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ENTREPRENEURING IN REAL ESTATE WITH DONALD TRUMP

IN THIS BOOK, you will discover the principles of entrepreneuring in real estate as lived and practiced by the ultimate entrepreneur, Mr. Donald Trump. Mr. Trump's entry into the field of entrepreneurial education stands as a welcome and needed change.

Now, more than ever, Mr. Trump's wisdom is needed. Because as many property markets throughout the United States and around the world begin to simmer rather than boil, we are returning to an arena where winning in the game of property will require much more than luck and fortuitous timing. We are once again moving into a market where investors must create value, not just reap wind-fall gains.

As Mr. Trump told me when we were planning this book, "For all too long, the infomercial guys of late night television who promote 'nothing down,' 'pennies on the dollar foreclosures,' 'quick flipping,' and other supposed techniques to 'get rich quick' have dominated the field of real estate books and tapes." Then he added, "Life rarely works out that way. If you go for get rich quick, you are really going for broke."

We don't want you to go broke—or go for broke. We aren't going to promise you that following the entrepreneurial principles of Donald Trump and Gary Eldred will turn you into an overnight millionaire.

We do, however, promise that our principles will help you build wealth, achieve your personal potential, and create value for your customers. Even better, like us, you just might have a lot of fun along the way.

Indeed, our philosophy of entrepreneuring in real estate doesn't just apply to property or building wealth. You can apply it to live a richer, fuller life in every respect. "Think big, live large." With that now famous motto, Mr. Trump encourages you to "see each day as an important day for your future and a special day just because you have it. You will energize your existence. 'What a great day!' Say it right now and feel the positive thinking it generates. Give yourself a chance to do your best, and everyone will benefit. Know that you can fill today with possibilities and opportunities."

In sum, here is the basic mindfulness that powers Mr. Trump's philosophy and, accordingly, his life. In later chapters, we will show you in detail how this philosophy can lead you to the life you want.

OPEN YOUR MIND TO POSSIBILITIES

To achieve your potential, educate yourself to think and expand your possibilities. It turns out that both Mr. Trump and I began reading books on real estate while we were undergraduates in college. Both of us began investing in property when nearly all of our fellow students were more interested in buying a sharp car and finding a cool apartment to rent.

Why did we act differently? Why did we begin to build wealth at an age when most people come up with multiple excuses? Because we refused to accept the conventional wisdom that we were too young, too inexperienced, or too anything else.

Yes, Mr. Trump came from a relatively well-off family (as I did not). But that wasn't the difference. Most students at Penn came from well-off families. A big difference then and today is that both of us achieve more than our peers because we continuously open our minds to new ideas. Nay, we continuously search out new ideas and information. Both of us are big readers—to learn about the world at large and about real estate—and we are big readers in the field (for the lack of a better term) of self-help psychology.

In this book, we hope that by reminding and encouraging you to think positively, create possibilities, and open your horizons, you too will become more of what you would like to become.

KNOW THE DETAILS

Opening your mind to possibilities opens your mind to profits. But positive (I like to say exploratory) thinking won't count for much if you don't prime yourself with an ever-growing flow of

knowledge. As Mr. Trump likes to say, “I’m not young enough to know everything.”

Indeed, he keeps Kipling’s six honest men ever present to build his knowledge. Their names are What, Why, When, How, Where, and Who.

“To get a building built in New York City,” says Mr. Trump, “requires knowledge of zoning, contractors, architects, air rights, tax laws, unions, and a thousand other things—not least of which are the intended customers. When I started, I had to learn a lot. No one else could learn it for me. But every day, I would learn something, apply it, and make progress. Believe me, becoming a developer didn’t happen overnight.

“If I had started in business thinking I knew everything, I’d been finished before I got started. Avoid that mistake. Real estate includes many hidden details.

“I always warn people not to jump into anything unprepared. It’s that old fine line between bravery and stupidity. Know the tides before you dive in. There’s always a certain amount of danger, danger meaning the unknown, even in shallow waters. Riptides and sharks live there. Sometimes you don’t see them until it’s too late. Keep that in mind no matter how sensational or foolproof you think your idea might be.

“In those early years, I spent a great deal of time researching every detail that might be pertinent to the deal I was interested in making. I still do the same today. People often comment on how quickly I operate, but the reason I can move quickly is that I’ve done the background work first, which no one usually sees. I prepare myself thoroughly. Then, when it is time to move ahead, I am ready to sprint.”

THINK FOR YOURSELF—ACCEPT RESPONSIBILITY

You will need to incorporate the facts and opinions of others into your investment decisions but never abdicate your decisions to your advisers.

“This issue is serious for worldly as well as personal reasons,” says Mr. Trump. “The worst things in history have happened when people stop thinking for themselves, especially when they allow themselves to be influenced by negative people. That’s what gives rise to dictators. Avoid that error at all costs. Stop it first on a personal level, and you will have contributed to world sanity as well as your own.

“You need a mind-set of personal responsibility. When I say to have the right mind-set, I am thinking about responsibility. People who take responsibility have no need to blame others or to be continually finding fault. The naysayers never manage to contribute much and never amount to much either. Don’t join their club. They’re the lowest common denominator.

“I knew a guy that I used to call up just to see who and what he would be *blaming* that day. I don’t think that guy ever thought he had personally made a single mistake in his entire life. From day one, nothing was ever his fault. His biggest blind spot was himself, and, sad to say, he eventually became a total loser because he never thought of the remedy for his biggest failure: himself. Look at yourself first when things go wrong.

“I’ve been in business long enough now and have had ups and downs, so I can go from seeing the problem to seeing the solution rather quickly. Don’t emphasize the problem so much—emphasize the solution. It’s a mind-set that works: Accentuate the positive without being blind to the negative. It’s your responsibility!”

GOALS AND HABITS

“Give your goals substance,” advises Mr. Trump. “Imbue them with a value that exceeds the monetary. Make them count on as many levels as you can. Give them a subtext that will provide them with a dimension that will benefit not only you but other people as well. That’s an important aspect of thinking big—and a big step toward greater success.

After a while, people will know you by your habits and your habitual behavior. These habits can be qualities, as Aristotle points out. If your behavior is consistently of a high standard, your particular quality may be integrity. So review your habits and make sure they are leading you in the right direction. Make sure you are working toward the result you want to see and know that your way of achieving them will be distinctly your way. Define your own boundaries, your own goals, without being influenced negatively by anyone else.”

THE ART OF THE DEAL

You must put yourself into your deals. You must commit. Mr. Trump likes to quote Thoreau’s passage: “I know of no more encouraging fact than the unquestioned ability of a man to elevate his life by conscious desire.” That is not only an encouraging statement but also an empowering one. It means that you can accomplish a lot by applying your brainpower and then moving forward with it. Thought without action won’t amount to much in the long run. Those great ideas you have will remain stillborn unless you actively do something with them.

So let’s get started. We’re going to give you some empowering knowledge. Put that knowledge into action. Become your best.