Invest in Your Future

A Step-by-Step Guide to Trust Deed Investing for Financial Security

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Dedication

I want to start by thanking my loving wife Natalie and expressing my deepest gratitude. Thank you for reading early drafts and giving me sage advice every step of the way. Your endless encouragement and support is more appreciated than you know. This book is dedicated to you and our three beautiful children, Liam, Jolie, and Nikka. Thank you for your love and patience and for constantly encouraging me to pursue my dreams. This book is dedicated to you.

CONTENTS

Introduction

Once Bitten, Twice Shy

Financial security is the holy grail for most people, but getting there can be a frustrating, failure-ridden journey.

Most Americans have tried to attain financial security, and many have lost money along the way—maybe even you. Perhaps you have been the victim of a stock market crash or a real estate downturn. Maybe you made a bad business decision at one point in your life, and you are still haunted by the failure. Either way, you are most likely gun-shy about taking another chance.

Rather than experimenting with a new kind of investment, you may have decided to try something that feels safer, like hanging on to your hard-earned dollars as tightly as you can, perhaps saving them in the bank. Even though working with a bank feels more secure, you notice that you just don't earn that much interest.

With the FDIC limit of $250,000, your investment is protected only up to that point. This strategy feels safe, but it can ultimately hurt you.

You might seek financial advisors to learn the secrets to financial security. However, most advisors pitch products *they* benefit from the most. If you ask them if they take part in the investment plans they promote, they will most likely tell you they are too busy making money for their clients. These people don't even invest in their own recommended products, so how can you trust them? Certainly, they can't lead you to full financial security.

You feel trapped. Everyone you meet claims to have a magic wand for investments, but you don't know whom to trust or which way to turn. You are drowning in the vast sea of information that is available, and it is overwhelming to even contemplate where to start learning it all.

Yet you don't need a crystal ball or any other enchanted tool to know that if you can find the *right* investment—one that can give you both security and a healthy payoff—then nobody will be able to take away your financial future again.

You know that if you don't make a change, if you don't invest, you will regret it. Ten years down the road, you will face such a high cost of living that your income and assets may fall below average—possibly even below the poverty line. The money that you could put to work today, gaining a decent secured return, is not doing that. It's sitting in a bank or invested in funds that could go bust any day. If that happens, you won't be able to retire and leave the legacy you want. You will have your children and your grandchildren and everybody else in your family to answer to.

One question keeps you awake, sleepless, night after night: How can you take control of your financial future without losing everything?

A Life-Changing Tool

The great news is that you have access to a simple and secure way of investing in your future to create financial success and bolster your family's future.

When you decide to pull that trigger again, ready and willing to start researching the best investments for your situation, consider investing in Deeds of Trust. I did, and it increased my income significantly. Now I'm here to teach you how it can change yours.

Deed of Trust investing is a tool you can use to see your money make money for you. With it, you get a good rate of return with minimal effort—and even less risk.

Gone are the sleepless nights. You don't have to worry about the next shift in the economy, inaccurate information, or a greedy individual who wants to sell you an unrealistic dream.

Instead, you know that your money is safe, and it's earning higher interest than it did in the bank. You collect your monthly check, which allows you to lighten your workload and stop working such long hours. You know that even decades down the road, your investment will continue to provide for you and your family.

You will leave a great legacy your children can easily take over. Unlike with inheriting a business, Deed of Trust investing can provide a passive income for generations to come. You can finally contemplate retiring in peace, knowing that your financial needs are met.

Your life is now lived on *your* terms—whether you want to live somewhere new, travel to distant lands, or spend more time with the family you love. You won't worry about working. You will know exactly how much money you are going to make, so you can adequately budget for your lifestyle. No more waiting for a contract to come in, crossing your fingers as you check the stock market, or living paycheck to paycheck.

With a constant, predetermined income, you know that you are secure, and you are going to be set for the rest of your life.

My Journey to Financial Security

I started investing in Deeds of Trust in 2003, but my quest for financial security began decades earlier.

Growing up in the 1970s, I lived with my family in Tehran, the capital of Iran. My father was a civil engineer, my mother was a nurse, and I had two younger sisters. Because of my father's prestigious career, we had a very happy upbringing and lived a good life in our upscale neighborhood. During the winter, we skied in the mountains. During the summer, we traveled south to Shiraz, a city with beautiful wineries, to visit friends and family. My childhood was wonderful, and I remember feeling safe and secure.

The revolution was happening, however, and our lives were soon overtaken by chaos. We were forced to hide in basements, sleep in bunkers, and go underground into bomb shelters. We heard gunshots every day and bombings every night. I'll never forget the noise of airplanes dropping bombs: a whizzing sound and then, *boom*! My adrenaline pumps just thinking about it.

When I was ten years old, my family prepared to migrate to the United States. Tragically, my father passed away from a sudden heart attack shortly before our departure. He was only thirty-six years old. Our lives took a different turn after his death.

Because I was too young to inherit my father's estate, all of our money went, by Iranian law, to my uncle, my father's partner, to hold for us as our custodian. We had been close to him, but he disappeared to Israel, taking everything we had. We never heard from him again.

My mother, widowed and now poor, still migrated to the United States with my four- and five-year-old sisters and me. Chabad, a Jewish organization, found us a temporary home with a Jewish family in Brooklyn, New York, and paid for my sisters and me to attend an Orthodox Jewish school. My mom wanted to work as a nurse, but due to the language barrier and not having a US nursing license, she was forced to take on random jobs while carefully trying to save money.

Eventually, we moved to California to live with my grandparents. We were very excited to be reunited with close family. My grandparents didn't have much money, either, but the moral support was wonderful. My mother initially worked as a copy-machine saleswoman and then got a job at a dry-cleaning business. She eventually bought that business and acquired several more.

I helped my mom at the dry cleaner throughout high school and partly through college. I washed, folded, and ironed clothes, and then worked my way up to running the big dry-cleaning machine. I knew that this was not a career I wanted forever. I took matters into my own hands and attended college and law school in the evenings.

Those years were tough, and I struggled, but I always had a positive outlook on life. I was happy to be healthy and able to push myself further.

As a teenager, I promised myself that no matter the profession, I would find a way to make money, and that money would be tangible and secure. No one would ever take it away from my family again.

After our family unfairly lost our fortune, I was naturally drawn to a profession that would bring justice to others. I wanted to be sure that what happened to me never happened to anyone else. I wanted closure.

I didn't know, however, that this closure would open up a whole new chapter for me. It led to my ventures in Trust Deed investments.

The Doubts Fade Away

In law school, I focused on real property and contracts. After passing the California bar exam, I started my own firm. In my very first case, I represented an individual who had an eviction issue with a property he had bought at a trustee auction. I was fascinated by the great deal he had gotten. He had bought the property for 20 or 30 percent below market value, because the home's previous owner had failed to pay the mortgage. Eventually, he recovered all of his expenses and sold the property—and got paid much more than he'd invested!

I wondered why the lender had agreed to finance the property while taking the risk of nonpayment. How did the lender combat the risk? The answer later became clear: the lender evaluated the equity and reason behind the loan.

My first deed involved helping an individual get out of foreclosure. I charged 9.5 percent interest on a $30,000 loan. I made sure to learn the reason behind the loan request and checked that the borrower had enough equity should I have to foreclose. This particular borrower's reason to obtain a second loan on his property was due to a medical emergency that prevented him from working and making payments on his first mortgage. Within a year, the borrower was back on his feet and out of foreclosure, and I got all of my money back, plus interest. I did a few more of these transactions, and they were all successful.

My interest sparked. I started looking further into Trust Deed investment and read a lot of legal opinions. I learned about borrowers, chains of title, title insurance, and other matters that can affect lenders' security interest. Shortly thereafter, I also obtained my real estate broker license.

I have been investing in Deeds of Trust ever since.

In 2006, I substantially slowed down my law practice and focused on Trust Deed investment. I opened my own investment firm, Easy Financial, which now uses the trade name Sunset Equity Funding. Since then, I've helped scores of people invest in Deeds of Trust. I've overseen well over $100 million in investments—earning double-digit returns that have added up to hundreds of thousands of dollars for myself and investors over the years—and gained the trust of banks and various funds.

With every successful investment, my doubts dissipated. I finally found a way to keep that resolution to myself and provide a secure future for my family.

As I look to the future of my business, my goal is clear: I want to help people from all classes, all backgrounds, even all ages, learn how to invest in Deeds of Trust.

I am not writing this book to convince you to invest with me. I just want to provide my hard-earned insight to all novice investors who might not know about this way of making money. Trust Deed investing is something that all investors can get involved with as long as they understand how to do it securely. I want to help as many people as I can to take control of their futures through this amazing investing platform.

As part of that goal, I've made appearances on national TV, including the reality show *Million Dollar Listing*, and have been speaking at real estate events since 2008. I've led lending seminars at Auction.com and Pitbull, just to name a few. I'm proud to say that I've been able to reach tens of thousands of people. I've also mentored numerous investors on the dos and don'ts of this business.

Now I get to share this amazing journey with you, to change your financial future—and your life—forever.

A Reference for Success

Consider this book a partner on your journey into Deed of Trust investments.

It is a step-by-step guide, so you can follow along and confirm that you are doing things the right way.

As for your mind-set, settle in and be a student. Take notes as you read. Highlight anything that stands out. Make marks in the margins. Don't skim!

Read the chapters in order, because Deed of Trust investing involves a chronological chain of events. Until you understand one chapter, and then the next, you might not be able to understand how to achieve the end result. I don't want you to get lost on this journey. The evolution is important to understand.

Even if this is the first time you are hearing about Deed of Trust investing, I can assure you that this is something you can do. Once you learn how it's done, you'll see how easy it can be.

The information in this book is not something you learn at school, and it's not something that's preached in the working world. I'm not going to teach you the precise ABCs, but I am going to show you how Deeds of Trust are generally done so that you get comfortable with this kind of transaction.

If you follow my approach, you can have the confidence to invest in your financial future. By the end of this book, your doubts will have dissipated too.

Everything to Gain

Do you sleep well at night? Before I got into Deed of Trust investing, I never did. I was a hard worker, but I saw the trends, and they haunted me. The rich were getting richer, the poor were getting poorer, and the middle class was starting to disappear.

I didn't want to fall behind.

Do you feel the same way? Do you ever look at your loved ones and wonder if you have the power to give them an extraordinary future, rather than one lived in survival mode with no room for financial growth?

I am here to tell you that you can have it all! You can give your family the future they deserve without making your heart skip a beat.

Even in the worst markets, these kinds of investments never hit zero value. You will come out ahead, I promise!

You'll put money in, and you'll start collecting checks. Then you can compound your money by reinvesting your profits. Eventually, as I did, you can lighten your work schedule and spend that extra time with your family and on your own health and wellness. The economy will shift up and down, but your interest—your basket of goodies, if you will—will remain safe.

Remember that little boy who learned how easily things could be taken away? He has grown up to discover an investment that no one can steal, and he wants to share that knowledge with you.

Making money is easier than you think. Let me open the door to Deed of Trust investing for you.

Chapter 1

Deed of Trust Investing

Profits Collected, Memories Made

When I say that Deed of Trust investing can transform your life, I'm not exaggerating.

My friend Nick lived in Los Angeles and ran a successful apparel and textile business. He imported goods from China and sold them nationwide. His job required frequent travel, so he was often away from his family. As the recession hit, his business no longer flourished, and he had to put in even longer hours. Ultimately, economical restraints and trade restrictions hurt his business irreparably. Coupled with vendors and suppliers filing for bankruptcy, Nick's business was no longer profitable.

Nick knew about my real estate achievements and was always envious. He was frustrated by the uncertain world of commerce and the money and time he had lost. He was tired of working so hard on an uncertain business. Nick was ready to learn about Deed of Trust investing.

First, I asked his net worth and how much money he needed to cover his daily expenses. He was lucky. If he liquidated everything he had, he could invest half his assets in Trust Deeds and keep the rest for other ventures. He did exactly that. Now he runs a successful lending company.

Nick tells me every day that, had he known making money through Deed of Trust investing was so easy and secure, he never would have engaged in textiles—or any other business, for that matter. The problem was that no one had informed him such a thing exists.

This book is designed to do exactly that: inform you. There is an easier way to make money, and your life will change as a result of investing in your future.

Deed of Trust, Deed to Success

Now that you know this investment vehicle can change your life, you may be asking, What is a Deed of Trust?

A Deed of Trust is essentially a loan, with interest, that uses the deed to a property as a security interest for repayment of the loan. The loan comes from banks or private investors, and the Deed of Trust includes very specific instructions for repayment and penalties for failing to do so, along with remedies. The agreement involves a borrower, a lender, and a trustee who is an impartial third party.

If the loan is not paid back, lenders can ask trustees to decide if the agreement was violated. If needed, the trustee in nonjudicial states can follow the proper protocol to sell the property and repay the lender with the proceeds. Basically, your security interest is the Deed of Trust or title to the borrower's property.

Here is an even simpler explanation: Jimmy and Jack are going to McDonald's, but Jack does not have enough money to buy his Big Mac. Jimmy can lend Jack ten dollars, charging fifty cents in interest, but he tells Jack that he needs the money back within a day in order to use it at the county fair. Jimmy is not sure if Jack will pay him back, so he asks Jack to give his bike to their friend Sally as collateral until Jack pays back the money. If he does not repay, Sally can sell the bike. Jack doesn't want to lose his bike, but he knows he can pay Jimmy back the next day, so he agrees, and they both sign a document to confirm the agreement.

Once Sally knows that Jack paid Jimmy back, Sally will give Jack his bike. If Jack doesn't pay on time, Sally can sell Jack's bike and give Jimmy his $10.50.

Either way, Jimmy is going to have his money for the county fair.

The same thing is true, whether the loan is $10 or $10,000, and whether the property held as collateral is a bicycle or real estate. The idea is to have something of value in order to ensure repayment. With a Deed of Trust in place, the lenders almost always receive their investments back, along with the interest owed, unless certain events such as lack of equity or matters further described here occur.

Why Invest in Deeds of Trust?

We live in an era where a lot of options exist for making money. With so many choices, you might be wondering why investing in Deeds of Trust is the best one. Well, let's consider some of your other options and explain why Deeds of Trust have the most potential.

You can invest directly in real estate and potentially make a lot of money. However, I have seen property values fluctuate too many times. If you are not very educated about the property, location, and workings of the real estate world, you could lose money. Then you will likely be on the hook for the difference. The investor is also responsible for the repairs, maintenance, and all other costs that come with owning property.

When you invest in the Deed of Trust, however, you are not responsible for the majority of those expenses or liabilities. You simply lend your money and get paid back with interest. You are not accountable for anything else, and your return will be exactly what you agreed upon. This benefits you, the investor. You can depend on this amount and include it in any financial plans.

The main difference between Deed of Trust investing and other real estate investments is that with Trust Deed investing, the amount of money you make is prearranged. This may not be as exciting as investing in real estate, and you will probably make less money per transaction, but the risk is far less.

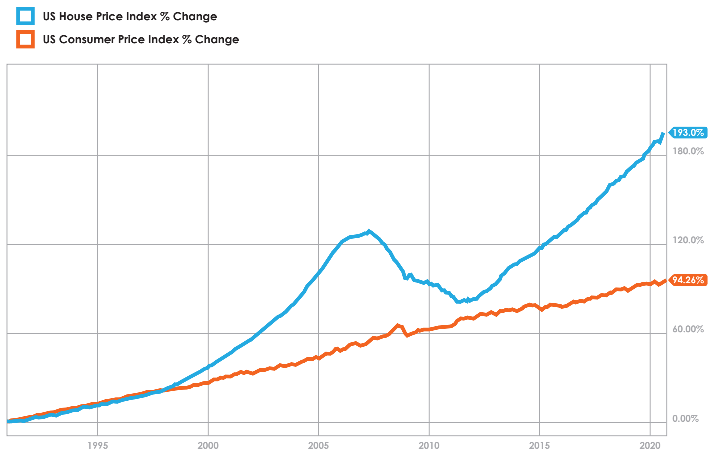
The interest you will make is based on your own negotiations, not speculations about potential appreciation. That security of knowing and not wondering means less stress for you. Truly, that's worth a million dollars.

You could also invest in the stock market, but you'd have very little control over what happens. Remember the inflated pricing and fraud of the past?

With Deed of Trust investing, no one can inflate or deflate anything. Whether the property owner's business goes up or down, you are unaffected. You will still receive your rate of return. If the property value drops below your low amount and the borrower decides not to pay, your investment may be at risk, but you can mitigate that by obtaining a personal guarantee on each loan.

Other investment options you may consider are commodities, such as gold, or bonds, which are still subject to market speculation, depreciation, and loss of value. Government-issued safe bonds pay very little interest. None of these investments can guarantee that you will get an 8 percent to 10 percent return on your money for the next twelve months.

Deed of Trust investing can. It is so much safer, and the guaranteed income is addictive.



Indirect versus Direct Investing

You have two options for Deed of Trust investing: direct or indirect investments.

The first option is a direct investment, where you directly give a loan to a borrower with an agreement for collateral. You and the borrower also have a third party acting to sell that collateral if payments are not made on time.

With direct Deed of Trust investing, you need to know every little step of the process, and you need to understand the nature of the deal. You might work with brokers when investment opportunities are presented, but you make the Deed of Trust investment on your own, so you alone have to decide whether to move on each deal. You also need to know about the legal paperwork and be able to effectively evaluate assets and the borrowers' ability to repay, not to mention restructuring the transaction in order to properly protect your investment.

The benefit of direct Deed of Trust investing is that you can invest any amount of money in this kind of agreement, for as long as you want. You can invest as much as you feel comfortable with, starting as low as $1,000. Also, the shortest length of an investment tends to be one year. Both investment amounts increase from there.

Your second option is indirect Deed of Trust investing. With this option, you choose a company to manage the investments for you. Basically, once you decide to invest with a particular company and give it your money, it handles the details. You collect your returns.

Even with indirect investments, you still need to educate yourself. You should familiarize yourself with the type of investments your company makes and how it handles them. You also need to periodically monitor your investment.

With indirect Deed of Trust investing, you have to qualify as an accredited investor before you can join an investment firm. Most companies require you to have a minimum annual income of $200,000 for an individual, or $300,000 if you have a spouse, for at least two years in order to join. If you don't meet that requirement, a net worth of $1 million—either alone or with your spouse—may qualify as well. That net worth can include other real estate investments, cash in the bank, stocks, bonds, or anything other than the value of your primary residence.

These requirements were put in place by the government to protect consumers after the real estate and stock market crash in 2008. A lot of people lost their livelihoods and entire life savings, and these thresholds will prevent that from happening again.

With this protection in place, you are shielded from risk. Indirect Deed of Trust investing also comes with another huge pro: you are much more likely to get a higher rate of interest when working with an investment group, compared with going it alone.

Both direct and indirect investing are safer than gambling your money on the stock market, and both yield higher returns than storing it in the bank. Ultimately, the decision as to which is the better investment for you can be made only by the primary investor involved—you.

Which Is Right for Me?

To know which vein of Deed of Trust investments to pursue, you need to ask yourself some questions: How much of a return do I want? How much am I willing to risk to get there? Am I okay taking a little less in returns for less risk? How much of an expert do I want to be?

When considering directly investing in Deeds of Trust, you need to completely understand each investment. You need the time and resources to resolve issues if they come up. Finally, you have to know how to evaluate both a potential borrower and a deal.

Direct Deed of Trust investments require taking some risks and making mistakes as you learn.

If you are the type of person who is fine making slightly smaller returns, as long as you feel more confident in the investment, indirect Deed of Trust investing may be better for you. You're not interested in becoming an expert. You want to invest with someone you can trust, someone who will take care of the details so you can live your life.

To become a direct investor, you have a lot more to learn in terms of how the process works and what you need to do to protect yourself. That time-consuming education of the complex ins and outs is more than any one book can cover thoroughly. The forms you need to be aware of could fill a book by themselves!

With indirect investing, however, you don't have to worry about all of that. The learning curve is much shorter because you're hiring experts—and leveraging their expertise—to take care of those details for you.

Relying on experts doesn't mean you have nothing to learn! While this book is going to teach you about the basic process and concepts you need to know, whether you invest directly or indirectly, we are going to focus on how to safely choose a firm and get started with indirect Deed of Trust investing.

After all, I still want you to be able to sleep at night.

The Path to Your Best Life

As your guide on the journey through indirect Deed of Trust investing, I am going to show you how to achieve financial security with this investment strategy. As we proceed, you will see that our path contains four major areas to explore: finding a partner, making the deal, protecting your investment, and collecting your money.

Find your partner. The most important decision you will have to make as you get started in Deed of Trust investing is choosing the best investing partner. You'll learn how to vet potential lenders, how to read the agreements, and how to get the pertinent information before you make the deal. With the right investing partner by your side, you'll be able to invest with confidence.

Make the deal. You don't want to sign a check until you can be sure your investment will be secure. You'll do that by looking carefully at the agreements outlining your investment. You'll learn ways to secure your investment further. Also, you'll learn about the rules that must be followed. Once you have the right partner *and* the right deal, you will feel secure in your investment.

Protect your investment. After you see how deals come together, you'll learn how to protect your investment. If you are fully aware of potential pitfalls, you'll be able to avoid them. With Deed of Trust investing, a safe investment is a lucrative investment—and that means greater peace of mind for you.

Collect your money. The final step is to collect on your investment and live the life you want to live, knowing you have found a safe way to secure your family's future. As you consider your next steps as an investor, you will discover new ways to make an impact on the world.

Four simple steps to your best life. That's it. Yes, some steps will be easier than others, but all are within your reach. You just have to actually take them.

Once you start Deed of Trust investing, your days of financial struggle can come to an end. Instead, you'll enjoy the peace of mind that comes from knowing your financial future is secure.

Best of all, you will have something no one can take from you or your family . . . and you can bank on that!

Chapter 2

Find Your Partner

An Expensive Lesson

A lot of investment companies went belly up in 2008 because of the kinds of loans they engaged in. Investing in one of those companies cost a friend of mine $600,000.

My friend—we'll call him Tim—signed up with a lending firm that had higher rates, so the potential profits looked incredible. He didn't do his due diligence, though.

If he had, Tim would have seen that the company was investing in high-risk assets, such as vacant land. When the firm began investing in even riskier ventures, Tim wasn't aware. He had not made sure he would be notified when the lenders changed their guidelines.

When the markets took a huge downturn and crashed, borrowers couldn't pay their loans. It didn't make any sense for them to develop the property. When those borrowers went bankrupt, all of the underlying investors lost their savings.

Tim lost everything—and learned a $600,000 lesson in investing.

A Valuable Partnership

Tim could have avoided that expensive lesson if he had been taught how to find the right lending partner.

Choosing which lenders to invest with is one of the most important decisions you will make. Those lenders will be your partners throughout your investment journey. They will make the actual deals, using your money.

Most lenders will start by saying, "Here's the perfect deal!" However, if the lender doesn't have enough knowledge or experience, the deal could easily fall apart at the last minute, due to a lack of funding. If there's no deal, you have nothing to invest in. You're not making any money.

If the deal does go through but isn't sound because the lender hasn't been compliant, your investment won't be protected. You are relying on the lender, broker, or firm to tell you what is right or wrong. Make sure you are represented by the best.

Your lending partner will put the deal together and find other investors to participate. As an investor, you are putting your money in a pool of funds that the company will offer as loans. The success of this investment is solely dependent on the lender's guidance, expertise, and experience.

If you find a good lender, it's almost certain you will find a good deal. The two go hand in hand.

Lenders vet deals to make sure they have enough equity, enough "meat on the bone," for investors to get their money back. They want to know what will happen if a borrower doesn't pay so the investors won't lose their money. There must be enough funds to cover that initial investment after paying the foreclosing fees, carrying costs, and other expenses.

If you choose to do a direct investment, you don't have a lender to rely on. With indirect Deed of Trust investing, however, your partner makes the actual investments. That is why your search for the right lender is such a crucial step.

Determining the right lender for you involves making a list of potential partners, interviewing each lender, and examining their guidelines.

Make a List of Potential Partners

Before you can decide which lending partner is right for you, you have to start by finding the lenders who are active in arranging financing for investors.

The ways to find partners vary in each state. You'll want to look for someone with a broker's license or a finance lender's license. In California, for example, these lists can typically be found with the Department of Business Oversight or the Department of Real Estate. Be sure to check the agencies in your state that monitor real estate sales agents and brokers.

You can sign up with lending associations or clubs. This will give you access to their lists of members.

You can also ask friends or family members for recommendations, or you can even try an online search to get a list of lenders.

Once you have these lists, you will want to narrow them down before you can interview lenders.

The best way to do that is to find out about their area of expertise. Lenders who work in private or hard money loans arrange financing with private funds. You can reach out to private lender conferences such as the Pitbull Conference (https://pitbullconference.com/), the American Association of Private Lenders' Annual

Conference (https://aaplonline.com/), or similar events. Also, consider looking for lenders who work with properties in your area, so it will be easier for you to check out the properties those lenders are investing your money in.

Interview Lenders

Once you narrow down your list of prospects, you can begin to interview individual lenders.

Along with confirming their expertise, you need to know the number of loans they generate each year and the states in which they operate. You also need to know how long they have been in business. I highly recommend working with lenders who have been in the business for at least a decade. That way, you know they've been through at least one downturn cycle, which tends to come every seven to eight years, so they know how to weather the storm.

Also, don't be shy about looking into lenders' financials. Request a copy of their financial records from the last two years and a balance sheet as well. The financial reports should be audited so you know that they are reliable. Have your CPA or professional consultant review the financial reports thoroughly too.

Ask lenders for their "legalities of formation," which is material about how the company was formed and which statutes and codes were used to form it. Verify this information with the state, looking at the guidelines and bylaws. You may need a lawyer's help to do this.

Finally, you want to confirm that the lenders have insurance and appropriate, updated licenses and that they are bonded.

After you've met these potential lenders and you feel comfortable with them, you need to look into their track record. This is crucial due diligence on your part.

Check out your potential lender's track record with foreclosures; the best lenders have very few. I do not recommend investing with a lender with a foreclosure rate higher than 4 percent. That lender is probably not vetting deals properly.

Find lenders who are always paid on time. They are doing a good job of selecting borrowers, so their investments are safer overall. The rates of return may be slightly lower, but a secure investment will provide peace of mind.

Even though you are investing indirectly, you can still decide which loans you want to be involved with unless you are investing in a pool of funds. In that investing strategy, the lender can use money from a few investors to arrange financing on a single property of the lender's choosing. If that is how the lender does business, then you need to know about it in advance, as your risk may be higher than if you invested in a pool of funds that invests in numerous loans.

As you research lenders, examine what types of real estate they are willing to invest in. Some lenders invest only in raw land, for example, which can be very risky. If the loan is foreclosed upon, you could be stuck with a non-revenue-generating asset. I don't recommend it. Instead, consider investing in rental properties, such as apartment buildings, shopping centers, or even single-family residences, all of which generate income. That way, if you or your lender need to take over the asset for any reason, you will still have money coming in. Also, you are more likely to dispose of the property quickly if you decide to sell.

As you examine lenders, keep asking yourself if you feel comfortable with how they approach investments.

Examine Lending Guidelines

The final step in your search for a lending partner is to thoroughly examine the lender's guidelines and quality control plan. All lenders should provide copies of these documents.

The lending guidelines will show you what kind of loans each lender is involved in and what parameters the company uses to vet the deal.

Look at the loans underwritten in the past. Are they high risk? Does your lender work with people with bad credit who need a loan and are willing to pay high interest rates for it? If so, are you comfortable with that level of risk? Some investors prefer it, because these loans can be more profitable if they work out, but keep in mind that those lenders are willing to risk losing money to make more money. Are you?

You can also look at what position lenders are in for their loans. Is the loan first, second, third, or a lower position? The higher the seniority of a loan, the better the position its lender has. Again, any position after first involves more risk, because previous debts may need to be paid. If a lender does take on second liens, you should decide if you want to assume that much risk.

Also, look in your lender's guidelines for what we call "class of assets." Basically, you need to know that your lender deals with real estate assets in a dense or populated area. Busier areas have more demand, so the asset can be resold more easily.

You should also read the lender's quality control documents. They will tell you more about how the lender approaches day-to-day business. If you are unsure about how to evaluate the lender's procedures and methods, you can hire a third-party broker or consultant to go over them.

When examining potential lenders, you will also need to read one more document: the private placement memorandum, or PPM. This document explains the company's structure. It also spells out the type of investments and loans the company does, the quality controls it implements, and the kinds of borrowers it takes on. The PPM also says how much notice the lenders will give to investors if a deal changes, so investors can opt out.

As you can see, it's crucial to have a lender with an "open book" policy. You want to be able to walk into the office, look at a deal's paperwork, and make sure the company is following all of the conditions in your agreement and the PPM. If a potential lender either doesn't have every part of this documentation or won't let you examine it, that's a huge red flag.

At the end of the day, it's your money. You have every right to look at account ledgers, payment history, and other documentation. A lender's transparency is a key part of your partnership. If you find yourself getting the slightest pushback, walk away.

Once you've looked at these documents, you'll know if you are comfortable going ahead with this lender. If so, congratulations! You've found your partner!

Worthwhile Knowledge

As I think back to my friend Tim's very expensive lesson, I see how easily he could have avoided his $600,000 loss.

Tim's mistake was not looking carefully at the lender's guidelines and quality control documents. If he had, Tim might have seen that the company worked with riskier loans from time to time. He might have thought about diversifying his investments, or simply investing less money at the time. He might have seen that the risk was more than he was comfortable with.

It was a costly lesson, but it's one you can now avoid.

Once you find your lending partner, you should breathe a sigh of relief. Then take another deep breath for what comes next, because it's time to put your money to work. In our next chapter, we will look at what happens when you are ready to make a deal.

Chapter 3

Make the Deal

In Insurance We Trust

A lack of title insurance took one potential investor out of the game on his very first deal.

New to Deed of Trust investing, a friend I'll call John found a company that offered much higher interest than other companies in the field. He looked into it, and it sounded like a great venture. John gave the company $200,000 and waited for the profits to roll in. He thought he had done his homework.

At this point, you have already learned it takes more than that!

The lenders turned out to have second position on the loan, but they had inadvertently told John they held first position—and that the property had a lot of equity. They had assured him he was protected. John believed them. (Whatever happened to “trust but verify,” John?)

The loan went into foreclosure. A $1.6 million Deed of Trust was brought up as the first position, which took priority for repayment. Worst of all, the deal didn’t have title insurance, so there was no way to recapture the investment.

John walked away with nothing. Not only had he lost his initial $200,000 investment, but he also had to pay extensive legal fees. For that amount, he could have gone to law school himself!

Back to School

John had started to do his homework, but he didn’t complete the assignment.

Before you actually make a deal, you need to know that the deal your lending partner has found is the right one for you. You don’t just walk in, write a check, and walk out the door.

After you spend so much time and effort vetting lenders and choosing a partner, it’s natural to want to get started in Trust Deed investing. You are eager to let your hard-earned dollars get to work. Finally, you will be able to relax, knowing that your safe investment is in good hands.

In your mind, you can practically feel yourself sitting on a beach, awaiting your mai tai.

Not so fast.

The time is coming when you can sit back and reap the rewards of low-risk investment. However, you still have a few things to do in this initial stage so that no surprises derail your deal.

When you get involved in the process, not only do you need to know your lender has guidelines, but you also need to know that those guidelines will be strictly followed. Make sure that you get what you bargained for. Then you can take that beach trip and soak in the sun, knowing that everything is properly handled.

Doing your homework before you make the deal ensures your investment is secure. That homework has three steps: verifying the asset, reviewing the paperwork, and locking in your lockout period.

Scrutinize the First Deal

As you get started with indirect Deed of Trust investing, you need to be closely involved in the first deal.

Start by asking the lender, "What's the next loan you are funding? What's the property's address?" Then grab your car keys.

You need to see the condition of the property and any structures on it, and you should try to see it in person. This is called verification of the asset. You want to check the accuracy of the appraisal the company did before you make the loan. It is now customary for the lender to obtain an appraisal through an appraisal management company. You do not want to use an appraisal that was ordered by the borrower. Your lender should have a copy of the appraisal available for you. You can also do online market research on real estate appraisal by searching websites such as Zillow.com or Trulia.com.

As you verify your new investment, what happens if, for example, you check out the property and find that other houses in the area are selling for half the price of the property you are considering for investment? Well, go back to the lender and say you disagree with the appraisal.

The appraisal valuation is the key to this whole deal. If your lender doesn't get paid by the borrower, the lender's only recourse is to foreclose on a property. You need to know that the lender can get enough at sale to pay back your investment while covering the foreclosure costs.

I recommend you never invest in a property—even indirectly—that you wouldn't want to own. Investors who get involved with Deed of Trust investments can easily end up with the property. Before you invest, always ask yourself this question: If I had the opportunity to purchase the asset, would I buy it?

Make sure you and your lending firm are on the same page about how to handle this situation. Does the lender have a plan for what would happen if an investment property suddenly comes under the firm's ownership?

Remember, the decisions your lending partners make are ultimately made with your money. Learning about those decisions, and being fully involved in that first deal, means that your money goes to work for you in the safest way possible.

Paperwork Made Simple

Picture yourself making your first indirect Trust Deed investment. You have seen the property, and the appraisal is accurate. Now your lender is showing you all of the details. Suddenly, it seems that papers are everywhere!

This step in making the deal can be overwhelming. However, I am going to show you exactly what you need to look at first, so you can be as effective and productive as possible.

First, make sure your lender knows about the borrower's exit strategy. Would the borrower want to fix up the property and lease it out? Or would he or she just want to make it look good in order to sell it?

Next, consider the borrower's background and experience. You want to know that the borrower has what it takes to come up with a business plan and get the job done. Most importantly, how many times in the past has the borrower been able to execute this kind of business plan?

If the property is a fixer-upper, does the borrower have the experience to do it? Even if he or she is a contractor, the borrower may have no experience in flipping homes or doing investment deals. If the plan is to rent out the property, does the borrower have experience in leasing and rentals? Can the borrower accomplish the task in time to pay off the loan?

Ask how many projects the potential borrowers have done in the past and how successful the projects have been. Were the borrowers' past projects profitable, or were they failures? Why?

Beyond these items, the most important thing you'll need to know is how much your lender looks into the borrowers' financial capability to pay back the loan if they cannot properly execute the business plan or if they hit a snag along the way. Is the lender likely to make sure you are repaid? How will you know this? The paperwork will show if the lender has cash in the bank. Compare the firm's debt payments to its income. Check its credit scores.

While you only need to do this deep dive on the borrowers for your first deal, you want to be confident about your lender's procedures.

You need to know if the lender is giving the same interest rate to similar clients—and if not, why not? For instance, the lender might explain that another client earned a lower interest rate due to industry experience. On the other hand, if a lender cannot explain why some clients get one interest rate and others get a different rate, consider this a warning sign.

You now may be thinking, Wow, this is too much; I can't do this every time I do a deal. Well, let me reassure you: this level of research and scrutiny is not needed for every deal. It takes time for the lender to produce the documents you need to obtain these answers, and that process would be too tedious for both you and the lender on a continuous basis. Neither of you would ever get anything else done. Ask your lender if the documents are available online via the firm's web portal so you can check on them if you want to.

Lock In Your Lockout

Once you have decided on the right deal, you write a check, and then your part is done!

However, be aware that if you need your money back sooner than anticipated, your indirect Trust Deed investment most likely comes with a lockout period. This is a predetermined amount of time that your money is held in the deal.

Imagine that I am your lender. You give me money to invest, and I loan it to someone, with interest, promising the borrower the use of that money for one year. A few weeks later, you lose your job, or get divorced, or you have an unexpected medical bill. You come back to me and say, "Can I have my money back?" Big problem.

Know your lockout period and consider your money gone for that entire time. If there's even a chance you might need that money during that time period, you should not invest it at all.

Also, lockout periods are often longer than the actual length of the loan. For instance, if the loan is for twelve months, the lockout period might be fourteen or eighteen months. Some lending firms even have lockouts of sixty months or longer. Longer lockouts are a safeguarding measure if the loan is not paid off in time or if the lending firm needs to proceed with foreclosure.

You'll find the length of the lockout period outlined in the PPM, in the lender's agreements.

Some companies do have policies that allow them to release your money early. This is typically up to the company's discretion, and you may be penalized for an early withdrawal. Any options or terms for pulling your money out early will also be outlined in the PPM—yet another reason why it's so important to have the right partner and to read the paperwork carefully!

Kick Back

At this point in your journey into indirect Trust Deed investing, let's talk about the specific feature of low-risk investments that appeals most to me—and to my clients.

Yes, I'm talking about the steady passive income that can help support your family and your financial future. Remember that beach vacation? Now it's possible. The only choices you have to make are whether you want to surf, snorkel, read the novel that's been on your reading list for ages, or lie back and relax, with your toes in the sand and the cool waves washing over you.

It can all be yours.

You are another step closer to being able to sit back, knowing you have done what you need to do. However, if you have any lingering concerns or "What if?" questions, the next chapter will discuss how to deal with the situations that may appear despite your thorough preparation.

Chapter 4

PROTECT YOUR INVESTMENT

Brother Behaving Badly

In 2011, I bought a property in foreclosure that had initially been a Trust Deed deal. The property was owned by two brothers, Bill and Bob, who had inherited it from their mother. Bill lived on the property, but Bob had taken a $150,000 loan out on his half of the property's title.

Bob ended up defaulting on the loan, and the property was foreclosed upon. When I went to the house to tell Bill that he would have to move out, he was shocked. He insisted that he had never known about or consented to the loan. Looking at the paperwork, he said, "That's not my signature."

He was able to prove it too.

It turned out that Bob had committed fraud by forging Bill's signature on the loan documents. He had even obtained a fake ID to say he was Bill!

Bill ended up having to take his brother to court to settle the case. Fortunately, the lender had done everything right, including title insurance and a properly recorded deed. He had no way of preventing the fraud from taking place, because there was no reasonable way of knowing what Bob was doing.

Bill agreed to give up his half of the house, and the title company wrote a check to him. Bob had already received his half, so I maintained ownership. It all worked out in the end—except for some very bad blood between brothers.

Monitor Your Investment

As the brothers' story illustrates, even the safest of investments can go bad. If it does, you need to be ready to ask questions such as "Why did this happen?" and "How can we prevent it from happening again?" As with this case, it may not be the lender's fault at all.

Even though indirect Deed of Trust investing is relatively secure, it is still an investment, and every investment has potential for risk. Awareness of possible pitfalls—*before* they become an issue—allows you to discuss strategies with your lending partner ahead of time.

Without taking this step, you could be in for an ugly surprise. Investing more time now can save you sleepless nights, anxious days, and a whole lot of gray hair.

The appeal of Deed of Trust investing is that it is low risk and low-key. You know what your interest rate will be, and you know that collateral secures your investment. For the most part, you sit back and collect your payments. Very little work is involved.

You must, however, periodically monitor your investment. The easiest way to do that is to check that the borrower's payments are timely by talking to your lender or, if available, accessing the payment portal online.

As you monitor your investment, you are looking out for any potential problems. This involves preventing problems in the first place, having a plan for any problems that do arise, and steering clear of bad loans.

Inventive Prevention

To ensure that your money is as secure as possible, you need to know the procedures and practices to have in place before you write that check.

You can help borrowers stay on track by having your lender require an interest reserve. Borrowers put up three months' worth of interest payments before the loan even begins. This money is held in a trust account and automatically deducted.

When clients pay into an interest reserve, they are more likely to pay off their loan. It's psychological; they have more "skin in the game." This is especially effective with borrowers who have weaker credit histories or who are new to the industry.

Our office had a recent case where a borrower previously had three delinquent loans totaling around $2 million because of an incompetent accountant. He had some experience flipping properties and substantial assets to cover the loan, but not enough that we were comfortable making a new loan. We needed extra assurance from him, so the client put three months of payments in a trust for us.

This client fell behind in his payments, and it quickly became apparent. However, we just had to call and remind him. He hadn't noticed that he was behind, and he started sending payment checks.

If you notice a borrower falling behind, ask your lender to contact the person and try to work it out. Maybe the borrower needs a little nudge. Maybe the loan should be modified slightly. Maybe the borrower needs to be convinced to sell and pay back his or her debts.

If your lenders let it slide too long, however, the amount can suddenly become too much to pay back efficiently.

To avoid late payments, you can also get a personal guarantee so the borrowers are personally liable. They won't be able to avoid payments by shielding themselves with an LLC or corporation.

When private lenders lend money to individuals with low credit scores, it may not seem logical at first. However, these lenders consider underlying factors that lead to borrowers' problems, including erroneous reporting, a market downturn, a divorce, or even a sudden health issue. In that situation, the lender must be responsible and ask the right questions to determine the risk involved in lending to that person.

Pay attention to your investment by making sure your decision in choosing a borrower is sound, and it will pay you back in turn.

When Problems Crop Up

When borrowers struggle, you still need to be sure that your best interests are represented. This takes planning. Is the borrower offered other options to make the deal doable? Can he or she get back on track? Most importantly, can bankruptcy be avoided?

The biggest challenges that come up with Trust Deed investing are when a well-vetted borrower still can't pay. Despite your lender's careful preparation and your periodic monitoring, borrowers sometimes can't meet their end of the deal. Maybe the market crashed. Maybe their venture was too speculative, like raw land. Maybe they simply no longer have the money for reasons that could not have been predicted. The equity cushion we discussed previously is certainly a savior here.

As an investor, you want your borrower to avoid bankruptcy at all costs. Bankruptcy is expensive, and it won't help you at all. When you go to bankruptcy court, the judge might modify the loan, lowering the interest rate or giving an extended payment plan. None of it will be under your control. By design, bankruptcies usually involve reorganization and trying to save the borrower's equity.

Recently, I purchased a loan from another lender. The borrower's attorney had filed for Chapter 11 bankruptcy and reorganization. Instead of convincing the borrower to sell the property and allowing the time to do it, the lender pressed for foreclosure. I don't know why. Although the lender did recoup some costs, that approach required extensive legal fees and a lot of time. More importantly, it sacrificed the opportunity to redeploy the capital. Lenders should discuss avoiding bankruptcy early on and find a way to help the borrower reposition the property.

I highly recommend that you encourage your lender to contact defaulting borrowers ahead of time to modify terms privately. Some investment firms have a loss-mitigation department, and the staff there will negotiate with struggling borrowers.

Another option is a deed in lieu of foreclosure. With a deed in lieu, the borrower simply gives the deed on the property to the lender as repayment and avoids foreclosure proceedings. The only catch is that you can't sue for additional money if you lose money as a result of such a transaction. For instance, if you take back a property with a high loan-to-value ratio from a wealthy individual, you skip the horrendous process of foreclosure. However, if the property is sold at a loss, you cannot sue the borrower for the difference. This is the law in California, but other states may vary.

One more option is forbearance, in which the lender and the defaulting borrower agree to delay foreclosure. The borrower gets more time to either sell the property or find another way to pay the lender back.

Forbearance agreements are appropriate only when you have reason to think that the money can be generated in time. Usually, the borrower plans to sell the property during that time, and it saves the lender from having to take on that task.

Again, you should know how your lender would resolve this issue—*before* it comes up.

Know Your Laws, Know Your Loans

Steering clear of bad loans is the most important thing your lending company can do for you.

Bad loans happen because a loan does not meet government codes or guidelines. As an investor in indirect Trust Deed ventures, you need to make sure your lending company follows the rules.

Over time, lending laws change and evolve, and new ones are introduced. For instance, in 2010, a federal law called the Dodd-Frank Act was implemented and became very influential in our industry. Formally known as the Dodd-Frank Wall Street Reform and Consumer Protection Act, the law allows the government to regulate the financial industry. It says that lenders can lend only to people who have the ability to repay the loan. Also, violators can't charge any interest, and they have to pay the borrower's legal fees and costs. Dodd-Frank applies to all loans, including ones to family and strangers.

You need to be sure that your lending partner follows the Dodd-Frank Act guidelines. I like to say, "Writing a check? Ready to crank? First check with Frank!"

If you don't follow the guidelines, you could potentially lose a great deal of your assets.

To make sure your lending firm is knowledgeable about the Dodd-Frank Act and other laws that will affect your investments, you must stay educated too. Keep abreast of these new laws by attending various real estate seminars and routinely visiting your state's financial regulatory website. If you do become a member of any of the conferences in the private money-lending business, such as the American Association of Private

Lenders (AAPL), subscribe to their mailing list to keep up with the new regulations.

Best Interests

It breaks my heart when people lose money because of easily preventable errors. If only they knew some of the basics!

For instance, you have to completely understand and carefully monitor the conditions in your loan agreement and enforce them properly. If you don't, others will take over and make the profit that could have been yours.

Occasionally, I buy "problem" loans at a discount. I then fix the issues, generally by entering into a forbearance agreement, as mentioned earlier. In 2018, for instance, I bought a loan on an office building from a bank. Yes, it's surprising, but it happened! Despite there being a "due on sale" clause on the promissory note, the borrower sold the property. The new owner started making payments, and the bank accepted them. When it was caught during an audit, the bank had to foreclose on the property.

Instead, the bank should have recognized that foreclosure was coming because of the sale and established a forbearance agreement—or enforced the "due on sale" clause. The bank's disorganization and recklessness cost it a profitable deal.

By learning how to avoid pitfalls, you have almost completed your journey through indirect Deed of Trust investing. The journey isn't over yet, though. Chapter 5 gives you the payoff as you collect your money and live your best life.

Chapter 5

Collect Your Money

A Promise Kept

I'll never forget what life was like when we first arrived in New York. After living in luxury in Tehran a few months before, we were alone, mourning my dad, and penniless in a foreign country.

The weather was so different from home, and we were always cold. We lived in a basement in Brooklyn, sleeping on the floor. We ate ready-made food most of the time. It was nothing like our luxurious life in Iran, but we managed.

"It's only temporary," my mother would say. She tried to give us hope, but it was hard to believe her. So much had already been taken away.

Even those tough times had their bright spots, though. We couldn't wait for Shabbat, the Jewish

Sabbath holiday. That's when we went to services at Chabad. After services, they served warm food to the families. There was a pretty tasty meat stew called chulent—such a treat.

Many years later, after my success in Trust Deed investments, I kept the resolution I had made during those difficult times. I had a way of making money that no one could take away. I was even able to give back to other people in need.

In 2015, when an uncle from my mother's side approached me about distant relatives in Israel who needed help, I was glad to contribute—the same way Chabad and others had helped us in our time of need.

One of the parents in this family of eight suffered from a severe medical condition, forcing the family to sell their business to pay medical bills.

When my uncle approached me, it was Passover, a Jewish High Holiday. Everyone wanted to be sure this unfortunate family had something special to eat. They were trying to raise a couple hundred dollars to bring them food.

I was so lucky to have the opportunity—not just to help, but to go above and beyond. Instead of the $100 I was asked for, I wrote a check for $2,000. I felt lucky to do it. After the holidays were over, my relative called to thank me. Yet I was the one who was so grateful to be able to help someone in a time of need.

Get Paid

At this point, we've come to the very last steps of the investment process: collecting on your investment so you can move on to make the most of your good fortune.

The payment procedure for indirect Deed of Trust investments is based on a service agreement. When creating your initial arrangement with the lender, opt for a third party to handle the funds. The contract, called a service agreement, ensures you get paid. The servicer will be a buffer, a neutral third party responsible for compliance issues in terms of servicing and collecting payments. The funds come from the interest and principal portions of the loan.

Servicers are licensed, bonded, and insured, and you'll need to check that as part of your due diligence. Plan to check references too.

In order to get your money faster and not wait for the lender to pay you back, you can instruct the servicer to put your interest into another deal. For instance, if the loan amount is $1 million and you paid $250,000, then you technically own 25 percent of the interest derived from the loan. Upon receiving the monthly payment, the servicer can send you your share directly instead of sending the whole amount to the lender. This arrangement may not work, however, when you are investing in a pool of funds.

Everything is so automated these days, and servicers are no exception. If the money is paid through their accounts, they can take out their fees and automatically transfer the rest to your account, ensuring you get paid quickly and accurately. For their services, including tax reports, the servicers will be paid a flat fee, usually between twenty dollars and seventy dollars per month, depending on the size of the loan and the services you want.

Using a third-party servicer to collect your payments is just one more way to make sure your investment is secure.

Invest in Your Best Life

As you know by now, I owe my fortune to Deed of Trust investing. I am able not only to collect on my investments but also to live the life I really want to live—a life beyond my dreams.

Now you have the opportunity to live your best life as well.

Trust Deed investing offers so many benefits. First and foremost, it gives you a steady residual income. You won't rely on your daily business or your employment anymore. You will know that your money is making more money for you.

Deed of Trust investing can even make you healthier! Not only will you be less stressed about money, but you'll also have more time to take care of yourself. Imagine having time to work out whenever you want to. Personally, I am an active bicyclist—riding more than one hundred miles at times—and currently training for a triathlon.

Trust Deed investing can give you time for every item on your bucket list.

So many of us in the business world work overtime trying to provide for our loved ones. It's not healthy, really. However, taking time for your health can actually help you at work. You will stay sharp to digest and apply the complex information you are taking in. Healthy body, healthy mind.

Finally, Deed of Trust investing also gives you peace of mind.

You know exactly how much money is coming in from your investments, so you can decide exactly how you want to spend it. You can budget for all of your expenses because your income is stable and secure. You don't have to worry about accidentally overextending. You won't be caught off guard by business being down, the market taking a turn, or any of the other things that are beyond your control.

It's wonderful to be able to make concrete plans for the future. You can book vacations. You can plan for fun. Best of all, you can look beyond the immediate future and leave a legacy for generations to come.

Your children will have incredible opportunities. You can send them to private school or provide the best tutors. As your children get older and have entrepreneurial aspirations, the Trust Deed income can help their dreams come to life.

Within that, they can make a lot of money without the pressure of having to follow "in Daddy's footsteps." A lot of people leave their kids with businesses or assets that the kids don't want anything to do with. With Trust Deed investing, you are leaving your heirs with a system that requires minimal involvement. They can make a lot of money and still continue to do what they like best.

When it comes to our kids, isn't security the best thing we can leave them?

Giving Hands

My profits from Deed of Trust investing don't help only me, my family, and my extended family anymore. I've enjoyed giving back to good causes.

You will too. You can use your wealth to support charitable events, give donations, and contribute to the good causes you couldn't support before. Now you can do it all.

Giving back to the community has always been a priority for my wife and me. We give to many religious and secular nonprofits, including the Chabad youth organization, which supported my family when we first arrived in the United States. It means so much to help them after they did so much for me.

Living in the US, we tend to take things for granted. Everything is so comfortable, and we can get almost anything we want. That is not always the case elsewhere. People are in need of food, clothing, education, and medication—things that are at our disposal. I hope to pay it forward to another young kid.

With your extra income, money generated by itself that you don't even have to work for, you can help the needy anywhere you want. It will give you gratitude for what you have and the satisfaction of knowing you have done something positive for the larger community.

That, by itself, will open up a lot of doors—even to heaven.

The Next Step

Our journey together is almost at an end. I have enjoyed sharing my knowledge with you. It has been an honor to guide you through the world of Trust Deed investing.

Now it is time for you to take the next step—but you don't have to take it alone.

My company, Sunset Equity, has been actively investing in Deeds of Trust since 2006. We are one of the more experienced firms out there, with a proven track record, and we have survived the tough times of economic cycles.

I hope you will let our experience benefit you as you begin your own investing career.

You can reach out to my firm at https://sunsetequityfunding.com/, and we'll be glad to give you a free consultation, whether you are interested in investing with us or any other firm. We are happy to share information about the kinds of loans we do, our lending criteria, and our guidelines. If you have additional questions about Trust Deed investments, you can email me at ben@sunsetequitygroup.com. I can simply give you advice, or I can even set you up with your first—of many—deals!

Remember, if someone like me—a young, first-time lawyer with an inspiring client—can get started in Trust Deed investing, you certainly can too.

A Hidden Secret

To me, Trust Deed investing feels like a hidden secret I can finally unlock for the world. This is not just a safe way to invest, but a powerful tool for making money and growing wealth. It might sound too good to be true, but I can assure you it's real.

I am so happy to share it with you.

Now, after reading this book, visualize yourself actually doing this. See yourself living the life you have always wanted—the life you deserve. We are all here in this world for a very short period of time, but the mark we make can last forever.

Get started now so you can live your own dreams. Nobody can ever take those away from you.

This book is not the end of the road. The next chapters of your life are in front of you—but they are yours to write. I wish you all the best with it.

About The Author

Benjamin Donel, ESQ. is the Managing Principal and Founder of Sunset Equity. As a licensed real estate broker and attorney, he is a prolific real-estate investor, having flipped more than one-thousand homes, focused especially on distressed assets, foreclosures and note purchases. He is also the founder of Easy Financial, which has overseen more than $100 million in investments—earning double-digit returns that have added up to hundreds of thousands of dollars.

Donel now works as a mentor in the investing industry. He has hosted seminars and has appeared on international TV shows as a subject-matter expert, including the reality show *Million Dollar Listing*. In 2018, Donel was invited to join the highly esteemed Forbes Real Estate Council, establishing him as a trailblazer in the real estate investing industry.

Donel graduated from the University of California—Santa Barbara with a Bachelor of Science in Biochemistry and Statistics, and later earned his J.D. from Ventura College of Law. He lives in Los Angeles, California.