



# *"Freedom 400"* **Playbook #3**

**HOW TO RAISE MONEY  
FROM INVESTORS**

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The background of the slide features a blurred image of a modern building with a brick and stone facade on the left, and a garden path with manicured hedges and trees on the right. A large, solid red rectangle is overlaid in the center, containing white text.

Didn't watch Video 1 and 2  
yet?

Each video builds on the  
last, so be sure to watch  
them first!



The background of the slide features a blurred image of a modern building with a brick base and white upper floors, surrounded by lush green trees and bushes. A black lamppost is visible on the right side of the image.

Active participation  
results in better retention of  
facts than passive listening.

Take notes and fill out the  
blanks as you watch the  
presentation.



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- 4 Nurturing investor relationships before you have a deal.
- 5 Selling the deal.





01

# Overview Of Fundraising





# Overview Of Fundraising

- Identify people \_\_\_\_\_
- \_\_\_\_\_ them.
- Determine \_\_\_\_\_
- \_\_\_\_\_ the relationship until you have a deal.
- \_\_\_\_\_ them the deal when you have one.
- \_\_\_\_\_ so they re-invest with you.



# Overview Of Fundraising

Put simply, it's a process of:

- Meet \_\_\_\_\_
- \_\_\_\_\_ relationships.
- Offer \_\_\_\_\_





02

# Finding Investors



# Phase One:

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Before you start meeting investors:

- Really understand your \_\_\_\_\_ and be able to explain it to someone with no \_\_\_\_\_
- Prepare an \_\_\_\_\_, like your broker credibility package.

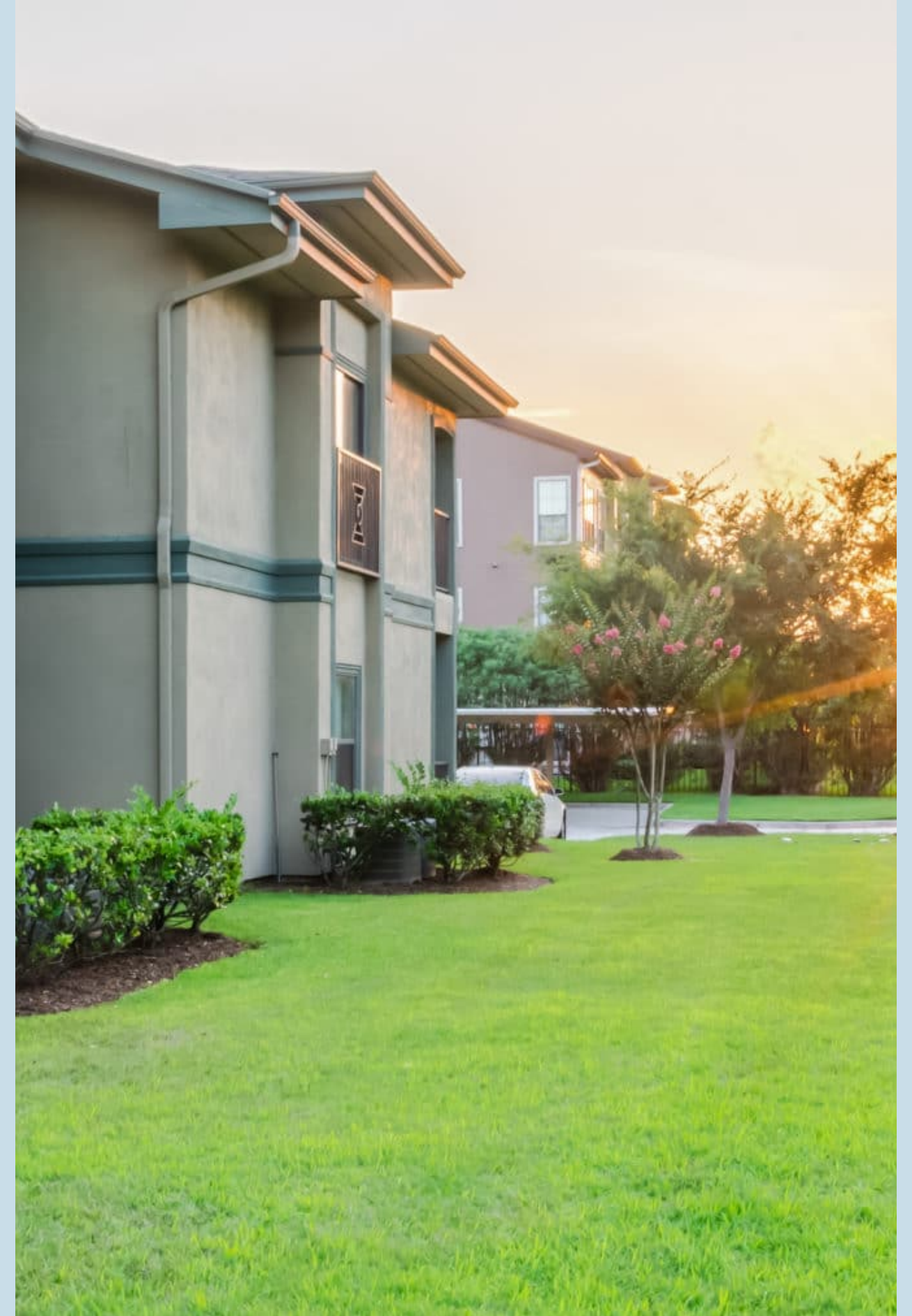


# Phase One:

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What's in your \_\_\_\_\_?

- You and your \_\_\_\_\_ - \_\_\_\_\_,  
\_\_\_\_\_
- Your \_\_\_\_\_
- Target \_\_\_\_\_, \_\_\_\_\_ and  
\_\_\_\_\_
- Pictures of \_\_\_\_\_ properties.
- Your \_\_\_\_\_
- Investor \_\_\_\_\_ form.







# Phase One:

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- How do you meet investors?
- Go \_\_\_\_\_ them.
- Have them \_\_\_\_\_



# Phase One:

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Go out and find them:

- Tell everyone you meet  
\_\_\_\_\_
- \_\_\_\_\_ and friends.
- Networking.
- Be sure to ask everyone you meet for  
\_\_\_\_\_ – Do you know  
anyone else who might be interested  
in talking about this?





# Phase One:

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## Where do you meet them?

- Think about 2 things:
  - *Where* \_\_\_\_\_?
  - Where can *you* be the *only* \_\_\_\_\_ in the room?
- Think: \_\_\_\_\_ groups, \_\_\_\_\_ associations, houses of \_\_\_\_\_, charitable \_\_\_\_\_, etc.
- REI meetings and conferences may have investors, but also attract a lot of other sponsors – so you want to be \_\_\_\_\_ the meeting, so you're the one with the \_\_\_\_\_ authority, getting the attention.





# Phase One:

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Attract investors to you:

- Good alternative for introverts but requires strong \_\_\_\_\_ and \_\_\_\_\_ over time.
- Basically, it's demonstrating your expertise through \_\_\_\_\_
- Website, \_\_\_\_\_, blog, social media, \_\_\_\_\_, etc.
- You ARE already an expert.



# Phase One:

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Both methods:

- Reality is: at first, you will need to do both – going out and \_\_\_\_\_ people and \_\_\_\_\_ them to you.
- Over time, you can figure out what works best for you and focus your energy there.
- If you are consistent at either strategy, you will start to get referrals \_\_\_\_\_.





# Phase One:

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Strategies for in-person discussions with investors:

- NEVER \_\_\_\_\_: you should never feel under pressure to convince anyone of anything.
- Your real goal here is to \_\_\_\_\_ people, and then start a relationship with qualified people or get a \_\_\_\_\_
- Tell people WHY you are doing this. Why do you love real estate so much?
- Discuss your \_\_\_\_\_ with enthusiasm and passion.
- Walk them through your \_\_\_\_\_ (some people like to do this on an iPad – it looks very slick and professional).
- Use \_\_\_\_\_: when you are done going through the deck, do not talk until they talk. They're expecting a request for commitment. Make them ask how they can be part of your deals.
- Then explain the process and offer qualification form.



# Phase One:

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Meeting strategy in-bound potential investors:

- Same as above, but I send them the \_\_\_\_\_ first.
- Don't want to waste time with people who are not \_\_\_\_\_ or not really \_\_\_\_\_ and this weeds them out.
- If they come to you, they are already familiar with you from your online activities, so less explaining. More about \_\_\_\_\_.



# Phase One:

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Document your “pre-existing substantive \_\_\_\_\_”:

- \_\_\_\_\_, contact information.
- Date of \_\_\_\_\_
- Date you received signed \_\_\_\_\_ from potential investor.
- Date you had an \_\_\_\_\_
- Amount they want to invest.
- Summary of \_\_\_\_\_ in conversation.
- Create file in email for “investor intake” and file your emails with them to demonstrate relationship.
- File your qualification forms somewhere safe.



# Phase Two:

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How do you \_\_\_\_\_ while you are looking for deals?

- Send them \_\_\_\_\_ or \_\_\_\_\_
- Podcast.
- Pick up the \_\_\_\_\_
- Drop an email occasionally.
- Method is irrelevant. Point is to stay in touch \_\_\_\_\_ to develop the relationship.



03

# Getting Investors To Invest



# Mechanics, Order And Timing

- Accepted \_\_\_\_\_ – Mad scramble begins!
- Send \_\_\_\_\_ to investors alerting them about new deal.
- Reach out to other syndicator friends to see if they will bring their investors and JV with you.
- If not done already, start talking to \_\_\_\_\_ broker about debt.
- Sign contract.
- Get \_\_\_\_\_ attorney started on PPM, prospectus, and LLC agreement.



# Mechanics, Order And Timing

- Prepare and send full marketing materials to investor group.
- Schedule webinar(s) and/or start calling investors.
- Circulate \_\_\_\_\_, prospectus & \_\_\_\_\_ Agreement ASAP.
- Have investors sign legal documents and send funds to \_\_\_\_\_ ASAP.
- Maintain close contact with mortgage broker and attorney to make sure you know how much you need to close.
- Do not rest until all funds needed to close are in \_\_\_\_\_

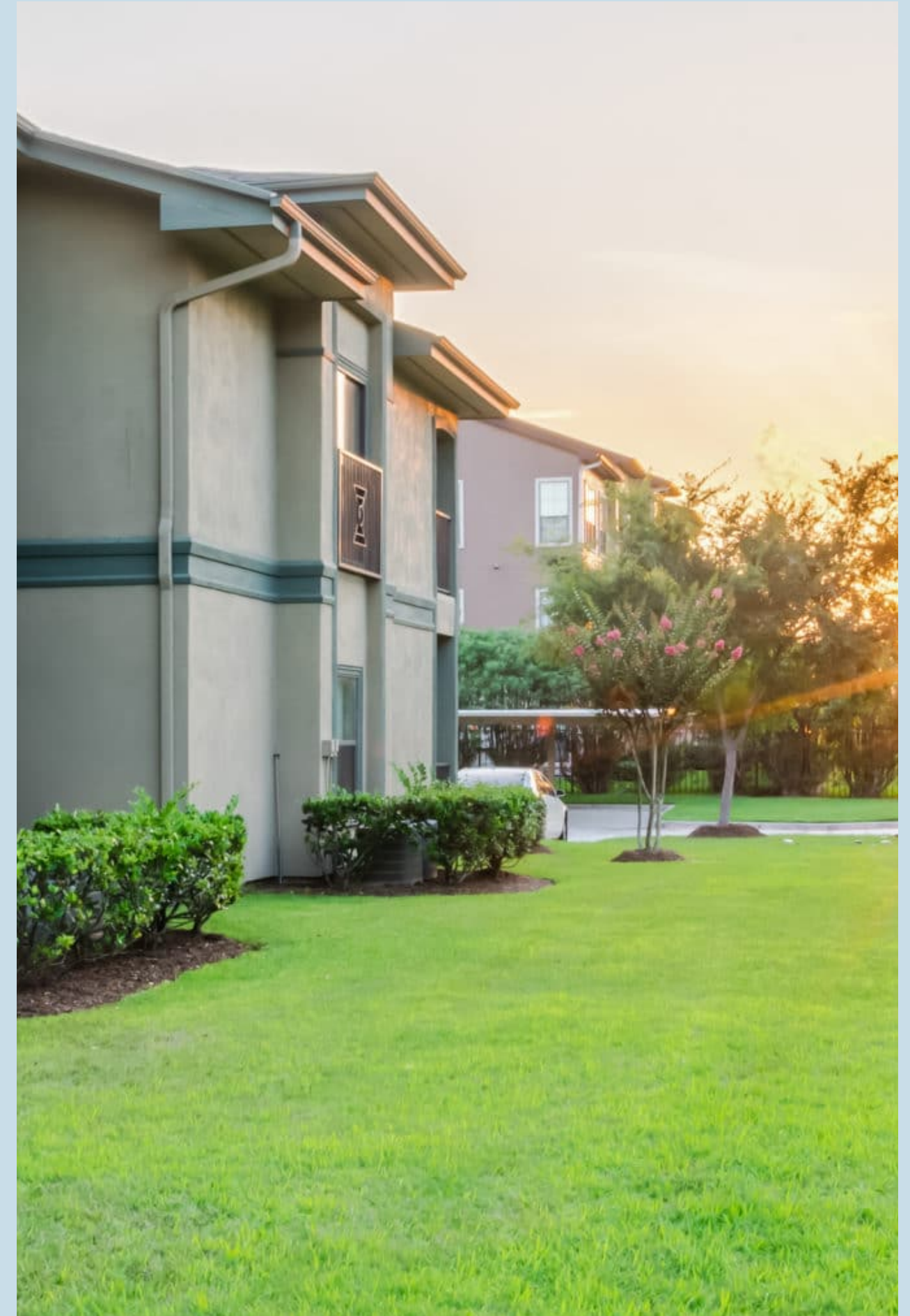




# Marketing Your Deal

Four Parts:

- \_\_\_\_\_
- Full marketing package.
- \_\_\_\_\_
- Private Placement Memorandum (PPM).





# Part One:

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- One-two page summary of \_\_\_\_\_:
- Purpose: whet investors' appetite and put on notice that a deal is coming so they don't \_\_\_\_\_
- Send out as soon as you have \_\_\_\_\_





# Part Two: Marketing Package

## Marketing Package:

- Marketing booklet with full description of \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ plan.
- Purpose: explain deal in detail to investors and get them to make \_\_\_\_\_ commitments.
- Finish by time \_\_\_\_\_ is negotiated.





# Part Three:

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## Discussions

- Investors need to be able to \_\_\_\_\_ and feel secure you know what you are doing.
- Can be \_\_\_\_\_ or one-on-one \_\_\_\_\_
- Unless they are very close to you or have invested with you before, most people will not commit to high-ticket item like this just via email.



# Part Four: Private Placement Memorandum

- PPM = The document that legally commits them to the deal.
- Sets out rights and responsibilities of sponsor and passive LPs.
- Chase your soft commitments until they sign.
- \_\_\_\_\_ are key.
  - SEC attorney knows the standard \_\_\_\_\_
  - Work with attorney on \_\_\_\_\_ specific to the deal.
    - Ex: known environmental issues; known conflicts of interest.
- When in doubt, disclose!
  - PPM is what protects you from future claims; if it's in there, investors had warning and cannot recover from you.

# Additional Notes