

How to Buy Notes and Mortgages

without using your own money

A Comprehensive Home Study Course by KENT J. ANDERSON

SECTION 101: FINDING AND FUNDING NOTES TABLE OF CONTENTS

• THE HOME OFFICE	
Write a business plan	2
Start-up Costs—Office equipment	2
Office equipment list	2
Software	3
Printer, fax and copier	4
Internet service	5
Two-line phone	5
Answer machine & greeting	6
Office privacy	8
Meeting places—a temporary office	8
Business name & business card	9
Misleading business descriptions	10
Support staff	10
Independent contractor agreements	11
Sample subcontractor agreement	12
Health insurance for the self-employed	14
Growth of Health Savings Accounts fact sheet	15
Health Savings Accounts publication from the U.S. Dept. of the Treasury	16
• NEGOTIATION SKILLS & SALES TECHNIQUES	
Listening skills	1-21
Understanding needs	1-21
Probing questions . . .	1-21
Open-probe questions	1-23
Closed-probe questions	1-23
Supporting the need	1-25
Skepticism	1-26
Indifference	1-27
Objections	1-28
Features and Benefits	1-29
Benefit Statements	1-30
Closing/asking for the order	1-32
“First to talk loses”	1-33
• COLD CALLING TECHNIQUES & STRATEGY	
Preparing to make cold calls	1-36
Pre-call preparation sheet	1-37
Focus on the decision maker	1-38
By appointment only	1-39
Remain a negotiator	1-39
Referrals	1-39
Business attire	1-40
• THE NICHE MARKETING OPPORTUNITY	
Creating a note-buying niche	1-43
Obvious niche market customers	1-44
Niche marketing and entrepreneurs	1-44

• THE NICHE MARKETING OPPORTUNITY (CONTINUED)	
Institutional Investors: the note broker's key to financing "simultaneous closings"	1-47
The investor phone talk	1-49
Investor thank-you letter	1-52
Presenting your note-buying program	1-52
Interviewing brokers	1-53
Temporary owner financing	1-54
Questions for the broker interview	1-54
Temporary-owner-finance benefits . . .	
for realtors and mortgage brokers	1-55
for the individual owner seller	1-56
for real estate investors	1-57
• WORKING WITH REALTORS	
Calling on the agency manager	1-60
Your note-buying presentation	1-62
Disqualifying the pros	1-64
Indifferent/difficult agents	1-64
Flip charts for your presentation	1-66
Keep your profits to yourself	1-70
• WORKING WITH LAND DEVELOPERS	
Pricing your profit in land notes	1-72
Sample transaction	1-72
"Partnering" the developer and the investor	1-73
Sample direct mail letter to developer	1-75
Cold call phone talk for developers	1-76
Land developer questions—for the pro	1-77
Sample follow-up letter to developer	1-79
Sample land note profile	1-80
• USING DIRECT MAIL	
Getting names to contact	1-82
List of data source companies	1-82
Duplicate names	1-83
Names from rural counties	1-83
Pros and cons of buying small notes	1-85
What dollar amount of note?	1-86
Outsell the large institutional buyer	1-86
Direct mail letters – professional writers	1-87
Sample direct mail letters I've used	1-89
Sample direct mail letters I've received	1-96
Toll free number	1-111
Plain white hand-written envelopes	1-111
When to mail	1-111
"Institutional" vs local investor	1-112
The value of BBB membership	1-112
"Iffy" note finding . . .	1-113
Classified advertising?	
Internet note finding services	1-113
• THE NOTE SELLER PHONE TALK	
Getting information to assemble a quote	1-115
Phone talk form	1-116
Phone talk dialogue	1-117
Calculating the offer	1-120
• SECTION 101 FORMS & LETTERS	
Table of contents	1-121