

If you don't know where you're going, you'll never get there.

—Anon.

The statement above is especially true when you apply it to real estate investing. Often, when I ask someone what their real estate goal is, I hear, “I want to get rich!” or “I want to make a million dollars.” Well, as you’ll discover in this book, these goals are surefire recipes for failure.

First, you must define where you want real estate investment to take you financially. Be specific:

- How will you spend your time?
- What exactly will your financial picture look like?
- Will you continue to work in your field or will you live off the cash flow from your properties?

As with any successful journey, you need to know where you’re going in order to get there. And that destination needs to be very specific.

The next step is to set a time frame in which to achieve this success. Ask yourself:

- How long do I realistically believe it will take me to get there?
- What buffer time do I have in case of unforeseen detours?
- Will I be disappointed if I get to my financial destination later than expected?
- How will I feel if I get there earlier than expected?

The key is to be realistic and remember that proper real estate investing is not a get-rich-quick scheme, but a long-term wealth-creation strategy.

Third, your financial journey cannot be a success unless you have a clear road map showing you exactly how to get to your destination by the safest and most direct route. That’s exactly what this book will do for you—show you the road to take, the trouble spots to avoid and the key directions to guide you to your destination.

Finally, with all of the above in hand, no journey could ever come to a successful conclusion unless you actually take the first steps and make a commitment to see your journey through to the finish.

ACRES OF WEALTH: YOUR REAL ESTATE SUCCESS ROAD MAP

ACRES is an acronym for the Authentic Canadian Real Estate System—a system that has provided thousands of investors the exact steps to success. The ACRES system you’re about to discover in this book will take you to whatever financial destination you choose. It could be that you wish to own one or two rental properties to increase your income and wealth, or you may want to use real estate as your major ticket to financial freedom. You choose the destination and the ACRES system will take you there. But you must take that very important first step.

Many of us know a colleague, relative or acquaintance who has clearly defined his or her personal financial goals, spent thousands of dollars on learning how to get there (through seminars, books and tape sets) and then, in the end, decided to do nothing with his or her new knowledge. Richard McTavish, the individual you are about to meet, is exactly that kind of person. He knows where he wants to be financially, but has not been able to get himself there.

Richard McTavish is one of those people who has planned his life away. He is 41 years old and lives in the suburbs of his hometown. He is married with two small children and his family is the love of his life. He has always wanted to provide them with more than he experienced while growing up, and to that end Richard has been a voracious reader of financial success books his whole life. In fact, his bookshelf is overflowing with self-help classics by Napoleon Hill, George C. Clason, Les Hewitt, Robert Kiyosaki, David Chilton and many more. He’s read them all.

He has also attended so many seminars on wealth creation and get-rich-quick strategies that he’s lost count. He’s on everyone’s mailing list as a “buyer” of information. He started with real estate (only to find that all of the information was U.S.-based); next it was high-tech stocks (well, we all saw what happened to that bubble); high-tech stocks were followed by stock options, and most recently

he thought about getting into currency trading and get-rich-quick foreclosures. All of these ideas provided him with an initial rush of excitement. Some even yielded a few months of success. But in the end, none of them provided him with the means to reach his financial goals. These strategies have worked for many, but not for Richard.

Every time he attended another event or spent a few thousand dollars at another “free” workshop his wife Emma would shudder. She knew he’d come back excited about this new strategy, only to have real life prove that it didn’t work in *his* life. Emma also knew that the inevitable result would be a larger credit-card bill, a spurt of excitement, a little profit (maybe) and then nothing.

That’s why, for 15 years, Richard has continued to commute every single day to a job that’s comfortable but not very challenging. He earns a decent wage and has the golden handcuffs of a benefits package provided by his employer. However, just over three years ago, Richard was jolted out of his comfort zone. His friends and co-workers began losing their jobs through layoffs and the insult called “redundancy.” In some cases, these colleagues had been working at their job for over 10 years. He saw the stock market steal thousands of dollars from his supposedly secure retirement fund. He noticed that every time there was a bit of bad news or a negative headline in the newspaper, his RRSPs would drop in value. Life was not fun.

Adding to the family’s financial pressure, Emma’s hours at work were cut in half and her benefits taken away after her company was bought out. Meanwhile, their kids, ten-year-old Sam and seven-year-old Alison, were acquiring new and more expensive interests (hockey equipment and dance recital outfits don’t come cheap!) and his mother-in-law was facing a long-term stay in the hospital. His financial picture wasn’t looking very pretty. Maybe their comfortable existence wasn’t so comfortable after all. Even Emma, usually upbeat, was expressing concern, so Richard knew he had to take a hard look at where they were headed as a family. The financial wall was looming in the distance and Richard knew if he didn’t change something, they would hit that wall, and hit it hard.

One Sunday afternoon, when his kids were at their friends’ houses and Emma was visiting her mom at the hospital, Richard decided to go for a walk. He thought, “I’m 41 years old. Because of my insurance policy, I’m worth more dead than alive! I guess I better

start getting serious. There are three other lives depending on me to make a better living.”

Across the street from the house they rented was a beautiful park with a pond. His thinking spot was a bench overlooking the lily pads and the geese. It was so secluded that Richard could only faintly hear the voices of others playing in the park. He wandered over and sat down in his spot, as he had done many times before. But this time it felt different.

Emma had recently voiced concerns about their finances, and Richard knew for a certainty that when Emma started to voice concern, it meant she had held it in for a long time. His wife is the most positive person he knows, so he definitely heeds her comments and takes them to heart. That’s why this time, sitting on his favourite bench, Richard knew it was time to be brutally honest with himself and take a hard, critical look at his life.

As the breeze brought a hint of autumn coolness, Richard thought of the many times he had come to this bench just to sit and think. Often, he would find himself here either full of excitement for a new venture, or feeling low because the venture hadn’t turned out the way he had wanted it to. This was his bench of transition.

He had heard at some seminar, many years ago, that it was important to inventory his financial achievements by taking stock of what was real in his life and compare it to what he wanted to achieve. This would provide him with a clear, if not pretty, picture of how well he’d done so far—and how much further he had to go.

After working through this thought process, what he discovered shocked him. The difference between what he had actually accomplished and what he had wanted to achieve was vast. He was finding out why most people avoided doing this exercise: honesty sometimes can be a difficult pill to swallow.

He started to look back at his many money-making schemes and what they had brought him in the end, and he noticed a pattern. Everything he went for had an element of excitement, a chance to win big in a short time, an emotional pitch that was almost impossible to resist. However, despite all of these big opportunities, here he sat wondering why he was barely achieving mediocrity.

THE SECRET OF MEDIOCRITY— LACK OF CONTROL

It became very clear to Richard why his life *felt* so mediocre—*it was*. As he reflected, he began to get a little embarrassed; he clearly saw that both his short- and long-term financial well-being were completely controlled by someone else. The short-term money—his job—was controlled by his superiors in the stagnating company for which he worked. They could end his job at any time as they had done for many of his buddies. He couldn't increase his job income without begging for a raise, and that wasn't going to happen given the state of the company's finances.

For the long term, the meagre investments in his RRSP and bank mutual funds were controlled by the gyrations of the stock market. He understood that the markets were not really driven by long-term economics but rather by herd mentality and investor emotions. He'd invested in RRSPs to get the tax receipt, just like everyone else, and his returns were dismal.

Even his home wasn't his own. Because he rented, he could be asked to move at any time. And to top it all off, because he was renting he was once again missing out on any increases in real estate values.

In other words, not one major financial decision was under his control. This realization made him feel angry that he had allowed others to have so much control over his future. Even though his wife had been patient with all of his investment ideas, he had to face the fact that all his get-rich-quick schemes had turned into next to nothing.

Richard could see his current road map was taking him nowhere, and he didn't like it! Well, he thought, at least he was taking a week's holiday to a place that *he* had decided on. He chuckled when he thought that at least this was one decision that he did get to make.

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Richard and I met on the airplane that was carrying him back from his annual end-of-summer family escape from real life (oops, I mean holiday) to their favourite discount beach resort. He could only stay for a week because his boss wouldn't let him get away for any longer.

He was travelling home alone; his family stayed at the resort to enjoy a second week of fun and relaxation.

The stress of having to leave early had destroyed any relaxation gains Richard had made during his week on the beach. The scene as the family dropped him off at the airport played through his mind over and over again during the flight. He could still see the sadness on the kids' faces and the look of concern on his wife's. And even though he was returning from a vacation, I could see that he wasn't a very happy person; he had a tired and sad look about him—not what you'd expect from someone who had just enjoyed a holiday.

I was returning home from making a special presentation to 200 successful real estate investors. I was still riding that special high you get when you hang out with positive and successful people. Speaking to and meeting groups of enthusiastic action takers is one of the pure joys I have in my life, and I grab that chance whenever I can.

Soon after we took off, I pulled out the notes from my presentation, planning to complete my regular post-event debriefing so that I could focus on my family as soon as I landed. (I feel it's critically important to continually improve in everything you do, no matter how successful you are; that's why I take the time to make notes.) I couldn't help but notice that Richard, who was sitting beside me, was reading over my shoulder, trying to decide whether to make an introduction. Then he said, "Hi, my name is Richard McTavish. I see you're involved in real estate. Man, I wish I had got in before the real estate boom."

With that opening statement he unknowingly took his first step on what would prove to be his true financial journey. It would be a three-year journey that would take him from having zero control over his financial life to being a financial success in real estate, well on his way to achieving the dream, instead of just dreaming.

This also marks the beginning of your own personal journey to real estate success. The secrets and strategies that Richard discovered over the ensuing three years are exactly what you'll discover in this book. No matter what your dream or what your current financial picture looks like (good, bad or amazing), you can use the ACRE system to turn your financial life dream into a reality, just like Richard did.

Throughout the book, you'll hear from the same experts who led Richard out of the investment wilderness. These veteran investors and other key people came to influence Richard's life, and all of them played a key role in his success. In just the same way that these experts helped Richard, their strategies and secrets to personal success will propel you to become a confident and wealthy investor.

