



SPECIAL REPORT

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Special Report

ARE YOU EXPECTING SOCIAL SECURITY TO PROVIDE FOR YOUR RETIREMENT?

If the answer is no, and we're sure it is, you could make thousands of dollars in the coming years simply by increasing the yield on the same money you're investing now.

We are professional and qualified Real Estate Investors and we would like the opportunity to tell you about a way you can control your investments and safely make them grow at three to four times your current rate. Private lending is a safe and secure way to build wealth in a hurry that many people are unaware exists.

This type of investment is very common in the Real Estate industry and people like you that have been introduced to this concept have been taking advantage of this kind of investment for years. This is a very safe investment that produces high yields while at the same time provides security and liquidity.

Take Control of Your IRA, Pension Plan, Savings or CDs

Increase your yield and earn a guaranteed 12% - 14% instead of the average 3 - 7% interest.

Take a look at the following chart.....

5 Years

Amount	3% Compounded	12% Simple	Net Increase
\$ 10,000	\$ 11,616	\$ 16,000	\$ 4,384
\$ 25,000	\$ 29,040	\$ 40,000	\$10,960
\$ 50,000	\$ 58,081	\$ 80,000	\$21,919
\$100,000	\$116,162	\$160,000	\$43,838

If you expand it to a ten year term, your \$25,000 investment would be worth \$33,734 at 3% but if you change the yield to 12%, it grows to \$55,000. That's \$21,266 additional dollars you will actually receive. Can you really afford not to control your own investments? Does it make sense not to?

Here is the alternative that you need to consider. That alternative is **Private Mortgage Loans**.

You can loan money, secured by a first or second mortgage and a promissory note personally guarantying the loan that will not only give you the safety you want but will also give you the high yield we've discussed.

Questions you may have about making private loans....

Who Borrows At Such High Rates?

We do because we've learned that **it's Not the Cost of Money That Counts but the Availability**. A good example of this is the credit cards that you keep. You are willing to pay a bank anywhere from 7.9% to more than 22% to have the convenience of the money, a credit card gives you.

We have been able to acquire houses far below market value because funds were available from private lenders that otherwise would not have been available as quickly from a bank. Another problem dealing with a bank is that when a Real Estate Investor finds a property below market value, the banks will only loan 80% of the purchase price not 80% of the actual market value of the property. Having money available can make or break a deal. The cost of paying a higher interest rate is less expensive than the loss of the profit that won't be made if the money isn't available.

What Kind of Loans Are Private Mortgage Loans?

A Private Mortgage Loan is a loan that you make to a Real Estate Investor, which is secured by the Real Estate that is purchased with that loan. We deal with very low loan-to-value (LTV) loans. By that, we mean the amount of the loan will never be higher than 70% of the after repaired value of the property securing the loan. This gives you additional security. This means if a house appraises for \$100,000 (after repairs) and we could buy it for \$70,000, that's 70% loan-to-value.

In order to make a safe loan, you should never exceed a 30% safety cushion. We never violate that threshold; therefore you always come out a winner. You as a lender won't be lending more than 70% LTV regardless.

Do we need a lot of money?

No! You can make loans as small as \$10,000. The amount of the loan is determined by the borrower's needs.

Who handles all of the details?

We do. It's our job to get you proper documentation and protect your interests. This protection costs you nothing. We pay all closing costs. Additionally we do not receive any money directly from you, the lender. For example if you make a \$25,000 loan, you send a check for \$25,000 to the closing agent not the borrower and you get a mortgage against the property valued at \$25,000.

How do I get paid?

You'll get paid when the house sells (closes), but we also have options whereby you can receive a monthly or quarterly interest check.

Is this a long-term investment?

Usually a private lender wants a one to two year term, but some lenders are looking for longer term commitments. You can pick a term that suits your strategy. It's your money and it's your choice.

What if I want to liquidate?

If for some reason you would like to withdraw your investment, all we ask for is 60 days notification. You really shouldn't make mortgage loans if you feel you will liquidate in the short term, but the option is always available. Unlike a bank CD, there is no penalty for early withdrawal. Just call and we'll handle all of the details.

Is my investment really as safe as it sounds?

Yes! We follow these common sense guidelines that we've mentioned earlier in this document. Your money will grow two, three, or even four times faster than most investments and you maintain control.

Remember that making loans is a business and should be treated like a business. If you set up a simple system and let the professionals implement that system, your loan portfolio can be hassle free and produce excellent, safe and secure yields.

Is this a mortgage pool?

No! You make the whole loan yourself. You have a lien against the property. Just like a bank would.

How do I use my IRA's or pension plan?

Making real estate loans is a widely accepted use of IRA's and Pension Plans. Think of it: now you cannot only loan out money that has been unavailable for you to use, but you can make it grow more rapidly then it currently is **Tax Deferred!**

Since Uncle Sam isn't taking a bite out of your profits until you draw out the money, more money is left in the account to compound and grow.

In order for you to use retirement accounts for loans they must first be administered by a "Third Party Administrator" or TPA. The TPA is approved by the IRS to administer your loan activities. This means you will have to transfer your plan to one of these TPA's, unless of course, your present administrator is set up to do that.

We can provide the names of and will assist you in selecting a TPA. Then simply send the transfer form to them and they'll do all of the work for you. Once you've done that, you're ready to make loans!

When we've selected a property, you simply notify your TPA where to send the check for the gross amount of the loan and you're in business. There should be no cost to you except typical plan administering costs. Some TPA's will even collect monthly payments for you and deposit them into your account. We have selected Equity Trust, Elyria, Ohio as our preferred TPA but there are others.

If you have any questions regarding your plan or its administration, contact your Plan Administrator. If you need help transferring your IRA just give us a call.

What kind of documents would I receive?

Your closing package will contain the following:

- 1) A copy of the mortgage. The original document will be recorded in the County Courthouse and then sent to you.
- 2) An original Promissory Note
- 3) Title Insurance
- 4) Proof of homeowner's insurance naming you as mortgagee.

Summary

We've covered a lot here and we hope we've enlightened you on the investing power of making private mortgage loans. If it appeals to you, you can get started right now. While most people are complaining about the low rates they're getting on their CDs and other low paying investments, you could be receiving a return of 12% - 14%.

So are you going to continue to only get a return that barely keeps up with inflation? Or are you going to take control of your investment future. Make sure that when you get ready to retire, you can do what you want without worrying about money. If you are already retired, squeeze every interest dollar out your investments that you can.

Private lending is an excellent and very safe way to build wealth in a hurry. If you have any additional questions give us a call. We'd love to hear from you.