE plus because they will pay a higher interest.

## Buyers Who Need Owner Financing

- Damaged credit score (result of)
  - Divorce
  - Medical situations
  - Temporary job loss
- Lacking large down payment funds .
- Self employed (stated income)

Their situation has since improved, they have good income to move forward, they just need a chance

## Administrator / Custodian Companies

The following is a partial list that specialize in self directed IRAs

- Entrust
- Equity Trust Company
- PENSCO
- Sunwest Trust
- Guidant Financial
- TASC

## But Alan, What If They Don't Pay?

Well, you make more money!

## Let's Do The Math

- They paid for 3 years + \$27,781
  - \$768.92 x 36 months
- Cost to foreclose - \$1,500
- Cost to fix house - \$3,000  
- \$4,500
- Resell house for ORIGINAL VALUE of \$100,000
- Collect down payment + \$5,000

**All Expenses Come Out Of The IRA**

## Let's Do The Math

- 1<sup>st</sup> buyers had paid down the mortgage
- When you put the house back on the market you increase the sales price back to the ORIGINAL VALUE for the new buyer
- So you start back at the original sales price and pick up that equity that had been paid down
- Increase in your net worth



## IRA Program - How It Works Step 1

- 1) You locate a property you want to buy.
- 2) You self direct your IRA funds to purchase the property.
- 3) You have a formal closing
- 4) Your administrator / custodian signing as owner

## IRA Program - How it Works Step 2

- 5) You locate a buyer that want's to buy.
- 6) You self direct your IRA to issue a mortgage for purchase of the property.
- 7) You have a formal closing with your administrator / custodian signing as owner

**Your Self Directed IRA receives payments, Just Like the Bank**

## Company Overview

- **History**
- **Dream Team**
- **What to do next**



## Company Story

- From meager beginnings in 1995, a wonderful company called Integrity Home Buyers, Inc., was born. It has become a serious real estate investment firm located in the west central, Ohio region.
- Our goal is to grow the company by providing affordable housing to tenants and 1<sup>st</sup> time homeowners.
- In time, its scope will encompass not only Springfield but the surrounding communities.

## Company Story Continued

- The company is a private for-profit real estate investing company.
- We acquire, rehab, sell and lease residential and, at times, commercial real estate.

## Integrity Home Buyers, Inc.

- We are a Corporation.
- Short-term hold properties.
- Manages rentals.

## Competitive Advantage

- Our competitive advantage is speed to purchase a property and knowledge of creative real estate techniques.

## Integrity

- That word has meaning for us.
- It was chosen because it is the way we want to treat our customers, our suppliers and each other.

## How Can We Buy Houses So Far Below Market Value?

- Our specialty is distressed properties that usually need renovated.
- We know where to look, what to buy, what not to buy and how to renovate.
- We create value by taking ugly, vacant homes that are eye sores and putting them back in use after renovation.

## People Who Buy Our Houses

- Many may not be able to buy in today's hysteria without our special programs and willingness to go the extra mile.
- Looking to achieve the American dream of home ownership.



## How To Find Us

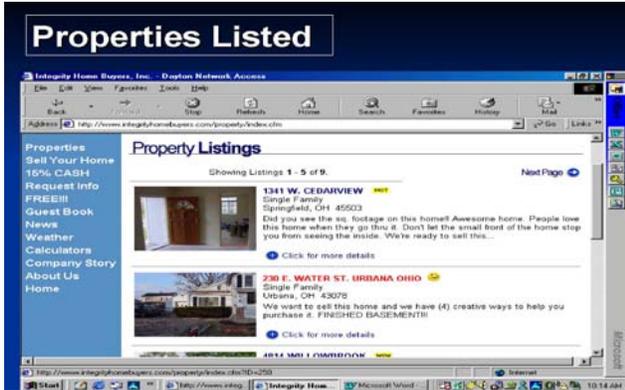
- Office Location:  
4883 Security Drive Springfield, Ohio 45503
- Mailing Address:  
PO Box 740 Urbana, Ohio 43078
- Web Site: [PrivateLendingMadeEasy.com](http://PrivateLendingMadeEasy.com)
- E-Mail: [Support@AlanCowgill.com](mailto:Support@AlanCowgill.com)

## Our Offices



## Our Website





## Critical Success Factors



- What makes our company unique.
  - Integrity, systems, speed & knowledge.
- What makes our company successful.
  - Teamwork, drive, focus, & hard work.

**A shared vision.**

## Houses Available



The block contains four photographs of houses, arranged in a 2x2 grid. Each house is a different style, ranging from a small cottage to a larger two-story home.

## Houses For Sale

- 58 E. McCreight St. \$269,900
- 1503 E. McCreight St. \$169,900
- 2402 Woodward Ave. \$259,900
- 789 Woodward Ave. \$259,900
- 4612 W. Pleasant St. \$339,900

**Our Sales Price**  
**You Would Ask More When You Sell**

## Houses Buyers Occupied

- 602 Rangely Ave. \$393,200
- 3122 N. Limestone St. \$279,876
- 3702 E. Madison Ave. \$269,842
- 2728 E. Main St \$164,100
- 11015 Maiden Lane \$260,106

**They Want To Buy The Home!**

## Helpful Hints

- You could buy a home from us and sell it to a qualified family member.
- You could buy a home from us and sell it to one of our buyers.
- We might help you sell the home if you need help
- We might manage the property if you need help

**We'll Do the IRA Paperwork If You Want**

## The Next Step ?

- By now you know how this program works and how you can purchase Investment properties starting today.
- You have (3) options:



We hope you decide to join our team

## The Next Step ?

- 1) Option One - Do nothing. This isn't for you. Can you give us names of folks that you feel it would serve.
- 2) Option Two - Set up a one-on-one meeting before you leave to discuss more details
- 3) Option Three – You like the idea of your money working for YOU and you're ready to get started.



## Interest Form Included In Your Package

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_  
Phone \_\_\_\_\_

5. No – Not at This Time
6. Maybe – Want to Talk More
7. YES! I would like to get started as soon as possible.

## Thanks For Your Time

- Please Return Interest Form to Sign – In Table
- Questions?
- Enjoy the Meal

## Section #2

### THE SCRIPT

The words in *italics* are words I suggest you use as a part of your script. The words in regular type are an explanation of the slide.

Before you get started, introduce yourself and tell your guests a little about your personal story and how you became a real estate investor.

At this point, you should try to build rapport with the guests by throwing out a few questions such as:

*Why did you show up today?*

*What are you hoping to get out of today's presentation?*

These are open-ended questions meant to relax your guests and get them to participate by asking questions.

# “Where To Get The Money”



## Investing Made Easy

### Slide 1

After welcoming your guests, you should refer to the first slide and say these are the three items you're going to cover in this presentation.

*Number 1 – I'm going to show you how to use your IRA or 401k to purchase real estate.*

*Number 2 – It's not as complicated as it sounds. But there are a few very important things you'll need to know to stay within the law and I'm going to tell you what those things are.*

*Number 3 – I'm going to tell you why buying real estate with your IRA or 401k makes financial sense.*

# Agenda

- Choices For Your Retirement Funds
- Self Directing Your IRA
- Options You Have
  - How you benefit.

Please hold your questions for (2) reasons:  
1) I'll probably answer it anyway  
2) Some folks are on time restraints

## Slide 2

*In today's presentation, I'll cover your choices for investing your retirement funds.*

*I'll explain what self-directing your IRA entails.*

*And I'll share with you how you can benefit by taking advantage of a self-directed IRA.*

**Note:** Delete the bottom portion of the slide if you are doing a webinar.

# Would You Like More Choices For Your Retirement Funds?

- It's a common misconception among Americans that the only investments allowed in a retirement account are:
  - CD's
  - Stocks
  - Bonds
  - Mutual Funds
- Truth is that broader investment options have been available to the public since 1975, the first year contributions could first be made to IRA's

## Slide 3

*Most Americans think that they have only a few options for investing their retirement funds. They can invest in:*

- *CDs*
- *Stocks*
- *Bonds*
- *Mutual Funds*

*What most American don't know is that they've been duped. A broad range of investment options have been available to the public since 1975.*

# More Options Available

While these kinds of accounts may be right for some, they don't offer the kind of freedom that a self-directed qualified retirement plan offers

## Slide 4

*The problem with the typical investment options most Americans know about is that they don't offer a lot of freedom for the investor.*

*The custodian of your retirement account controls how the funds are invested. This means that you really don't have a lot of say. Of course, you can move your funds from one custodian to another. But ultimately, you're not deciding how your retirement funds will be invested.*

# What Does Self Directed Mean?

- To fully maximize your investment options, you need to have a retirement plan that allows you to select your own self-directed investments
- A fully self-directed retirement plan allows you the freedom to invest in many types of assets- assets that are not prohibited by the U.S. Treasury Department regulations and the Internal Revenue Code

## Slide 5

*The only way to maximize your investment options is for YOU to have the ability to self-direct your investments.*

*A fully self-directed retirement plan gives you the freedom to invest in many types of assets. I'm going to tell you what those assets are.*

*Best of all, U.S. Treasury Department Regulations and the Internal Revenue Code allow these types of investments.*

**The IRS decided not to tell us  
what types of investments we  
can make in our IRA's, rather what  
we cannot invest in.**

**Slide 6**

*The Internal Revenue Code doesn't tell you which types of IRA investments are allowed. Rather it tells you which types of IRA investments are prohibited.*

# Prohibited Holdings

- Investment of IRA funds in life insurance
- Collectibles
  - Works of art
  - Rugs
  - Antiques
  - Metals other than gold or palladium bullion
  - Gems
  - Stamps
  - Coins (other than certain U.S. minted coins)

## Slide 7

*The Internal Revenue Code prohibits investing IRA funds in life insurance and collectibles.*

*Collectibles is defined as:*

- > *Works of Art*
- > *Rugs*
- > *Metals (other than gold and palladium bullion)*
- > *Gems*
- > *Stamps*
- > *Coins (other than certain U.S. minted coins)*

# Prohibited Transactions In A Self Directed IRA

- Borrow money from the IRA
- Sell, exchange or lease personal property to the IRA
- Use the IRA as security for a loan
- Transfer plan income or assets to disqualified persons
- Lend IRA money to disqualified persons
- Furnish goods, services, or facilities to disqualified persons
- Allow fiduciaries to obtain or use the plan's income or assets for their own interest

## Slide 8

*The IRS prohibits certain transactions in a self-directed IRA. You cannot*

- *Borrow money from your IRA*
- *Sell, exchange, or lease personal property to your IRA*
- *Pledge the IRA as collateral for a loan*
- *Transfer plan assets or income to disqualified persons*
- *Lend IRA money to disqualified persons*
- *Furnish goods, services, or facilities to disqualified persons*
- *Allow fiduciaries to obtain or use your IRAs income or assets for their own interests*

# For IRAs Or 401ks, A Disqualified Person Is...

- The IRA holder and his or her spouse
- The IRA holder's linear descendants, ascendants and their spouses
- Investment advisors and managers
- Any corporation, partnership, trust, or estate in which the IRA holder has a 50 percent or greater interest

## Slide 9

*For purposes of IRAs and 401k's, disqualified persons are:*

- *The IRA holder and his or her spouse*
- *The IRA holder's linear descendants, ascendants, and their spouses*
- *Investment advisors and managers*
- *Any corporation, partnership, trust, or estate in which the IRA holder has 50 percent or greater interest*

# Following Are Not Prohibited

Transactions with;

- Siblings (Brothers and Sisters)
- Stepchildren or step grandchildren
- Friends
- Strangers

## Slide 10

*The IRS code allows transactions with:*

- > *Siblings*
- > *Stepchildren and step-grandchildren*
- > *Friends*
- > *Strangers*

# Think About How Your Bank Makes Money Today?

- They take in money on low interest savings, IRA's, and CD's.
- They then loan the money out at a higher rate of interest to other people to buy houses.

**We Can Show How You Can Be The  
Bank.**

## **Slide 11**

*One of the things I'm going to show you today is how you can be the bank!*

*Think about how banks make money today. . .*

*They offer savings accounts, CD's, and IRAs at low interest rates.*

*They use the money you and I have deposited in these kinds of accounts to make mortgage loans to other people and charge them much higher interest rates.*

*Now, if you had a way to become the bank, wouldn't it be incredible?*

# What Types Of Real Estate Investments Can Be Made With Your Retirement Funds?

- Single Family Homes
- Multi- Units / Apartment Buildings
- Condominiums (residential-office)
- Raw Land
- Options on any of the above
- Tax Lien Certificates
- Mortgages
- Notes

## Slide 12

*Before I tell you how you can become the bank, let's go over what types of real estate and real estate related assets you CAN purchase with your IRA or 401k.*

- *Single family homes*
- *Multi-unit properties (duplexes, triplexes, and quads)*
- *Apartment buildings*
- *Raw land*
- *Options on any of the above types of real estate*
- *Tax Lien Certificates*
- *Mortgages*
- *Notes*

# Why Real Estate

- Real Estate offers a class of investment asset that helps to diversify the portfolio of investments within your IRA/401K
- Easy to understand the local market because we live here;
  - We know what local homes and land are selling for
  - We know what local rents are

## Slide 13

*Why would you want to use your IRA or 401k to invest in real estate?*

*First, real estate allows you to diversify the portfolio of assets in your IRA or 401k.*

*Second, real estate is easy to understand. Most of us know at least a little bit about our local real estate market.*

- *We know what local homes and land are selling for*
- *We know what local rents are*

September 11, 2007

## Using Their IRAs to Make Home Loans

By KELLY GREENE  
September 11, 2007; Page D1

In the midst of the mortgage meltdown, some lenders are actually rooting for foreclosures. Investors who make mortgage loans with their IRAs.

Through a little-known tool known as a self-directed individual retirement account, individuals can pursue a wide variety of investments, from real estate to businesses. Now, at least several thousand people are trying to goose their retirement savings by using self-directed IRAs to invest in mortgages, according to companies that promote the strategy.

Typically, IRA investors aren't looking to back 30-year conventional mortgages; more often, they make loans with terms lasting from three months to a few years to fixer-uppers, small-scale developers or families who are relocating and need a bridge loan between home sales. They normally find borrowers through an informal network of real-estate agents, mortgage brokers and other investors.

### Slide 14

*The Wall Street Journal Online published an article on September 11, 2007 entitled "Using their IRAs to Make Home Loans".*

*This article specifically stated that one of the benefits of self-directed IRAs is it gives individuals a wide range of investment options from real estate to businesses.*

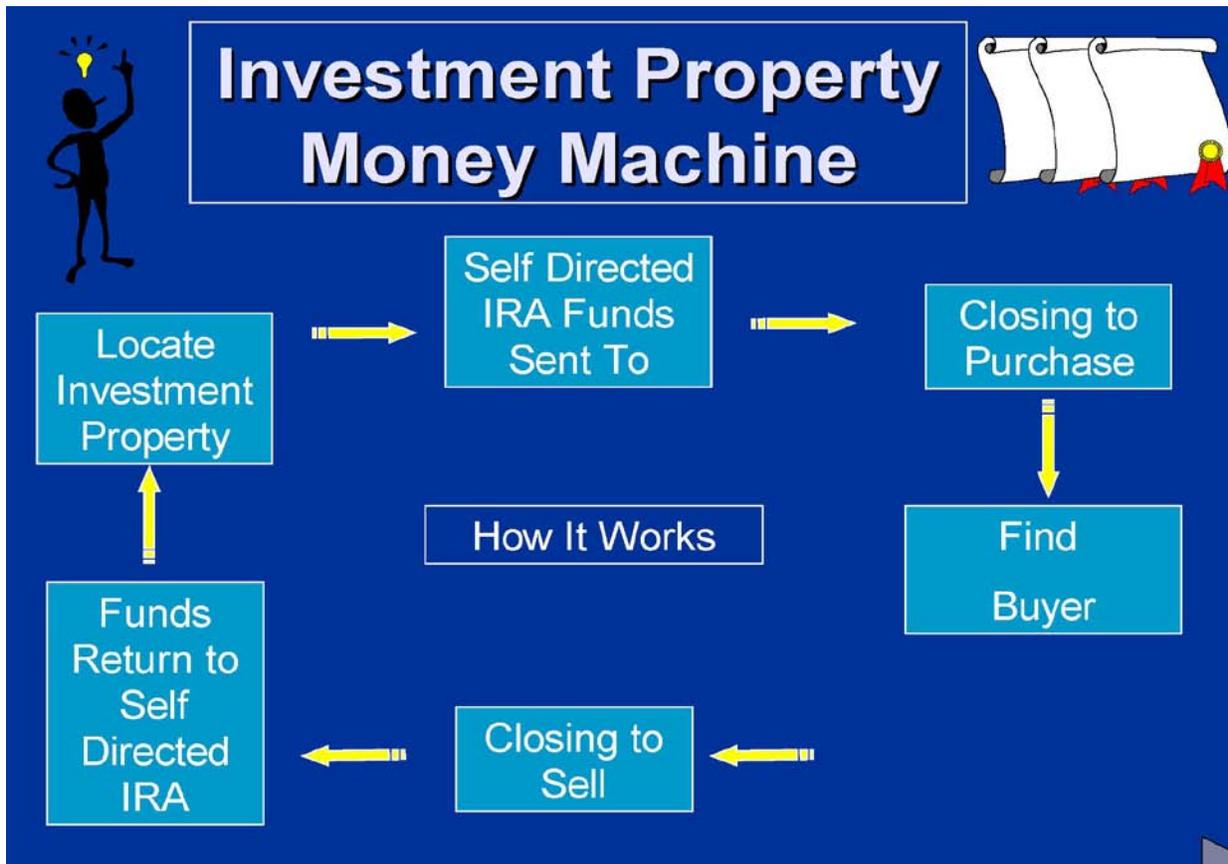
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  - As opposed to loaning \$\$ to someone else
- High return
- Potential to an even higher return if they leave
- Consistent monthly \$\$\$

## Slide 15

*I personally prefer buying real estate with my self-directed IRA because:*

- *I'm in control*
- *The return on my investment is much higher than if I had a traditional IRA*
- *There's the potential for an even higher return if my buyer leaves*
- *I earn money each and every month*



**Slide 16**

The purpose of this slide is to illustrate how the money flows in to and out of a self-directed IRA when you are using the IRA to purchase real estate. You should spend a little extra time on this slide so that your guests feel the impact of how powerful this system is.

*This slide shows you how using your IRA or 401k to purchase real estate can be an investment money machine.*

*Once you've set up your self-directed IRA, you'll be ready to purchase a property. When you identify the property and your offer is accepted, you'll need to have the purchase money wired to the closing attorney or title company.*

*You can immediately begin looking for a buyer once you have the property under contract with the seller. Because you will own the property free and clear, you can offer to finance the purchase for your buyer and you can negotiate for whatever interest rate you and the buyer agree on. Remember, you're the bank. I usually*

*charge about 8 ½ % because I don't want to be competing with conventional lenders who may be offering much lower interest rates on mortgage loans. And I also want to make sure I'm making more money than I would if the funds were in a traditional IRA.*

*Once you've accepted an offer from a buyer, you'll have a closing and the buyer will begin making monthly payments. As you receive the monthly payments, you deposit those funds back into the IRA.*

*Remember, as the bank, you will have your buyer sign a note and a security deed or mortgage. The buyer will be responsible for paying the taxes and insurance on the property just as though they were getting a loan from a bank.*

*If the buyer defaults on the loan, you have the right to foreclose – just like a bank would. If you must foreclose, you place the property back on the market and start again. You haven't lost anything. I'll show you some numbers in a moment to give you a better idea of what I'm talking about.*

# Formula For Success

Following is an example

- Buy an investment property for \$80,000
- Sell for a higher price than what you paid
  - \$100,000 sales price
  - Mortgage issued at 8 ½% = \$762.92 a month
  - \$762.92 month x 12 months = \$9,227.04 a year back into your IRA
- That's a 11.5% return

- Same \$80,000 in a bank CD @ 2% = \$1,600.00

\$9,227.04

\$1,600.00

\$7,627.04

- If they pay all 30 yrs that is \$276,811 paid into your IRA for a \$80,000 Investment

## Slide 17

*So, here are some numbers.*

*You buy a property for \$80,000 and sell it for \$100,000. You finance the buyer's purchase and charge interest of 8 ½%. That's income of \$762.92 per month.*

*Multiply that number by 12 and you get \$9,227.04. That's what's going into your IRA each year. That's equal to an 11.5% return.*

*And, if your buyer pays the loan off over 30 years, you will have put \$276,811 back into your IRA on your original \$80,000 investment.*

*If you placed that same \$80,000 in a bank CD and earned 2% interest, at the end of the year, your investment would have earned \$1600.00. That's \$7627.04 less than what you earn on the real estate deal.*

# Win/Win Advantage

- You can adjust the mortgage so it works for the buyer
- They pay all taxes and insurance because you actually sell property to them
- Since you buy property with IRA funds you have NO mortgage payments

## Slide 18

*This can be a win-win proposition for you and your buyer!*

- *You are the bank. This means you can adjust the mortgage (interest rate) so that it works for your buyer.*
- *Because you actually sell the property, they buyer is responsible for paying the taxes and insurance.*
- *Because you purchased the property with your IRA funds, you don't have a mortgage payment. This is why you can finance the deal for your buyer.*

- Goal could be to have them pay loan off in 30 years or you could balloon it to be paid back in 5-10-15 years, etc.
- I picked 8 ½% interest because I want to get as much as I can without them refinancing. You could charge more but in time they might refinance.
- If they don't pay you then you can foreclose and fix the house to sell again – but it's done with IRA money

### Slide 19

*You have options because you are the bank. This means you can structure the deal any way you want to so that it works for you and your buyer. Here are a couple of examples.*

- *Term of Loan - You could structure the loan so that it has a 30- year maturity date or you could structure it so that it has a 5-, 10-, or 15- year maturity date with a balloon payment due at the end of the term.*
- *Interest Rate – I like to do an 8 ½% interest rate because I want the buyer to keep my loan for as long as possible without refinancing. If the interest rate is too high, the buyer will refinance as soon as they can qualify for a loan. But because you're the bank, you have the freedom to charge a higher rate if you choose.*
- *If the buyer doesn't make the payments, you foreclose, make any necessary repairs and sell the house again.*

# Take Control Of Your Future

Are You:

- Retired
- Self Employed
- Laid Off

Have You:

- Quit Your job

## Slide 20

*Whether you are retired, self-employed, laid off, or have quit your job, if you have an IRA or a 401k, you have an opportunity to take control of your future by using your retirement fund to purchase real estate.*

*If you don't fall into one of these categories and you have a 401k or IRA, you cannot open a self-directed IRA.*

# If You Have Money In IRA's, 401K Pension Plans

- You can self direct your IRA (Traditional/Roth) or pension plan.
- Your returns stay tax deferred or tax free.
- It's simple, easy and we can show you how to do it.

## Slide 21

*If you have money in an IRA or 401k, you can self-direct your IRA or pension plan.*

*Your returns (gains) remain tax deferred or tax free.*

*It's simple and I'm going to show you how to do it.*

# You're In Control

1. Open an account with a third party administrator (that You select)
2. Transfer/Rollover funds to new plan administrator from your current TPA
3. Self direct funds to closing
4. When house sells (closes), funds are sent directly back to administrator / custodian
5. You decide if you do it again!

## Slide 22

*Step One – Open an account with a third party administrator (custodian) that YOU select.*

*Step Two – Transfer/Rollover funds in your current IRA or 401k to the self-directed IRA.*

*Step Three – Self-direct funds to closing to purchase a house.*

*Step Four – When you sell the house, the closing attorney will send the net proceeds directly back to the administrator of the self-directed IRA.*

*Step Five – Decide if you want to purchase another property.*

# Your Buyer

- You don't need a conventional buyer!
- That is the whole idea.
- This is a HUGE plus because they will pay a higher interest.

## Slide 23

*You have a unique opportunity to help a person who cannot qualify for a loan realize the dream of homeownership!*

*The beauty of this system is that you don't need a conventional buyer!*

*This is a huge plus because these buyers are willing to pay a higher interest rate!*

# Buyers Who Need Owner Financing

- Damaged credit score (result of)
  - Divorce
  - Medical situations
  - Temporary job loss
- Lacking large down payment funds .
- Self employed (stated income)

Their situation has since improved, they have good income to move forward, they just need a chance

## Slide 24

*Your typical buyer will have damaged credit as a result of*

- *A divorce*
- *Medical situation*
- *A Temporary Job Loss*

*These buyers fell upon hard times, but their situation has now improved. They have good income and just need a chance!*

*You may also encounter buyers who don't have a lot of money for a down payment or who are self-employed (stated income).*

# Administrator / Custodian Companies

The following is a partial list that specialize in self directed IRAs

- Entrust
- Equity Trust Company
- PENSCO
- Sunwest Trust
- Guidant Financial
- TASC

## Slide 25

*I want to give you the names of a few companies that specialize in self-directed IRAs.*

- *Entrust*
- *Equity Trust Company*
- *PENSCO*
- *Sunwest Trust*
- *Guidant Trust*
- *TASC*

**But Alan, What If They Don't Pay?**

**Well, you make more money!**

**Slide 26**

*I know what you're all thinking! WHAT IF THEY DON'T MAKE THE MORTGAGE PAYMENT?*

*If your buyer doesn't pay, you actually make more money. Here's how. . .*

**Note: Remember to delete my name from this slide and insert yours.**

# Let's Do The Math

- They paid for 3 years + \$27,781
  - \$768.92 x 36 months
- Cost to foreclose - \$1,500
- Cost to fix house - \$3,000
- \$4,500
- Resell house for ORIGINAL VALUE of \$100,000
- Collect down payment + \$5,000

**All Expenses Come Out Of The IRA**

## Slide 27

Let's go back to the previous example where you purchased the home for \$80,000 and sold it for \$100,000 and financed the purchase at 8 ½%. The monthly payment is \$768.92.

If your buyer pays for three years, you've made \$27,781. That's 768.92/mo x 36 months = \$27,781.

Your costs to foreclose and repair the house are \$1500 and \$3000 respectively. That totals \$4500. **(ALL EXPENSES COME OUT OF THE SELF-DIRECTED IRA).**

You resell the house for \$100,000 and collect a down payment of \$5000.

# Let's Do The Math

- 1<sup>st</sup> buyers had paid down the mortgage
- When you put the house back on the market you increase the sales price back to the **ORIGINAL VALUE** for the new buyer
- So you start back at the original sales price and pick up that equity that had been paid down
- Increase in your net worth

## Slide 28

*Even if you must foreclose, you don't lose anything.*

*Remember, the 1<sup>st</sup> buyers paid down the mortgage and you put that money back in your IRA.*

*When you put the house back on the market, you're going to sell it for \$100,000 or more, if it's value has increased!*

*Your net worth has increased. Remember, you're making more each year than you would if your money was invested in a traditional IRA that bears interest at the rate of 2%.*



## Slide 29

*Let me refresh your memory about how a self-directed IRA works.*

*Step One – You have either retired, been laid off, or quit your job and you have a 401k or IRA*

*Step Two – You choose a custodian or administrator that specializes in self-directed IRAs.*

*Step Three – You open a new account*

*Step Four – You rollover or transfer funds from your old IRA or 401k to you new, self-directed IRA*

*Step Five – You choose how to invest your funds*

# IRA Program - How It Works

## Step 1

- 1) You locate a property you want to buy.
- 2) You self direct your IRA funds to purchase the property.
- 3) You have a formal closing
- 4) Your administrator / custodian signing as owner

### Slide 30

*If you decide that this is a system you'd like to employ, you need to know how the process works.*

*Once you locate a property, you'll need to have the purchase money wired to the closing attorney.*

*At the closing, your administrator or custodian signs the closing documents.*

# IRA Program - How it Works

## Step 2

- 5) You locate a buyer that want's to buy.
- 6) You self direct your IRA to issue a mortgage for purchase of the property.
- 7) You have a formal closing with your administrator / custodian signing as owner

**Your Self Directed IRA receives payments, Just Like the Bank**

### Slide 31

*After you purchase a property, the next step is to find a buyer.*

*After you identify a buyer and the property is under contract, you will have a closing. You will self-direct your IRA to finance the purchase for the buyer. The buyer will sign a promissory note and a mortgage which names your Self-Directed IRA as the lender.*

*At the closing, the administrator or custodian of your Self-Directed IRA signs the documents*

# Company Overview

- History
- Dream Team
- What to do next



## Slide 32

*Right now, I want to tell you a little bit about my real estate investing company and what to do next.*

# Company Story

- From meager beginnings in 1995, a wonderful company called Integrity Home Buyers, Inc., was born. It has become a serious real estate investment firm located in the west central, Ohio region.
- Our goal is to grow the company by providing affordable housing to tenants and 1<sup>st</sup> time homeowners.
- In time, its scope will encompass not only Springfield but the surrounding communities.

## Slide 33

This slide should contain information that is specific to your company, how you became a real estate investor, and where the company is going over the next few years.

## Company Story Continued

- **The company is a private for-profit real estate investing company.**
- **We acquire, rehab, sell and lease residential and, at times, commercial real estate.**

### **Slide 34**

This slide contains more information about your real estate investing company.

# Integrity Home Buyers, Inc.

- We are a Corporation.
- Short-term hold properties.
- Manages rentals.

## Slide 35

This slide should contain the name of your company as well as the type of business structure (i.e. Corporation, LLC, Partnership, etc) and how your company works.

# Competitive Advantage

- Our competitive advantage is speed to purchase a property and knowledge of creative real estate techniques.

## Slide 36

*My company has a competitive edge in the community because we can purchase properties quickly. We don't have to wait around for loan approval from a bank.*

*What gives us the ability to move so quickly when we identify a property we'd like to purchase is our knowledge of creative real estate techniques.*

# Integrity

- That word has meaning for us.
- It was chosen because it is the way we want to treat our customers, our suppliers and each other.

## Slide 37

Use this slide to discuss your company philosophy. My company is called Integrity Home Buyers, Inc. and the company philosophy is built around the meaning of the word “integrity”.

# How Can We Buy Houses So Far Below Market Value?

- Our specialty is distressed properties that usually need renovated.
- We know where to look, what to buy, what not to buy and how to renovate.
- We create value by taking ugly, vacant homes that are eye sores and putting them back in use after renovation.

## Slide 38

*I'm sure you're all wondering how we are able to buy properties so far below market value.*

*What we do is focus on distressed properties. Distressed properties are properties that are in pre-foreclosure or foreclosure, real estate owned properties and even probate properties.*

*We know which properties to buy and which ones to leave alone. We also know how to renovate properties so that we can get a good return on our investment.*

*Not only do we create value for ourselves by selling these properties for more than we paid for them, we also create value for the community by taking properties that are eye-sores and renovating them. This reduces urban decay and prevents property values of the surrounding homes from declining.*

# People Who Buy Our Houses

- Many may not be able to buy in today's hysteria without our special programs and willingness to go the extra mile.
- Looking to achieve the American dream of home ownership.



## Slide 39

*We seek out buyers who are looking to achieve the American Dream of homeownership.*

*There are a lot of people out there who may not be able to qualify for a loan because of a temporary financial setback or because they don't have enough money to make a large down payment.*

*Our programs make it possible for these people to become homeowners.*

# How To Find Us

- Office Location:  
4883 Security Drive Springfield, Ohio 45503
- Mailing Address:  
PO Box 740 Urbana, Ohio 43078
- Web Site: [PrivateLendingMadeEasy.com](http://PrivateLendingMadeEasy.com)
- E-Mail: [Support@AlanCowgill.com](mailto:Support@AlanCowgill.com)

## Slide 40

This slide should include all of your contact information.

*Here is my contact information. Please write it down and feel free to contact me if you have any questions or would like to take a look at some of our listings.*

# Our Offices

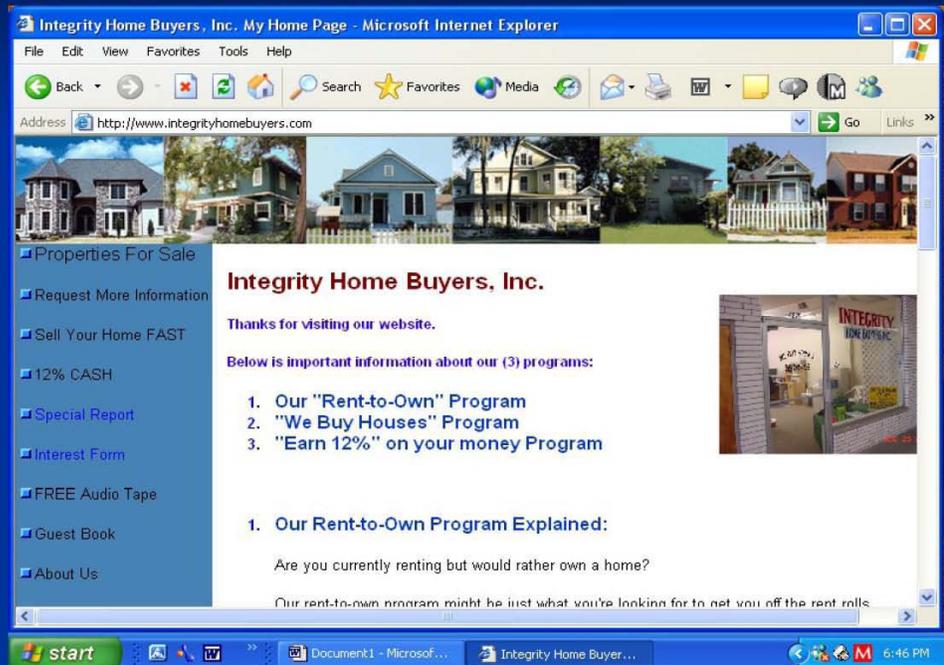


## Slide 41

This slide should be a picture of your office. If you have a home office, include a picture of the office, but make sure it's neat and looks professional.

*This is where I go to work everyday!*

# Our Website



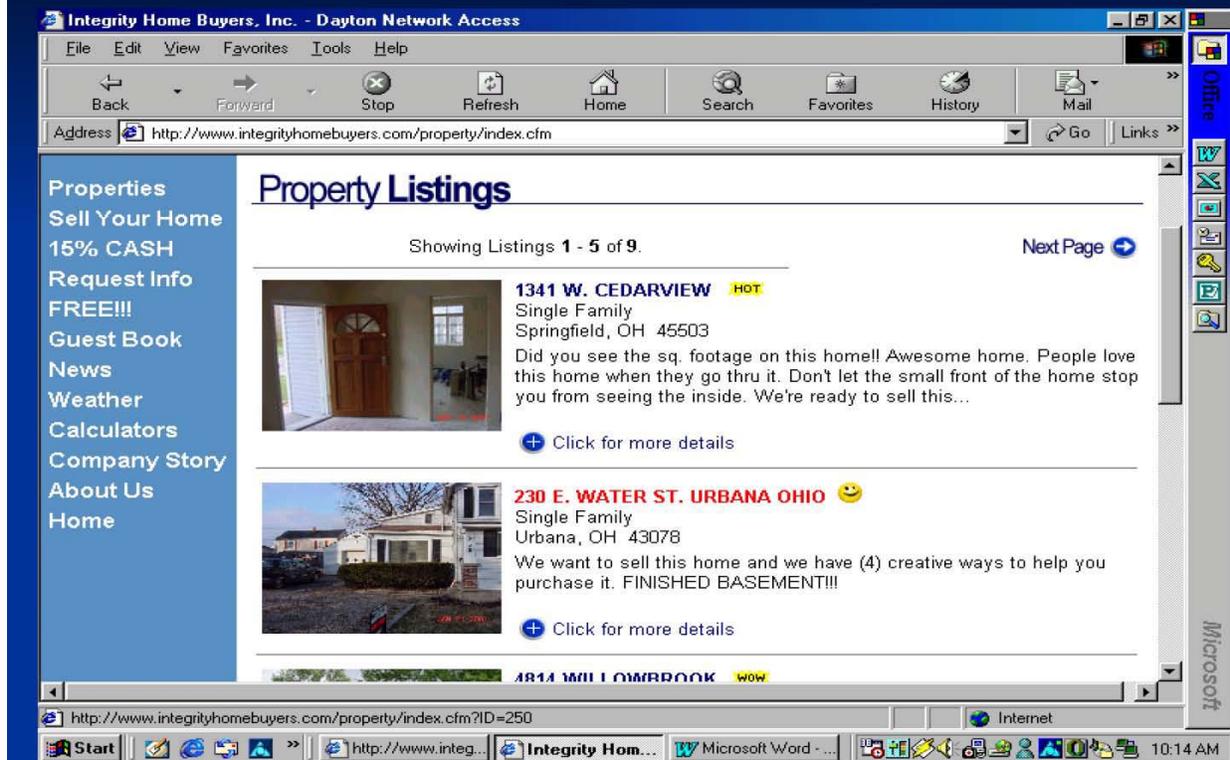
## Slide 42

Include a screen shot of the home page of your website.

*My website address is \_\_\_\_\_.*

*Please visit my website regularly to see what properties we have available.*

# Properties Listed



## Slide 43

Include a screen shot from the “Properties for Sale” page of your website.

*We are constantly updating our website as we purchase and sell properties. Right now we have \_\_\_\_ properties for sale.*

# Critical Success Factors



- What makes our company unique.
  - Integrity, systems, speed & knowledge.
- What makes our company successful.
  - Teamwork, drive, focus, & hard work.

A shared vision.

## Slide 44

*There are several factors which play a key role in the success of my business.*

- *Integrity*
- *Systems*
- *Ability to purchase quickly*
- *Knowledge*
- *Teamwork*
- *Drive and Focus*
- *Commitment and hard work*

# Houses Available



## Slide 45

Include a few photos of the houses you currently have for sale.

*Here are a few houses that we currently have for sale.*

Over the next few slides, you should spend some time talking about 2 or 3 of these houses. Share some information about the history of each house, describing the floor plan of each, and the tenant's situation (i.e. ready to buy or happy renting). The more you can paint the picture of the value of these houses, the easier they'll be to sell, and the more people at the seminar/webinar that will be at least 'interested' in buying them.

# Houses For Sale

- 58 E. McCreight St. \$269,900
- 1503 E. McCreight St. \$169,900
- 2402 Woodward Ave. \$259,900
- 789 Woodward Ave. \$259,900
- 4612 W. Pleasant St. \$339,900

**Our Sales Price**

**You Would Ask More When You Sell**

## **Slide 46**

Include a slide that gives the addresses and sales prices of a few houses you have for sale.

*Here's a little information about a few of the properties we currently have listed.*

# Houses Buyers Occupied

■ 602 Rangely Ave.	\$393,200
■ 3122 N. Limestone St.	\$279,876
■ 3702 E. Madison Ave.	\$269,842
■ 2728 E. Main St	\$164,100
■ 11015 Maiden Lane	\$260,106

**They Want To Buy The Home!**

## **Slide 47**

Include a slide that lists the addresses and sales prices of a few properties that buyers have occupied.

*These are a few of the houses that have been sold to buyers using the system I discussed today!*

# Helpful Hints

- You could buy a home from us and sell it to a qualified family member.
- You could buy a home from us and sell it to one of our buyers.
- We might help you sell the home if you need help
- We might manage the property if you need help

**We'll Do the IRA Paperwork If You Want**

## Slide 48

*If you're interested in buying real estate with your IRA or 401k, we're here to help you get started.*

- *We can help you complete the IRA paperwork*
- *We can manage the property for you*
- *If you buy one of our homes, we can show you how to find a buyer*
- *If you buy one of our homes, we can show you how to sell it to a qualified family member*

# The Next Step ?

- By now you know how this program works and how you can purchase Investment properties starting today.
- You have (3) options:



**We hope you decide to join our team**

## **Slide 49**

*So, what's next. Well, you have three options!*

# The Next Step ?



- 1) Option One - Do nothing. This isn't for you. Can you give us names of folks that you feel it would serve.
- 2) Option Two - Set up a one-on-one meeting before you leave to discuss more details
- 3) Option Three – You like the idea of your money working for YOU and you're ready to get started.

## Slide 50

*Option One – Do nothing. This just isn't for you. That's okay with me. I appreciate that you took the time to listen to the program and I hope you would be willing to give me the names and phone numbers of a few people you think might be interested in the program.*

*Option Two – Set up a one-on-one meeting before you leave.*

*Option Three – You like the idea of your money working for YOU and you're ready to get started today!*

# Interest Form

## Included In Your Package

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

Phone \_\_\_\_\_

5. No – Not at This Time
6. Maybe – Want to Talk More
7. YES! I would like to get started as soon as possible.

### Slide 51

*Please complete the Interest Form included in your packet.*

# Thanks For Your Time

- Please Return Interest Form to Sign – In Table
- Questions?
- Enjoy the Meal

## Slide 52

*Please return the Interest Form to the registration table before you leave.*

If you are doing a webinar, ask that the attendees e-mail or fax the completed Interest form back to you.

*Does anyone have any questions?*

After you've answered all questions, thank your guests for attending and remind them to remain for their meal.

## Section #3

### **THE POWERPOINT® PRESENTATION** **CONSOLIDATED TALKING POINTS**

The words in *italics* are words I suggest you use as a part of your script. The words in regular type are an explanation of the slide.

Before you get started, introduce yourself and tell your guests a little about your personal story and how you became a real estate investor.

At this point, you should try to build rapport with the guests by throwing out a few questions such as:

*Why did you show up today?*

*What are you hoping to get out of today's presentation?*

These are open ended questions meant to relax your guests and get them to participate by asking questions.

#### **Slide 1**

After welcoming your guests, you should refer to the first slide and say these are the three items you're going to cover in this presentation.

*Number 1 – I'm going to show you how to use your IRA or 401k to purchase real estate.*

*Number 2 – It's not as complicated as it sounds. But there are a few very important things you'll need to know to stay within the law and I'm going to tell you what those things are.*

*Number 3 – I'm going to tell you why buying real estate with your IRA or 401k makes financial sense.*

#### **Slide 3**

*Most Americans think that they have only a few options for investing their retirement funds. They can invest in:*

- *CD's*
- *Stocks*
- *Bonds*
- *Mutual Funds*

*What most American don't know is that they've been duped. A broad range of investment options have been available to the public since 1975.*

#### **Slide 4**

*The problem with the typical investment options most Americans know about is that they don't offer a lot of freedom for the investor.*

*The custodian of your retirement account controls how the funds are invested. This means that you really don't have a lot of say. Of course, you can move your funds from one custodian to another. But ultimately, you're not deciding how your retirement funds will be invested.*

#### **Slide 5**

*The only way to maximize your investment options is for YOU to have the ability to self-direct your investments.*

*A fully self-directed retirement plan gives you the freedom to invest in many types of assets. I'm going to tell you what those assets are.*

*Best of all, U.S. Treasury Department Regulations and the Internal Revenue Code allow these types of investments.*

#### **Slide 6**

*The Internal Revenue Code doesn't tell you which types of IRA investments are allowed. Rather it tells you which types of IRA investments are prohibited.*

#### **Slide 7**

*The Internal Revenue Code prohibits investing IRA funds in life insurance and collectibles.*

*Collectibles is defined as:*

- > Works of Art*
- > Rugs*
- > Metals (other than gold and palladium bullion)*
- > Gems*
- > Stamps*
- > Coins (other than certain U.S. minted coins)*

#### **Slide 8**

*The IRS prohibits certain transactions in a self-directed IRA. You cannot*

- > Borrow money from your IRA*
- > Sell, exchange, or lease personal property to your IRA*
- > Pledge the IRA as collateral for a loan*
- > Transfer plan assets or income to disqualified persons*
- > Lend IRA money to disqualified persons*
- > Furnish goods, services, or facilities to disqualified persons*
- > Allow fiduciaries to obtain or use your IRAs income or assets for their own interests*

### **Slide 9**

*For purposes of IRAs and 401k's, disqualified persons are:*

- > The IRA holder and his or her spouse*
- > The IRA holder's linear descendants, ascendants, and their spouses*
- > Investment advisors and managers*
- > Any corporation, partnership, trust, or estate in which the IRA holder has 50 percent or greater interest*

### **Slide 10**

*The IRS code allows transactions with:*

- > Siblings*
- > Stepchildren and step-grandchildren*
- > Friends*
- > Strangers*

### **Slide 11**

*One of the things I'm going to show you today is how you can be the bank!*

*Think about how banks make money today. . .*

*They offer savings accounts, CD's, and IRAs at low interest rates.*

*They use the money you and I have deposited in these types of accounts to make mortgage loans to other people and charge them much higher interest rates.*

*Now, if you had a way to become the bank, wouldn't it be incredible?*

### **Slide 12**

*Before I tell you how you can become the bank, let's go over what types of real estate and real estate related assets you CAN purchase with your IRA or 401k.*

- *Single family homes*
- *Multi-unit properties (duplexes, triplexes, and quads)*
- *Apartment buildings*
- *Raw land*
- *Options on any of the above types of real estate*
- *Tax Lien Certificates*
- *Mortgages*
- *Notes*

### **Slide 13**

*Why would you want to use your IRA or 401k to invest in real estate?*

*First, real estate allows you to diversify the portfolio of assets in your IRA or 401k.*

*Second, real estate is easy to understand. Most of us know at least a little bit about our local real estate market.*

- *We know what local homes and land are selling for*
- *We know what local rents are*

### **Slide 14**

*The Wall Street Journal Online published an article on September 11, 2007 entitled "Using their IRAs to Make Home Loans".*

*This article specifically stated that one of the benefits of self-directed IRAs is it gives individuals a wide range of investment options from real estate to businesses.*

### **Slide 15**

*I personally prefer buying real estate with my self-directed IRA because:*

- *I'm in control*
- *The return on my investment is much higher than if I had a traditional IRA*
- *There's the potential for an even higher return if my buyer leaves*
- *I earn money each and every month*

### **Slide 16**

*The purpose of this slide is to illustrate how the money flows in to and out of a self-*

directed IRA when you are using the IRA to purchase real estate. You should spend a little extra time on this slide so that your guests feel the impact of how powerful this system is.

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*If the buyer defaults on the loan, you have the right to foreclose – just like a bank would. If you must foreclose, you place the property back on the market and start again. You haven't lost anything. I'll show you some numbers in a moment to give you a better idea of what I'm talking about.*

## **Slide 17**

*So, here are some numbers.*

*You buy a property for \$80,000 and sell it for \$100,000. You finance the buyer's purchase and charge interest of 8 ½%. That's income of \$762.92 per month.*

*Multiply that number by 12 and you get \$9,227.04. That's what's going into your IRA each year. That's equal to a 11.5% return.*

*And, if your buyer pays the loan off over 30 years, you will have put \$276,811 back into your IRA on your original \$80,000 investment.*

*If you placed that same \$80,000 in a bank CD and earned 2% interest, at the end of the year, your investment would have earned \$1600.00. That's \$7627.04 less than what you earn on the real estate deal.*

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*This can be a win-win proposition for you and your buyer!*

- *You are the bank. This means you can adjust the mortgage (interest rate) so that it works for your buyer.*
- *Because you actually sell the property, the buyer is responsible for paying the taxes and insurance.*
- *Because you purchased the property with your IRA funds, you don't have a mortgage payment. This is why you can finance the deal for your buyer.*

### **Slide 19**

*You have options because you are the bank. This means you can structure the deal any way you want to so that it works for you and your buyer. Here are a couple of examples.*

- *Term of Loan - You could structure the loan so that it has a 30-year maturity date or you could structure it so that it has a 5-, 10-, or 15-year maturity date with a balloon payment due at the end of the term.*
- *Interest Rate – I like to do an 8 ½% interest rate because I want the buyer to keep my loan for as long as possible without refinancing. If the interest rate is too high, the buyer will refinance as soon as they can qualify for a loan. But because you're the bank, you have the freedom to charge a higher rate if you choose.*
- *If the buyer doesn't make the payments, you foreclose, make any necessary repairs and sell the house again.*

## **Slide 20**

*Whether you are retired, self-employed, laid off, or have quit your job, if you have an IRA or a 401k, you have an opportunity to take control of your future by using your retirement funds to purchase real estate.*

## **Slide 21**

*If you have money in an IRA or 401k, you can self-direct your IRA or pension plan.*

*Your returns (gains) remain tax deferred or tax free.*

*It's simple and I'm going to show you how to do it.*

## **Slide 22**

*Step One – Open an account with a third party administrator (custodian) that YOU select.*

*Step Two – Transfer/Rollover funds in your current IRA or 401k to the self-directed IRA.*

*Step Three – Self-direct funds to closing to purchase a house.*

*Step Four – When you sell the house, the closing attorney will send the net proceeds directly back to the administrator of the self-directed IRA.*

*Step Five – Decide if you want to purchase another property.*

## **Slide 23**

*You have a unique opportunity to help a person who cannot qualify for a loan in the current market realize the dream of homeownership!*

*The beauty of this system is that you don't need a conventional buyer!*

*This is a huge plus because these buyers are willing to pay a higher interest rate!*

## Slide 24

*Your typical buyer will have damaged credit as a result of*

- *A divorce*
- *Medical situation*
- *A Temporary Job Loss*

*These buyers fell upon hard times, but their situation has now improved. They have good income and just need a chance!*

*You may also encounter buyers who don't have a lot of money for a down payment or who are self-employed (stated income).*

## Slide 25

*I want to give you the names of a few companies that specialize in self-directed IRAs.*

- *Entrust*
- *Equity Trust Company*
- *PENSCO*
- *Sunwest Trust*
- *Guidant Trust*
- *TASC*

## Slide 26

*I know what you're all thinking! WHAT IF THEY DON'T MAKE THE MORTGAGE PAYMENT?*

*If your buyer doesn't pay, you actually make more money. Here's how. . .*

## Slide 27

Let's go back to the previous example where you purchased the home for \$80,000 and sold it for \$100,000 and financed the purchase at 8 ½%. The monthly payment is \$768.92.

If your buyer pays for three years, you've made \$27,781. That's 768.92 x 36 months = \$27,781.

Your costs to foreclose and repair the house are \$1500 and \$3000 respectively. That totals \$4500. **(ALL EXPENSES COME OUT OF THE SELF-DIRECTED IRA).**

You resell the house for \$100,000 and collect a down payment of \$5000.

### **Slide 28**

*Even if you must foreclose, you don't lose anything.*

*Remember, the 1<sup>st</sup> buyers paid down the mortgage and you put that money back in your IRA.*

*When you put the house back on the market, you're going to sell it for \$100,000 or more, if it's value has increased!*

*Your net worth has increased. Because remember, you're making more each year than you would if your money was invested in a traditional IRA that has an interest rate of about 2%.*

### **Slide 29**

*Let me refresh your memory about how a self-directed IRA works.*

*Step One – You have either retired, been laid off, or quit your job and you have a 401k or IRA*

*If you have a job and have a 401k or IRA, you are not eligible to open a self-directed IRA*

*Step Two – You choose a custodian or administrator that specializes in self-directed IRAs.*

*Step Three – You open a new account*

*Step Four – You rollover or transfer funds from your old IRA or 401k to you new, self-directed IRA*

*Step Five – You choose how to invest your funds*

### **Slide 30**

*If you decide that this is a system you'd like to employee, you need to know how the process works.*

*Once you locate a property, you'll need to have the purchase money wired to the closing attorney.*

*At the closing, your administrator or custodian signs the closing documents.*

### **Slide 31**

*After you purchase a property, the next step is to find a buyer.*

*After you identify a buyer and the property is under contract, you will have a closing. You will self-direct your IRA to finance the purchase for the buyer. The buyer will sign a promissory note and a mortgage which names your Self-Directed IRA as the lender.*

*At the closing, the administrator or custodian of your Self-Directed IRA signs the documents.*

### **Slide 32**

*Right now, I want to tell you a little bit about my real estate investing company and what to do next.*

### **Slide 33**

This slide should contain information that is specific to your company, how you became a real estate investor, and where the company is going over the next few years.

### **Slide 34**

This slide contains more information about your real estate investing company.

### **Slide 35**

This slide should contain the name of your company as well as the type of business structure (i.e. Corporation, LLC, Partnership, etc) and how your company works.

### **Slide 36**

*My company has a competitive edge in the community because we can purchase properties quickly. We don't have to wait around for loan approval from a bank.*

*What gives us the ability to move so quickly when we identify a property we'd like to purchase is our knowledge of creative real estate techniques.*

### **Slide 37**

Use this slide to discuss your company philosophy. My company is called Integrity Home Buyers, Inc. and the company philosophy is built around the meaning of the word "integrity".

### **Slide 38**

*I'm sure you're all wondering how we are able to buy properties so far below market value.*

*What we do is focus on distressed properties. Distressed properties are properties that are in pre-foreclosure or foreclosure, real estate owned properties and even probate properties.*

*We know which properties to buy and which ones to leave alone. We also know how to renovate properties so that we can get a good return on our investment.*

*Not only do we create value for ourselves by selling these properties for more than we paid for them, we also create value for the community by taking properties that are eye sores and renovating them. This reduces urban decay and prevents property values of the surrounding homes from declining.*

### **Slide 39**

*We seek out buyers who are looking to achieve the American Dream of homeownership.*

*There are a lot of people out there who may not be able to qualify for a loan because of a temporary financial setback or because they don't have enough money to make a large down payment.*

*Our programs make it possible for these people to become homeowners.*

### **Slide 40**

This slide should include all of your contact information.

*Here is my contact information. Please write it down and feel free to contact me if you have any questions or would like to take a look at some of our listings.*

### **Slide 41**

This slide should be a picture of your office. If you have a home office, include a picture of the office, but make sure it's neat and looks professional.

*This is where I go to work everyday!*

#### **Slide 42**

Include a screen shot of the home page of your website.

*My website address is \_\_\_\_\_.*

*Please visit my website regularly to see what properties we have available.*

#### **Slide 43**

Include a screen shot from the “Properties for Sale” page of your website.

*We are constantly updating our website as we purchase and sell properties. Right now we have \_\_\_\_ properties for sale.*

#### **Slide 44**

*There are several factors which play a key role in the success of my business.*

- *Integrity*
- *Systems*
- *Ability to purchase quickly*
- *Knowledge*
- *Teamwork*
- *Drive and Focus*
- *Commitment*

#### **Slide 45**

Include a few photos of the houses you currently have for sale.

*Here are a few houses that we currently have for sale.*

Over the next few slides, you should spend some time talking about 2 or 3 of these houses. Share some information about the history of each house, describing the floor plan of each, and the tenant's situation (i.e. ready to buy or happy renting). The more you can paint the picture of the value of these houses, the easier they'll be to sell, and the more people at the seminar/webinar that will be at least 'interested' in buying them.

## **Slide 46**

Include a slide that gives the addresses and sales prices of a few houses you have for sale.

*Here's a little information about a few of the properties we currently have listed.*

## **Slide 47**

Include a slide that lists the addresses and sales prices of a few properties that buyers have occupied.

*These are a few of the houses that have been sold to buyers using the system I discussed today!*

## **Slide 48**

*If you're interested in buying real estate with your IRA or 401k, we're here to help you get started.*

- *We can help you complete the IRA paperwork*
- *We can manage the property for you*
- *If you buy one of our homes, we can show you how to find a buyer*
- *If you buy one of our homes, we can show you how to sell it to a qualified family member*

## **Slide 49**

*So, what's next. Well, you have three options!*

## **Slide 50**

*Option One – Do nothing. This just isn't for you. That's okay with me. I appreciate that you took the time to listen to the program and I hope you would be willing to give me the name and phone numbers of a few people you think might be interested in the program.*

*Option Two – Set up a one-on-one meeting before you leave.*

*Option Three – You like the idea of your money working for YOU and you're ready to get started today!*

## **Slide 51**

*Please complete the Interest Form included in your packet.*

**Slide 52**

*Please return the Interest Form to the registration table before you leave.*

If you are doing a webinar, ask that the attendees e-mail or fax the completed Interest Form back to you.

*Does anyone have any questions?*

**Section #4**

**Handy Reference Page**

Use this reference sheet to tailor your PowerPoint® presentation to your business.

Slide #

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33.	Fill in info about your company, where you're located, and what the long-terms goals for the company are.
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35.	Insert the name of your company and what type of company you are (Corporation, LLC, or Partnership). Insert what you do ( i.e. Short term hold, manage rentals)
36.	
37.	Fill in your company's philosophy, mission statement or unique positioning statement
38.	
39.	
40.	Insert the office address, mailing address, website, and e-mail address for your company. You can also include your phone number if you want to.
41.	Insert a photo of your office or delete this slide.
42.	Insert a screen shot of your website or delete this slide.
43.	Insert a screen shot of your "Property Listings" page from your website or delete this slide.
44.	
45.	Insert photos of the properties you currently have for sale.
46.	Insert the addresses and sales prices for a few of the properties you have for sale.
47.	Insert the addresses and sales prices of houses you've sold.
48.	
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# MODULE E

## BUYER FOLLOW UP PLAN



## Section #1

### **BUYER FOLLOW UP PLAN**

Some buyers will be ready to implement this system immediately. Others will want to think about it. So, you will need to follow up with them.

I've tried some of the following techniques:

- Having the prospects go to the registration table and schedule a private meeting;
- I've also handed out slips of paper containing different options and asked them to check off whichever one applies to them; and
- I've had my secretary call prospects after the luncheon to set up a one-on-one meeting.

Based upon my experience using each of these techniques, I believe the most effective approach is to have the prospects fill out an Interest Form at the end of the luncheon. The other great thing about this technique is that it can be used when you do a webinar as well. You can either include the Interest Form in the Buyer Packet or you can e-mail it to the prospects who attended the webinar along with a thank you letter. Make sure to tell the webinar attendees to be looking for the e-mail and ask that they either e-mail or fax the form back to you.

You should schedule an appointment immediately with anyone whose form says they are ready to get started. You should also schedule an appointment with anyone whose form says they want more information.

For those who don't schedule an appointment but have indicated an interest in the system, you should personally follow up with them by phone. Be sure to keep a log of your phone conversations with each prospect.

The goal here is to get people to the next step. You should try to encourage them to have a one-on-one meeting with you so you can answer any of their questions about how to use their IRA or 401k to purchase real estate. This is a big decision and you want them to feel comfortable about what they're about to do.

This is not a high pressure meeting. If the prospect says they're not interested, thank them for their time and leave the meeting or end the phone conversation.

## Section #2

### **FOLLOWING UP THE DAY AFTER THE SEMINAR**

Following up in a timely manner is important. If you let too much time pass after the seminar or webinar, it reflects poorly on you and will turn your prospects off. So, when you schedule the seminar or webinar, you should make sure that you will have time over the two or three days after the seminar/webinar to meet with your prospects and to make follow up phone calls.

Never schedule a seminar or webinar right before a vacation or business trip. Remember, if you've done the seminar/webinar right, you will have inspired your prospects to take action *NOW* and you don't want to give them too much time to think about it because they will probably change their minds.

When calling prospects to schedule private meetings, you can suggest meeting at:

- A restaurant of their choice
- Their home
- Your office

Make sure to log every appointment in your calendar correctly. You should also keep a log of all calls that come in to your office and return phone calls from prospects in a timely manner.

It is a good idea to have the person answering the phone include a notation that says 'BUYER' on the phone log next to the name of anyone who wants to get started buying real estate with their IRA or 401k.

### Section #3

## FOLLOW UP NOTES

All of the follow up notes we use are handwritten. Sending handwritten notes adds a personal touch that you don't get with typewritten notes.

### **Thank You Note for Attending the Seminar**

July 21, 2009

Dear Paul,

We were glad to see you at our recent seminar. It's so exciting to meet people who want more out of life and are now willing to take action on that desire.

Please call us when you are ready to start purchasing real estate with your IRA or 401k. We'd be glad to help you get started.

Sincerely,

E. Alan Cowgill  
President

## Thank You Note for No-Shows

August 1, 2009

Dear William,

We missed you at our recent seminar. We don't want you to miss out on this exciting opportunity, so we are mailing our Integrity Home Buyers, Inc. buyer packet to you.

It's always great to hear from people who want more out of life and are willing to now take action on that desire.

Please call us when you are ready to start purchasing real estate with your IRA or 401k.

Sincerely,

E. Alan Cowgill  
President

## Thank You Note After Private Meeting

September 27, 2009

Dear Robin,

It was great to have a chance to talk to you and explain our system for buying real estate with self-directed IRAs. It's exciting to meet people who want more out of life and are willing to now take action to achieve that desire.

Please call us when you are ready to start our program and take control of your future.

Sincerely,

E. Alan Cowgill  
President

*Thank You Note After Request for Information by Mail*

January 9, 2009

Dear Ruth,

By now you have had an opportunity to read through the exciting material we mailed to you.

It's always great to hear from people who want more out of life and are willing to take action on that desire.

Please call us when you are ready to start using a self-directed IRA to purchase real estate.

Sincerely,

E. Alan Cowgill  
President

## Section #4

### BUYER REPORTS

I use these reports to track information about our buyers.

1. Follow up
2. Active Buyers
3. Payment Schedule

#### Follow Up Report

You should use the following form to keep track of everyone who has contacted you about the Self-Directed IRA Program. Use this form regardless of how the prospect found out about you. You can gather the information to be inserted in the form from the 3 x 5 cards, the phone log, the seminar check sheet, the reservation list, etc.

<b>Buyer Report 1</b>		
<b>Follow Up</b>		
<b>Name &amp; Phone Number</b>	<b>Date Attended or info mailed</b>	<b>Comments</b>
Barbara Dunn 555-1212	Seminar 2/15/09	
Tom Decker 555-1212	Webinar 3/01/09	Call him back in a month.
Ruth Fain 555-1212	Info mailed 3/07/09	Says wants a one-on-one meeting
Elaine Koss 555-1212	Seminar 2/15/09	Going on vacation for two weeks. Wants to get started at the beginning of March.
Gary Neal 555-1212	Private Meeting 2/27/09	Says he wants to discuss with his accountant.

## Active Buyers

When a person buys one of your properties, you should move their name to the *Active Buyers List* and add the relevant information.

<b>BUYER REPORT 2</b>			
<b>ACTIVE BUYERS</b>			
<b>Name and Phone Number</b>	<b>Property Address and Date of Purchase</b>	<b>Sales Price and Monthly Payment</b>	<b>Comments</b>
Kim Foster 555-1212	123 Main St. 2/15/09	\$275,000 \$773.25	
Ben Adams 555-1212	555 Fairview Lane 3/1/09	\$301,250 \$877.01	
Rick Dempsey 555-1212	101 Tree Top Dr. 4/17/09	\$199,900 \$663.00	
Dana Lords 555-1212	7822 Mt. Olive Pl. 4/22/09	\$222,890 \$690.75	

## Payment Schedule

Because you are the bank, you can structure the repayment schedule in a way that works for both you and your buyer. You may require monthly payments, or bi-monthly payments, or annual payments. It's really up to you.

You can set this report up in a way that works for you. I have a page for each month.

<b>Buyer Report 3</b>			
<b>Payment Schedule – Jan. 2009</b>			
<b>Buyer Name and Property Address</b>	<b>Payment Amount and Due Date</b>	<b>Payment Rec'd Date</b>	<b>Comments</b>
Betty Taylor 123 2 <sup>nd</sup> Avenue	\$773.00 due on the 1 <sup>st</sup> of the month		
Jim Johnson 725 Lucky Star Rd.	\$608.22 due on the 7 <sup>th</sup> of the month		
David Johnston 9990 Hillside Ln.	\$425.00 due on the 10 <sup>th</sup> and 25 <sup>th</sup> of each month		
Rebecca Thomas 3782 Creek Mills	\$1100.00 due on the 22 <sup>nd</sup> of the month		

**Note: You are the bank. So, remember to include a grace period and a late fee in the Promissory Note your buyer signs. If the buyer pays after the grace period expires ALWAYS collect the late fee.**

# MODULE F

## UNDERSTANDING SELF-DIRECTED IRAs

## **UNDERSTANDING SELF-DIRECTED IRAs**

The following pages are an excerpt from my book, *The Mortgage Broker's Textbook: H.O.M.E. (Home Ownership Made Easy)*. Please read these pages carefully as they will help you gain a better understanding of how self-directed IRAs work.

You can rollover or transfer your traditional IRA or 401k to a self-directed IRA if:

1. You've been fired or laid off from your job
2. You've quit your job
3. You are retired

If you are currently employed and have an IRA or 401k you **CANNOT** rollover or transfer it to a self-directed IRA.

# **Chapter 4**

of  
**THE MORTGAGE BROKER'S TEXTBOOK:  
H.O.M.E.  
(Home Ownership Made Easy)**

## **IRA Money**



## Chapter 4:1 IRA Money

Folks with IRAs are ideal candidates for private lenders. This is money they can't touch and are making very little interest on. What many people don't realize is that, although they can't spend this money, they can invest with it.

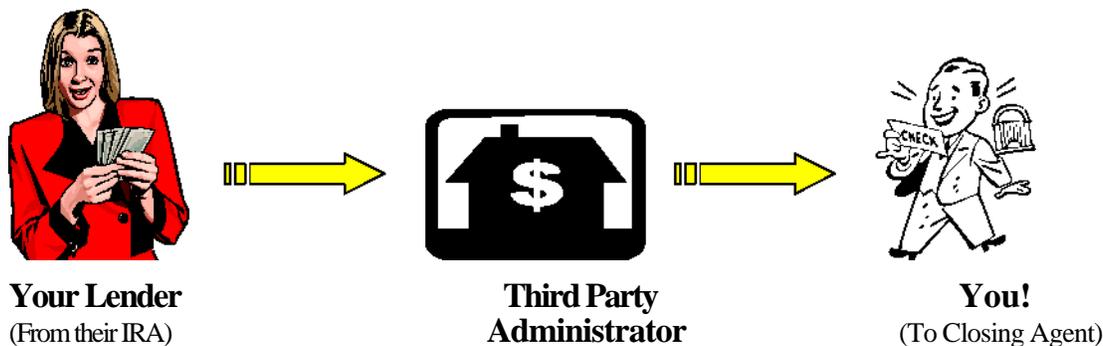
IRA-holders are perfect private lenders because:

- They cannot currently touch these funds UNLESS they invest them!
- They will earn compounded interest and at a rate as much as *three times* what they earn in their retirement account.
- All earnings are tax deferred, unless it's a Roth IRA, in which case it's tax free!
- All pre-taxed earnings can be reinvested to generate even more money.

You may not need this, as your circumstance might not include IRA money. If it does, however, we've included everything you need to know. More than you need, actually, because there are companies that will handle everything for you. If you're not currently going to fund your home with a private lender's IRA money, you can skip this chapter all together, but just keep this chapter in mind for the future. You can even loan your own IRA money at some point!

## 4:2 Third Party Administrators

In order for you to use money from retirement accounts you must go through a “Third Party Administrator” (TPA) or Custodian. It’s just one extra stop along the way and, like you will never actually touch the money. Instead of from the lender to the closing agent to the house, the money will go from the lender to the TPA to the closing agent to the house. When the house sells, the money and its interest will go back exactly the same way. Let’s go into more detail.



The lenders direct their money from the IRA to a Third Party Administrator. This is called a “direction of investment.” The money then comes directly from the TPA to the closing agent. When you satisfy the mortgage or re-finance your home, at closing the money goes back exactly the same way, from you to the TPA and then back into the lender’s IRA account.

Line yourself up with a good TPA and they’ll help you out along the way. This is the one I use in Ohio.

# Equity Trust Company

Our Custodian is Equity Trust in Elyria, Ohio. (This was formerly Mid-Ohio Securities.) They are set up to handle all loan activities from retirement accounts.

They consider themselves a “passive custodian” of the money. This means they offer no investment advice, and you’ll never have to worry about a conflict of interest. A wealth of information can be found at their website

[http://www.trustetc.com/.](http://www.trustetc.com/)

The screenshot shows the Equity Trust Company website. At the top, there is a navigation bar with links for eVANTAGE SYSTEM, CLIENT LOGIN, SPEAKER REQUEST, REQUEST INFORMATION, and SITE MAP. Below this is the company logo and tagline: "EQUITY TRUST COMPANY ...the leader in self-directed IRAs and small business retirement plans". A banner image of a road in a field is on the right, with the slogan "Your Knowledge Your Expertise Your Future".

The main content area is divided into a sidebar on the left and a main column. The sidebar contains a "Quick Links" section with links to "New eVantage System", "New Roth 401(k)", "Why Equity Trust?", "The Real Estate IRA", "Getting Started", "Client Forms", "Fees", "About Us", and "Contact Us". Below this is an "IRA Plans" section with sub-links for "IRA Basics", "Benefits of an IRA", "IRA Plan Types" (Traditional IRA, Roth IRA, Roth Conversions, SEP, SIMPLE, Individual(k)), "Other Plan Types" (Coverdell (Education), Health Savings (HSA)), and "Maximize Contributions".

The main content area features a "Current location: Home" indicator. The primary heading is "Truly Self Directed IRA Investing". Below this, there are sections for "Invest in What You Know" (discussing the benefits of self-directed IRAs) and "Choose From a Wider Array of Investment Options:" (listing Real Estate IRAs, IRAs in Tax Liens, Notes, Mortgages, Deeds of Trust, Private Placements, Limited Partnerships). A final paragraph states that Equity Trust Company focuses on specialized investments not allowed by IRS regulations, giving clients full control over their financial future.

On the right side of the page, there are two promotional boxes. The top one asks "Were you able to find the information you were looking for?" and offers a survey link. The bottom one is for a "FREE NEWSLETTER" and includes a sign-up form with fields for Name and Email, and a checkbox for "Are you currently an Equity Trust client?".

## Equity Trust Contact Info

When leaving a voice mail or sending an email be sure to leave your name, phone number, and the best time of day to reach you.

### Telephone/Fax:

Phone: (440) 323 - 5491

Fax: (440) 366-3752

### Overnight/Physical Deliveries:

Equity Trust Co.

225 Burns Rd

Elyria, Ohio 44035

### U.S. Mail:

Equity Trust Co.

P.O. Box 1529

Elyria, Ohio 44036

### General Inquiries: [help@trustetc.com](mailto:help@trustetc.com)

(440) 323 - 5491 Ext: 0

Fax: (440) 366-3750

Or request detailed information at <http://www.trustetc.com/company/request-information.html>

### New Accounts:

(440) 323-5491 Ext. 3

[Email: newaccounts@trustetc.com](mailto:newaccounts@trustetc.com)

### Cash Department:

(440) 323-5491 Ext. 4

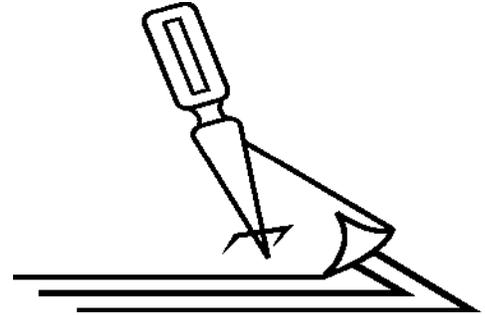
[Email: cash@trustetc.com](mailto:cash@trustetc.com)

## **THE ENTRUST GROUP**

The Entrust Group is another company that specializes in administering self-directed IRA's. To get more information about the services offered by the Entrust Group, visit <http://theentrustgroup.com> or call (888) 340-8977.

## 4:3 Four Types of Paperwork

Your TPA will help you through all phases of this. Basically you should be concerned with doing all the work for your lender. This should be a hassle-free experience for them. This means that you put everything in order and simply ask for your lender's signature.



There are a few specific steps required to handle this, but each is very straight forward if you know exactly what you need. That's what we're going to cover here.

There are four areas of concern with the paperwork:

- 1) New Account
- 2) Rollover/Transfer
- 3) Contribution
- 4) Direction of Investment

### **New Account**

This is for someone who wants to open an IRA with Equity Trust and will be using personal funds to do so. In other words, they're not using IRA funds from another company, or adding to IRA funds at Equity Trust. The first thing you need to do is set up a new account. There is a special form for this to be sent in with the money order of funds to be deposited.

## **Transfer or Rollover**

A transfer occurs when your lender moves IRA assets directly from one financial institution without personally taking possession of those assets. This is a faster process and ensures your lender won't incur any tax penalties. A rollover occurs when your lenders takes possession of IRA funds and then moves them into an IRA with a different financial institution. In this case, lenders have 60 days to "rollover" the finds into a new IRA. If this doesn't happen, they may have to pay tax on the money, or suffer as much as a 10% penalty! Also, only one roll-over is allowed for every 12-month period. Make sure your lenders are informed.

## **Contribution**

This is when the lender adds additional funds to an existing IRA. The IRS has some regulations restricting the amount of contributions per year. Something called the Economic Growth and Tax Relief Reconciliation Act, which went into effect in 2002, expands former limits set on IRA contributions, but only until 2010. Equity Trust does a great job of breaking this down for you here: <http://www.trustetc.com/irs/irs-news.html#contriblimits>.

## **Direction of Investment**

Direction of Investment is how your lenders will lend with their IRA funds. It's the process by which IRA money can be used for investing. There are specific "real estate" DOI forms. We'll get into all the details in the following section.

## **4:4 New Accounts**

Your first contact with Equity Trust, on behalf of a new lender, will typically be through the New Accounts Department. The first step is to fill out the form for a Traditional IRA Application. The form can be downloaded here: [Self Directed Traditional IRA Application](#). This will be the same form also used for transfers, rollovers and contributions.

### **Traditional IRA Simplifier Traditional Individual Retirement Account Application**

#### **I. IRA Owner Information**

1. Name
2. Marital Status
3. US Citizen
4. Address
5. Date of Birth
6. Gender
7. Social Security Number
8. Daytime Phone Number
9. E-Mail Address

#### **II. Contribution Type**

These are check boxes to establish the type of account you'll be opening. Even though "contribution" is typically used to describe the act of adding funds to an existing account, it is used here to denote the type of deposit being made, even if it's to a new account.

1) **New:** This is your new account from personal funds (not another IRA) for either your lender (and/or spouse).

- **Catch-Up:** If you are over the age of 50 years and six months, you can contribute an additional \$500 per year to your account.
- **SEP:** This is for a Simplified Employee Pension. You won't be using this option.
- **Rollover:** Using funds from a Traditional IRA, Simple IRA, or other eligible retirement plan. This often happens when one leaves a job and needs to re-invest 410K money. In this case, your lender will take possession of funds before re-investing.
- **Transfer:** This is sometimes referred to as a Direct Rollover. Equity Trust Company will work with the current custodian and everything. IRA Owner never sees check.
- **Re-characterization:** If your lender attempts to open a Roth IRA and is found ineligible, this form needs to be completed to re-characterize the account as a regular IRA.
- **General Contribution:** Your lender can make an annual contribution of up to \$3,000 to an existing account.

- **Choose PIN**

This Personal Identification Number allows your lenders to have phone and web access to their accounts. The form also requires a prompt question in case of forgotten PIN.

- **Payment Options**

This is for the annual maintenance fees and one-time \$50 set-up charge.

- **Designate Beneficiary**

Equity Trust requires the designation of both a primary and a contingent beneficiary. You'll need to provide the following:

1. Name and Address
2. Social Security Number
3. Date of Birth
4. Relationship
5. Percentage of assets

## **VI. Spousal Consent**

If your lender is married and does not name his or her spouse as a beneficiary, they are required to get the spouse's signature on the form. The signature states that the spouse is aware of the IRA and has received a full and reasonable disclosure of spouse's property and financial obligations.

## **VI. Sign and Mail**

Equity Trust must receive the original application. This cannot be faxed. Mail all forms to: Equity Trust Company, P.O. Box 1529, Elyria, Ohio 44036. Or overnight it to: Equity Trust Company, 225 Burns Road, Elyria, OH 44035.

Once the account has been processed, your lender will receive a letter from the New Accounts Department at Equity Trust. This will confirm the IRA and assign an account number. If funds have been deposited through a business or personal check, it will take seven days until the funds are cleared for investing. If the deposit was a cashier's check, money order, or wire transfer, your lender can begin to lend to you immediately, through a Direction of Investment, which we'll cover later in this chapter.

## **4:5 Transfer or Rollover**

For transfers or rollovers you need to fill out the Traditional Individual Retirement Account Application. Once the account is established, you'll need to complete the Transfer Form in order to move the funds. This will be the same form for both rollovers and transfers. Make sure you include the latest statement on the account from which they're transferring. This is required to process the transfer.

### **Single Deposit Coupon Information Needed for the Deposit Coupon Is As Follows:**

#### **Account Transfer Form (2 Pages)**

##### **I. IRA Owner Information**

###### **(Account w/ Equity Trust)**

1. Name
2. Social Security Number
3. Phone Number
4. Street Address
5. Type of account (Traditional, Roth, etc...)
6. Date of Birth
7. Account Number with Equity Trust Company

##### **II. Transfer Information**

###### **(Account from which funds will be transferred)**

1. Name of present Custodian
2. Street Address of present Custodian
3. Account Number with present Custodian
4. Phone Number of present Custodian
5. Additional Account Numbers if moving more than one (1) account
6. Type of account

### III. Processing Preference

Basically, how quickly do you need the funds?

1. Normal Processing -- Through the mail. This option is free.
2. Overnight Services – This option is \$18.
3. Express Delivery – Expedited processing. Includes wire fee. \$50.

### IV. Transfer Instructions for Current Custodian

#### Full Transfer Only:

Option 1: Liquidate all assets and transfer proceeds.

Any assets will be sold and cash forwarded to the new account.

Option 2: Liquidate all assets and transfer assets “in kind”.

This means that you would transfer everything to Equity Trust just as it was at old Custodian. All stocks and mutual funds would remain the same, only the Custodian would change. Most Qualified Retirement Plans cannot be transferred “in kind”. Mostly, you’ll be choosing the first option.

#### Partial Transfers Only

This means that only the items you list will be transferred and everything else will be left where it is. List only the assets to be transferred.

##### 1) Cash Transfer

- Amount
- Check to: *“Equity Trust Company Custodian F.B.O. LENDER’S NAME, IRA”* (FBO = For the Benefit Of)

##### 2) Assets Transfer

- Quantity
- Value
- Liquidate or “In-Kind”

## **V. 70 1/2 Mandatory Required Distribution**

If your lender is over the age of 70 years and six months, you can skip this section. If not, your lender's present Custodian will take care of this.

## **VI. IRA Owner's Signature and Date**

You'll need a "Medallion Signature Guarantee" from an authorized agent in order for this to be accepted. You can obtain this at most any financial institution.

## **VII. Instructions for Delivery**

- **Wire Transfer**
- **Check**

**USPS or Overnight**

**Check payable to:** *"Equity Trust Company Custodian F.B.O. LENDER'S  
NAME, IRA Account Number"*

## **VIII. Letter of Acceptance**

Leave blank. This is for Equity Trust.

## 4:6 Contributions

A contribution is any deposit into an existing IRA. For this you need a deposit coupon, which you can download and print from the Equity Trust site:

<http://www.trustetc.com/forms/CouponAndInstructions.pdf>.

### Single Deposit Coupon Information

**needed for the deposit coupon is as follows:**

1. FBO IRA Owner's Name
2. IRA Account Number
3. Investment Reference Number (IRN#): This will come from Equity Trust Company
4. Date of Wire Transfer OR Check Number
5. Payment amount
6. Payment Type:
  - Rent/Lease
  - Note (Must complete new balance and tax year of contribution)
  - Dividend
  - Proceed From Partial Sale of Asset
  - Proceed From Full Sale of Asset

If full or partial sale of assets are used, you must also submit a **Sale Direction of Investment Form**.

- Other (please specify)

This is what you'll check when contributing interest payments into your lender's account.

Checks are payable to ETC Custodian FBO *Lender's Name*, IRA. The IRA account number and IRN number must both be on the check. Your lender should know that there are annual limits contributions depending on the type of IRA, the year, and your lender's age. Equity Trust outlines the Contribution Limits on: <http://www.trustetc.com/irs/irs-news.html>.

## **4:7 Direction of Investment**

Okay, you've helped your lender establish an account, and they're all set to work with you. There is a certain protocol involved in transferring the funds, but this is something Equity Trust does all the time, and so do I. Here are the steps.

There are several different Direction of Investment Forms on Equity Trust's site, including one for real estate investing. However the one you want is Promissory Note Direction of Investment. This form must be submitted with a copy of the promissory note.

### **Promissory Note Direction of Investment Form (4 Pages)**

#### **Section 1: IRA Account Information:**

1. Account Owner
2. Account Number
3. Phone Number
4. E-Mail Address
5. Fax Number

#### **Section 2: Processing Time**

- 1) Normal or Expedited

Normal processing time for a funding request is 3-4 business days upon receipt of completed paperwork. This option is free of charge. Expedited processing can be finished the same day, provided the completed and error-free paperwork is submitted not later than 10:00 am. The fee for expedited processing is \$35.00.

### **Section 3: Investment Title**

You'll be checking the first option for this one "I am making an investment directly to my IRA and my IRA will be 100% owner." This section reminds you of how you need to properly title the paper work. In this case it's: "Equity Trust Company FBO Lender's Name, IRA". (Quotes not included.)

### **Section 4: Do You Have Documents That Need To Be Signed? No**

*\*Signature, page one! Don't forget to sign and date the bottom of each page.*

### **Section 5: How Would You Like This Investment To Be Funded?**

### **Section 6: To Whom Are You Loaning Money?**

Fill in your name and contact information. I use my company name and address here.

1. Borrower's Name
2. Borrower's Phone Number
3. Borrower's Address

### **Section 7: What Type of Note Are You Issuing?**

1. Check the box for "New Note"
2. What percentage will be owned by IRA: 100%?
3. Face Value of the Note: This is the total amount of the loan.

### **Section 8: Is This Note Discounted? Check no.**

## **Section 9: When And How Is This Note To BE Repaid?**

### 1) Frequency of Payments

Because this is IRA money, and untouchable to your lender, you'll almost always be paying the loan and interest after the property sells. Check the box for "Other" and write in *to be repaid following sale of property?*

- Total Number of Payments: 1
- Periodic Payment Amount?
- Date of First Payment?
- Date of Last Payment?
- Interest Rate of the Loan: Fill in your rate.
- Does this note have a balloon payment?

*\*Signature, page one! Don't forget to sign and date the bottom of each page.*

## **Section 10: Is This Note Secured By Collateral?**

- 1) Check "Yes" and proceed to section eleven.

## **Section 11: What Type Of Collateral Is This Note Secured By?**

1. Check "Real Property"
2. Address of Property
3. Position of the Note: First or Second

## **Section 12: For Unsecured Notes Only**

This section is not applicable. Leave it blank.

\*Signed and dated by your lender and the Custodian. Your signature (the borrower) is not required with a secured note.

## **The Cash Department**

The Cash Department at Equity Trust processes all transfers of funds for investment purposes. Contact them for any help you need about investment procedure. Remember much of this information is available on the web and your lender can check the status of incoming or outgoing cash transfers, the status of pending investments, the cash balance, and portfolio value 24 hours a day, 7 days a week by logging in with their PIN at

[www.trustetc.com](http://www.trustetc.com).

***It is important that all the paperwork is clearly worded. You must have “Equity Trust Company Custodian FBO Lender’s Name IRA” on the promissory note, on their check, and on the mail envelope when submitting the DOI form.***

## 4:8 The Payoff

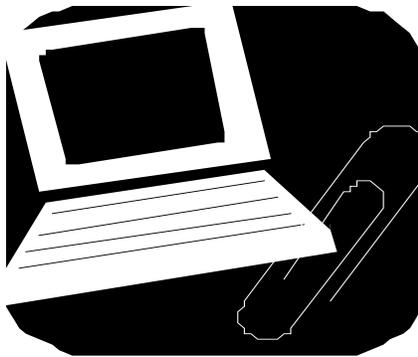
Whether you're repaying the entire loan at once, or paying interest and/or principal payments, your payments are made out to your TPA, not to the lender personally. The money cannot go back to them but must remain in the IRA. In the case of Equity Trust, your payment would be as follows:

“Equity Trust Company Custodian FBO Lender's Name, IRA Account Number”.

*This should be on the envelope as well as the check. When satisfying the loan, your TPA will do a satisfaction of mortgage and the title will transfer to you. People with IRAs are often content with long-term loans, since they can't use the funds anyway.*

# MODULE G

## OTHER TOOLS



## ELIZABETH 'S STORY POSTCARD

The Elizabeth's story postcard is a great tool. You can use this as your direct marketing postcard. You may need to modify it a little to include the info for the seminar or webinar. However, I suggest that you leave it the way it is and wait for people who are interested in learning more to call you.

### Free Report Reveals Amazing Alternative To Low Paying CD's And Risky Stock Market. Find Out What Your Banker And Broker Don't Want You to Know A Secured Alternative to the Stock Market

#### **Her stock accounts went down...again!**

Sure enough, when she saw the balance of her IRA and mutual accounts, she got a sick feeling in the pit of her stomach. Elizabeth had to sit down and gather herself, starting at the unbelievable amount of money her accounts had lost, even worse than before!

She started to cry. She said out loud to no one, "I've lost over 30% of my retirement money, and I'm too old to make it up. Why did I put money in this ridiculously risky market? I should have known better." Then Elizabeth felt a chill go through her as if she had been pierced with an ice pick in her soul. "Oh, my God. What would Frank have said if he knew I had put so much cash, the money he had worked so hard for...into a casino like the stock market? He would be so mad..." Elizabeth's mind trailed off as she cried some more. How badly she felt for herself and for Frank.

#### **The answer revealed itself to her!**

When Elizabeth sat down to read the paper, she saw an article that got her curious, and she sent for a report that was commented on in this article.

The article said that there are alternatives to CD's and mutual funds that most people don't know about.

Alternatives that were secured, but had the benefit of a potential superior return.

Elizabeth called and requested her copy of this free report. She was hoping this was the answer she had been seeking.

A couple of days later, when she opened the mail, she was excited to see the free report had arrived. Elizabeth made herself a cup of tea and sat down at their kitchen table to take in all of the information in the report.

When she finished reading, she felt comfortable for the first time since Frank passed away. She had finally learned the little known alternative to CD's her banker and broker had never told her.

#### **Free Report reveals little known alternative!**

A copy of this free report is available by calling 937-555-5555, 24 hours a day, 7 days a week. Why not call NOW and get your free copy of this shocking and eye opening report? If you are sick of your 3-4% CD's earning such paltry interest and are rightfully scared of the crazy and risky stock market...the answer to your frustrations is continued in this free report. Call NOW, before things get worse, and while this is fresh on your mind! What have you got to lose? Waiting won't help you, so pick up the phone NOW!

This is not a public offering or offer or invitation to sell securities or make an investment.  
Securities may only be offered or sold in the state or states where they are registered or under an exempt offering.

springfield, oh - She was simply stunned to hear what her banker told her. "I'm really sorry Elizabeth, but I can't do any better than 3.24% on that CD. If you want to tie it up for 10 years, I can get you a little over 4%, but that's it." Lousy 4% On CD's! What's She Going To Do?

blblblbl  
4883 security dr  
springfield, oh 45503 USA

Elizabeth felt betrayed. After all, she had been putting her savings in this bank for 17 years. And now that Frank was no longer here, she had to take care of everything herself.

It frightened her to have to deal with taxes, and paying bills, and trying to figure out things like refinancing her house. All that was tough enough, but then watching her monthly income sink like a brick in water, that was the last straw.

"He didn't even care we had been such loyal customers all these years." thought Elizabeth.

**There is nothing the banker can do.**

"I asked him why I was still paying 15.5% on my credit card balances, when he was only willing to pay me a little better than 3% on my savings. It made me really sad to hear him say there was nothing he could do."

As she stepped into her home, she was reminded of Frank everywhere she looked. "What would he do?" she said to no one in particular.

Elizabeth then opened the mail and saw the statement from her stock brokerage house. She was afraid to open it because the market had been on such a roller coaster ride that she knew her accounts were likely to be down, again.

## FLYERS

The flyer on the following page can be used as a template for your own flyers advertising your properties.



1905 Beatrice Avenue  
Appraised Value: \$69,000  
Selling Price: \$53,000  
3 Bedrooms, Enclosed Porch,  
Air Conditioning, Basement

---

205 N. Bechtle Avenue  
Appraised Value: \$52,000  
Selling Price: \$38,300  
3 Bedrooms, 2 Story,  
Covered porch, Central Air

---



728 E. Cecil Avenue  
Appraised Value: \$75,000  
Selling Price: \$64,100  
3 Bedrooms, 1 ½ Bathrooms,  
Attached Garage, Enclosed Porch

---



806 Grant Street  
Appraised Value: \$65,000  
Selling Price: \$46,700  
3 Bedrooms, 2 Story,  
Covered Porch, Central Air

---



## MINI SCRIPTS FOR HANDLING OBJECTIONS

*I couldn't do this.*

*(Not smart enough, Don't have time, Don't have the knowledge)*

**Preemptive Response:** Most people think they couldn't do this for themselves for a variety of reasons: they aren't smart enough, they don't have time, or they don't have the specific knowledge needed. It's only natural to feel this way when trying something new. The fact is, you don't need to be smart because I'm giving you an exact system and sharing my knowledge you can follow step-by-step to be successful; heck, my team and I will even walk you through the process personally. Because of that, this process will take very little time.

*I don't know anyone to help me do this.*

**Preemptive Response:** (See above response) My team and I will be your guide through this simple, easy-to-follow process. You'll be able to ask any questions along the way, and we'll work directly with you so your goals are reached as fast as you want them to be.

*I don't have enough money in my IRA/401k.*

**Preemptive Response:** You may think you don't have enough resources in your account to make this work and in fact, some deals may be out of your reach for now, but this process can still work for you to become real estate investors. (Move them into being a Private Lender if that's appropriate?)

*I don't know anything about real estate.*

**Preemptive Response:** This system spells everything out for you step-by-step so you really don't have to have any existing knowledge about real estate investing to make this system work successfully for you. Once you become part of the program though, as you have questions I and my team will be right there to move you along the process.

*I don't really trust investing in real estate.*

**Preemptive Response:** (I'm sure you've got something much stronger for this, but I gave it a go anyway.) As the old saying goes, "land is always a good investment cause they ain't makin much of it anymore!" Naturally, the economy recently has played havoc with real estate as it has with everything else. But the truth is there really is no more sure-thing to invest in that will give you the kind of positive returns you can see from real estate.

# CONCLUSION

## **CONCLUSION**

Having buyers is a critical part of your real estate investing business. By using the system described in this home study system, you will tap into a whole different pool of buyers – buyers who don't have to wait for a lender to approve a loan. These buyers have 401k's and IRAs that they can use to purchase the properties you have for sale.

As you develop relationships with these buyers, they will grow to trust you and they will tell their friends about how you've helped them increase the value of their retirement accounts with this system.

Soon you'll have many prospective buyers contacting you about self-directing their pension funds to purchase real estate.

May your real estate business grow and prosper and make you wealthy beyond your wildest dreams!