Welcome!

Greater LA REIA

Our mission is to provide you with the tools and resources to learn, connect, and build partnerships with like-minded individuals. We strive to create a secure and supportive environment for you to excel.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Learn - Network - Prosper

- Learn from the doers not talkers
- Partner up with other VIPs
- Build your team
- Develop your skills
- Take action
- Live your dreams

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

For the past 22 years, Sam’s Real Estate Investors Club has been in the business of helping numerous people get the knowledge and confidence they need to succeed!

And now GREATER LA REIA is committed to continue its excellent services to all of Los Angeles and Inland Empire

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

About Sam Sadat

Educator, Mentor, Investor, Syndicator, Private Lender

Alma Mater: University of Texas, Austin Physics/Engineering

CA DRE Broker License # 00832641 NMLS #313912

Tel: 800-998-9930 Ext. 3

www.SamsRealEstateClub.com

email: sam@samsadat.com

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

OUR CONTACT INFORMATION

We’re here to help you with all your real estate needs

Phone: (424) 500-3280

eFax: (888) 902-1667

Email: Info@glareia.com

Website: www.glareia.com

Sam Sadat - Founder and President

Dolf Emara - CEO

T. Taylor - VP Operations

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Daily Affirmations

- I am the co-creator of my life
- I am doing the best I can, one step at a time
- I am happy, healthy, and abundant
- I am grateful for my life as it is right now
- I am so very proud of myself
- I forgive myself and others
- I am ready and prepared to fulfill my calling
- I am worthy of receiving good things and of achieving my goals in life

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Subject-To Strategy

- “Subject to" strategy, often referred to as "subject to existing financing," is an investment technique where an investor acquires a property subject to the existing mortgage or financing that the seller has in place.
- This means that the investor takes over the property while the mortgage stays in the seller's name, but the investor agrees to make the payments on the mortgage.
- As of June 2025, more than 81% of existing mortgages in CA were below 5%! Therein lies your opportunity to employ this powerful strategy and build a solid portfolio.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

How Subject-To Works (1 of 2):

- Transfer of Ownership: The seller transfers ownership of the property to the investor through a purchase agreement. The existing mortgage remains in the seller's name, but the investor takes over the payment responsibilities.
- Mortgage Payments: The investor makes the mortgage payments directly to the lender, often without the lender being notified of the change in ownership.
- The investor benefits from the property's appreciation, rental income, low interest rate, and other potential profits while making payments on the seller's mortgage.

Copyright 2025 Greater LA REIA

How Subject-To Works (2 of 2):

- Due-on-Sale Clause: Most mortgages have a due-on-sale clause, which allows the lender to demand full repayment of the loan if the property is sold. However, in practice, many lenders do not enforce this clause as long as the payments continue to be made on time.

- **How would the lender know property was sold?**

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Benefits for Investors (1 of 2)

1. Low or No Down Payment: Investors can acquire properties without needing to qualify for a new mortgage or make a large down payment, making it easier to enter real estate deals.
2. Leverage: By taking over existing financing, investors can control more properties with less capital, leveraging the seller's mortgage to their advantage.
3. Cash Flow: If the investor rents out the property, they can generate positive cash flow if the rental income exceeds the mortgage payments.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Benefits for Investors (2 of 2)

4. Quick Transactions: "Subject to" deals can close faster since the investor is not going through the traditional mortgage approval process.
5. Creative Financing: It’s a flexible financing option for investors who may not qualify for traditional loans or want to avoid tying up their credit.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Risks to Consider

Due-on-Sale Clause Risk: Although rarely enforced, there is a risk that the lender could call the loan due if they discover the transfer of ownership.
Responsibility for Payments: If the investor fails to make mortgage payments, the seller's credit could be damaged, leading to potential legal issues.

Note: You must treat this as any other transaction, meaning through escrow and obtain proper title insurance.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

3 Types of Subject-To Options

A Straight Subject-To, Cash-To Loan

A Straight Subject-To With Seller Carryback

Wrap-Around Subject-To

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

A Straight Subject-To, Cash-To Loan (1 of 3)

The most common type of subject-to occurs when a buyer pays the difference between the purchase price and the seller's existing loan balance.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

A Straight Subject-To, Cash-To Loan (2 of 3)

Example 1:

Seller's existing loan balance = $550,000 at 3.5%

Sales price = $700,000

The buyer comes in with $150,000 down payment and takes over the existing loan payments

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

A Straight Subject-To, Cash-To Loan (3 of 3)

Example 2: We helped a club VIP sell his Lancaster rental property.

Existing loan balance = $210k at 4.25% (PITI = $1,300)

Sales price = $250k

Buyer down payment = $40k and takes over the existing loan payments.

Buyer rents out the property for $1800/mo.

$1800 – $1303 = $500 x 12 months = $6k/year

ROI = 15% per year ($6k/40k x 100)

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

A Straight Subject-To w/ Seller Carryback (1 of 2)

Seller carrybacks, also known as "seller financing" or "owner financing," are commonly found in the form of a second mortgage.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

A Straight Subject-To w/ Seller Carryback (2 of 2)

Using prior Example 1 numbers:
Sales price = $700,000
Existing loan balance = $550,000 with 3.5% interest rate
(Seller has $150,000 in equity)
Buyer down payment = $50,000

The seller carries remaining balance: $100,000 at 6% interest rate

The buyer makes payments:
3.5% to the seller's lender AND
6% interest to the seller

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Wrap-Around Subject-To (1 of 2)

A "wraparound subject to" (also known simply as a "wraparound mortgage" or "wrap") is a technique used where the buyer acquires a property subject to the existing mortgage, while simultaneously creating a new, larger mortgage that "wraps around" the existing one.

This strategy combines the "subject to" method with seller financing, allowing the buyer to take over the existing mortgage payments while making additional payments to the seller for the difference between the old and new loan amounts.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Wrap-Around Subject-To (2 of 2)

Using the prior Example 1 numbers:

The existing mortgage = $550,000 with 3.5% interest rate

Sales price = $700,000

Buyer down payment = $70,000

Seller's carryback = $630,000 ($550,000 + $80,000, which the seller carries)

By charging the buyer 5% interest:

Seller makes 1.5% on the existing mortgage of $550,000 AND

5% on the balance of $80,000

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Disclosures and Disclaimers

. When using the "subject to" strategy in real estate, it’s crucial to make clear and thorough disclosures to all parties involved to ensure transparency and legal compliance.

. Proper disclosures help avoid potential legal issues and build trust between the investor and the seller.

. They are essential to protect both the investor and the seller, ensuring that each party fully understands the transaction's risks and responsibilities.

. Transparent communication and legal documentation are key to successful "subject to" real estate deals.

. These disclosures can be made available to our VIPs.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Owner Financing/Seller Carryback (1 of 2)

You can buy a property with the owner acting as the bank.

If property is free and clear (about 33% of properties in CA are mortgage free), you can ask the owner to:

. carry the entire balance for you (100% LTV) at an affordable rate with interest-only payments. OR

. carry a substantial portion of the purchase price (80-90% LTV depending on what's owed on the property.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Owner Financing/Seller Carryback (2 of 2)

Example:
We purchased a 16-unit apartment building in Northridge for $3.125M.
Property was free and clear, so we negotiated an 80% LTV (loan of $2.5M) at 6.125% for six years.
Down payment = $625K.

This way, we save points and avoid a strict lender qualification process, and much more…….

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Where to Get Leads

There are multiple platforms you can get pre-foreclosures, distressed, high equity, and mortgage-free leads:

1. Title companies can give you a list of mortgage-free leads among many other categories. Our VIPs get access to Chicago Title for this purpose.
2. PropStream can give you a list of NODs, high equity, cash buyers, and more. Use the link on the Sam's RE Club website for a free trial period.
3. LandVoice can give you a list of distressed homeowners among so many other categories.
4. Privy, Connected Investors, etc.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Wholesaling (1 of 2)

With no money out of your pocket, you can become a successful wholesaler.

This strategy requires a motivated investor with limited/no funds to secure a contract for a property (1-4 units for beginners) and then transfers (assigns) that contract to a "fix and flip" investor, who seeks to maximize their profits.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Wholesaling (2 of 2)

Example:
We tied up an SFR in the SFV for $825K. Assigned it for $865K.
$865 – $825 = $40k
Keep in mind you must leave some meat on the bone for the flipper. They are taking a bigger risk than you are.

The investor put in around $150K in repairs. Sold it for $1.25M.
$1,250,000 - $150,000 - $865,000 = $235,000
He made much more money than we did, but he had to work hard for it and had a higher risk.

We got paid well for just putting a few hours of time. You too can! We have VIPs doing it successfully now.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Partnerships

With no money out of your pocket, you can do quite well by joining a partner who has the money and the know-how. You show me a property at 70-80% of ARV and a decent location, and I can connect you with a money partner who could form a partnership with you. Must be a VIP!

This strategy is a variation of Wholesaling except that you would delay gratification by collecting a percentage of profits after the property is sold. You will also be learning how to rehab a property from an experienced flipper by being on the job site.

Example: We connected one of our VIPs who had a house under contract with another VIP who had three deals under his belt and money to invest. They worked out an amicable 70/30 split in favor of the money partner. Both sides made money.

Copyright 2025 Greater LA REIA

Two Concurrent Loans (1 of 2)

Find an SFR at 60-65% of the ARV, needing $100K in repairs.

Secure a first loan for the purchase price.

Get a private money second for the rehab costs.

Fix and flip the property for a solid return.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Two Concurrent Loans (2 of 2)

Example:
Our VIP brought me a house in LA she had under contract.
Purchase price = $630K. ARV = apx. $970.
I gave her a loan for **$630K** at 9.5% knowing she was good for it.
She secured a second loan for around **$100K** at 11.5% from a small private lender she had found online.

$730K / $970K = 75% CLTV (Combined Loan to Value)

She paid for closing costs and holding costs out of pocket: $95k.
Sold it in 4 1/2 months: $995K
She walked away with a nice profit of around $100K.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Syndications

Real estate syndication is a partnership between multiple investors who pool their resources—capital, skills, and expertise—to acquire and manage a real estate property or portfolio of properties.

Typically, a syndication involves a sponsor or syndicator or managing partner who identifies the investment opportunity, manages the property, and oversees operations, while the other investors (often referred to as limited partners or equity partners) contribute capital and share in the profits and risks according to their investment.

This structure allows individual investors to participate in larger, more profitable real estate deals than they could on their own.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Why Investors Fail

- Lack of knowledge – Join our VIP Program. Learn wholesaling & more
- Lack of capital – We'll provide you with proof of fund letters
- Lack of purpose – We'll help you find your purpose and take action
- Lack of mentorship – We'll guide you until you make it
- Overestimating ARV – You'll learn how to properly analyze properties
- Overpaying for rehab costs – We have a mastermind team of experts
- Paying too much upfront. Remember your profit is made going in, not coming out! – We'll give you proper advice to avoid pitfalls.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

VIP Investment Training

OUR PACKAGES	LEVEL ONE ONE-TIME FEE OF $590 +9.95/MONTH	LEVEL TWO ONE-TIME FEE OF $1,890 +9.95/MONTH	LEVEL THREE ONE-TIME FEE OF $3,490 +19.95/MONTH
Deal Analyzer	●	●	●
Free Monthly Meetings	●	●	●
Free Admission To Continuing Education (CE) Workshops	●	●	●
Monthly Meeting Recordings	●	●	●
Various Training Resources	●	●	●
Discounted Fees For Premiere Workshops And Seminars	●	●	●
Free Online Club Meetings	●	●	●
1-Hour Consultation With Sam To Jump Start Your Success		●	●
3-Hour In-Person Or Online Deal Analysis Training With Sam		●	●
Proof Of Funds (POF) Letter When You Make An Offer		●	●
Free Title Account		●	●
Free Admission To All Premiere Workshops (Over $1,000 Value)			●
1-On-1 Deal Consultations With Sam			●
1-Minute Announcement At Meetings To Share Deals			●
Field Trips, Mastermind Meetings, And VIP All Action Workshops			●
Private Lending Course ($2,000 Value)			●
Access To Our 20-2 Program (20 Rent Checks In 2 Years Course)			●
	SIGN UP	SIGN UP	SIGN UP

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Special Deal to Become a VIP

We believe in empowerment, not force.
We believe in education, not persuasion.
We believe in encouragement, not pressure.

Here’s a special opportunity: Join VIP Level 3 with a partner (spouse or business partner) *tonight* and get both memberships for the price of one!
You’ll each save $1745!
You’ll receive one shared account with full access and benefits for both of you.
Don’t miss this powerful chance to learn, grow, and thrive—together.

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Thank you for attending tonight’s meeting.
We welcome your comments.

Phone: (424) 500-3280
eFax: (888) 902-1667
Email: Info@glareia.com
Website: www.glareia.com

Next Meeting: Thursday, August 21, 2025
"Trust Your Future: How to Build Income That Lives On”
By Kris Miller

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Thank you for attending tonight's meeting.
We welcome your comments.

Phone:	(424) 500-3280
eFax:	(888) 902-1667
Email:	Info@glareia.com
Website:	www.glareia.com

September Meeting is a mixer format:
Thursday, September 18, 2025
Special guest: Christine Gilmore
Topic: "Bulletproofing Your Closings: Title Risks, Red Flags & Legal Safeguards"

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA

Los Angeles County Real Estate Investors Association, Sam's Real Estate Club, Realty 411, Women's Real Estate Investors Network ("WREN"), and Greater LA REIA Present:

6TH ANNUAL LOS ANGELES REAL ESTATE GRAND EXPO

Saturday, November 8, 2025

9:00 am to 6:00 pm

Location: Iman Cultural Center, 3376 Motor Avenue, Los Angeles CA 90034

15 National Real Estate Expert Speakers

Vendor Exhibition Area (70+ products and services for real estate investors)

Free Admission – Valet Parking

RSVP: LAGrandExpo.com or Call (310) 508-5333

OUR CONTACT INFORMATION

We’re here to help you with all your real estate needs

Phone: (424) 500-3280

eFax: (888) 902-1667

Email: Info@glareia.com

Website: www.glareia.com

Sam Sadat - Founder and President

Dolf Emara - CEO

T. Taylor - VP Operations

Greater Los Angeles
Real Estate Investors Association

Copyright 2025 Greater LA REIA