

The Buyline

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Last week, I, along with my colleagues Jeff Watson and Charles Tassell had the opportunity to spend two days in Washington, DC briefing various members of Congress as to HR-5301, the Seller Finance Enhancement Act. In meeting after meeting, the same thing occurred. We'd hand over the one-page memorandum (copy is below in The Trading Corner) to the member of Congress or to his/her legislative aide, and they would quickly begin to read the top paragraph in the briefing. You could see them shake their heads and do a double-take.

You see, the first paragraph of the memorandum listed the various members of Congress who have already agreed to co-sponsor HR-5301. You have conservative Congressmen like Roger Williams of Texas and Mick Mulvaney of South Carolina who have joined with liberal Congressmen like Alan Grayson of Florida and Bobby Rush of Illinois. As one member of Congress said, "You have the most conservative and the most liberal people in Congress on this bill. Of course I'm going to support it."

I won't go into all the details of the hard work it took in order to get that kind of broad, bipartisan support in place. Instead I want to give you more information about HR-5301 and ask you to take action in two ways.

First, I want you to take a few minutes to go to www.SellerFinanceCoalition.org and register to be a grass-roots member with a donation of a mere \$100 of support. Why do I think every legitimate real estate investor in America can afford at least \$100? Because every real estate investor I know is either now selling or soon will be selling a house using a land contract, note and mortgage, installment sale, or take-back of a second mortgage.

HR-5301 will allow you to do that up to 24 times in a rolling 12-month period. Two seller finance deals per month is a pretty good thing considering that Dodd-Frank currently has us limited to just three in a year. We stopped at 24 because of an agreement made with the National Association of Realtors. They would remain neutral relative to this bill if we limited it to 24 times rather than ask for it to be unlimited.

The ability to do 24 seller finance transactions in a year is going to satisfy the needs of 98% of all the real estate investors out there, and it will serve as a platform from which we can launch other efforts to help the remaining 2% of investors.

Once you have indicated your support as a grass-roots member for a minimum of \$100 at www.SellerFinanceCoalition.org, the next thing I want you to do is to contact your member of Congress at their local office this week and ask them to co-sponsor HR-5301. To make that easier for you, you can use the 1-page PDF of SFC's full press release, which you can download by [clicking here](#) and scrolling to the bottom, then fax or email that press release to your local member's office. A few minutes later, please call and follow up with their office to make sure they received it and to thank them for considering co-sponsoring this broadly bipartisan legislation that enables free enterprise to move forward and continues to correct the residual problems from the great housing crisis.

And finally take just a minute to watch these two videos

[Watch Video One](#)

[Watch Video Two](#)

And remember there is nothing more American than Baseball, Apple Pie and Seller Finance!

Welcome to our team!

Bob Repass
Managing Director





Conservatives and Liberals Agree on Seller Finance Reform

by Bob Repass

The Seller Finance Coalition (SFC) is excited to announce the introduction of H.R.5301, The Seller Finance Enhancement Act. We thank our Co-Leaders, Rep. Roger Williams (TX-25) and Rep. Henry Cuellar (TX-28), as well as original co-sponsors Rep. Jim Bridenstine (OK -1), Rep. Alan Grayson (FL-9) Rep. Mick Mulvaney (SC -5), Rep. Randy Neugebauer (TX-19), and Rep. Bobby Rush (IL-1). We look forward to working with Congress to enact this legislation into law this Congress.

The Seller Finance Coalition was formed in February of 2014 to advance the interest of the seller finance industry. Founding members of the SFC include Glenn Lee of Texas Funding, Bob Repass of Colonial Funding Group, Eddie Speed of NoteSchool, Scot Campbell of S.R. Campbell Properties, and Doug Smith of My House Deals. Last year the National Real Estate Investors Association (NaREIA) joined as our largest member bringing with it over 40,000 members nationwide. This bill makes minor changes to the rules governing this market to allow for more flexibility and greater dynamism. Below is information on HR 5301:

- HR 5301 amends the Dodd/Frank to allow up to 2 seller-financed transactions per month (24/yr.) without the need for the seller to be licensed as a mortgage originator.
- HR 5301 requires the Treasury Department to study the LVH market over the next 3 years and report back to Congress with suggestions for steps to improve the sales and financing of these homes.
- HR 5301 does not remove any of the safeguards related to these transactions. Seller financiers must still comply with “ability-to-pay” portions of Dodd-Frank, as well as interest rate rules and the ban on balloon payments.

HR 5301 helps ease the credit crunch in the LVH market by giving seller financiers the opportunity to provide this much-needed service to underserved buyers.

For more information about the SFC and the Seller Finance industry, follow us on Twitter [@SFCdotORG](#) and like us on [Facebook](#)

In The Spotlight...

**WOMEN'S
MASTERMIND**



HOSTED BY MARTHA SPEED
SEPTEMBER 15-18, 2016
SPANISH FORT, TEXAS

Every time we start preparation for the next mastermind I wonder if we will have enough. Enough What? People, food, time, & fun! Each time it's been a perfect combination of presentations, great women at all levels of the business, great networking, great food and lots of fun.

Women who should attend are willing to give knowledge and help other women grow their business. Everyone should learn from others as well as teach others. Attendees must be willing to commit to making a Big Shift in their lives, their business and living positively. Those attending and re-attending have knowledge and systems to share to help you grow while continually growing their business and themselves. All of us want a "Success Circle" of people to help us grow and learn more in the business with those that are successful doing the business.

Our focus is on You and how to help you use existing systems to improve your workflow or increase your deal volume. Maybe you've found yourself needing to Re-Group, Re-Learn, Re-Deciding or just need some Re-Direction. Even as a successful entrepreneur you must continually revise your plans and visions.

The 3 days will be working mastermind sessions, networking and making connections with other women that will last a lifetime and some much needed R&R.

[Click here to view Linda's testimonial](#)

Be watching your email for webinar & event Registration.....

MarketPulse



Bob Repass & Ryan Parson Nominated for Emerging Fund Manager of the Year

Finalists for awards in the burgeoning field of Small Balance Real Estate (SBRE) were announced today by Fairway America, the industry leader in the space. Winners will be determined by a specific formula based on a combination of factors and announced on July 29 in Portland Oregon at Fairway's [CapitalFlow Conference](#).

Fairway's flagship event, the [Small Balance Real Estate Investment Summit](#) has received high accolades from investors and SBRE entrepreneurs alike. "The success of the Summit has been very rewarding," said Matthew Burk, Fairway's CEO, "but the time constraints at that event do not allow us to go as deep as we would like on all the issues SBRE fund managers and syndicators face in their SBRE business. We wanted to create something equally compelling that focused heavily on practical, real world operational issues and challenges, particularly around raising capital, and so we created the CapitalFlow Conference."

The CapitalFlow Conference has been designed with a different formula to augment the SBRE Summit and to continue to help facilitate the SBRE community of entrepreneurs and investors. The event will be held annually in Fairway's home town of Portland OR and is expected to attract the leading SBRE entrepreneurs and fund managers from around the United States to gather each year for mind share, mutual learning, collaboration on the key issues they all face, and to enhance their capacity to successfully raise capital for their SBRE enterprise.

During this annual event, awards will be given in five SBRE categories as follows: Fund Manager of the Year, Emerging Fund Manager of the Year, SBRE Entrepreneur of the Year, Syndicator of the Year and the 1st ever inductees into the SBRE Hall of Fame.

Finalists for SBRE Fund Manager of the Year are Taylor Derrick Capital (Rocky Derrick) from Salt Lake City, Bay Mountain Capital (Dean Lontos) of Dallas TX, Grand Coast Capital (Jeff Carter) of Boston MA, Pathfinder Partners (Lorne Polger, Mitch Siegler), and Caliber (Chris Loeffler) of Phoenix AZ.

SBRE Emerging Manager of the Year finalists are Alturas Capital (Blake Hansen) of Boise ID, Legacy Group Capital (Brent Eley) of Seattle WA, Colonial Capital Management (Bob Repass, Ryan Parson) of Southlake TX, Thrive FP (JP Newman) of Austin TX, and Voyager Pacific Capital (Stephen Seal) of Vancouver WA.

Finalists for SBRE Syndicator of the Year are Worcester Investments (Paul and Joel Worcester) of Kansas City MO, The Capital 8 Group (Jeff and Shari Kisse) from Denver CO, RockStep Capital (Andy Weiner) out of Houston TX, Trion Properties (Max Sharkansky and Mitch Paskover) of Los Angeles CA, and Pepper Pike Acquisitions (Paul Kiebler) from Cleveland OH.

Additional awards will be given to recognize an entrepreneur who has built a successful SBRE business and embodies what the SBRE space represents. Finalists for SBRE

Entrepreneur of the Year are John Helmick (Gorilla Capital, Eugene OR), Chris Loeffler, Billy Procida (Procida Funding and 100 Mile Fund, Englewood Cliffs NJ), Stephen Seal, and Paul and Joel Worcester. Hall of Fame inductees will be announced at the event as well.

Winners will be determined based on four inputs. Forty percent of the determination will be weighted based on general online fan voting, 20% will be based on votes from registered investor users on Fairway America's online site, SBREfunds.com, 20% will be based on voting from Fairway's community of fund manager peers, and the other 20% will be based on Fairway America's sole vote. Votes will be accepted until a week prior to the conference and cut off on midnight Wednesday July 20th.

Please show your support for Colonial Capital Management's team by voting for us for SBRE Emerging Fund Manager of the Year by [Clicking Here](#).

“The CapitalFlow Conference, like the Summit, is unique in the world of real estate,” said Burk. “While there are a lot of good conferences out there, nothing focuses on the unique capital raising needs and challenges of SBRE entrepreneurs, especially discretionary fund managers. I know because I struggled for two decades to try to find one. We have created this event specifically for those people and, while not explicitly designed for investors per se, many have expressed great interest in learning more about how this fascinating space works and want to come. It is going to be a great couple of days.”

Special Feature



Is Your Retirement a P.I.P.E. DREAM?

Hudson, our youngest, just graduated from High School in May which means Eddie and I have also graduated into what is commonly referred to as “empty nesters”. As with most “empty nesters” this usually means long overdue plans of traveling the world or living your own dreams of retirement and freedom. Eddie and I asked ourselves “Are we were ready for retirement”? The answer was “No.” Why? We’re still orchestrating deals and growing future cash flow in our Self Directed Retirement Accounts creating tax free income for ourselves and to create a Legacy for our children and grand children.

Travel is in our plans this summer giving us an opportunity to connect with you! Eddie and I will begin P.I.P.E this summer! What is P.I.P.E and how does it involve you? Passive Investments Possibilities Events will be networking events across the country where you can learn more about creating a Pipeline of Passive Income that will continue to pay you long after Retirement!

Possibly, you've rolled over a 401k from a previous employer to a Self-Directed Retirement Account and don't know what to invest in that creates safe, passive income. Or, like us, you are still growing your retirement account and have capital you need to deploy. Investing passively and creating wealth is the key to freedom and continuing the life style you've become accustomed.

Investors who attend P.I.P.E are those who have available funds of \$50,000 or more personal capital or self-directed retirement funds and want to grow wealth through passive income. Unlike NoteSchool students who are active in the business, these networking events should only be reserved by those seeking passive investments. If your current occupation and making income is the roadblock to growing your retirement and leave you little or no time to create passive investments, learn how to work with others who already have a winning system.

All of us have worked hard to create high income, now is the time to grow wealth and make Your Dreams a reality. This is a wonderful opportunity to learn how to convert from High Income to High Net Worth! Owning Notes is less risky than the volatile stock market, less work than being a landlord and delivers an unlimited Pipeline of cash flow to your mailbox every month.

Now is the time, before you retire, to learn how to keep a steady cash pipeline flowing in for life.

Plan on being at [P.I.P.E - our Passive Investments Possibilities Events](#). Watch your emails for an invitation to attend in a city near you. We look forward to seeing you!

Share this event on Twitter:

[Click here to share this event on Twitter](#)



Underestimating our Net Worth – and How That Can Hurt Us

The Day Jim Found \$600,000 in Hidden Wealth

I was excited to run into a good friend of mine (let's call him Jim) last week at one of our 'Motorhome & Money Tour' events.

Jim told me that day that he wasn't an accredited investor yet, but that he aspired to be one because he understands the way that elite status opens new investment opportunities to him.

*You probably know that "accredited" status is achieved through verification of income or net worth. In the case of the latter, you need to show a net worth of at least \$1M, not counting your primary residence.

Jim explained to me that he had amassed around \$750K in net worth to this point, so he was a quarter million shy of the mark, and he told me he was working hard to reach that goal.

As we talked about the accredited vs. non-accredited divide, I happened to ask him whether or not he had a pension plan. He said he did and that he only had five to six years to go before retirement. It turns out that he'll receive around \$4,000 a month from his pension after retirement.

Seemingly perplexed by my interest in his pension, Jim asked why that mattered.

Future Income is an Asset

Getting to the point of my questions, I then asked him, “Do you have that future income listed on the asset side of your balance sheet?”

He gave me a confused look and responded, “No, it’s just income, right?”

I explained that actually his pension is an asset, and that even if he left that job today, he’d still get something once he hit the company’s defined retirement age.

This isn’t well known or much talked about, but it’s a case of an asset being masked as income.

Think of it this way... if you invest in stocks (equities), you would put them on the asset side, right?

Conversely, bonds, and dividends all go on the income side of your statement. With real estate, the value of your property goes on your asset side... and rents also show as income.

Here’s the kicker...

Just like with real estate, the present value of a pension plan’s expected cash flow goes on your balance sheet as an asset.

I know you’re wondering, “So how is present value calculated?” It’s fairly simple. If you take Jim’s anticipated life expectancy after retirement (let’s say 20 years in this case) and include a 5% discount rate on the expected cash flow, the net present value of the expected cash flow comes in at over \$600,000, which should be sitting in the asset column on his balance sheet.

In short, Jim was already an accredited investor, and he had actually been one for years without realizing it.

What This Means to Jim

I'm not sure how to calculate the likely loss in the value of Jim's portfolio caused by his not having taken advantage of investment opportunities only available to the accredited, and if I could calculate it, I probably wouldn't share the figure with Jim for fear of upsetting him.

So let's choose instead to focus on the positive: Jim discovered during the course of a friendly conversation that he was \$600K wealthier than he thought he was.

Prior to that conversation, and despite having conventional financial advisors on his team, he had believed he was shut out of a universe of investing opportunities and that it would take him another 5-10 years to amass that additional \$250K to hit the threshold.

This newfound knowledge pushed my friend into that elite status. Imagine how he felt when he discovered that? My guess is that Jim is glad he stopped by for a chat that day.

Are you Underestimating your Net Worth?

So, I ask you:

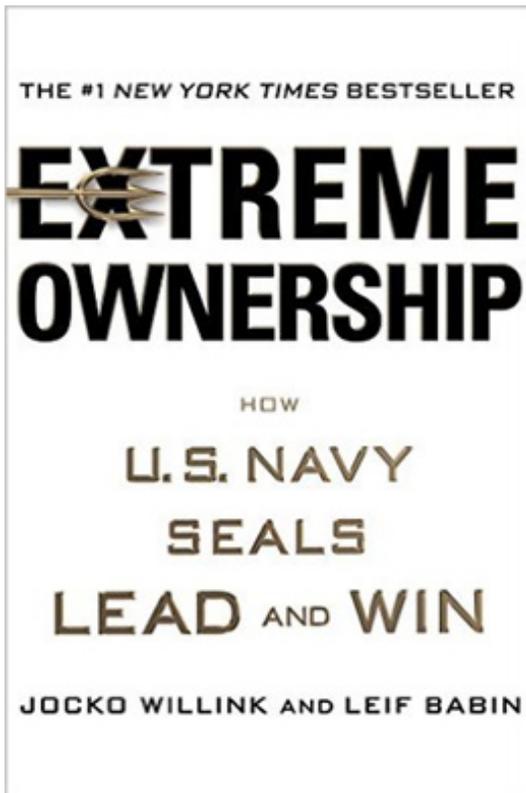
Do you truly know what you have? Have you tallied your assets properly?

As always, I'm happy to help you discover the truth about your current financial picture, which very well may be rosier than you think...

To success on your own terms,

Quote of the Month

"As a leader, my default setting should be aggressive — proactive rather than reactive." Leif Babin



Recommended Reading – Extreme Ownership

This month's recommended reading is *Extreme Ownership: How U.S. Navy SEALs Lead and Win* by Jocko Willink and Leif Babin. Willink and Babin were both officers in Navy SEAL Task Unit Bruiser. These guys fought through the worst days of the battle of Ramadi in Iraq.

One of the most important marks of an effective leader—a leader that other leaders can trust—is the willingness to accept total responsibility for the outcome. That is what *Extreme Ownership* is. The idea of extreme ownership is the backbone of Willink and Babin's battle-tested advice for leaders in any area of life. There are six leadership lessons that stand out for me:

Take ownership. Our effectiveness as leaders depends on how much we own what's on our plate.

Stay out of your own way. Willink and Babin point out that ego can be a good thing. It's part of what drives us to succeed. But it can get in our own way. Support your team. The moment a leader or others are out for themselves and their own win, you've lost.

Simplify. Business is simple. We deliver something people want and charge them for the service. But how we do that can get complicated in a hurry.

Stay focused. There are a million distractions on the battlefield. Same with the office. If we lose focus on the priorities, we'll get overwhelmed and fail.

Empower your people. This one is critical. You might think if you've got to take this kind of total, extreme ownership that you have to do everything. No way. First, you can't do it. Second, that's why you have a team! Leaders stress training, empowerment, and communicating clear responsibilities and expectations.

Upcoming Events

- Greater Cleveland REIA, Akron/Canton REIA – July 12,13 & 16 – Independence, OH
- Rich Rewards 3-Day Class – July 15-17 – Seattle, WA
- CapitalFlow Conference – July 27-29 – Portland, OR
- P.I.P.E. Event – July 30 – Portland, OR
- Big Money 3-Day Class – July 29-31 – Indianapolis, IN
- P.I.P.E. Event – August 9 – San Jose, CA
- P.I.P.E. Event – August 10 – San Francisco, CA
- Women’s Mastermind – September 15-18 – Spanish Fort, TX
- Save-the-Date 5th Annual Appreciation Event – November 3, 2016 – Ft Worth, TX
- Save-the-Date – NoteExpo 2016 – November 4-5, 2016 – Ft Worth, TX



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