

Finding Private Lenders

By E. Alan Cowgill

Need quick cash to close a short sale and take your pre foreclosure business to the next level?

One of the most critical elements of real estate Investing is where to find the money to fund your deals. Some of those choices are:

- Banks
- Credit cards
- Lines of credit
- Creative techniques with the seller
- Partner(s)
- Hard money lenders
- Etc., etc., etc.

The burning desire to finally become the full-time real estate investor had come to fruition. I quit my full-time job of 17 years in November of 2001. With this career change, I immediately needed to face the nagging problem of “Where do I find private lenders to fund my real estate deals?”

Without a serious influx of cash in my business to acquire and rehab properties I would not be able to take my business to the next level.

This was a part of the business that I had neglected and it had been setting on a back burner. Now, it had moved up to a #1 business priority and I needed to solve it.

My plan was to hold a seminar to attract private lenders to invest in my business.

I would pay them 15% simple interest for their investment money and secure their investment principle with a mortgage.

What steps did I take to get my seminar started?

- Target a seminar date.
- Pick a location.
- Create a lender packet to hand them.
- Create a credibility book.
- Create a slide presentation.
- Design a postcard to mail to the list of people with CD's in my area.
- Design an ad to be run in the local newspaper to attract people to the seminar.

What did I do prior to the seminar to generate leads and prepare for the day?

Practice, practice, practice the presentation.
Mail postcards.
Run a newspaper ad.
Order overhead slide projector and large projection screen.
Coordinate seating and layout with the meeting location.
Make up handouts/packets.
Practice the seminar presentation more.

What actions did I take the day of the seminar?

Dress professionally.
Set up a sign-in table at the back of the room for people to sign-in and get a name badge.
Keep it fun, professional and not high pressure.
The goal is to help them understand your program.
Don't Beg!!

The results weren't what I had expected!

I expected 25-30 people to show up at the seminar and I expected a flood of money immediately. It didn't happen that way.

What did happen, was that roughly 12 people showed up for each seminar and normally within one week after the seminar one person would invest. Although 90% of everyone that attended were very positive about my Private Investing Program. I felt that I had failed.

However, then the unexpected began to happen.

Weeks later, people who had attended the seminar, would begin to call and tell me they had money to invest. Rather than the immediate flood of money I had expected, I started to see a constant trickle in of money.

So the seeds I had planted weeks before were bearing fruit.

Referrals were showing up!

People that had never attended the seminar wanted to give me money to invest NOW!
Two of them were \$100k plus lenders.

My credibility within the community grew. A number of people that hadn't attended the seminar but had heard about it would approach me and ask me about my seminar and my business.

Today, four months after my first seminar, I have more money than houses. What a great feeling!

In the future, to take my pre foreclosure business to a new level, all I need to do is hold a private lender seminar to generate the investment money I need. It is just like turning on

a faucet of money.

It works.

Alan is a full- time Real Estate Investor located in Springfield, Ohio.