

The 7 Steps To Joint Venture Success

Step 1 - Solidify The Relationship

Before you pitch your Joint Venture opportunity to anyone, even if they are a past JV partner, it is imperative that you review their goals. One of the most compelling ways in which to do this is by sitting down together and asking *them* “*If we were meeting 5 years from today, and we’re looking back over those 5 years, what has to have happened in those five years for you to feel happy with your progress?*” Then sit back, take notes and LISTEN!

Step 2 – Review Your Track Record

Discuss your track record in real estate, or the track record of other REIN™ Members who have created success using the system you’re following. Always ensure you emphasize that you are following a proven system, you have done your homework and you are surrounded by a strong support team in REIN™. Always present them with their copy of **“How To Profit From The Coming Alberta Real Estate Boom, 2001 –2012”** as an example of your research.

Step 3 – Show Them The Sizzle

Have a complete set of color photos of the property you want them to JV on. Inside, outside neighbourhood etc. This becomes the sizzle of the presentation and makes it REAL.

Step 4 – Sell The Steak

Now this is where your homework will pay off. Have completed copies of all your **Due Diligence Checklists, Your Property Analysis Form, Condo Reserve Fund Study (if applicable), Pro Forma Cash Flows, Newspaper Articles etc.** This will show them the amount of work you’ve already done, and you will look like a sophisticated investor. Tell them what’s in it for them!

Step 5 – Present The Joint Venture Arrangement

Work through the **“Joint Venture Worksheet”** (available to Members at www.albertarein.com), this is the simplified overview of the full JV agreement and it outlines each parties responsibilities and how potential situations will be handled if they arise. Using this Worksheet go step by step through the FULL Joint Venture Agreement. After you’ve reviewed the whole thing, make sure you sign it in BLUE ink, however they should not sign it until they have completed Step 6.

Step 6 – Have Them Walk Away

Have your potential partner take the complete package from steps 3, 4 and 5 above along with a Certificate of Independent Legal Advice (available to Members at www.albertarein.com) to their accountant or lawyer for a second opinion. Make sure you set a date to meet again (usually in less than 7 days). They should have all the documents signed in front of this independent party to be returned to you at this meeting.

Step 7 – Under Promise & Over Deliver

After the deal is done, make sure you keep them completely informed of how things are progressing. Send them good news articles, make sure you send them cheques on (or before) the time you promised. **Tell Them All The GOOD News.** Then Duplicate the process.

Bonus – After this Project has gone better than expected, ask them if they know of anyone else who would like to do a deal like this. These referrals will be extremely powerful for you! ©2001 albertarein.com