

I'D RATHER FAIL IN A CAUSE THAT WILL ULTIMATELY SUCCEED THAN
SUCCEED IN A CAUSE THAT WILL ULTIMATELY FAIL
—WOODROW WILSON

WHEN IT IS DARK ENOUGH, YOU CAN SEE THE STARS.
—CHARLES A. BEARD

17

DOWN FOR THE COUNT

1.

“I’m sorry, Nora,” he said. “I’ll have to pass on Cuba. I drove out to see it. It’s just too far outside the city.”

That was Wayne Hessler talking. He was a local contractor who had called on Nora’s partner ad. Of all the calls she had received on that ad, she was most excited about Wayne’s. He seemed savvy but friendly. He was extremely excited when she described the property to him. He encouraged her to make the offer to the bank—in fact, he had even suggested some changes to make in the offer that would be advantageous to their partnership. But when he drove out to see the property, he cooled immediately. Perhaps he was right. Cuba was a bit far out. Maybe that’s why the bank was having a hard time unloading it.

Whether he was right or not, Nora still hated hearing him tell her no. She had done everything she had been told to do. She had found a property that more than glittered—it screamed “Diamond!” But no one would believe her. She fingered the signed offer from the bank as she sat at her desk. “I found it,” she muttered, “but I just can’t fund it.” Without a partner, Nora’s offer expired. All that work wasted! She just couldn’t seem to get to first base.

Nora wasn’t the only one to have an offer expire. Philip’s offer on the farmhouse with 17.5 acres expired when he couldn’t produce a partner either. And then his offer on the Maryville property expired—again. In the past seventy-five days, he had made three separate offers on that same property. All of them were contingent on his raising five hundred dollars for earnest money. He couldn’t believe that he hadn’t been able to raise five hundred dollars in two hard months of looking!

A dozen times he had put that Maryville property out of his mind to chase after hotter leads. But when those trails went cold, he would return to find that Maryville was still there—just tempting him to buy it. It whispered, “I dare you to figure out a way to own me.” It was

torture. He just sensed that there was money to be made. The price was right, the terms were right, the location was fine, the seller wanted out. Philip just didn't have the lousy, stinking five hundred dollars! Each time he had tried a different creative twist to his offers. The answer was always the same from the Realtor: "I don't think the seller would accept that."

He could not get Maryville out of his mind. He had walked by it, driven by it, lost sleep over it, dreamed about it, argued over it, everything except forget about it. His subconscious mind was constantly turning it over, churning the details, looking at the different facets of it, seeing it from different angles.

The answer came one hot, muggy day in the middle of August while he was driving his car to an appointment. A question popped into his mind: "Would the seller let you refinance his property?"

It was not a new question. It had been asked before by Tom and others. But Philip had not heard it. He had been too fixed on the obvious, left-brain solution of raising five hundred dollars. But his right brain seemed to be suggesting a new plan. He decided to play along with his hunches. His unfettered thinking was a jumble of questions.

"How much money does the seller need?" his right brain asked.

"Just enough to pay the Realtor's commission and closing costs—about a thousand dollars." Philip didn't know where the interrogation would lead, but he was curious to find out.

"What if you used the property as collateral to borrow enough for the down payment?" came the next question.

"I don't have the credit to..."

"Answer the question," his right brain shot back.

"I can't get a new loan," Philip said, resisting the flow.

"Turn your left brain off for a minute," the voice commanded. "No negative thoughts allowed. Just pretend that you could get a loan. What would this accomplish?"

Philip had a hard time imagining borrowing money from an unfriendly bank when he had not been able to borrow a cent from his own friends and family. "But if I could get a loan," he said, "I would give the proceeds to the seller for his down payment. The property would be mine. And then I would rent it out. The cash flow would cover the payments on the loans."

Philip's left brain muscled into the conversation with a machine-gun burst of questions:

"Who would lend money to a broke, unemployed person?"

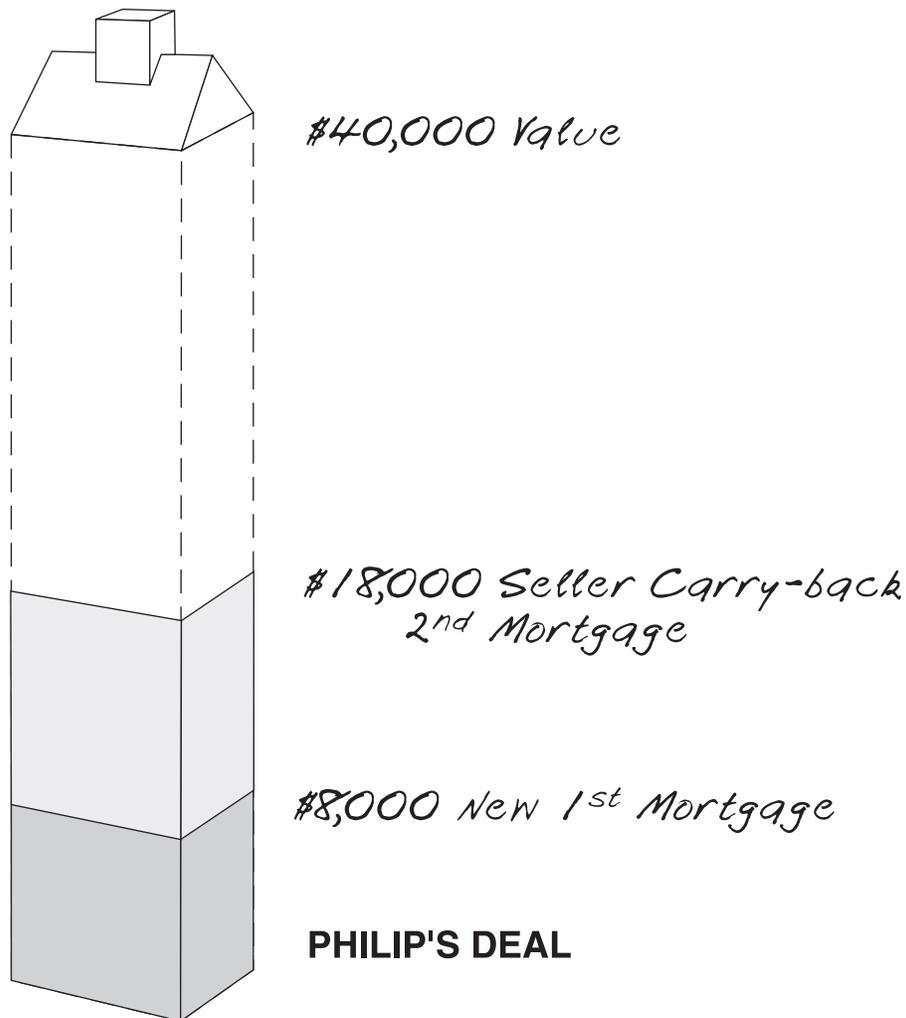
"Why would the seller accept such an offer?"

"Why would the Realtor go along with this?"

"You can't do it. You can't do it."

"Don't listen to him," Philip's right brain reassured him. "Put some numbers to it. See what it looks like."

Philip stopped the car. He pulled out his MasterPlanner and calculator. He made some assumptions. The seller would want at least a \$2,000 down payment for this new creative twist. Fixup costs would be around \$2,000, maybe more. And as long as he was dreaming, he might just as well throw in \$1,000 for himself. Total of \$5,000. So the new loan would have to be at least \$5,000. That would mean that the seller would have to carry the balance of his equity in the form of a second mortgage above the new loan. The situation would look as shown on page 187.



“It’s preposterous!” the left brain exclaimed.

“It’s a solution,” the right brain corrected. “It could work.”

“Too many variables. I can’t see it,” was the reply.

“Philip,” the right brain asked, “are you going to let this gloom-and-doomer talk you out of trying? Are you going to let the idea die right here?”

Philip pictured his bright, fancy idea being strangled to death in a dark alley by a stranger with two left hands. “It’s worth a try,” he thought.

“Yes,” his right brain nodded, victorious. “Run it by the Realtor. It’s worth a try.”

The left-brain grouch stomped off to sulk.

That afternoon Philip called the Realtor on the phone. After chit-chatting for a few minutes, he got up the nerve to test the waters with his new idea. “Tell me,” he said. “Just between you and me. Do you think that the seller would possibly take out a mortgage on his house for, say, five thousand dollars and lend it to me?”

“Hold on a sec.” The Realtor, whose name was Lena, was taken aback by Philip’s brash request.

Philip knew he was treading on thin ice but continued, “It was just an idea I had because I don’t have any credit.”

“No credit is better than bad credit,” Lena replied.

“That’s true. And I was thinking, you know, I would need about \$3,000 to fix the place up. If the seller would take out a \$5,000 mortgage on the home, I would give him \$2,000 of it and I’d take that \$3,000 to fix it up with. And then I could assume the payments on the mortgage. So the seller gets \$2,000 and gets rid of his house, and I get \$3,000 for fixup costs.” It seemed reasonable to Philip but Lena had other ideas.

“So if he put a first on it,” she reasoned out loud, “he would have to carry his equity in the form of a second. That would mean he would be paying you to buy his house.”

Philip hadn’t thought about it that way before. The seller would be paying him to buy his house. “Well,” he said, “I would need about two thousand to three thousand to fix it up, and I thought that maybe that was one way I could get it.”

In her nicest way, the Realtor was trying to steer Philip away from this alternative. It was going to be just too creative for the seller to accept, she thought. “Why don’t you try getting a loan on it after you acquire the property?”

“And I could do that myself?”

“Of course you can do that yourself. Then the seller wouldn’t have to have anything to do with it.”

Philip could tell she was leading him away from his original idea, but he played along anyway. “I thought I wouldn’t be able to get a loan on it. That’s good to know. I’ll call you back in about half an hour and tell you what I’m going to do.”

“I’ll be here,” she said.

“I told you she wouldn’t like it,” Philip’s left brain said smugly as he hung up the phone. His right brain shot back, “She didn’t say she didn’t like it. Write up an offer.”

Yes, he decided. What could the seller do? Say no? He could handle another no.

He pulled a purchase offer from his MasterPlanner and began writing up his offer.

It was worth a try.

2.

“My, they are resilient,” I thought to myself one afternoon toward the middle of August. “True blue-vasers. I wasn’t like that when I got started.”

Or was I?

I reflected backward through the fat richness of the present to remember leaner times. The first duplex. The seven-unit apartment building. A couple of twelve-unit buildings. Land. A condominium conversion. Nicer and nicer houses for my family to live in. Number one best-sellers. Those were the highlights. Funny how we always seem to remember the good times.

But there were tender spots too. Plenty of them. I counted the failures from which I bounced back. A disastrous subdivision. A forty-unit building gone sour. An eight-unit building I would just as soon forget. Over two hundred thousand dollars down the drain in one

year. But I just kept scrambling up from the canvas. Dazed. Punch-drunk. But ready to fight another round.

What drove me then?

I don't know. I must have been crazy. Looking back down the mountain, with perspective, I wondered why I kept coming back for more. I just kept putting one foot in front of the other. Hopeful but ignorant. Always expecting to find success. How was I to know that another failure was lurking just around the corner?

I've often wondered, "If I could have seen the end from the beginning—if I could have know how long it would take, how hard it would be—would I have even dared to take the first step?"

Doubtful.

Maybe that's why we are not allowed to peek into the crystal ball of our future. Hopeful but ignorant, we keep climbing the endless foothills that lead us to the mountains we were born to climb—one step in front of the other. If we really knew that those mountains might still lie a million miles away, we would stop dead in our tracks, overwhelmed. We couldn't bear the pain of all life's lessons combined in one moment.

That's why hope is so important. When hope dies, all progress stops.

My wife and I had attended a piano competition that summer. In the printed program I found an important quote. An agent for one of the pianists had been interviewed and asked what criteria he used for selecting clients to represent. He said simply, "I discourage everyone."

"But why?" someone asked him.

"Because only those who will not be discouraged have a chance."

"How simple," I thought to myself on reading this. "Discourage everyone. What an excellent way to weed out the weak ones. Those who just keep coming back, undaunted, have to be the winners! If even an expert can't discourage them from reaching for their dreams, what else could stand in their way?"

So life is designed to be discouraging. Discouragement is a test. Those who refuse to accept discouragement, but march on full of hope, in spite of it, always find their way to the top.

3.

If discouragement is a test, Nora was about to be sorely tested. She continued to struggle through the month of August. Her last fifty-five dollar unemployment check came. She forgot about the Cuba property and began focusing on other bank foreclosures. Unfortunately, this time one of them was her own house. She hadn't made a mortgage payment in four months, and the bank was losing patience. It notified her by letter that unless she came up with six hundred dollars by the seventh of September, she would lose her house. Ironically, this date fell on exactly the ninetieth day of the Challenge.

She kept fairly quiet about her predicament. We knew she was under financial pressure, but we had no idea how serious it was. She maintained her daily routine like the others—made her calls, read books, visited properties, wrote offers. She even took time out to tutor another hopeful investor—Joan, the unemployed woman who had sat next to her at the Cheshire Inn on the morning we selected the Challenge participants. They spent a lot of time

together, sharing burdens. Even with the weight of her own impending foreclosure, Nora thought of others.

And she still continued to look for that perfect don't-wanter even though she was one herself.

Put yourself in her shoes. Would you have buckled under the pressure, knowing your home was about to be put on the auction block? Or would you continue to plow ahead, stubbornly, like Nora?

“Good morning. This is Nora Boles. I'd like to talk with someone in your foreclosure department.”

“What did you want to know?” a woman asked.

“I've got some money coming, and I would like to invest in properties that have a low mortgage balance and you're willing to carry it and be flexible. Like thirty to thirty-five percent below the market.”

“We really don't have anything that would come under that heading at the present time.”

“Okay, thank you very much.”

On to the next call, refusing to be discouraged. This time she was referred to a gentleman named Mike.

“Good morning, Mike. This is Nora Boles. I'm told you're the foreclosure officer for the bank. I like to invest in single-family dwellings. Do you have any on hand?”

“Not right now,” Mike said. “What are you looking for—rental property?”

“Yes, or something to fix up, redo and sell. And I'm looking for below-market prices.”

“That's the only way you can make money.”

“Yes, could I leave my name and number and ask you to give me a call when you have something like that?”

“Sure!”

She made a mental note. “Better give Mike a call back in a week or so. Seems to be knowledgeable, helpful.”

Another day, another twenty calls.

With the deadline just a few weeks away, she still hadn't scraped together enough money to stave off foreclosure on her own house. She was expecting a late income tax refund, but it still hadn't arrived. She was caught in a vise: the bank on one side, the Challenge on the other, both pressuring her to produce. But she just kept plowing forward—one day at a time, one crisis after another, disappointment upon disappointment, hanging onto hope.

Until the twenty-third day of August.

On that day, she had an appointment to see a property on Washington Street. The seller met her and showed her through a neat two-story brick structure that had recently been completely rehabbed. He wanted thirty-seven thousand dollars for it and was not nearly as flexible as his ad had indicated.

Perhaps it was just another wild goose chase. But the accumulated experiences she had passed through the previous weeks were about to coalesce into a powerful insight. Apply enough heat, long enough, steady enough, and the kernel of corn bursts into popcorn. Nora was about ready to pop.

When it was obvious that the seller wasn't flexible, Nora told him about the Challenge and how she was going to buy property with nothing down. She was surprised at his reaction.

"You're crazy. You can't do that," he argued. "Nobody can."

He cut down everything Nora was hoping to achieve, cut her to the bone. She just looked at him without speaking, accepting his anger. But all of a sudden, the lights went on in her head. A pure bolt of insight flooded over her. For the first time, she knew she could do it! She was going to be OK. Hadn't she found the Cuba property? Hadn't she tied it up, just inches from buying it? Who was he to tell her that she couldn't do what she had already done? From that moment on she began to pay less attention to what other people said and to have confidence in her own judgment. She was wealthy!

She ran out to her car and began to write down the experience before the light faded.

"All my hard times and everything that has happened to me were all for a reason," she wrote. "There was a purpose for it!"

Old memories accosted her. Painful memories. Her childhood. The poverty. Her hard life. Jeffrey. The divorce. Up until that moment she had ached with no reason, no purpose to support her. Up until that moment she had just bowed her head and borne the senseless pain, like Job.

LEARNING TO TRUST YOURSELF

When will you learn to trust yourself? When will you come to the realization that your answers are just as good, if not better, than those of anyone else? When will you stop passing the buck for your life and assume control? When will you stop making excuses and start making progress? When will you allow negative feedback to roll off you like water off a duck? When will you learn to trust yourself?

When? Why not today? Why not now?

Because just as soon as you decide to take charge, to stop being dependent, to be the master of your own destiny, you will begin to notice a new power, a new energy come into your life. It may not happen overnight, but you'll begin to notice a new aliveness overtake you. You will be more creative, happier, more confident, more at peace. People will notice it. Instead of a quiet desperation, you'll exude a quiet power.

That's what happens when you learn to trust yourself. You watch.

Try it. You'll like it.

But, in one moment, everything made sense. Even the pain. Especially the pain. Even the pain of losing a son.

June 10, 1968. Would she ever forget that day, the day she lost her son?

The day before had been a Sunday, and she and her husband, Max, and the girls and four-year-old Jeffrey had gone to a church picnic. It was a beautiful day. They spent the

afternoon singing old country gospel songs, laughing, playing baseball, drinking cold Pepsis from a big old picnic cooler sweating condensation in the sun. When they returned home at about 6:00 P.M., they poured the iced water out of the cooler and set it down at the foot of the basement steps to dry out. After church that evening, Nora had to go to work—the graveyard shift at the cotton plant.

By the time she returned home the next morning, Max had already left for work. The sun was up. She fed the kids and sent them out into the backyard to play. A little while later, while talking to the preacher’s wife on the phone, she looked out the kitchen window. She could see the girls but not Jeffrey.

She called out the window. “Girls, where’s Jeff?” They didn’t know. She hung up and went searching all through the house. She called the neighbors. No Jeffrey. She looked and hollered outside, around the house, growing more worried. Nothing.

An hour and a half went by. The preacher’s wife came over to help. Nora called Max at work. By the time he arrived home, she was frantic. The whole neighborhood was out looking for Jeffrey. Then after hours of fruitless searching, one of the neighbor women, running down the basement steps, bumped the old picnic cooler. The lid flew open. And there he was. Suffocated.

Nora heard the scream and knew in an instant what had happened.

“Oh, my God. My baby! My baby!” she cried.

What good could come from all the bad things that had happened to her? Nora had asked herself that question a thousand times. Now she was beginning to see an answer. As she sat there, that hot August afternoon, the pieces were beginning to fall together. She wrote furiously in her notebook.

“How can I teach someone else to pull themselves out of hard times unless I’ve been down there myself and pulled myself out. I know it from my heart that if they took my house today, if they took my car today, I’d just go get another one! I would! And if I can make it through, anyone can. Thank you, Lord. Make me big enough for the job.”

Nora drove home a different woman. Head up. Growing in confidence.

None of us, not even Nora, would learn until the final day whether she would lose her house or not.

But it didn’t matter anymore.