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Comments From the Author

This special report is designed to be used by individuals looking to start a high paying career, landlords who are owed money for back rent or damages, companies who want to generate a large additional cash flow to their operations, attorneys who want to diversify and investors who are looking to profit from real estate. In addition, anybody can track a person or business that owes them money.

This special report on collecting judgments is the only system of its kind that teaches you how to make fast cash with judgments and liens. Everything we discuss has been proven to be successful and can generate you thousands of dollars in profits.

You have the potential to make a six-figure income. Here is what you will learn from this special report:

- How you can profit from judgments and liens, whether the judgment is secured by real estate or is against someone personally
- How you don't need much money in order to get started
- How you can make thousands of dollars in profits regardless of your financial condition
- How you can make money from recessions and financial and real estate booms
- How easy it is to generate huge profits within 30-60 days, part-time, using this program

Let us describe how easy it is to find judgments and what the future holds. In Cook County in Illinois the judgment record room has approximately 3,000,000 judgments just in that room alone. We asked the clerks how judgments they have going back just 7 years. The clerks said about 14,000,000. We don't know about you, but we could never go through all of those judgments in our lifetimes.

This is just one county in one state that covers only civil and small claims judgments. You could spend a couple of years in one courthouse and never catch up to the number of judgments available to pursue. With this in mind, it is easy to see that the judgment business is there waiting for someone like you to make BIG money.

One last comment. We teach 25 different ways to get paid and 13 ways to locate the debtor and all of his assets including 15 ways to locate judgments. You could use any one or all of the methods all at the same time. Some of the methods are more aggressive and you might not feel comfortable trying them until you have a few cases under your belt. Some of you might even feel uncomfortable about some of the techniques covered in this special report. **Let us simply state that if you do not feel comfortable about a technique, then don't use it.** We cover these techniques to let you know what is being used by professional skip tracers and private investigators. This does not mean that you have to use any of them. It is only important for you to understand all the methods used in this business.

Here is what a few of my students have said:

“In my first week of doing business I already have \$38,300 worth of judgments that I can collect on.”

Helene B., Silver Spring, Virginia

“I've acquired around \$74,000 in judgments that I'm working on. I've collected a few which have meant around \$22,000 profit for me.”

Eric L., Salt Lake City, Utah

“I like all the various types of methods Mike Warren taught in how to make cash in judgment and tax liens and outsourcing work.”

Cheryl White-East Stroudsburg, PA

“I have received a lot of information from Mike Warren's course. The content is very concrete and detailed, which make me feel it is something real and doable. “

Weijun Wang-China

‘Mike, thank you for all your information. You are very knowledgeable and I really like everything but what I am going to start working on is Judgments and Liens. I learned a lot this weekend it was really worth coming. Hope to see you soon – Have a nice trip back home!’

Alberto Bonilla-New York

“Excellent! I’ve learned tons of good stuff this weekend at Mike Warren’s Extreme Cashflow Bootcamp. i.e., Deed in Lieu, Notes, Judgments and overall Virtual Assistants/Outsources for \$2-\$4/Hr.- to free up my productive time! Thank you Mike! “

Terry Patamawenu – U.K.

“I like Mike’s coverage of VAS. It will help us with our business. I also liked the intentional congruence topic. It was very mind engaging.”

Chuck Schneider, Missouri

“I was struggling to find a team for my business. The outsourcing opened up a great venue for that. This event had great transformational content to take my business to the next level.”

Ramesh Rajagopalan, India

“I like Mike Warren because he opens my eyes about running & controlling business. He delegates & not abdicates. He has free time to work on his business & not in his business. This is a WOW moment for me.”

Cyntaha Postel, Illinois

GLOSSARY

The following glossary explains various terms that are used throughout this special report. Use the glossary as a reference guide, when reading through the special report, to become familiar with the language of the judgment business.

Lien: A concrete legal assertion that you have a claim of a specific value against certain property.

Judgment: A legal document stating that a debt is owed from one party in a lawsuit to another party. The judgment will specify the amount of the award, attorney fees (if applicable) and the date on which interest on the unpaid balance begins.

Garnishment: A regularly scheduled payment owed to the judgment debtor by a third party is seized by a levying officer and given to the judgment creditor.

Judgment Creditor: Any person or business, which owns a judgment that has not been paid. Also called the Plaintiff or Creditor.

Judgment Debtor: Any person or business against whom a judgment has been obtained and who has not paid that the amount of money owed to the Judgment Creditor. Also called the Defendant or Debtor.

Levy: When a law enforcement officer (sheriff, Marshall) or registered process server acts under a Writ of Execution to obtain property or cash belonging to the judgment debtor for the purpose of satisfying the judgment.

Levying Officer: Usually the sheriff or Marshall who is responsible for performing levy's. This person will actually travel to the bank or employer to perform a garnishment.

Registered Process Server: An individual or someone who works for a company that makes a business out of serving legal documents.

Writ of Execution: A directive, from the court, to a levying officer within that court's jurisdiction. The Writ of Execution permits the levying officer to serve a levy on the judgment debtor's property based on instructions that you (judgment creditor) have given to the levying officer.

WHAT ARE WE GOING TO TALK ABOUT

Let me take a few moments to explain what I am talking about. Judgment Lien means a debt that is owed from one party in a lawsuit to another AND it has real estate as collateral.

Each of these pieces of paper has real estate as collateral. This is also called a secure investment. It is also an area that is overlooked by over 95% of all investors. Now, we are not talking about you having to buy real estate. What we will show you in this book is how you can profit from the wonderful world of paper without using any money and without buying property.

Virtually no competition

Let me describe how easy it is to find judgments and what the future holds. In one county, Fairfax County, Virginia, there are over 350,000 judgments on record at the local courthouse. In just Fairfax County alone, there are over 60,000 new judgments entered by the court each year.

In a neighboring county, Montgomery County, Maryland, there are close to 400,000 judgments registered at the courthouse. Montgomery County has close to 80,000 new judgments entered each year. These are just two counties in two different states covering only civil and small claims judgments under \$10,000. You could spend a couple of years in one courthouse and never be able to research all of the judgments available to pursue. With this in mind, it is easy to see that the judgment business is there waiting for someone like you to make BIG money.

But, I am getting way ahead of myself. Let me tell you just some of the many benefits of why judgments and liens are such a great opportunity and it could cost you thousands of dollars not to learn these techniques.

Let's run through some of the benefits.

Little or No Start-Up Cost

Profiting from judgment liens does not mean you have to use any money. You can get started just by providing the information to others who will pay you a substantial fee for your “research”. As you’ll find out later we will even pay you for this information.

Works Anywhere

The judgment line business has no geographical boundaries. It does not matter where you live now or where you want to live in the future. You can do this work anywhere in the world, whenever the mood strikes you. From the biggest cities to the smallest towns. From Boston to Baton Rouge, Portland to Pasadena. If you’re a night owl, you can do your work at night, leaving your days free for your favorite leisure activities. There are simply so many judgment liens available you could never hope to handle it all.



100% Home Based and Employee Free

You can choose to work out of your own home, I don’t, but I choose not to because I have a large operation and need employees to handle the large number of deals that are brought to us by students.

You can do the business without having an office downtown or having a bunch of employees with payroll responsibilities, taxes, workers compensation, etc. I mean you can run your judgment lien business out of your home. No more driving to an office building where you work to make someone else rich. There’s one bad thing about this business. Weekends lose their importance. It’s true. You see when you have so much free time during the week Saturday and Sunday aren’t so important. I don’t know about you, but that’s OK in my book.

You do not need a big staff to make money from judgment liens. We have had people write us or call us and say how they love the judgment lien business because it provides them with immediate cash.

Others who use judgment liens as part of their retirement vehicles are excited with the returns they are making in tax-free or tax-deferred retirement plans. Buying judgment liens is only part of the game. And it is a game. But, it is also a business. Which is it you might say? It can be both or neither. It's up to you to have fun with a prosperous new way of life.

Huge Upside

Are totally committed to doing what it takes to make the income you want? I ask you that question because I know a lot of people go 95% of the way toward getting what they want and they stop just shy of their victory. If they'd just take one more step, hang in there just a little longer, they'd get it all.

Judgment Liens allows you to make \$2,000 a month or even \$40,000 a month or more. Your income is totally dependent on your efforts. What you put into the business is exactly what you will get out of the business. You may be happy doing just one deal a month for \$2,000. You may only work deals that will make you \$5,000 or more per deal so you only have to do 10 of them a month to meet your goal of \$50,000 for the month.

What if you want to get started right now, but you don't even have \$1,000 to get started. What could you do? You could find other investors to flip your judgment lien deals to or approach some friends or family about investing their IRA money (this topic is covered in more detail in later chapters).

You know, the average household income in the United States is somewhere around \$30,000. And most people make that by slaving away 30, 40, even 50 hours a week! I just don't understand why people do it when there are such better ways to make money. I know you will be different. Maybe you will only work every other month. The choice is yours. The opportunity is here. Now.

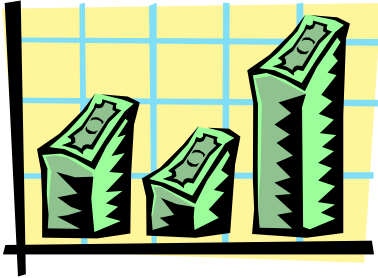
Many people want a guarantee on how much money they can make. How much can you make? Truthfully, I don't know how much you will make because I don't know anything about you. Some of the people we've taught make less than \$1,000 extra dollars per month. They choose to have it that way because they don't want to put in more than an hour or two each month. They're happy with an easy extra \$5,000 to \$12,000 per year.

Above Average Return On Investment

When you have a little money to invest your rates of return will be better than you could have ever imagined. You don't have to settle for underachieving investments such as:

- Low Interest Rate CDs
- Poor Performing Stocks, Bonds or Mutual Funds
- Unsatisfactory Insurance Products

With just a few of the techniques covered in this book you will be able to make consistent double-digit returns on money that you invest. Your money is completely secured by real estate and you are not subject to fluctuating interest rates or the stock market.



We all know that you can make money in the stock market. Some investors believe in the buy and hold strategy while others try to time the market. There are seminars that encourage you to trade options or futures and courses that attempt to teach you how to become a day trader. The work may be nothing more than doing research on a particular stock or company. Other times the work involves watching the market fluctuations, interest rates, the bond market, contacting your broker, using the internet for research and checking business reports or reading investment newsletters. Even after you do all this research you still do not have a guarantee that you will make a higher return than what you could make from a basic CD or mutual fund. And there is research that shows many investors in the stock market lose money every year.

You can make very good returns in the stock market if you research properly, watch the market diligently, have enough money to invest and have a little bit of luck. If you were asked what rate of return you were going to make at the end of the year you knew with almost 100% certainty, would you have the answer? Do you want to put your money in the market where anything can happen and often does or would you rather have an investment vehicle that can provide you with an average of high double digit and sometimes triple digit returns each year and every year, perhaps even tax-free?

This book is not about getting rich quick. It is about making choices that are different from the mainstream. By making the right type of investments you can increase your yields while having a high level of security. That does not sound right does it? How can you have high returns unless you have high risk?

You invest where others are not.

Buy Real Estate at Huge Discounts

I know for a fact that you will be able to purchase real estate at prices that make buying properties at foreclosures look like you are paying retail. For anyone that buys foreclosures, buying at 50 – 60 cents on the dollar is fairly commonplace. We are not arguing with this at all. We are simply saying that when you work on the defaulted paper side of the equation you are able to purchase property for literally pennies on the dollar.

You have a virtually endless supply of paper that you can purchase or collect on. There is even more of an opportunity when dealing with judgment liens simply because most investors do not know what to do with the paper or how to profit it from the judgment liens.

What this means is that since so few people know how to purchase judgment liens; you are able to get the very best discount on the paper you locate or buy. This equates to a very large return on your investment.



JUDGMENTS & LIENS

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HUGE RETURNS

Tax Free

I'll never forget that day I found out that you could get returns tax-free. Yes that's right, tax-free. The benefits to you and your family are huge. Imagine making your high double-digit returns without having to pay taxes on the gain. I already mentioned that rates of return are in the big double-digit numbers, but imagine making an additional 20% or more on your investments each year. I will explain how you do this, and it will take some explaining on exactly how you do this.

This is a great opportunity if you are looking to make money quickly for retirement or looking to grow your portfolio to outrageous sums over the long term. This is not a loophole but is a time tested IRS approved technique that allows you to quantum grow your investments.

You know I can go on and on talking about the benefits of this business. But enough is enough, so let's get started into the basics of how and what to do with judgment liens.

Getting Started

Let me take a moment and tell you exactly what you will be learning in the Judgment Lien Loophole Cash System. I will explain terms and the process a little bit later, but for now here is what we are going to cover:

1. How to buy judgments for pennies on the dollar
2. How to get 100%+ ROI
3. How to force the payoff of the judgment any time you want
4. How to buy judgments with none of your own cash
5. How to have the judgment paid off before you ever buy it and guaranteeing you make money in the process.
6. Plus several advanced techniques.

Sounds exciting, right? Absolutely. So now let's get into the details of how everything works so you can put these strategies into application and start making money right away.

Let's look at how, and why, a judgment is created. We will use the following example to illustrate.

Example:

John gave his friend Mary \$1,500 as a temporary loan so that she could move into a new apartment. John wanted to keep the whole arrangement business-like and therefore drafted a promissory note in the amount of \$1,500, which Mary signed, thereby agreeing that she did owe John the money. As part of the agreement, Mary was supposed to pay John back the \$1,500 over a one-year time period at an interest rate of 10%. The promissory note stated that Mary should make 12 equal payments of \$131.87. Both parties agreed to the terms and Mary received her money.

Mary moved into her new apartment but unfortunately, two weeks later she ran into some financial problems. When Mary's first payment to John came due, she was unable (or possibly unwilling) to make the payment. John called Mary to try to collect the payments, but to no avail.

Finally, after several months, John decided to take Mary to small claims court to try and get his money back. At the court hearing John presented the promissory

note to the judge that showed he was owed the money. The judge asked Mary if she owes the money and she said that she did but has been unable to pay for several reasons.

The judge ruled in John's favor and awarded him a judgment in the amount of \$1,500 at 10% interest until the judgment is paid. John is happy thinking he is going to get his money, and goes home. Unfortunately for John, Mary still can't or won't pay the judgment, and John not knowing what else he can do, only holds a piece of paper that says he is legally owed \$1,500.

The above example is usually the end of the story. The judgment creditor (John/Plaintiff) has a piece of paper that is essentially worthless unless he can find a way to get the judgment debtor (Mary/Defendant) to pay the money she owes.

Here is where you come in. John's judgment has been sitting in his office unpaid for three years and he has pretty much forgotten about it. While researching judgments at the courthouse, you find John's judgment and decide to write him a letter. In your letter you should offer to collect the judgment on John's behalf. John, seeing that it will cost him nothing up front, agrees to allow you to collect on his judgment. He is happy to allow you to collect something that he thought was essentially worthless. You now proceed to collect John's judgment using techniques outlined in this special report.

NOTE

There are other reasons a judgment is obtained:

- Legal services that were not paid
- Contractors not being paid
- Automobile accidents
- Rent/damages
- Medical/dental bills
- Promissory notes that were not paid
- Car leases that were not completed
- Property damage

Essentially, a judgment can occur if one person/business sues another in court and wins. A judgment is obtained and the loser can be legally forced to pay.

Now let me also mention what a lien is and how it comes about. A lien is a judgment that has been recorded by the court and attaches against a debtor's personal property (car, jewelry, boat, etc.) real estate or business property (accounts receivables, equipment, etc.).

Let me give you another example. You buy a new car and take out a car loan to pay for it. The bank that lent you the money now has a lien against the car. In the event that you do not pay your loan, the bank is entitled to come in and reposes the car and sell it in order to recover the amount of money remaining on the loan.

A similar situation happens with a judgment. The judgment is not paid off and you want to collect on it. In order to do that you might place a lien on the debtor's automobile or real estate and force a sale to recover the amount of money that is owed on the judgment. To sum it up, a lien changes the judgment against the debtor into a judgment against the debtor's property, which is subject to that lien. The lien will not get you any money right away. What it does is secure you as a creditor when the property is sold or refinanced. In order to sell or refinance the debtor must pay you off first. We will cover these and other procedures later.

Here is your opportunity!

Collecting your judgment entails determining what assets the judgment debtor owns. For example, if the judgment debtor has a good job, a bank account, real estate, or a business with accounts receivable, then the collection process should be relatively easy.

If, on the other hand, the judgment debtor does not have a job or sufficient assets to satisfy your judgment, then collection methods as outlined in this special report may not work. Since you are only interested in collecting on as many judgments as possible, with as little hassle as possible, we recommend that you consider looking for judgments where the debtor has assets that are collectable and avoid judgments where the debtor does not have any assets. Remember, you are using a "cookie cutter" approach. The cookie cutter approach is best explained by illustration.

You take a cookie cutter of the shape you like and begin to cut out cookies out of cookie dough. You do this over and over using the same cookie cutter. Each cookie you cut out looks just like the one before it. You use this same principal for collecting judgments. You find a judgment and collect on it in the exact same way each time. Therefore, don't spend too much time on any particular judgment. You want to collect on as many judgments as fast as possible to build the most cash flow. Collection procedures outside of the approaches outlined in this special report will only take you away from collecting on worthwhile judgments and reduce your cash flow.

Summary of What to Do to Complete Your First Deal

1. Find judgments where the debtor owns real estate
2. Contact the judgment holder (creditor) and offer to give them a small amount of cash for the judgment
3. Contact the judgment debtor and offer to help settle the debt for a discounted amount (but more than what you paid). We call this part "debt settlement"
4. If the debtor won't settle you can force the payoff easily

This process can be a win-win-win situation for everyone. The creditor wins because they get the money they never thought they would see. The debtor gets to pay their debt off at a discount. And you win because you get to make money in the middle fixing the problem. Sweet, right?

Here's how you get started

Purchasing Judgments:

If you want to purchase a judgment you definitely do not want to pay the full value of the judgment. If you do pay full price, you cannot make any money. You need to be compensated for buying a judgment that time has proven is unlikely to pay off to the judgment creditor. You also need to be compensated for your “future” efforts and expenses to collect the judgment. When purchasing the judgment try to make a determination in advance if the judgment debtor owns real estate (see “Determining if the Debtor Owns Real Estate”). If he does, the likelihood of the judgment being satisfied increases dramatically. If you cannot determine this, we highly recommend that you use the “contingency method.” If the judgment debtor owns real estate you should negotiate to purchase the judgment for around 5 to 15 cents on the dollar. So, for John’s \$1,500 judgment, you would offer around \$200. Keep in mind this judgment has already proven to the judgment creditor (John) that he will most likely not receive any money and that he holds a worthless document. We would never pay more than 40% of the face value of a judgment, and then only for very specific reasons.

We also buy foreclosure properties when a good deal presents itself. If we are going through the trouble of doing research on a particular property we try to find as many different ways to make money from the property as possible. For example:

In doing my research on a particular property, we noticed that the property had a first trust and two judgments against it. We contacted the owner of the judgments and we agreed to purchase a \$6,200 (\$8150 with back interest) judgment lien for \$2,300 or 37% of the judgment face value. We purchased this judgment three days before the judgment debtor’s property was scheduled for auction.

My research showed that the property was worth \$275,000, but only had debt of \$108,000 (first trust), another judgment for \$1,200 and the judgment we purchased. My real purpose was to buy the real estate at auction, at a discount of course. My reasoning was that when the property went to auction, even if we were not the high bidder, at least the judgment would be paid off before the judgment debtor would receive any net sale

proceeds. As it so happens, we were not the high bidder on the property, but we were looking at a very nice \$8,150 from an investment of \$2,300, with a profit of \$5,850.

The moral of this story is that you need to make very sure that the judgment you purchase will pay off through your current collection efforts or pay off in the future. With a minimal investment you can make several thousand dollars just like we did in the above example.

The CM Technique for Judgments:

The CM method is also referred to as the contingency method. The contingency method is simply that you are collecting on a judgment on behalf of the original judgment creditor, with your fee being based on what you actually collect. The beauty of the contingency method is that you do not put up any CASH. In essence you will be acting as the representative of the judgment creditor and you receive a bonus or commission for collecting the judgment. We have a free 90 minute training video that talks about all of the advanced techniques for profiting from judgments. To learn more please visit:

<http://bit.ly/xKoMzY> (make sure to use capitalization when typing into your browser)

Using the contingency method you will be able to have the same rights that were given to the judgment creditor assigned over to you for one to two years. You will notice that the agreement states the percentage split between you and the judgment creditor. We tell every judgment creditor that we contact that my fee is 50% of the amount collected, less costs of collection.

If the judgment is over \$10,000 or they have more than 10 judgments, my fee is 40%. You can modify your percentages to levels that make you feel comfortable.

By having the judgment assigned to you, you will take the place of the judgment creditor. You have every legal right to collect that judgment without an attorney or the use of a

special license or permit. You have the right to obtain a credit report and file garnishments with the judgment debtor's bank and employer. The negative aspect of this method is that you will not collect all of the profit for yourself; you will have to share some of the profit, depending on what you negotiate with the original judgment creditor. In addition, if you do not collect on the judgment within the time period of your agreement, the judgment will revert back to the original owner.

Let's review the benefits of the contingency method:

- Complete control over the judgment;
- Only a few dollars out of your pocket;
- Allows you to make money with very little risk; and,
- Allows you to work the business on a trial basis, without risking your hard earned money.

Why Buy Judgments At All?

Most people are not aware that a judgment can be bought and sold just like a car or a stock. A judgment gains interest from around 6% to as high as 18% per year depending on the state you want to focus.

When we focus on judgments where the debtor owns some type of real estate or other type of asset we are in what is known as a secure position. In other words the debtor cannot sell or refinance that property without paying us off (including all accrued interest).

You are not a collection agency or acting as one. You do not need any licensing or a law license. You are buying or gaining control of judgments in which the debts are now paid directly to you. For example, in an individual or a small business were to take a debtor to court and are awarded a judgment against the debtor, does that make them a collection agency? No it does not. The law allows for companies and individuals to purchase money that is owed to them in a court of law. Therefore you are not a collection agency or a law firm when it comes to collecting on your own personal debt (that you purchased). It does not matter if you get ownership of 1 or 10,000 judgments or if they are against individuals or businesses. You now have the legal right (under

the law) to collect on your own debt. Now there are certain rules that you must adhere to when getting paid on a judgment. They are not a big deal so stick to what you can do and it is pretty easy. The guidelines are covered under the Fair Credit Reporting Act (FCRA). I have included a copy of the Fair Debt Collections Practices Act and The Fair Credit Reporting Act for your reference. Just take a read. They are fairly simple to understand.

THE BEST JUDGMENTS TO GO AFTER

Person-to-Person

A person-to person judgment is when an individual sues and wins a judgment against another individual. A person-to person judgment is the very best type of judgment to collect on. When you send your letter to the judgment creditor you will have the most success with getting judgment creditors to assign or sell their judgments to you. The best type of person-to-person judgments to collect are:

- Child/Spousal (wife or husband) support
- Past due rent
- Auto accident
- Property damage
- Services that have not been completed

Business-to-Person (Business)

This is the next best judgment to pursue. A business-to-person judgment is where a business, such as “Al’s Towing,” sues a person or an individual who is doing business under a business dba (doing business as). When analyzing this type of judgment make sure that the judgment is against a person as well as his company. If the judgment is against both the individual and his company, you can proceed to collect on the judgment as if it were a person-to-person judgment.

Business-to-Business

A business-to-business judgment is where one company sues another company in court and wins a judgment. This usually involves amounts over \$5,000. They are the most difficult to collect since attaching business assets and accounts receivable is a more long-term process and does not

always result in success. We do not recommend attempting to collect against a business unless you have already collected on several of the person-to-person or business-to-person judgments. Person-to-person judgments will provide you with your daily “bread-and-butter.” They will bring in your cash flow so that you can go after larger valued judgments.

Evaluation Criteria

1. Look for judgments that are unpaid(unsatisfied) and the debtor has not declared bankruptcy
2. Start with judgments between individuals
3. Minimum amount of \$1,000 or more
4. Judgments between 2 and 9 years old (Just before expiration depending on the state).
The older the judgment the better. The creditor thinks it worthless and the debtor has had a chance to accumulate more assets and the judgment has gained a lot of interest which in some case can double the value of the judgment.
5. The debtor must own real estate or you must be able to determine the likelihood of getting paid
6. Judgment debtors that own a business that is still in operation in the event they do not own real estate
7. Look for debtors that have a job

BEST METHODS FOR GETTING PAID

Let's first take a look at your options to see what you might want to do to collect a particular judgment. The best collection method you should use is the one with the lowest cost and highest probability of producing proceeds to satisfy the judgment. The following are the methods that we recommend:

- Offer Settlements;
- Attach bank accounts (the cheapest and most effective method);
- Garnish wages (very effective, but can take more time);
- Attach debts owed by third parties; and,
- Attach business cash receipts.
- Attach tangible business assets;
- Attach tangible personal property; and,
- Place liens on real estate.

THINGS TO AVOID

Every individual in the United States is protected from undue harassment from creditors or collectors. As a general rule of thumb, the following activities should be avoided when attempting to collect a judgment on behalf of a judgment creditor. This special report promotes collection activities that are relatively easy to accomplish and do not require much, if any, contact with the judgment debtor.

In most states it is illegal to:

1. Call the debtor after he has demanded in writing that you stop. (We generally never even speak to the judgment debtor.) You may also not make repeated calls to the judgment debtor or his employer if requested to stop. We recommend that you concern yourself only with the judgment debtor's assets and pursue them as allowed by law.
2. Harass or threaten the debtor e.g., call late at night repeatedly, or call the debtor at work if the debtor or his employer tells you not to.
3. Threaten to publish the debtor's name as a person who does not pay bills.
4. Defame the debtor's reputation by spreading inflammatory comments or untruths about him.
5. Mislead the judgment debtor with false statements that would cause the judgment debtor to act improperly or cause the judgment debtor any non-required money.
6. Suggest the debtor has committed a crime by not paying the judgment.
7. Use obscene or profane language.
8. Send the debtor collection notices that look like official court summonses or documents.
9. Visit the debtor and refuse to leave when asked.
10. Send notices through the mail, such as a postcard where anyone who comes into contact with the card can read it, indicating that the judgment debtor does not pay his bills.

11. Make calls very early in the morning or very late at night to the debtor's home (unless you know he is a shift worker). (The usual policy is no calls before 8:00 a.m. or after 9:00 p.m.) This includes calling repeatedly using a different name.
12. Tell anyone other than the judgment debtor why you are calling.
13. Notify the judgment debtor's employer about the debt and ask them for help in getting paid. You are only allowed to contact the employer to verify his employment or start legal action, such as garnishing wages. There is one exception; if the judgment debtor is in the military. You can then contact the commanding officer, preferably in writing, explaining your judgment and ask him/her for help in satisfying the judgment.

If you ignore these limitations you could make yourself liable for damages or criminal charges. The federal Fair Debt Collection Practices Act regulates anyone who regularly collects debts for a living. However, the Fair Debt Collection Practices Act does not apply to individuals and businesses collecting their own debts. We recommend that you review the laws in your areas before implementing any collection proceedings. You can contact your state's Attorney General's Office, Civil Division, for procedures in your state.

7 STEPS TO PROFITING WITH JUDGMENTS LIENS

The following steps are all that it takes to be successful in this business. If you follow these basic steps you will see that you can build that road to financial independence for very little cost and without having to hardly ever leave your home.

1. Find a judgment
2. Contact the judgment creditor
3. Locate the debtor
4. Buy The judgment
5. Offer the Debtor a settlement
6. Collect your money
7. File a Notice of Satisfaction

STEP 1 FINDING JUDGMENTS

To find a judgment to collect on you can do the following:

- Go to the small claims or civil court division at your local courthouse.
 1. Municipal (District) Courthouse
 2. County Courthouse
 3. Federal Courthouse

NOTE

Other places to find judgments are:

- ⇒ Advertise in the newspaper
- ⇒ Contact attorneys and doctors
- ⇒ Using the internet

- ⇒ See the summary sheet at the end of this special report for more ways to locate judgments

When looking at the courthouse for judgments that you want to collect on you should consider the following:

- ⇒ Size of the judgment (\$500 or more);
- ⇒ Number of debtors named in the judgment (the more the better);
- ⇒ Type for the judgment (see ranking of judgments); and
- ⇒ Time and energy you're willing to put into your collection efforts.

Choosing a Judgment

- Look for judgments of \$500 -- \$10,000;
- Look at judgments 2-10 years old;
- verify that the judgment file does not have a “Notice of Satisfaction”—this notice means that the judgment has been paid off;
- look for judgments that have multiple debtors—you can collect the full amount of the judgment from each individual (see below); and,
- fill information on “Judgment Prospect Worksheet”

STEP 2: CONTACT THE JUDGMENT CREDITOR

Finding The Creditor (Judgment Holder)

We need to find the creditor before we can make an offer to purchase. Finding the creditor is very easy. The easiest way is to just look at a copy of the judgment. The address for the creditor and the debtor are generally listed on the judgment itself. Sometimes the information is deeper in the judgment file.

Additional ways to locate the creditor:

1. If the address is not accurate because they have recently moved send the Offer Letter to the same address as is listed on the judgment. On the envelope put “address Service Requested”. This will give you the most recent address for the creditor. For a certain period of time after the Post Office stops forwarding the mail, anything sent to the old address will be returned to sender, with a sticker that states the new, forwarded address. Remember to include your return address on the envelope.
2. Credit Report Header. This is not pulling the credit report. What it does is give you the past and current addresses from the creditors credit report without giving you any credit related information. It does not require permission to obtain this data.
3. Call them on the phone, if you have their phone number, and ask for the information. Chances are they will still have the same phone number, especially if it is a cell phone number.
4. Ask their neighbors at their old address. Often people leave their forwarding address with neighbors.
5. Websites:
 - a. www.anywho.com
 - b. www.switchboard.com
 - c. <http://www.melissadata.com/lookups/index>
 - d. <http://www.corp.att.com/directory/>

After you have located a judgment at the courthouse you need to contact the judgment creditor to see if they will either sell you the judgment or allow you to collect the judgment on their behalf.

You should do some or all of the following to contact the judgment creditor:

- Send the judgment creditor a letter. While letters will get you plenty of business if you want to jump start your business and get deals quickly I have found that picking up the phone and calling the creditors is the most effective. Remember, I am offering someone money. I have never had anyone get upset when I offer them cash.
- Send as many letters to judgment holders as possible.

- Negotiate a purchase of the judgment at a discount
- To persuade the judgment creditor to do business with you ask them to consider the following:
 1. The judgment creditor has nothing at risk;
 2. There is no up-front money out of creditor's pocket;
 3. The purchase amount is low because the judgment is already several years old;
 4. They have not received any money on the judgment; and,
 5. You will be doing ALL THE WORK!

SAMPLE LETTER TO PURCHASE JUDGMENT LIENS

YOUR COMPANY NAME

Your Company Address

Your Company Phone

Today's Date

«Plaintiff»

«Address»

Re: Your judgment against «Defendant», dated «Docket Date», at the «Court» , Case No: «Case ___».

Dear «Plaintiff»:

Our research at the courthouse indicates that you were awarded a judgment against the above named debtor. Did you know that as a judgment holder you have the right to sell or assign your judgment to another person? Would you like to finally receive the money the court has said you are owed but the debtor has refused to pay? Had you given up hope of collecting this money or perhaps forgotten about the money? If you have not been able to collect your money we may be interested in purchasing your judgment for **CASH** today.

Experience has shown that most judgment holders do not have the time, persistence or money needed to protect their interest in property that is in foreclosure.

Which would you prefer, **CASH TODAY** or the "useless" document in your files. If the property goes to foreclosure you risk having your lien wiped out. Why risk this loss when you can receive some of your money today? Something is better than nothing at all.

If you are interested in receiving money that is legally owed to you please contact us at Your Company Phone to arrange for assignment and terms. Don't wait for the foreclosure to wipe out your lien. Act today and turn your uncollectable lien into cash.

Sincerely,

Your Name

STEP 3: LOCATE THE DEBTOR

There are several ways to track a debtor:

1. Obtain the debtor's credit report or credit report header
 - Local credit bureaus (TRW, Equifax, TransUnion)
 - Asset tracking firms (Google "asset tracking company")
2. Contact neighbors at the debtor's last known address
3. Voter registration records—these records can be found at the registrar of voters for the city where you believe the debtor lives. If the debtor is a voter, the listing will include the debtor's name, address, phone number, birth date, party affiliation (if any), and date of registration. If the debtor has recently moved to a new location within the same county, the records should have the new address. Even if the registrar does not have any records of the debtor, you might get lucky and find other records of individuals with the same last name who might be relatives of the debtor that you can contact.
4. Driving records—obtain a copy of the debtor's driving record by writing to the Commissioner of Motor Vehicles in the state where you believe the debtor is living. The driving record should indicate the most current address for the debtor. If the debtor is no longer at that address, then write to the post office to request a forwarding address. A debtor's driving record will contain some very useful information, such as:
 - Addresses;
 - Social security number;
 - Date of birth;
 - Height/weight/eye and hair color; and,
 - Any accidents and the date they occurred.

This information is especially useful to obtain an accurate credit report and for filing wage and bank account garnishments.

NOTE

Some states will have different regulations and policies on what information and access they will make available to the public. Contact your state for their specific guidelines.

5. Computer based searches:
 - Warrant registrations—provide information on the debtor’s current location. This is a reliable search source if other methods do not provide the information needed.
 - “Sir name scan”—this can be run by several of the On-Line tacking
 - National Address History—tracks the debtor’s history of different addresses.
 - Social security number—you can run a state-wide or national social security number search. This will match the social security number with the individual and their address.

STEP 4: BUY THE JUDGMENT

Our primary goal and what makes this judgment lien loophole so spectacular is the ability to have our deals pay off quickly. You will always hear that with any investing there is always a certain degree of speculation. That holds true with judgment investing. So what I am sharing with you is not legal or accounting advice. It is simply what I have found to be the best way of making money quickly.

As you gain experience you will get better and better at your deals and your profits will increase. Until you gain that experience yourself I ask that you let the following be your guide:

1. For ultimate security look for judgments that are attached (secured) by real estate. I prefer that it be attached to the debtor's house that they live in, but I will consider all types of property that the debtor owns.
2. Look for judgments that are about to expire. Review the state guidelines section to see what the expiration dates are for the states you are interested in working. I do want to let you know that judgments in all states are renewable. Unfortunately most creditors have no idea about this or how to do it. So by emphasizing that the judgment is about to expire and they will get nothing is a huge motivator for the creditor to do deals with you. As a bonus for you (never mention this to the creditor) the judgment debtor has a highly likelihood of having more assets and therefore a higher ability to pay off the debt.
3. I prefer that the property that has the judgment attached to it does not have any other liens other than a first mortgage and maybe a second mortgage. This is a psychological issue with the debtor. If the debtor has a lot of liens he may just ignore you since he has to pay others besides you. Keep in mind there are lots of ways we can force the debtor to pay off the debt even if they don't want to settle. What's great about this business is that we are in complete control. I know some students get overly concerned about equity in the property and what to do if a property has gone down in value. Keep in the mind that the debtor still needs a place to live (their home) and you are giving them a great opportunity to save money on a debt that you could force them to pay off in full. You can determine the equity in the property by doing a basic property search at the local courthouse or online if the courthouse has online access (most do).

4. I want a debtor that owns real estate and that preferably is employed. So here is the thought process. If a debtor owns a house then it is likely that he has a mortgage on his property. If he has a mortgage on his property then he probably has a job so that he can pay the mortgage. If he has a mortgage then it is likely that he has a bank account that he can deposit his check. You have the ability (under the law) to go after the house, the car, the job and the bank account all at the same time to force a payoff of the debt. You are in control. If you cannot determine where the debtor works by asking the creditor where the debtor works. If the creditor does not know then here are some other ways of getting the information:

- Pull the debtor's credit report
- The telephone company (dial 411, or the phone book); to call potential employers or neighbors of the debtor. Usually, you obtain information about the debtor's whereabouts from the creditors that were listed on the debtor's credit report. If you cannot obtain the debtor's employer phone number from one of the creditors, you can call information to see if the employer is listed.
- If you have the debtor's phone number but can't find out the address from the phone book or operator, call (or have a friend call) the number from outside your calling area so you get it listed on your phone bill as a long distance call. Once the number is on your bill (or a friend's), contact the phone company and explain that you do not recognize the number and want to find out to whom the call was made. The representative will trace the call for you (it takes just a few minutes) and tell you the name to which the phone number is registered. Now ask for the address of that phone number. If the number is not unlisted the operator should now give you the address.
- State employee: If you suspect that the debtor works for the state, you can call the state controller's office and the clerk can tell you if the debtor works for the state. Your local yellow pages will list the number for the state controller's office.
- Contact the debtor's friends and neighbors: Use the *Haines Criss-Cross* or *Polk Directory* found in your local library, title companies, or the county tax assessor's or recorder's office to find out the phone numbers of the debtor's neighbors and friends. You can tell the neighbor that you are a friend and need to contact the debtor.

After you have obtained a name and number of the debtor's employer, it is always best to call the employer to verify that the debtor actually works at the company.

COMPLETE THE JUDGMENT PROSPECT WORKSHEET

When you talk to the creditor listen 2x more than you talk. People love to talk and the creditors will dish out all they know about the debtor, especially when they think they are getting cash from you. Based on what you hear from the creditor gives you a very good idea on whether you should buy the judgment or not. Just keep in mind that the creditor thinks the judgment is worthless because they have not been able to get any money from the debtor. Your knowledge is key and will make you successful.

Judgment Prospect Worksheet

Obtain The Information Via A Telephone Interview With The Judgment Holder For Fastest and Most Accurate Results.

1. What is the exact spelling of each debtor's name? (Some judgments may have multiple debtors.)

2. To The Best Of Your Knowledge Does The Debtor Own Real Estate? If so, can you describe the property and where it's located.

3. What is the Debtor's telephone number (home and work)?

4. Have you been able to collect any money from the debtor?

5. Do you know where the debtor is currently living?

6. Do you know where the debtor is currently working or worked in the past?

7. Do you have any addresses or phone numbers for the debtor other than what was listed on the judgment?

8. Please explain why you filed suit against the judgment debtor?

9. Do you have any personal information about the debtor? Examples of personal info include birth date, social security number, and marital status.

If owns Business: doing business as (D.B.A.)_____

Social Security No:_____

Drivers License No:_____

Date of Birth:_____

How does he or she make a living?_____

Employer's Name and Address:_____

Does the debtor belong to a union?_____

Spouse Social Security No:_____

Spouse License No:_____

Spouse DOB: _____

Describe any garnishments or liens you have filed against the debtor:

Has the judgment debtor ever written you a check? _____
(if possible, please enclose a copy of the check, both front and back)

Please check any of the following that you feel *even may* pertain to the judgment debtor:

- Debtor's Approximate Age _____
- Alias Or Maiden Name _____
- Owens own home. Address): _____
- Owens a car. (Year, Make, Model): _____
- Owens additional cars. (Years, Makes, Models): _____
- Owens a boat. (Describe): _____
- Owens real estate. (Describe): _____
- Owens rental property. (Describe): _____
- Rents a home. (Address): _____
- Rents an apartment. (Address): _____
- Is legally married. (Spouse's Name): _____
- Is employed. (Employer's Name): _____
- Occupation: _____
- Is self-employed. (Occupation): _____
- Is unemployed. (Last known employer): _____
- Is a partner of a business. (Describe): _____
- Is divorced. (When, and what state): _____
- Is incorporated. _____
- Is in bankruptcy. _____

Any other information you feel that is important regarding your debtor:

NEGOTIATION STRATEGIES TO BUY THE JUDGMENT

When I buy judgments I normally offer somewhere between 5 and 15 cents on the dollar. I have found this to a good range that a lot of creditors will agree with. Keep in mind that I need such a high discount because I am going to contact the debtor and offer them a discount to pay it off. So imagine for a moment that I agreed to buy Mary's \$10,000 for 10% or \$1,000. I then went to Joseph and offered him the ability to pay it off and avoid interest, collection and damage to his credit report. Let's say he pays it off at \$4,500. I end up making a \$3,500 profit. Not bad.

So the important part to understand here is that the less you pay for the judgment the more profit you stand to make. Following the guidelines for buying judgments I discussed earlier will give you the highest likelihood of buying judgments at a tremendous discount.

Your Game Plan

Before you call the creditor have an idea already worked on paper exactly what you want to offer to buy the judgment. Here are some bullet points that I would recommend that you have near your phone so that you are prepared. Another thing I would like to point out is it does not matter if you make a mistake. You are the only one who knows you made a mistake. The creditor assumes the conversation went the way it was supposed to. If you forget to ask the creditor something, don't worry. Call them back and say you forgot to ask something. They will always talk to you. So, with that being said let's take a look at those bullet points:

- You are making a cash offer
- They get the money quickly
- They can use the funds any way they choose
- Something is better than nothing
- The judgment is about to expire and they will get nothing
- Based on your experience over 85% of all judgments remain unpaid
- According to the national debt collectors association of America the older a judgment the harder it is to collect
- According to the collection industry the older the debt the less will be paid to purchase it

- Since the judgment is about to expire the odds of the debtor paying it off are slim to none

The Actual Call

Remain calm. If you are calm they will be calm. Always be willing to walk away. They need you more than you need them. Keep in mind that there are millions of judgments out there and those creditors are desperate to sell to you, especially in difficult times.

Before you make an actual offer ALWAYS ask the creditor “what is the least amount you would take to sell your judgment if I could get you the cash quickly”. The most common answer will be 50% of the principal amount of the judgment. Now, whatever offer you make will not seem like as big a discount. Just make your offer after you have mentioned the key points I talked about first.

After you make your offer and assuming for just a moment that the creditor is not interested in selling the judgment to you thank the creditor for their time and give them a 3 day window that you will leave your offer open in case they change their mind. After 3 days you will need to contact other creditors and use the cash that you were going to pay them on the new creditor. Did you catch what I just did? I created a fear of loss. The creditor will lose out and you will buy some other creditor’s judgment and they will get nothing.

NOTE: Some creditors will call you back on the last day and some will call you after the 3 days is over. If they call you back after the 3 days is over tell them that you are sorry but you do not have the original amount you offered them still available. Right now you only have “x”. With “x” being about \$50-\$75 less than what you originally offered. Ask them if they still want to do the deal. They will almost always say yes. In fact I can’t remember the last time a creditor said no. I am essentially building up more fear that if they hold out any longer they will lose even more or lose the whole deal altogether.

NOTE #2: If the creditor calls you back and wants more it is up to you to give more or not. Generally, I do not like to do that. By taking some of the money off the table it removes some of their negotiating power. It is always your decision however.

Phone Script

You: Hi, is this Mary Jones?

Creditor: Yes, Can I help you?

You: Hi, name is (x) from (your company name). I was doing some research at the local courthouse and found out that you have a judgment against “Debtor Name”. Do I have the right Mary Jones?

Creditor: Yes, that’s me.

You: I was following up on a letter I sent you a few days ago about possibly buying the judgment you have against “debtor name” for cash. Is this a good time to talk?

Creditor: Yeah, sure.

You: great. Well as I said I was doing some research at the local county courthouse and found several judgments and yours was one of them. Our company buys judgments and then attempts to collect them afterwards. I wanted to see if you would like to get cash for the judgment you have against “debtor name”

Creditor: well I have not gotten anything from that deadbeat in years.

You: I understand exactly how you feel and many of the creditors that we have bought judgments from in the past have felt the same way. In fact they found that it was so much easier to sell us their judgment at a discount rather than let their judgment expire and the get nothing. Is it ok if I ask you several questions to see if this is even a judgment we would want to buy?

Creditor: Yes

You: Ask all the questions on the Judgment Prospect Sheet

After the sheet is completed

You: Mary, let me ask you “what’s the least amount you would take to sell your judgment if we could get you the cash quickly?

Creditor: 50%

You: Ok. Well what I need to do now is take all of this information back to my finance guy who calculates the risk and makes an offer. Is it ok if I call you back within the next 48-72 hours with our offer?

Creditor: yes please.

You: Great. Thank you so much for your time today. I’ll give you a call back as soon as I get a number.

Your next step is to pull out a calculator and decide what you want to pay. Make your offer down to the penny. Let me say it again because this is an insider trick. Make your offer down to the penny. It removes possible back-and-forth negotiation and implies that you used a specific formula to come up with an offer.

Completing the Purchase

You will need to draft up some form of agreement of sale between you and the creditor to make the sale official. Make sure to have the document recorded in the courthouse so that is “becomes a matter of record”. In other words it keeps the creditor from selling the judgment to someone else. You can do this by mail or you can agree to meet the creditor at a location that is convenient to you both. Do not let them come to your office (especially if it is a home office). In person meetings should be short and to the point. The perfect meeting location is at their local bank if you both live in the same town. The bank will notarize documents for free so long as one of you has an account there.

If the judgment is about to expire make sure you immediately (after purchase) renew the judgment. Typical renewal period is 10 years, but varies by state.

STEP 5: MAKE A SETTLEMENT OFFER TO THE DEBTOR

Now come some fun stuff. Now you get to help the debtor solve their problem which is they have this outstanding judgment that you could force they payoff if they don't want to settle. But, you are helping them pay off the debt at a discount without having it go through collection.

You are helping the debtor. Always keep that in mind. You are not the original creditor who the debtor is probably still mad at. The debtor probably still has some negative memories about the whole lawsuit ordeal.

What happened in the lawsuit and who the debtor thinks was right or wrong does not matter. The court made a decision and the debtor owes the money. Your job is to help the debtor solve a problem. The debtor wants the problem to go away and you get to help them. In return they will pay you by paying off the judgment. When the judgment was first awarded it is possible that the debtor had some financial problems. Now that time has passed he/she has a chance to get back on their feet. This is even more so when the debtor owns real estate.

A simple approach that you can take with the debtor is an "us" against "them" attitude. You are on the debtor's side against the creditor. Let the debtor know you are the new owner of the judgment and are there to help him get rid of the problem once and for all and to do it quickly.

Tips For Negotiating Settlements With The Debtor

1. You are helping the debtor
2. You understand
3. Us against them
4. It's a new game since you are the new owner
5. You can get them an immediate reduction that depending on the judgment amount can be up to thousands of dollars in savings
6. The debtor can avoid wage garnishment, liens on property and even foreclosure of the property
7. Settlement will improve their credit score
8. Settlement will mean all liens are removed from automobiles and real estate

9. The judgment was just renewed for another “x” years. (depending on the state)
10. They can save additional interest which has already accumulated to “x”. Calculate the interest and let them know how much they owe.
11. Interest could be wiped out if they settle quickly.
12. You don’t want to have your company take any further action against them. This is a HUGE negotiating tool and leverage to convince the debtor that it is easier to settle with you than force it to the next step. Remember, empathy will go a long way. If the conversation turns aggressive find a way to steer the conversation back into it is something you are trying to help with.

So what is the overall approach? Keep it simple and try to get them talking. As long as no one hangs up you still have the possibility of a deal.

NOTE: Always keep in mind that you can force the payoff at any time you want. You don’t need their permission. You are doing them a favor.

Contacting the Debtor

When you contact the debtor to have two ways to do it:

1. Send the debtor a letter
2. Call them on the phone

Send Them A Letter

Use the Settlement Offer letter that is included with this special report. Wait for the debtor to call you. If the debtor does not call you can always call them or send a second letter. If you don’t like to call people not to worry. The easy solution that I like to do is to simply fill out the wage garnishment paperwork that is provided by the court. Don’t worry it is very simple to fill out and the court gives you examples of how to complete it. Next I mail the garnishment paperwork to the debtor, not to the court.

NOTE: I am not actually garnishing the wages yet. The court allows me to take 25% of a person paycheck per pay period for a period of 90 days to pay off the judgment and you can keep repeating the process until the judgment is paid.

The reason I send it to the debtor is to let the debtor know that I am going to garnish his wages which I am allowed to do by law. If I go to this next step my offer for a settlement will go away and I will demand the full payoff of the debt. However... if the debtor contacts me and works out a payoff then he can save a lot of money and his employer will not need to know that his wages are being garnished for an overdue debt. Put yourself in the debtor's shoes for a moment. If you owed the debt and got the legal paperwork showing what is about to happen would you find a way to settle or would you let me take the full amount?

If the debtor still ignores me then I file the paperwork with the court and let the court (not me) garnish the wages and the court will pay me 25% of the debtor's paycheck every pay period. I win no matter what. I want to help the debtor first. If the debtor ignores me then I go to the next stage.

NOTE: I know you might be saying to yourself what if the debtor quits his job? Keep in mind the debtor owns a house, has a job and a car. The odds of them quitting their job when they have a house payment are slim to none.

Call The Debtor or The Debtor Calls You

You: You Company name. May I help you?

Debtor: Hello

You: Hi name is X with Company Name. I am trying to reach Debtor please.

Debtor: This is he.

You: Hi Mr. Debtor. I was just following up on a letter I sent you last week about helping you settle a judgment that was awarded against you 6 years ago. I was calling to help you get rid of this debt and avoid any other legal remedies.

Debtor: What did you have in mind?

You: Let me just review the debt first. According to court records the judgment against you was awarded 6 years ago for \$4,118. Our company was able to purchase the judgment from (creditor Name). Our goal is to help you get the judgment removed from your credit report and have the lien removed from your home and automobile.

At this moment the total amount that is owed including interest is \$6,424 (make sure you quote the exact amount of money owed including interest).

Right now I am authorized to reduce the debt to we can offer you the ability to settle this debt for only \$5,129.20 (20% discount). Can you raise this amount in the next 7 days in cash or credit card?

NOTE: This first offer to the debtor is not a drastic reduction and in the collection industry is referred to as a “high wend settlement offer”. You don’t give your very best offer in the beginning so that you have some negotiating room left.

NOTE: Do not settle for less than what you bought the judgment for. You need to make a profit.

Debtor: I don't have that kind of cash right now

You: I understand that could be the case. How much can you come up with in the next 7-10 days.

Debtor: I can come up with about \$2,500

You: Hmm. Can you borrow the remaining funds from someone else or charge it to a credit card?

Debtor: I might be able to do another \$500 on a credit card.

You: Ok. Do mind if I put you hold for about 2 minutes so that I can speak with my supervisor. (At this point put them on hold and watch the clock for at least 90 seconds.)

Get back on the line and say: Hi Mr. Debtor, my supervisor has agreed to that amount with a couple of provisions. You pay the full \$3,000 and you pay it within 72 hours.

You will save \$3,424. Not only that but we will be able to remove the lien from your home and your credit report. Needless to say your credit score will improve.

Are we in agreement?

Debtor: Yes, I can do that.

You: I will have the necessary paperwork emailed to you (or mail if they don't have email). Once you get it please sign everything and send it back. You can mail a check along with the original paperwork to the address on the forms. Once we get the paperwork back with the payoff we will file a notice of satisfaction with the courts which will release the lien from your property. This will also clean it up from your credit report.

Debtor: Ok. Can you please send it to me right away? I would like to take care of this. Here is my email to send the paperwork.

Make sure you follow up with the debtor in a couple of days to verify they have the paperwork, signed it and mailed it back with a cashier's check (no personal checks allowed). For faster service sign up a for a free FedEx account and give the debtor your FedEx account number so they can send the paperwork back to you without the proverbial "the check is in the mail". If the check is not sent according to your agreement you can re-mention several key items:

- The judgment is valid for another 10 years (20 years in some states)
- The lien will not be released from his home
- The judgment will remain on his credit report thereby affecting his ability to borrow in the future.
- If the debtor chooses to renege on the agreement you will be forced to pursue collection and go after all of the debtor's assets as that is allowed by law.
- You are here to help the debtor but he needs to live up to what was agreed.

Use this to contact judgment debtors for Settlement

Your Company Name
Your Address
Your Address
Your Phone

DATE

RE: Settlement of Judgment Case #

Original Creditor: Plaintiff~

Debtor's Name
Address~

Dear Debtor~:

We wanted to offer you the ability to settle the above referenced judgment against you at a sizable discount. The outstanding principal plus interest owed on the judgment is XXX. We would like to extend you the opportunity to settle this debt for XXX today. By settling this account you will avoid any other legal remedies that are allowed by law.

This offer expires in 7 days from the date of this letter.

Therefore, if YOUR COMPANY NAME receives the settlement funds on or before (10 days from the date of this letter) in certified funds then our firm will consider this account settled in full. Please contact our office at the number above to make arrangements.

Please note that no language contained in this letter changes or in any way restricts any of your legal rights.

"This is an attempt to collect a debt. Any information will be used for that purpose. If you dispute the validity of this debt you have 30 days to notify us of such"

Sincerely,

Your Name
Account Representative

Settlement Offer Letter

AGREEMENT TO COMPROMISE DEBT

ABC Collections, hereinafter referred to as CREDITOR and John Q. Debtor, hereinafter referred to as DEBTOR, agree to compromise and settle the following listed debt:

Account # _____

Balance \$ _____

Payoff Amount \$ _____

The CREDITOR and the DEBTOR agree that the present debt due is \$1436.18 (one thousand four hundred thirty six & 18/100 dollars). The parties agree that the CREDITOR shall accept the sum of \$1438.18 (one thousand four hundred and thirty eight & eighteen/100 dollars) as full payment on the debt. The acceptance of the payment will serve as a complete discharge of all monies due. The payment shall be made by bank check or money order.

In addition, upon accepting of the \$1436.18, the CREDITOR will notify all Credit Reporting Agencies that account is PAID AS AGREED or SETTLED AS AGREED, and will delete any entries showing this account as ever being late.

Payoff must be received in CREDITOR's office by (DATE). Failure to make timely and complete payoff shall result in this agreement being null and void and the original amount owed by the DEBTOR will be reinstated in full, and immediately due.

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

Dated: _____ Signature: _____

ABC Collections
CREDITOR

Signature: _____

Jane Doe
Debtor

Settlement Amounts

You must be wondering by now what amount you should settle for. I have found that I can settle for 50% of the principal pretty easily, but the amount is really up to you. The main thing to keep in mind is that you cannot settle it for less than what you paid for the judgment. If you followed my advice you only paid 5%-15% of the principal amount. So if you were to settle for just 30% of the original amount owed you would double your money. Since you can do all of this in less than 30 days your return on investment (ROI) is in excess of 500%. Pretty phenomenal!

Let's look at some case studies to help you get an idea of what you can do and how to do it.

Case Study #1

Original Judgment Amount: \$3,120

Age of Judgment: 4 years, 8 months

Time till Expiration: 4 months

Judgment Purchased for: \$156

Amount of Interest Accrued: \$1,459.79

Total Owed: \$4,579.79

Settled For: \$1,248 (40% of the principal amount)

Profit: \$1,092

Keep in mind that if this were your case you could settle for however much you want. In fact you don't have to take discount if you don't want to. You could (I am not saying that you have to) could force the payoff at full value plus interest and court costs.

The basics of what happened in this scenario is that we contacted the debtor and offered them the ability to settle their debt for less than what was owed. We started with waiving the interest. After discussing what cash the debtor had available we agreed to settle for \$1,248.

Which was a WIN for the debtor and a WIN for us and a Win for the original creditor. We all got what we wanted and we got to help several people in the process.

One thing I want you to keep in mind is that yes I could have pushed for more since the debtor owed property, had a decent job, had a bank account and had a car. I chose to settle because it was quick cash and paid in less than 30 days. What would you do?

The important parts I want you to remember in this deal are:

- Stay in control of the conversation with the debtor. They need you more than you need them
- See if the debtor has cash on hand
- Can the debtor borrow the money
- Can the debtor sell assets
- Can the debtor charge it to a credit card (this is a very cool technique. We allow the debtor to pay us by PayPal! They use their credit card. We get the cash in our account and then we release the judgment.)

Case Study #2

Original Judgment Amount: \$14,050

Age of Judgment: 11 years, 11 months

Time till Expiration: 1 months

Judgment Purchased for: \$1,219

Amount of Interest Accrued: \$18,444.38

Total Owed: \$32,494

Settled For: \$14,050 (100% of the principal amount)

Profit: \$12,830

I purchased a judgment lien that had a full principal face value of \$14,050, for just \$1,219. The judgment was awarded on April 15, 2001 and had a court specified interest rate of 11%.

With interest, court costs, and attorney's fees the judgment had a full value of almost \$33,000.

Today (Years later), because it was attached to a house with almost \$30,000 in equity. The debtor contacted us and we negotiated a payoff of the judgment at the original principal amount that was owed which was \$14,050.

Now you might be saying to yourself, “why on earth would you take a discount if he had a \$31,000 lien attached to the property and the debtor can’t sell or refinance the property without paying off the judgment?”

The answer is very straightforward...

In this case, the debtor was not ready to sell or refinance the property and we would have had to wait for a future payoff if I had held out. The debtor happened to catch me at a good time (somehow this always seems to be the case by the way) and I was willing to help him out since I believe everyone deserves a second chance.

...all in all I made a \$12,830 profit by buying a discounted judgment and offering the judgment debtor an extremely cheap way out of his troubles.

It was win-win and I always love that!

STEP 6: COLLECT YOUR MONEY

Recovering Costs of Collection

During your collection efforts you might incur some costs in order to satisfy your judgment. These costs usually include filing fees, credit reports, deposits, etc. Under the law you are entitled to recover your costs of collection from the judgment debtor, including any outstanding interest that might be owed on that judgment.

Since you are entitled to collect your costs of collection it is very important to keep track of all your expenses and any money you may have received as part of your collection effort. Refer to the “Declaration of Costs” and “Calculating Accrued Judgment Interest” forms. It is very important to keep track of costs since you could accidentally receive too much money.

If you purposely receive too much money the court might view it negatively and could delay your receipt of the funds. If you do receive too much money you cannot keep it. You must return the amount in excess to the judgment debtor immediately. An example of collecting too much money would be if you filed an employer and bank garnishments in multiple counties.

To be able to claim your costs you will need to periodically file the proper form, which varies by state, itemizing your costs. This form can have a different name in each state. Call your county courthouse and ask them which form you must file to declare accrued costs of collection for a judgment.

You are entitled to recover:

- Costs of the levy—this includes the cost of the garnishment (writ), levying officer's fees and costs of performing the levy (which are usually paid in advance in the form of a deposit).
- Partial or unsuccessful levy costs—sometimes your collection efforts will not return enough money to cover your deposit to the levying officer (can be caused by exemptions or insufficient amounts available in bank accounts). To recover the full deposit and the amount of the judgment, you will need to record a declaration of costs with the court (must be filed within two years, check your state, of the date the cost was incurred). In addition, you will need to find other assets owned by the debtor that you could levy.
- State specified statutes—each state has minor variations on what it will specifically allow you to collect. These statutes include but are not limited to:
 1. Filing fees (such as a Writ of Execution);
 2. Levying officer costs;
 3. Costs of filing an Abstract of Judgment (real estate lien);
 4. Filing of Judgment Lien on a business's personal property;
 5. Cost of bringing a motion (assignment of judgment), can be denied by judge.
- Special non-statute costs—this includes the cost of using a special process server other than the court appointed levying officer, parking costs, cost of driver's license suspension etc. To recover these costs you must file a motion with the court to recover those costs. This can take an additional 30 - 45 days and requires notification to the debtor so that the debtor will have a chance to reasonably object to those costs. It will be up to the judgment debtor to prove the incurred costs of collection are not justified. It is sometimes worthwhile to include all of your costs and wait and see what the judgment debtor does; you might get lucky and have every single item approved by the court.

Collecting Interest on the Judgment

You can only recover interest at a percentage rate as specified in the judgment. You can receive interest on unpaid costs of collection at the legal rate specified by your court. You are concerned with two types of interest:

1. Interest from the date the judgment was entered and the date a Writ of Execution (garnishment or levy form) was filed—this interest must be documented by a “Declaration of Costs” and in the actual Writ of Execution;
2. Interest from the date of Writ of Execution (to the date of actual levy—a Writ of Execution will direct the levying officer to collect the judgment amount and interest owed since the date of execution, therefore no additional documentation will need to be filed with the court.

NOTE

(Declaration of Costs)

We recommend that you record a Declaration of Costs at least once a year, assuming of course that if you are collecting a judgment for more than one year you have already filed a real estate lien against the property. If you have not, then you should not be collecting on this judgment. Keep in mind that the judgment debtor will receive a copy of your declaration.

Let me take a moment and share with you a couple of the 25 techniques I teach for forcing the payoff of a judgment. They are garnishing wages and seizing a debtor’s bank account. By law I am allowed to take 25% of a person’s paycheck per pay period to pay off the judgment. On the bank account I am allowed to seize all the funds in their bank account up to the amount owed on my judgment including interest and court costs. So in reality I can force the payoff of the judgment even if the debtor does not want to settle. I will try being the nice guy first. If they don’t want to play ball then I can get the full amount in about 30-60 days anyway.

STEP 7: FILING A NOTICE OF SATISFACTION

Once you have collected all the funds you are owed on the judgment you are legally required to release the judgment from the debtor's records. You do this by filing a "Notice of Satisfaction" (name varies by state). This can all be done by mail and does not require a personal appearance in court. Additionally, if the judgment has been paid you must:

- Send a copy of the notice to the debtor;
- file a copy in the court judgment record (usually a small fee); and,
- release any real estate or business asset liens that you have filed by sending a copy of the notice to the Secretary of State and filing it in the appropriate county.

If you do not file a Notice of Satisfaction, the debtor can take you to court to force you to do so. If he does you could be liable for any damages that resulted from the judgment not being released as well as his attorney fees and other costs.

ADDITIONAL PROFIT STRATEGIES FOR JUDGMENTS

What if the judgment debtor owns property with a spouse?

There are three basic forms of joint ownership that you should be concerned with:

- *Tenants in common.* Your lien will only attach to the judgment debtor's ownership interest in the property. This type of ownership is beneficial to you if the debtor dies or transfers the property. Your lien will remain attached to the property based on the judgment debtor's interest.
- *Joint tenancy.* The same rules apply as with tenants in common, except if the judgment debtor dies; then the lien is wiped out.
- *Community property.* Your lien will attach to the entire property and is enforceable even if the property is transferred to a third party.

To determine which type of joint ownership applies to your judgment, go the land records division in the county where the property is located and examine the title to the property. The deed should describe the type of ownership.

NOTE

Tenants by The Entirety: This type of ownership states that each party owns 100% of the asset. So if you try to seize this account the bank will not give you the money unless your judgment is against both parties. Simply because the party not listed on the judgment can claim that all of the money in the account is theirs by virtue of how they hold title. **We mention this type of ownership because this is how you should hold all of your joint accounts, assuming that only one of you gets sued that is.** This will prevent creditors from attaching your assets.

3 Types of Liens

1. Person-to Person Lien:

John files an abstract of his \$1,000 judgment against Mary in the Fairfax County land records. This abstract of judgment, when filed in the land records section of Fairfax County, automatically creates a lien against any real estate owned by Mary within Fairfax County. This lien now serves as notice to the “whole world” that you have a legal claim against Mary. In addition, it establishes an order of priority that when the property is sold or refinanced that you must be paid before Mary is allowed to receive any funds from the sale of her property.

2. Personal Property Lien:

It is also possible to create a short-term lien against a judgment debtor’s personal property. This includes all property that is not real estate, such as jewelry, stocks, pianos, precious metals, or computers. You do this primarily to prevent the property from being transferred to avoid collection, but also to protect you in case the judgment debtor files for bankruptcy.

3. Person-to-Business or Business-to-Business

If the judgment debtor is a business you can still create a lien against that business's property. You do this by filing a Notice of Judgment Lien and serving a copy to the debtor. The courthouse in your county can give you specific details. If you do file a business lien, your lien can attach to some of the business' personal property assets such as tools, equipment and accounts receivable. The business lien is similar to a real estate lien in that the lien will attach to any assets that are purchased or earned by the business in the future.

This type of lien can be difficult to collect. The business could sell or use assets (inventory) through the normal course of its business, and the purchasers (customers) are not aware of your lien, thereby preventing you from collecting on your judgment. This type of lien is good for a period of five years. Due to the unpredictability and difficulty in collecting on this type of judgment, we recommend that you do not attempt to collect on a judgment against a business. Remember, you are interested in volume and a business lien will take a lot of your valuable time.

Locating the Debtor's Real Estate

There are several easy ways of determining if the debtor owns real estate and where it is located.

1. Credit reports—look for mortgages owed by the debtor. You can contact the mortgage company to get the address of the property.
2. Title companies—these companies will often give you information, called a “property profile,” on what real estate a person owns, often by just asking them over the phone.
3. Data search firms—these firms can do a nationwide search to determine what assets the debtor owns and where they are located.
4. County tax assessor—you can contact the county assessor to find out if the debtor (person or a business) owns property in that county and where it is located (See the “Assessor Letter” in the “Marketing & Forms Kit”). The tax assessor will also have the mailing address of the debtor if the debtor lives someplace other than the current property. Once you determine that the debtor owns real estate go to the county recorder's office.
5. County recorder—can give you information on the deed of every property in that county. The deed will tell you if the debtor owns the property by himself or with another party (spouse). It will also tell you, by the fact that the debtor's name is not on the deed, the name of the debtor's landlord. The landlord can give you more information on locating the debtor's other assets.

USING THE INTERNET TO FIND DEALS

The Internet has really exploded in the last couple of years. More and more companies are coming online and making important information available every day. Most importantly, for our purposes, county courthouses are also putting all of their information online and making it available to the public for free. The easiest way to find out if your courthouse is online is to call the county clerk (this is the records office where they record mortgages and deeds) to see if they are online and the website address.

Once you find an online court here is what to look for:

1. Search for judgments (use the same guidelines as listed in the beginning of this manual)
2. Use the judgment Prospect Worksheet form in to select the information you need
3. To Search for property owned by the debtor:
 - a. Find out the web address of the county tax assessor
 - b. Go to the tax assessor website and enter the debtor's address that was listed on the judgment. If it matches you have a HIT!

What if my courthouse is not online?

Don't worry if your courthouse is not online yet. One of the websites we use is called www.lexis.com and www.infodata.com. We use these great websites to get all the information we need to find judgments and liens. Unfortunately, a few of these websites do charge a fee. We consider the fees they charge to be pretty cheap considering the information we are able to obtain. We find you either spend money or time to get the information you need. It is your time for going to the courthouse to research deals, using the internet or using some of the other 14 methods covered in this manual.

Community Property and Common Law Marriage States

Community Property: For tax purposes, income in community property states is considered to belong half to the husband and half to the spouse regardless of who actually earned the income. Be sure to check the regulations for each individual state for any differences. Currently, the following states are community property states:

1. Arizona
2. California
3. Idaho
4. Louisiana
5. Nevada
6. New Mexico
7. Texas
8. Washington
9. Wisconsin

Common-Law Marriage States: Some states recognize a common-law marriage originated and approved in another state, but will not recognize common-law marriage originating in their state. Check the regulations for each state for specific rules. Currently, the following states recognize common-law marriages:

1. Alabama
2. Colorado
3. District of Columbia
4. Idaho
5. Iowa
6. Kansas
7. Montana
8. Ohio
9. Oklahoma
10. Pennsylvania
11. Rhode Island
12. South Carolina
13. Texas

Be Like Mike

Picture a profitable business with employees and nice office, company car, paid vacations around the world, respected in the community. Is this you? Can you imagine yourself running your own successful business? If you can we are about to share with you some rock solid principals for forming a business to profit from the judgment liens industry. If you want to copy what we have done and create a company that does the work for you then you will love this chapter. We are going to show you how to be like BWI (that's us). We are going to start out by covering some of the basics. We will share with you how we got started and what we are doing today. We are sure you will find it as interesting to read as we have found it to be when we wrote it.

Going To The Next level

Whenever we do seminars, we are always approached by people wanting to know how they can go to the next level and duplicate what we have done. Some investors decide that they want to take buying defaulted mortgages to a whole new level and hire employees and create a full-fledged company.

We have also found that some investors are perfectly happy with doing one or two deals a month, which provides them with a very nice income. We will show you what happens with your income and how you can grow your money very quickly so that you can make as much as you want without a lot of effort on your part.

So, how do you create a company from scratch? We want to be very clear on what we are about to say. It takes careful planning. But the rewards are great. You no longer have to do all of the work yourself. The single biggest mistake we see investors make is to get so caught up in the details of forming a company they forget why they are creating a company in the first place. The original goal was to buy paper, but to do it on a larger basis. Don't fall into "paralysis by analysis". Just get started.

Our economy is no longer conducive to the huge corporate organization. That age has passed its peak, and the American business world is in a phase of serious "downsizing." The fact is this process of downsizing has already thrown tens of thousands of former corporate players out of the office high rise and into smaller businesses. Many others have decided to leave the towers of corporate

America because they've had enough, or because they see the handwriting on the wall. Many of these people are simply doing on their own what they did as employees, but now they're doing it as consultants or private contractors.

No one feels secure about "corporate security" anymore. Corporate cutbacks and downsizing have thrown tens of thousands of top corporate players out into the cold. This has made it more stressful for the managers who remain. They have to do more, faster.

So is starting a defaulted mortgage business really difficult? No. At least not if you follow some basic guidelines and considerations. You might ask yourself why we should start a business anyway.



Benefits of Having Your Own Business

When we got started we did not have a clue about what we were doing. We learned everything by trial and error. We did not even know if we should start and official company. Our company started in a garage. It did not even have a bathroom. There was no president, accountant, sale person, marketing person and cleaning crew. Creating a business means you can have other people do these positions for you so that you can focus on the strategic planning or whichever part of the business you like the most.

Short Commute

Of the many advantages of doing business at home, one of the biggest is one of the most obvious: it's a short commute.

In fact, the commuting time to most home offices - unless the home is incredibly large - is under one minute. You simply walk down or up some stairs,

YOUR FOUNDATION OF SUCCESS

Making you a successful home business owner and making a lot of money are not necessarily the same things.

You can make a boatload of money, but if you're not a "successful person," chances are good that you'll lose it or misuse it. If you are a "successful person," however, you'll have the knowledge, skills, and discipline to move steadily toward the goal of financial freedom, and having once achieved it, you'll keep it and enhance it.

or down a hall, and voila! – you're at the office. There is no hassling with getting into cold cars on wintry mornings, fighting traffic as time flies and blood pressure rises, finding (and paying for) urban parking that is getting to be as scarce as it is expensive, and negotiating a gauntlet of people, elevators, and knots of workers to get to where the work actually gets done. And there's no reversing the same grueling process to get home.

It is not uncommon for a worker in the suburbs to spend an hour getting from his kitchen table to his office desk each morning. In Los Angeles and certain other metropolitan areas, that figure can be more than doubled. Some people actually spend four to five hours each business day getting to and from work.

Commuting is not only hard on your schedule and patience; it's also a killer when it comes to auto expenses. When you think of what a car costs to run per mile (cost of car itself, insurance, taxes, registration, fuel, maintenance, perhaps tolls, etc.), you can get ulcers just watching the speedometer turn over. Home office workers don't even use their cars to get to and from work. This translates to significant savings.

Loose Dress Codes

Typical dress standards for the home-based office are as loose as last night's pajamas. Because many home business operators don't get visits from customers, clients, or associates in the course of the working day - or do so only rarely - they can dress however they wish to dress - even naked if that's their inclination.

Home office attire is clearly more comfortable than the suit-and-tie dress codes of the corporate tower - just another advantage of working at home.

Home With The Family

There is a trend, especially among baby boomers that are now raising their own babies, which has been referred to as "cocooning." It involves staying home with the family rather than rushing from place to place outside the home in hot pursuit of money and pleasure. One of our important considerations when we do business is how is it going to affect our family?

It makes a decided difference to a household to have at least one of the parents working at home, in contrast to having both. Home-based businesses

fit perfectly into the mentality that finds its expression in cocooning - an attitude of home, family, and quiet togetherness parents away at an office during the day. Even though the "homey" is busy and involved in work, he or she is still there to handle emergencies and crisis situations. Just the presence of a parent in the house creates a feeling of supervision and security.

Tax Breaks

Having an office in the home is one of the few remaining tax breaks available to the taxpayer.

If you use part of your home regularly and exclusively as an office, many of the expenses may be deductible. However, you can't deduct more than the net amount of income you generate by using the home office. Just check with your accountant for details on your situation.

The above is not legal or accounting advice. Specific questions should be directed to your own professional advisors.

OK, Mike, But What Should I Do?

I know all of the information we have covered about starting a business is great, but we are sure you are trying to figure out which way you should go. Since I do not know you or how you eventually want to run your life I cannot give you a specific answer. Also, a single answer would not be suitable for every reader.

So, what to do? I think the simplest answer is to tell you what I have done. By seeing how I have organized our business you should be able to gain some insight into starting your own business. I do want to point out that in our opinion there is not a single answer on how to start a business. There are many choices and they all work.

When we got started we did not have a clue about what we were doing. I learned everything by trial and error. I did not even know if we should start and official company, so we just got started on our own. If you remember from the

start of this chapter we talked about starting out in our garage. Why did we start in our garage? Simple. I didn't have any money for a place of our own. "You can't spend what you don't have" is a phrase we have heard many times.

Since we was starting out with nothing we essentially had to make money from nothing. Well, not really nothing. I did have time. I could invest our time to get started. So that's what I did. I used our time and started to aggressively try to figure out the judgment liens business. Unfortunately there was no one to teach what we needed to know. I learned everything from trial and error.

As a one-person company we had to do everything. With no money we obviously could not start a company (even if we knew what you now know from this chapter). I started out as a Sole Proprietor. I ran the business as me. I had no employees, no fancy office or furniture. My fancy car was a pale blue AMC Hornet. It was great on gas and we were happy to have a car at all. I started to go to seminars about real estate and read as many books as we could. Most of the books we got from the library. It turns out the library has a lot of the books you would find in the bookstore. The cost for our books? \$0. Well, actually we did pay \$1.00 for the library card. By being creative and using our time instead of money (which we did not have) we were able to get started with no money out of pocket.

I started looking for deals. I looked and foreclosures, mortgages, judgments and handyman special properties. I found that all of the investors we dealt with wanted the very best deals that would yield them the highest rate of return for the least amount of investment. Understandable, since as we gained more experience we found we now do the same thing. In the beginning I had no money to buy any of these assets. I had to flip the deals to someone who had the cash.

WHAT YOU SHOULD DO NEXT

That was a lot of information, I know.

It may take you several readings to really comprehend everything. Don't worry. That's normal. That's the great thing about having this report handy... you can refer to it whenever you need it.

Simply put, profiting from judgments is one of the best ways to make money I know. And if you follow our step-by-step methods, you're very likely to succeed.

I know You Can Succeed In this Business

One of the great things about collecting judgments is that you don't have to "sell yourself." Every day, we see people hustling for work; handing out business cards... even to strangers they bump into on the street! That's just not necessary in this business.

Learn the secrets of collecting judgments, and it's like you hold the key to Solomon's mine. The people who want judgments collected will even start to find you!

Collecting Judgments Works for so Many People Because...

You don't need much money... partners... or any complicated or expensive equipment. However, you must have the desire and a short amount of patience to learn what I'm willing to show you. And you have to take responsibility for your own success

But if you pay attention to these materials and follow our simple instructions, you have a very good chance of making lots of money and really improving the quality of your life.

Believe me, nothing I teach is hard—but you've got to take action. I'm not going to promise that you won't run into snags or roadblocks. All we can say is that if you're interested in making money—lots of it—with very little actual work once you've learned the process, collecting judgments is the easiest method we know.

I hope you enjoyed reading and learning about judgment liens as much as we enjoyed writing about judgment liens. We have covered how to find judgment liens, how to buy judgment liens, how to use judgment liens to buy real estate for pennies on the dollar. I also covered how to make yourself filthy rich. You even learned how to get your own full-fledged business going with the least amount of hassle.

Let's just review what we covered.

Judgment liens are a good deal

1. High Yield on your investment.

Since you are buying the judgment liens at a substantial discount your yield can easily exceed 100% per year. This high yield is what makes judgments so attractive.

2. Real estate acts as the collateral for all of the paper you purchase.

If the refuser refuses to pay off the judgment you could ultimately foreclose on the property. You can then sell the property at retail value or keep the property as a very profitable rental.

3. Acquire real estate for pennies on the dollar.

When you buy a judgment you have the right to foreclose on the property. Some homeowners will even give you their house by a Deed in Lieu of Foreclosure.

4. Lump sums of Cash.

When the homeowner refinances their property you receive all of principal owed on the judgment. Remember, you get the full value of the judgment, plus interest. Not just what you paid for it.

5. Virtually no competition.

There will always be people who borrow money. And there will always be people who cannot pay the money back. By not following the crowd you can invest in an area that 95% of other investors know nothing about.

6. No money to get started.

One of the best features of judgments and liens is that you do not have to have any money to get started. You can bring the deals to us and we will

collect on for you and give you a percentage of what we make or you can collect on the judgments yourself.

Be Your Own Boss

You've dreamed about being your own boss. Now you will know how. You can make the kind of money most people only imagine, working just a few hours a week. And all of the profit goes straight into your pocket. Finally, you have the time, freedom and money to do what you want, when you want. You've got to agree that the best job in the world would be one where you can work for yourself, set your own hours, live anywhere you wish, and see your income rise or even double each year. What you have just read can help those dreams come true.

We also talked about how to set up your own business so that you can duplicate our success. We talked about the different types of ownership, expenses that might be involved and potential licensing issues for the business.

Next Step

Now read this: You can do it. Don't let anyone else tell you otherwise. More people fail, not because they can't do the work, but because the support structure around them causes them to "believe" that they can't. We heard a phrase once "don't try ...do". If you only try then you leave open the possibility that you will fail. If you just "do it" like the Nike commercial says you will be successful.

Over the years I have met many very successful people who have made a lot of money. We have found that all successful people have three things in common:

- Knowledge
- Wisdom
- Action

Knowledge is not power, it is information. Wisdom is knowing what to do with what you know and Action is the real power that turns your dreams and desires into reality.

Now is the best time for you to get started. Do you want to follow the crowd and work a 9-5 job making someone else rich or do you want to take control your financial future.

I have a question that we like to ask a lot of students at our seminars who are interested in getting started in the judgment liens industry.

Are you going to be like the average Joe who gets up and walks out after learning how they can now take charge of their financial life or are you going to take charge right now and enjoy life.

Imagine that you don't get started with the program today and you move the clock ahead one year. Is your life any different than it is today? Sure you might get a new car or get a promotion at work, but your life is essentially the same.

Now let's move the clock back to today. You get started today and start looking for defaulted mortgages that you can purchase or flip to another investor. You now start making an additional \$5,000 - \$10,000 per month in extra income. Now move the clock ahead one year. How is your life now? Are you able to pay off your bills? How about go on that dream vacation, or buy that big screen TV you have always wanted. Or maybe you just have more time to spend doing the things you want w-your family.

For many students it is hearing the success stories of other successful judgment liens investors that motivate them to go out and just do it. Please write to our office with your judgment lien investing success stories. You can also visit our student testimonial review site at <http://mikewarrenreviews.com>. Include your written permission for us to share your success with others.

CLOSING COMMENTS

I am sure you will find profiting from judgments to be as emotionally and monetarily rewarding as I have. Please write to me and let us know of your successes. Please visit our student testimonial review site at: <http://mikewarrenreviews.com>

In this special report I only had the time to cover 1 technique for making money with judgments.

There are actually 4. The other three do not involve buying any judgments at any time. Plus you can actually just find judgments and get paid \$2,000 for each one you find without calling creditors or talking to debtors or filling out any paperwork from the court. Sound interesting?

To gain access to your free 90 video training on all 4 techniques and how to do everything virtually and with no more than just \$1 out of your pocket please go to:

<http://bit.ly/xKoMzY>

Plus I will show you how you make a quick \$2,000 for just doing some research on the internet.

All the best,

Mike Warren