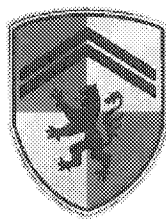


# EXHIBIT D

# SALES PLAYBOOK



**TRUMP**  
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## **COMPANY OVERVIEW**

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Trump University was founded in 2005 to redefine the market for business education. Our focus is on developing and delivering world-class education to success-oriented individuals around the world. Since our launch we have achieved remarkable success:

- Nearly 700,000 members have joined TrumpU
- TrumpU members come from over 50 countries
- Over 50,000 clients have taken a course
- Clients report a 95% satisfaction rating with their experience

### **Mission Statement**

Trump University's mission is to provide educational programs and tools to help our clients achieve financial independence. Our success is measured by the results that our clients achieve applying what they have learned from us in the real world.

### **Strategic Values**

1. Communicate: Teamwork is driven by communication. Pass the baton with care.
2. Listen, Learn, Innovate: Learning organizations become innovators
3. Focus on the Customer - Put the needs of our customers before everything
4. Take Risks: Only those who dare to fail greatly can ever achieve greatly.
5. Take Action: The secret to getting ahead is getting started.
6. Care about Quality: Deliver exceptional quality in every aspect
7. Keep it Simple: Get the basics right...The rest will follow
8. Make a Difference: We all contribute to the success of TrumpU in hundreds of ways, both large and small



**Subject Areas of Focus**

- Real estate investing
- Entrepreneurship
- Small business marketing
- Personal finance (in development)
- Financial investing (under consideration)

**Learning Formats**

- E-learning courses
- Books (John Wiley & Sons)
- Audio Business Courses (Barnes & Noble)
- Continuity Club
- Home Study Products
- Software
- Workshops (free buyer-only seminars)
- Retreats (live 3-day seminars)
- Coaching (phone and field)

**Key Partners**

- Trump Institute
  - Lead generation (preview seminar)
  - Wealth Building Weekend
  - Retreats
  - Coaching
  - Think Big seminars (one-day pilot)
- Prosper Learning
  - Lead generation (direct response)
  - Coaching
  - Sales of TrumpU products



## **PRODUCTS AND SERVICE OFFERINGS**

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### **Commercial & Multi Family Retreat Training Summary of Services:**

**Three Day Intensive Real Estate Retreat:** You will have the opportunity to attend three days of classroom training with a Certified Instructor.

**Materials:** Upon arrival you will receive the Real Estate Retreat Training Workbook which will be instrumental throughout the entire course.

#### **The Retreat Curriculum:**

- 1031 Exchanges
  - Tax Advantages and other Shelter
- Land Development
  - Identifying land properly
  - Preparing vacant land for re-sale and/or sub-division
- Discount Paper
  - What is it?
  - How to find it
  - Financial Profitability
- Multi-Family/Commercial Real Estate
  - Importance in today's marketplace
  - Who should consider this?
  - Owning and operating for fun and profit
- Property management
  - Importance (for absentee owners)
  - Owner expectations of his agent
- Options
  - Why do we use them?
  - Their function in the acquisition/divestment process
- Rehabilitation
  - Selecting properties for complete makeovers
  - Differences between remodeling and rehabilitation
- Condominium Conversions
  - Property Selection
  - Criteria for work
  - Marketing
  - Soft costs and the work associated with these costs
- Pre-construction Investments
  - Development selection
  - When to sell
  - When to lease/option



### **Asset Protection Retreat:**

#### **Day One**

- Introduction and Overview of Wealth Structuring Concept
- Estate Planning
- Avoiding Probate
- Living Trusts vs. Wills
- Homework: Naming Legal Entities
- Limited Partnerships
- Limited Liability Companies
- Corporations
- Blending the Entities Together
- Homework Assignment

#### **Day Two**

- An Introduction to Taxes
- Comparing Tax Scenarios
- Personal vs. Business Tax Systems
- Defining Types of Income
- Taxpayers defined by the Internal Revenue Code
- Overcoming Potential Tax Pitfalls
- The Dirty Dozen Tax Strategies Every Small Business Owner Must Know

#### **Day Three**

- Introduction and Overview of Retirement Plan Options
- Self-Directed IRA Investing
- Advanced Retirement Power Strategies Utilized by the Wealthy
- Wealth Structuring Class Exercise
- Group Exercises for Education Implementation
- Final Review and 30 Day Action Plan



## **Foreclosure & Rehab Real Estate Retreat Training Summary of Services:**

**Three Day Intensive Real Estate Retreat:** You will have the opportunity to attend three days of classroom training with a Certified Instructor.

**Materials:** Upon arrival you will receive the Real Estate Retreat Training Workbook which will be instrumental throughout the entire course.

### **The Retreat Curriculum:**

- Finding Properties
- Financing
- Property Inspections
- Courthouse Foreclosure Auction
- Analyzing Properties – TIES Software
- Contracts and Lease Options
- Foreclosures
- Pre-Foreclosures
- Flips
- REO's
- Forms of Business Ownership
- Tax Liens
- Rehabbing
- Ad Grading
- Helpful Websites
- HUD's
- Deal Structuring
- Power Team Members
- Taxation
- Assignments

**Day 1:** All day classroom training

**Day 2:** Tour of properties half day and classroom training

**Day 3:** Live courthouse auction and classroom training



## **SALES OVERVIEW**

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### **Dress code:**

- Trump University has a business casual dress code - no sneakers, jeans, collarless shirts, athletic apparel.

### **Sales hours of operation:**

- Sales floor must have coverage from 9:00am to 9:00pm Monday through Friday
- Sales team will be assigned shifts on a weekly basis; these shifts will rotate
- Saturday coverage will be expected on a periodic basis

### **Commissions:**

- Payroll is paid semi-monthly on the 15<sup>th</sup> and last day of month.
- Commissionable amounts are computed on a calendar month's basis.
- Commissionable amounts are paid in the month immediately following the commissionable event.
- Spiffs are occasionally given to reward exceptional performance.
- Monetary spiffs are paid in the month immediately following the month it was earned.





## **SALES PROMISES**

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**Promise #1:** To serve as stewards of the Trump brand and to never say or do anything that might negatively impact the brand.

**Promise #2:** To ensure that customer service and satisfaction is always our first priority.

**Promise #3:** To provide our students with valuable information on profitable growth opportunities in real estate, entrepreneurship, marketing and personal finance.

**Promise #4:** To strive to conduct our business in a professional manner, in compliance with our corporate legal and regulatory standards but also mindful of the ethical and moral impact of our actions.

**Promise #5:** To attract and retain the most qualified team of speakers, trainers, coaches, instructors and support staff. We provide them with the best support systems, ongoing education, enrichment and growth opportunities.

**Promise #6:** To update and constantly improve the content, quality and overall value of our company products and services.

**Promise #7:** To expand the scope of our course curricula so that we can introduce the technical, strategic and practical aspects of financial advancement to as wide a segment of the general public as possible.

**Promise #8:** To empower our students in setting realistic goals and achieving success through the use of our training and education.

## **The Role of Marketing**

### **Lead Generation and Qualification:**

“On the Savanna, every morning a gazelle wakes up and knows it must run faster than the fastest lion or it will be lunch; the lion awakes and knows it must run faster than the slowest gazelle or it will go hungry. Therefore, when the sun comes up, start running.”

The World is Flat: A Short History Of the 21st Century

Thomas Friedman

### **Who are our Customers?**

- Household Income \$90,000+ per Year
- Net Worth Over \$200,000+
- More Likely to Make Investments
- Live in Single Family Homes
- Home Value Over \$200,000
- College and Graduate school educated
- Male Head of Household
- Head of Household 40 - 54 Years Old
- Four or More Household Members
- Have Made a Donation to a Charitable Cause
- Were Early Adopters of the Internet and are Currently Heavy Users

### **Performance Based Marketing:**

- Direct Response metrics
- Every action measured
- CPA/CPL/CPC/CPM

### **Marketing Channels:**

- RSS
- Blogs
- Podcasts
- Email marketing
- Online behavioral targeting
- Contextual
- Search marketing
- Webcasting
- WOM marketing
- Print
- Direct Mail

### **Leads:**

- Think Small – Feel Hungry
- The most important person in your world
- Sell from point of strength

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**Qualifications:**

- Personal Information
- Previous Experience
- Financial Goals
- Real Estate Investment Goals
- Learning Style
- Success Drive and Motivation

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## **DO'S AND DONT'S**

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- Get in the mindset of scarcity....clients must apply and be accepted to our program.
- Think like a consultant...you are here to meet the needs of your clients, not to push product.
- Never email any marketing material to a client unless it has been approved by Marketing.
- Do not send out any mass e-mails unless Marketing has reviewed and approved.
- Do not leave the Sales Floor unless there is ample coverage.
- Never disparage a competitor or competitive products...focus on the benefits of our programs and how they meet the needs of the client.
- Always be aware of upcoming start dates for programs and retreats
- We are the gold standard in Real Estate Education. Never use a competitors name because we have none. Speak to our program and how it will benefit the client's needs.
- There should always be phone coverage for in bound calls. Even though there are 9 of us be aware and considerate of when a colleague leaves for lunch or a meeting.
- When an in bound call comes in query that person by last name, as well as email address soon as not to have duplicate leads in the system.
- First things first, always get an inbound calls name phone number and email address.
- If a client is adamant about knowing the price, simply say " Our course range anywhere from \$29 to \$35,000 that's why we have this interview/ screening process to make sure you will be receive the most appropriate level of support to help you achieve your goals."
- Never end a conversation without having a set follow up action, even if that next action is to change that person's status to dead or cold in DEV.
- Always follow up a conversation with a thank you email, and use that as an opportunity to confirm the next action you just set.



- If there is something you don't know about a particular course or support tell the client you will check rather than promise them something we can't deliver.
- If asked about our affiliates (ex. Trump Institute or Prosper) they are under the Trump University Umbrella and any support you were looking to receive from them you can receive from us and the switch the focus back to making sure your fulfilling the client's needs.
- If you set a phone appointment DO NOT MISS IT! ALWAYS follow through.
- You are part of a team, when speaking to anyone treat them with the utmost care and respect. Always enter detailed note into DEV so that anyone in the organization can reference them and be up to speed with the situation.
- Being part of a team means that you are surround by people willing to help, remember to ask for it. At some point everyone here was the new person.
- Actively listen to client objections. Catalog these objections and build the team's rebuttal dictionary. Capturing the best practices of the entire team will make everybody a stronger salesperson.
- Each week you will receive a hot-sheet that summarizes key facts from the real estate industry. Study this hot sheet...it will enhance your credibility with prospects and build your knowledge of the industry.



## **CUSTOMER-ORIENTATION**

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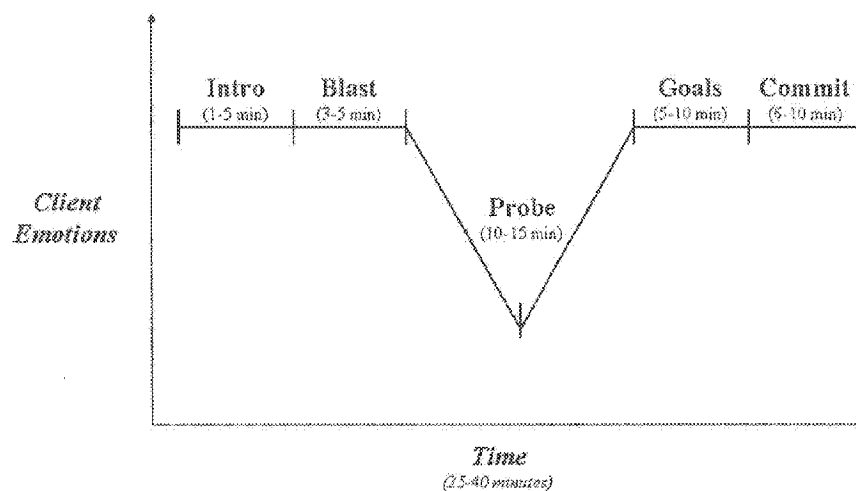
- It means meeting or exceeding most if not all customers' expectations.
- It's listening to what each customer wants and then doing everything you can to deliver it in a fair and timely fashion.
- It's providing the emotional support necessary to sustain and grow a relationship.
- It's putting the customer's needs and long-term relationship before personal short-term gain.
- It's openness, honesty, and integrity provided without compromise.
- It's respect.
- It's providing fair value at a fair price.
- It's a knowledgeable and trained staff that understands that the customer is their priority.
- It's taking a personal interest and the time to get to know each customer.
- It's no hassles or roadblocks.
- It's quick, easy, and convenient access designed to meet a cross section of needs.
- It's every employee being accountable to the customer regardless of title or responsibility.
- It's staying in touch with customers even when they don't have an immediate need for your products or service.
- It's having a good tools, procedures and systems to help support the above disciplines.



## THE ART OF THE SET

We use a two part sales process to set and close a client. The first conversation between a Consultant (setter) and the client is designed to qualify the client, build a relationship of trust and set-up the Program Director to close the sale. This sales process is based on managing the emotions of the client by focusing on the psychology of the sale. The metaphor we use for this process is *the Roller Coaster of emotions*:

### The Roller Coaster of Emotions



#### Introduction:

You are at ground zero and according to the professionalism that you show you will start the momentum of the conversation either up or down. Through the next few steps you are trying to gently guide the client down to the time they were looking at investing in real estate or starting a business while trying to establish a relationship with them.

Psychology: Bring them back to the place they were when they first filled out our student application. You want to get them excited about their dreams again but also realize they still haven't taken any steps to accomplishing them.

#### Blast:

Why you are calling? Giving your clients hope again about getting their real estate investment career going or launching their business. Psychology: The blast is the first sign of relief these people have seen since they were motivated to complete our application. The motivation that they experienced can die quickly as the realities of their daily lives take over. It is our job to rekindle that motivation...to make them once again





see the potential of achieving their dreams. When you are done with the blast, they should be at the top of the roller coaster getting ready for the dip ahead.

**Probe:**

The probe is the actual qualification process of the call. Identify the client's available resources & goals/dreams. *Psychology*: Slowly bring the client back down to reality. They don't want to hear how their financial situation is.

Most people will not have a problem giving you personal information such as how they connect to the internet, if they are married, how many kids they have. But, when you get to the financial section, you might run into a few walls. Most people are NOT comfortable talking about their personal finances. Why? Because very few have done anything with their finances worth bragging about. If you have done your job correctly in the beginning, they will share with you openly because of your relationship. A relationship where they trust you because they know you are not a salesperson, but rather a Consultant. A Consultant is here to help! The better the relationship you have built with them, the easier it will be to go through this section. If you have not built a relationship you will find barriers and walls throughout. Because of the harshness of reality, you should always stroke their ego when they have done anything right (like established good credit).

If someone does not want to give you any financial information you can bet that two things have happened:

1. You failed to establish a good relationship with the client.
2. The client is on the defensive because he or she feels you are trying to sell them something.

How Much Money Is This Going To Cost?

This is a very common question that you will hear. Sometimes it will come at the beginning of the conversation sometimes not till the end. No matter when it comes, it carries with it a sense of despair. The client thinks she or he has figured you out. A lowly telemarketer trying to sell me something AGAIN! After you have heard this question you will start to get a little uneasy. You are nervous because you know this will cost money, and lots of it at that.

"Well Bob, I am glad you asked that question. It shows me that you obviously understand that in business, it takes money to make money. After all, how do you make money in the stock market? You have to invest in it first. Right? Well, let me have you write that question down, because it is one that you will need to discuss with my Director. Yes, there is a tuition involved with this Program. However, this is an invitation only program and you still have to go through a second interview to qualify. Our goal is to teach you how to acquire property using creative financing with little to no money down also know as OPM. You may have heard of that strategy? Most students who are invited into this program use established lines of credit, like a credit card, utilizing the bank's money, OPM, to handle their tuition. I'm not talking about tens of thousands of dollars, but on





the other hand not a couple of hundred dollars either. But, keep in mind you'll be working with our experts to become profitable in the shortest amount of time. That makes sense doesn't it? It is impossible for you to make any decision right now because you don't have any of the information. What my Director will explain in full detail is how to leverage your tuition using OPM, and limit the amount of out-of-pocket expenses."

**Dreams / Goals:**

This is where you help your client start to develop the dream of what is possible while working with a coach or mentor. The more vivid and real you can make those dreams, the more your client will see they need help and they need it now! Here is the purpose for this section:

1. Help your client visualize their goals
2. Have them write their goals down so they are no longer just "dreams"
3. **For every Goal get 4-5 details!**

Psychology: Most people think that the client is now on the "high" of the roller coaster. That is partially true. While talking about their Goals/Dreams, they will again see the light, remember why they got involved in the first place and build hope. This should be peaks and valleys! "You want a new house?" (You can see how they will be up after you detail the kind of house, etc) "How much will that cost?" (Bring them back to reality!) If this is done right, they will be at the lowest point of the rollercoaster." They need help to accomplish the goals they have set. Who will help them?

**Commitments:**

Psychology: This should take the client back to the top of the roller coaster. You have built the Dreams; they have seen the pain in their financial situation and have committed to make a change. As you build up the Director, the client starts to see him as the answer to all that has been wrong in the past. As they realize the Director can help make them successful, they will reach the peak of their emotional roller coaster. At this point, they should be feeling an emotional high and sense relief. If they start to sell themselves on why they would be a fit for the program, you did a good job up to this point.

**Takeaways:**

The takeaway is there simply to remind the client that it is not their decision to join this program. We know they need our program. They will begin to sell themselves to us; they will be climbing ever closer to the peak of the emotional roller coaster.

OPM: "When it comes to major lines of credit cards like Visa, MasterCard, and those guys, who is it that you work with now?"

"Now, if I could write you a check to pay off ALL of your credit card debt how much would I need to make that check for?"

"Is all of that on one card, or is it spread out between all?"



"This is where I need you to be specific. I feel that it is very difficult to expect a client to be successful in Real Estate if they can't even manage their own finances. On the Visa/MasterCard/Amex/Discover, what limits have the banks extended to you? At what interest rate? And how much do you have on that card? Now, how about the

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## **SUCCESS FORMULA**

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There is a specific formula that will lead to your success. This formula is driven by a key set of performance metrics:

1. Phone Time: 3.5 Hours per Day (Minimum)
2. Dials: 80-100 per day (Minimum)
3. Sets: (5) sets per day (Minimum)
4. Set Goals
5. BE POSITIVE!
6. Make (15) appointments on Monday (Get ahead for the week)
7. Make (15) appointments on Friday to end the week on a Positive (Build the Pipeline)
8. Always be learning something new
9. Make commitments to yourself! "I will not leave until I have made (5) appointments for the end of week."



## **SALES TOOLS**

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### **Phones**

Always highlight the phone number(s) you want the Program Dir. to call. Don't make your Director have to guess which number to call. Find out what the phone situation at the prospect's location is like. For example, are they going to be on a speakerphone together? Are they going to be on 2 different extensions? Are they going to be in the same room (cordless phones?)

### **Cell Phones**

It's not easy to make a presentation to prospects that are on a cell phone. It's too easy to become disconnected or have troublesome interruptions at critical times during the call. If someone **MUST** be on a cell, make sure of where they are going to be during the appointment. The Program Director does not want to speak with people driving down the road. They need to be in a stationary, quiet, location free from distractions. They also need to be able to take written notes.

### **Think vs. FEEL**

Don't ask people what they **THINK** about something you've said. Instead, always ask them how they **FEEL** about it. People buy emotionally and justify it logically. "How do you feel about that?"

### **People's Names**

Find out what people like to be called. Ask if they have a nickname. If you call someone by a name they don't use or care for, you will break rapport with them rather than building it. For example, if the lead sheet says the prospect's name is 'Matthew', 'Michael', 'Robert' ... ask if they like to be called 'Matt' or 'Mike' or 'Bob'.

### **Foreign Names**

Make **SURE** of the correct pronunciation of a person's name. Saying their name incorrectly hurts you. Spell the name phonetically on the lead sheet for your Program Director. Explain unusual names to your Director beforehand.

### **NEVER give your prospects:**

- a specific period of time that it will take them to be successful
- details about what they will be learning in this advanced training
- examples of the types of deals they will be doing
- examples of success stories
- percentages of clients who become successful
- any information that is not completely true and accurate



## THE CONSULTANT (SETTER) SCRIPT

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### Introduction:

Hello (Name), my name is \_\_\_\_\_ from Trump University and I've been assigned to your account. I have some questions and some important information for you.

Do you have a few minutes to speak with me? Great!

I have your file in front of me and it doesn't show a partner or spouse, are you married or do you have a partner?

**(If yes,) when is a good time that I could spend 15 minutes on the phone with the both of you?**

Did you attend the two day workshop? (If NO, why not? If YES, how did it go?)

What were you hoping to accomplish by attending?

Do you have any experience investing in Real Estate besides your own home of course?

**\*If NO, what's prevented you from getting involved in Real Estate?**

If you knew how the experts were able to get around that challenge, would that be of interest to you?

### **Blast:**

Well (Name), there is something that I believe will interest you in your situation. How would you like to work with Donald Trump's Real Estate Experts? This is not something we offer to just anyone. We don't want to work with just anyone. You know who my boss is right? Mr. Trump is on a mission to create the next wave of independently wealthy entrepreneurs in America. Is that YOU?

Obviously (Name), if we're going to create these wealthy entrepreneurs, we only want to work with people who have certain qualities. So, we're actually going through an interviewing process, **looking to select a few people** that we might be able to work with **one-on-one**. We're only looking for highly motivated individuals that really want to be



aggressive with their Real Estate projects and want to become profitable right away. IS THAT YOU? Great!

A lot of people have asked if Mr. Trump can meet with them in person and show them how he finds properties; how Mr. Trump evaluates properties and how he uses creative financing to acquire properties with little or "preferably" No-Money-Down. *Obviously*, Mr. Trump can't meet w/ everyone, nor does he want to. So, he has also created a (insert program name based on lead information) where we only invite a select group of people that have been hand-picked by his Program Director. In this (course/retreat) we offer live, hands-on training with Donald Trump's professional Real Estate instructors. These instructors will be holding your hand, physically showing you the way. You will learn how to succeed, "The Trump Way!" These instructors are experts in today's Real Estate world and teach all of the non-traditional or unconventional ways of (buying and selling real estate). I'm talking about the latest strategies and techniques in Real Estate. Let me ask you (Name), is everything Donald Trump does, the BEST? He wouldn't put his name on this, if it wasn't, right? Do you feel that working with Mr. Trump's experts is something you would like to be considered for?

Great! Let me share with you how this works. (Name), my job is to conduct the initial interview. This interview will gives us an understanding of where you are today—what your goals are and we will also be looking at your current financial situation—so that if we decide to work with you, we can come up with a successful game plan to help you become profitable in Real Estate in the shortest possible time. If I feel you're a good candidate for this advanced training, I'll be referring you to the program director. "If we decide to work with you," he's going to tell you what we're going to expect from you and also what you should expect from us. Now, I want you to understand that "if you are extended an invitation to Team up with the Trump Organization," we'll be making a very serious commitment to each other. However, if for any reason (Name), during the course of our conversation if we don't feel this will be beneficial to both of us we'll just part as friends. Fair Enough?

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**Probe:**

Occupation: \_\_\_\_\_ How Long? \_\_\_\_\_ Happy There: ☐ Y ☐ N Income\$ \_\_\_\_\_ Age: \_\_\_\_\_

Married: ☐ Y ☐ N \*If yes, Spouse Name \_\_\_\_\_ If yes, get them on the phone

Occupation: \_\_\_\_\_ How Long? \_\_\_\_\_ Happy There: ☐ Y ☐ N Income \$ \_\_\_\_\_ Age: \_\_\_\_\_

Do you have kids? ☐ Y ☐ N What Ages? \_\_\_\_\_ Established any College Funds? ☐ Y ☐ N

No, why not? \_\_\_\_\_

How do you feel about your current Financial Situation? \_\_\_\_\_

In Real Estate, your current Financial Situation will tell us a lot about what direction we need to go.

Let's Talk a little about your situation.

Card	Balance	Limit	Available	Consumer Debt	Amount
				Mortgage	
				2 <sup>nd</sup> Mortgage/REFI	
				Auto	
				Credit Card	
				Other	
Total Available:				Total Debt:	

Any Savings or Seed Capital set aside other than retirement? ☐ Y ☐ N

Do you have a Retirement Fund? ☐ Y ☐ N Yes, how much? \_\_\_\_\_ No, why not? \_\_\_\_\_

**TOP THREE GOALS:**

1) \_\_\_\_\_

2) \_\_\_\_\_

3) \_\_\_\_\_

MOTIVATION 1-10: \_\_\_\_\_

INVESTMENT: ☐ Y ☐ N

DECISION MAKER: ☐ Y ☐ N

TIME: ☐ Y ☐ N

OPEN-MINDED: ☐ Y ☐ N

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Are you willing to make a Decision **TODAY?** ☐ Y ☐ N

### Commitments

#### **Goals/Dreams:**

I talk with a lot of people from all over the country and they all share their goals with me.

And frankly, most of their goals are dreams. Are yours GOALS or are they Dreams?

Let me ask you, currently doing what you're doing, do you really see yourself accomplishing these GOALS?

*So, what you're telling me is that you need to make a **CHANGE!** Are you willing to make that Change **TODAY?** (Don't say a word till they respond!) Great!*

#### **Motivation:**

On a scale of 1-10, 10 being the highest, how motivated are you to accomplishing these goals?

#### **Time:**

In order for us to work w/ you at this level, can you dedicate a minimum of 5-10 hours per week to your business?

#### **Tuition:**

Yes, there is a tuition involved with this Program. However, this is an invitation only program and you still have to go thru a second interview to qualify. Our goal is to teach you how to acquire property using creative financing with little to no money down also know as OPM. You may have heard that strategy? Most students who are invited aboard this program use established lines of credit, like a credit card, utilizing the banks money, OPM, to handle their tuition. I'm not talking about tens of thousands of dollars, but on the other hand not a couple thousand dollars either. But, keep in mind you'll be working

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with our experts to become profitable in the shortest amount of time. That makes sense doesn't it? OK. The question I have for you is, if I set up a 2<sup>nd</sup> Interview with the Program Director, he's going to answer all of your questions, explain this program in detail so you will have all the facts. And, if we see the value in you and you see the value of working with us, are you prepared to invest into your Tuition at that time and get started right away?

**Open-Minded:**

There are a lot of people that have the time and the money to invest into their tuition, but may not be Open-Minded and Teachable, and we can't work with those people. For all this to work, you have to be Open-Minded and Teachable. Understand, we are going to be teaching you unconventional and non-traditional ways of Buying and Selling Real Estate. Is that something you're Open-Minded to learning?

**Decision Maker:**

We feel what separates the successful from the rest is their ability to make swift, educated decisions, and NOT look back! Wouldn't you agree? We feel this is the most important commitment when interviewing potential students. Do you consider yourself a Decision Maker or perhaps a Procrastinator? So, what you're saying is based on the conversation you have with the Director, you're willing to make a YES or NO Decision at that time?

**Schedule Appointment**

So far, you sound like the type of person my Director is looking for. But, remember, it's not my decision who we bring aboard the program. My Director makes that decision. So, \_\_\_\_\_ let me put you on hold for just one second while I take a look at my Director's schedule. I know he is on the phone right now so let me see when he is available. OK?



\_\_\_\_\_, are you there? OK, thanks for holding. It looks like he is finishing up with another client, but I was able to get a word in with him on your behalf. He is going to be another 5 to 10 minutes and said he would be willing to talk to you when he is done. He will be giving you a call in about 10 minutes. **OR schedule for future date and time. Keep in mind, they will be scheduled when the Director has time available (on our time not theirs).**

First off, let me have you write down this gentleman's name down. His name is Mr. \_\_\_\_\_ (spell it for them) He is going to give you a lot of information so be sure to have a pen and paper handy. I am sure you will be a great success story, but he is the one that makes the final decision on who does and does not come aboard our program. Like I said earlier, it's up to him. OK? Don't be afraid to let him know how committed you are to seeing your real estate projects succeed. Good Luck!



## **POWER PHRASES**

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### **Phrases that should become part of your everyday vocabulary:**

- "Help me understand that better."
- "I'm listening."
- "Go on."
- "Why?"
- "OH!"

### **When the client's credit card availability is \$5,000 or less have them pull statements.**

"We have a saying around here. If you want to be terrific you've got to be specific. Why don't you pull your credit card statements so we can see exactly what interest rates you are being charged. Maybe our Program Director can give you some ideas about how to save some money there. "

### **How long will it take me to be successful?**

(Always answer that question with a question of your own)

"Well, of course that depends on how aggressive you're going to be 'with this project. How quickly do you need to accomplish this?"

### **What guarantee do you have that I'll be successful?**

"That's a great question. I wish I could answer it. You see, we have no control over whether we have a client who is going to show up for all their phone appointments with their coach, or if they're going to get off the couch and get out there, and do the assignments they're given. Actually, it's YOU who need to assure us that if you're selected for this advanced training that you're actually going to get out there and do this. Does that make sense?"

### **What are you trying to sell me?**

"Just to be clear about my role here (name), my role is that of a screener. I'm an interviewer. I have no authority to enroll people into any of our advanced training programs. The Program Director does that. My job is to find the serious from the curious. Which would you say you are?"

### **When setting an appointment without one spouse being involved:**

A common excuse at the end of a 'one-legged' presentation is to have the prospect tell the Program Director that he/she needs to check with their spouse. This may happen even after your prospect has told you that they can make a decision on their own. Say this at the very end of setting the appointment. "(name) I just want to make sure I did my job here. My Program Director is really counting on me to find those that are serious from the curious. I know you've already told me that you are able to make the decision about



this advanced training on your own and that your spouse won't be involved with this. I just want to make sure that once you've got all the facts and have had all your questions answered, that you'll be able to give him a simple yes or no answer. Yes is O.K. And No is O.K. It would make me look like I don't know my job if you were to say to my Director, 'Sounds great. I just need to check with my spouse.' I just want to make sure that there's no chance of that happening, right?"

**Why are YOU asking me all these personal questions about my credit cards?**

"(name) you mentioned that one of your goals is to become debt free. We need to see what sort of debt you need to take care of to determine if this is something we can help you with. That makes sense, doesn't it? We also need to determine your Debt to Income ratio. That helps us guide you as to what sort of real estate projects it would be best for you to start with. Are you with me? Now how much do you have on the first card ... "

**I've been through other Real Estate Training programs with another company. How is this different?**

Ask things like: "What other company? What are your results? What didn't you get that you wanted? If you failed with that program, what makes you think you'd be successful with ours? What do you want to learn how to do that you don't know how to do now?"

**People with no credit cards or who have used up their limits**

"(name) there is a tuition for this advanced training. Most people don't take that money out of their pocket. We teach the technique of using OPM... Other People's Money. What most people do is handle the tuition by putting it on their credit cards because it gives them the ability to make very small monthly payments and maintain a low overhead to run their real estate project. Then we teach them to use their success in real estate to pay off the banks in a couple of months or so. However, you don't seem to have the advantage of having that kind of leveraging power. Do you have any other seed capital or savings set aside to further invest into your real estate projects?"

**For people who have Real Estate experience:**

Ask things like: "What would you like to learn that you don't know how to do now? Since our methods are unconventional, do you honestly feel that you'll be open-minded and teachable to these advanced techniques?"

**The 3 Choices Turnaround:**

As I see it you've got 3 choices here.

- Choice One. "You can choose to do nothing more. You can be content with what you've got in your life right now. If that's where you're at it's OK. That's what most people do."
- Choice Two. "If Real Estate is really going to be your focus, you can do what the majority of investors do ... and that's to figure out all the 'tricks of the trade' on your own through trial and error. Most people usually make some common



mistakes along the way. And, there's nothing wrong with that approach, as long as you know what you're getting into.

- And Choice Three. "You can choose to hire someone to teach you how to do things the right way. You can learn from someone else's mistakes. That's what I'm talking about here; having a bona-fide Real Estate expert teach you how to be profitable quickly, and how to avoid the common mistakes that can hurt you. This way, you are kind of 'stacking the deck' in your favor. People want this kind of help because they see it as a way to I make their goals become a reality"

"I'm curious ... which of these choices seems best for you and your family?"

**I'm Afraid to Invest Thousands of Dollars:**

"I understand how you feel. Many of my clients have felt the same way at one time or another. However, what we've found is that if someone is hesitant to invest a few thousand into their education ... what are we supposed to expect from them when their Real Estate Coach is talking with them about investing TENS of Thousands or even HUNDREDS of Thousands of dollars in a piece of property? Would having a professional coach guide you through this be something that would benefit you? Why? "

**Refinancing**

People who are in the process of refinancing their homes cannot use their credit cards until the re-finance is completed. If you suspect that they may be refinancing their home, schedule another appointment to re-set them in the future. Do NOT set them with your Director.





## SUCCESS STORIES

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### David Harrison – Northern California -- Real Estate

Throughout my education at Trump University, I have had several successes. The Focus Seminar taught me areas in my life that are disorganized and need improvement. Areas where I waste valuable time, I have hired an assistant and check my email less than half as many times prior to attending the course(s), freeing up time to spend on profit making tasks and obligations. In regards to real estate, Exit Strategy Course has given me the confidence to position myself more in control when evaluating and negotiating property. I have purchased a 4-plex in a resort community in the West that is worth almost double what I paid for it at the beginning of the last year! I have also sold one of my first investment properties and with the easy calculation projections and due diligence requirements through this course, I have sold this for 8 times my initial \$8,000 down payment with little improvements! However, instead of 1031 exchanging the money, I am starting 2007 off DEBT FREE. Paid off my BMW, no credit cards, and paid off my second on my primary home and still has some play money left. The Trump philosophy not only motivated me to succeed, but has allowed me to achieve what others promised and under delivered. Cheers! David

### JB Olsen – Minneapolis – Real Estate

To Whom It May Concern: I am more than enthusiastic in reporting the success that I have received from my involvement in the Trump University Real Estate Mastery Course. I was a new investor in real estate, and I now own 11 properties, with 5 more set to close (including one commercial property). I have currently put \$2.1 million into my portfolio and I am on track to cash flow \$300,000 for the year. OUTSTANDING! I could not have done this if it were not for the help that I received in my coaching and curriculum. Thank you so much, Trump U. ps -- I want to meet the Donald. He's the best, and I am so happy to be involved with his program. See what you can arrange. pps -- Make sure you forward this email to Mr. Trump. He would be happy to know that he is helping people become wealthy through real estate. ppps -- I am serious...let him know about my success. I will help him brand his name even more as an educator for Middle America.

### Greg Aitken – Kamloops BC – Real Estate

Mr. Trump encouraged us to "Think Big" and if the deal was good and the monthly payments could be made, then to go ahead with it. He said that most people shy away from things the larger they become. As a conservative accountant I truly did hesitate with the \$2,400,000 price tag, however I did a 1031 real estate tax exchange, made the payments and recently signed a deal for sale of 200 of the 227 acres of land for \$20,900,000 with the first closing August 17, 2007 and the second one a year later on August 17, 2008. We retain 27 acres and the 48,000 square foot buildings for our offices. I will now be looking for refinancing of \$4,117,112 and/or Venture Capitalist/Private



Equity group for expansion of the business and also a potential developer for a 17 acre "Active Adult" community. Mr. Trump is "Right on the Money". Thanks Greig Aitken

Tadej Brdnik – NY NY – Real Estate

Trump University courses are giving me tools for something I have always dreamed of - financial freedom. I purchased my first property and looking for my second now ... Thank you for giving me tools for making this happen.

Michael Jones – Baltimore MD – Real Estate

Since starting the Real Estate Course I have gained confidence to take steps to buying property. Right now I have several people wanting to work with me to purchase their property. I used what I have learned so far from the course (working numbers & negotiating) and people are coming to me to sell their property. I am days away from my first deal and I know I wouldn't have gone this far without TU. Thanks for everything. Michael Jones

Dr. Dale Allen – Australia – Real Estate

Hello, I am a doctor practicing as a family physician in Australia. For much of the time prior to commencing the Real Estate Investor Coaching Program I was solely focused on my income. I now know wealth is created from the balance sheet and not the profit and loss statement. The greatest gift I received from Trump University was the need to do; no one became wealthy just thinking or talking about it. I have become very active in developing my portfolio and have realized that I enjoy doing developments. I am currently building a new residential property and also doing my due diligence into constructing two more new facilities targeting retirees and their specific needs. Moreover Trump University has given me a blue print that will keep me busy for the next 30 years. With the knowledge and skills I have acquired my financial goals and freedom do not seem so far away. I wish you well on your journey. Yours, Dr. Dale Allen.

Rami Al-Karmi – Anman – Real Estate

Trump University gave me the required background to pursue my interests in real estate investments and start my property management business. The e-learning curricula, Books, material, and instructors were of huge help to me in order to achieve my goals! Thank you Trump University! Chief Executive Officer Concrete Management Total Real Estate Life Cycle Management Solutions! [www.concretemgm.com](http://www.concretemgm.com)

Tim Rill – Manchester MD – Real Estate

Just purchased two duplexes in Pa after expenses including management it will cash flow around \$500 a property for \$1000 of positive cash flow every month even if I never get out of bed. Not to mention I gained about \$25000 per property in equity to add \$50K to my net worth. If I put about \$5k into each house my net worth will increase by an additional \$40K. The course has helped me evaluate the property, area and financing to give me the courage to check all aspects and move forward. My goal is to have \$20K passive income a month by the time I'm 45. I turn 42 on Monday. I need to get busy, busy busy. I have taken many courses in the past and have always fallen short of my goals.

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Trump University has taught me how to turn coal into diamonds with properties and ideas no one else would think of.

Justin Hayes – Orlando FL – Real Estate

I have purchased 3 rental properties in the last year. I have one appraised at 76K with a note on it for 60K. it has rental income of 900 a month coming in. I am cash flowing 438 a month. I have another property appraised at 72K that i have a note on it for 35K with 800 a month coming in and cash flow of 412 a month. the last property was my first purchase and it is appraised at 66K with a note for 58K and I have rental income of 525 with only 26 a month in cash flow. I have taken 9200 of equity out of the houses and have a cash flow of 876 per month from my properties. I am going to do one more deal right now and then I will be moving on to larger deals. I have also had my own life and health insurance brokerage for 2 years but I have added a mortgage brokerage as well in the last 6 months. I have already made in 6 months more then what I have made in the last 1 1/2. My motivation to help others and to create wealth has had a huge impact on my life. I also realized that while I am doing business I am making others in my community money. that is very important as well.

Mathieu Hebert – Quebec – Wealth Building

Before the TrumpU I was only surviving in the financial world. No real plan, no real money... Trump gives me the guts and the knowledge to take control of my career. The TrumpU is surely THE best investment of my life. I change my attitude and apply the "Trump way" into my financial advisor business and EVERYTHING and change! The way that people see me, the way my clients see me, and of course, my wealth!!! I can tell that TrumpU give you more than a edge, it give you a vision and tools to make it happen!

Krystyna Mazur – Chicago IL – Real Estate

Became to America not knowing English 17 years ago, I'm thankful for many things: - opportunity for being who I'm; well educated, professional, normal. America is great country especially for people who really know what they want, where they want to be. Having goals is good things, because means, that we are not poor with mind. Positive thinking is very helpful but everything together need us keep going; take decision, go forward. Best things follow right people who are successful. One of the special spirit for my mind is Trump U - with many subjects I'm thankful for. I have had the opportunity to learn; how to be successful in my own business (I was worry to open long time ago). After Trump U programs I'm much smarter, think quicker, have confidence. Trump U teach not only business but also think positive, be good to ourselves, family, others; how to create, work and personal life. Being with greatest teachers (mentors, masters) like Trump U has, I got so much positive energy and keep going forward. Thank You Trump U for getting in my life. Krystyna Mazur Chicago, IL

Frank Cook – Washington DC – Real Estate

THANX MR. TRUMP. I AM A AUTO REPAIR SHOP OWNER. MY FAMILY AND I LIVE FAIRLY OK, BUT THERE WAS A VOID. I PICKED UP TRUMPS BOOK ON REAL ESTATE. THE BOOK BLEW MY MIND. I PROCEEDED TO GET THE ON





LINE COURSE,STUDIED IT AND PUT IT INTO EFFECT.EVERY DEAL I CHECKED OUT,IT IS AS IF I HAVE MR. TRUMP IN MY HEAD GUIDING ME TO MAKE THE BEST DECISION.ITS AMAZING HOW MUCH STUFF HE COVERS.SINCE THEN I HAVE PUCHASED MY FIRST HOME,A DUPLEX IN THE HEART OF DOWN TOWN D.C.,A DUPLEX BY CATHOLIC UNIVERSITY D.C,WORKING ON A CONSTRUCTION TO PERM IN MARYLAND(WATERFRONT).ALSO I AM CURRENTLY SERCHING FOR A GAS STATION TO PURCHASE.I NORMALLY NOW EASILY KEEP SIX FIGURES IN THE BANK,SPEND MORE TIME W/ THE FAMILY AND HAVE TAKEN MY FIRST REAL VACATION IN ALL OF MY LIFE.I ALSO HAVE BEEN ABLE TO PERSUIT MY PASSION WICH IS BOATING.I NEVER WOULD HAVE BEN ABLE TO DO THESE THINGS WITHOUT REAL ESTATE INVESTING.GOD BLESS YOU AND YOUR TEAM OR PROFFESIONALS.AS A MATTER OF FACT,I NEED TO GO OVER PART OF A LESSON(THERE IS SOME INFO ON LAND ACUASITION I NEED)GOTTA GO MAKE SOME MONEY-TAKE CARE AND GOD BLESS-- FRANK COOK

Michelle Townson – Guatemala -- EMP

Well it has been almost 3 months since I started my coaching at Trump University and I have already not only made one real estate deal, I have created the first chain of realtors in central America that specializes in the region, offering any type of services needed for international investors from around the world. I have obtained from Trump University the knowledge to market my company in such a way that my concept has become unique an specific to meet the needs of clients that need special personal attention , which has become one of my most important services in the company. I felt privileged to have been selected to obtain this type of coaching from such a prestigious corporation that tiers came from eyes the day I received the news, because I knew it was the last chance to make my dream come true, at 40 the new 30's, not to many times this opportunity knocks at your door, so I do motivate anyone who has the chance to take opportunity of the courses they offer to take them , apply them not only in the business sense but in the way they peruse their lives, it is important to have a sense of achievement in anything you do in your day, it could be the last , we never know. Thank you, is not the right word to express all that I have accomplished through Trumps University', because not to many people in the world like to share how they accomplished their success and this men had the desire to help others obtain their dreams also. So, Yes.. I am a success story from Trump's University. Michelle Townson-Guatemala There's only thing left for me to obtain from Trump's University, it will be the privilege to meet him in person some day, hopefully not to far away. Thank you.

Marty Coleman – New Jersey -- EMP

Mr. Trump and Trump University have inspired me and given me the courage to make my entrepreneurial dreams come true. When the company I worked for went out of business last month, I quickly started my own business and serviced my existing client base without interruption. I have learned from my last company's mistakes and have



turned my knowledge into profit. Thank you Mr. Trump and Trump University! Marty Coleman President & CEO Coleman Global Telecommunications,

Jeremy Anderson – Clayton NJ -- EMP

As a poor humble young man half Irish and half American Indian who from discerning the strategies of such great life changers as Sun Tzu and applying them to the Boardroom to harnessing the power in the lessons of Norman Vincent Peale for self empowerment and honoring the teachings in The Word Of God for clarity of mind and so many other self discoveries which have defined me to this point - all past experiences have led me to this following solid conclusion: It is because of the efforts of so many at The Trump University and the vision of 'The Donald' himself that have empowered an unmatched public platform for the incubation of the future Masterminds of American Entrepreneurial success. It is in this enriched environment at TrumpU that has provided me hard to find resources which I could not find anywhere else. Their experience and knowledge about business approach is truly unparalleled! I have grown from the teachings in one year's time and immediately applied it each week to my everyday business tactics and have found 300% growth in my hourly wage in 11 months time! I was billing only 11.50/hr in Texas providing SaaS custom medical billing software development to 11 months later leading Brand management and Engagement Marketing strategies for an incredible Brand I never thought I'd be honored to assist as a critical decision maker billing 36/hr now. I believe it is many things I have discovered through my stimulation and practice of being involved as an active participant of the Trump University resources online that I must be grateful to in propelling me to my latest successes now here in New Jersey, Delaware and New York. I believe a secret key where we all can begin in Trump University's programs (no matter what specific program or perspective you are coming from) can be found in what Madam C.J. Walker said in the late 1800s and it is still true today; "I had to make my own living and my own opportunity! But I made it! Don't sit down and wait for the opportunities to come. Get up and make them! " Thank you again TrumpU for the indescribable experiences - onward and upward as a friend of mine says - I look forward to my own ongoing successes to continue as I continue to grow professionally by my ongoing participation and endless discoveries in all your materials which have a part in sculpting me to be my best. I believe Trump University provides the proper type of Business launch pad engagement-rich programs that will sculpt tomorrows success leaders today. Thank you for the opportunity to share my personal successes, Sincerely  
JeremyAnderson.com

Vinil Ramdev – India -- EMP

I have taken a lot of entrepreneurship courses, but Trump Universities courses are the very best. It changed my life drastically. If you are serious about entrepreneurship you don't have a choice, you have to take these courses. They will change your life.



John Meiden – NY NY -- Marketing

I've taken a few courses with Trump University. I like the access to the site and classes from my computer, this is one aspect of online learning that is beneficial to a busy schedule. I'm a broker in New York and the courses have given me the insight to stay with my plan. I'm currently working on bringing money to the table for a Restaurant in New York for expansion. The marketing course showed a different view as to how to define the markets and target them to get what you want. I never really looked at markets as I do now. I have been doing more in depth research than ever before since the class. My participation was the very first class which was over a 7 day period I believe. I remember sitting there and thinking about all the information I was getting from the instructors via computer in the comfort of my home office at that time. We'll moved my office to Rockefeller Center and the deals haven't closed yet but they are worth the efforts I've put in and the motivation came from Trump University. Look at the University, Listen and learn but do not give in and the success will be yours. I believe in the University and the benefits you will acquire if you put the effort in. The site has blogging and a ask a question and get the answer, so this adds to the value of the site. Take a chance you might like it and make a few bucks John P Meiden Meiden Enterprises Real Estate Brokerage

Anthony Gugel – Australia – Wealth Builder Software

The Wealth Builders Blueprint has helped me really focus on what my goals are, the plan needed to achieve them, who I need around me to help achieve them and what my measures of success will be. This has given me the knowledge, impetus and confidence to put together five business plans for new products and services, and undertake negotiations for potential business acquisitions. Trump, together with Robert Kiyosaki, have had and will continue to have a profound positive effect on me and my family. Thank you. Regards, Anthony Gugel



## Weekly Updates

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To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Notable Marketing Techniques

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### How to Prepare Your Property for the Market

**Situation:** With the recent market slightly favoring buyers and renters, property owners must think of not only providing prospective "clients" with the best value proposition, but must also provoke an overwhelming sense of love at first sight.

**Complication:** Many property owners, especially "first-timers," get too emotionally attached to their investments. After devoting a lot of hard earned money and sweat equity into a property, investors forget that they are marketing a product, subject to market conditions, and have unreasonable expectations.

**Resolution:** Investors who wish to successfully sell or rent their properties must realize that they are doing so in a competitive market where customers have a lot of choices. In order to facilitate the selling/renting process, owners must disassociate themselves from the property and set reasonable prices. While conventional techniques of improving property appeal, such as rearranging closets and cabinets, making repairs, and checking curb appeal, are still necessary, owners/sellers may want to consider more aggressive and unconventional techniques. Staging properties has become evermore popular and helps promote an "I-want-that" kind of fervor. Including furniture in the package helps draw even more market attention. Direct mail and E-Flyers are also becoming more popular.

### Attachments:

"I'll Take It! (and the Sofa, Too)"

[http://www.nytimes.com/2007/05/06/realestate/06njzo.html?\\_r=1&ref=realestate&oref=slogin](http://www.nytimes.com/2007/05/06/realestate/06njzo.html?_r=1&ref=realestate&oref=slogin)





To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Choosing the Best Mortgage

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With the recent market conditions, picking the right one is all the more important.

**Situation:** If you are in the market for a new property, you may figure that you may as well get the cheapest mortgage possible, with property values all over the place recently. But finding the best type of mortgage for your situation can feel a bit daunting with all this talk of the declining sub prime market.

**Complication:** Many people overlook clauses and “catches” when shopping for a mortgage and fail to accurately project future expenses. It doesn’t have to be that way, though.

**Resolution:** Investors need to ask themselves the right questions in order to narrow their search to the best category of mortgage for which they need to comparison shop. The most important question should be: “How much can I afford to pay on a monthly basis?” Keep in mind that your mortgage payment is only part of what you will pay to own your property. One should budget for general expenses and costs that may not immediately be covered by collected cash flow.

**15-Year versus 30-Year:** A 30-year mortgage will have a lower monthly payment and a higher interest rate than a 15-year mortgage. So you will have a lower monthly obligation, but you will have to pay more for the property over time because you are paying it off with interest for a longer period.

**Fixed versus Adjustable:** In order to answer this question, one should ask: “How long do I plan on owning the property?” A fixed-rate mortgage locks in a rate for the length of your loan. ARMs, meanwhile, are short-term fixed-rate loans: After the fixed rate term is up, the rate adjusts at regular intervals in accordance with current interest rate conditions. Generally, if you are planning on owning long term it may be better to utilize a fixed-rate mortgage and avoid an unexpected interest spikes. If you are planning on short-term investment, ARMs may be of interest.

**Attachments:**

Trump Mortgage

<http://trumpmortgage.com/resources/loantypes.php>



To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Commercial Properties

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**Good News:**

- All of the other major factors affecting the commercial market – the state of the U.S. economy, the level of interest rates, the amount of funds that are seeking investment, and the persistent rise in construction costs – all of these factors seem to support a continuation of the very strong real estate market and the historically low level of capitalization rates that exist today.
- The ageing of the population and the retirement of the Baby Boomers means that there is a large chunk of retirement money looking for alternate income opportunities ... think “income property.”
- “A” quality commercial properties are becoming “commoditized,” meaning that there are real opportunities in “B” and “C” product, which is great for the new investor.
- The big players are getting out of condominium product at significant discounts to original asking price (which means you might get a nice home for cheap). This was in evidence in San Diego and South Florida. Residential projects are taking a back seat to commercial in the minds of the big investors.
- My conclusions are that there will be some opportunities to make money in smaller commercial properties in outlying areas and smaller urban markets.
- The chill in the housing market won’t pass through commercial property. Odds are against a slump anytime soon in the markets for office, industrial and retail space, despite pockets of weakness in some regions and some property segments—notably in retail outside of malls and other shopping centers. Overall, growth in demand for commercial real estate is more than keeping pace with gains in supply, buoying property values and rents.

**Bad News (Not that bad though!):**

- The fat price gains for commercial investors are largely over. The average return this year on investments in the sector—known as the capitalization rate—will be about 6% to 7%, down from 8% to 9% last year, and a whopping 20% or so in the previous two years, when the commercial market began reviving.



To: Enrollment Counselors  
 From: Mark Sawczuk  
 Date: 8/14/2007  
 Re: Declining Markets

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**The slump in home prices was both deeper and more widespread than ever before in the fourth quarter (2006).** –CNN Money

**Situation:** Market performance will be more modest in 2007 do to negative speculation and economic conditions. The National Association of Realtors reported a 2.7 percent decline in prices in the fourth quarter (2006) compared to the fourth quarter of a year earlier. That's the biggest year-over-year drop on record.

**Complication:** Investors need to realize that there is a threat of oversupply and lack of appreciation. Builders are being forced to drop prices even faster than owners. They overbuilt and have huge excess inventory that they cannot sell at current prices. If you don't do your research, potential for investing in a declining market is certain.

**Resolution:** Realize that prices are far beyond any historically known relationship to rents or salaries. Rents are sometimes less than mortgage payments. Salaries cannot cover mortgages except in the very short term, by using adjustable interest-only loans. In order to prevent such an investment catastrophe learn to look for markets with a housing shortage, emerging industries, and major access points where an increase in rent is in the foreseeable future.

#### Top 10 Declining US Markets

Akron	<u>OH</u>	-6.5%
Toledo	<u>OH</u>	-7.0%
Youngstown-Warren-Boardman	<u>OH-PA</u>	-7.7%
Barnstable Town	<u>MA</u>	-7.8%
Reno-Sparks	<u>NV</u>	-8.9%
New Orleans-Metairie-Kenner	<u>LA</u>	-9.3%
Springfield	<u>IL</u>	-10.4%
Cape Coral-Fort Myers	<u>FL</u>	-11.7%
Palm Bay-Melbourne-Titusville	<u>FL</u>	-17.0%
Sarasota-Bradenton-Venice	<u>FL</u>	-18.0%





**Top 10 Markets where Price are Expected to Drop in the Coming Year:**

Stockton, CA	- 9.7%
Merced, CA	- 8.9%
Reno/Sparks, NV	- 8.9%
Fresno, CA	- 7.9%
Vallejo/Fairfield, CA	- 7.8%
Las Vegas, NV	- 7.1%
Bakersfield, CA	- 6.6%
Sacramento, CA	- 6.4%
Washington, D.C.	- 6.3%
Tucson, AZ	- 6.2%

Sources: CNN Money, US NEWS, Pricewaterhouse Coopers

**Attachments:**

"6 Strategies to Survive the Real Estate Bust."

[http://money.cnn.com/magazines/fortune/fortune\\_archive/2006/12/25/8396764/index.htm](http://money.cnn.com/magazines/fortune/fortune_archive/2006/12/25/8396764/index.htm)



To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Emerging Markets

The global gateway metropolitan areas of New York, Washington, Los Angeles, Seattle and San Francisco and Seattle rank as the top major U.S. markets for real estate investment prospects this year. -- Urban Land Institute (ULI) and PricewaterhouseCoopers LLP

**Situation:** Although we don't expect any major downturn in the marketplace, it's likely that real estate's overall performance will be more modest in 2007.

**Complication:** Investors need to realize location is becoming ever more important in real estate investing as the transforming global economy increasingly determines where companies and people need and want to be.

**Resolution:** Understand that the top markets are distinguished by several characteristics, including: locations along pathways with major international airports and harbor ports; 24-hour features; attractive settings in reasonably comfortable climates; geographic barriers limiting sprawl; and jobs attracting an affluent, highly educated workforce.

**Apartment Sector:** Ranked highest for investment return potential. Apartment market's strength attributed to rising mortgage rates and high housing costs, which have shut some entry-level buyers out of the home buying market. As the for-sale market softens, conversions of condominiums into apartments could cause some unwanted competition, the report cautions.

**Top 10 US Markets that Will Rise in 2007:** McAllen-Mission, Texas, El Paso, Albuquerque, Salt Lake City, Syracuse, San Antonio, Rochester, NY, Baton Rouge, Fort Worth, and Birmingham, Ala.

**Top 5 US Markets that Will See Continued Appreciation in 2007:** San Francisco, Los Angeles, Seattle, Boston, and New York City

**Top 10 International Markets:** The top ten investment markets worldwide include five from the Asia Pacific region, three from the United States and two from Europe. In addition to Osaka, New York and Washington, rounding out the top ten are Shanghai, Tokyo, Paris, Los Angeles, Singapore, Taipei, and London.

**Sources:** The Urban Land Institute, *Emerging Trends Forecast*, PricewaterhouseCoopers

**Attachments:** "Osaka, New York and Washington are Top Real Estate Investment Markets Worldwide: ULI Analysis Shows Global Gateways as "Best Buys"

<http://www.uli.org/AM/Template.cfm?Section=News&CONTENTID=87075&TEMPLATE=/CM/ContentDisplay.cfm>



To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Foreclosures

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**About 1.5 million U.S. homeowners will be foreclosed on this year.**

**Situation:** Investors will now have tremendous opportunity to purchase properties at major discounts and rent them to the emerging rental market.

**Talking point:** Buy properties for discounts of 20% - 90%. Hot markets include California, Missouri, Arizona, Florida, Maryland, and Texas.

**Complication:** Most people don't realize hidden risks when investing in foreclosures and get burned. Includes: unpaid liens, miscalculated costs, tenant rights, and sold "as is."

**Resolution:** Develop knowledge, skills, and confidence to make deals that minimize risk and maximize profits.

**Foreclosure:** legal proceeding in which a bank sells or repossesses real estate due to the owner's failure to comply with a mortgage or deed of trust.

**Types:** Pre foreclosure, foreclosure, and Real Estate Owned (REO)

*Pre foreclosure:* When the owner of a property is behind on payment and the banks haven't sold the property yet. **Best type** because the sooner that you contact a homeowner in pre foreclosure, the more time one has to structure a deal and purchase the property

*Foreclosure:* Open bidding on property sold "as is"

*REO:* Bank has already completed the foreclosure process with the state and holds the title for the property

**Necessary Skills:** Foundation in real estate, market cycles, foreclosure sources, and risk analysis

**Sources:** Fannie Mae, FDIC, IRS, HUD, SBA, US Treasury, Veterans Administration

**Attachments:** "Foreclosures May Hit 1.5 Million in U.S. Housing Bust"

<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=aoxvdkPVfUNo>



To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Notable Marketing Techniques

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### **How to Prepare Your Property for the Market**

**Situation:** With the recent market slightly favoring buyers and renters, property owners must think of not only providing prospective “clients” with the best value proposition, but must also provoke an overwhelming sense of “love at first sight.”

**Complication:** Many property owners, especially “first-timers,” get too emotionally attached to their investments. After devoting a lot of hard earned money and sweat equity into a property, investors forget that they are marketing a product, subject to market conditions, and have unreasonable expectations.

**Resolution:** Investors who wish to successfully sell or rent their properties must realize that they are doing so in a competitive market where customers have a lot of choices. In order to facilitate the selling/renting process, owners must disassociate themselves from their properties and set reasonable prices. While conventional techniques of improving property appeal, such as rearranging closets and cabinets, making repairs, and checking curb appeal, are still necessary, owners/sellers may want to consider more aggressive and unconventional techniques. Staging properties has become evermore popular and helps promote an “I-want-that” kind of fervor. Including furniture in the package helps draw even more market attention. Direct mail and E-Flyers are also becoming more popular and aggressive marketing techniques.

### **Attachments:**

“I’ll Take It! (and the Sofa, Too)”

[http://www.nytimes.com/2007/05/06/realestate/06njzo.html?\\_r=1&ref=realestate&oref=slogin](http://www.nytimes.com/2007/05/06/realestate/06njzo.html?_r=1&ref=realestate&oref=slogin)



To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Rethinking Real Estate

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**Though many flee, strength in some segments makes case for REITs and other vehicles.** –Wall Street Journal

**Situation:** With housing prices softening and sub prime lenders tanking, investors have been running from anything that relates to real estate. But, they may be bailing too quickly, as some parts of real estate investing are still doing well.

**Complication:** So where to invest, given the meltdown in some parts of the real estate sector?

**Resolution:** Real Estate Mutual Funds! The easiest means for creating instant diversity across regions and property styles is to buy a real estate index mutual fund or an exchange traded fund. Office properties, in urban locations, currently offer the best opportunities. Apartment REITs also offer potential as former homeowners slip back into the rental market after the explosion of foreclosures.

**REITs of Interest:** Vanguard's REIT Index, iShares Dow Jones US Real Estate Index, Vornado Realty Trust, Home Properties INC, and Boston Properties INC.

**Attachments:**

"How to Find the Best REITS"

[http://www.dividenddetective.com/screen\\_for\\_reits.htm](http://www.dividenddetective.com/screen_for_reits.htm)



To: Enrollment Counselors  
 From: Mark Sawczuk  
 Date: 8/14/2007  
 Re: The Good & The Bad

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- **Market Overview:**

- Ben Bernake
  - Beleaguered housing market might finally have stabilized
  - A lot of good news is already priced in for a spring recovery

- **Mortgages**

- Bad News: Mortgage lenders are tightening their credit standards
  - Limiting use of loans requiring less documentation of the borrowers status than conventional mortgages
    - Most affected: ARMs on sub prime market
      - Risk → teaser rates
  - Foreclosures numerous in Northeast, Midwest, and Southwest

- **Rental Market**

- (Rising mortgage rates + mortgage document requirements) + shortage of affordable housing + high cost of construction = POSITIVE outlook for 2007 rental market

Multifamily: The apartment market is strengthening as potential home buyers remain in rental housing and echo boomers enter the rental market. New supply is matching absorption, keeping vacancy rates flat.

	Vacancy rate	Rental rate change	Net absorp tion
Multifamily			
2005	6.2%	2.9%	350,975 (units)
2006*	5.2%	4.8%	262,762 (units)
2007**	5.3%	5.0%	203,050 (units)



## Weekly Updates

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To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Subprime Loans Get New Standards

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**Principles issued by bank regulators include new consumer protections; lenders should only offer loans to those who have proof they can repay—cnmmoney.com**

**Situation:** US banks regulators tightened standards for mortgage lending in a bid to curtail risky practices that have been blamed for a record level of foreclosures. Borrowers should not be penalized for refinancing a mortgage before a low introductory rate resets to a higher level and lenders must have evidence a borrower can repay, according to a statement of principles issued by the regulators.

**Complication:** Many lenders relaxed underwriting standards for subprime borrowers with shaky credit during the recent housing boom. As the housing market soured, many of those borrowers fell behind in their payments and a record portion of borrowers faced foreclosure.

**Resolution:** Besides protecting borrowers from costly refinancing, the updated guidance discourages loans that have let borrowers inflate their income to qualify for a loan. "Low doc" mortgages were once offered to borrowers; even if they could not document that they had the resources to make payments. Lenders will now only offer such loans to borrowers if there is sufficient evidence that they can repay, according to the recent regulation.

### Attachments:

"Regulators Issue New Subprime Lending Standards"

<http://www.cnbc.com/id/19503995/site/14081545/>





## **Weekly Updates**

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To: Enrollment Counselors  
From: Mark Sawczuk  
Date: 8/14/2007  
Re: Tax Savvy Investing - 1031 Tax-Deferred Exchanges

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**Over the past 20 years, tax-deferred exchanges have become an increasingly important part of real estate transactions; helping many increase their wealth.**

**Situation:** If you eventually sell the new piece of property, you would owe taxes at that time. Generally, all gains and losses on sales of real estate are taxable, but an exception lies where the property sold is traded or exchanged for "like-kind" property.

**Complication:** Many people view tax deferred exchanges as being for huge corporations, or only for professional investors. However everyone should take advantage of these where they can. Strategy -- purchase a property below market value, rent it for a year, sell it, and buy two rental properties with your gain. Note that if you do this too many times, the IRS may take the view that you are not a long term investor, and disallow such exchanges. When you get ready to do a tax-deferred exchange, you will need the services of a qualified CPA and Attorney, though.

**Resolution:** The tax-deferred exchange is a great way to maximize your wealth. By keeping your investments growing without immediately paying taxes, you can do wonders for your net-worth.

### **Attachments:**

"Five Misconceptions of 1031 Exchanges"

[http://hreionline.com/mag/real\\_estate\\_five\\_misconceptions\\_exchanges/index.html](http://hreionline.com/mag/real_estate_five_misconceptions_exchanges/index.html)



## TRUMP UNIVERSITY FAQ'S

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### Who is Donald Trump?

#### Overview:

Donald Trump is an American business icon. He is the very definition of the American success story, continually setting the standards of excellence in every industry he touches. He is an internationally renowned real estate developer and entrepreneur who manages over 100 operating companies.

#### Key Facts:

- Graduated from the Wharton Business School at the University of Pennsylvania, considered one of the best business schools in the world.
- Forbes magazine estimates Donald Trump's fortune at \$2.9 Billion
- The Interbrand Agency identified the Trump brand as being the 7<sup>th</sup> most valuable in the United States
- In August of 2006, Mr. Trump was voted by *BusinessWeek* magazine as "the world's most competitive businessperson."
- Mr. Trump has authored seven books, including *The Art of the Deal*, *The Art of Survival*, and *How to get Rich*, all of which became bestsellers
- His portfolio of prestigious properties includes:
  - Trump Tower
  - Trump International Hotel & Tower, voted the best U.S. Hotel by Conde Nast Traveler
  - Trump World Tower at the United Nations Plaza
  - 40 Wall Street
  - Trump Park Avenue
  - Trump Palace (the tallest building on the East Side of Manhattan)
- Current projects under development include:
  - Trump International Hotel and Tower, **Las Vegas** (Anticipated completion of Tower I is 2007)
  - Trump International Hotel and Tower, **Fort Lauderdale** (Anticipated completion is 2007)
  - Trump International Hotel and Tower, **Chicago** (Anticipated completion is 2009)
  - Trump International Hotel and Tower, **Toronto** (Anticipated completion is 2010)
  - Trump International Hotel and Tower, **SoHo** (New York City)
  - Trump International Hotel and Tower, **Honolulu** (Anticipated completion is 2009)
  - The Palm Trump International Hotel and Tower, **Dubai**, United Arab Emirates