

My Life & 1,000 Houses

Failing Forward to Financial Freedom

(www.1000Houses.com)

THE FIRST 100 PAGES

Dedicated to my wife, Tommi Stephen...
Who has changed more for me than anyone I know.
Thank you for letting me chase my dreams.

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More Stories from My Life & 1,000 Houses

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“House on Hausman Road”

“The master in the art of living makes little distinction between his work and his play, his labor and his leisure, his mind and his body, his information and his recreation, his love and his religion. He hardly knows which is which. He simply pursues his vision of excellence at whatever he does, leaving others to decide whether he is working or playing. To him he is always doing both.”

--James Michener

INTRODUCTION

*** The learning is in the living.

My name is Mitchell Stephen. I am honored that you are reading this introduction. As you might imagine, I did not invent real estate, nor did I pioneer any of the techniques used to create wealth via real estate. While I may have a larger understanding of real estate than the average person, I've never considered myself to be a sophisticated person. I don't consider myself to be a genius or even above average in the mental department. I am sure that some of the movers and shakers out there would assess me as a slow learner, and that's ok. I'll say it first. My story is proof that I have to get hit in the head with a concept before I actually learn it. I don't believe I'm that much different from most people in that we don't learn when people tell us things. For us, the learning is in the living.

My light bulb didn't go off until I was in my mid 30's. Much of this book is about what it took for me to get my entrepreneurial skin thick enough to just survive. Long before I could find a deal in real estate, I had to find myself. It took a lot of persistence to find my place in the world. This is the point of the pages that follow: You don't have to have a Harvard education to accomplish or even exceed your dreams.

You are, however, going to have to work your butt off, just like the Harvard graduate. There is no easy money for anyone. Period! The late night, get-rich-quick infomercials are not driving that point home nearly as much as they are waving copies of big checks in your face. This would be a good time to ask for a refund if I've ruined your concept of real estate already. If that's the case, may I suggest you take the money and buy some lottery tickets, good luck! The rest of you will get my heart and soul. I can't tell you how anyone else did it, but I can tell you how I did it, for better or for worse. I am sure that at some juncture you'll begin to figure out that my particular journey was NOT the shortest path between two points. Perhaps you can shorten your journey by reading my story.

The intricacies of a deal can go on forever, and there's always more than one way to do things. There are plenty of gurus out there who will be happy to teach you every single one of those ways. Don't trip over the pennies on your way to the dollars. This is my story.

Chapter 1

THE ALL AMERICAN FAMILY

* * * Sometimes you don't know how good you have it.

It's true: If you're born in Eden, you don't know you're blessed. My childhood was picture perfect and I thought the world simply ran like that. I thought that everyone's mother was beautiful and caring and everyone's father was handsome and hardworking. My younger brother, Kleat, and I were truly blessed. We had a father who never shunned one iota of his responsibility to provide for and lead his family, and we had a

mother who stayed at home and nurtured us with the conscious and deliberate agenda to raise two strong, caring, and loving sons. Looking back I can't think of one thing we ever wanted for or that I'd change. Together, my parents provided a home and family right out of a 60's sit com, Father Knows Best or Leave It to Beaver. We were a family right out of Mayberry, but even better, we had air conditioning!

My father, Rod Stephen, was born in Eastland, Texas, and grew up 'round about the depression. He volunteered for the Marines and completed his commitment. By the time my brother and I were born, Dad was a coach for the Longview Lobos High School. My mother, Margaret Rita Turk (Rita), was raised in El Paso when she wasn't on the Indian reservation in New Mexico. Her grandmother (my great grandmother) was full blooded Mescalero Apache. We could all be stalking deer on the great hunting lands, but Great Grandma told the white man to stick their papers where the sun don't shine...and who could blame her? Mom would achieve education on her own but there is no doubt that her very special heart and soul was an extra special gift from God. In Okinawa, Rod accidentally on purpose fell in the pool next to Rita, and a few years later my brother and I were walking the planet.

My brother Kleat and I were born in Longview, Texas, and we had a very close relationship. We climbed trees, built forts, hunted and fished, played all kinds of games, and excelled in athletics together. Later, I'd wonder, did I ever have a girlfriend he didn't kiss? Generally speaking, we were two peas in a pod.

One time when we were in elementary school, I remember Kleat coming home all beat up. I asked him who did it and he told me that one of the twins down the street did it, but he didn't know which one it was. The twins were my age and bigger than most. I headed out the door and found the identicals laughing about the event on the street corner. When I asked which one of them beat up my brother, they refused to tell me. I couldn't tell them apart either. Heck, no one could tell them apart. So I beat them both up! After that I figured I needed to teach Kleat how to fight. I'm not so sure that was a good move. As brothers do, I'd have to fight him more than most. But we always got past it, as brothers do.

My family likes to hunt. My brother and I have hunted since we were very young. Of course, one of the primary concerns in the early years was that we not get hurt or hurt anyone else with our firearms. My father taught us verbally everything he knew how to about gun safety. He was constantly watching how we handled our guns, where the barrel was inadvertently pointed, how we loaded and unloaded our guns, whether the safety was on or off—always, always, always counseling us.

I'm the oldest and of course the first to start shooting. Carrying a full-fledged firearm was new for me. The responsibility of educating a young son about firearms and safety was new for Dad. He wasn't sure if I was getting it. Yes, I was hearing him, but did I really understand the importance and the huge responsibility of handling a rifle?

He wasn't sure, and he couldn't rest until he knew without a doubt that I understood the full weight of the situation.

One day he asked me if I wanted to go to the shooting range. He said he wanted me to help him sight in his old 30-30 rifle. I was proud that he fancied me as a good shot, so of course, I said, "Yes." We hopped into the truck and off we went.

When we got to the range we set everything out on one of the shooting tables. Dad told me to take the rifle out of the case. I knew what he was waiting for. He was waiting for me to check immediately to see if the rifle was loaded or empty. It was the first rule of guns. "Never touch a gun without checking to see if it is loaded." You touch it, you check it. The last thing I ever wanted to ask my father was, "Is this gun loaded?" That question would get you lit up. You don't ask—YOU CHECK THE WEAPON YOURSELF!

Dad watched me check the rifle's chamber for shells. I cocked the magazine open and gazed at the insides. He leaned in to look at the same time. He saw it was unloaded, same as I did, but still he asked me, "Is it safe?" I answered, "Yes Sir." He made his point with his words and with an intent look directly into my eyes.

After we grabbed some sandbags, he instructed me to take a seat at the table. We made a few adjustments with bags while I was in the shooting position. Dad asked, "How's it feel?" "Pretty good," I said. I had the butt of the rifle pulled in tight to my shoulder with my cheek down on the stock. With one eye shut, I could see that the barrel set nicely in line with the target one hundred yards ahead of us. I'd never shot his gun before. It was one of those sacred moments. Dad was about to let me shoot his 30-30 rifle.

As a marksman, I'd already achieved excellence with my Crossman "pump" BB gun. Carrying a gun or shooting wasn't new to me, but the big rifle was a bit intimidating.

DAD: Think you can put one in the bull's eye from here son?

ME: I reckon I can.

DAD: This trigger has a long draw on it. It takes some getting use to. I'm not a real fan of dry firing a gun, but why don't you try it once or twice and get a feel for it.

ME: OK.

I closed the magazine and got down on the target. I took a deep breath and pulled the trigger slow at first but, then, I yanked it. "CLICK," the gun dry fired. I knew, without a doubt, I would've missed if this had been the real thing.

DAD: You jerked it didn't you?

ME: Yes Sir, I sure did. That trigger does take a long time to go off.

DAD: Try it again. This time you'll know more what to expect.

I cocked the empty gun again and started to bear down on the target.

DAD: Take your breath and pull so slow you don't even know when it's going to go off.

CLICK. The hammer flew forward striking to the firing pin.

DAD: That was perfect! Cool as a cucumber! You'd have leveled that deer.

ME: Yes Sir, I would've that time but sure is a long pull.

DAD: Awe, you'll get used to it in a few more times. Hey, let's take a break and go get us a cold soda-pop. I saw a machine around front. Here's some change. Go get us both one will you?

I disappeared around the front of the little house/office. When I got back, we sipped our sodas and talked about the upcoming deer season. It was starting to get hot.

DAD: Hey, what do you say we try this one more time before we start using expensive ammo.

ME: OK, but I hate to shoot your gun dry like that. Sure it's alright?

DAD: Yea, it'll be alright. I got it ready for you too. One more time won't hurt it.

I got into position while Dad was coaching me to take my time. "Nice and easy...take a breath and then...nice and slow...squeeze the trigger."

BANG! The gun went off! It roared like all the thunder I have ever heard in my life, all happening at once! The adrenaline shot through my body, fear - shock - panic. I jumped up off the gun and looked at my father with eyes that must have been big as saucers...more fear and panic, and then embarrassment. My heart had all but leapt out of my chest. My ears were ringing. I was stone cold, petrified. And stunned! My father grabbed me with one hand and the rifle with the other. Holding the rifle way away from his body with one arm, he clinched the front of my shirt at the collar and pulled me to him with his other arm. His face was within inches of mine. He had big tears in his eyes and he gritted his teeth. A single drop was forced from the corner when he closed his eyes and said, "Son, the gun is always loaded. No matter what you think, no matter what anyone tells you, no matter what you might suspect, the gun is always loaded, son. The last three words were barely audible but whispered directly into my ear I heard them, "It's always - loaded!"

My father had slipped a shell into the rifle when I went for the sodas. He did it to make an impression on me he feared his words were not making. I just thought I understood that my rifle could go off and kill somebody. I got a new understanding that day. All the coaching, all the fireside chats at camp, all the talking in the world would not, could not, accomplish what my Dad did with one very carefully placed 30-30 shell that day.

A few days later, I asked him why he'd gotten choked up that day on the rifle range when the gun went off. He welled up somewhat again, "Because I love you. I love you so much and I don't want the potential of that gun to ruin your life. If your gun ever kills you or anyone else I will never forgive myself. I want you to enjoy the outdoors, to experience the wilderness and the thrill and cunning of the hunt. But it comes with a risk. That gun is dangerous. It'll kill you dead as a door nail in a heartbeat. It can steal all of those good times away in the flash of a muzzle."

Dad continued, "You see, when I was a kid, my gun went off. Unfortunately it was not orchestrated like yours was. I could have killed someone—anyone—who would have been standing in the path of my bullet. I got lucky and no one got hurt, but I have never forgotten that moment when my gun went off unexpectedly. It made an impression that has lasted all my life. I think, no, I know, it takes an unexpected discharge before that gun will ever get all the respect you can give it. When it happens you're almost sick with the realization of what could have happened. I wanted you to get that experience without having to take the chance I had to take to get it. I was overcome because I could tell by the look on your face when that gun went off that you had gotten that experience. I was relieved." As a student of life, I've learned almost everything meaningful in this fashion. It has to happen to me in real time for me to get the lesson once and for all. Yes, for many of us, learning is in the living.

My high school days were picture perfect; all district this, most popular that, played drums in the local rock-n-roll band, and had a dang pretty girl friend. I drove a 1979 midnight blue Trans AM complete with T-Tops and an oyster white, leather interior, straight off the show room floor (thanks Mom and Dad!). I thought I was the coolest thing in town, but it was really just a very cool time. I'll never be able to thank my parents enough for all they gave me and did for me. It simply cannot be done.

I had average grades in school and excelled in football. I've often wondered what I'd be like today if it hadn't been for athletics in school. It's been said that athletics can build a strong inner fortitude. I'm certain that it did in my case. At 125 pounds, I was probably one of the smallest 4A starters in Texas. I started my first varsity football game as a sophomore at the running back position in 1976. At the time, in 4A high school, that was a big deal. I really had no business starting on a 4A high school team but, lucky for me, our team didn't have anyone better. I was never the fastest man on the field, but with a lot of help I managed to gain my fair share of yards. The main thing I had going for me was that my mind was right. It was not a conscious decision to prevail over my lack of size. Simply put, I was never told that I couldn't, so I did.

After the graduation ceremony, we all went to the last “Class of ‘79 Keg Party.” When I woke up the next morning the bleachers were empty.

It was only natural for me to try to find a new stadium. I spent the next year working out and training. When I walked on my first college football field in San Angelo, Texas, five years after my high school debut, I weighed a meager 165 pounds soaking wet. The front line was averaging over 300 pounds per man.

During some testing for quickness and speed, I found myself paired up beside a lineman to run the forty-yard dash. He weighed in at about 325 pounds. I thought to myself, “This guy isn’t going to push me to my best time.” Well, that was wrong. I barely managed to outrun the big man by 1/100th of a second. I wasn’t that slow. The big man was just that fast! I watched as the other running backs got tested. The Astroturf all but rolled up behind the speed demons as they crossed the finish line. With every official time they recorded, my heart sank a little further. There was no way I could compete at such levels. In all my eighteen years, quitting football had never been an option, not even a remote thought, but the handwriting was on the wall. I was going to get cut from a football team.

My dreams of football were dashed. It was a very confusing time, and I lingered for awhile through 1980 and 1981. Eventually, I did what any red-blooded American boy would do. I packed up my Trans AM, took the t-tops off, cranked up Boston on the cassette stereo, and headed for California. Why, you might ask? Well, red-blooded American boys don’t need a reason to go to California. They just go.

Chapter 2

CALIFORNIA, HERE I COME ...ALMOST

* * * There’s a lot to be said for a change of scenery.

Somewhere between Las Vegas, Nevada, and Bishop, California, I got side tracked it the tiny town of Tonopah, Nevada (probably because I ran out of money in Vegas). I ended up getting a construction job building a state-of-the-art molybdenum mining plant. To get to the job site, I had to go about three or four miles west down the main street of Tonopah, take a right on a newly paved two-lane road, and drive thirty miles down that road with nothing but tumbleweeds and sand for as far as the eye could see. When I finally reached that little black spec on the horizon, I had arrived.

On the right side of the road there was a mining facility and, on the left, there was a KOA Camp with a convenience store. Well, it was almost like a convenience store except that it had fifty concrete shower stalls in the back. The showers were there to accommodate over 2,000 workers living in every conceivable size and shape and make of RV, fifth wheel, camper trailer, and tent you could imagine. There were also more long-haired, leather-clad, earring-wearing, beard-growing, whisky-drinkin’, dope-smokin’, knife wielding, tattooed men there than I’d ever seen or hope to see again. Being the red-blooded American boy I was, I decided to stay.

When I showed up to apply for a job on the first day, I got in a line to sign up for work. There were several lines with about fifteen to twenty people in each line. At the front of each line sat rough, husky men wearing hard hats, bossing everyone around and handing out paperwork and orders. I started talking to other guys in line to see what I was in for. I started with the guy in front of me in line.

ME: What's this line for?

STRANGER IN FRONT: This line's for laborers.

ME: How much do laborers make per hour?

STRANGER IN FRONT: Laborers get paid \$12.00 an hour.

I looked over at a biker-lookin' guy in the line to my right.

ME: Hey man, what's your line for?

GUY TO MY RIGHT: This line's for welders, dude.

I didn't figure I could fake being a welder so I looked over towards the line on my left hand side.

ME: Hey man...what line are you standing in?

GUY TO MY LEFT: This line's for iron workers.

ME: What do iron workers do?

GUY TO MY LEFT: We screw together the metal as the building goes up

Now I was absolutely sure I could screw up metal, so I was encouraged.

ME: What do iron workers make per hour?

GUY TO MY LEFT: Iron workers make \$15.00 an hour.

I nonchalantly drifted out of the laborers' line and into the iron workers' line.

When it was my turn to talk to one of the leathernecks, he started asking a bunch of iron worker questions I didn't know the answers to. Still, I did my best to muddle my way through. With every question, I got deeper and deeper into a hole. Mr. Leatherneck had had just about enough of my non-iron-working B.S. when this scrappy looking, one-eyed guy tapped him on the shoulder and said, "I'll take him." Old "Uno" had his head cocked down so that his good eye was looking over the top of his reading glasses and

right at me. He eyeballed me up and down, from head to toe, like I was a cow at auction or something. He never cracked a smile. Finally, he pointed towards his truck and told me to wait for him over there. So I hauled my newly appointed, iron-working butt over to my new boss's truck.

Along the way, I waved at the guy I'd met in the Laborer line as they were handing him a broom. He shook his head and pointed his finger at me as if to say, "You son-of-a-gun! I should have done that too."

My boss said he picked me because he'd seen me switch lines, and he liked my decision-making process. Amazing! I'd escaped detection from everyone else in the building but the guy with one eye caught it! I was more of a gopher for Cyclops than I was an iron worker, but for \$15.00 an hour plus overtime, you could call me anything you wanted to—anything but laborer.

We worked twelve, fifteen, sometimes eighteen hours a day. We worked hard and played hard too. Every Friday evening, the 2,000-plus construction workers stampeded the 2,000 residents of Tonopah and proceeded to burn that poor town down to the ground. It was like a scene from Kevin Costner's movie Water World, but instead of being in the middle of the water it was in the middle of the desert—lawlessness run amuck!

I was twenty years old. The legal age in Nevada was twenty-one. That probably kept me out of some trouble, that and the fact that two old timers had taken me under their wings. I have always been blessed in that way. The good Lord usually places me in good company. Moose was a huge, burly man (as you might suspect by his nickname), and my boss, One-Eyed George, was lean and mean. They never looked for trouble but when it came-a-knocking, it promptly left when Moose stood up and turned his baseball cap around backwards. It was a very rough place, and I made it a point to stick close to Moose and One-Eyed George.

During the workweek there was not much to do in camp after work but read. In that little convenience store, I purchased my first Entrepreneur Magazine. The magazine had all kinds of ideas on how to start your own business, but the one that caught my eye was an article about striping parking lots. I must have read that article a dozen times. I started to formulate a plan: Sell my drum set for \$750 and purchase a striping machine. I'd exercise that plan sooner than I thought.

I still don't know how I did it, but three months after I'd arrived in Tonopah, I was packed up and headed back to Texas, tattoo-less! I got home and heard that Moose had fallen from high in the structure and hit his head on one of the steel I-beams on his way down. It messed him up really bad. I thought about going to see him, but his wife said that he didn't even know who she was and not to waste my time. Still, I regret not going. Today, I do not know where he is or how he is, but I would like to take this opportunity to thank Moose for watching over me back then. Thank you too, One-Eyed George.

Chapter 3

MITCHELL STRIPING

* * * Doing the work is just half the battle... You have to collect your money.

Shortly before I plunged into entrepreneurship, I was fortunate enough to be able to ask a very successful builder a few questions about starting a new business. He informed me that most businesses fail in the first two years due to lack of work ethic and/or lack of money (under capitalization). He also told me that my life wouldn't be my own for the first two years if I were going to make it work. I was about to learn exactly what he meant. To this day, I always seem to underestimate the start-up costs and the time it takes to establish a new business. (Hey, at least I'm honest about it!)

No one in San Antonio would talk to me about the striping business. I needed to know what type of machine to buy, what type of paint to use, how to bid jobs, etc. And the thought of actually painting a straight line on the pavement terrified me. What if I painted this ugly, crooked line on someone's parking lot? Finally I called some guys in Austin, Texas, and offered to work a week for free if they would teach me a little bit about the business. I promised not to do any work in Austin in return for their consulting. They had me painting straight lines in no time.

When that week was over, I returned to San Antonio and purchased my first machine from the Perry Shankle Store with the money I'd received from selling my drum set. Every now and then, I'd be asked to go to Austin and do a job. True to my word, I never did any work in Austin, even after I'd lost track of the guys I'd made my promise to. Business was good, but the dang construction companies took their sweet time paying me. Entrepreneur Magazine forgot to mention collection problems in their articles. I had to pick up some kind of part-time job so I could afford to buy the paint and gasoline I needed while I waited to get paid. Doing the job was one thing. Getting paid was another.

The lessons were coming at me quick but I liked it like that. I was learning more per month about real life business than I could have learned in a year of college. For the first time in my life, I could actually feel myself growing intellectually. I ended up taking a bartending course so I could get a part-time job as a bartender. I needed a job that paid me immediately so I could mitigate the time between striping pay days. Bartending seemed to fit the bill.

I got fired from my first two bartending jobs (both times on the first night). The bartending institute did a great job of teaching me the ingredients of all the drinks, but they forgot to teach us how to run a cash register. What kind of deal is that? I'm just thankful it was bartending and not flying lessons.

ME: Mitch to Tower. Do you read me? Over.

TOWER: We read you loud and clear, Mitch. Over.

ME: Request permission to land on runway 3. Over.

TOWER: Runway 3 is clear for landing. Over.

ME: Tower, I have one small problem. Over.

TOWER: State your problem. Over.

ME: The jerks at the “Institute of Flying” forgot to teach me how to land.

TOWER: Copy that. They only teach people how to fly. We’ll notify the fire department and the ambulance crew. You’re clear for landing. Over.

Nothing’s ever as easy as it looks. There’s always more than meets the eye.

After a short stint at the cash register institute, bartending was great! I was 21 years young, loving the nightlife, and making \$100 to \$150 per night, four nights a week. I was in the hottest bar in town, The SK Stampede. An eight-hour shift passed like a ten-minute roller coaster ride: fast and furious, with no time to look at your watch. I’d leave the bar at 12:00 or 2:00 a.m. and go stripe parking lots while they were still empty. Before I knew it, the sun would be coming up—and that’s how I liked it. To this day, I have trouble looking at my watch when I’m working.

I bought my first property about that time. It was a one-bedroom efficiency condo that the seller financed for me. It cost \$28,000 with \$2,000 down. Shortly after I put my John Henry on the papers, I was a man about town. I had my own business, my own car and my own place. Not bad for a twenty-one year old I thought. Life was good!

I quickly took on a partner in the striping business. On that fateful day, I’d spent half the morning broom sweeping by hand just a fraction of a lot I intended to stripe. Then this stranger walked up from out of nowhere with a blower on his back and finished cleaning the rest of the entire parking lot in ten minutes. He showed me how to use the blower, and I showed him how to put a stripe on the ground. That was the beginning of my partnership with Jimmy Allison. Jimmy was even a few years younger than I was. He had wild, curly, red hair and freckles and, together, I suppose we looked like two outcast members of Spanky and Our Gang. Many of the construction foremen didn’t take us seriously when we’d ask to bid on their jobs but, eventually, we’d striped every parking lot in San Antonio, no joke. Jimmy and I became the best of friends and we worked like you’ve never seen two guys work in your life.

We did the regular business stuff during the day like banking, sales, collections, bidding, etc. At night we would stripe our butts off. Mitchell Striping was pounding out the work but, just like before, the money was fast going out and slow coming in. Once we got called into Frost Bank by then Vice President, Ken Herring. We thought we were going to get a loan or something good like that, but it turned out much different. When we got to Frost Bank we were met by none other than the FBI.

FBI: Are you fellows kiting checks?

ME & JIMMY: No.

FBI: Do you know what kiting checks means?

ME & JIMMY: No.

FBI: Kiting checks is when a person deposits money at one bank and then withdraws that money the same day and goes to another bank and deposits it in such a fashion to show the money in both banks on the same day.

ME & JIMMY: Well, sir, we're doin' the Hell outta that!

As I've mentioned, the huge companies we worked for took their sweet time paying us. First it would be thirty days, then sixty days, then ninety days. The slow pay was killing us cash flow-wise, so we started getting creative. Texas State Bank's daily clock ticked over at 3:00 p.m. but Frost Bank's clock didn't click over until 4:00 p.m. So, we started making deposits at Texas State Bank before 3:00 p.m., and then we'd take the money back out at 3:30 p.m. and run the funds over to Frost Bank and deposit it before 4:00 p.m., just to float payroll. Those badge waving men in suits scared us to death until I caught my account rep trying to contain his laughter outside the fish bowl office. When I caught the agent himself trying not to laugh I assessed that they were just giving us a little scare. I didn't let on, but I knew we weren't in any real trouble at that point, so I played along, letting them have their fun with us. They knew we didn't mean any harm.

In our young, naïve, business minds we thought we were being smart, creative businessmen until we could get paid. You know, if it feels wrong...it probably is.

Chapter 4

ANGELS AMONG US

* * * Sometimes only a stranger can tell you.

Around 1982, the pace of that twenty-four hour a day business started to take its toll on me. I'd go to sleep at night and wake up two days later, with everyone pissed off at me. I started finding it increasingly difficult to make it through a day without busting into tears (when no one was looking of course). Hey, I played football. My father's a former Marine. We don't cry about a dang thing! I didn't know what was happening to me. I'd quit football, and now I was crying like some baby all the time. What's next? I stop liking girls? When it came time to cry, which could be anytime, anywhere, and always right out of the blue, there was no holding it back. There was little warning, and within seconds, I'd break like a cheap water balloon on the windshield of an oncoming car, floodgates wide open!

As luck would have it, the bar I worked at wasn't much different than that of the sitcom Cheers. We had regulars you could set your watch by: The kind of customers who frequented happy hour every day of the week and always arrived at the exact same time, sat in the exact same spot, and ordered the exact same drink without fail! I served this one particular customer everyday for months but never bothered to ask what he did for a living. I was always too busy promoting my own business to worry about what anyone else did for a living. (It's a character flaw I still have, but I'm working on it.) I remember bragging to him about sleeping on the sofa for over two days straight without ever getting up to take off my clothes or to use the bathroom. No drugs. No alcohol. I just fell asleep on the sofa watching TV and didn't wake up for forty-eight hours! Looking back, my customer started asking me questions shortly after that. I thought nothing of it at the time. I guess it was the way he asked. His questioning came off as idle conversation.

"Hey workin' man, how long did you end up working yesterday?"

"Are you going to get some rest tonight or are you going to work straight through 'til daylight again?"

"Hey, Mitch, I haven't seen you for a few days. Did you fall asleep for forty-eight hours again?"

"You're looking a little stressed my friend. May I buy you a drink? Is everything okay with you?"

"Mitch, how long have you been in the striping business?"

"What do you do for fun? Do you have some fun?"

"When was the last time you took a day off? Do you ever take a vacation?"

One day I was stuck behind the bar talking to this customer when suddenly the dam started breaking. I couldn't run anywhere to hide so he caught a glimpse of me starting to crack just before I ducked down below the bar. I stayed down on my knees as if to count liquor bottles or something. Really, I was just crying. I'm sure he could hear me sobbing but at least he couldn't see me. More importantly, I did not have to see him seeing me. I thought the attentive customer had just been keeping up with me over the months through conversations across the bar, but really he had been diagnosing my condition. I guess my unraveling was the last straw for him.

On my next shift, he arrived as usual before the rush. He placed a rather thick book on the bar in front of him. The manager of the bar approached me shortly thereafter and instructed me to go sit with my customer at an out-of-the-way table while he took over my bartending duties for a while. It was early. Business was slow. I thought it was odd but what the heck.

I sat down at the table with my customer, and he explained that he was a psychologist. For the past ten years, he had been working for the state prison system helping men with life sentences cope with their reality. He went on to explain that he admired both my entrepreneurial spirit and my work ethic, but he was beginning to worry about my health. He asked me how often I cried like the other night. I told him, “Well, at first it was once a month, then later it was twice a month, then once a week and now (I was embarrassed to say and had looked down at the table) almost every day.” A lump grew in my throat as I spoke and I worked hard to choke it down.

He asked me to read a few pages from the book he’d brought in. Highlighted on a page was a list of symptoms I recognized all too well. I don’t know why the revelation struck me so hard. Maybe it was the relief of finding an explanation. Whatever the reason, I could not contain myself for another second. There I sat during happy hour, tears rolling down my face, crying for all I was worth. Now, finally, I knew what was happening to me. At twenty-two years of age, I was having a nervous breakdown.

I was trying so hard to be successful that I was wearing my poor body plumb out. My will was stronger than my flesh and bones, and even some parts of my mind (like the part that needs sleep). I was pushing so hard, apparently too hard, and for way too long. The only symptoms I had not experienced were black outs or loss of memory. Then again, for the life of me, I cannot remember that good doctor’s name. I hope I bought him a drink afterwards because I now understand that a nervous breakdown can be a lot worse than just tears. So, whoever you are, wherever you are, “Thanks, Doc.”

I still struggle with this problem today. You can only work so much; Sooner or later, if you are going to grow big or bigger, you have to leverage money or human capital or both. If you don’t have balance between work and play, things can go to Hell in a hand basket and fast! I’m not telling you I’m good at it. I simply telling you, I’ve come to know it’s true.

I took a month off. When I tried to come back, I fell into the same routine and, within a week, I was breaking down every day again. Completely drained and desperate for rest, I gave up my half of Mitchell Striping. Letting Jimmy down hurt me, and I was starting to feel like a real loser.

The next few years (1983–1985), with Jimmy at the helm and me back at the bar full time, Mitchell Striping grossed as much as \$1.7 million a year. Shortly after that, my best friend Jimmy died. Dr. Denton Cooley, the famous heart transplant surgeon, had given Jimmy a replacement heart but for whatever reason, it just didn’t take after awhile. At the time, he was the youngest active heart transplant patient ever. They said his initial heart problems had nothing to do with the stress or the workload, but I’ve always wondered. He was a real go-getter, a great friend, and I miss him to this day. I could tell plenty of stories about Jimmy and what a genius he was despite his young age. I will tell you this: If heaven has yellow lines on their parking lots, Jimmy Allison painted them.

“TRAINS”

Written by Mitch Stephen and Billy O'Rourke

Daddy worked the railroad 30 some-odd years
On the train that was the center of our town
Never had to wonder where on Earth he was
We'd just close our eyes and hear that whistle sound
The Railroad Commission sent the suits one day
And they tore up all the tracks
The whole town starrin' at their golden watch
Like that train, is sometime comin' back

CHORUS:

**Baby that train, it don't stop here anymore
It's been moved on down the line, for one reason or another
And it's got plenty of, our memories aboard
But it won't be comin' back
'Cause baby that train, it don't stop here anymore**

Jimmy was my best friend and the first to get his car
And we'd cruise the town each Friday night
I could always count on him to get me to the dance
Or around the Dairy King a thousand times
Then his mother got a letter, with a folded U.S. flag
She sent me the keys to his Fairlane
Sayin', Jimmy would've really wanted that"

(REPEAT CHORUS)

'Cause baby that train...

BRIDGE:

This year the angels took my Brother
And I've known no greater pain
Lord meet me early at the station
'Cause lately I've been missin' far too many trains

MODIFIED CHORUS:

'Cause baby those trains, they don't stop here anymore
They've been moved on down the line, for one reason or another
They've got plenty of, our memories aboard
But they won't be comin' back...No they won't be comin' back
'Cause baby those trains, they don't stop here ...anymore

Listen: <http://www.REInvestorSummit.com/trains.asp?music=on>

Sung by Kevin Hughes, Copyright, 2005 Mitch Stephen, Lone Horse Publishing - BMI

www.REInvestorSummit.com

Chapter 5

ADVERSITY UNIVERSITY

* * *I eventually graduated from La Calle (the Street) U.

From then on things started going down hill. I had more jobs and I tried to start more businesses than I care to count. Everything failed. Texas was in a recession, and I was getting further and further behind little by little.

I sold cars. I sold knives. I sold advertising. I sold mobile homes. I played in a band. I tried the lawn mowing business, the health club business, telemarketing, a roofing business. I was an apartment manager, worked in shipping and receiving, copier sales, the window tinting business, and onsite real estate sales. You name it, I tried it. I either recognized that the job was going nowhere or I flat out failed, but either way I was perpetually moving on. Looking back, I'm sure it didn't help that in my early twenties I looked like I was sixteen. Who wants to buy a car or a home from a guy who looks like he's sixteen years old?

Fast Forward: Somewhere my Momma has a stack of business cards about three inches thick. She brought them out and showed them to me once when I was talking about how lucky I was to have so much in life. She said that being grateful was a wonderful trait but that she was not sure at all about how "lucky" I'd been. I was about to protest when she handed me that stack of business cards tightly wrapped with a rubber band. I released the rubber band and began to flip through all the different cards. I got quiet as I revisited every failure one at a time. There were so many failures, and many I'd forgotten about. Once I saw them I remembered every single job or venture, and the disappointment wrapped up in them. Mom broke the long silence, "I know you and I've saved these cards for this day. You've been busting your little tail end ever since I can remember. Be grateful for your health or your parents or your God-given abilities but don't give luck too much due... You've fought for every inch of your success." As I travel through this life I find myself saying this more and more, "God Bless Mommas."

I just couldn't find myself. I couldn't find what I was supposed to do to make a living. Every time I'd start out excited in my new career, reality would set in, and it was over. The cycle was making me doubt myself. I'd been so successful in high school and now so many failures coming one after another.

During the lows, I always managed to make ends meet. I don't know how but I also always managed to keep my good credit. I never asked my parents for any money, but Dad would slip me a \$100 every now and then, figuring I could use it. He wasn't wrong.

More importantly, both my parents were supportive. Their emotional support ran deep and wide. I don't ever recall them laughing at any of my crazy business ideas. I don't ever remember them saying, "That won't work," or even, "Are you sure about this?" They always said something to the affect of, "Great, it sounds exciting! Let us know

how it's going...let us know if we can help." My parents were always enthusiastic and always encouraged me. I can only imagine how they must have worried about me. I was falling down so often.

Somewhere in my failures, I began to see how easy it would be to be homeless. I completely realized how often I was just one paycheck away from being in the street. It seems like that should've tamed my capacity for risk but really it emboldened me. You see, I had a net and I knew it. I always knew I could go home if things really got bad. One the day I moved out, Momma was standing in the driveway waving goodbye in tears as I left, and I never moved back in. I knew I could have moved back if I'd needed to. I knew that. That one thing alone could well be the reason for the way things turned out in my life. It would be a bold face lie to say that having such a net didn't immensely change the way I looked at risk. I might have been young, dumb, and failing, but I was smart enough to know that now was the time to try and fail. I knew that I would never go hungry or have to sleep in the rain as long as I had my wonderful mother and father and I could make my way to them. To this day, I am grateful for that net. Change that little ingredient and my life might taste very different today. I am very grateful for the parents God gave me. And as sure as age comes to all of us, I can assure you that neither my mother, nor my father, will ever go hungry or sleep in the rain, not if I am alive and can function. I pray they will never need me, and they probably won't, but that is my promise to them. That is their net.

Chapter 6

STAY OUT OF THE RUTS

* * * Take some chances...choose a path less traveled.

The bartending kept me afloat, but I didn't want to get caught in that routine like so many others. I've witnessed it first hand. I worked with several guys and gals that'd been in the bar biz for twenty years or more. Bartending was great at twenty-something but I just couldn't imagine being a bartender at forty or fifty years old working for \$2.00 an hour plus tips. I always had two things going: The bar job and my new business of the month.

Along the way, someone told me that owning rental houses was the way to get rich. So, I rented out my first condo and purchased another larger one across town on Powhatan Street. My new two story condo had two bedrooms and two baths and a kitchen and a den with a fireplace. I rented out the second room of my new condo to a roommate, and that money, together with the positive cash flow from my first condo, made the payments on both condos a non-issue. As long as I had a roommate and my first condo was rented out, I was living for free! Eventually the volatility of condo association fees would drive me away from condos, but for awhile there I really enjoyed this condo ownership thing I had going.

I also bought some property out in Boerne, Texas, around that time. A man sold me a lot high up on a hill and financed it for me. The day I closed on it, I drove my mother

out to see my latest conquest and to celebrate the occasion. We picked up a bottle of champagne and two long-stemmed champagne glasses along the way. We got there and hiked up to the very highest point. It was beautiful there and we could look out over the countryside for as far as the eye could see.

I popped the cork on the champagne and we made a toast to the beautiful Texas hill country and my new purchase. The day was sunny and clear and the view was fantastic—then Mom slipped!

In reflex, she grabbed hold of me, but I wasn't prepared. Off we went, like two square bowling balls, rolling down the hillside in a cloud of dust and tiny bubbles. I could've saved myself some serious bruising but I wouldn't let go of the bottle or my glass or Mom.

Finally, we came to a stop at the bottom of the hill right next to each other. The dust was settling over us, and in a silent gesture I immediately offered up the bottle for another drink. Mom offered up her champagne glass, but the cup part had shattered on the way down, and the only thing left was a stem. We laughed until we cried. I laughed until champagne came out my nose. Mom thought that was really, really funny, and she laughed so hard she inadvertently belched like a sailor. Now, I don't think I'd ever heard my mother burp in my entire life so that launched me into a category of laughter way past hysteria— way, way out there somewhere where you can't breathe kind of laughing happens.

We started to gather our composure after awhile but lost it again when we began to dust each other off and pick the debris out of each other's hair. I didn't think we were ever going to get off that piece of property. The next morning we were both pretty sore. I don't know if it was from the fall or from laughing so hard for so long. I suspect it was a bit of both. In all honesty, we were lucky we didn't get hurt.

Chapter 7

REAL ESTATE MAKES MONEY?

* * *I bought my first properties because I wanted to be an owner. Actually making money on real estate wasn't even on my radar screen.

Eventually, I sold the land for what I paid for it and recouped my \$3,000 down payment. I made a mental note; "It's hard to get raw land to pay for itself." Simply put: I needed money. I was broke until I sold the land and got my \$3,000 down payment back, plus I sold the Powhattan Condo for another \$12,000 worth of profit. \$15,000 was more money than I'd even seen in one place in my life! To me it was the world, and I was dancing on top of it.

The ink wasn't even dry on my deposit slip when I learned two new real estate words to add to my vocabulary. The words were balloon payment. Yep, repeat after me: balloooooonnn paaaaaymeeeeent.

Mortgage companies were scrambling to get out of certain types of loans, and condo loans were at the top of their list. Apparently, the balance on my first condo note was due immediately. I barely had enough to cover the call. Luckily, I had been making extra principle payments during the good times so I had decreased the balance radically. Despite my good pay history, no one would refinance me. It took everything I had to pay them off. Rich one day then broke again the next. But at least I had one condo free and clear.

Although the experience of feeling loaded with cash was brief, I liked the feeling of having a large bank account. My thoughts were racing when I came to the conclusion that if I sold my first condo for what I'd paid for it I would have \$28,000 back into my account. No problem I thought. Wrong.

I didn't know how lucky I was to sell the Powhattan condo. The recession of the 80's was in full swing. It seems that condos were worth about half of what they'd been, and I couldn't sell it for anything close to what I had in it. Now I knew why no one would refinance me. (I was a little slow back then.)

It didn't help that my condo association fee went up. Then, when the tenant skipped out, I moved back in. Since I'd paid it off, all I had to pay was the monthly condo association fee, which was only \$135 per month at the time. I was sick that my investment had decreased in value so drastically, but living cheap wasn't so bad. After checking out the apartment rates, the decision to move back into my old condo was real easy.

I made another mental note: When a recession hits and/or interest rates go up, fewer people can qualify to buy properties. As a result, rents go sky high. In the simplest of terms, if the market ain't buyin', they're rentin' (or they're owner financing).

This is perhaps one of the most important lessons I've ever learned concerning the economics of cash flow properties. In the years to come this simple truth will save my buttocks more than once. It bears repeating; if the population is not buying, they are renting...or they are buying via "Owner Financing."

During the recession of the mid 80's, I kept bartending at night, and during the day, I took a job working for a pair of judges who had an on-going real estate law practice. Did I mention that I worked very hard when I was young? I always had a day job and a night job. (I'm not saying that's right but that's what I did). These two judges owned about forty low-income rental units. Did I say low-income? What I meant to say was low, low, low-income rental properties. It was there, at that job, I learned some of the most valuable lessons in real estate.

Chapter 8

THERE'S A NEW LANDLORD IN TOWN

* * * Higher yields on the lesser side of town.

To the best of my knowledge the term, low income, refers to the income of the tenants, or maybe it refers to the rents as being low. Whatever the case, it doesn't take long for me to discern that it does not refer to the amount of profit being made by the landlord. Owning low-income properties creates a unique opportunity to make big, if not huge, rates of return on your investment on paper.

To actually collect that profit, you have to mitigate the turnover rate, the delinquencies, the eviction costs, and the maintenance and repair costs. That is not as easy as it may seem, but it can be done if you stay on top of the business. And you can't be afraid to walk on the poor side of town.

These two judges would buy a giant, run-down house that use to be a magnificent mansion, but instead of renting it to one person for \$800 per month, they'd section it off into eight, one-bedroom apartments and rent each room for \$50 per week. Thus the property would produce \$1600 plus per month. (Remember: there are more than four weeks in a month.) Also, let's not forget, a \$10 late fee was added to each week if the rent is not handed over promptly every Friday. These late fees make a considerable difference in the yield. In this particular situation, let me tell you, everybody—and I do mean everybody—was always late if not downright behind.

That's where I came into the picture. Drum Roll Please! TA-DA. SUPER MANAGER! Yep, that was me. The lawyers had been busy lawyering, and the rents (or the lack thereof) had gotten way out of hand. I was hired to straighten things out. My job was to kick out the bums, fill the vacancies, collect the rents, enforce the late fees, and keep up with regular maintenance. Did I mention I had no experience at this whatsoever? That didn't seem to bother the two judges and it dang sure didn't bother me. I collected more money—cash money—than I'd ever seen in my life. And I collected it on a weekly basis!

Once I realized the potential of my job, I was a man possessed. Look out boys, there's a new landlord in town and he's taking no prisoners. I was good to the good ones and bad to the bad ones. It didn't take long to get a reputation. You paid or you were out! Every now and then, a tenant would ask for an extra day or two with the rent. I'd give them one chance. I wanted to be fair and understanding, but it usually got us screwed. I learned to tell them up front, if they broke their promise one time, I'd never take their word again. Everybody got one chance. They could never call me unfair and know it to be true in their heart of hearts.

What amazed me was that, most of the time, all the apartments shared one common bathroom down the hall. I had to see it to believe it, but it worked as long as I worked it.

The average rate of return on your investment is much higher when you deal in cheaper income-producing properties. Do the math: What has a higher rate of return?

A. An \$80,000 house with 8 rooms at \$50 per week...\$1,600 per month

B. An \$80,000 house that rents for \$800 per month...\$800 per month

I use a quick formula to size up the potential of an investment.

Suddenly the math problems I'd struggled with in high school were making sense.

Formula: Annual Income divided by CASH Investment = Return On Investment

Example A: \$1,600 X 12 divided by \$80,000 = 24% ROI

Example B: \$ 800 X 12 divided by \$80,000 = 12% ROI

This is a cash-on-cash calculation that lets me know how long it will take to get the original investment back. This simple formula has been close enough for me to decide to buy or not to buy for most of my career. I just recently purchased my first real estate calculator after ten years of investing, but I think I'm going to return it. I like to keep things real simple.

Today, when the cash-on-cash rate of return is around 25%, I start looking at the investment really hard. When the rate of return gets up into the 30% bracket, I start grabbing for my wallet. When the rate of return is into the 40% bracket, or over, I am literally running to the bank. All of that being said, never forget, a super high rate of return could mean that there are hidden problems concerning the property or that there are a lot of moving parts to keeping the cash flowing.

I learned so much about real estate and people while working for those two judges, it was life altering. Just like the days spent starting Mitchell Striping, I was growing a million miles per minute again. Although I wasn't exactly getting rich in either business, the feeling of personal growth made the work invigorating. Earlier in life, my parents had offered to pay for my college education, and I didn't get one (my decision). Now I was getting paid to get an education and it was meaningful. I could actually feel my personal growth happening.

As far as I was concerned, I could learn more pertinent stuff in a month of hanging around entrepreneurs than I could in four years of math classes, or history classes, or even economics classes. The best education happens in real time and in real life. I made it a point to hang around the thinkers and the doers, the movers and the shakers, and the people who were successful.

Chapter 9

THE CAR WASH AT SPRIGGS DALE & COMMERCE

* * * Sometimes you're just outnumbered.

By 1987, my efforts in the rental management department really started to show up in the form of profits for the two judges. Because I'd been responsible and trustworthy with their business and their cash, the judges offered me a percentage of a carwash if I could get it up and running.

The old carwash was in a very rough part of town and had long since been abandoned. The judges already owned the little strip center and the land it sat on, so it was an easy decision when they offered me a 33% share of the profit if I could turn it around for a reasonable amount of money. They'd put up the money and I'd put up the work. I did a lot of research and running around for a few weeks. I researched equipment and installers and tried to salvage everything I could in the old place. I pulled together a simple business plan and budget and the project was approved by all of us in short order.

We were off to the races! I was about to own 33% of a carwash! My dreams were aloft.

I worked hard to get the carwash opened by the deadline we'd set. I was in completely uncharted waters but that was starting to be normal for me. When "Grand Opening Day" arrived we ordered up some helium balloons and put them out around our grand opening sign. We sat out, off in the distance, and watched as the first customers rolled in and started putting quarters into the machines. First there was one customer and then two customers and then two more and, well, I was amazed! I was finally going to get some mail box money of my own.

We were all excited so we came up with a plan to celebrate at one of the fanciest restaurants in town. There we could get some well deserved relaxation and service and toast to our new venture. It was a great evening. We laughed and joked and speculated as to how many golden eggs our new goose was going to lay. We went on and on into the evening and stayed out way too late and had way too much fun. I could hardly sleep because it was my job to empty the machines in the morning and report how much money we'd made on our first day. The morning came way sooner than I wanted it too.

Seemed like I went to bed for five minutes and then it was time to get up again. I was a hurtin' unit! Once I got an ice cold Big Red and a couple of chorizo con huevos tacos in my belly I started to feel a bit better. The anticipation of collecting cash at the carwash had me pushing the speed limit down Interstate Highway 37 South. I weaved through a few side streets and approached the carwash. The closer I got the worse I started to feel. No, it wasn't from the fun we'd had the night before. It was from looking at the gaping hole in the side of our freshly painted carwash. The new \$3,000 change machine had been ripped completely out of the brick wall.

Upon further inspection, I could see where the steal vault machine had been dragged down the street by a vehicle of some sort. There were scratch marks in the asphalt the whole way. The tracks kept going and going, but I figured I'd let the police find out where the trail ended. It was headed into a part of town I really did not want to go into by myself, unarmed as I was.

The police arrived, a report was filed, no one was ever arrested, and we closed the carwash. There was simply no way to stop people from stealing while you were away. I can't tell you how disappointed I was. We were all disappointed but I was still struggling financially and this deal was going to be the answer to my prayers. Obviously, there were other plans in store for me. As everyone left the carwash it started to rain. I remember thinking, "A little rain would have been good for business."

Chapter 10

POWER OF THE WRITTEN WORD

* * * To this day I am amazed at the amount of power the written word can possess over the actions and emotions of the human spirit.

About this time, around the end of 1988, my personal life started to unravel. I was watching and helping others build their fortunes but I was still struggling in the financial department. Financial stress and my basic immaturity led to my demise. I'd been in a relationship spanning better than five years, but it was simply taking too long for me to find myself. When my significant other left, so did a large source of continuity. The endless string of business failures, the stress of living paycheck-to-paycheck, losing the woman I loved, it was all too much, and I went crashing to the bottom emotionally. Not like the breakdown I had experienced from over working. That was a different breakdown. This breakdown had to do with confidence. I was beginning to doubt myself—with conviction.

In an effort to fight my depressed state, my mother begged me to read some used books she'd found at garage sales or flea markets. She pleaded with me constantly, "Just read ten pages a day." This went on for days. Finally I decided to humor her. I picked up a stupid little book written by some nerd named Napoleon Hill. The book was titled Think and Grow Rich. I began to read the first ten dumb pages. The ten pages rolled into twenty and then into thirty pages before I knew it. Each day it would take a concerted effort for me to get started on just ten pages, but I never stopped at ten pages.

I always felt better during and after reading. I learned that just a few minutes of reading about the possibility of being successful could actually make me rise above it all for a moment. I recognized the healing power of this diversion called reading. I didn't read much before that in my life. I never liked reading. But now its effect on me was undeniable. I've said it before and I'll say it again, "God Bless Mommas."

Think and Grow Rich was absolutely life altering for me. It gave me hope and a direction at a time when I was meeting with more rejection than I could handle. It

helped to hear that many of the successful people documented in that book had failed many, many times before their ships came in. It showed me that many of the most successful people in the world didn't have a college education. Author,

Napoleon Hill was hired by Andrew Carnegie to find and prove up the common denominators for success. Instead the book seemed to prove that success could come from anywhere and everywhere and that there was no right or wrong way. It suggested that success was something that you learned over a long period of time and that if you set certain priorities in your life that your chances for success would be immensely increased if not predestined. The real trick was to make those priorities part of the fabric of your life and not just a garment to wear for a while.

I studied those priorities, I agreed with them, and then I wove those new fibers into the fabric of my own life. Over time they formed the cloth that is ME today. I'd heard about such things before but apparently I wasn't ready to learn it then. I learned it when I picked up the right book at the right time in my life. I learned because I was ready to learn it. Someone once said, "The teacher will appear when the student is ready." I know this to be true in my life.

We'd all be better off if we paid more attention to what our minds hear, see, and think. More importantly, we need to listen to how we talk to ourselves. The greatest life lesson I've ever learned has been to listen to my inner voice. I listen to what it is saying to ME, and if it's not positive, I start immediately to change that. In a perfect world my inner voice would never say anything bad to me or about me. The worst thing my inner voice should ever say to me is, "You'll do much better next time, Mitch, and you will get there because you have or will be presented with everything you'll need to do it."

There is no doubt about it. We become what we feed our minds. May I suggest, the most important thing you'll ever do in your life, will be to recognize your inner voice when it speaks, monitor that voice, and control the message you're sending yourself millions of times a year. The thing we hear more than anything in our entire life is our inner voice. What are you saying to yourself? Are you telling yourself that you can, or are you telling yourself you can't? Let me tell you a little secret: If we are limited in any way it's because the message we are sending ourselves is wrong. Change your self talk and you will change your life! Its incredible how many people never take control of their *inner voice*.

One day, when things weren't going my way, my father showed his intuitive nature. He left me a note that read, "Life is 10% of what happens to us...and 90% of how we handle what happens to us." I don't know where he got his statistics but that statement was good enough for me. It rings true even when we're not listening for a bell.

One of the teachers that appeared in my life was Maxwell Maltz, M.D., F.I.C.S. If you haven't read Psycho-Cybernetics by Maltz, DO IT! I'll assure you I'm not making any money off that book. I will also assure you I would have been well served if I had found his works earlier in my life.

A large part of the books I read, I read on the road. Shortly after the collapse of my love life, I ended up working for Spencer Engineering (out of Spencer, Massachusetts). Just prior to that job, I was trying to sell cars. Have you ever tried to sell something when you had a broken heart? If you have then you know, you ain't sellin' crap, Jack! I was sitting on the showroom floor going broke when I decided it was time to talk with the man upstairs. I remember that moment as clearly as if it were yesterday.

Chapter 11

THE POWER OF PRAYER

* * * Say what you want, I know what I know...and be careful what you pray for.

Anyone who knows me well knows I have a strong faith. Unfortunately, like many of us, I get a stronger dose of religion when things aren't going my way. About this particular time I was going broke trying to sell cars, so I asked God for help. I prayed that if He would show me a way to make \$40,000 to \$50,000 a year that I wouldn't waste the opportunity. I am a chronic doodler and, during the prayer, I scribbled the numbers "\$40,000 – \$50,000" on my desktop calendar. (Yes, I believe God hears me...even if my eyes are open and I doodle during my prayers.) After saying, "Amen," I left my desk for a cup of coffee in the break room. I was pouring cream into my cup when the receptionist announced over the intercom that I had a call on line one. I picked up the call on the break-room phone. It was a friend of mine, Steve Whitaker.

ME: Hello

STEVE: Hey Mitch, its Steve. I heard things aren't going so good for you.

ME: That's an understatement, Steve.

STEVE: I thought maybe you'd like to get the heck out of town and make some money.

ME: I really need to do something. I'm going broke fast. In the condition I'm in right now, I couldn't sell water to a man on fire.

STEVE: Look, I took a job with this company up North and we're short handed. I heard about your situation and thought you might be primed to take off and try something new.

ME: What kinda work you doin'?

STEVE: You'd be installing telephone wires and networking computers in chain stores all over the country.

ME: Steve, I don't know anything about installing telephone wires or computers.

STEVE: Don't worry, you've always been a quick study and you like to work hard. I'll teach you everything you need to know. You don't have to do it forever, but I'll need you to commit to at least six months. The pay is good and all the gas, food, and rooms are paid for. All you need is \$130 to buy your tools.

ME: What if I don't have \$130?

STEVE: I'll loan it to you.

ME: How much is the pay?

STEVE: A good man could make about \$45,000 a year counting the overtime. Think about it. Call me back. Don't wait too long!

I wrote Steve's phone number on the back of one of my business cards and under it I wrote, "\$45,000." When I hung up the phone I was thinking of only one thing. If I took the job, I'd be headed out of town for an extended period of time. I would positively lose any chance of winning back the person I was pining over. I still wanted to fight for her. If I left San Antonio, I would be out of the picture. Any chance I had with her would be put on ice.

I strolled back over to my desk and plopped down in my chair. I held the business card in front of me and stared at it for quite sometime before I closed my eyes and shook my head no. Then, in the darkness, like some Las Vegas blackjack dealer, I inadvertently flicked the card onto my desk. With my hands now free I could therapeutically massage the stress from my forehead. Eyes still closed, I rolled forward in my chair so I could rest my elbows on the desk and rub my face and eyes. I continued to massage my face and forehead as I pondered my life.

When I opened my eyes, I was looking down at my desktop. The card had landed right next to the numbers I had scribbled in doodle fashion during my conversation with God. The numbers on the desk calendar read, "\$40,000 – \$50,000." The number on the card read, "\$45,000." It was plain as day. It was right there in front of me.

Within a matter of minutes, I was being given exactly what I'd prayed for. I thought to revise my prayer and ask God for a good job in San Antonio, but I immediately rejected the idea. God had given me exactly what I'd asked for, nothing more, nothing less. I'd emphatically promised God that I wouldn't waste the opportunity if it were given to me. If I was going to keep my word to God and to myself, I had to take the job I'd asked for and was being presented with right now.

This was gonna hurt. The axe was about to fall on my heart. I dialed Steve's number:

ME: Hey Steve, when can I start?

STEVE: When can you leave?

ME: How 'bout right now?

STEVE: I figured you'd be quick to make up your mind. I just finished checking the flights. Delta Flight 2874 leaves in four hours. Is that fast enough?

ME: I'll be there!

STEVE: Hey Mitch, don't you want to know where you're going?

ME: I don't give a damn, Steve. (CLICK...I hung up the phone.)

WACK! The axe landed hard and true. It was done. I knew it for sure. It hurt like any amputation without anesthesia would. Game over. She was gone. I'd lost her for sure now.

Shortly after that conversation, I landed at the airport in Worcester, Massachusetts, and I hopped into a red Ford Econo van with someone I'd never met before in my life. I remember my first day with Spencer Engineering. I remember that night it was brutally cold and my turn to ride in the passenger seat. We were driving to the next job somewhere around Lake Erie, Pennsylvania. There was a hole in the floorboard on the passenger side, so I crawled to the back of the van to get away from the artic blast coming up from the floor. I curled up in a sleeping bag in the back to stay warm. It dawned on me that I was twenty-eight years old, and I was sleeping in a cold, rickety jalopy like some homeless person. It was true. I had no home by then. I had no car. The only possessions at hand were packed in one duffle bag which I was using as a pillow. It was embarrassing.

The only thing that made it tolerable was that nobody around me really knew me. I was ashamed, but I took comfort that no one I loved could see me this way. I wanted to say I was better than all this but in fact I wasn't. I would not have been there if I was better. I had lost my love to a "Gentleman rancher" and I was sure they were out living "the good life" while life in general was kicking the living dog crap out of me. In some accidental stroke of genius or common sense, I never blamed him or her; I blamed me. That made my reality even tougher. I had only thought I was at the bottom when I left the car lot. This was substantially lower and colder. This was the bottom of the bottom and no one to blame...but me.

It was there, that night in the cold, in that rickety, red van, that I made a decision. I was going to have to start all over, from the ground up, in every aspect of my life. No one could help me, and I wasn't about to ask for help anyway. I was going to have to rebuild myself by myself. Being in this situation pissed me off! I was never ever, ever, ever going to go backwards again. If you think you are getting to the core of what makes Mitch Stephen tick, you're real close, baby.

Looking back I can see how the books I'd been reading were affecting my life decisions. I'd shown great integrity (if only to myself) by taking the job with Spencer Engineering. I opened my mouth and asked for it, prayed for it, even promised to do well by it. If I hadn't have taken the job, I'd have been a schmuck to myself! Being a schmuck to yourself will absolutely kill your self esteem. You just can't have it!

Something else was beginning to happen as well. One of the most basic of all success principles had already started to thread its way into the fabric of my life. I was taking full responsibility for my life and everything in it, and everything that happened in it. By holding myself accountable, I was taking all that power away from everyone else, and that was giving me power. It is a very real power and I could feel it. I don't know if I was getting it from the books, or what, but I was beginning to hold myself accountable. Then again, it had to be the books. I didn't know nor think about those kinds of things before the books.

I also began to recognize that there is a considerable amount of freedom at the bottom. It is a terrific place to reinvent you. You have nothing to lose and there is usually no one around to talk you out of it. (All the opinions givers tend to leave when you run out of money.)

Over the next weeks and months, my convictions grew stronger: If I had to crawl to Hell and back on my hands and knees, I was not going back to San Antonio until I could go with my head held high, not if I had anything to do with it. If I returned before then, it'd be in a pine box. I made up my mind not to quit Spencer Engineering until I was successful, whatever that meant. I really didn't know what success was or even what I wanted to be successful at. All right, so what? With my financial needs met, I was going to stay out on the road until I had it figured out. I needed knowledge, and that fit right in with my therapeutic reading. I could get knowledge and therapy at the same time. I'll work and read, read and work. I'll work and read myself right out of this mess—Damn it!

(SCROLL DOWN)

“ACCEPT SHE’S GONE”

Written By Mitch Stephen & Billy O’Rourke

I’ve played it over in my mind
Around and ‘round a thousand times
“Could have”, “Would have”, “Should have done”
The words, “I’m Sorry Love”, are right here on my tongue

CHORUS

**Except she’s gone
I could be lovin’ her tonight
Except she’s gone
I could have stars in my eyes
I don’t wanna tell myself the truth
It’s been the hardest thing to do
And I just don’t know how to...
Accept she’s gone**

A broken vase, a stranded rose
The reason’s why, God only knows
I hate to see things end this way
And I’d give anything, just to make her stay

(REPEAT CHORUS)

TAG:

I don’t wanna tell myself the truth
It’s been the hardest thing to do
And I just don’t know how to...
Accept she’s, gone
Accept she’s gone
I just can’t accept she’s gone
Oh, accept she’s gone

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Chapter 12

BORN AGAIN AMERICAN

* * *I was born on the corner of Freedom Drive and Opportunity Lane but I was learning to think like an immigrant.

Over the next five years, I worked in almost every mall in the United States and most of them at least twice. Traveling to the malls introduced me to all the big cities of America. We'd do a prototype for a chain store like The Foot Locker, and then they'd award Spencer Engineering a contract to do 6,500 Foot Locker locations across the nation and abroad. Most of the time a single job would only take two to four hours and then we'd be off to the next mall. I visited every nook and cranny of the United States of America, Puerto Rico, St. Thomas, & St. Croix. We pulled thousands of miles of cable in chain stores like Foot Locker, Lady Foot Locker, The Gap, The Kids Gap, Kenny Shoes, The Limited, Structure, Marians, Marians Plus, Spencer's Gifts, Victoria's Secret, Talbot's, Lazarus, and the list goes on and on.

Along the way I saw Mt. Rushmore, the Golden Gate Bridge, the Grand Canyon, Niagara Falls (both sides), Gettysburg, the Big Apple, Times Square, Harlem, the Bronx, Central Park, New Orleans/Mardi Gras, the Little Big Horn, the White House, the Washington Monument, the Lincoln Memorial, The Wall (Vietnam Veteran's Memorial), and hundreds of other places I'd read about in books or seen on TV or in magazines.

The change of scenery across this great nation kept my eyes and my ears and my mind occupied as old man time worked to fix the inherent throws of a broken heart.

(SCROLL DOWN)

“THE JOKE’S ON ME”

Written By Mitch Stephen and Billy O'Rourke

I was looking through the attic, for a fishin' pole
When I reached to move a box, and the bottom broke
And every photograph of you, I ever owned
Was starrin' straight u p at me from the floor
Well I tried not to look down, as I knelt to pick them up
But my fav'rite one was burning holes in me
And it led me to the reason's why, I had to pack them up
And no, I didn't get much fishin' done that day

CHORUS:

**And just about the time I think it's over
Oh just when love, is dead and gone...
There you'll be, standin' in my memories
'N' there I'll go, feelin' like it use to be
Just about the time, I think it's safe to laugh at love
The joke's on me**

I'd loaded up the ice chest, for a weekend at the coast
I was gonna drink some beer, and soak some sun
When just outside the driveway, A DJ raised your ghost
And played a tune that hurt to sing along
Well I should've turn it down, Hell, I should've turned it off
But it sounded just too much like you and me
By the time I'd learned the words and chords, all the beer was gone
And no, I didn't spend the weekend at the beach

(REPEAT CHORUS)

BRIDGE:

I almost made it out to Vegas
But I found a Negligee, in a honeymoon suitcase

(REPEAT CHORUS)

Just about the time, I think it's safe to laugh at love
The joke's on me
...I was lookin' through the attic, for a fishin' pool

Listen: <http://www.REInvestorSummit.com/jokes.asp?music=on>
Sung by Kevin Hughes Copyright 1989, Mitch Stephen, Lone Horse Publishing - BMI
www.REInvestorSummit.com

About the time I got used to the malls, Spencer Engineering picked up a contract with Rite Aid Pharmacy. Rite Aid was buying up all of the mom and pop pharmacies in the eastern part of the U.S. We went to work converting about 2,700 pharmacies from the old NCR register systems to the newest, latest and greatest IBM register systems. Rite Aid introduced me to hundreds and hundreds of little townships up and down the east coast and then inland towards the middle of the nation.

The Rite Aid jobs didn't take much longer than two to four hours either. We traveled like the wind, never sleeping in the same bed. The way it worked out, we never stayed in the same hotel for more than one night. Ninety days on the road, ninety hotel rooms, ten days off. Luckily, we'd get about thirty-five days off at the end of the year. We'd go home for Thanksgiving and stay home through the Christmas shopping season. Nobody wanted us working in their stores during the holiday rush.

Work started back up again around January 3rd. We got paid overtime for actual hours spent working over forty hours per week but straight (flat rate) time for driving hours. My time card registered between 100 to 120 hours per week. Ten or fifteen or twenty of those hours would be overtime wages. The only thing that made this many hours possible was that one person could sleep while the other was driving.

We logged thousands and thousands of miles a month. I would drive for one tank of gas and then I would sleep or sit in the passenger seat and read while my co-worker drove one tank of gas. When I wasn't sleeping, I read. I read to fight my depression, I read to fight the boredom, I read to fight the fear of uncertainty, and I read to fight my broken heart—thousands of miles every month. All the while the books were working on me. I continued to read books because they gave me hope, they encouraged me, they occupied my mind, and they were beginning to change my thought process at the very core. I'm definitely a "Roads Scholar."

I read about success: Autobiographies of successful men, successful selling, successful negotiating, how to be successful, etc. I picked up books about real estate and read them all. I read books on how to build a rent-house business, how to make a million dollars in real estate, how to create notes, how to buy property, how to sell property. At the time, I thought I might want to be a professional songwriter so I even read every autobiography of every country music icon I could find.

Although I couldn't read while I was driving, my heart was still broken while I was driving, so I purchased cassette tapes. I listened to gurus of real estate like Ron Le Grand, John Schaub, Lonnie Scruggs and Jimmy Napier. They kept telling me, "I could do it! I could do it just like they did!" Sometimes I just wanted to explode. I wanted to try their ideas and techniques so badly, but I was in a van going to some town with a name I wasn't sure how to pronounce. Have you ever been to Schuylkill, PA? You had to think about it didn't you?

The books I was reading about the music business taught me a lot as well. Most of the famous people I grew up listening to on the radio seemed to have the life to envy. After

reading their stories, I learned that most of them grew up poor as dirt. Many of them lived in the most meager environments early on: Homes with dirt floors, no electricity or running water. Yes, they were famous now, but the road had been long and hard for all of them. Their roads were hard just like my road was hard, so I took solace in their stories. From Ronnie Milsap, Randy Travis, and Willie Nelson to Johnny Cash, Hank Williams, and Hank Jr., to Dolly Parton, Tammy Wynette, Conway Twitty, and Merle Haggard, they all had it tough. All we ever see is the glory and glamour once they've garnered acclaim, but after reading their stories I had a much greater respect for a music person's success, whether I like their music or not. I related to their struggles and it made me more comfortable with my own.

Eventually, I would choose real estate over music, but I often wonder what might have happened if I'd dedicated myself to being a great songwriter. I guess to wonder "what if" is normal. Writing music is the only thing I have saved from my childhood. Writing has been a great release for me. I turn to my music in my deepest, darkest hours, and it has given me great comfort. It is a venting of sorts and a very real release for me. I find myself much lighter when I have completed a song on a certain topic or specific emotional event. It is as if I can let go when that personal emotion has been documented in song...my song.

Songs have a way of taking a person back to a very specific point in time and putting them in exactly the same emotional state as when they were then. By creating my own songs, I am able to let go of some things much easier because I know if I ever want to go back, I simply pull that song out of my head and sing it to myself

One book that might well be responsible for my choice of real estate over music came as a personal revelation to me. The book was Nothing Down by Robert G. Allen. Allen had the audacity to suggest that I didn't need money to buy real estate (or to buy anything for that matter). Talk about timing? I had more nothing than anybody I knew! If nothing could buy real estate then I had enough nothing to buy the whole darn town over the weekend! I had nothing but nothing, so that book and I connected the minute I read the title.

Although I didn't agree with the author's propensity to over leverage, I was struck by the potential of creative thinking. It also taught me to ask many more questions during negotiations than I used to. The truth of the matter was this: I wouldn't actually take the power of Nothing Down as my own for another six years. Controlling real estate with little or no money is an easy concept to read about. It is very easy for their lips to say and for your ears to hear, but, it is a life altering revelation when you actually come to own the concept. Once you actually own the concept, there is no limit to what you can buy.

At Spencer Engineering, I was the brunt of a lot of jokes. I had my books and my tapes and everyone was a comedian. Last I heard, some of those guys are still there. During my travels I read a book called Self Made in America by John McCormack. That author pointed out something that impacted me so strongly that I could almost swear I felt the

revelation physically hit me with a thud. The book centered on the many immigrants who'd come to the USA with nothing, and I mean nothing, not even the language, and became financially independent in a relatively short period of time. Most of us born into this great country can't seem to get past buying designer clothes and all the luxuries available to us.

As the author pointed out, the reason was obvious. The immigrants were used to having nothing. Sleeping on the floor of the donut shop while they saved enough money to buy the donut shop didn't faze them. They were emotionally able to sacrifice at a tremendously higher level than all of us wimps born here smack dab on the corner of Freedom Drive and Opportunity Lane.

Not only that, immigrants recognized the opportunity offered in America as golden: a genuine gift sent from the heavens...the opportunity of a lifetime. Just like when I made that promise to the man upstairs, when I walked off of that showroom floor and on to that airplane to anywhere, those immigrants bound for success in McCormack's book were not going to squander the chance they'd been given. They came from places ruled in socialism or communism, even genocide...and now, here in the U.S. of A., they had a chance to control their own destiny.

Through Self-Made in America, John McCormack made me feel much better about the sacrifices I was making. Suddenly, I wasn't ashamed of sleeping in the back of that van in the freezing cold. I had finally culled myself from the herd. I had finally refused to travel with my nose in the butt of the cow in front of me. That was a good thing, not a bad thing. I was on the right track. The majority of the world had it all wrong this time, not me! I was choosing a road less traveled and man-o-man; Life was starting to smell a whole lot better!

I hope some day to meet Mr. McCormack. When I do, I'll tell him that his book made a difference in at least one person's life, mine! Self Made in America struck a chord way down inside of me and changed my shame into pride and conviction. It played an important roll in altering my life for the better. His lesson was there for me when I was ready to learn it. He explained exactly what I needed to know at that time, and I am grateful for Mr. McCormack's insight. If you know Mr. McCormack, tell him I'm looking forward to meeting him.

Chapter 13

ESCAPING THE DEBT TRAP

* * * In some parts of the world people believe that debt is part of the Devil's plan. I completely understand how they could feel that way.

It took me the better part of a year working on the road to pay off all the credit card debt I'd amassed. For months I simply sent my pay checks to Texas. Mom had volunteered to handle my mail and my bills. I'd asked her to pay out every penny I made towards my debts. I got to where I didn't ask how much further I had to go, and Mom got to where she didn't say. All I knew was; I was making enough money to make a difference.

Once I saw that I could do the job for Spencer Engineering and that I'd be gone so much of the time, I scuttled everything I didn't need or that cost me money every month. The company paid for all my rooms, food, and transportation. I sent every last dime I made home to pay my obligations. Every dime! It was hard. I worked, read, drove, ate, and slept. I put my head down and didn't look up. The less I thought about it the easier it was.

On the surface, my new job didn't pay all that much. What I found was that my new lifestyle, created by my job, allowed me to save money like I was making \$100,000 per year. Think about it. I only made \$45,000 per year, but I didn't need a place to live, I didn't need a car, I didn't pay for gasoline, I didn't pay for food or utilities. Many times I would be able to save money out of the per diem allotted for living expenses on the road. Not to mention, we worked all the time! I found when I worked long and hard, I usually had a bunch of money stacked up at the end of the pay period. Working this job had a dynamic I'd learned to recognize: The more I worked the less I spent. When I was working I wasn't spending. Many of the other guys seemed to find ways to blow their money, but I tried hard to save mine. Others would buy new cars or boats or take vacations that cost a fortune. I wanted my freedom. I was not going to settle for anything less than freedom. I wanted financial freedom. I'd been paying the price, and slowly I was beginning to see it working.

After about a year or so, in a routine call home, Mom announced she had very good news. She was excited and I could hear it in her voice. I'd about given up hope of ever being caught up on my bills, so I didn't suspect what she was about to tell me. She had been struggling right along with me all the while and she was so happy to finally say, "Honey, you don't owe anybody a penny. You are a free man."

I had escaped the debt trap and those words made me happier than I'd been in a long, long time. I had made up my mind to change things and slowly they were changing. I gave my Mom the next \$1,000 I made for helping me get through all those bills and for being there for me during the hardest part of my life to that date. She certainly never asked for any pay. She never does, nor does she ever expect any but I needed to give it

to her for my own reasons, and I was happy she accepted it. Dad was proud, too, and he let me know it. You can't put a price on that. You sure can't put a price on that.

On the road I began to realize that my former life and relations would've never been able to survive the sacrifices necessary to become debt free. Nor could I have accomplished such a feat in any reasonable length of time with all the expenses associated with a normal life of living and working (at least not on what I was capable of making at a job). I could sleep on the floor in a sleeping bag. If it were just me, it'd be no problem. But somehow I could never ask a wife or child to do that with me. During this time of personal soul searching, sacrifice, work, reinvention, and healing I was alone. I could do it by myself. Somehow this time alone was making me stronger. There was some little voice whispering, "You've made huge concessions. You've sacrificed. What you are doing is right. You deserve good things to happen to you."

Despite the obvious hardships, I have to admit, the first two years of traveling were exciting. The last three years took their toll. By the end of that career, I could hardly feel anything. In the name of financial success, I'd given up the need for personal affection and a sense of belonging and community. I'd been emotionally alone for so long that I was completely flat. In self defense, I'd learned not to get high and not to get low. I ran a constant medium. I worked when I had to work. I slept when I could work it in. I enjoyed the excitement of my travels at every opportunity. I went home when it was time to go home. I made it a point never to count the days, and so I didn't.

Chapter 14

THE DIFFERENCE BETWEEN HAM AND EGGS

* * * There's commitment...and then there's commitment.

In 1989, the tide started to turn. Inside I was beginning to smile back at those laughing at me with my satchel of tapes and CDs and books. I started to see how I could win at my own financial game if I set my own pace and did it my way. Who cared what anybody else thought? They could drive an expensive car or buy an airplane for all I cared. The masses could spend their money how ever they wanted and for whatever they wanted. I would not measure myself by those symbols of success. I wanted my freedom. I was alone, still relatively young and strong and getting my spirit back. I was thinking like an immigrant. I was full of hope and eager for what the future had in store for me.

I even began to pretend I was an immigrant. Thus, I started to become grateful for the opportunity instead of being ashamed of my position in society. Losing my former life and being alone on the road was truly a gift from God, and I was not going to waste it, not one minute of it. My check was coming in every Friday because I took and did the job I'd asked God for and was given. I had made a personal promise to myself and to the man upstairs and I was sticking to it, and that decision was transforming me from a boy to a man.

I was beginning to realize that extraordinary success calls for extraordinary sacrifices. The majority of the world does not understand the simple concept of sacrificing for the future. Therefore, it's even harder to sacrifice because you're going against the grain of everything the masses are doing. Regular people look at you like you're nuts. Now I had a different reason why I was glad no one I knew could see me during my years of personal struggle. I was sacrificing at a level they just wouldn't understand and, honestly, I would not have been able to explain it to them at the time. All I knew then was that I was where I needed to be. No matter how hard or uncomfortable it was. I still didn't have a clue as to how I would become successful, but I was ready to take on some type of challenge. Yes, I'd been reading about music and songwriting, but it seemed like too much of a fantasy. I could not get my arms around how people in the music business got paid: Three cents for every song played on the radio? Who keeps track of that? And how the heck would I be able to hold them accountable? I remembered my experience at Mitchell Striping and how hard it was to get compensated for work I had legitimately completed.

I'd been reading about real estate, and that business seemed to have an answer to the collection problem. If you didn't get paid, you simply kept the money your buyer had given you and took back the property so you could sell it again. Even I could understand that! I valued real estate's ability to make a person whole again. Nevertheless, I was still intimidated by the problems of time and distance created by my job. I'd been reading about controlling real estate without money, but I'd not come to own that concept in my heart yet. These thoughts led me to my next decision (right or wrong): I figured that building my home would be something I could commit to and handle.

By the late 80's, all my debt had been paid and I started to save some money. Every time I turned around I was putting at least another \$600-\$800 in the bank. Since I didn't know what I was meant to do with my life, I figured if I built my home one stick at a time with cash, it would be the same as putting money in the bank, maybe even appreciating more than money in the bank. I couldn't lose anything if I built a house...my home. I poured the slab in the summer of 1989. It was a beautiful day, and I was proud of the 32' x 70' concrete slab curing on the hillside. It had hardened just enough to walk on when Dad came to visit me.

DAD: Gott'er poured did you?

ME: Yes Sir!

DAD: How much did this cost you?

ME: \$8,356.72

DAD: Well, I'll be. How much do you have left?

ME: Exactly \$53.27 to my name.

DAD: You're the pig now, ain't ya?

The comment triggered that father/son power struggle thing we sometimes fall into when we are growing up.

ME: Pig?

DAD: Yeah. PIG! Do you ever order ham and eggs for breakfast?

ME: (agitated): Of course I've ordered ham and eggs before, Dad. What's that got to do with the price of tea in China?

DAD: Do you know the difference between the ham and the eggs?

ME: All right, Dad. What's the difference between the ham and the eggs?

DAD: The chicken is involved, the pig is committed. Son, you are the pig today. You are committed.

ME: (my agitation now replaced with pride, unable to stop an emerging smile): I guess I am. I'm the pig today. I'm dang sure the pig today! Dad put his arm around my neck, resting his wrist on my shoulder. Then, without looking at me, he calmly spoke.

DAD: You'll make it, Son.

ME: You sure?

DAD: I'm sure.

If you are a father, don't ever underestimate how powerful your show of confidence can be. I was scared, and he knew it. I was in way over my head, and he knew that too. One short sentence, "You'll make it Son," was exactly what I needed at that moment. It produced immediate and long-lasting courage. At least there were two people in the world who thought I could do it: Mom and Dad. If I credit my mother with my emotional survival during my adolescent trials and tribulations, then I must give my father credit for my backbone and my ability to take a blow and then stand back up. As I said earlier, he's a former Marine (if there is such a thing) and as tough as they come. He has been both tough and soft at the same time. As early as I can remember, my father placed little notes anywhere and everywhere for me to find when I was alone. Somewhere there is a stack of encouraging "I Love You" notes and letters at least ten miles high. Throughout my life, I would find those little notes under my pillow or in my suitcase or on the windshield of my car, in my chest of drawers, or in my closet amongst my clothes, in the pocket of my pants or my shirt, in my football helmet or in my shoe, I would find them. More often than not they were anecdotal or euphemisms, always ending with his undying belief in me. I recall one of my favorites;

*“There are no great men, just great challenges
that ordinary men are forced by circumstance to meet.”*

I see people in this world who've never had that kind of father in their lives and I can't imagine how they ever make it. I cannot imagine my life without this man who always let me know he loved me and that he was watching me and pulling for me, if even from a distance. Although those little notes don't come as often these days (and I am sure because I don't need them as much), he still leaves them for me from time to time. You can believe it or not but, as God is my witness, I got one from him today as I write this chapter. It is August 1st, 2008. I am forty-seven years old.

Chapter 15

HOW DO YOU EAT AN ELEPHANT?

* * *...One bite at a time.

I began to focus my extra energy and dream power on building my new home. It was a good diversion for me while I was on the road. I'd read home magazines and started paying attention to the different types of building materials and how much they cost, etc. I'd hit the road for ninety days, save my money, get my contractors lined up from afar, head home for ten days or so and try to get another step closer to actually getting the home livable.

I was building the place out of my pocket, one dollar at a time, one stick at a time, and it was not a very fast process. It was a big mistake not to use the power of leverage, but I'd just gotten out of a life of debt and I wasn't mentally prepared to owe anybody anything at that particular time. The task of building that house got overwhelming and I remember a few times being overwhelmed to the point of being paralyzed: So far to go and everything moving so slowly. There were times I thought it would never even get close to being finished.

Once the structure was dried in, things got really frustrating. Everything cost so much, and when I started adding it all up I'd get completely overwhelmed. I was about to throw my arms up when Mom suggested something to me. She suggested that I do the house just like I'd done everything else since I'd decided to change my life: One step at a time...and don't even think about the parts you're not working on.

From that day forward, I would pick one room or even one aspect of a room and stay with it until it was beautifully complete. I started with the master bedroom, so I would have at least one fully functional room in the house I could retreat to at night when the day's work was done. Mom's suggestion made a huge difference. I sought my reward not in the finished product but in every small job well done. Our elders hold a great deal of knowledge from their experiences. Some if it is so simple we just can't see it when we're young. How do you eat an elephant? One bite at a time!

I had finished the walls of my master bedroom. Next I finished the master bathroom and then the closets and then the floors and ceilings. When it was finished I was in heaven, as long as I didn't open the door to the living room and the rest of the house. It took me, and later us (my future wife and daughter), years to finish that house. You should see it today. It's almost finished! (It keeps improving.)

A lot of people pitched in to make that house livable. I'll use the word "livable" loosely because my family and I lived in this house for months on concrete floors when we could see every 2x4 in the walls and every 2x6 in the ceilings. When I started the sink was set into a piece of 4' x 8' plywood held up by raw wooden 4x4 legs. Some of the friends I'd made at Spencer Engineering lived in nearby San Antonio and came to wire the complete house in one weekend. It was winter and very cold, but they bundled up and knocked it out. Thanks to Steve, Kevin, Brian, and Tino (my Spencer buddies), heat came just in the nick of time. It was a cold winter that year, and I remember thinking how grateful I was that they'd helped me.

That Christmas, I simply couldn't wait for Santa Claus to arrive. For the first time in a long time, I actually got things I wanted, or better stated, things that I needed, and boy did I need a lot of things! Ceiling Fans. Door Knobs. Windows. Doors. Sinks. Faucets. You name it, I needed it! And let's not forget the tools! Tim the Tool Man had nothing on me come Christmas time. That was one of the things I was counting on when I poured that slab a few years back. I was counting on the idea that if people saw me with my head down working and sweating against impossible odds, somehow help would show up when I needed it. Taking on the task of building a home was a complete leap of faith. As it turned out, I never had to ask for help. People just tended to show up. I think it had a lot to do with the passion I had for the project. I'm also sure that it didn't hurt that, in the past, I'd tried my best to show up when others needed help.

My heart was still in ill repair but, by now, I was not daydreaming about winning anyone back. I was mourning through my music more or less and therapeutically documenting my lament in song. I was piling up a number of songs I needed to get off my chest. Songs I wanted get out of my head and committed to tape. I am fortunate enough to be able to create my music from within so I can do it while I'm driving or while I'm working, and sometimes, while I'm sleeping. I really wanted to hear what my art might sound like with a real production, talented players, and talented singers. It was a freshman effort and it showed, but the energy I got from seeing the art in my head developed into a full fledged, ready for sale, cassette tape gave me tremendous energy. Although the project was yet more work heaped upon my other work, it was a respite from the grinding thoughts of debt, money, and financial freedom. It was a labor of love, and I chose to steal the time. I'd get home from the studio tired in the wee hours of the morning but somehow invigorated and rejuvenated at the same time. While deep down I knew the money spent completing the album, *Some Fires Never Die*, would never come back, the dream of hearing my music overruled my fiscal side. I spent countless hours and \$10,000 on that project. It came at a time when I was saturated with the idea of making every penny count towards my independence, but I also instinctively

knew I had to take care of myself emotionally. I was hurting in that department, and my music seemed to subdue the pains that ailed me. Some people have a stack of therapist bills at the end of a relationship. I ended up with a cassette tape. It was money well spent as far as I was concerned. I don't mean to get sappy, but it is relevant to my story and everyone's story. In life, things we don't want to happen—happen. Fortunes get lost, loved ones pass, limbs get amputated, and hearts get broken. The point is this. I'm no different than anyone else.

During this time of personal and financial struggle and of self discovery and growth, I had my own personal crosses to bear, just like everyone else. The sun is going to come up in the morning. It is going to come up in the same place it always comes up. The sun is going to set. When it does, it will set in the same place it always sets. In between, we have the choice to sit down or stand up. For whatever reason, I was choosing to stand up. I was not, however, choosing to ignore my pain or bury it in negative ways. I was confronting it through my music. If everyone could get over their losses by writing songs we'd have a lot more music to listen to, instead of headlines about killings, suicides, and addictions.

It doesn't take a genius to see I was writing myself out of a hole. One day I was driving the Spencer Engineering van through the Dakotas by myself. It was about ten degrees below zero, windy and snowing so bad I couldn't see past the hood of my van. Just when I didn't think it could get any colder my cellular phone rang. It was a friend from San Antonio letting me know my first true love had just gotten married. And I thought it couldn't get any colder. Shoot!

(SCROLL DOWN)

SAY "I DO"

Written by Mitch Stephen

Say, "I do"
And don't think about thee others anymore
Or me and you, just set us aside
And live the rest of your life
Happily ever after, I'll hear your laughter
Every night

Walk that road of love
And don't take the byways
Walk it straight
Don't ever you look sideways
And live the rest of your life
Happily ever after, I'll hear your laughter...

But tell me won't you tell, if that road's too long
Tell me won't you tell me, if things don't turn out right
I shouldn't be sayin' these things
The night before your wedding night
But waiting's been a lifetime
I couldn't just let you pass me by

BRIDGE:

And I'll be there behind the last row
Watching as the rice gets thrown
And I swear I'm gonna wake up at night
To the sound of that march
And thee echo of the words

So say "I do"
And don't think about the others anymore
Or me and you, just set us aside
And live the rest of your life
Happily ever after, happily ever after
I'll hear your laughter, Ev'ry night

Listen: <http://www.REInvestorSummit.com/sayido.asp?music=on>
Sung by Kevin Hughes, Copyright 1987, Mitch Stephen, Lone Horse Publishing – BMI
www.REInvestorSummit.com

Chapter 16

YOU CAN'T PLAN EVERY THING

* * * Just when you start getting comfortable... Things will change. I think it's a law of some sort.

About two years into building my house, a lot of things were starting to change. I was seeing changes in the Texas real estate market, and my social life was starting to pick up. Life's opportunities were shifting on all fronts. In 1990, I drove a Spencer Engineering van to Dayton, Ohio, to meet with Steve Whitaker (the guy who'd hired me) to size up a job. Apparently we were about to rewire a six-story department store called Lazarus, and it was not at all what we were used to doing. A rewire for us usually consisted of two to six registers in stores like Foot Locker or The Gap. Those stores had modern mall construction. We'd use space above the standard hanging grid drop ceilings to run the wires from the registers (up front) to the controller in the manager's office (usually located in the back). Those were quick and simple jobs we did over and over hundreds of times. After previewing the job in Dayton, the word "overwhelmed" would be an understatement. The physical store stood six stories tall and took up one entire city block. The structure was a mix and mess of many, many old buildings mutated together over the past hundred years. Our mission: To connect 200 cash registers with phone lines spread out over six floors covering one city block, to the controllers located in a third-floor computer room. We retreated to a nearby T.G.I. Friday's to find out just how many beers it would take to figure out the logistics of that job.

It was about 5:00 p.m. when we arrived at the restaurant, and the local business crowd was filtering in. No sooner had we sat down at the bar when we heard the crash of glass hitting the floor and some hustle and bustle not far from our seats. Turns out, an inebriated man had just spilled a fancy cream drink all over a nice looking lady dressed in a blue silk business suit. The man was being obnoxious and, within seconds, we small band of Texans had maneuvered between the lady and her nemesis. Steve staved off the staggering patron while the manager and Tino (another Spencer man) hailed a cab and deported the menace in record time.

Meanwhile, I tackled the dubious job of helping the poor lady. My first effort was to help the deluged woman get some relief from the drink with which she'd been plastered. I couldn't help but notice how nicely she was dressed and just how beautiful she was. I guess she caught me staring at her wet torso because, when I looked up, she had that "you're so busted" look in her eyes. Since I was already, well, busted, I figured a little situational humor couldn't hurt. "Hi, my name is Mitch Stephen, and I own a dry cleaners store just down the road. If you'll take off your clothes and give'em to me, I'll have'em dry-cleaned and back to you in less than one hour—no charge!"

Luckily, she thought that was pretty funny. Her laughter was very contagious and soon we were both laughing. She was about to catch her breath when she asked me, "Do you really own a dry cleaners?" She and everyone else awaited my answer. I looked her straight in the eyes and, without saying a word, shook my head ever so slightly, No, and

the laughter started all over again. Shortly thereafter she left for the gym and a racquetball appointment, but before she did I managed to get her name and her business card. Her name was Phyllis Marsh.

The evening had just gotten started for the boys, though. We stayed on into the night eating and drinking and generally carrying on. The usual stuff you do when you're on the road with nothing else to do: telling jokes, talking to strangers, talking to the bartender, talking to the waitress, and every now and then talking about how in the heck we were going to tackle that huge Lazarus job downtown. I had been incessantly flipping that pretty lady's business card through my fingers all night long, but I guess it was about closing time when I stopped toying with the card and actually looked at it. Apparently Phyllis Marsh was the sales rep for a temporary service that supplied day labor workers to businesses in need. An idea hit me like a ton of bricks right then and there.

The next morning I made contact with Ms. Phyllis Marsh at her work place. Phyllis set up a meeting with the manager and another top-level corporate person, where we promptly worked out an agreement to obtain day labor services through her and the company. We would work closely together in the months to come. I also managed to talk Ms. Marsh into letting me join her in a friendly game of racquetball from time to time. She was an avid competitor and played religiously. I didn't tell the Spencer guys about these meetings for awhile. I kept these dates to myself and passed off my trips to the gym as just that, trips to the gym. It'd been a long time since my athletic days and my physical conditioning over the past ten plus years was, shall we say, less than stellar? I dreaded the actual game 'cause little Ms. Marsh would beat me like a drum for an hour and a half. It'd be everything I could do not to fall down from exhaustion. It was actually quite embarrassing for an ex-athlete like me. I didn't realize just how out of shape I really was. When the game finally ended, we'd get to what I considered to be the good part. We'd have a smoothie and talk.

One time the crew caught me returning from the gym with my racquetball racquet in hand.

CREW: How was the game?

ME: It was good.

CREW: Did you win?

ME: No.

CREW: What was the score?

ME: 21 to 2.

CREW: Wow. You really got creamed!

ME: Yep, pretty much.

CREW: Who'd you play?

ME: Phhh...PhhhTom...TOM.

I couldn't say "Phyllis" had beaten me so badly. I'd never hear the end of it!

Then one weekend off, the gang and I were at Creaser's Creek barbecuing. I'd invited Phyllis to come join us, but I didn't really expect her to show up. When she did arrive, I introduced her to everyone. "Gentlemen, I'd like you to meet TOM." The cat was out of the bag. Everyone knew who she was. "TOM" was really the lady we'd met at Friday's, and the person we were getting our laborers from. She was also the one beating the tar out of me in racquetball. I didn't hear the end of it for a long, long time! And Phyllis would never be Phyllis again. She was officially dubbed "Tommi" by the Texans and the nick name would stick for the rest of her life. (You know Texans love girls with guy's names!)

Before it was all over, Spencer Engineering ordered over \$100,000 worth of day laborer services; the Spencer crew and a pool of labor workers fitted over fifteen miles of cable into that Lazarus building, and I married that pretty lady, Phyllis "Tommi" Marsh on March 12th, 1991. Tommi and her daughter, Shannon, (now "our" daughter), moved to Texas. Tommi's son, Michael (a fine young man), was on his way to college and opted to stay near Ohio. There was a small wedding and I hit the road again. Tommi and Shannon would wait for me to come off the road for another three years.

Thank you for reading the first 100 pages of my book. I would be honored and deeply grateful if you would forward these 100 pages to any and all of your family and friends. Presenting a new book to the world is an ominous task and your effort in forwarding the news would be a tremendous help.

There are plenty more pages where these chapters come from.

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