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Do a little homework before investing big bucks in those get-rich-quick real estate seminars



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A few weeks ago, a friend asked me to join her at a seminar being held at a Bethesda hotel about getting rich by owning multifamily buildings. My friend thought that, perhaps, we could learn something.

I have been in the real estate business long enough to know how to sniff out a scam. I agreed to go, only because I was curious to know how many other locals were still falling for “get rich quick” schemes, besides my friend.

Less than 10 minutes into the seminar, I was so upset that fire must have been shooting out of my ears and eyes. The presenter was promising that attendees would make millions, if they would just sign up for the \$3,500 boot camp.

When an attendee asked exactly how they would make millions, the presenter moved to the next presentation slide, which showed how much monthly cash flow we should expect in our first year.

After two decades as a self-taught real estate investor and a licensed agent, I know that finding investments that generate the kind of money they were promising is slim to none. It pained me to see so many people getting conned out of their hard-earned money.

But plenty of people of all ages, races, nationalities, religions and levels of education still fall for these big promises.

“I was one of those dummies that bought their boot camp package,” said Navin Goel, a Bethesda resident and aspiring real estate investor who attended a free local seminar four years ago with a friend.

“They spent the two days pitching us on their \$20,000 package,” Goel said, referring to the boot camp curriculum. “The presenter suggested that we pay with a credit card or put a lien on our homes to pay the fee.”

A quick Google search found plenty of websites and YouTube videos promoting “free” seminars, all touting their success at creating millionaires with their unique real estate investment strategies. There were testimonials from individuals — supposedly individuals who had attended their seminars — about their extraordinary financial success.

So, exactly what is their system for making us all millionaires?

Most of them continue to sell you on more seminars, during which they promise to unveil their proven and exclusive secret to success. Others promise to give you 24/7 direct access to a rich and successful guru, all for a one-time fee of (insert fee here).

“They seem to have the same model,” said Goel. “They are in the business of making themselves rich.”

Goel said he was promised a money-back guarantee if he was not satisfied. He has yet to see any of his money. He contacted the Maryland Attorney General’s Office after his experience and was told that he would have to pursue a civil case to get his money back.

Do real estate gurus need a real estate license to conduct a seminar?

“Talking about the industry or offering purported expertise in such a way as you describe would not appear to constitute the practice of real estate — e.g., selling, buying, leasing, renting or negotiating the purchase or exchange — and require a license,” said Mary Broz

Vaughan, director of communications of the Virginia Department of Professional and Occupational Regulation, in a recent email.

In my opinion, they should be required to have a license. I am required to hold an active real estate license in good standing to conduct business and I am required to meet the continuing education requirements of each jurisdiction, all of which I support and am happy to do. Why shouldn't they be required to do the same?

From what I could uncover, there seems to be no legislative oversight on these types of real estate seminars.

Goel says that he just recently purchased a foreclosed property.

"I learned everything from my attorney, real estate agent and by Googling for free," Goel said.

I recommend that, before opening your wallet to attend a real estate boot camp or seminar, search online for reviews. There are plenty of websites warning you of scams.