

NEXT MEETING

Monday,
September 21, 2009
7:00 p.m.
Fort Stephenson
House
600 W. State St.
Fremont

Inside Stories

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AUGUST MEETING: MONDAY, AUGUST 17th AT 7:00 p.m.

AUGUSTS' VERY SPECIAL GUESTS - YOU!

Our meeting for August will be a "free for all" among all our members present. With the way things are changing in the real estate market, we thought it would be a good time to have an open discussion of any and all topics that any of us want to bring up.

Please give some thought ahead of time and have any questions you have and maybe someone there can help you out. Also, anything you are doing that has helped you overcome problems you are having in your real estate business.

Consider topics such as how to get houses and apartments rented faster and how to get better tenants. Special financing techniques to help get your houses sold. How to get great deals when buying in today's market. Nothing is off limits.

We have a number of good realtors that are members and can also be helpful in answering your questions.

Remember the greatest benefit to belonging to SCAREIA is our ability to share local information and to help each other be successful. The success of this night depends on YOU attending to both gain and give information. It will probably be the most relevant and beneficial meeting we have all year, but only if you come!

"BOTTOM LINE" - WHAT IS NEEDED TO MAKE IT AND SUCCEED FINANCIALLY

1. **Get clear on your target.** Seems obvious, but so many people miss this one that it must be included. Your goal is not to build a "nest egg" that you can feed on until you die... Your goal is to build an asset base that you can position so that your assets generate the passive, residual income (PRI) that you need to pay for your lifestyle—forever.

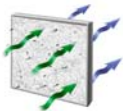
With this in mind, you need to not only build your net worth, but you need to cultivate the skills and advantages you need to invest that net worth to generate PRI. These are two distinct and sequential skills and steps.



2. **Evaluate the source before you take the financial advice.** Where do most people learn about money? From people who are highly paid members of financial press or well intentioned friends and family. Most people learn about money from people who are living paycheck to paycheck.

Question... How can someone who *isn't* financially free, who was *never* financially free, and who statistically has a less than 10% of ever being financially free show you the way to wealth? The answer is obvious... they can't.

So stop listening to them! All they produce is noise (see #3 below). Instead, start listening to the people who have done it before and have shown many other people how to do it too.



3. **You must filter out the noise.** When we're scared we look for more information because we imagine that more "data" will help us see a clearer pathway to get to our desired destination.

You don't need MORE information; you need a FILTER to help you see the RIGHT information much more clearly. The best filters are the wealth models you use to interpret and make sense of the information that you are presented with.



4. **Concentration of capital, NOT diversification, is the key to building wealth.** This one flies in the face of conventional wisdom which says "spread your wealth around so that you don't have all your eggs in one basket."

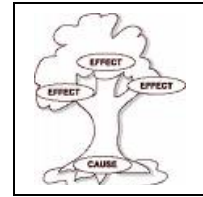
Yet when you look at the world's wealthiest people, they have all built their success through CONCENTRATION of capital (intellectual capital, time and effort capital, and financial capital).

Take Warren Buffet who says, *"Put all of your eggs in one basket and then watch that basket!"*

Now Buffet was just making a point there, that you can't succeed by spreading your financial and non-financial assets too thin. You've got to determine which places will give you the best odds, learn what you're doing so that you can tilt the odds even more in your favor, and when you find the right opportunity, make the move meaningful.

Think about it this way. Imagine you have \$1,000 cash. Does it make sense to put \$20 dollars in one pocket, \$30 in another, \$50 dollars under your dresser, \$45 in your sock...? Of course not, you'll forget where you put it all! You can't keep all that complexity in mind and as a result, you'll lose a good deal of it.

The same thing is true with investing your capital (financial and non-financial), you'll do best to focus in on fewer, but BETTER, investments that you can really keep your eye on than to try to "diversify" to excess.



YOU Are the Cause of Everything that Happens

Today's message is a tough one. It's tough because it deals with a topic that is VERY difficult for some people to come to terms with. But once they do, their lives are forever changed by it.

The culture in our nation today suggests to us that the things that happen in our lives are--in large part--out of our control. The pervasive underlying tone of society suggests that all the things we experience in our health, our relationships, and our business endeavors (good or bad) are somehow out of our hands. That's not true.

You have to take 100 percent responsibility for your life if you want to thrive. If you're used to playing the role of the victim, successful entrepreneurship (and life in general) will be extremely difficult for you. If you feel your life is the result of other people's actions and decisions--and not your own choices--that means you have no control over your life. It means others are controlling it for you.

It's only when you take complete personal responsibility that you can truly learn and have power over every situation. It's easier to play the victim card, but if you do that, you won't progress in life.

Now keep in mind, we're not suggesting you take blame for things other people do or beat yourself up for mistakes. We're all human, after all. And humans make mistakes. We're talking about the attitude that you're the cause of everything that happens--and has happened--in your life. Who do you think is creating the outcomes in your life? You are!

You're the ONLY one that can produce a result in your life. If you don't like the outcome, you must change the behavior. Unsuccessful behavior is trying to find the scapegoat in your life. Successful behavior is understanding, real simply, that if it happened--you did it.

So look around you. Countless people in our country today like to play the blame game. And they are as miserable--and unsuccessful--as can be. Don't fall into that mode of thinking. Start accepting personal responsibility immediately. You'll be amazed at how you begin to have power over all situations. If you've been used to society's way of thinking, it may be a hard pill to swallow at first. But soon you'll start to see results in every facet of your life. You'll start to experience more positive outcomes in your health, your relationships, and especially your business endeavors.

Remember: You are the cause of everything that happens in your life. Adopt this attitude and never look back. Once you have this power, the only person who can stop you is you!

Essential Qualities for the Self-Employed

If you have the desire, you can be an entrepreneur. But just having the desire won't necessarily make you successful. There are three fundamental attributes you will need. Whether they come to you naturally, or you have to work on developing them, these three qualities are vital for building a successful foundation for self-employment.

1. **Know Your Business**

The first essential element for success as an entrepreneur is to know your business. Whatever it is--know it like the back of your hand. Whatever entrepreneurial endeavors you are involved in--be it real estate, network marketing, Internet commerce, you name it--you need to strive to have an exhaustive knowledge of it.

Most people think the way to get involved in self-employment is to go out and start or buy a business. The part they leave out is training for the business. There's something to be said for just "taking the plunge," but you should at least know how deep it is before you jump in.

Once you dive in, you must continue to educate yourself about your business. After all, continued education is what will drive your earnings through the roof. So whatever business you decide to pursue, commit to learning as much as you possibly can. Every single time you meet another professional, attend another seminar, or read another book in your field, you are building your own professional competency.

2. **Focus**

Most of today's millionaires--and even billionaires--didn't start off owning 10 or 20 different businesses. They started making money by focusing on one. You simply cannot make big money by putting energy into a dozen things at once.

Some entrepreneurs love to try and put ALL their ideas into motion at once. But that's how you lose focus. And losing focus will kill your momentum in any entrepreneurial endeavor. Don't be one of those people who gets sidetracked as soon as you start to get some traction in your life. If you want to build momentum--and keep the focus--quit driving in the city. Get on a highway, put your foot on the gas, and forget about the exit ramps.

Approach your business with a single-mindedness of purpose--and don't let anything draw your focus away until you have made it successful. From there, you can continue to build that business, start a new one, or--as many entrepreneurs like to do--both!

3. **Persistence**

You knew this one was coming. Persistence. A necessary attribute for ANY entrepreneur. So many aspiring entrepreneurs would be much more successful if they only gave themselves a chance. But every time they are about to break free, they encounter some resistance and decide it's too difficult. Don't be one of those people.

Call it what you want--perseverance, relentlessness, determination, resolve--just make sure you practice it. When you hit a wall--as you most assuredly will--it's okay to withdraw, regroup, and try another strategy. That's not quitting. That's smart business. Practice persistence in all your entrepreneurial endeavors--and stick with them.

"Nothing in the world can take the place of persistence. Talent will not; nothing in the world is more common than unsuccessful men with talent. Genius will not; unrewarded genius is a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent." --Calvin Coolidge

INSIGHTS ON RAISING MONEY FOR A BUSINESS OR INVESTMENT PROJECT



- You must create a compelling story that engages your prospective investor's emotions.
- Get creative in getting in front of prospective investors. This requires that you research them, learn about them, and focus on what THEY want, need, and care about. Too many investors focus just on what they want, not what their prospective investors care about.
- Approach people who are looking for your kind of deal. If you're raising money for a service business start up, make sure they even look at those kinds of businesses... if you're raising money to expand your operations, make sure they invest in business expansion opportunities.
- Build in a reason why the timing is NOW—a sense of urgency.
- Careful not to numb with facts... instead, tell a story. It's the narrative that gets people engrossed.
- People invest based on emotion... help them feel the emotion and help them want to choose on betting on you.
- Relationships raise money, not fancy power points. Build the relationship and the money often times will follow.



A very special thank you goes out to our own Mark Damschroder (and his wife, Jeanette), for the very generous use of their cottage for our annual July picnic, along with Mark's extremely tasty Root's BBQ chicken! Now we all have a new BBQ sauce to try (don't we, Radelle ☺). If you missed this great time of mentoring and fellowship, we hope you'll make a point to attend the next one.

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For further information,
you may contact
any of the
Board Members
at any time

About Our Organization...

SCAREIA was organized in October 2005. Our primary focus is to share information, to help educate and to motivate our members in their successful real estate endeavors.

Anyone interested in Real Estate Investing, whether you are just beginning or a seasoned investor, are welcome to join.

SCAREIA meets the 3rd Monday of every month at 7pm. Meetings are located in the basement of the Fort Stephenson House, 600 W. State St., Fremont, Ohio.

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