

# How to Create A Money Machine

My ad read "Mobile Home For Sale--Will Finance" and the phone was ringing off the hook. Some of the callers didn't even bother to ask what the selling price was, or the interest rate. Most of them were interested in only two things: "How much down and how much a month"?

These are the type of people that will make you rich if you understand notes and seller financing. The financing alone will make you rich. But if you understand how to buy a product for wholesale, then sell that product retail and finance it, you will get rich much faster and easier. I've been doing this very thing with mobile homes for 19 years.

## Making A Fortune With No Competition

According to the Bureau of Census Report, there are over 9 million mobile homes in this country. And because the used mobile home business is so unrecognized by most entrepreneurs and investors, the ones who do understand the business are making a fortune with little or no competition.

When you can buy a used mobile home for \$3,000, sell it for \$6,000, finance it and have the buyer send you a check for 2-3 three years, my calculator says that's GOOD ENOUGH. Mobile homes are the only affordable housing left for many people in this country, and the new homes are priced way out of the range of many who want to buy. High prices and the lack of financing is creating a tremendous demand for used mobile homes with seller financing. I've discovered the world is full of people who want to buy things but, since many of them don't have any financial discipline, the only way they can buy what they want is to find someone that will offer financing. And this is especially true for housing. Some people will never save \$1,000. But if you set them up on a monthly payment plan, they can make you a payment for life. Let me illustrate by sharing a case history on an actual deal I did.

## A 96% Yield

This couple owned and lived in a 16 year old, 14 x 64 single-wide mobile home located in a local park. They were moving out of the area and now needed to sell their home. After being assured by the park manager that the home could stay on the lot, I negotiated a purchase price of \$3,350 for this home. I spent \$132 for advertising, so I now had a total of \$3,482 invested. The home sold in 17 days for \$7,900. The buyer paid \$790 down and signed a note for \$7,110 with 12.75% interest, payable at \$228.39 for 38 months. So I now have a note for \$7,110 and I have \$2,692 left in that note. Is my calculator lying to me, or is that a 96% yield!

I received 38 payments (\$8,678) plus the \$790 down payment (for a grand total of \$9,468). Subtracting my original investment of \$3,482 leaves a profit of \$5,986. This all took place within 38 months. And all I had to do was wait for the mail carrier to bring the checks.

## Do A Little Work One Time And Get Paid For 38 Months

Once I sold the home, my work was done. It was then time for the buyer to go to work to earn money to send me a check. And he gets to do it for 38 months while I can go fishing.

An excellent example of how to make your money work for you, instead of you working for your money. If you will learn and apply this concept, you won't ever feel the same about working a "job" again.

This is just one of many notes I've been able to create over the past 19 years with used mobile homes. There was once a time when I could get excited about buying a real estate note paying 18%. But no more. My typical "Lonnie Deal" starts at 50%. And this is real world stuff, not fiction or pipe dreams. There might be something better, but so far I haven't found it. Mobile homes are "Money Machines." If you try it, I betcha you will like it.

Happy Investing,  
Lonnie Scruggs