The Waterfall of Priorities: How to Stop Analyzing and Start Investing

The Entrust Group

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Today's Agenda

- Explaining the Problem
- Introducing the Waterfall of Priorities
- Covering the Strategy Scorecard
- Analyzing a Case Study
- Q&A Time

Meet Your Host

Munzer Ghosheh

- Over 22 Years at Entrust
- Provides Service and Support to new clients and Referral Partners
- CISP Certified

About Entrust

- Self-Directed IRA Administrators
- Knowledgeable Staff with CISP Certifications
- Monthly Educational Webinars

About Entrust

$6B
Assets Under Administration

24k+
Active Investors

45
Years of Service

1
Point of Contact

The Waterfall of Priorities

How to Stop Analyzing and Start Investing

Clarify your goals around income, wealth, and time freedom — then execute one priority at a time.

Presented by **Micheal Miller | The Everland Companies**

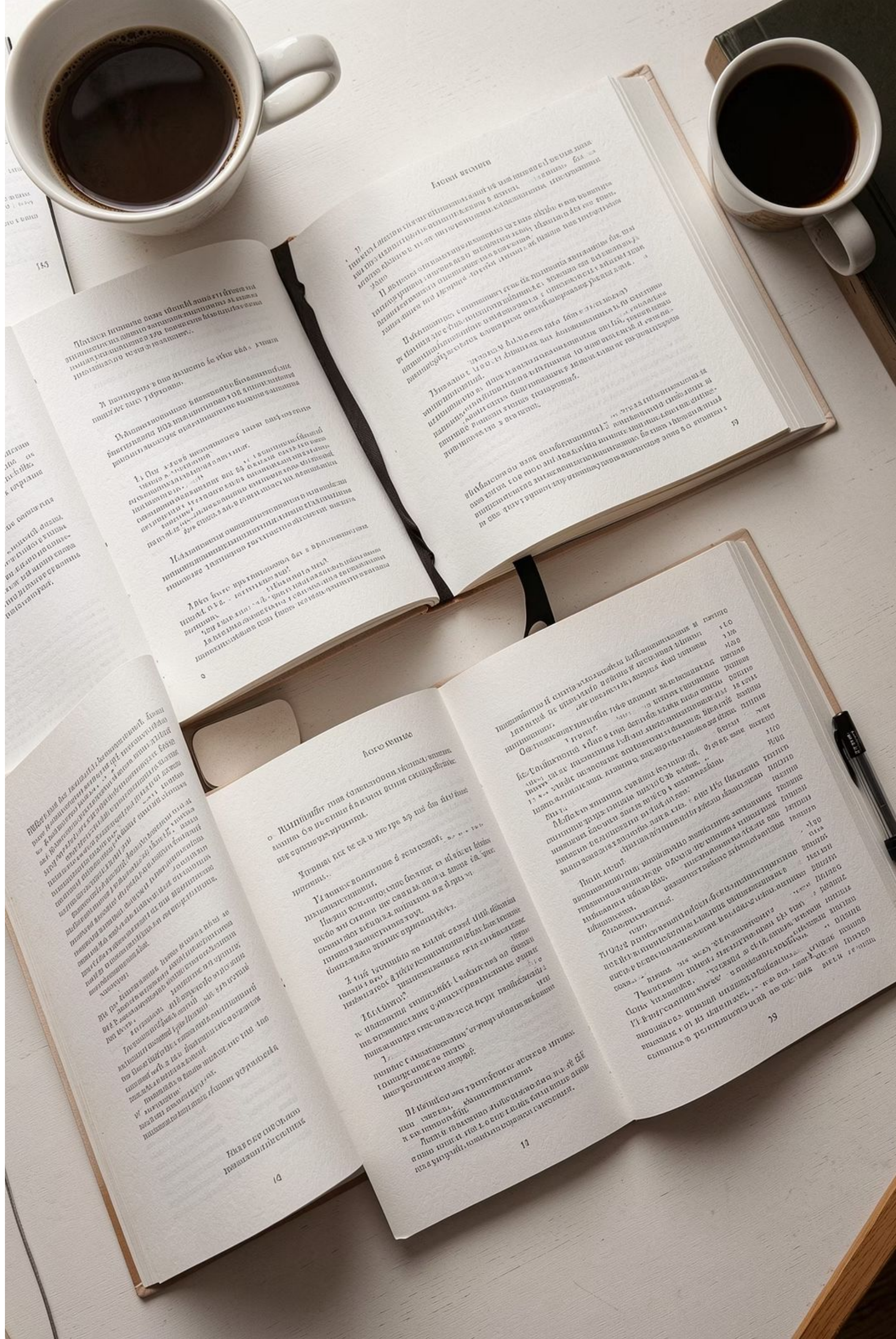
You Don't Have an Information Problem

You've read the books. Watched the webinars. Run the numbers on a hundred deals.

And you still haven't pulled the trigger.

That's not laziness. That's not a lack of intelligence.

That's **analysis paralysis** — and it has a specific, fixable cause.



Why Smart Investors Freeze

The real cause of indecision: competing objectives.

You're trying to find the ONE strategy that simultaneously:

- Pays you great income today
- Builds massive long-term wealth
- Requires almost none of your time

Here's the hard truth: that strategy does not exist. Chasing it is why you're stuck.

The Waterfall of Priorities - Definitions

A simple framework for cutting through the noise. Every real estate strategy serves three distinct objectives — and every investor must rank them in order of personal priority:

1 | 2 | 3

1. Active Income Today

Cash flow you can live on now

2. Wealth for Tomorrow

Long-term equity and legacy

3. Passivity

Time freedom as an asset

You can eventually have all three. But the way you build each one is different — and you build them **one at a time**.

Priority: Active Income Today

Replace or supplement your active income.

- Cash flow you can live on **this year**, not in a decade
- Speed to money matters more than long-term upside
- This is the priority for anyone who needs to escape a job, cover a gap, or fund their life now

> Ask yourself: do I need my investing to pay my bills in the next 12–24 months?

Priority: Wealth for Tomorrow

Long-term wealth and generational legacy.

- Wealth comes through **ownership** — equity, appreciation, debt paydown, tax advantages
- Net worth, not this month's paycheck
- This is the priority for anyone playing a 10, 20, 30-year game for their family

> Ask yourself: am I building something my kids inherit, or just an income stream for me?

Priority: Passivity

How much active effort am I putting into this strategy?

- Time freedom is its own asset class
- A strategy that pays well but consumes 50 hours a week is a **job**, not an investment
- This is the priority for anyone whose highest-value resource is their time

> Ask yourself: honestly, how many hours per week will I actually give this — this year, not in theory?

The Strategy Scorecard - Real Estate Edition

Three great strategies. Three completely different jobs. Pick based on **YOUR** ranking.

Strategy	Active Income	Wealth	Passivity
Fix & Flips	✅ Excellent	❌ Poor	❌ Poor
Rental Portfolio	🟡 Modest	✅ Excellent	🟡 Poor to Moderate
Private Lending / Passive	❌ Poor	🟡 Poor to Moderate	✅ Excellent

Fix & Flips: Great Income, Zero Ownership

- Flipping produces **excellent active income** — real, spendable checks
- But it does almost nothing for long-term wealth, because wealth comes through **ownership** — and a flipper sells the asset every time
- No equity compounding, no appreciation, no long-term tax advantages
- A flip is a well-paying job you created for yourself. That's not an insult — it's a tool. Use it for what it's for: **income today**.

Rentals: The Generational Wealth Cheat Code (That's Never Truly Passive)

- Building a rental portfolio today is arguably the closest thing to **guaranteed generational wealth**: appreciation, tenant-paid debt paydown, tax benefits, and equity your family inherits
- But let's be honest — managing a rental portfolio is **never truly passive**
- Even with a property manager, you're still the asset manager: refinances, capex decisions, turnovers, insurance, taxes
- Rentals buy your future. They cost you present-day effort. Know that going in.

Private Lending & Passive Investing: The Only Truly Passive Path

Lending private money or investing in other operators' deals and funds is the **only truly hands-off way** to invest in real estate.

Typical returns: **8–14%** on real estate deals.

The tradeoff: returns are more modest, and meaningful passive income requires a larger capital position.

Your money does the work. Your job is underwriting the operator, not the property.

No Tenants

Zero landlord headaches

No Contractors

No renovation stress

No 2am Calls

True time freedom

This Is Why You're Stuck

Indecision isn't a personality flaw — it's the **predictable result of unranked, competing objectives**.

When income, wealth, and passivity all feel equally important, every strategy looks wrong, because every strategy fails at least one of them.

⚠ Trying to optimize all three at once = zero progress on any of them.

The Fix: Clarify. Prioritize. Execute.

1	2	3
CLARIFY Define each objective — what does income, wealth, and passivity actually mean for you, in numbers?	**PRIORITIZE** Force-rank the three. Not "all of them." One, two, three. In order of personal priority.	**EXECUTE** One strategy, done well, until it's done its job. Then move down the waterfall.

> Sequence beats simultaneity. Every time.

How to Force-Rank Your Own Waterfall

Three honest questions:

1. **Do I need my investments to pay my bills within the next 12–24 months?**

   If yes, Active Income likely ranks #1.

2. **Is my real goal a number on my net worth statement 10+ years out — or something my kids inherit?**

   If yes, Wealth ranks high.

3. **How many hours a week can I truly commit — with my job, my family, my life as it actually is?**

   If the honest answer is "very few," Passivity belongs at the top.

Your ranking is personal. There is no wrong order — only an unranked one.

You Can Have All Three — In Sequence

The waterfall isn't about giving anything up forever. It's about **order of operations**.

Income First

Active income funds wealth later

Wealth Built

Wealth built today converts to passivity tomorrow

Capital Deployed

Capital earned actively becomes capital invested passively

Each priority, executed well, funds the next one down your waterfall.

Case Study: Flipping Your Way Out of Flipping

Profile: Investor whose #1 priority is Active Income Today — but who wants long-term wealth eventually.

The play:

1. **Years 1–2**
   Flip for income. Master one market, one buy box. Replace the W-2.

2. **Years 2–5**
   Keep converting flip profits into rentals — roughly one to two keepers a year instead of selling everything.

3. **Years 5–8**
   Rental cash flow and equity growth compound while flipping continues funding acquisitions.

4. **The Finish Line**
   Rental income covers the bills — and you don't have to flip anymore.

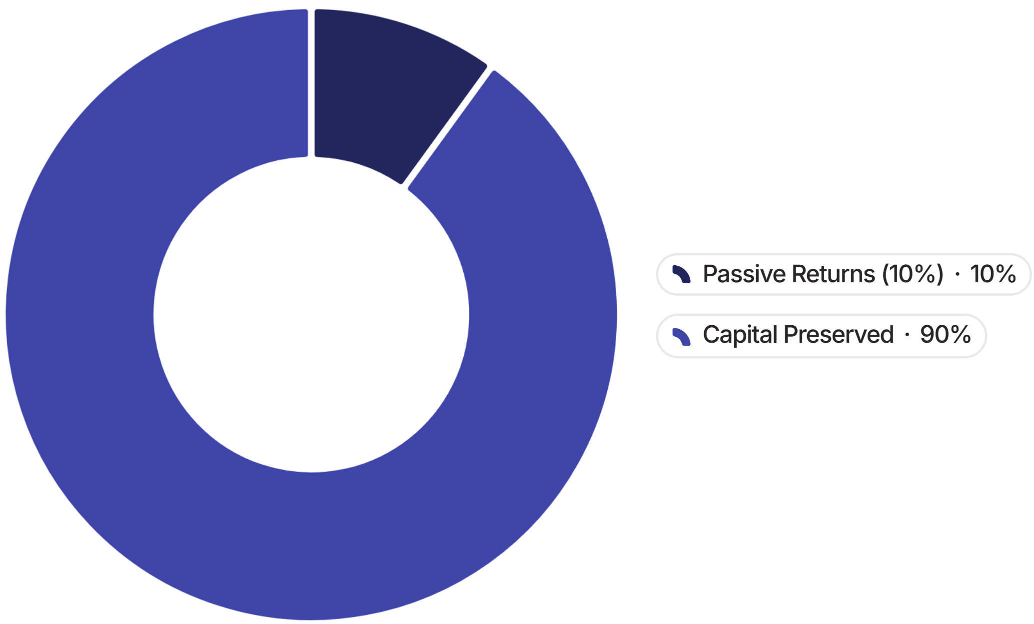
Income today literally purchased wealth for tomorrow.

Case Study: $500K Into Truly Passive Income

Profile: Investor whose #1 priority is Passivity — capital available, time scarce.

The play:

- Place $500,000 into vetted deals or a fund as a private lender or passive investor
- At a **10% average return** — right in the typical 8–14% range for real estate deals — that's **$50,000 a year** in truly passive income
- No tenants. No contractors. No 2am calls.
- The work happens up front: underwriting the operator, the deal structure, and the protections — then the capital does the rest



The Mistakes That Keep Investors Stuck

Strategy Hopping

Switching lanes every 6 months means restarting the learning curve every 6 months.

Optimizing for All Three at Once

Guarantees mediocrity at each.

Ranking by What's Exciting Instead of What's True

Your waterfall should match your real life, not your Instagram feed.

Waiting for Certainty

Clarity comes *from* execution, not before it.

Your Homework Tonight

Before you close your laptop:

Write It Down

Write down your three priorities in order — commit to the ranking.

Define Priority #1

As a number: monthly income target, net worth target, or max hours/week.

Name the Strategy

Name the ONE strategy that serves that priority.

Take Action

Take one concrete action on it this week.

Indecision ends the moment your priorities have an order.

Wanna Connect?

Let's keep the conversation going.

Micheal Miller - @mainstreetmiller

Email: **miller@teameverland.com**

Lets Connect @mainstreetmiller on Instagram or Dead Presidents Club Podcast on Youtube

Whether you're ranking your waterfall for the first time or ready to execute on priority #1 — reach out.

Let’s Wrap Up

Getting Started in 3 steps

Open an
Entrust Account

Fund Your
Account

Direct Custodian
to **Purchase**
Your Asset

What's Next?

Sending you replay & additional resources

Our follow-up email will include video replay, slides, and more education

Register for September's Webinar

State of the Union for Real Estate Investors

What's Next?

Need more information on SDIRAs?

Visit our website and Learning Center

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Question & Answer Session

Stay Connected

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