

How to Make Big Money Investing in Real Estate with None of Your Own Money and Very Little of Your Own Time!

By Tamera Aragon

<http://www.CoachingU2Profits.com>

I am going to share with you the most powerful real estate investing strategy where I am finding the most success now. I am going to take the next few minutes and give you the steps you can take to profit doing this strategy today. There's a lot to share but here is the system in a nutshell...

First you have the following people involved:

- A – Distressed Seller
- B – You – The Investor
- C – Exit Buyer

Here's the simplified version of this massive profits exit strategy. ..

A sells to B and then B sells to C. The program takes two separate and distinct fully funded and fully disclosed transactions and then the filings of those two transactions occur back to back.

And to top it off – someone else handles getting my discounted offer accepted by the bank and even funds my purchase! This makes my only tasks - to find a motivated seller and a buyer who is looking for a good deal.

I know what you are thinking... I don't know where to find these deals, what paperwork do I need? How can I fund when I don't have the money!? And I have no idea how and where to find the buyer?! Of course you don't... So before I go into detail, let me address these concerns:

#1 – **Short Sale Negotiations:** You don't have to negotiate with the banks because I know the best negotiation team in the US to refer you to. There are a lot of other companies claiming to do bank negotiations, but I have not found any team more qualified than the one I am referring through my website. Anyone a part of the coaching U2Profits.com program can have access to them for free. If you are not part of my coaching program there are monthly fees involved to gain access to their services. You can find out more at www.dealwithbanks4u.com

#2 – **Funding:** This same website will provide a resource to fund your transaction. Funding will not be a concern for you as an investor following this system. Your concern is finding and selling the property.

The report may be shared as long no words have been altered.

www.coachingU2Profits.com ©

Page 1

#3 – Paperwork Requirements for Your Area: You will want to run your initial paperwork packet for this strategy by an experienced real estate attorney. In fact, I would never be in the real estate investing business without access to an attorney review all that you do. Again, I know your thinking...that would be expensive too! Coaching U2 Profits provides a resource where you can sign up to have unlimited consultations with an experienced attorney for under \$50.00 per month. And you get a \$50 refund check from Coaching U2 Profits should you chose to do this making your first month free! You can sign up for this service at www.lowpricedlegalservices.com and cancel anytime.

#4 - Finding buyers to buy GOOD deals is easy. We go into great depth on this the first weeks of Coaching U2 Profits Your Way. In general, we begin placing ads for properties in free advertising sites like Craigs list even before we get control of a property. And you are going to be working with realtors who have a direct line with potential buyers for you. Hang in there this will all come together in the end.

Ok, now that I have addressed some concerns that might have been a concern, let's get to the steps I promised.

#1 FINDING THE DEALS

For this strategy, basically I suggest focusing only on high end properties to maximize profits. Properties will need to meet certain other qualifications as well including:

- Today's Value per Comps \$300,000 ABOVE median price range or \$500,000 loan balances.
- Property owner who has stopped making payments and has no plans to ever begin making payments.
- The property owner must be a minimum of 30 days in arrears on their mortgage.
- Property Owner has acknowledged in writing that they are going to allow their property to go to foreclosure and have no intentions or resources to prevent this from occurring.
- No "junkers", marginal properties needing repairs.
- No bank owned REO's.
- Property is not in active bankruptcy.
- Property cannot be an incomplete, new construction homes without final certificate of occupancy.
- No condos or townhomes.

Where do you find properties meeting these qualifications? There are lots of marketing tools to find these sellers. In fact, CoachingU2Profits Your Way teaches you 18 specific ways to find sellers that could potentially meet these requirements.

I am going to focus and tell you about one way that is working for me... I am focusing on marketing to realtors. Realtors often don't know how to deal with the banks. Since my system provides you with a powerful negotiating team and access to millions of dollars, you can feel confident knowing you will help the realtor to get their properties bought and sold. Coaching U2 Profits Your Way also actually comes with a free marketing to realtor's site. You can send realtors to this readymade site which explains how this all benefits them. By the way, I have seen these types of sites before, but always felt they didn't come across to realtors the right way. So I have created a site for my students to use in order to teach realtors how working with you can benefit them...in English.

The report may be shared as long no words have been altered.

Working with Realtors

Realtor qualifications: What are you looking for in realtors you will want to work with?

An open mind and a positive attitude are most important. It's your goal to build a **LONG TERM RELATIONSHIP** with those who are willing to work in the spirit of compliance with regards to **FULL DISCLOSURE** when referring A SELLER to you. Because you are working directly with the seller, your negotiation team will be in constant communication regarding the lenders requirements for the short sale. Under this arrangement, you will ask for collaboration in the following areas.

- No intermediary between all parties such as the lender and seller. Your negotiation team must have direct contact with these parties at all time.
- Debtor confidentiality: There are two separate transactions, the sellers short sale will be paid off with cash. Upon resell agent agrees not to disclose to short sale lender that the property is being sold at a later date. You are the buyer and do not wish to have your purchase price disclosed. Make sure the realtor understands - The short sale is not a transaction they will be involved with until they receive their commissions check.

Steps to building relationships with realtors:

1. You will Contact realtors who will reach out to sellers in order to provide valid selling options to homeowners who are facing foreclosure who have no means to sell their property, while working in full disclosure and lender compliance.
2. You will find these realtors by looking for properties on MLS that say short sale or give words that make them seem like they would consider a short sale. You will need to interview realtors to find those that meet your criteria. We have a script in our coaching program you can use.
3. If you find property to buy where the selling agent is out of your area, your local realtor needs to negotiate to split commissions with them. If you are working directly with them without a local realtor, then this will not be a concern.

You will tell the realtors you are talking to: "You have a company you work with who manages 100% of the short sale process including but not limited to the short sale package, lender negotiations, value justification and **FULL COMPLETE DISCLOSURE TO THE SELLER**. You will share your intent to purchase and resell their property and this will be fully disclosed, acknowledged and signed off by the seller. We all must comply with the lenders short sale requirements including no cash or overage to the seller at closing.

You would tell them you are searching for a buyer during the time you work directly with the debtor's lender to secure the discount (short sale) that will allow you to purchase the property. Your intentions are to fund and payoff the short sale transaction in full and then resell to their buyer where the realtor will acquire commissions.

You would request from the realtor that you and your negotiation team are able to talk to the sellers. You need to disclose what you are doing as the buyer.

**If you were a realtor, wouldn't this sound like a cakewalk to you?
This is all they have to do!**

Summary of realtor steps:

1. Assist in obtaining paperwork and documents necessary for negotiation team to work to get approval.
2. Establish the listing history and show the property – The property must be listed at full current value and listing price reduced every 2 weeks by 5% of previous price.
3. Communicate showings to you – This is the most critical part of your relationship and will affect the outcome of this whole process. You must know of all showings, prospective buyers, comments and any verbal or written offers within 24 hours. You are the one who will accept, deny and counter all offers.
4. Contract the new buyer and attend closing
5. Collect their check with potential commissions from the buyer and seller transactions.

Step 2: Meet the Seller – Are they a good fit?

You will need to contact seller directly to explain what your intentions are and how it can help them. Coaching U2 Profits provides scripts so you can know exactly what to say. You will make sure they are motivated and willing to provide the documents you need to be provided and signed and are ok with you making a profit should you buy this property from them. You would want them to sign a disclosure to this affect.

Sellers Qualifications:

You are looking for easy to work with sellers. This means a seller who understands they have no other alternatives, or have already exhausted a mortgage modification or work out plan. Because of the sheer volume of these properties and clients needing your negotiation and funding services, you are looking for sellers who are willing to work with all parties to get short sale to be approved. It takes a lot of time for negotiation team to work out a plan with the banks. Therefore it is important you have sellers who are willing and able to provide them with what is needed.

Sellers must be willing to release the realtor of any fiduciary responsibility and recognize they are working in a capacity with you as the buyer, who will be the only one given the opportunity to buy and the power to resell the property. They will sign documents to this affect. These documents vary from state to state. Coaching U2 Profits provides general forms for you to get approved by your attorney to meet these goals.

Step 3: Property Evaluation

Evaluate property by asking your realtor to give you 2 line MLS comps for the area. Ask your realtors opinion on what the current value of property is based on written comps is and then go from there.

Your offer and the discount you will be able to receive on your property are largely dependent on the condition and attractiveness of the property. My team is experts at using negotiation techniques to achieve the lowest possible discount; however, here is a list of general guidelines:

- The typical discount on a home in great condition and in a good location (a "pretty" house) is 10% to 15% of current value.
- 15% to 30% discounts can be achieved on properties with a marginal level of repairs or problems.
- Discounts of greater than 30% can be achieved on "ugly houses" with the proper justification. We have achieved discounts ranging from 20% to 60% of the ARV (after repair value) on ugly houses.

NOTE: These are only general guidelines. Every Short Sale is different and there are many factors involved which determine the discount that can be obtained. Some factors we can control or impact and others we can't.

Step 4: Placing Property in Contract - Getting Control

The paperwork for you to get into contract and gain control of the property varies state to state. You would want to work with an experienced investor, (or coach like me), your realtor and title company to create your packet and then have all documents reviewed prior to using them. It is important that you do this properly, assuring you are following laws so as not to appear fraudulent in any way to the seller or the lender.

Here's is a list of some of the paperwork you may need:

Once seller agrees to us managing the short sale negotiations to purchase the property, you and the realtor work together with the seller to provide the following paperwork to title and as well as the short sale negotiation team:

- Affidavit or Agreement of Understanding
- Residential Real Estate Disclosure
- All Contracts and Agreements signed by Investor and Homeowner
- All Addendums signed by Investor and Homeowner
- Contract Used to give control to investor (Vary depending on state)
- MLS Data Sheet
- Copies of all Mortgage Statement
- Homeowner Financials:
- Financial/Expense Worksheets
- Hardship letter
- 2 years tax returns (or letter why none if not available)
- 30 Days proof income (or letter why none if not available)
- 60 Days all current bank statements (or letter why none if not available)

STEP 5: Creating Equity (The short sale approval process)

Once you turn in all the paperwork, you leave the negotiation team to do their job of getting the short sale approved. This can take 30 days – 120 days or more. You will only interact with the seller or lender as the negotiation team requests you to. Other than that, you are done dealing with the property purchase once paperwork is turned in unless the negotiation team requests additional documentation. And you may be requested to meet the appraiser who will give the BPO, (the Brokers Price Opinion) on the current value of the property.

Step 6: Selling – Capturing the Equity in Profit

So here's why you do what you do. It's where the word investing comes from. Investing means -To put something of value into something that multiplies what you put into it to become higher in value. You get a buyer in contract that is qualified to buy the property from you at a higher price than you purchased it, and can sell it once you have closed your own side of the purchase.

Let's recap how we started – only this time adding dollars to the picture:

- A – Distressed Seller – Property worth \$500K owes \$750K
- B – You – The Investor – Offer \$350K - Bank Accepts it – You close on the purchase.
- C – Exit Buyer – Immediately Buys property from you for \$450K in a back to back closing.

You sell the property for \$450K minus the \$350K you paid and minus estimated \$20K in expenses = \$80K in Profit!!! You split this profit with the negotiation team. You walk away with \$40,000 – and did not even have to spend the money to buy the property! Cha-Ching! And all you had to do was work with the realtor and seller to put together qualified buyers and sellers.

Where do You Begin?

Then this is where the rubber meets the road. You decide.

- Do you want to look into the other options for real estate investing further?
- Do you want to find all of the elements I provide in Coaching U2 Profits and do the steps on your own?
- Or do you want to learn and know what there is to learn and know about real estate investing with someone walking you through the steps, helping you to overcome any obstacles you run into, helping you to find answers to the questions you will have.
- Would you like to be walked through the process or do you feel ready to do it on your own.

The next step is for you to decide.

I have found that even the best athletes always have coaches and are finding success by doing so. I have several mentors, coaches and training programs I utilize often myself. I think it's vital in order to stay on top! But that's just what I think. What's important is what you think.

It would be a privilege and an honor to train and mentor you through my **Coaching U2 Profits program**.

I am looking forward to enjoying success with you as you are trained and coached in a way that accommodates your budget, your schedule, your lifestyle. Happy Investing!

The report may be shared as long as no words have been altered.