



BANK ON THIS

THE COURSE | STUDY GUIDE

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FOREWORD

Welcome to the **Bank on This: The Course** student training course. I've created this course to be a step by step guide for you to take your investment business to the next level, and learn how to BECOME THE BANK! This training is where you'll gain an all access pass to the phenomenal video private lending course put together and taught exclusively by me, Greg Herlean.

The Bank on This: The Course online video training program starts off with YOU getting to know me and who I am and to get to know my story. I have done all the ground work, and have the investment experience behind me to back up all my materials of tips and strategies to guide you into becoming the bank!

With this video course, you have exclusive content available only for students; like the study guide and multiple cheat sheet handouts. This study guide will consist of various follow along segments which include some fill in the blank answers; important notations from the videos; copies of power point slides and more.

I encourage you to take notes all throughout this course, and re-watch the videos as many times as you feel necessary.

Let's kick off this study guide with a couple fill in the blank answers. These might seem a little nonsensical to you at first, but I promise, these are thoughts and ideas that will stick out throughout the entire length of this course.

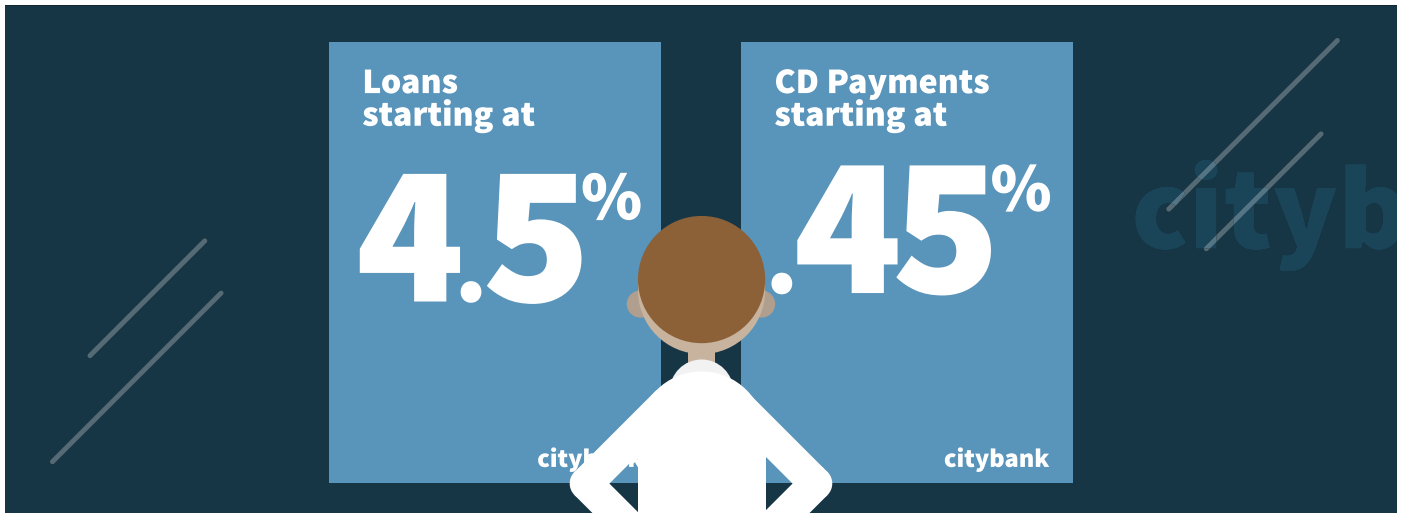
To Your Prosperity,
Greg Herlean

LESSON 1: GREG'S STORY

1. Greg knows how to create _____
2. Greg started with no _____ and with no friends with _____
3. "I'm going to learn everything I can from this gentleman, so I too can create _____"
4. After you find a great deal, what's the next problem? _____
5. What's a good deal with no _____
6. This course will cut off _____ to _____ years off my learning curve and teach me how to avoid pitfalls.

LESSON 2: THE NEED FOR CHANGE

BANK VS. BORROWER



This is an image like your local banks use to advertise. On one side they are advertising providing you a LOAN for a mortgage or a school or an auto loan.

On the other side they are offering you a CD at a fixed interest rate at a fraction of the return.

You have two choices. You can make the higher interest on the loan, like the bank is doing, or you can make the measly return that the CD is making.

MAIN OBJECTIVES OF THIS COURSE ARE ...

To make sure that everyone in America has a simple and easy to learn investment tool that compares favorably to the stock market when it comes to security and returns.

AND

To provide an option to everyone out there who is stuck in the stock market to have better and additional options for their retirement account.

_____ Cares More About Your Money Than _____ Do!

LESSON 3: FIVE WAYS TO FUND YOUR DEALS

THE FIVE WAYS TO FUND YOUR DEAL ARE:

1. Fund it yourself

2. Bank funding

3. Fund it with your IRA

4. Fund with someone else's IRA

5. Private money funding

IMPORTANT NOTES TO TAKE AWAY FROM THIS LESSON:

- If you have your own money, use it and leverage it.
- Don't be afraid to use your IRA – you don't have to use all of it, you can use as much as you feel comfortable getting started with.
- There are over 79 million IRA account holders in the United States... They are your bank lenders!
- If you have NO money and NO relationships – Hard Money Lenders and Hard Money Brokers are CRITICAL to finding money for your deals!
- Throughout this course, you need to create your money list... The list of people you know that you could possibly go to for funding.

LESSON 4: ARE BANKS AN OPTION?

- In reality Banks are NOT the Best option
- Banks ask all the WRONG questions first They ask about the deal last
- Without having an already Pre-Approved line of credit from a bank, banks can take too long for you to be able to secure that really “good deal” and you will lose your window of opportunity while waiting for the bank
- As private lender you can pick just like the banks do who you lend your money too
- You MUST create your PASSIVE INCOME stream
- You can be a Private Lender in ANY State

LESSON 5: USING YOUR IRA TO FUND DEALS

You've reached the most critical of the training videos in my opinion. I know you'll be taking a ton of notes in this lesson, especially if the idea of Self Directed IRA's is new to you.

There are also 2 other handouts that go along with this lesson, please make sure to go the Course Training Guide page and download the Lesson 5 handouts.

"Self Directed" = descriptive NOT a legal term

- » Self Directed Traditional IRA
- » Self Directed ROTH IRA
- » Self Directed SEP IRA
- » Self Directed SIMPLE IRA
- » Self Directed Individual 401K

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Self Directed Traditional IRA

A Traditional IRA is an Individual Retirement Account (IRA) that is held at a custodial institution and may be invested in anything that the IRS allows.

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Self Directed Roth IRA

A Roth IRA is a special type of retirement plan where qualified distributions are tax free. A person can contribute after-tax income up to a specified amount each year.

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Self Directed SEP IRA

A Simplified Employee Pension Individual Retirement Account (SEP IRA) is a variation of the Individual Retirement Account. SEP IRAs are adopted by business owners to provide retirement benefits for the business owners and their employees.

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Self Directed Simple IRA

A Savings Incentive Match Plan for Employees (or a SIMPLE IRA) is a retirement account that gives employers an easy way to make contributions toward their own retirement, as well as toward the retirement of employees. A SIMPLE IRA is designed for small businesses with 100 employees or less, as well as self-employed individuals.

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Self Directed IRAs... What's the Difference?



The CUSTODIAN

- » Licensed & Bonded, FDIC Insured
- » Regulated by the IRS & other gov't bodies

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How do you get into the "4% Club?"



1. Generate Excess Returns



2. Reduce Volatility



3. Eliminate Taxes

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3 Easy Steps To Wealth

Step #1 – Profit

Step #2 – Protect

Step #3 – Prosper

Step #1 - Profit

The 1st Truth

Lie: "I make too much money to contribute to a Roth."

Truth: No income limits on the Self Directed Indi (k).

The 2nd Truth

Lie: "I can only make \$5,000 per year in a Roth."

Truth:

- » Employee Contribution: \$17,500/\$23,000
- » Employer:\$33,500
- » Total:\$51,000 / \$56,500
- » Even if you make a million dollars this year, you can contribute the maximum amount!

Proof: The Magical Self Directed IRA

The 3rd Truth

Lie: "I can only make \$5,000 per year in a Roth."

Truth: There is no limit how much money you can make in a Roth

Specifically, there is no limit on Profits or Income, only contributions.

Proof: The Magical Self Directed IRA

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Creating Wealth Multiple Ways

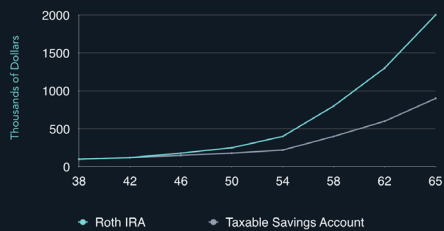
Buy Real Estate

- Single Family Homes
- Apartments / Duplexes
- Commercial Property
- Stocks
- Vacant Land
- Foreclosures & Pre-foreclosures
- Wholesaling
- Lease Options
- Subject To's



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Which One Do You Want?



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Why do the wisest of investors use a Self Directed Individual K?

- » K Protect more money with larger contribution limits
- » All benefits, flexibility & freedom of self directing
- » Favorable rules toward businesses and borrowing (Avoid UBIT)

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Create Your Own Business or Personal Line of Credit

- » K plans are the only retirement accounts where you can borrow from your retirement account.
- » Borrow up to 50% or \$50,000 whichever is less.
- » Your Indi k is the bank which means your business pays interest to Your Indi K account.

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Who can have an individual (k)?

- » Anyone who has the intent to make money
- » Real Estate investors, FOREX/futures traders, Realtors, Independent Contractors, self employed, husband and wife teams...
- » Sole Proprietors, LLC's, LP's, C Corps, any legal entity.

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Can I Still Trade Stocks in My SDIRA?

Yes, you CAN trade stocks within your self directed IRA or 401(k). We are approved with TD Ameritrade's TOSS platform.



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Other Tax-Advantaged Accounts

- Health Savings Account (HSA)
- Coverdell Education Savings Account (CESA)

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Health Savings Account (HSA)



An HSA can reduce your health insurance premiums by as much as 70%, while you set aside funds to pay for current and future medical expenses. HSA contributions are tax deductible (subject to limitations), and withdrawals are tax-free when used for qualifying medical expenses.

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Coverdell Education Savings Account (CESA)

Coverdell Education Savings Accounts allow individuals to invest funds for educational purposes.



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Step #2 - Protect

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Taxes	Federal	State & City	FICA	Total
Employee W-2	39%	10%	7.65%	56.7%
Self Employed	39%	10%	15.30%	64.3%
Interest	39%	10%		49%
LT Cap Gains	20%	2%		22%
Corporate	39%	2-10%		41-49%
Passive	39%	10%		49%
Trust	35%	10%		45%
TIRA, 401(k), SEP, Simple*	39%	10%		49%
Roth IRA & Roth 401(k)	0%	0%		0.0%

* Tax Deferred

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Protect

1. Open a Self Directed Retirement Plan
2. Put Money in
3. Identify an Investment & Complete DOI

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How do you put Money in an IRA?

1. Contribution
2. Rollover
3. Transfer

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Take The Lazy Approach...

- Tax Liens
- Private Placements
- Foreign Currency (FOREX)
- Hedge Funds
- Factoring
- Structure Settlements
- Oil & Gas
- Equipment Leasing
- Mobile Homes

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Which IRA is right for You?

- Do you want tax free income **for the rest of your life** or do you want a tax deduction today?
- Do you want to pay taxes on the seed or the crop?
- Or do you have to have your cake and eat it too?



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Benefits Of A Tax Deductible Retirement Account



- Lower Your Taxes Now
- Keep All Your Profits
- Grow Your Money Faster
- Grow Your Money Bigger
- Asset Protection
- Defer Income

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Benefits Of A Tax FREE Retirement Account



- Keep All Your Profits
- Grow Your Money Faster
- Grow Your Money Bigger
- Asset Protection
- Tax FREE Income

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Becoming a Self Directed Investor

3 STEP PROCESS

- Step 1: OPEN
- Step 2: FUND
- Step 3: INVEST

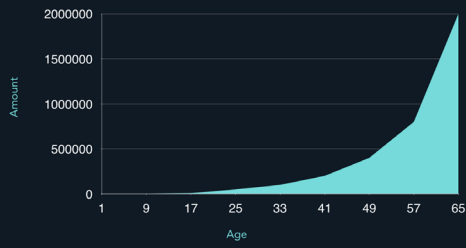


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Step #3 - Prosper

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\$2,451,853



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What the IRS Gets =
\$1,901,655

\$550,199 – What you Keep

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LESSON 6: HOW TO FIND FINANCING

GATHERING YOUR INFORMATION



REMEMBER to go check out the handouts for Lesson 6 in the Course Training Guides Section of the site

- If you want money for your business, you HAVE to have a plan!
- When you are sending your deal packages via email to a lender who has agreed to lend you money: SEND IT IN ONE EMAIL
- Your package should consist of a simple and detailed plan that gets down to the point
- Don't overwhelm your lenders
- BEFORE asking for money make sure you tie up the property

LESSON 7: HOW TO FIND FINANCING GOING OUT AND SOLICITING POTENTIAL LENDERS

- How to ask for Money is one of the most critical things

When looking for money it is important to _____

Greg looks for people who have _____ and _____

IRA's are _____ , _____ , _____

Is it easier for you to move money out of your IRA (that you can't touch until you're at least 60 anyway) OR to move money from your savings account that is liquid?

Where do you attack and focus? _____

- It's all in your approach, don't sound too anxious when talking to potential lenders
- Make it a conversation --- Make them ASK you questions
- If they aren't willing to ask you questions, they aren't interested!
- Build the relationship
- Lead your answers into different conversations
- For you to find money you HAVE to find out how YOU are going to HELP someone else – Solve something they don't like!
- Practice, Practice, Practice!

LESSON 8: ROLES IN LENDING



REMEMBER to go check out the handout for Lesson 8 in the Course Training Guides Section of the site

- Doing it the RIGHT way with a system and process will save you so much time and from making mistakes
- Trying to take shortcuts can end up hurting you in the long run
- There are 2 types of Private Lenders – the lender who does all the work and the lender that works with a broker
- Using a broker reduces a lot of the risk and makes it a lot more passive
- If you don't have the experience you run the risk of missing things – it's not worth the 1, 2 or 3%

LESSON 9: HOW TO USE US FOR FINANCING



REMEMBER to go check out the handout on how to submit a deal for Lesson 9 in the *Course Training Guides Section of the site*

- When you borrow money there are points and rates
- When you are trying to come to us for a loan we look at the strength of the deal
- If you think the deal is weak and there are no margins – DON'T submit it
- We want to know your experience!
- We want to lend you the money but we want to know you have some experience with you, either yourself OR the team around you
- We typically like to lend around 75% not 100%
- If the deal can pay that much don't worry about percentages get the experience and instill yourself with confidence!

LESSON 10: WHY THERE HAS NEVER BEEN A BETTER TIME TO BE A LENDER

- A Private Lender and a Banker are the same things!
- The BANK is the Winner – They create the passive monthly income by lending all day long
- Lend your money to the guy with the property who has skin in the game..... And sit back and collect your checks

Banks are no longer _____

Thanks to banks not lending, you and I, can lend to _____ type borrowers.

The market is _____ and people are going back to _____

In most places and cities you can be doing this with _____

- You just have to think differently!

LESSON 11 – TRUST DEED FUNDAMENTALS



REMEMBER to go check out the handout for Lesson 11 in the Course Training Guides Section of the site

- Becoming the bank means private lending
- A trust deed is a mortgage we're all familiar with
- Trust deeds are short term loans
- As the bank you can command a high interest rate
- Trust deeds offer a high return with low risk
- There are 4 major parts of a trust deed – loan amount, interest rate, term and collateral

The loan amount is _____

The interest rate is _____

The term is _____

The collateral is _____

LESSON 12 – RISK EVALUATION



REMEMBER to go check out the handout for Lesson 12 on risk evaluation in the Course Training Guides Section of the site

- Evaluate Your Private Lending Risks - The number 1 thing to KNOW when going into a private lending opportunity is the: EXIT STRATEGY!
- ALL Lending Opportunities should have a CLEAR Exit Strategy:
 - Exit Strategy #1 – Sell the Property
 - Exit Strategy #2 – New Financing
- The “Lien” allows YOU as the bank to go after money and/or collateral due to you in an investment
- The “Borrower” typically pays the title expenses
- Try to keep your risks low by maintaining a first position on the lien
- The lower the “Loan to Value” the safer the loan is considered to be

LESSON 13 - THE LENDING PROCESS

What were the 2 main goals of the course?

- If you raise your hand that you want to make passive income and investment, my team will reach out to you and we'll have a conversation.
- We do a phone call, send you out the documentation and get you all setup
- When the loan closes you start making money

LESSON 14 – COURSE WRAP UP

- It's important for you to go back through the videos multiple times.... This course is meant to be hands on
- At any point in the course you can reach out to Greg's team via the "Contact Us" and ask your questions
- Self Directing WILL change your life
- Invest in what YOU are Passionate about

TAKE CONTROL OF YOUR MONEY AND YOUR FUTURE!