

The Property Tycoons Newsletter

Showing you how to get started in the property business, how to find cheap bargain properties, how to fund property deals 100% no money down, how to get mentoring from property experts and MUCH MORE!

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June 2007

This Month 64,924 Property Investors Worldwide Are Reading The Property Tycoons Newsletter!

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Special points of interest:

- * How will Home Information Packs affect property investors?
- * Here's how to go from 4 properties to over 50!
- * How to use direct mail to find bargain properties...

What's New In Property?

It's been a very interesting year for property investors. Two important events for you to note:

1. Interest rates are now at 5.5%
2. Home Information Packs or HIP's as they are otherwise known are NOT going to be introduced on the 1st of June

What are the implications?

Your monthly mortgage repayments will go up unless you are on a fixed rate mortgage/s. This is generally not good news for property investors or property developers who...

End up with a double whammy...

Less people want to buy new properties when interest rates rise because they think market growth is going to slow.

Their repayments on a mortgage are also going to be higher which affects their motivation to move.

Secondly, developers borrowing costs rise making it more expensive for them to hold on to trading stock. This can make their developments less profitable overall.

Property investors also find it harder to make their property deals stack up because the rental achieved will not so easily cover the mortgage repayments. Most lenders look for at least

100% (most want between 120%-130%) coverage.

This means a monthly interest repayment of £400 must be covered by rent of at least £520 in the case of 130% coverage. When rates go up, rents will likely stay the same which means your deals become harder to stack up for lending purposes.

What about property investors?

We tend to spend more time worrying about short term market movements and not so much time on the longer term perspective...

Continued on page 2...

My Recommended Book Of The Month

Every month I send our Property Tycoons Community Gold, Gold + and Gold VIP members my 'book of the month' as part of their membership of my Book Of The Month Club. I also include my review of the book to help Gold members understand why they

should read the book, the lessons to be learned and how best to use the book to help Gold members reach their goals.

This month I'm sending our Gold members one of my top 3 property investment books of all time.

This book has everything – how to get started in property, how to set your mindset, how to buy property no money down, how to pay little or no tax and much more!

Continued on page 3...

What's New In Property (continued from front page...)

I believe interest rates will rise to 5.75% this year. The time to adapt is now. All my friends with 15+ properties are still buying bargain properties. These are the people you need to look to for advice. Don't spend too much of your time listening to the views of journalists who mostly rent their own homes from landlords like us—nobody can fully understand a market when they've no skin in the game!

Why are experienced people still buying?

Because they're buying properties

at good discounts to market value (10% or more below market value). They then sit on them for the next 5 years or more. On average, house prices roughly double every 10 years. In time they will be rich and everybody else will still be worrying if the market is going to crash, boom or stabilise.

Another major upside for professional investors is that a lot of amateurs get shaken out of the market when rates rise. The papers print "HOUSE PRICES ARE GOING TO CRASH!" and what does average investors do? They

stop looking for deals.

This means more bargain properties for you!

With regards to the introduction of home information packs, you'll notice the Government have taken a step back on them. I do not believe HIPS will affect the market as much as some people say they might. If you need to move house then you'll move even if it costs a few hundred pounds more up front.

Continued on page 6...

Case Studies & Success Stories

"There aren't any bargain properties out there!"

I hear this all the time from new property investors. If they spent more time making offers on properties and not talking about it they might actually do some deals.

I know that's a harsh way of putting it but it's the truth and we all know it.

To show how simple (I said simple not easy) it really is, I want to give you some case studies of actual below market value property deals that I have either done myself or financed

"If they spent more time making offers on properties and not talking about it they might actually do some deals"

using my 100% financing service (www.property-finance.com).

My 100% property financing company (No Money Down Ltd) has this year financed nearly 50 little or no money down property deals. We're coming up to £3m of my own money lent to property investors to help them buy bargain properties using little or none of their own money.

Continued on page 4...

Marketing Tip Of The Month

This month my marketing tip concerns direct mailing for property deals. On the next page you'll see I have direct mailed estate agents in my area in my search for land to build a new home for myself. You will also be able to get a copy of the letter I used to achieve a very good initial response from local agents.

Read the letter carefully. You will see that I have considered the benefits to the agent in choosing to deal

with me when writing the letter.

In particular read the part near the end where I mention using their finance partner/s. I mentioned this because a lot of the time, estate agents will earn bigger commissions from arranging the financing than they do from selling the house!

I mentioned the development I did to give me credibility—this is not essential and neither is the bit about the income. Yes they help, but you

won't get a massive drop in response by not having them in there.

It's more important to be specific about what you are looking for and where. Nurture the people who do respond very carefully. They could make you seriously rich over time. Let them do all the hard work of looking for properties so you can concentrate on other parts of your property business.

What's Parmdeep been up to this month?

Regular readers of my blog (www.property-system.com/auction/vbulletin/blogs/) will know I'm searching for a plot of land in Leicester to build my own home. I've direct mailed all the estate agents dealing with one particular postcode (110 agents). From that mailing ([visit the FREE Downloads section of the Tycoons forum for the letter](#)) I've had 12 responses = 10% response rate. I also spent 4 days at my motivational retreat in Spain—check out www.motivational-retreat.com This is where I go to take time out of my business to set my goals and regain

perspective on everything. No matter where you are right now in your business, I highly recommend you take time out. My motivational retreat is available to my newsletter readers if you'd like to use it for yourself—find out more by going to www.motivational-retreat.com.

I've also been working very hard setting up deals with some of the largest BMV property traders in the UK. Soon, they will be funneling some of their below market value property deals into our www.tycoons-forum.com website.

I used to generate enquiries from motivated sellers and then I'd sell the unqualified 'leads' to other investors. From next week, I'll be negotiating below market value deals for you and then passing on the deals.

This allows me to trade on the deals I do not want to do myself to others who do. I'll be charging a finders fee based on a percentage of the purchase price (payable only if you do the deal). Watch this space! If you need funding, I can also help you buy any bargain property using little or none of your own money. Take a look at—www.property-finance.com

My Recommended Book Of The Month (continued from front page)

As you may have already guessed, my book of the month this month is "think like a tycoon" by Bill Greene. As well as my recommended 'book of the month' Gold members also get an audio CD of me grilling the Property Tycoons community member of the month through the post each and every month.

The member of the month is picked by the other Tycoons community members largely based on how help-

ful the member has been on our Property Tycoons Community forum (www.tycoons-forum.com) - check out our back page to see who our members chose as our member of the month this month!

Gold members are also able to upload and download an unlimited number of documents, images, audio, video and software from the FREE Downloads section of the Property Tycoons forum.

To learn more about Gold membership check out:

<http://www.property-networking.com/memberships.htm>

Your Questions Answered

Some of the posts on our Property Tycoons forum recently started coming up in the search engines. I had some questions about this from worried Tycoons forum members who weren't sure why it happened and whether it's a good thing for us or not.... In response I posted the following on our forum:

- What exactly is happening?

Google has indexed some of the pages from our forum. This means

some of our posts appear in the search engines when people type say "[property tycoons forum](#)" into Google.

- Could somebody then access the forum for free - i.e. without paying?

No they cannot. 'Guests' as they are known, can view no more than 10 posts before their trial access is automatically cut off. The forum will then request the guest becomes a paying

member to continue.

Guests cannot 'do' anything on the forum either. They cannot post, start threads, reply to posts, use the chat room, view member profiles or the member list and much more. They just get the opportunity to have a brief look around and see if would like to join us as a registered member...

Continued on page 5...

Case Studies & Success Stories (continued from page 2...)

Deal 1: Northamptonshire, purchase price £92,000. Remortgage from the bank of £99,000. Instant equity = £17,500. Cashback = £7,000. **Total profit = £24,500.** Completed April 2007.

Deal 2: Northamptonshire, Purchase price £30,000. Remortgage from the bank of £42,500. Instant equity = £7,500. Cashback = £11,500. **Total profit = £19,000.** Completed March 2007.

Deal 3: Gloucestershire, Purchase price £100,000. Remortgage from the bank of £112,220. Instant equity = £19,800. Cashback = £11,000. **Total profit = £30,800.** Completed March 2007.

Deal 4: Doncaster, Purchase price £65,000. Remortgage from the bank of £85,000. Instant equity = £15,000. Cashback = £19,000. **Total profit = £34,000.** Completed April 2007.

Deal 5: Middlesex, Purchase price £104,000. Remortgage from the bank of £119,000. Instant equity = £21,000. Cashback = £14,000. **Total profit = £35,000.** Completed March 2007.

These deals were all financed using my 100% property financing service available to newsletter readers through www.property-finance.com

As you can see, these deals allowed our clients to purchase these properties no money down AND get cashback ON TOP—it's almost like getting paid to buy bargain properties!

How does it work?

Take deal 5 for example. The investor found a property worth around £140,000. He made a below market value offer of £104,000. This BMW

offer was accepted by the distressed seller.

My team of 100% financing professionals then went to a specialist buy to let mortgage lender and got him a remortgage of £119,000 based on 85% of the value of the property (value=£140,000).

On the day of completion we used my funds to purchase the property for cash at £104,000. We then immediately remortgaged to release £119,000. £104,000 + costs went back to us.

The remaining £14,000 cash went straight into the investors pocket!

Using this 100% financing method, I can help you buy an unlimited number of properties (Residential or Commercial) of any value anywhere in England or Wales (Scotland and Ire coming soon).

What's the catch?

Every good deal has a catch and this one's no different. The catch is the purchase price must be at least 17% below the true market value for you to get the property without putting a single penny of your own money down.

How quickly can you fund me?

All the deals mentioned earlier were financed from start to finish in less than 28 days. We can move even quicker if needed—contact us through www.property-finance.com.

How many deals are you doing?

At this moment in time, we're financing 3 deals every WEEK. This is roughly equivalent to 150 little or no money down deals a year.

Do you guarantee you'll have the funds available when I need them?

Yes. We achieve this via our financing partners who can lend us any extra funds we need.

What else do I get?

As well as funding your deals, we also offer our "No Money Down Club" members free consulting and meetings with property experts, preferential seats at our property investment workshops and much more!

To learn more about our clients and how they find their below market value property deals, visit these websites:

<http://shmyl.com/useoson>

<http://shmyl.com/vseoson>

for a lot more information.

Here's an unsolicited comment from another very satisfied no money down client:

"HI Deep

just to let you know deal no 3 agreed l.t.v. = £140k sale agreed £103k will tel Bal now to arrange the bridge etc (just worked out approx £110k better off since I've read manual) You deserve your own T.V. show. wait till I've made my million's first though. many many thanks"

Kevin

If you enter your details into the www.property-finance.com website...

You'll also see a video of how we helped one of our clients go from just 4 properties to over 50!

I really hope the successes we've achieved with our No Money Down club members will inspire you to keep making below market value offers—eventually you'll get a few of your offers accepted!

If you'd like even more inspiration, check out these videos from our other newsletter readers talking about their incredible achievements in property go to: www.property-system.com/success_stories.htm

Your Questions Answered (continued from page 3...)

-Can my personal details be accessed by someone searching the search engines?

NO THEY CANNOT. The ONLY details that can be viewed are the details you may have placed in your signature (this is the bit that appears underneath your name in all your forum posts) or within your posts you may have placed on the forum.

If you change your signature using the control panel link in the top left of the forum, then this will affect all your posts so you won't need to go and amend every single one of your posts :)

If you do not have a signature then you have nothing to worry about. If you have a signature then remove personal details off there if you want to. For example, you may not want your mobile phone number visible. A guest cannot view your profile so any details that are in your profile are not viewable. All your other details like email, phone number etc are not available to view unless you specifically made them available to other members through your signature or postings.

- What are you doing about it?

I thought it might be a good idea to have some of our posts listed on the search engines until some of our members mentioned the disadvantages to me. I balanced these disadvantages with the advantages and decided to STOP the search engines from displaying any more of our pages. The pages that are already there will soon disappear from the engines.

Our www.tycoons-forum.com will now go back to being completely closed off from public view (including search engines). Membership will be offered only to invited visitors, for example to my newsletter readers.

This whole episode got me thinking... I have trained myself to focus very intensely on the positive aspects

of a decision and not so much on the negative.

So I asked myself - "why do we automatically tend to focus on the negative and not the positive? What is the difference between the kind of people on page four who are busy doing deals and making money and everyone else?"

Well, I'm sure you'll agree it's a lot easier to sit and think or read a book than it is to go out and make below market value offers on properties. In other words...

It's our old friend PROCRASTINATION at work again!

In 3 years, I went from working for £5 per hour at a Crisps packing warehouse to financial freedom through property. I achieved it by working hard on the right things, focusing on my goals and keeping a very positive attitude.

I have a strong suspicion the talkers and negative thinkers I met on the way (I met a hell of a lot) are still struggling to achieve their goals.

What's my point?

You see, life is short. **VERY** short.

You only get one chance to make it work!

That's why you need to focus intently on YOUR goals. If you worry too much about other people then ask yourself how you could be spending that time on your business and your goals instead.

I remember once getting a refund of my course where the customer had forgotten to remove the copying quote from Staples inside the back cover—he'd basically purchased the course, copied it and sent it back, taking advantage of my generous lifetime refund guarantee.

My fulfillment staff asked me what I was going to do - "are you going to refuse his refund? Are you going to chase him for copying the course" and so on... That day I happily re-

funded him all his money without question or argument.

Why?

Because my time is better spent looking at properties and making below market value offers!

It's so very easy to get side-tracked by the thousands of talkers and negative thinkers out there!

Too many of us automatically focus our attention on what the other guy is doing.

Haven't we all worked our asses off to buy material items we didn't even need just so we could impress someone else?—talk about focusing on the wrong things!

As you go about your business today, look around you...

LOOK like a hawk stalking a rabbit!

You'll see these negative thinkers and talkers everywhere. They moan about all sorts of petty little things because they're too lazy to focus on their goals and do some work..

If you spot them talking about property, success, goals or anything of that nature you'll notice it'll be focused on a high achiever they either know or think they know.

Unfortunately, I meet more of these types of people and very few like the investors on page four—while those guys get seriously rich everybody else will be wasting time sweating the small stuff .

The bottom line is this— how many below market value offers did you make this week?

If you want to know how well you are doing in property ask yourself that question. Your answer will tell you everything you need to know about your business. Keep your head down. Focus on **YOUR** goals. If you haven't written your goals down yet, do it **TODAY!**

How will HIPS affect us? (continued from page 2...)

The Government are still very committed to introducing HIPS against widespread opposition. This means several million homeowners may well be forced to pay around £500 for a home information pack before they are able to market their property.

Why does the government feel we need HIPS?

The Government feels that the home buying and selling process does not function in the best interests of the homeowner. Their [research](#) shows that 40% of homeowners are dissatisfied with the process. HIPS are being introduced to try to introduce certainty to the process and speed up transactions.

What's in a HIP?

Home Information Packs (HIPS) consist of five documents—a statement of sale, search's, the HIP index, official copies of the register and title plan to prove you have the right to sell the property and the Energy Performance Certificate (EPC). If there is a lease in place then this should also be included in the HIP.

Do I have to pay for the buyers survey?

Surveys are not going to be included. There was mention of a watered down version to be included but no rational buyer is going to trust a sellers survey so they'll get their own one done anyway. Buyers will get their own surveys done usually when they apply for their mortgage.

What is the EPC all about?

The EPC is an energy audit required by the EU. An inspector will visit the property to assess how energy efficient it is. The inspector will look at things like cavity wall insulation, light bulbs, windows etc.

However, far fewer EPC inspectors have been trained than is currently required which has contributed to the delay in the introduction of HIPS.

What will HIPS cost?

Their rough cost will be about £500.

Are they still going to be introduced?

Yes. The Government took a step back on them in May where they postponed the launch until August 1st. Houses with four or more bedrooms are required to have HIPS in place.

Will HIPS apply in Scotland?

Yes they will. Most likely 2008 or after.

Do estate agents offer HIPS for free?

Yes many will BUT remember they will recoup the cost by charging higher commissions so it's not free :)

How do I get a HIP in place?

A lot of estate agents will be offering them so you can go there or you can go to a pack provider direct.

At what point in the home buying/selling process would I need a HIP in place?

You need to have a HIP in place as soon as you start marketing your property.

Are they valid for a certain period of time?

Yes. A home information pack will be valid for a period of one year.

How have the royal Institution of Chartered Surveyors reacted?

RICS has launched a legal challenge against the Communities and Local Government over the implementation of HIPS.

Can I compile a HIP myself?

Yes you can.

What will happen in the market place?

Personally, I feel HIPS are a good thing for property investors because more people will choose to sell their home privately. By taking a more

active part in the home selling process, sellers will automatically become better educated on the way homes are bought and sold leading to more private sales.

Private sales are good for property investors because you can get an automatic reduction in the purchase price that would have been over as commission to an estate agent.

You also get the opportunity to negotiate directly with the vendor which allows you to put your case for a below market value forward much more reliably. Remember, almost 10% of all property sales in the UK are conducted without an estate agent!

This figure is much higher for the US real estate market due to far superior statistical information (i.e. the MLS and sq ft figures for sold properties) leading to a better informed market place over there.

We've also had a huge explosion in private home selling websites accompanied by thousands of articles to help homeowners sell their homes privately. The Internet has certainly fuelled the growth in properties sold privately in this country.

The better informed sellers are, the more confidence they will have in going it alone.

Where can I go to find out more about HIPS?

www.homeinformationpacks.gov.uk

www.hipassociation.co.uk

Would you like to write an article for this newsletter?

Do you have valuable information you would like to share with over 60,000 property investors?

Do you have a property related issue you would like to discuss in this newsletter?

If any of the above statements apply to you, then I strongly recommend you consider our Gold VIP membership...

GOLD VIP members get a page to themselves each and every month!

This is a great way to let the Vadesha Properties database of over 60,000 property investors know more about your product or service.

Your article will also reach over 4,000 of our investors by post— the majority of these investors have purchased products and services from us

over the last 3 years making them great prospects for products and services they can use to become even more successful in property in less time.

Email me to learn more about Gold VIP membership—deep@property-course.com

How to get started in property

Property is all about finding bargain properties. Let's define a bargain property first of all:

- a. Genuine level of equity of 10% or more below retail value
- b. A desperate situation leading to a need to sell quickly
- c. Work required or potential to develop because this is where you can add value

Some of the marketing techniques I'm using to find deals in my area:

Postcards, Leaflets, Letters, Websites, Cards in supermarkets, Finders, Classified ads, DR ads, Yellow pages

Extra marketing techniques you may want to think about:

1. Billboards in your area
2. Local TV adverts
3. Radio
4. National press
5. Rent targeted mailing lists for direct response mailings

A lot of people complain that marketing is expensive but that's just not

true...

- When you know what you are doing, your marketing becomes an extremely valuable investment and not an expense

- For example I share my unwanted leads with people that can deal with them so that I break even on my marketing. A very simple technique I use is a joint venture with local estate agents. We pass on the information relating to people seeking full market value for their properties and we then take a cut of the agent's commission if the property sells.

- Normally, somebody seeking full market value will be of no use to us, but that does not stop us making money from the lead by sharing it with other businesses.

Keys to efficient marketing for bargain properties:

1. Think of biggest benefit to target market = desperate sellers of properties in your target area – they want to sell quickly for as much money as possible.
2. Supply a solution like a free report, free consultation, free valuation

or free seminar teaching them how to do it themselves. You might even charge for the valuation to qualify out the timewasters.

3. Give them everything they need to do it themselves and offer your quick cash buying solution to those lacking the time or resources to do it all themselves – about 1/3rd will come back to you

4. Take each lead through a predetermined systemized lead conversion process because only a small percentage of your leads will have the potential to become good deals

5. Remember that you need to get people to come to you for a solution because chasing them is hard work and puts you in a weak negotiating position.

6. Be patient. Don't rush the process by revealing all your cards at the outset. Help desperate sellers get what they want themselves and allow them the opportunity to use your services if they so wish.

7. It's a numbers game, the more leads you bring in, the more you will convert into deals.

**And Last but not
least...**

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**"Helping You Find And Buy Masses
Of Bargain Properties Using Little
Or None Of Your Own Money"**

Get your questions answered
by our property experts:
www.tycoons-forum.com

"I founded Vadesha Properties Ltd four years ago to help property investors benefit from the tips and tricks I've learned on the way to financial freedom through property..."

Since then, I have helped 64,924 property investors build successful property businesses. Our Property Tycoons Community forum has become the most popular website for property investors of all skills and experiences to learn how to get started in property, how to find bargain properties and how to buy bargain properties using little or none of your own money. [Click here or visit www.tycoons-forum.com](http://www.tycoons-forum.com) to join us today. I look forward to welcoming you aboard!"

Parmdeep Vadesha

Our May 2007 Member Of The Month And Charity Donation

This month our Property Tycoons Community member of the month is Heather Hamilton!

Heather has had an amazing impact on our Tycoons forum since joining us one year ago...

On the forum you will see Heather being incredibly generous with her time and helpful to all the other members requesting her guidance.

She is also a very regular poster in our motivational section providing other Property Tycoon community members with regular pearls of wisdom to keep us all motivated and inspired!

Earlier this year Heather completed the London Marathon which in itself is a monumental achievement...ON TOP of top of that she managed to raise £2,341 for CLIC Sargent the UK's leading children's cancer charity!

That's why our Property Tycoons voted Heather our 'member of the month' this month. Well done Heather!

To listen to me grill Heather Hamilton for an hour about how she became so successful in property and life in general then visit the FREE downloads section of the Tycoons forum:

<http://shmyl.com/wseoson>

Click the "property related audios" section to listen to the online version (I'll be posting up the audio soon).

If you want me to send you the audio CD and transcripts of the member of the month interview each and every month then consider becoming a Gold member of our Property Tycoons forum. Gold members also get my recommended book of the month through the post each month.

Oh I nearly forgot to mention, I donate 10% of the Property Tycoons forum profits each month to the charity nominated by our member of the month. This month I'll be giving away £889 to Heathers nominated charity.

Why am I giving away £889 when the homepage of the forum says we

have 2,000 members on the forum paying £9.99 per month? That's because 1,200 of our 2,000 members are yet to switch over from the old forum to the new one.

You'll see these members as 'bronze' members on the new forum. They are not paying us a subscription fee for the new forum. We have 889 active paying subscribers on the new forum.

As the community grows, I will continue to donate 10% of the Property Tycoons community profits each month to the charity nominated by our member of the month.

I hope this encourages you to think about ways in which you can help other people who may not enjoy the same benefits and advantages as you do.

To nominate our next member of the month go to our www.tycoons-forum.com and look for the 'member of the month' section midway down the main homepage:)