

REAL ESTATE COACHING CONTRACT

This real estate coaching program is not necessarily a teaching program where a coaching student gets materials to watch, read, or listen to. This program is a program of action and it is specifically designed to help investors, or those who would like to be investors, define their goals, create a plan of action to meet those goals, and then take action to meet those goals.

This coaching program is a program of accountability. It was created to help new investors take those first steps to investing or to help current investors learn to scale up their real estate investing business.

It is understandable that it can be intimidating when someone is brand new to investing to spend hundreds of thousands of dollars to buy an investment property or to go into debt that amount to start investing in real estate. Maybe they have read about it, watched webinars about it, or even attended seminars teaching how to do it, but it is one thing to watch it or listen about it, and it is a whole new thing to actually do it successfully.

This coaching program uses motivation techniques that keep people engaged and working towards their goals. It will help you step by step take the actions needed to start building a real estate portfolio. Here are the details and exactly how it works.

WHAT TO EXPECT

- **Defining someone's why.** The initial session will be understanding and defining your goals that you want to accomplish by investing in real estate. I know it's cliché to define someone's "Why" but it is really essential to create a clear vision for oneself to stay motivated and moving forward. Just imagine going to college without a defined exit strategy of getting a degree, eventually you would just stop going. The "Why" helps define and clarify your purpose to help you continue forward when it gets hard and other things start to pull for your attention.
- **Taking an accounting of where you are starting.** After defining your "Why," the next step is to take an accounting of where you are currently in relation to your goals and where you would like to be. This often means creating your own personal financial statement (and sometimes business financial statement). This includes knowing what all of your liabilities are and listing your assets. And knowing what your current net worth is and what your expenses are. Also, it means finding out how much it takes for your family to live on (having a family budget) and the amount of money you are able to save per month to invest (not letting that number be less than 10%) and so forth.
- **Setting specific goals.** After defining someone's "Why," and taking an accounting of the starting position, the next step is to define how to accomplish that "Why." This is where the goal setting comes in. The coaching student then clearly defines his or her goals of where he or she would like to be in 10 years, 5 years, and then in 1 year. These goals are what really outline the customized coaching program.

- **Accountability.** Probably the most important part of coaching is being held accountable. Tons of people go to seminars and events that can be motivational and inspiring. But then what? Most of the time we return to our same habits and way of life soon after the event is over. And if that is the case, then we did not keep much of what we got out of the event. The thing that most seminars and events lack is ongoing accountability. They are usually not set up to having someone commit to accomplishing something and then following up with that person and supporting them in accomplishing the thing they committed to. This is where the PDCA process comes in (**Plan, Do, Check, Adjust**). This process is the process of progress. This is what being held accountable is all about. It helps people reach their goals and become what they want to be.
- **The length of the program is 1 year.** It takes time to learn new skills and develop new habits. Therefore the length of this program is 1 year. This will give the coaching student time to developing the skill set and the ongoing habits of an investor.
- **Frequency of coaching.** Every 2 weeks there will be a 28-minute accountability phone/zoom call to discuss home work/tasks completed. These 25 phone/zoom calls will be an essential part of the coaching program. It will be a regularly schedule call that will go 28 minutes long. It is during these calls where the accountability for the week takes place.
- **The accountability one sheet.** This document will be emailed before each phone/zoom call. This document will include 1) whether or not you accomplished your homework within the time frame, 2) what you did to accomplish your homework and the experience you had and what you learned, 3) what you would like to cover in the coaching session that day, and 4) a place for you to write notes and make your goals to complete before the next coaching session.
- **Weekly Group Coaching calls.** There will be weekly 1-hour coaching video sessions available for people enrolled in the coaching program. These calls are offered as a supplement to the individual coaching program. During these calls, concepts will be taught and reinforced and deals will be analyzed. This is also a time when coaching clients can request to do deep analysis of a deal.
- **Cost.** The total cost of the program is \$12,000 up front. This is made up of \$10,000 for the coaching and \$2,000 for the Costa Rica investor retreat, bundled together for a savings of \$900 over purchasing the retreat separately. There is an additional cost of \$1,000 if you would like your own private room at the retreat, and an additional \$1,000 if you would like to bring a second person with you. Why is there a cost to coaching if I can just get information about investing online for free? Because this program is not necessarily an education program. This is an accountability program geared toward helping you take the steps to accomplish your goals. The \$10,000 coaching portion is the payment for the time spent in coaching sessions. Additionally, \$10,000 or ¼ of the equity (whichever is less) of the first deal is also part of the cost. This amount is to be

paid out at the refinance or sale of the property or within 3 years of the refinance. If you do not close a deal, this amount is never owed.

- **Psychological Motivation.** When it comes to understanding motivation, it is important to understand that we are generally motivated by 2 things: fear and love or passions and dreads. We will often put forth effort to do things that we enjoy (love doing), or we will put forth effort in order to avoid things we don't like (fear of something happening). So which motivation is stronger? Imagine you have just fallen off a boat that you and your sweetheart were taking to go on an island vacation. You actually fall off not too far from the island and you were a pretty good swimmer in your youth so you are just going to swim toward the island. Now imagine how hard you would swim if your sweetheart who is standing on the island beckons you to hurry and swim to the island. Now imagine how hard you would start swimming if you started to see a dorsal fin break the surface of the water and starts to circle in your direction. Even though we would like to think we are more motivated by love, the brainstem kicks us into action more when the drive is fear based. The fear of losing something is a very strong motivation.
- **Discounting the cost.** So as part of the coaching, and in order to increase motivation, there is a way to discount the cost of the coaching program. If the coaching student completes all the homework in between coaching sessions and completes the coaching session then the student will receive \$200 back for every time those 2 things have been completed. So they are able to get back \$5,000 at the end of the year-long coaching program making the overall total cost of the program \$7,000 instead of \$12,000. This is one of the secrets of motivation, knowing that if you do not complete something, then you will lose something, is one of the strongest motivators that kicks us into action. So each time you do not accomplish the tasks in between sessions, you will lose \$200 that you could have earned back. There will be no money given back for completion of homework between sessions if the coaching student does not complete the entire year-long program.

IMPORTANT POINTS TO THE CONTRACT AND DISCLAIMERS

- There are no refunds for any time that has been spent in coaching.
- Coaching sessions start promptly at the time they are set up for and go for 28 minutes.
- Coaching will be over zoom but may be by phone or Facetime in some cases.
- Be ready for the phone call (this means that you have already sent in your accountability sheet, you have something to take notes with, and you are in a distraction free space).
- There may be additional costs through the coaching process such as purchasing books or audio books or other miscellaneous costs that do not go towards the coach but that may be necessary to complete homework assignments. This may also include a 1-year subscription to a motivational collection of audio talks this is very reasonably priced.
- This coaching program does not guarantee success in real estate investing. The success is better determined by the amount of effort the coaching student puts forth to learn and takes actions towards his or her goals.

- As in all investing, there is a chance for loss. Even though the coach is a successful real estate investor, that does not mean that unforeseen or even overlooked things will not come up that may cost a lot of money and may even lead to a loss of money. The coaching student is advised here and encouraged to do proper due diligence always and make good judgments in making decisions with regard to any investment made. The ultimate responsibility lies with the coaching student and not with the coach when it comes to placing money in an investment.
- Two make up calls can be rescheduled as long as it is notified a week in advance
- Since this coaching is all about accountability, phone calls from coaching students are still expected even if the student is sick unless notified a week in advance in order to get the \$200 back for completion of the call and homework. These calls need not be more than a few minutes but must still happen for the reimbursement. If the coach is sick or otherwise unable to make the scheduled call then the accountability sheet will still be required before the time of the scheduled call but the call will be rescheduled within 7 days at a time that works for both the coach and the student.
- What if I get a property under contract? Is there access to the coach outside of the regularly scheduled time in order to help with the negotiation/purchase/sale of a property? Yes. That time is either billed at \$200 a half hour or counts as one of the 25 28-minute coaching sessions that will be subtracted from the end of the coaching program.
- Coaching clients will also have access to the WhatsApp group where they can connect with other investors, ask questions, and view properties through the purchase, rehab, and renting out of investment properties.
- **Pausing the program.** If a qualifying life event prevents the coaching student from continuing, the program may be paused rather than ended. Qualifying events are: military deployment or activation; a job relocation or an extended work assignment, including an assignment outside the United States; serious illness or injury of the student or an immediate family member; the death of an immediate family member; the birth or adoption of a child; or a natural disaster affecting the student's household. The student must notify the coach in writing as soon as reasonably possible. During a pause, the coaching year stops, all remaining coaching sessions are preserved, and all money earned back to that point is preserved. The program may be paused one time for up to 12 months, and for a longer period by written agreement between the coach and the student. In the case of a military deployment or an extended work assignment, the pause may run for the length of that deployment or assignment plus 60 days. If the student is scheduled to attend the Costa Rica investor retreat during the pause, attendance moves to the next scheduled retreat at no additional cost. If the student does not resume within the pause period, the program is treated as complete as of the pause date: the student will be paid all money earned back to that point, and may request a prorated refund for coaching sessions that never occurred, charged at \$400 a 28-minute session. This provision applies only to the qualifying events listed above; a student who simply chooses to stop is governed by the disclaimer below.
- **Use of the coach's name and student conduct.** The coaching student may not use the coach's name, likeness, reputation, or affiliation to induce any third party to enter into, fund, or perform under any transaction without the coach's prior written permission. The coaching student is solely responsible for his or her own transactions, and is

responsible for making any third party whole for losses that third party incurs as a result of the student's withdrawal from, or failure to perform under, an agreement the student entered into. The coach may end the coaching program immediately if this provision is breached. If the program is ended for this reason, no money earned back will be paid, and the student may request a prorated refund for coaching sessions that never occurred, charged at \$400 a 28-minute session.

Disclaimer: This coaching program does not guarantee success. This coaching program does not guarantee profits will be made. There is a possibility of loss of part or all of my capital that I put towards investing in that there is an inherent risk to investing money. I realize that I may receive money back as I complete the coaching program but I will not receive any money back for tasks completed if I do not complete the entire year-long program. If I decide to quit the coaching program early for any reason, I may ask for a prorated refund for the coaching calls that have not occurred (coaching calls are charged at \$400 a 28-minute session). There will never be any reimbursement for the time that was spent on coaching calls that have occurred. The \$2,000 Costa Rica investor retreat portion is refundable if written notice is given at least 60 days before the first day of the retreat; after that date, travel and lodging costs have been committed and the retreat portion is non-refundable. I understand this coaching contract in its entirety including what is expected of me. I have received an initial consultation and I have a 72-hour opt out period to get a full refund. If this is the case, initial here _____.

If real estate coaching and having accountability is what you would like to do, please sign below indicating you are in agreement with this contract.

Coaching student's name

Coach's name

Coaching student's signature

Date

Coach's signature

Date

Please indicate 3 days and times that work best for the coaching sessions

Day and time

Day and time

Day and time