



Property Investing.Com *'Insider'*

Discover proven tips, strategies and techniques to dramatically increase your property investing profits.

HOME OF POSITIVE CASHFLOW
PROPERTY INVESTING

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By Steve McKnight

Your Notes

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Hi and welcome to your November edition of *'Insider'* - the PropertyInvesting.Com e-bulletin for positive cashflow investors seeking a lifetime of passive income through real estate.

I'd like to extend a warm greeting to all those members who have signed on in the last month. The PropertyInvesting.com community continues to expand at an impressive rate as we close in on our 4,000th member!

This month's topics are:

1. Conquering fear
2. My ninth law of property investing success and
3. Fast tracking success
4. Changes afoot...

There is a mountain of useful information to get through; let's get started.

Conquering Fear

On November 9 and 10, 150 keen participants assembled for the second ever Australian Property Investing Masters event.

Conquering our fears was a gentle theme throughout the event. This was appropriate since I was able to confront and conquer one of my greatest fears - coming down with a migraine while presenting.

Well, thanks to some bad luck and very bright lights, that's just what happened on the Saturday morning. I was about half way through my presentation about the fundamentals of property investing when the dreaded speckled shimmering lights appeared.

If you don't know, this is usually the first sign of an impending migraine.

Your Notes

I don't suffer from migraines particularly often - perhaps one every few years, but when they come, they come with a bang.

My strategy to beat a migraine isn't particularly complex - I just have to lie down in a dark room and ride out the crippling headache and nausea. It usually takes about six hours for the worst of it to pass and then a further two days before I feel totally normal again.

Clearly this is not something you want when you're the keynote speaker at a big two-day event!

Once the first symptoms appeared I knew that I had about half an hour before I would be vomiting and pretty much unable to function. I also knew that I had about 25 minutes of presenting to do before I could hand on to the next presenter... I was certainly going to be cutting it fine.

Nevertheless I carried on, fading in strength with each minute that passed, until I had to sit down as I thought I was going to faint - sweat pouring out and dripping down my body.

On a few occasions I thought I might pass out and, as I was concluding, my speech started to slur... I knew what I was trying to say but it just came out like I'd had too much to drink.

I finished up, handed over to the next speaker, and then immediately went to the toilets and started vomiting.

Luckily I was showered with offers of assistance from kind people in the audience... from a chiropractor to a hypnotist.

The amazing thing was that I was able to beat this migraine quickly, and within four hours was back at the event and functioning reasonably normally!

I revealed to the audience that having a migraine on stage was my greatest fear, and was later surprised when one participant asked me how I felt to have overcome my greatest fear.

Your Notes

What an awesome question! I certainly wasn't looking at it like that at the time... in fact my head was still probably spinning... but on reflection that was so true.

The fear I had with having a migraine was one associated with letting people down - including myself, since I wouldn't be able to complete what was required of me.

But when confronted with the inevitable, I needed to quickly make alternative plans and cope as best I could. The great news is that I made it through the fear (I really had no choice) and now, on reflection, it wasn't as bad as I had imagined it.

I've heard a great acronym for fear, which is **False Expectations Appearing Real**. This is so true.

I invite you now to take a moment and consider what fears you have in relation to investing in property. What false expectations appearing real are holding you back?

Some I've heard before are:

- I can't find +ve cashflow properties near where I live
- I wouldn't know what to say to agents without appearing stupid
- I don't have enough money to start investing
- I'm confused by all my investing options
- I don't have my accounting structure in place
- I'm too young / old / busy / bored

Really these are all excuses for a hidden fear. It's only when we confront the fear that we can see it for what it really is. We can then tackle it, beat it and move on.

It's not easy... but it's extremely liberating when you do!

My Ninth Law of Property Investing Success

Your Notes

So far this year I've outlined the first eight laws of property investing success, which are:

Law #1 - Choose Your Investing Yardstick
(see [March 2002 edition](#))

Law #2 - What Has To Happen In Order For My Investment To Make Money?
(see [April 2002 edition](#))

Law #3 - Invest In Your Area of Expertise
(see [May 2002 edition](#))

Law #4 - Know Where You Stand In The Profit Pecking Order
(see [June 2002 edition](#))

Law #5 - Appreciate Your True Cost and Your Nett Sale Proceeds
(see [July 2002 edition](#))

Law #6 - Understand The Difference Between Fact And Opinion
(see [August 2002 edition](#))

Law #7 - The Bigger The Hype, The Bigger The Hoax
(see [September 2002 edition](#))

Law #8 - Always Negotiate With A Win-Win Outcome In Mind
(see [October 2002 edition](#))

Your Notes

My ninth law is:

**The Ninth Law Of Property Investing Success:
Avoid Emotion And Buy Houses For Other People To Live In**

Have you ever been to an auction where two buyers really wanted a property and the house sold for a massive amount? I can almost guarantee that it was a place they both wanted to call home.

Property sales consultants know that emotional buyers spend more money. But savvy real estate investors need to be immune to emotion because you know that you're buying a property that other people are going to live in.

A house is just bricks and sticks to an investor - not where the family grew up. Most vendors sell on emotion, which is why they demand a price at the high end of the price range. Agents know that they may need to put the vendor through a conditioning process to bring them back to reality.

Remember, you are not buying a home where you'll live!

Just recently I was talking with a friend from basketball about this exact issue. She was adamant that she didn't want to buy a property that she couldn't see herself living in - until I pointed out a perspective she hadn't considered, which was:

"Over our lives we generally trade up in the quality of our housing."

For example, take a minute now and reflect upon the house that you lived in when you first moved out of home. Now think about the property you are living in now. Is there a difference?

Your Notes

There is always a market for every kind of residential property imaginable because not everyone is at the same stage of life as you are. That doesn't make them a second class tenant, but it does create a need or problem that you can solve, and make money while doing so.

You don't have to invest in pretty houses. A much better idea is to inspect the potential property you're considering buying from a tenant's perspective and look for the three 'S's - sensible, safe and secure.

Be sure to protect yourself from becoming emotional about buying property by allowing the numbers (facts) to decide if the purchase meets with your investing guidelines (which was the first property investing law).

As an investor you're not buying a house where you'll live. Instead you're investing in bricks and sticks that will become a place that someone else will call home.

Fast Tracking Success

The feedback from the second Master's seminar was fantastic with many comments such as:

I was at the Sydney event a couple of weeks ago and really got a great deal out of it. I also brought along my sister, and this was her first intensive investment seminar. The change I have noticed in her motivation and determination is amazing to behold! She got far more out of the seminar than I thought possible and I really must thank you for organising the event...I also gained information which I think is going to be invaluable too. - Jason Seperic

Receiving comments like the one above are awesome, but even better is the feedback that demonstrates how participants have been able to take the information and turn it into profit.

One [attendee made a post on the forum](#) outlining how he immediately profited from the seminar information by purchasing a \$50,000 positive cashflow buy and hold investment property on the day after the event!

Your Notes

His final comment, outlined below, sums up why I organise and run events:

To those at the PI Masters seminar: Don't let your momentum die! We've been able to recover the cost of the seminar already in just one day!

At this stage I'm planning to run another Masters seminar in mid-2003 in Melbourne.

Already over 10% of the spots have been take by people who have pre-registered and I'm certain that it will again be a sell out. If you'd also like to pre-register (which means no obligation but you'll be reserved a spot), then please send an e-mail to brent@propertyinvesting.com

Changes Afoot

The re-release of the web site is due to go live soon, and as one person who saw what's planned said recently "Whoa.....what an amazing new look....."

As we tinker around the edges before going live, you'll note that some of the current settings may change, especially the forum area.

Don't be alarmed... we just need to work 'live' from time to time.

If you'd like to assist with the beta testing of the new site and provide some pre-release feedback then I would love to hear from you. Please contact me at steve@propertyinvesting.com and I'll provide some more information.

Summary

Conquering your fears is a difficult process. Sometimes we have no option but to attack them head on. At other times we must consciously search them out, confront them and then move on.

However it occurs, one thing is for sure - once you beat the fear you become a stronger person.

It's natural to have many fears, but using them as an excuse to do nothing will unnecessarily place a limit on your success.

Until next month, may God bless you with good health and happiness,

Steve McKnight

P.S. Remember to check out the latest forum news at: <http://www.propertyinvesting.com/forum>

P.P.S. To access back-issues of this newsletters please go to:
<http://www.propertyinvesting.com/files/content.asp?cid=backissues>

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