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The Future Is Now:

Hovercraft Technology Has Arrived

On May 25, 1983, George Lucas introduced the world to *speeder bikes* in "Star Wars: Episode VI — Return of the Jedi." In one of the movie's most pivotal moments, Luke Skywalker and Princess Leia race dangerously through a forest, hovering on speeder bikes, desperate to apprehend a handful of stormtroopers. Since that moment, the world has wished for the hover technology. Well, California-based tech company Aerofex has granted that wish.

While the exact date hasn't been announced, their Aero-X hovercraft is set to hit the market sometime in 2017. The hovercraft rides similar to a motorcycle. It seats two passengers and moves with two carbon-fiber spinning rotors. After a vertical takeoff, riders can hover up to 10 feet off the ground and cruise up to 45 mph. The engines use standard gasoline and run for a little over an hour per tank.

It's a fairly simple design. A rider sits between the two horizontal rotors and steers the craft's handlebar. Safety was a priority, and the rotors have been covered — preventing any accidental injury. Computer-regulated faults react to sudden weather conditions and automatically adjust the rotors. The engine and controls have built-in redundancies that allow the vehicle to come to a calm, complete stop if something



ever goes wrong in flight. There is also an added option to include air bags throughout the vehicle.

While the Aero-X will not require a pilot's license — you may need a certification similar to a boating license — it will require hefty pocket change. It is expected to cost around \$85,000, and the production process takes over six months. You can, however, get your name on the list now, as long as you put down a completely refundable \$5,000. Luke, Leia, here I come!

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.REAL ESTATE INSIDER.

JANUARY 2017

POWERFUL REAL ESTATE TIPS & STRATEGIES YOU CAN USE

This Year, Harness the Awesome Power of Incremental Progress



**"The man who moves
a mountain begins by
carrying away small
stones."**

– Confucius

How will you make sure that this year you accomplish the resolutions and goals that have managed to slip through the cracks in the past? Feeling a little overwhelmed? Don't be. It can be unnerving to dwell on the enormity of the entire goal you set for yourself, so don't do it. Instead, break your goal down into manageable, bite-sized tasks that will allow you to use short-term wins and accomplishments to motivate you on your journey. That's right, harness the awesome power of incremental progress.

It's hard to immediately grasp and comprehend the transformational power of incremental progress that's apparent when you marvel at the erosive forces that shape the Grand Canyon millions of years after it began to form, or ponder the extraordinary multiplicative force that is compound interest, which Albert Einstein called "the eighth wonder of the world." It's difficult to imagine all that power in one instant.

You're not going to accomplish your goals in an instant; you're going to accomplish them over time. Here's a way to immediately apply incremental progress power to your life and goals: Just focus on what you need to do right now to take that next step in the right direction, then take the next small step, and so on ... that's all that's required. In your real estate business, that next step may be the next marketing letter or postcard you send or the next cash offer you make on a property. As billionaire investor and former paperboy Warren Buffett said, "It's not necessary to do extraordinary things to get extraordinary results." Make 2017 a prosperous and productive year — you can start small, but you should start right now.

Onward and Upward!

Testimonial

"The smart real estate investor never stops learning. I've been investing in real estate for 20 years. I took Gerald Lucas' sage advice on a recent deal I did and made myself a quick \$35,000 in one week."

– **Greg Panayoti** | *Elmwood Park, NJ*

Want To Learn My Most Profitable Real Estate Investing Techniques?

If you're coachable, open to instruction, and will take what I share and put it into action immediately, complete the application by visiting <http://tinyurl.com/glcoachingapplication>.

After you complete the application here's what will happen:

I will personally review your application to make sure you're a good fit for one of my programs.

If your application passes, then either I or someone from my office will call or email you to set up a one-on-one interview and strategy session with me.

GERALD LUCAS

Real Estate Expert & Best-Selling Author



The Death of Productivity!

Are You Making This Time-Management Mistake?



If you think you're a master multitasker, put down your phone and listen up, because you need to hear this:

You're not.

The human brain simply doesn't have the bandwidth to do two or more things at the same time. According to Dr. Susan Weinschenk, when you think you're multitasking, what you're really doing is task-switching, or rapidly going back and forth between tasks — sometimes as fast as one-tenth of a second.

But that constant switching is mentally taxing. In fact, a study from the University of Sussex found that people who routinely multitask have lower gray matter density in

the area of the brain that handles empathy, emotional control, and cognitive control.

So, multitasking can literally damage your brain, but at least you'll have a short-term boost in productivity, right? Unfortunately, no. Researchers have found that multitasking slashes productivity by as much as 40 percent.

The quality of your work isn't better, either. You can expect to have more mistakes and less creativity in your work when you're multitasking. There simply isn't room to daydream or think up ideas if your brain is being pushed to the brink.

Multitasking is also disastrous for anyone who's actively trying to learn something. Split attention results in something called "inattention blindness," where your senses pick up stimuli like sounds or sights, but your brain doesn't register it.

This is what happens when you're texting someone on your phone while someone is talking to you in person — you don't really "get" what the person just said.

So, how should we manage our time? The key, ironically, is "single-tasking." Approach tasks in sequence and give each one your total focus. While you're doing them, build in short breaks to recharge periodically, such as a 10-minute social media break after 50 minutes of strenuous work, or five minutes after 25. Minimize distractions from email, social media, and phone notifications. Connecting with others should be its own task, not an always-on activity.

Single-tasking may not be easy in a world full of distractions, but if you master it, you'll be amazed at how productive you can be!

ASK GERALD *a Real Estate Question*

Q: Hi Gerald, I'm a rehabber negotiating a purchase of a bank-owned property. The listing broker keeps telling me I have to raise my purchase offer price because the market is hot. I want to build a good relationship with him, so should I offer more?

- Eddie, Florham Park, NJ (*How to Beat the Rising Home Price Trap*)

A: Great question, Eddie. I understand the pressure you're under today with rising home prices and low-housing inventory. The listing agent's goal is to get the house sold, so it makes sense that he wants you to make a higher offer — that makes his job easier with the bank. But in order to be successful as an investor you have to think independently, and you can't afford to let other people affect the specific decisions you make as an investor. Billionaire investor Warren Buffett said that "no one ever got rich paying too much for something." As a rehabber, you should know that in order to make money buying, rehabbing, and then selling a property, you can't pay too much for the property. I know it's challenging, and it is important that you never waste a Realtor's time because that can hurt your relationship with them. But it's important you stand your ground on the maximum allowable price you are willing to pay for a rehab property because overpaying can be disastrous to your bottom line. Thanks for your question, Eddie — good luck.

For more real estate tips and information, visit my blog at geraldlucas.com.



Every Home Sale Is Unique

Why You Can't Rely On Trends for Pricing

It used to be difficult to get any real information about homes and home prices unless you asked a real estate professional in your area. Now, you can find out how today's national median existing-home price compares to the price last year, and even see the price trends broken down by regions in the country.

This data is available from sources like the National Association of Realtors, the Federal Housing Finance Agency, and Case-Shiller. But here's the problem: There is no national housing market. In reality, these organizations are tracking *collections* of markets, and real estate markets are inherently local.

For example, the Case-Shiller reports include 10-city and 20-city composite indices. The 20-city index was up 5 percent during the three months of May, June, and July, while the 10-city index was up 4.2 percent. That's a pretty big disparity between the two figures. Conditions in one major city, or even parts of a city, can be the polar opposite of conditions elsewhere.

With all that said, it's even trickier to accurately track housing prices, even if you've skipped the national reports and burrowed down to the local level. That's because, unlike the pricing of commodities like barrels of oil,

houses aren't all the same. Even houses that all look the same in the same neighborhood will have different floor plans, views, and positions on the street.

Plus, homeowners treat their homes differently. Some neglect their homes while others renovate — and the resulting difference in price can be substantial. Fortunately, there are real estate professionals whose job it is to learn about a specific area, which takes us back to the beginning of this article. Yes, you can find out about housing on the internet or TV, but you're best served by trusting an individual with experience to help you sell your home.



Real Estate Insights

- Banks accounted for less than half of mortgage dollars extended to borrowers in the third quarter of 2016 — the first quarter that banks, credit unions, and other depository institutions have fallen below that threshold in more than 30 years.
- Existing-home sales rebounded strongly in September of 2016 and were propelled by sales from first-time buyers reaching a 34 percent share, which is a high not seen in over four years, according to the National Association of Realtors.
- U.S. Foreclosure Activity Increased 27 percent in October of 2016 from a 129-month low in September, the biggest monthly increase since August of 2007.
- Since peaking at more than \$8.7 billion in the middle of 2015, the quarterly pace of acquisitions and dispositions in the seniors housing and care sector has been slowing.



1. Always pay for a tank scan to check for underground oil tanks during your purchase contract's inspection period when you buy property.
2. When you pay for an oil tank scan on a property you are going to buy, have the company you hire determine whether the tank is actively in use. If the tank has been taken out of service, you should request all documents relating to the tank closure, including town permits and contractor reports. These documents will prove the tank was closed properly according to regulatory guidelines.
3. You can defer paying taxes on realized gains on the sale of investment property by utilizing IRS code 1031 — commonly known as a 1031 like-kind exchange.
4. Think twice before sinking a lot of money into home renovations like granite countertops, pricey fixtures, and fancy alarm systems — on average, capital improvements add only 50 percent of their cost to a home's value!