

Investor Creates \$11,472 A Month Passive Income On First Deal With No Money Down!

What would it be like to have an extra \$11,472 a month coming into your life each month. Month in and month out! Imagine what you could do with that extra money!

You could buy a bigger house, travel, and/or give more to your church or a struggling loved one.

A student of mine, Justin Anderson is doing just that because he closed on a deal where he is now pocketing \$11,472 in positive cash flow each and every month for the rest of his life or as long as he chooses to own the property. In realty, as time goes by, that cash flow will get higher and higher!

How did he do this? The strategy is quit simple, he took over the apartment complex using an Equity Share arrangement. You see, Justin was broke before he bought this property. He had no money so putting money down was not an option.

Does that mean he now has to deal with a lot of tenant hassles? Absolutely not! He gets so much positive cash flow he could go right out and hire a property management company to do all the dirty work. Then the only thing he would have to manage is the manager.

I see a lot of people ignoring the huge benefits of multi-family investing because they don't want to be a landlord and deal with tenants. There is a difference between landlords and investors. Landlords deal with tenants, trash and toilettes. Investors deal with tennis, travel and leisure.

Think about it, what would you rather be?

A true real estate investor does not flip properties for quick profit, that's called speculation. Though speculation is nice because you get quick chunks of cash (I've been known to speculate quite often!), a true investor buys a property to hold for equity appreciation and cash flow.

Investors collect performing assets so that they are not always working their "assets" off to find more deals to flip to create another "paycheck".

Investors can take a break anytime they want, for as long a period they want, knowing that their cash flow is going to be coming in month in and month out, regardless if they look at another piece of real estate again....ever!

As an investor, you don't want to be dealing with tenants! Tenants slow down your ability to find more deals, create more cash flow and grow your business. Tenants are an essential part of your business, they are responsible for the majority of the income of the business and should be treated like the gold that they bring you.

But tenants should not be your responsibility. If you were the C.E.O. of a company, you wouldn't be working the customer service booth. You would hire a manager to oversee that operation and you do the exact same thing in your investing business.

Would you rather manage 40 tenants or manage one manager who those tenants report to. The sooner you realize this, the faster you will become wealthy.

Let's get back to Justin. Justin found this deal by cruising a neighborhood, seeing a large apartment complex that looked like was in distress. He got out of his car and went to the manager's office and asked if he could speak to the owner.

The owner happened to be on site. He was interested in selling, they struck a deal. Now he had to find the money.

He uses the Equity Share strategy. Here's how it works. Find a private money lender. Have the private money lender put up the down payment. In this case the down payment was 20%.

In return for the down payment, the private money lender gets 20% of the positive cash flow each month, 20% of the profits when the property resells and 8 – 10% interest on the down payment to be paid at the sale of the property.

Is this a good deal for Justin? Well, the private money lender gets around \$2,000 a month while Justin gets \$9,000. The private money lender gets 20% of the profit, while Justin gets the other 80% of the profit while getting in with no money out his own pocket!

Justin's second deal was 170 units, no money down, \$22,000 per month positive cash flow using another technique, though that's a story for another time...