



## Investor Update

### ROI Strategies

Steve and I want to thank you again for working with us through our unfortunate dealings with the Secretary of State office. As of the time of this writing, we have submitted all the recession letters to the state and are waiting their approval so we may move on with raising capital for ROI Strategies once again.

**I am proud to say all of the investors in ROI elected to remain investors and we appreciate the tremendous support we received.** As you know, Steve and I always strive to do the right thing, so it wasn't pleasant having to deal with that mix up.

In the end, we are actually glad it happened. It has forced us to tighten up our paperwork, gave us a better understanding of the myriad of complicated rules and thankfully it happened before we had 1,000 investors to make phone calls to, telling them we didn't file correctly.

We are giving up on Phoenix for a while.

The home values are right in our sweet spot but the potential homeowners we have attracted are not the quality we want. It is simply too time consuming to build a base of realtors in that market the way we have in Reno and Vegas, so our sole advertising has been Google Adwords. That is an effective tool in smaller markets but clearly not working there.

Fear not, we are in the process of switching our marketing to other cities that fit our guidelines. These would be the cities that were previously identified from our study

that look appealing for Lease 2 Owns and real estate investing in general.

Reno and Las Vegas continue to produce steadily. **In September, we completed 3 transactions and it looks as if October will produce 7.** The announcement of Tesla coming to Reno is truly great news and we should all be very proud they are here. We are of course concerned that as they staff up it will surely put a strain on our local real estate market. This may price us out of Northern Nevada as we still feel it is important to stay in the core market of \$250,000 or less. This is one more reason we continue our search for expansion markets.

This next subject is an important one that affects only our Nevada residents. I normally wouldn't put something like this in our update but it is extremely important and it needs to be addressed. **We urge everyone to vote "NO" on the Margin Tax #3.** Nevada prides itself as a business friendly state and that is continuing to payoff. More and more large and small businesses are looking to NV as a place they can profitably do business with lower taxes. Microsoft, Apple, Amazon and Tesla are just some of many.

The Margin Tax would be a disaster. It is based on gross receipts regardless if the business is profitable or not. How would you like to own a small business producing \$2M in income, have a loss for the year and still owe another \$40,000 in Margin Tax?

That one tax may certainly be enough for out-of-state businesses to not relocate here and may be enough for existing businesses to close their doors or leave. **Business is tough enough and anyone who argues otherwise is a government bureaucrat who has never run their own business.**

Instead, how about we ask the state to get their house in order and stay within their budget like we all have to or pay the consequences. Enough is enough.

On October 15<sup>th</sup> Steve and I leave for Seattle to present in the Fairway America Small Balance Real Estate Summit. This should be a spectacular event. **We are one of 25 presenters to a group of up to 175 accredited investors.**

The investors that attend will spend the first day learning about funds and how to perform their due diligence. The second day they will have the opportunity to see all 25 presenters and their investment strategies in one room. Each of us will be presenting for 10 minutes.

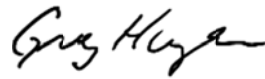
175 accredited investors seriously interested in Small Balance Real Estate funds all in one location... now that's exciting! Then it all wraps up with a big dinner on Saturday night with the Dallas Cowboys' Emmitt Smith as our speaker. We will give you an update on how it all goes.

Speaking of which, I will be doing another **free Lunch and Learn on October 30 at 11:30 in Reno, NV.** The topic will be on "How to Find and Pick Winning Alternative

Investments." If you would like to attend or know someone that would be interested, contact us at (775) 297-4977 or you can text the word "investor" to the number 95577 (you don't need 7 numbers) to RSVP. Lunch will be provided but you must RSVP.

Next month I will update everyone on my trip to the Equity University in Orlando, FL, put on by the self-direct IRA company, Equity Trust. I made contacts with a lot of smart real estate investors with various models and strategies that we may be able to incorporate over time with ROI Strategies.

Until next month,



Greg Hughes



Steve Sixberry