



CONNECT WITH US»

## INSIDE THIS ISSUE

Indecision is a Decision  
PAGE 1

Turning What You Have  
Into What You Need  
PAGE 2

Ask Gerald a Real Estate  
Question  
PAGE 2

Work Harder & Faster with  
This Secret Tip  
PAGE 3

Real Estate Insights  
PAGE 3

Real Estate Tips  
PAGE 3

Reef-Way  
PAGE 4

## REEF-WAY

*Darling, it's better down where it's wetter, at least that's the case for retired subway cars! Back in 2008, approximately 44 cars were well past their prime and in need of a good long retirement. But few of the millions of travelers who spent minutes, hours, or days barreling down the tracks within each car could have imagined that they would literally end up sailing off into the sunset! All 44 of the cars were dumped unceremoniously, albeit strategically, 21 miles off the coast of Maryland, to form the base for an artificial Atlantic reef.*

*The end goal was, of course, profit. Coastal Maryland is home to a thriving sport fishing industry, and the subway-reef provides a rather unique home for the marine life that brings in a significant amount of Maryland's fishing tourism.*

*While most of New England's deep blue sea is bare sand, New Jersey and Delaware have also started work on their own oceanic overhaul, speckling the sands with new man-made reefs that are now havens to thousands of migratory species of fish.*

*Considering that the sportfishing industry rakes in a whopping \$48 billion per year, it's easy to understand why the new reef was an attractive proposition. After only a few years unda da sea, the new reefs are living up to expectations. All over the world, man-made reefs are popping up, constructed out of our garbage. Be they made of shipping containers, sunken ships, or the odd subway car, these new habitats offer a lot to the environment and fishermen everywhere.*

AS SEEN IN »



[www.PerformanceProperty.com](http://www.PerformanceProperty.com)  
201.222.2979

## .REAL ESTATE INSIDER.

April 2015

POWERFUL REAL ESTATE TIPS & STRATEGIES YOU CAN USE

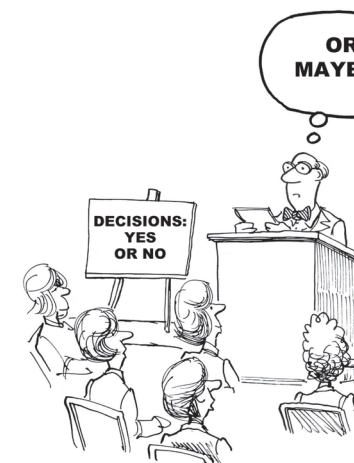
## INDECISION IS A DECISION

“All courses of action are risky, so prudence is not in avoiding danger but in calculating risk and acting decisively. Make mistakes of ambition and not mistakes of sloth. Develop the strength to do bold things, not the strength to suffer.” Niccolo Machiavelli

Let's welcome the arrival of spring after a punishing winter by embracing the fact that the Earth we all share is constantly in motion. The Earth's spin axis is tilted on its orbital plane which is what causes the four seasons. Life is movement. If we don't move, the circumstances and people around us will move things for us. If we don't move, our muscles will wither and atrophy, so resisting movement is not only pointless but unhealthy. This is why making decisions and being proactive is so important.

One of the main excuses people use for putting off decision-making is the fear of making a mistake. The problem with that logic is successful people make more mistakes than everyone else, precisely because they make more decisions than everyone else—they learn from their decisions regardless of how things ultimately turn out. You shouldn't be afraid of making a mistake—you should be afraid of standing still and letting the world pass you by.

Make it a point to cultivate decisiveness. Putting off decisions creates a cluttered mind. Decision-making creates order. Your life will be much more organized if you make decisions as they come. Rather than obsessing forever about decisions you've put off, your mind will be free to concentrate on more important things. Time is our greatest asset. Like money, we can invest it, spend it, or waste it. However, unlike money we can't possess, hold, or retain time—time comes to us for a moment and then passes by us.



How many times have you said to yourself, “I'll get around to that later” or “I'm going to take care of that one of these days”? This is masochistic, self-sabotaging thinking based on the foolish notion that we'll have more time down the road, or that an unpleasant task won't be as bad if we do it later. Unpleasant tasks usually get more unpleasant the more we put them off (think toothache or leaky roof). Nothing gets accomplished “sooner or later.” Things get accomplished at a specific moment in time.

Although it's tempting, your worst impulse is to wait, procrastinate, ponder, or wait and see. If you hear this inside your head, know that this is NOT how successful real estate investors respond to life's challenges. Fortune favors the bold. So now, the only open question is, are you ready? Good luck. Onward and upward!

**I'm putting on an epic real estate investing workshop on Friday, Saturday and Sunday, April 17-19 at the Empire Meadowlands Hotel, 2 Harmon Plaza in Secaucus, NJ. That's 3 full days for just \$197, where I'll reveal my most profitable real estate investing strategies. Find out more about the event and reserve your seat by visiting [tinyurl.com/gerald-lucas-4-17-15](http://tinyurl.com/gerald-lucas-4-17-15).**

*Gerald Lucas*

GERALD LUCAS  
Real Estate Expert & Best-Selling Author





# RUN THIS TOWN

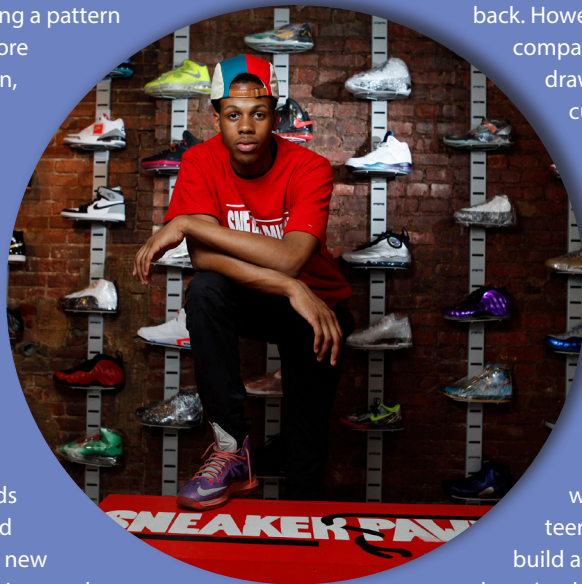
## TURNING WHAT YOU HAVE INTO WHAT YOU NEED

When 14-year-old Chase Reed needed a few extra dollars, like any self-respecting teenager, he turned to his father. Troy Reed supported his son's athletic sneaker obsession, which, at several hundred dollars per pair, was a valuable collection. Seeing a pattern in Chase's purchases, Troy decided to take a more strategic parental approach. From that point on, every time Chase asked his dad for money, his father would hold a pair of his sneakers as collateral until the money was paid back. When the entrepreneurial father realized the reality of the situation, the wheels began to turn.

Two years later, that father-son transaction is now a branch of the multi-billion dollar sneaker industry. The pair refurbished a space in Harlem to create Sneaker Pawn. To turn their light bulb idea into a reality, Chase sold his personal sneaker collection for upwards of \$30,000! Now, Sneaker Pawn uses a threefold approach to their business. The Reeds consign new and used merchandise, taking on entire collections and appraising their total value. They sell shoes outright in their store and online. They also return to their roots and pawn sneakers. Chase

evaluates a pair of shoes and grants 60-day loans according to the pair's value. Shoes are returned to their owners after the loans are paid back. However, one of the company's biggest draws are the totally customized shoes the high school student designs and sells for hundreds, if not thousands, of dollars.

Sneaker Pawn is now the talk of the town, and deals in shoes local consumers wouldn't normally be able to find. All things considered, Chase and his father didn't strike their original sneaker deal with a business in mind, but based on one teenager's monetary needs, they were able to build a profitable trade, and you can bet Chase doesn't ask his father for money anymore. In your own life, when it comes to opening your own business, sometimes it's best to start by looking at what you have to find out what you'll need.



### ASK GERALD

#### a Real Estate Question

**Q:** I gave my contractor money to buy materials for a job he was going to do for me on my rental property—he won't return my phone calls and seems to be avoiding me. What should I do? **Elliott, Deer Valley, NY**

**A:** Elliott, unfortunately, if you are a real estate investor who employs contractors to work on properties for you, there will probably come a time when you get ripped off by a contractor. I definitely have been ripped off before, so I know the painful feeling. Here are 3 ways that contractors can steal from you:

1. The first way is what seems to have happened to you—the contractor collects money up front for work that needs to be done and then disappears.

I try to avoid this by using general contractors and making them responsible for buying the material for the work that they do. If that isn't feasible, you can also pay for the materials yourself.

2. The second way contractors steal is by doing a "bait and switch." A bait and switch is when a contractor offers to do work for you, then waits until the project is well underway before claiming that the material he quoted in his estimate is no longer available, forcing him to buy a more expensive alternative and charge you more.

3. The third way home contractors steal is by cutting corners (i.e. for painting or roofing projects). For example, a contractor may skip out on priming new walls by painting only newer seams with primer (or by not priming at all). Roofing contractors sometimes don't flash properly, providing little to no protection from leaks. The best way to protect yourself against unscrupulous contractors is to have a very solid written agreement with your contractor before work begins and money is exchanged.

Thanks for your question, Elliott—good luck. For more real estate tips and information, visit my blog at [geraldlucas.com](http://geraldlucas.com).



## Whistle While You Work

She may not have been the brightest apple in the bushel, but Snow White knew what she was talking about when she encouraged her woodland friends to "hum a merry tune" whilst they cleaned the dwarves' cottage. Music not only inspires its listeners to work together, it also boosts efficiency and improves work ethic. In fact, studies show that listening to music while you work is a surefire way to ramp up your productivity and get things done faster.

That's because music allows us to create instant connections with those around us—we develop a sense of community, empathy, and connectivity just by listening to music together. That primal concern for one another translates into our desire to work together in a cooperative fashion. Boom, science.

Likewise, music can make boring tasks (like sweeping out a dusty cottage occupied by seven bachelors—or, you know, cleaning out your inbox) more fun! Listening



to your favorite genre while you work will not only make time fly, but you'll actually complete the task faster than you would have by working in silence. It's true! A recent study proved that a person's ability to recognize images and numbers was much faster when music was playing in the background than when there wasn't.

As if that weren't proof enough, another study concluded that assembly line workers who listened to music were happier and made fewer errors than those who didn't. It's no secret that music is the key to unlocking that "happy place" in our brains (i.e., the dopamine warehouse), but you might not know that music can actually help you perform tasks more accurately (even if you're a brain surgeon).

So go ahead, whistle while you work! Or at least pop on some headphones.

## Real Estate Insights

1. In order to maximize your return on investment (ROI) on rental property, you should focus on getting the property rented fast to a good tenant over getting the highest possible rent amount because just one month of vacancy can destroy your ROI and cash flow for the year.



2. Three Monster Mistakes People Make When They Sell A Home: 1) Counting a room without a window or a closet as a bedroom; 2) Not disclosing flaws and repair items to buyers; 3) Asking for an unrealistically high price for a home.

3. When you clean surface mold in your home, don't mix ammonia or any detergent containing ammonia with bleach because the combination forms a poisonous gas.

4. Bi-weekly early mortgage payoff plans essentially make about one extra monthly mortgage payment for a borrower every year. You can accomplish this on your own without paying your lender a fee to join their program.



1 When you rent a property, set up all appointments to show the property at the same time—this saves you time and creates more urgency for tenant applicants to make a decision.

2 Pay for property renovation projects by the job, not by the hour. When you pay by the hour, it normally takes more time and costs you more money.

3 Demand a solid written agreement with a home contractor or handyman before any work begins or any money is exchanged.

4 If you own a rental property, monitor market rents where your property is located by looking at rental ads online. That way, you can see what your prospective tenants or current tenants are seeing.