



HOW TO RAISE \$1,000,000

GABE BOWLING



REVISED EDITION

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FIX YOUR MINDSET

- It is **EXTREMELY IMPORTANT** that you know WHY you are doing this.
- This skill set of being able to “raise money” you will see is a very powerful and desired skill set to have, but you need to know right from the start: the level of responsibility when raising capital is high, if you fuck up one time it can **follow you** for the rest of your life.
- Having a big enough **WHY** has made my life so much easier, and it can for you too if you allow it.
- You have to understand that **LIFE is sales**. Either you are being sold or you are selling, there is no way around it, but it's not the “Shady Sales Tactics” your mind automatically goes to when you hear the word “Sales”, it is effectively communicating with wealthy individuals and solving their problems. That’s it.

Your first job as someone who is raising money is to manage the expectations of the investors and what they can anticipate throughout the investments. (Remember, you are not selling a \$20 burger and never talking to them again. In fact, you are raising hundreds of thousands, if not millions of dollars for an investment in which the “Buyer” or investor, doesn’t see the majority of return on investment for years... So the words you use and how you handle the conversations up front matter.

Legal Disclaimer***

- Not financial advisors or licensed attorneys, you should consult with a licensed professional before making any decisions
- 100% understand the differences between a JV, 506(b) Syndication, 506(c) Syndication and a Fund – THIS AFFECTS YOUR ABILITY TO PROMOTE PUBLICLY

SET GOALS & DAILY TARGETS

KNOW YOUR DEAL CRITERIA

- Know what types and sizes of deals are you going to go after. Why?
- If you don't know what you are going after, it will be impossible to have a target.

Questions to ask:

- Are you going to be raising ALL of the equity? Are you partnering with someone/a group of people? Knowing this upfront will only make raising the actual money so much easier.
- What size deals are you going up to? (Dollar size)
- How much would the total equity be? (I.e if you are doing a \$4M deal, the equity will likely be \$1M-\$1.5M total)

Of the total equity, you will be able to reverse engineer into a target for how much you need to raise

COME UP WITH A

TARGET

- Based on your Deal Criteria, you should have a rough estimate of how much you need to be able to raise for your first deal.
- A goal for your pipeline should be to be 3x more equity than you need to raise for every given deal...meaning if you need to raise \$1M for it, have a pipeline of at least \$3M!



- Once you come up with a target, it is easy to reverse engineer into exactly how many people you need to talk to and have in your pipeline etc..
- Use the “Investor Tracker Sheet” included in the program to start building your pipeline

THE MILLION DOLLAR MATH

As you can tell, this isn't just some fluff program. This will teach you how to raise as much money as you want, you paid \$97 to learn how to raise your 1st \$1,000,000.

LET'S GET TO IT.

\$1,000,000 sitting in a bank account happens one way. People send money to you. How many people? Well, the math is the easy part.

- 40 people send you \$25K
- 20 people send you \$50K
- 10 people send you \$100K
- 4 people send you \$250K
- 2 people send you \$500K
- 1 person send you \$1M

Now that's easy to understand. Now comes the hardest part and biggest barrier: **How do I find those people and what do I say to get them to send me money?**

Before you can even talk to interested investors, you have to **understand marketing**. With no marketing, you have no people (outside of the few 100 random Facebook friends you have accumulated.)

There are **two things** that make this world go round, **Sales & Marketing**. It is the same with raising capital. Marketing comes first.

You **NEED** marketing. Now before you say “I don’t want to post reels of myself!”, just let me explain. You don’t need to become the next real estate guru. In fact, you don’t even need to show your face. Look at BiggerPockets, TheRealDeal, or any of the other media names you know in “The Real Estate Industry” whom you do not associate a face with.

Social media is slowly changing the environment of how investors invest. The doctor who is performing surgeries all day and opens his phone at 9pm and see’s my new YouTube video on how to passively invest, will choose to invest in my deal over the traditional 401K. Why? Because I am becoming omnipresent.

In the example above, the doctor will choose to invest in my deal because I send him emails daily, and he sees my youtube and social media videos. Let me explain this even further. When the doctor pulls open his cash account and sees \$500K, he then realizes that he needs to invest that cash instead of letting it sit and burn. He should think of you immediately as the first place to send the money.

That is the goal of marketing.



MARKETING

STEP #1: MARKET YOUR SELF/ THE DEAL

Goal: Get seen by as many people as possible

Where to go EXACTLY: (not paid)

- **Networking events** (specifically go to Events for both Limited Partners (Business events) and Co-GP Partners (Syndication Events) to build an active and passive pipeline of investors
- **Social Media** (Regardless if you are the face or your brand is the face, you need to be posting some type of educational content about what you do and how you do it, and why they should trust you with their money) (Building Trust is IMPORTANT)
- **Friends & Family:** I would immediately let all of my family and friends (Even friends of friends) know that you invested into learning how to invest in apartments. Find the interested ones and think about pooling money together.



- **Facebook Groups on Multifamily:** I would highly recommend utilizing free facebook groups when you/your brand posts on social media. It is literally free and no cost to you, and best case scenario you find possible partners/investors for your deals. You'd be surprised who is on FB.
- **Gabe's FREE Multifamily club.** "The Multifamily Club' was created to bring together real estate professionals and investors to do more deals.

Where to go EXACTLY: (Paid)

- **Facebook & PPC Ads:** This is very broadly stated. If you are raising money for a deal, you might benefit from running ads for a webinar and generating leads from there. You can use ads for a ton of different reasons that might result in possible investors.
- **Paid masterminds.** 1000%. By this point, you should be starting to see that people are the key to success in life, business, and definitely real estate. You are only a few relationships away from meeting the partner/s you need to change your life. Get in the right rooms.
- **Host paid events / Gatherings around other people's events.** You won't become a social media star overnight and be able to sell out 1,000+ people rooms, but what you can do is leverage those audiences. Go to an event, book a room/restaurant, and now it's your job to get people there. The next part of what to do is in the sales section.



STEP #2: GENERATE INTEREST & CTA (CALL TO ACTION)

- This will be different for the message you push out if you actually have a specific deal under contract or if you are just building awareness to build an active pipeline of money
- Provide some type of value to the people in your audience. (Videos, emails, information, current market update, how it works, case studies, etc...)
- Remember, people are naturally selfish and want to be pulled in by something that either gets them excited or solves a problem

WHEN YOU HAVE THE ATTENTION OF INVESTORS, ALWAYS HAVE A CTA

- Especially with wealthy individuals, when you provide a statement like “I can turn your \$1M into \$2M in 3-5 years”, you have to automatically know that they are going to ask you “How?”
- This is why it is so important to have a Link to landing page, zoom call, recording of presentation, signup for portal, etc.
- Make it EASY for investor/prospect to get the information. (Remember, everyone has a problem and it is your job to provide the solution... until they get the solution they have not been helped.

STEP #3: DATA GRAB

- It is **VERY IMPORTANT** that you keep track of the investor's information - this is the **LIFELINE** to your business. You do not want to have the opportunity to meet a potential partner and not have a place where you can have their information stored. You own the email forever.
- You can find many free CRMs. I personally have used an excel sheet and Hubspot. It doesn't matter, as long as you keep track.
- All of the Interest Generated by the CTA, get the pertinent information you are looking for in the sales process such as: First, Last, email, Phone number, Accredited, How liquid, etc.



MARKETING SUMMARY

- With the \$1M target in mind, you need to find 10 people with \$100K.
- You start posting on all social media
- You start going to networking events
- You start building an email / SMS list

It works. You finally have people reach out to you. Now you have a pipeline. Congrats. Remember the question at the beginning?

HOW DO I FIND THOSE PEOPLE AND WHAT DO I SAY TO GET THEM TO SEND ME MONEY?

Well, we solved the first part. Now we dive into the next, which is what I call Sales / Servicing.



SALES PROCESS

BEFORE YOU DO ANYTHING

Now that you have worked your ass off to get the attention of an investor who has an interest in investing in your deal, it is your obligation to make sure that you get their money invested.

Before diving into what the sales process looks like, you should always go into the conversation with the intent of servicing the investor, not just trying to sell a used car. Keep in mind that you are dealing with people who worked their asses off to earn the money, sometimes even life savings. You need to actually CARE about the people.

Think about it, if an investor has \$1M in a cash account and you have a conversation with them, the only way that you actually help that investor is by investing the \$1M into a quality asset that provides great returns for the investor. That's how you impact them, and actually, help. If they never actually invest the money, you have not helped them.

SALES PROCESS

BASIC

STEP #1: OUTBOUND CONTACT

- Phone Call
- Email
- Text

STEP #2: QUALIFY

- Make sure they can invest into your deal (depending on legal set up)
- How liquid are they?
- When are they looking to make the decision?

STEP #3: SHOW THEM THE DEAL

- Send them the packet
- Explain how the deal works
- Explain the projected returns
- Make sure they understand the investment

STEP #4: ANSWER QUESTIONS

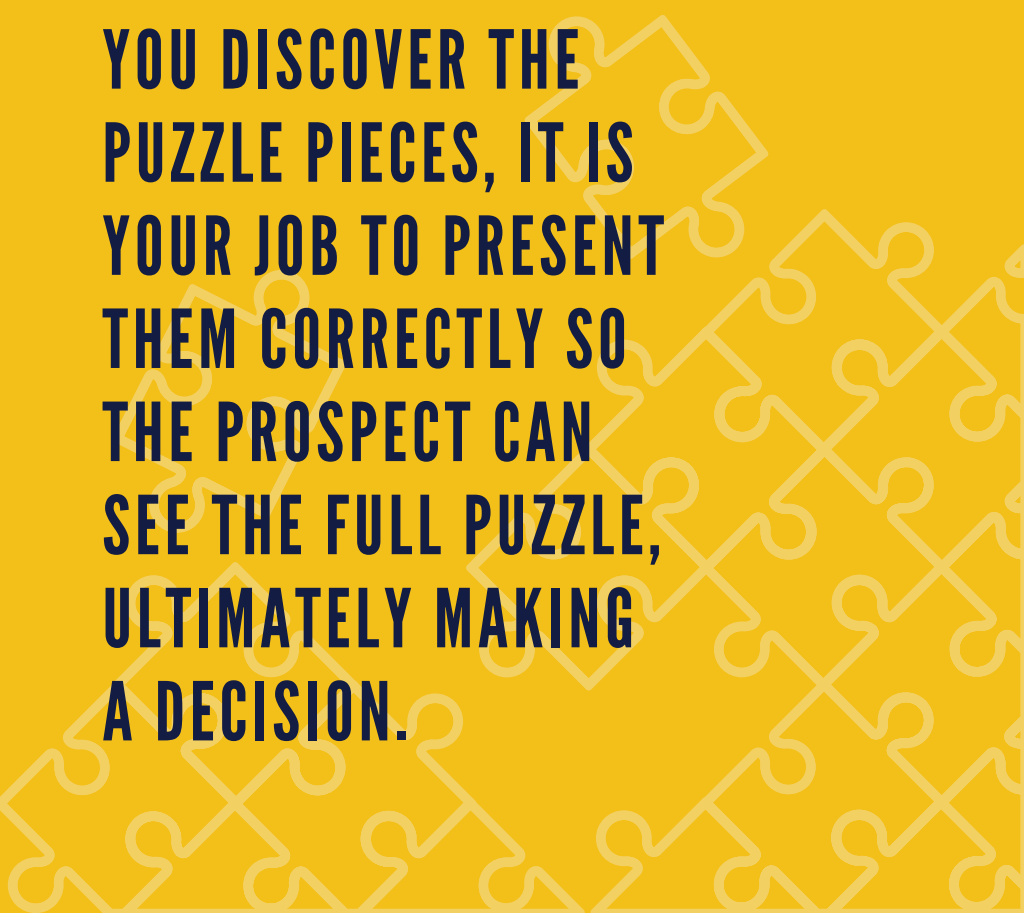
- Q&A on how it works

STEP #5: THE INVESTOR MAKES A DECISION

- If yes, then paperwork and wire
- If no, then try to handle objections

In no world is it that simple, and is certainly not how the actual sales process goes. (See advanced), but it does give you a birds eye view of how the process should go. It's not as crazy as you might have thought.

**THE SALES PROCESS
IS A PUZZLE...
YOUR JOB IS TO ASK
THE RIGHT QUESTIONS
TO DISCOVER THE
PUZZLE PIECES. ONCE
YOU DISCOVER THE
PUZZLE PIECES, IT IS
YOUR JOB TO PRESENT
THEM CORRECTLY SO
THE PROSPECT CAN
SEE THE FULL PUZZLE,
ULTIMATELY MAKING
A DECISION.**



SALES PROCESS

ADVANCED

STEP #1: OUTBOUND CONTACT

- Three points of contact.. (Email all of the info, call them and leave VM, and send a text with a personalized video for them)

Make sure you let them know the reason you are reaching out. You do NOT want to waste their time:

“Hey Mike, Gabe Bowling here. The reason I am calling is because you showed interest in my latest deal and I wanted to get you all of the information you need. How much were you looking to invest?”

- Track every outbound contact you make using a CRM or Excel. (The goal is to make sure that every person you talk to gives you an answer, whether it's NO or YES. See my spreadsheet I use to track it.

STEP #2: FACT FIND

Every person makes decisions in the same pattern. Your goal is to find their Dominant Buying Motive (DBM). Here are a few of the best questions I have found to work to start the conversation...

- Have you ever invested in real estate before?
- What was it that peaked your interest in reaching out?
- What do you normally invest your money into?
- What do you do?/ How do you make your money?

STEP #2: FACT FIND CONTINUED

Every person makes decisions in the same pattern. Your goal is to find their Dominant Buying Motive (DBM). Here are a few of the best questions to start the conversation...

Have you ever invested in real estate before?
What was it that peaked your interest in reaching out?
What do you normally invest your money into?
What do you do?/ How do you make your money?

Each of these questions are meant for them to open up about their DBM. The trick to discovering their DBM is to genuinely be curious. Keep asking “Why”, but don’t be a robot about it. The way you don’t be a robot is to be genuine.

I will give you an example:

Gabe: Have you ever invested in real estate before?

Mike: Yes, I invest in RE all the time!

Gabe: Got it! Do you typically invest passively or do you own your stuff actively?

Mike: I only invest passively.

Gabe: Great to hear. What is it that makes you invest passively verses actively?

Mike: Well, I own and operate a successful car dealership which takes up all of my time.

STEP #2: FACT FIND CONTINUED

- In this example, by asking the right questions, we discovered that Mike doesn't have time. Now that we discovered his DBM, we need to dive a little deeper, then we move into the presentation and tailor the information around his DBM.
- With this being said, there are still many more variables we don't know. Just because we solved his problem of making it passive, there are still many more things that he/she will consider when making the decision to invest. So, we dig deeper.

Questions Continued:

- What do you look for out of a real estate investment?
- What type of real estate do you invest in?
- What defines a great real estate investment for you?

- The goal here is to determine the buying patterns or characteristics he/she looks for when making the decision of what passive investment to invest into. It is the same process as finding their DBM, but more filtered and specific to his needs within passively investing.
- Once you have found the reason that the prospect will most likely invest in your deal, now it is time to present the offering documents to him/her.

IMPORTANT:

ALWAYS MAKE SURE THE PROSPECT SEE'S THE PACKET. THIS IS OFTEN ACHIEVED BY ASKING IF THE PROSPECT IS IN FRONT OF THEIR COMPUTER, OR CAN PULL UP A PDF THROUGH A TEXT. NO PROSPECT WILL BE ABLE TO IMAGINE WHAT THE PROPERTY ACTUALLY LOOKS LIKE WITHOUT PHYSICALLY SEEING IT. YOU SHOULD NEVER JUST EMAIL IT AND SAY "LOOK THROUGH THIS LATER", YOU SHOULD ALWAYS ASSUME YOU ARE PRESENTING RIGHT THEN AND THERE OR SET AN APPOINTMENT TO HAVE THEIR FULL ATTENTION.

SALES PROCESS

ADVANCED

STEP #3: PRESENTATION

(Remember to always have the investors DBM in mind when presenting)

This is an example: do NOT use this as your pitch. Tailor it based on your deal and returns

Start with High level basics on deal:

- # of Units
- Year Built
- Location
- The business plan
- Over what period of time
- Tell “The Story” on the deal and why its a “Great deal”

Start with High level numbers first:

- Our target is to turn your \$100K into \$200K-\$225K over the next 3-5 years.
- That is made up of two parts. Cashflow and appreciation.

Then start to break down the high level numbers:

- Cashflow should be between 6-8%, which on your \$100K investment, is about \$6K-\$8K a year in cashflow.
- Once we sell, we anticipate on sending you back \$200K.
- Also, you will receive the tax benefits that come from investing in Apartments.

Then recap everything in a simple message:

- The goal again is to 2x-2.5x over a 3-5 year period between cashflow and upside

SALES PROCESS

ADVANCED

STEP #3: PRESENTATION CONTINUED

Through out this entire conversation, make sure that the investor gives you some form of agreement as you're going through. Ask them "Does that make sense?" often. Anybody can listen, but not everyone can actually understand.

Then move into questions / objections

- The prospect should have a decent understanding of what they are getting into and from this point, it should be Q&A about the deal based on his/her experience etc.
- You will also confront any type of objections the investor might have about investing into your deal... Here are a couple of common objections
- Objections: Trust, Too long of hold term, Not enough upside, not enough cashflow, no track record, I can find better elsewhere, I can do this by myself

STEP #3: PRESENTATION CONTINUED

CLOSE

- Once all of the questions have been answered and everyone involved is clear on what the investment is, it is time to move into the closing.
- Always assume the close! When the presentation is finished, assume that they are ready to invest.
- How do you do this?: “How will you be making this investment? I will go ahead and pre-fill the paperwork out for you”.
- Once you go in for the close, the investor will let you know exactly where they are at, if they’re ready, have any objections or questions, or timeline for making decisions.
- The point is to push the needle forward towards the end goal, which in most cases is for them to send a wire.
- Something weird that I have discovered from enough calls, is that wealthy individuals like to move quick and be told what to do. You want NO friction between the start and finish. Make the decision that they are going to invest into the deal, that gives the investor even more confidence about making a decision.
- Whatever you do, do NOT make it a complicated process to invest with you. **Service is always senior to sales.**

THE LEGAL STUFF

DISCLOSURE

Gabe Bowling is not a licensed attorney, nor is he a licensed financial advisor. You should not take any of the information presented in this e-book as financial or legal advice. Please consult with a registered attorney or licensed professional before making any decisions. Gabe Bowling shall not be liable for any losses incurred.

A message from Gabe: The reason I included this information here is purely to shed light on the experience that I have and under no circumstances should you take this as legal advice. There is no “Right” or “Wrong” way of doing this. I hesitated to include this section for obvious reasons, I am simply trying to over provide on value, and not play attorney. You **NEED** to have legal counsel involved if you are raising money, period. No exceptions.

BEFORE YOU DO ANYTHING

- 100% ALWAYS have an attorney who specializes in Multifamily Real Estate.
- You have to understand the legal ramifications of what could happen to you when entering the field of “Raising Capital”
- Understand the different types of vehicles you can utilize to accept money from investors (I.e JV's, Syndications, and Funds.)

HOW THE LEGAL SIDE WORKS

There are two common ways to accept money from investors:

- “Joint Ventures” and “Funds/Syndications”
- JV’s often are utilized on smaller transactions where fewer people are involved.
- Funds/Syndications are utilized on larger transactions where you are pooling multiple people’s money together.
- The biggest difference, legally speaking, is that a JV is basically just an entity or a business. A Fund or Syndication are both vehicles that operate under the Securities and Exchange Commission (SEC) and you are legally selling securities to investors.

JOINT VENTURE’S

- Often on smaller deals where there are only a few partners involved.
- Cheaper to set up
- Can’t promote publicly as a security / investment
- More simple
- More liability than funds

Here’s an example of where I might use a JV:

- \$2M Purchase / 20 Units
- Equity is \$500K

The way I would set that up is I would personally invest what I could, and find partners/investors for the rest. You could find 5 partners with \$100K each. You run point on the deal and make it passive for everyone else, and you split all of the net proceeds between the partners and you.

HOW THE LEGAL SIDE WORKS CONTINUED

FUNDS/SYNDICATIONS:

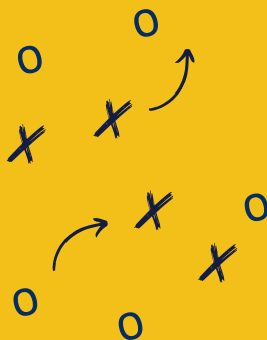
- Often on larger transactions with multiple partners and many investors.
- Legally registered with the SEC and selling securities to investors
- It is the big leagues. This is where the big banks and institutional investors play daily.
- More protective for both the GP's and LP's involved.

Here's an example of what my partner and I did on our 55 unit asset:

- \$8.2M Purchase
- \$4.8M Loan
- Raised ~\$4M of equity from limited partners

I set up a syndication (Paid my securities attorney to set it up) and used the exact same marketing and sales process above and together we raised ~\$4M of equity.

If you are doing a syndication, you HAVE to understand the difference between a 506(c) versus 506(b) offering under the Regulation D Exemption. I won't go into details here because it is too confusing, but just PLEASE consult with an attorney about this before raising capital and promoting online.



ACTION PLAN

By this point, you should have a basic understanding of what you truly need to do to position yourself or your team to raise your first \$1,000,000 of equity for deals. Now I want to tie it all together for you to be able to walk away with a concise and actionable plan.

Remember this Question:

**HOW DO I FIND THOSE PEOPLE AND WHAT
DO I SAY TO GET THEM TO SEND ME MONEY?**

How do you find them? Marketing.
How do you get them to invest? Sales.

Learn these two, and the sky's the limit as far as how much as you can raise. Now here's an example of what steps I would take if I was just starting out:

- 1. Define your Deal Criteria**
- 2. Set a Target (\$1M)**
- 3. Start Marketing myself / company.**
 - Go to Networking events (Virtual too)
 - Post on Social Media – ALL of them
 - Create a digital value proposition – (Free E-book, video, etc) and create traffic
- 4. Build a Pipeline (Sales)**
 - Engage with the investors.
 - Figure out what investors are real and just time wasters
 - Figure out a real amount they will invest

Once you find the deal that you want to acquire, you then move into the legal aspect of it and consult with your attorney. Once you have the deal under contract and the legal side of it figured out, then it gets to the fun part of actually collecting the money.

That's it. Simple? The most important thing that wasn't even covered is that you just START. Your first posts on social media will suck, your first few conversations with investors will suck, and you will definitely mess up on other things. Raising money is a unique skill set, and it's just like anything else. If you want to get really good at it, do it longer and better than anyone else. It is all a repetition game. Just start now and play the long game.

If you have any questions when going through the process, Bowling Real Estate Training has free resources to help you. Join 'The Multifamily Club' which is a free weekly zoom call with Gabe Bowling. The intent behind everything we do is simple: To help you buy apartments. Reach out. Ask questions.

Be great,

GB