

Special Report

Dividend Real Estate

*Financial
Freedom
with 5
Single
Family
Homes*

*Learn How You Can Collect
\$3,580 of Monthly Dividend
Real Estate Income*



By Rob Minton

DIVIDEND REAL ESTATE

How You Can Collect \$3,580 of Monthly Dividend Real Estate Income with Just 5 Single-Family Homes

What is your plan for retirement? I'll bet I know what it is...

Get a good job, work your tail off, save 10% to 15% of each paycheck, and in 40 or 50 years you'll have enough to finally "retire."

On the surface, this plan makes sense. This is why we've all fallen for it. However, if you think accurately about this, you'll realize it may *not* be the best approach.

The reason why is because this plan was designed by financial planners and mutual fund companies. These financial planners and mutual fund companies make a significant amount of money off of this plan through fees and commissions as you continue saving each and every month for 40 years.

Your retirement plan is not free. One way or another, you're paying these companies commissions or management fees each and every year. **The more you save and invest through their plan, the more they'll make.**

If you have \$200,000 saved and they take 2% of this each year, they'll pocket \$4,000 of your money EACH year. In 10 years, they'll collect a total of \$40,000 from your savings.

If you have \$500,000 saved and they take 2% of this each year, they'll pocket \$10,000 of your money EACH year. In 10 years, they'll collect a total of \$100,000 from your savings.

If you have \$1,000,000 saved in your 401k plan and they take 2%, they'll pocket \$20,000 of your money EACH year. In 10 years, they'll collect \$200,000 from your savings.

Now multiply these amounts by everyone you work with and think about how profitable this plan is for the retirement plan companies. This is why they have large, beautiful offices. They are profiting handsomely off of your hard work.

In most cases, these fees are invisible to you. The reason why is because they are deducted from the income generated by the investments inside your retirement account. If the true return of the mutual funds and other investments in your retirement account is 9% this year, they'll subtract their fees and the amount you capture will only be only 5 or 6%, which is less than the actual return. This happens regardless of how well your investments perform. They always get to collect their fees.

The longer they can keep you saving in your retirement plan, the more money they'll make off of you. This is why these companies recommend working until you're 65. You work for 40 years, they profit for 40 years. You trade away your precious life while they profit with every paycheck you collect.

Please understand this approach to retirement IS designed for their benefit, not yours. Your retirement account is their asset. It is time to question this approach.

Instead of following their advice for retirement, copy their business formula yourself. Don't listen to what they say. Pay attention to what they do and copy what they do for yourself.

On a high level, their business formula is to get others to go to work to send them money each month. Every time you get a paycheck and have funds automatically deducted to be invested in your 401k retirement account, they make a little more money. They don't make a lot from each contribution, but it definitely adds up quickly over time.

Instead of being the one working to send others money, arrange your life so others work to send you money. Before we go further, it is important to understand there are only two ways to make money:

1. People at work.
2. Money at work.

Most people fall into the category of "people at work." They trade their time at work for money.

Others reverse this and trade their money to buy time. They use their money to buy income-producing assets. These income-producing assets send them money to use for their living expenses, eliminating their need to work.

This is so important, I'm going to repeat it:

You can trade your money to buy financial freedom by acquiring income-producing assets.

These income-producing assets all have people going to work to generate money to send to you. This is how we copy the mutual fund company's plan and use it to our advantage.

Using Coca-Cola stock, we can do some quick math to see how much money you would need to buy your financial freedom...

If your living expenses added up to be \$35,000 a year, or \$2,900 per month, you would need 28,688 shares of Coca-Cola stock to buy your financial freedom. Those 28,688 shares of stock, paying dividends of \$1.22 each year, would provide you with \$35,000 in annual income. As I write this, the price of one share of Coca-Cola stock is \$41.97. You would need to trade \$1,204,057 of your money to buy your financial freedom if Coca-Cola stock were your main income-producing asset.

All 700,000 of the employees working at Coca-Cola go to work each week to send you \$35,000 each year in dividend checks.

The good news is you can buy your financial freedom for a lot less than \$1.2 million. You can use different income-producing assets, which provide higher levels of regular income.

Another income-producing asset some may consider is interest-bearing bonds. These bonds pay interest, which can be used for your living expenses.

Using the \$35,000 figure of annual living expenses above, you would need \$700,000 of bonds paying 5% annually. With these income-producing bonds, you could live off of the interest income and enjoy financial freedom for life.

The same idea applies to every income-producing asset: stocks, bonds, real estate, or a small business you own that operates without your day-to-day involvement. People go to work in the asset to generate income for the owner of the asset.

You want to trade your money for these assets and use the income generated from the assets to pay for your living expenses. Your job is

to evaluate various income-producing assets to determine which assets will provide you with the most income at the lowest possible price.

How much will you need to buy financial freedom if you focus on dividend stocks?

How much will you need to buy financial freedom if you focus on interest-bearing bonds?

How much will you need to buy financial freedom if you focus on income-producing dividend real estate?

These are extremely important questions to ponder. However, most people never really think about them. They simply keep going to work year after year, putting 10% to 15% of their paychecks in their retirement plan, hoping to be able to retire at 65.

If someone were to ask these questions and figure out the answers, they would probably be surprised at how little is needed to buy financial freedom.

To illustrate this, let's assume you own a mortgage-free single-family home as a rental property. The monthly rent for this home is \$850. The tenant in this single-family home gets up and goes to work 5 or 6 days a week in order to get a paycheck to send you rent each month.

Since you own this home free and clear, your two monthly expenses would be homeowners insurance and property taxes, and in this example, we'll estimate these two expenses to be \$200 per month.

Each month, this asset provides \$650 of income for you. At the end of the year, you'll have collected \$7,800 in income from this asset after paying taxes and insurance. You can use this \$7,800 to pay for groceries, medical insurance, gasoline, cars, a vacation, or anything else.

If your living expenses were \$35,000 a year as in our earlier example, you would only need *five* of these mortgage-free homes to enjoy financial freedom. The families living in these *five* income-producing assets would go to work each week to pay you \$35,000 each year.

The prices of homes differ by area; however, I've found in most areas the magic number is *five* mortgage-free, single-family homes. This may or may not be the case for you depending on the price of homes,

the rental rates, your ability to pay cash, and your monthly living expenses.

In our area, someone can acquire an income-producing single-family home generating \$7,800 of annual income for around \$50,000. A portfolio of *five* of these dividend real estate homes would generate \$37,500 of annual income. This means someone in my area could buy his or her financial freedom for \$250,000.

Here are few examples of these single-family homes listed for sale as I prepare this report:

	Residential	MLS: 3608275	Status: Active	List Price: \$56,900
	30233 Royalview Dr, Willowick, OH 44095			Sold Price:
Area: 1103		Twp: Golfview 01	List Date: 04/13/14	
Subtype: Single Family		Subdiv: Lake	List Date Rec: 04/14/14	
Parcel ID #: 28-A-039-A-00-036-0		County: Lake	Pending Date:	
Open House:			Off Mkt Date:	
			Closing Date:	
			Contingent Dt:	
			Exp. Date:	
Directions: W of E 305th, S of Lakeshore Blvd			DOM/CDOM: 75/75	
			\$/SqFt: \$47.42	

This is a 3-bedroom home on Royalview Drive in Willowick. The asking price is \$56,900. Single-family homes in this area rent in the \$900- to \$1,000-per-month range. The monthly taxes and insurance for this home would be around \$300, providing a net income each month of \$600 to \$700 for an annual income of \$7,200 to \$8,400.

	Residential	MLS: 3636947	Status: Active	List Price: \$44,900
	958 Quentin Rd, Eastlake, OH 44095			Sold Price:
Area: 1107		Twp: Willowick Park	List Date: 07/13/14	
Subtype: Single Family		Subdiv: Lake	List Date Rec: 07/16/14	
Parcel ID #: 34-A-010-H-00-030-0		County: Lake	Pending Date:	
Open House:			Off Mkt Date:	
			Closing Date:	
			Contingent Dt:	
			Exp. Date:	
Directions: South off Lakeshore Blvd. or North off Willowick Dr. (before Parkland).			DOM/CDOM: 16/16	
			\$/SqFt: \$32.87	

This home is a 3-bedroom home in Eastlake on Quentin Road. The asking price is \$44,900. This home would rent in the \$800- to \$900-per-month range. The monthly taxes and insurance would be \$175, providing net income each month of \$625 to \$725 for an annual income of \$7,500 to \$8,700.



Residential MLS: **3632267** Status: **Active** List Price: **\$58,100**
188 Courtland Blvd, Eastlake, OH 44095
 Area: **1107** Twp: Sold Price:
 Subtype: **Single Family** Subdiv: **Willoway Beach** List Date: **06/30/14**
 Parcel ID #: **34-B-025-C-00-037-0** County: **Lake** List Date Rec: **07/01/14**
 Open House:
 Closing Date:
 Off Mkt Date:
 Contingent Dt:
 Exp. Date:
 DOM/CDOM: **29/29**
 \$/SqFt: **\$46.48**

Directions: **Located south off of Lake Shore Blvd.**

This 3-bedroom, 2-bath home is on Courtland Boulevard in Eastlake. The asking price is \$58,100. This home would rent in the \$900- to \$1,000-per-month range. The monthly taxes and insurance are \$285, providing \$615 to \$715 of net income each month and \$7,380 to \$8,580 of income annually.



Residential MLS: **3629483** Status: **Active** List Price: **\$49,900**
33410 Louis St, Eastlake, OH 44095
 Area: **1107** Twp: Sold Price:
 Subtype: **Single Family** Subdiv: List Date: **06/20/14**
 Parcel ID #: **34A002G000240** County: **Lake** List Date Rec: **06/21/14**
 Open House:
 Closing Date:
 Off Mkt Date:
 Contingent Dt:
 Exp. Date:
 DOM/CDOM: **39/39**
 \$/SqFt:

Directions: **Vine To E.332 To Louis.**

This 3-bedroom home is on Louis Street in Eastlake with an asking price of \$49,900. This home would rent in the \$850 to \$950 range. The monthly taxes and insurance are \$210, providing \$640 to \$740 of monthly income and \$7,680 to \$8,880 annually.



Residential MLS: **3384518** Status: **Active** List Price: **\$55,900**
550 Homeworth Ave, Painesville, OH 44077-4308
 Area: **1117** Twp: Sold Price:
 Subtype: **Single Family** Subdiv: List Date: **02/21/13**
 Parcel ID #: **15A0210000690** County: **Lake** List Date Rec: **02/21/13**
 Open House:
 Closing Date:
 Off Mkt Date:
 Contingent Dt:
 Exp. Date:
 DOM/CDOM: **521/521**
 \$/SqFt:

Directions: **North State to Homewood**

This 3-bedroom home is on Homeworth Avenue in Painesville with an asking price of \$55,900. This home would rent in the \$750- to \$850-per-month range. The monthly taxes and insurance are \$150, providing \$600 to \$700 a month of net income and \$7,200 to \$8,400 annually.

** All five of these homes were available for sale with various real estate companies on July 29, 2014. Obviously, the market changes on*

a daily basis, and these homes may or may not be available when you read this report.

The total asking price of these five single-family homes is \$208,800. If someone paid 95% of the asking prices and purchased all five homes for cash, they would invest \$198,360. Add in another \$10,000 per home for paint, carpeting, kitchen and bath updates, and you'll have a total \$248,360 invested to purchase and update each home.

When rented, the families in these five homes would go to work each month to send you \$3,080 to \$3,580 after paying taxes and insurance. If your monthly living expenses were \$3,000, these five homes would provide you with financial freedom.

You'll remain financially free for life IF...

1. You don't sell the income-producing assets.
2. Keep your properties rented at similar rental rates.
3. Keep your annual living expenses at \$36,000 or less.

This is significantly different than what the financial community would lead you to believe. Don't believe it? Consider the following excerpt from [Time Magazine](#):

“The fund company T. Rowe Price advises a multiple of 12 times final pay, while Fidelity calculates that a multiple of eight times pay will do the trick. All the firms use slightly different assumptions. But you can see that they are in the same [ballpark](#) and, more importantly, that it's a big park.”

“Looking at it another way, [BTN](#) Research estimates that, assuming 5% average annual investment returns, for every \$1,000 of monthly income you want over a 30-year retirement, you need \$269,000 in the bank. Let's consider that same household making \$75,000 a year. To replace the commonly recommended 80% of income in retirement — or \$60,000 in this case — the household would need \$5,000 a month. In this calculation, this household's number is \$1.35 million, or 18 times final pay.”

Their plan requires \$1,350,000 to be financially free. Remember, their plan is designed to make you work until you're 65 so they can profit from years of you working 40-plus hours each week. The quick comparison we've made here shows you may be able to buy financial freedom today for only \$250,000 with a portfolio of five single-family dividend homes. This is \$1,100,000 less than what they recommend.

How much sooner will you be able to “retire” with five single-family homes when compared to their plan? How many weeks of working 40-plus hours of your life will you save?

Depending on your current savings and ability to buy homes now, you may be able to buy your financial freedom now instead of working until you’re 65, trading away years of your life.

The reason why this is possible is because the real estate market crash in 2008 has opened up the doors for some fantastic real estate investments. Most people incorrectly think these deals are long gone. Fortunately for us, they aren’t and you still can acquire homes at attractive prices.

As we come to the end of this report, you’re either in agreement with this approach to investing, or your not. Dividend real estate investing isn’t for everyone and may not be appropriate for you based on your personal situation.

Dividend Real Estate IS for:

- Investors who have money to invest. You'll need to be to pay cash in order to extract maximum monthly income.
- Investors who have funds in an IRA that they would like to use to acquire properties for cash.
- Investors who are decisive and can take action quickly. These homes typically do not stay on the market for long and you’ll need to be able to move quickly.
- Investors who are focused on long-term income and financial freedom.

Dividend Real Estate is NOT for:

- Investors who are unable to buy homes for cash. A mortgage will consume the majority of monthly rental income and adds a considerable amount of risk. The Dividend Real Estate approach is designed to reduce this risk.
- Investors looking to get rich flipping properties quickly. The idea behind this approach is to buy these properties and hold them for life using the monthly income to offset your living expenses.

This is similar to investing in blue chip stocks and holding them for life, collecting dividends each year.

- Investors who are concerned with the day-to-day market value of their investments. Our focus is on creating a lifetime of monthly *income*.

If after reading this report, you think the Dividend Real Estate approach is a good fit for you, I may be able to help you acquire your portfolio of homes.

I'm a licensed real estate broker and have invested in commercial real estate, apartment buildings, single-family homes, condos, and mobile homes. In my journey as a real estate investor, I've made countless mistakes and actually teetered on the verge of bankruptcy due to mortgages on investment properties. This is why I've eliminated mortgages in our Dividend Real Estate portfolio!

My mistakes and my journey may be of value to you because I'll help you sidestep similar costly mistakes as you acquire your dividend real estate portfolio.

If you're curious and would like to learn more, we can set up a short phone call to discuss the Dividend Real Estate Portfolio approach. I can highlight this approach and answer your questions. If you think we're a good fit during the call, we can set up a time to tour a few possible Dividend Real Estate investments together. If you decide we're not a good fit, or the approach isn't for you, no problem. We're good either way.

To schedule a short Dividend Real Estate Portfolio phone call, send me an email at: rob@DividendRealEstate.com. Please put "Schedule Phone Call" in the subject line. Also, if possible, include some information about yourself and your investing goals. When I receive your email, I'll reply and set up a convenient time to talk.

Best,

Robert Minton

P.S. Real estate investing is not risk-free. You can lose money depending on your skills as an investor. Our risk of loss is

reduced dramatically by the lower prices we pay for homes. In addition, we reduce our risk further by eliminating mortgages on our Dividend Real Estate portfolio. Please discuss this strategy with your professional advisors, including your attorney and your Certified Public Accountant.

P.P.S. This report was excerpted from a new book that will be released in 2014 detailing how to achieve financial freedom step-by-step using Dividend Real Estate. For updates on the release of the book and other investing articles visit DividendRealEstate.com