



William Moore

October 3, 2009

Dear Colleague,

As the founder and publisher of EVWorld (evworld.com), I am not only interested in sustainable mobility, but also in sustainable housing and energy. There is a natural synergy between the three that I find fascinating. Even Toyota and Honda appreciate this. The former manufactures energy-efficient pre-fab homes in Japan and the latter manufactures solar panels.

So, when I learned of an initiative that is helping restore older neighborhoods, providing first time buyers with newly-remodeled homes while generating profits for the developer and investors, I was intrigued. Here's the story.

#### **Fateful Family Reunion**

Recently, during a family reunion to celebrate my mother's 80th birthday, I met my younger brother's son-in-law, Luis Gonzalez of Denver, Colorado. Luis has been in real estate for some 13 years, founding his own brokerage - Luis and Associates -- in 1998. We talked about the economy and the housing market in Denver and he shared with me that despite the recession, the past year has been his best ever. He explained how his firm has developed a model for finding and rehab-ing abandoned homes in older neighborhoods in Denver, making a profit for his firm and his investors. In the last 13 months, Luis and Associates have bought, remodeled and resold 60 homes, all at a profit and usually within 90-100 days of the original closing.

Intrigued, I looked into emulating his model here in Omaha, but soon discovered that unlike Denver, our community is a rock steady real estate market that has successfully avoided the highs and lows that now plague other metropolitan areas. Finding the kinds of homes at the prices Luis and Associates find them in Denver, and in the numbers they do, appears to be a daunting quest.

We agreed that following his example in my area wouldn't be practical, but he also offered an alternative, one that I find even more compelling since it will allow me the opportunity to engage in the house-by-house restoration of once-thriving city neighborhoods while also permitting me to continue to focus most of my time and attention on EVWorld.

#### **Hard Money Broker**

What Luis offered me was the opportunity to partner with him as a hard money broker. Until talking with him at our family reunion, I'd never heard of hard money and had to Google it on the Internet. "Hard money" is simply money that private investors are willing to loan short term,

usually at double-digit interest rates. They provide Luis and Associates with the quick capital the company needs to buy foreclosed single-family homes in the Denver market. In return, he pays the investor a minimum 12% annualized interest rate up front for 6-month commercial paper on investments between \$50,000-150,000, secured by the note and title to the property, which he acquires at well below market value.

Philosophically, I am very much in sync with what he's doing. He is taking abandoned properties in once thriving neighborhoods and upgrading them to modern standards, breathing new life and new blood into the community. The average selling price of the homes after they've been restored is \$157,000, affordable by most working people who end up getting a really nice home with remodeled kitchen, baths, flooring, often windows, roof and HVAC system. All the homes are brought up to FHA code. While this is called "flipping" real estate in the vernacular, what Luis and Associates is doing really goes beyond that.

I now have formed Restoration Investment Group, LLC (RI Group), a Nebraska Limited Liability Corporation whose purpose is to help Luis -- and perhaps others like him elsewhere across the country -- find additional investors willing to loan out a minimum of \$50,000 towards the restoration of America's aging neighborhoods -- one house at a time -- while earning a minimum of 12% annualized rate of return on their money. Luis and Associates and RI Group will share in any profits from the homes we restore.

I have written a small PDF brochure entitled, ***How to Profit from Restoring America's Neighborhoods One House at a Time***, that gives more details on Luis and Associates and how the hard money process works. I'd be happy to send it to you if you're interested. There's certainly no obligation on your part. You may not personally have the inclination or financial wherewithal to pursue this opportunity, but I wanted to at least let you know about it and why I am getting involved in it. If Toyota can sell homes and Honda solar panels, then I can become a hard money broker, as well as the publisher of EV World.

Let me know if you'd like to see that PDF brochure and please feel free to pass it on to others who might be interested in wanting to learn more. Both Luis and I are more than happy to speak with you personally if you have any questions. Personal and professional references are also available upon request.

Thanks for listening and staying plugged into our EV World.

With best wishes and appreciation,

Bill Moore