

The Exact 7-Step Formula

My Clients Have Used to Become

\$ Million Dollar Developers

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While this is the process that my clients have used, this document makes no claims or representations that it will create the same results for you. Business results of clients are not typical, and your business's and personal experience will vary based upon your personal effort and management of this process for you.

Introduction

What if I were to tell you becoming a real estate developer is actually very simple? That if you were to follow an exact formula every day, month, and year, within 5 years you would have a million dollar portfolio, you would have more deals than you'd know what to do with, and you would never have to be bothered again with cold calling, lead generating, door knocking, or those other aggressive 'tactics'.

At first you might think it's crazy.

However, what if I were to tell you over the past ten years, I've had the opportunity to work with dozens of real estate developers and investors in Los Angeles. I've worked alongside them to analyze thousands of deals, to purchase just under 100 projects, and to become owners of **MILLIONS** of dollars in real estate assets. And in that time, I was able to witness firsthand million dollar developers use this exact formula to put themselves ahead of the competition every time.

It was the exact process I used when I bought my first development project at just 22 years old! While I was still a full time college student. In Southern California (not out of state)! For under \$7,000! Before selling it 2 years later for over \$80,000 (**10X the PRICE!**). Even today it gives me goosebumps thinking back to how I was able to pull that off, without knowing construction at all, and relying solely on this exact process.

Now, as a real estate broker working exclusively with investors and developers, it gives me goosebumps to think about how even more powerful this formula can be for a contractor!

In this guide, I walk you through the exact process I walk my clients through, so that they can have the leg up as they begin to build their million dollar portfolios.

It may be simple, but by no means, is it easy. It takes a lot, and I do mean a lot, of hard work, consistency, and tenacity. However, unlike those other get rich quick, greasy tactics and techniques floating around out there, the results with this exact process never fail.

Past Client Projects

\$2M Remodel



\$2M Duplex



\$750,000 Duplex

Getting Started

Before we dive in, let's quickly first make sure we're on the same page as far as what it means to be a real estate developer.

A real estate developer is simply a business professional who buys property with the goal of increasing its value through renovations, additions, new construction, or other intangible improvements.

Real estate developers can be what we know popularly as 'flippers' who buy a home below market value, make repairs, and re-sell it at a higher price.

Unlike investors, real estate developers specifically expect to sell the property at some point down the line, and therefore, operate using the 7-step process that this guide will outline.

Step 1: Master One Thing Until...

The key step in the formula to become a million dollar developer is to start off by becoming the master of one thing. When starting out you must pick what your niche or specialty will be, and you must become the master at it. Another way to say it would be you need to decide what types of properties you will specialize in, and what value you will add to them.

This step is so important because when you are just starting out you simply do NOT have the time NOR money to do it all. Picking a niche keeps you hyper hyper focused on your niche, and helps you avoid wasting hours chasing every opportunity or every deal that every Tom, Dick, and Harry may throw your way. It also gives you more time to get really good at what you do, and earn money in a more straightforward timeframe.

I remember working with one developer for over four months. He was extremely talented, had all the book smarts and credentials, a business partner willing to invest money into all of his deals. . Literally, on paper, had everything one dreams of to get started as a real estate developer. Yet, he never committed to a niche. One day he'd want to build commercial properties. The next day it'd change to renovating apartment buildings. By the weekend it would switch to doing ground up construction. All of the switching back and forth, here and there, however,

ate up so much of his time, that within the four months he never landed a single deal and his partner weary of no results walked.

Trust me, I know how exciting all the different opportunities are out there, however, chasing each and every one of them like chicken with its head cut off will work against you every time.

In completing this step, you will have to look inwards and honestly assess with yourself where you want to be dedicating hours of your time, effort, and energy. Ask yourself critical questions like:

- **What skills do you possess that you bring to the table as a real estate developer?** Are you a licensed contractor, are you a real estate agent, are you the numbers guy, or do you have an eye for design that you want to let shine?
- **What part of the work seems most appealing to you?** Do you want to spend most of your time hunting for the deal, or do you want to spend most of your time on site and working to get a project built from the ground up?
- **What geographic areas do you personally want to work in?** If you live on the Westside, will you really want to commute 2 hours every day to a project in Long Beach when you are just starting out?

This is not to say that this will be your niche forever, by any means. There are many, many, many developers that start out rehabbing residential

homes and work there way up to building high rise office buildings. The goal here is to master a niche, until you are financially capable of jumping into another.

Step 2: Get a Solid Team

The next key step in the 7-step formula is building a strong and capable team. Take the niche you selected in Step 1, and build a team of professionals around you that can tackle the activities involved to develop those types of projects.

Prioritize finding people who excel in doing the thing that you have absolutely no interest nor business doing. For example, as a contractor, your specialty is building, construction and providing quality work. If you have no desire to be buried in all the paperwork involved in a real estate transaction, work with a real estate broker who can manage all of that for you. If you have no idea how to decorate a home, bring in a spouse, family member, or paid professional to help you.

The key is to step back from doing it all, and delegating what you can't do to expert professionals, in order to again keep your time focused on building projects faster and better.

The most successful real estate development teams typically include the following professionals:

- ~~Contractor~~ (Hopefully this is you)
- Real Estate Broker/Agent (This is where I step in)
- Architect and Engineer
- Property Manager (depending on your niche)
- Executive or Virtual Assistant
- Escrow Officer
- Title Officer
- Inspector

Building a team around you enables you to reach your highest potential as a real estate developer that much faster, because you can stay focused on the parts of the process that you're good at and that you like.

Step 3: Lock Down Your Lender

The third step in our 7-step formula is securing the money that will finance the purchase and construction of your projects (e.g. the properties that you develop).

Typically there are two ways that you can secure the necessary funds: the first is to find a wealthy individual or group of individuals (parents, family, friends, other seasoned real estate investors, etc.) to invest with you.

Someone who believes in you and is willing to put their money at risk for your first project.

The second, and most common, is to seek some type of real-estate-developer-friendly financing, which typically are hard money loans. Unlike conventional banks, there are many hard money lenders that specialize in working with real estate developers to provide them funds to get started. Invest the time early on to connect with, learn, and select an ideal hard money lender you'd want to work with.

Additionally, know that contrary to what the late-night infomercials will tell you, becoming a successful real estate developer requires you to put in your own money as well. While an investing partner or lender will be able to finance a majority of the project, there will still be a significant percentage of your own funds that you will need to bring in. Have discussions early on with your lender or partner investor to understand how much money you will need, and then prioritize taking the time to save this up.

Step 4: Buy Your First Project

The next step in becoming a real estate developer is to actually find and purchase your first property. Going back to Step 2, work with your real estate broker to find the right property for your first project.

In today's climate, there is a lot of competition, especially when you are just starting out as a real estate developer, so you and your broker will need to be creative in order to stand out.

Additionally, with each property that you come across, make sure to build an individual plan that outlines what you will develop, how much it will cost to build, and how much you estimate to make once the property is sold. It may sound tedious, but the single biggest mistake developers make is buying the wrong property. They may buy a property where the law prohibits them from building, or they buy a property with significant issues which causes 'surprises' in the budget, or they simply fail to properly plan out their expenses, and go into the red when they decide to sell the property.

Having a plan prior to the purchase of your first project is an invaluable tool to keep you on the path to achieving your financial goals for your first project.

Step 5: Build Your Heart Out

The next step is to take the property that you have just purchased, and start developing it. This is where your full creativity and passion for real estate development can truly shine.

Whether you are renovating a space, or doing an addition or doing ground up construction, at this stage, it is important to prioritize providing quality materials. Get into the habit early on of being the real estate developer that provides quality work. Crooked paint lines, bubbles in the ceiling, uneven floors, windows painted shut, cheap materials, or poor curb appeal will not only set you back when you go to sell the property, but will set you back on your journey to become a successful real estate developer.

Remember, your role as a developer is to add value, so it's important to pay close attention to detail in the development of your first project.

Step 6: Be the Flexible Seller

Once the construction work on your project is completed, you'll list it on the open market, and next comes another key step to become a successful real estate developer: being a flexible seller.

I can not emphasize enough how important it is on your first project, especially, to be flexible. Keep the property clean and easy to show. Consider all offers the first time. Now is not the time be like the stingy developers you see on *Million Dollar Listing*. Listen and take into consideration any and all feedback that you're getting, these are your potential customers after all.

I had to learn this the hard way. I renovated a condo and decided to re-sell it just before the holiday season. The first week we received an offer, that was at asking, got it into escrow and were headed on what seemed like a path to a successful close. However, the underwriter came back and said that the HOA fees were too steep for their client to afford, and they'd have to walk away from the deal. And I just let them, so convinced that we'd find a buyer who didn't have this 'problem'.

I hit myself in the head now just thinking about it. Only after five months, record rains, a drop in the stock market, and a flood in the building, was I able to secure the next viable offer, who again was having a problem affording the HOA fees on top of the mortgage. This time around, having learned my lesson, I just gave them a credit, gladly walked away from the property still profitable, and made a mental note to always stick to the process outlined in this guide.

Moral of the story is being a stubborn seller on your first project can be fatal. While it may feel good to hold out for your specific number, just know that that comes at a cost. Each month you wait is more money you have to shell out for the loan payments, the gardener, the handyman, the cleaner, and nothing is coming in.

When you're flexible, transactions can close more quickly and you can achieve your financial goals much faster.

Step 7: Repeat, Repeat, Repeat!

The last step in becoming a real estate developer is to repeat the process. You may be surprised to hear this, but this step is the single dividing line between being someone who pulled off one real estate project versus someone who is on their way to becoming a million dollar real estate developer. The reason is momentum.

You have your team, you have your first project under your belt, and now you know how the entire process works. You've done most of the heavy lifting, and now the key is to keep the system you have rolling.

Review what you've learned on your first project: what improvements could have been made, what you would have done differently. Make the adjustments and keep going!

The best part of Step 7 is that as you begin to complete more projects, you will begin to build a brand for yourself and a reputation within the local community. At which point deals will start coming to you, and people will be attracted to sell to you or work with you. Your real estate development business will only grow as you keep repeating these steps, and soon you will achieve the success you are looking for.

CASE STUDY

There you have it. You now know the exact simple 7-step formula to become a million dollar developer.

1. Master one niche
2. Build a Solid Team
3. Lock Down a Lender
4. Buy Your First Project
5. Develop It
6. Be Flexible When You Sell It
7. Repeat, Repeat, Repeat!

As you cycle through this formula with each project and each property, your business becomes more efficient and you're able to take on larger, more high dollar value projects.

When I first started working with my main client, Phil, almost 10 years ago, he started doing additions to homes in South Los Angeles. He stuck to his niche and faced little to no competition. His starting team was lean, but mean, he and friend handled all the construction, and my then broker and I tackled the rest. We were able to locate and introduce him to a hard money lender that was able to work with him to buy each project. For years, he maintained the same niche, renovations and additions, and stayed true to step #6. Whenever we approached him with a buyer that was having trouble either with their lender, or repairs that needed to be

made, he listened and was willing to be as flexible as possible to get the deal done. Repeating this process over time he was able to work his way up from projects like these:



To his current project a \$2 Million Duplex in Redondo Beach:



With two more projects already purchased and lined up for him to work on next and re-develop into million dollar projects.

Now, let me ask you this...how would you like to step into his shoes.

How, would you like to work with a real estate team whose sole goal is to help you become a million-dollar company like Phil.

To work with a dedicated business partner to guide you through this process and stick to it to achieve the financial and business results you're looking for.

As a thank you for making your way through this guide, I'm offering an initial consultation and plan building session in which you will receive an exact blueprint following this exact formula, specifically catered to your real estate goals. With this offer you'll receive:

- A 2 hour phone or in-person consultation to troubleshoot your challenges to date **(Value \$500)**
- A blueprint personal to YOU and your vision **(Value \$1,500)**
- A plan to get you next project in 30 days **(Value \$997)**
- A virtual introduction to the hard money lender Phil and I have used on our projects **(Value \$500)**

Total Value of \$3,497

Only \$197 If You Use the Link Below

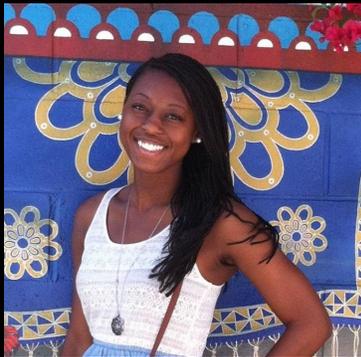
[YES! I WANT MY EXACT PLAN](#)

From that meeting you'll walk away with clear S.M.A.R.T goals to achieve your development dreams, even if we decide not to work together. If

you've been waiting to get a fully laid out plan on how to build and grow your development business, the time is now.

About Dominique

Dominique Higgins is a real estate broker native to Southern California. Born into a family of real estate agents, contractors and developers,



As a full time college student, she purchased her first development project, and upon graduating joined her mother's real estate brokerage helping developers and investors acquire, re-position and sell rehabs, spec homes, multifamily development, and TOC's.

Working with a team with over 30+ years of combined experience, Dominique continues the legacy helping developers achieve their goals -- bringing nothing less than a high level of passion, dedication and hands on experience.

An alumna of the University of Notre Dame du lac (summa cum laude), when not working tirelessly for her clients, Dominique enjoys spending her time practicing her languages (Mandarin and Spanish), traveling, reading, and developing her own projects.