

# Wealth Without Cash:

## How to Creatively Finance Real Estate Deals





# Reminder!

Creatively financing your real estate deals is meant for advanced investors who have strong business acumen and is not to be used as a get rich quick scheme or beginner way to acquire real estate without assets or credit.

*Let's talk  
about all the  
downsides to  
creative  
finance.*

**SUBTO**

# **Acquisition Strategies**





# All the Acquisition Strategies

- Subject To... SubTo. 🙌
- Seller Finance
- Hybrid... combo of SubTo and Seller Finance
- Executory Contract
- Lease Option
- Novation Agreement
- Partnership with the Seller
- Morby Method
- Dating Contract
- Arbitrage
- Note Buying

*Let's talk  
about the  
**PROS & CONS***

**SUBTO**

# **Disposition Strategies**



# Disposition Strategies...

## Honestly too many to list!

- Wholesale
  - You can wholesale anything
- Fix and Flip everything. Develop.
- Pay yourself and keep the property
- SRRRR
- Lease Option
- Wrap
- Wrap and then sell the note
- Traditional rental
- Short term and Mid term rentals
- CO-Living. Think Padsplit.com
- So many other hold strategies

*Let's talk  
about the  
**PROS & CONS***

**SUBTO**

# **Types of Financing**

# Types of Financing

- Bank Financing 🤔
  - We **RARELY** use this, except for Morby Method
- Seller Finance/SubTo
  - Seller becomes the bank,
  - Or lets you take over payments
- Private Money Lenders
- Private Money Partners
- Limited Partners if you are going to raise a fund.
  - Bigger projects only
- Strategic partners who have resources you don't have.
- Lines of credit/credit cards/whole life insurance/retirement accounts

Let's talk about the  
**PROS & CONS**



- Leverage off other properties you own
- Deferring payments or escalating payments
- Partnerships
  - Seller and you partner on the outcome
- Tax credit
  - Think Puerto Rico
  - Opportunity zones
- Gator financing
- Brokering capital
- SBA loans taking over SubTo
  - EIDL loans take over SubTo
  - IRS and other liens taking over SubTo



**SUBTO**

# **Types of Deals**



# Types of Deals

- Land
- RV Parks
- Mobile home parks
- Mobile homes with land
- Single family for investing
- Homes to live in!
- Microfamily
- Multifamily
- Large Multifamily
- Businesses
- Cars/planes/RVs/work trucks etc.
- Camera equipment
- Literally anything





# RV Parks

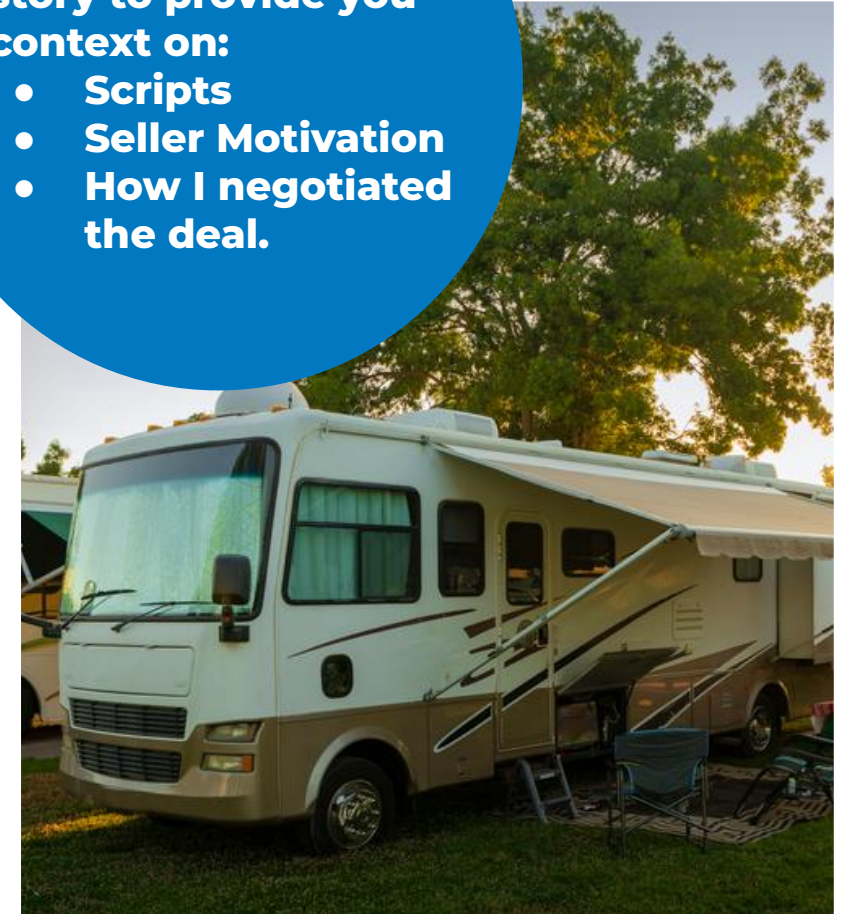
3621 MT-40 W, Columbia Falls,  
MT 59912 and 3185 MT-40 W,  
Columbia Falls, MT 59912

- **WHERE DID IT COME FROM:** Loopnet/Crexi Listed property. Listing went dead. Extensive follow up.
- **TYPE OF STRATEGY:** Seller finance PLUS took over his SBA loan Subject To.
- **SELLER MOTIVATION:** Wanted to retire. Wanted to avoid capital gains taxes.
- **TYPE OF FINANCING** \$6.6 Million purchase price. 94% seller finance. 6% private money partner.
- **PROFIT:** Cashflow on day one \$10K per month NET.



Let me tell you a story to provide you context on:

- **Scripts**
- **Seller Motivation**
- **How I negotiated the deal.**





# Mobile homes that own land

1906 S 78th Pl, Mesa, AZ 85209

- **WHERE DID IT COME FROM:** Wholesaler pulled a high equity list and could not get a low price.
- **TYPE OF STRATEGY:** Seller Finance
- **SELLER MOTIVATION:** Wanted to retire. Didn't want to be a landlord any longer.
- **TYPE OF FINANCING:** Seller Finance
  - \$0 down and 0% interest. Seller paid the closing costs.
  - Tenant stayed in the property.
  - We literally have ZERO DOLLARS into this deal.
- **PROFIT:** \$1,000 per month net. Property has also gone up \$150,000 since our purchase.



**NOTE SECURED BY DEED OF TRUST  
(INDIVIDUAL)**

**\$ 100,000.00**

**Maricopa, County, ARIZONA**

March 31, 2020

FOR VALUE RECEIVED, the undersigned jointly and severally, promise to pay to **Dale Poyer and Susan Poyer, Trustees of The Dale and Susan Poyer Living Trust dated January 14, 2016** or order, at Magnus Title Account Servicing, MARICOPA, ARIZONA, the principal sum of One Hundred Thousand Dollars (**\$100,000.00**), payable as follows:

Buyer to execute a Note and Deed of Trust in favor of the Seller payable as follows:

- \$5,000.00 down payment due September 19, 2020
- \$5,000.00 down payment due March 19, 2021

In regular monthly installments of \$375.00, or more, payable on or before the same day of the month, beginning May 1, 2020. With interest on all unpaid principal at the rate of 0% per annum from close of escrow, payable monthly, the interest to be first deducted from the monthly installment and the balance to be applied upon the principal. The financial amount is fully amortized over 20 years (240 payments). The unpaid balance is due on or before March 1, 2040.

If the unpaid balance is not paid in full by the end of the term date set forth above, the late fee per day will be \$50.00.

In the event the trustor, without the prior written consent of the beneficiary, sells, transfers or conveys his interest in the real property secured by this Deed of Trust the beneficiary may, at the beneficiary's option, declare all sums secured hereby immediately due and payable. Consent to one such transaction shall not constitute a waiver of the right to require such consent to future or successive transactions.

It is understood and agreed that any payment received by the servicing agent 10 days or more after the due date of said payment shall accrue a LATE CHARGE of \$25.00, not to exceed five percent (5%) of the scheduled payment.



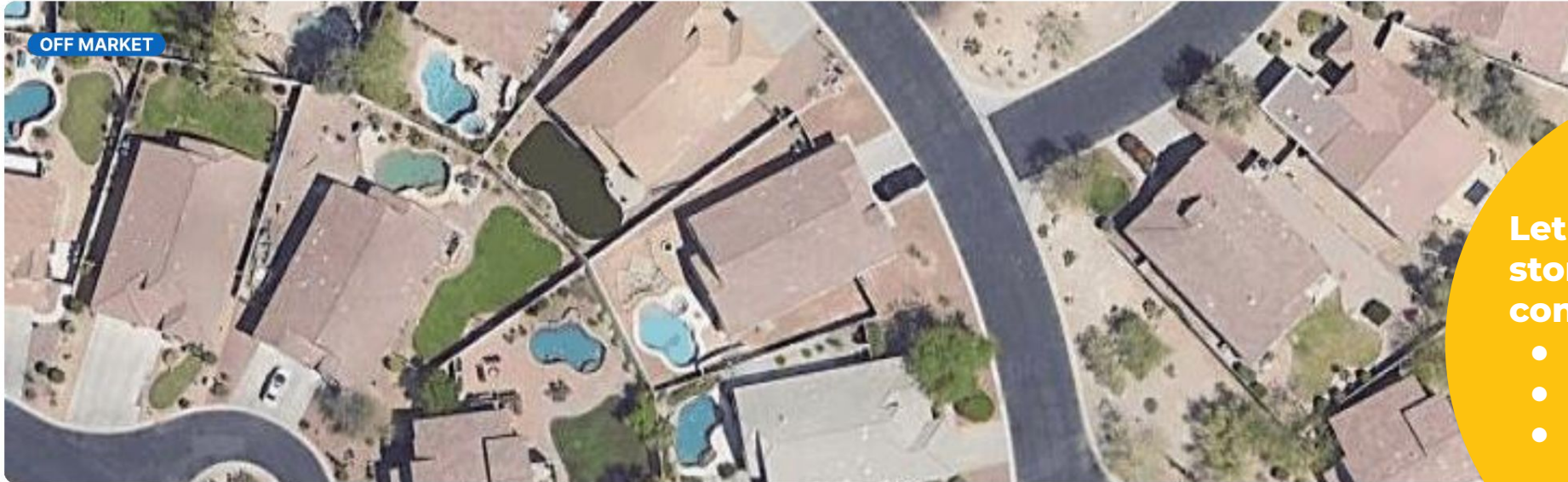
# Single Family Homes. Close to 1000 of these

2720 N. Sterling Ave, Mesa, AZ

- **WHERE DID IT COME FROM:** Agent outreach. Failed listing.
- **TYPE OF STRATEGY:** Bought it SubTo. Paid closing costs, renovation and paid myself \$20K. Private lender was paid off from cashflow... the property is an AirBnb. Nets \$3k per month.
- **SELLER MOTIVATION:** Seller was frustrated from home not selling.
- **TYPE OF FINANCING:** Private Money Lender
- **PROFIT:** \$3,000 per month NET cash flow on Airbnb.



← Search Overview Property details Sale & tax history Public Facts Schools Favorite Edit Facts Share



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● LAST SOLD ON NOV 26, 2019 FOR \$372,788

2720 N Sterling, Mesa, AZ 85207

**\$646,674**

Redfin Estimate

—

Beds

**3**

Baths

**2,126**

Sq Ft



### Is this your home?

Track this home's value and nearby sales activity

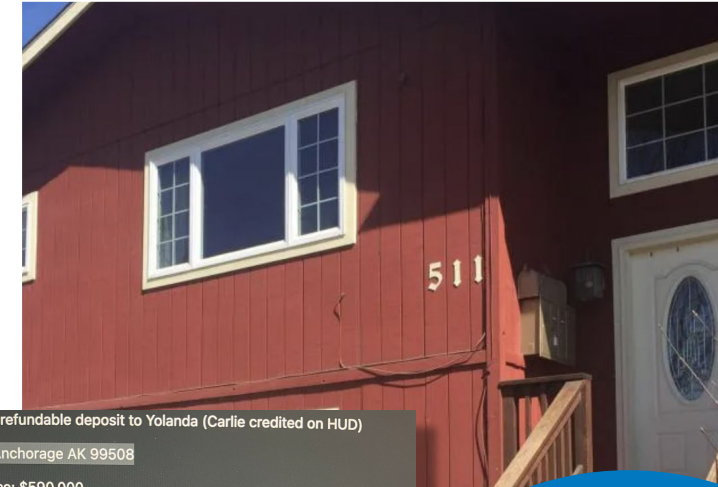
I own 2720 N Sterling





# Microfamily

## 511 Pine St, Anchorage AK 99508



- **WHERE DID THE DEAL COME FROM?:** Foreclosure list.
- **TYPE OF STRATEGY:** Subject to.
- **SELLER MOTIVATION:** Seller was in foreclosure.
  - Had to catch up payments and reinstate the loan.
- **TYPE OF FINANCING:** Private Money Lender
- **PROFIT:** \$1,200 per month net.

\$663.00 non refundable deposit to Yolanda (Carlie credited on HUD)

511 Pine St, Anchorage AK 99508

Purchase Price: \$590,000  
 Existing Principle: \$564,806.49  
 PITI: \$3,746.16/mo  
 Interest Rate: 3.125%  
 FHA Loan good through 2047  
 Taxes: \$7956.92 per year (\$663.07/mo)  
 Electric: Paid by tenants. Common area \$30/mo  
 Gas AVG: \$313/mo. |High: \$545 & Low: \$92 |  
 Water & Sewer: \$174 YTD: \$440 (May 2023)

Entry Fee: \$63,648.27~ (half is ~31,824.13, rounded to 32K for PM wiggle room)

- 1.) Cash to seller: \$8,000
- 2.) Arrears: \$47,298.82 per latest reinstatement letter
- 3.) Wholesale Fee/Assignment: \$3,000
- 4.) Closing Cost: \$5,000
- 5.) Rehab: 0 (Pristine Condition, well maintained)
- 6.) Marketing Fee: 0
- 7.) War Chest: \$5,000

8. EMD - \$100

NO HOA

IN PREFORECLOSURE

Exit strategy: Buy and hold/ LTR

Title Company: Yolanda Bryant - 907-373-7779 - escrow08@gmail.com - 490 E. Mayflower Ln, STE A2, Wasilla, AK 99664

Inspection period Ends: 14 days - June 2nd 2023

COE: 6/20/2023

Investor/Buyer info: Romer's Real Estate & Investments LLC - 2904 W. Northern Lights Blvd, Unit 3E, Anchorage, AK 99517 - 907-205-2470

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# Contracts and Paperwork

I have an incredible transaction coordinator on my team. You can hire her or have her refer you to someone else:

[molly@toptiertc.com](mailto:molly@toptiertc.com)



# Contact

Pace Morby

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