

How to **CREATE A** **SUCCESSFUL**

Financing Credibility Book:

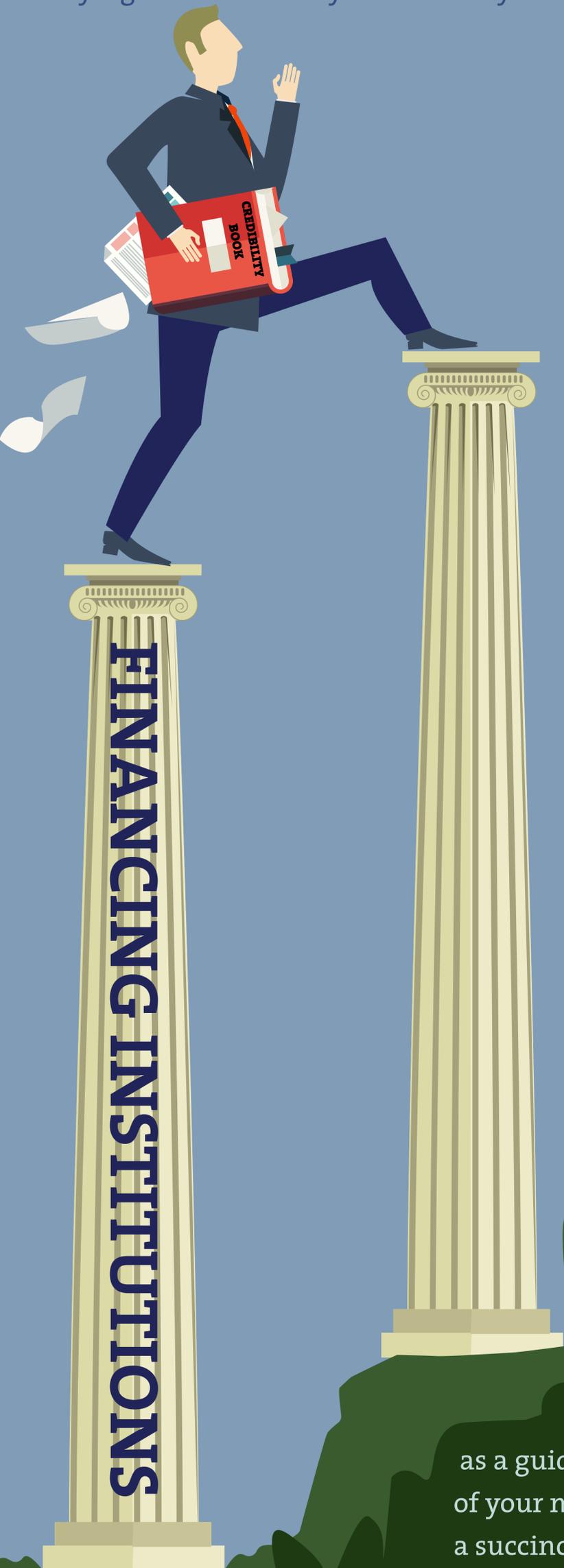
A Wheelbarrow Profits

GUIDE



FINANCIAL SUPPORT

One of the most important steps on your road to securing wealth through multifamily property investment is finding support from financing institutions. When you begin the process, the first step in building your new relationships is to qualify yourself, and your partners, as worthwhile investments for banks to consider. You need to provide some kind of proof that you have what it takes to successfully take your ideas and put them into action. There is no better way to do this than by relying on the success you've already had!



Whether you're seeking financing for your first ever investment, just new to multifamily real estate, or a seasoned veteran, one of the best tools for establishing yourself is a Financing Credibility Book. These are artfully crafted sales pitches that feature you and your company front and center as the hot commodity.

You should employ someone with a graphic design background to help you create the final product, as it should be attractive, polished, and professional, but in order to have a credibility book you need to review and consolidate all of the information needed to complete it.

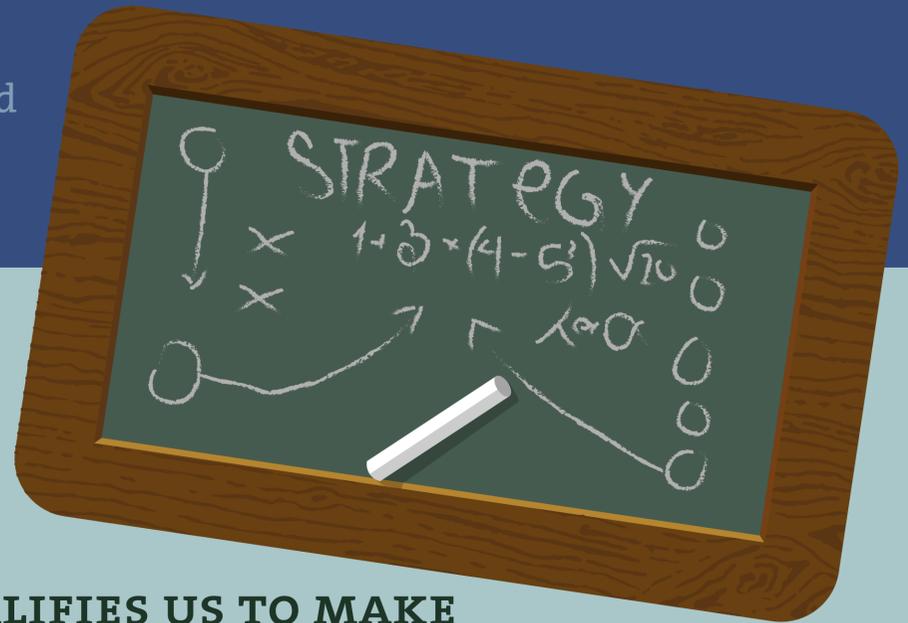
Using our own Financing Credibility Book

as a guide, we've created this tool to help you organize and arrange all of your most compelling successes and investment-worthy qualities in a succinct and direct way. As with all sales pitches, your Financing Credibility Book needs to hook the reader, deliver the information, and invite the reader back to continue the conversation. Use the following pages to create yours, and get ready to secure those financing deals.

STEP 1 INVESTMENT HIGHLIGHTS & INVESTMENT STRATEGY

When reaching out to a prospective investor, whether it be a financial institution or some other entity, your first goal should be to capture their attention. The best way to do this is by quickly and directly sharing the things that make you stand out amongst your peers: your strategy and why it's all but guaranteed to succeed.

In the sections below, consider the following questions and then boil the answers down to succinct bullet points:



1) WHO ARE WE, AND WHAT QUALIFIES US TO MAKE THIS INVESTMENT?

2) WHERE ARE WE FOCUSING OUR EFFORTS?

3) WHY HAVE WE CHOSEN THIS FOCUS?

4) WHAT ARE WE DOING TO ENSURE CONTINUED SUCCESS AND A RETURN ON INVESTMENT?

5) HOW ARE WE PLANNING TO FINANCE OUR INVESTMENT?

INVESTMENT STRATEGY

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INVESTMENT HIGHLIGHTS

This section should take the time to unpack the remaining key questions of Who and Why. These can be a bit longer than the strategy points, but should be no more than two to three sentences each. Consider “Who are we, and what qualifies us as a safe investment? Why have we chosen this particular investment strategy and what about it ensures our success?”

STEP 2 COMPANY OVERVIEW



If your Investment Strategy and Investment Highlights have been executed properly, you'll have piqued the interest of your potential financing partner. Their next question, then, will be a simple one: who are you?

Consider the following questions as you create your company overview:

1) HOW WOULD YOU DESCRIBE YOUR TEAM'S STRATEGY AND MISSION IN A SINGLE SENTENCE?

To be the richest men in multifamily!!

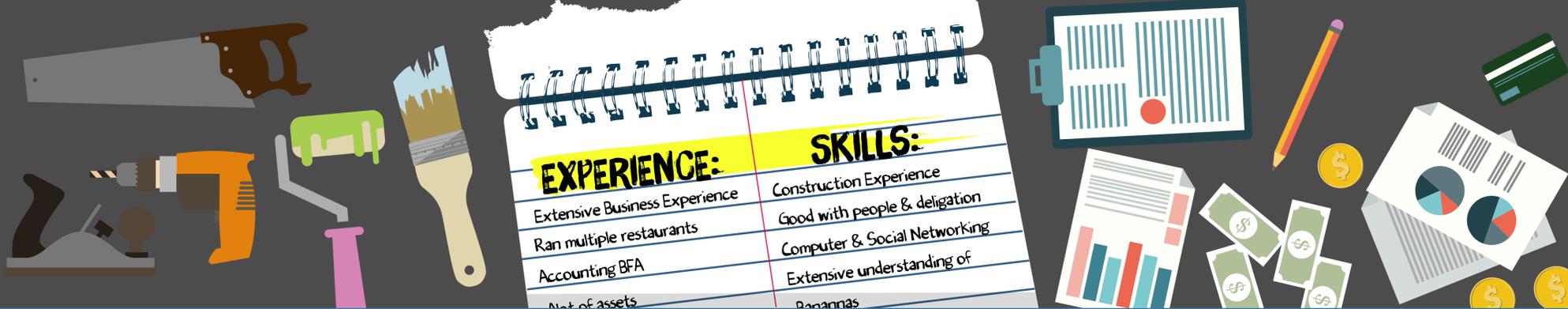
2) WHAT COMBINED EXPERIENCE AND SKILLSETS DO YOU BRING TO THE TABLE?



3) WHERE DOES YOUR TEAM COME FROM, AND WHAT DOES EACH MEMBER OF YOUR TEAM BRING TO THE GROUP AS INDIVIDUALS?



INVESTMENT HIGHLIGHTS



EXPERIENCE:	SKILLS:
Extensive Business Experience	Construction Experience
Ran multiple restaurants	Good with people & delegation
Accounting BFA	Computer & Social Networking
Net of assets	Extensive understanding of
	Bananas



While still focusing on brevity and clarity, take a single page to introduce your team/company as well as the individuals it comprises. Focus on the skills and experience you bring as a group, and the value proposition of combining those skills with your Mission Statement.

Step 3

PORTFOLIO PROPERTIES



Of course, the best evidence you can offer of your future success are the wins you've already tallied. If you've already invested in real estate and you're just starting out in multifamily, use this space to showcase the other properties you own. If you're new to real estate, change the title to Portfolio Investments and disclose some of your successful investments, whatever they may be.

For each property/investment, list a one sentence description (i.e. Commercial Building with Office Space or 40 unit multifamily property).

STEP 4 CASE STUDY

This section is vital if you're already investing in multifamily properties, as it is where you will demonstrate your successful investment strategy, outlined and highlighted in Step 1. This is what the foundation, created by the previous steps, was built to support. It is your proof of concept, and a powerful argument in favor of supporting your investment.

*If you don't already own multifamily properties, don't worry; you're still in great shape with the material you've put into your pitch book and you'll be creating case studies for your new investments before you know it. Until then, you can skip this step and move on to **STEP 5** in this workbook.*

When you set out to construct your case studies, we recommend structuring them around the following key areas:

1) Creative Financing Used



2) Issues with Property Before Acquisition



3) Solutions Implemented After Acquisition

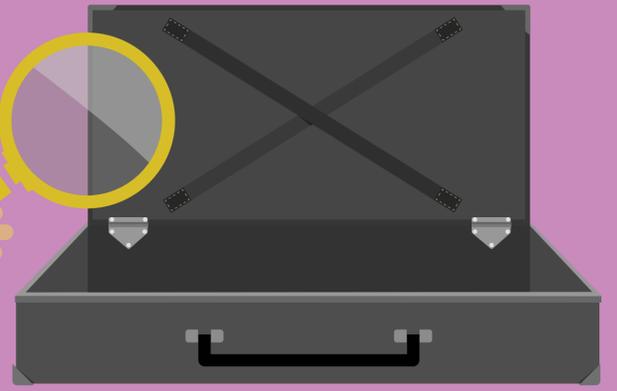


4) Future Value Plays



These areas are going to be the most focused and direct way of conveying the order of operations your strategy employs.

Case Studies



Depending on the number of multifamily properties you own, consider including no less than two and no more than four case studies in your Financing Credibility Book. Only include a single case study if you do not own any additional properties; only include more than four if your investment partner requests them. You want to keep your Financing Credibility Book as the beginning of a conversation, not the whole thing. Remaining as lean as possible allows the reader to digest it easily and leaves you with successes to discuss when you follow up.

STEP 5 Investment Lifecycle

As you prepare to conclude your Financing Credibility Book, one of your last sections should be dedicated to simply and effectively showcasing the lifecycle of your planned investment. This visual will serve to underscore the simplicity and reliability of your strategy. In our case, the lifecycle of our investments breaks down as follows:

1 Buy Property



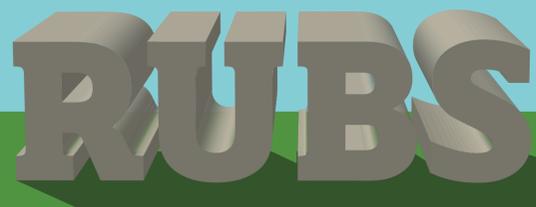
2 Reposition Property



3 Increase Occupancy at Market Rate



4 Implement RUBS



5 Raise Remaining Rents



6 Refinance Property



7 Duplicate Process



Investment Lifecycle

Based on your strategy and/or previous experiences, create a visual representation of your investment, anchored by the steps it takes to maximize its potential.

STEP 6

Our Approach & Keys to Success



We're nearing the end of the pitch book now, which means it's time to reinforce some of the information we've already provided. It's important that the reader walk away from your book not only understanding what they've just read, but interested in discussing it further.

When constructing the following sections, ask yourself the following questions:

- 1) What is the impact our approach has? Consider your residents and the community.
- 2) What are the key elements of your team and your strategy that ensures your success? It's alright to repeat earlier information here, but do not copy and paste. Rephrase the information to reinforce what was already said and it will leave a stronger impression.

Our Approach

In this section, highlight the impact your approach has on both the health of your investment and the community. Be sure to call out the positives that your value propositions have at all levels.

NEXT STEPS

With the information you've completed, you're ready to create your Financing Credibility Book. Once you've finalized the text you would like to include, partner with someone, such as a graphic designer, who can

create a visually attractive package that you can email or print and deliver to potential financiers and investors. Be sure to conclude your pitch book with a final page that includes your contact information and a warm invitation to reach out to you for further discussion.



You're well on your way to a successful investment in multifamily properties. With this invaluable tool as a resource, you can begin to secure the means to take your plans put them into action.

As always, we're here to support you as you begin this exciting journey. Join us at <http://www.jakeandgino.com> for additional resources. We look forward to hearing about your success!