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*Tales and Tactics from an Entrepreneur's
Life of Winning Deals, Succeeding
in Business, and Creating
a Fortune from Scratch*

**R. Donahue Peebles
with J. P. Faber**



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❖ *Prologue* ❖

I was not born with a silver spoon in my mouth. I came from what most people would describe as a middle-class home, an only child in a one-parent household. But by the time I was twenty-seven I was a multimillionaire, and by the time I was forty-five I was worth more than a quarter of a billion dollars.

This book is the story of how I created that wealth, beginning with nothing. It is also a book about how to get rich, following the principles I learned over more than two decades of building my personal fortune. It is the breakdown of the deals that created that fortune and how I won those deals. It is a handbook of tales and tactics for a twenty-first-century entrepreneur.

Perhaps not everybody wants to get rich, but I would say that this particular desire is somewhere close to the core of the American dream. I know that I wanted to be rich when I was young. I wanted to achieve a financial stability that would free me from the worries over money that I experienced growing up. I wanted to leave that field of gravity forever.

My dream came true with my first big deal, when I was twenty-seven, which turned me into a multimillionaire. I have since consummated deals that dwarf my first win, but I have never had that same feeling.

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I remember that day vividly, when I signed a letter of intent with the city of Washington, D.C., to develop an office building on Martin Luther King Avenue. The bricks and mortar were still to come, but that document meant I would own half of a multimillion-dollar project and would be receiving a mid-six-figure income annually for decades to come.

When I returned to my apartment, at about eight o'clock, a group of my friends were there. To celebrate, my girlfriend had gotten a cake from the Watergate Bakery, a white chocolate mousse cake, and a few bottles of champagne. It was a moment worthy of celebration, a breakthrough moment, the biggest event of my business career to date. It meant that my financial future was set from that moment on. I could quit right there if I wanted to; making half a million a year was more than I'd ever envisioned as a kid, when I was a teenager living with my mother and helping her make ends meet.

That night, lying in bed, I thought about it all. I thought back to how I was so impressed in high school when I learned that Walt Frazier was making \$300,000 a year playing basketball. I'd wished that one day I could do that, and here I was, on my way to making more than that. It was just such a sense of relief. I was done. I didn't have to do another thing except make sure the construction company actually built the building. What a great moment.

It was more than just the money too. In that moment I was vindicated: The road that I had taken—to quit college after one year, to forgo the pursuit of a medical career in favor of real estate—had proven to be the correct one. The risks had paid off. As I lay in bed I even calculated how many years I would have been in medical school, followed

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by an internship and residency. At that point I would have been in my first year of internship, struggling financially. Now, with one deal, I was going to make more money each year than top doctors.

It was a bigger moment for me, perhaps, than someone from another background. I did not come from poverty or ignorance, but neither did I come from affluence, the kind that allows children to enjoy a sense of indifference about money. My mother and I had been on our own since she and my father divorced when I was five years old. Although my father was gainfully employed as a government clerk and auto mechanic, he never supported us. My mother did that, through a variety of jobs in the industry that I would end up choosing: real estate. She worked variously as a secretary, a broker, and a midlevel executive at Fannie Mae. We lived mostly in and around Washington, D.C., with a couple of years in Detroit, and our fortunes went up and down as her career changed. We did very well in Detroit, for example, when she had her own real estate brokerage. Later, when we moved back to Washington, she was a secretary again, and again we had to worry about money.

My point is that from the age of thirteen on I was aware of our financial limitations, about being able to afford the necessities of rent, groceries, and school clothes, and from that age on I wanted to make sure I could avoid those same worries when I became an adult. Fortunately, my mother was a very bright woman. Both she and the other members of my extended family—especially my grandfather, a hotel doorman who sent four of his five daughters to college—believed there were no limitations to what I could achieve in life. They gave me a great sense of self-confidence and ambition, and did the sorts of things, like

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my mother teaching me to play chess when I was in grammar school, that pay off so handsomely in later years.

This book is not an autobiography, however, except to the extent that such information helps readers understand that I entered the economic jungle with no resources beyond my native smarts, a decent education, and a good family background. This book is rather about the methodology of creating success and wealth and an explication of those methods.

I know I have had my fair share of good fortune, and I am thankful for it. But I believe the principles that guided me are principles that can help anyone to achieve success. I don't believe you need to be born with any special advantages, or any special instincts, other than a basic amount of intelligence and a drive to succeed.

I have written this book to share my principles with those who also aspire to make something of their lives in this land of opportunity called America. I do a lot of public speaking, and what I try above all to convey is the idea that the number-one challenge of the entrepreneur is *belief*. If you believe in yourself, and believe that anything is possible, then the road to success is wide open.

What follows in this book are the deals that took me from a wage earner to a world shaker, from a single man in a tiny apartment to a happily married man with a loving family and a substantial fortune. I learned something from each one of the deals I describe, as I hope you will. While the profession I chose was real estate, I believe that the same principles apply to any entrepreneurial endeavor.

Many people will say you have to be lucky to get rich, and I agree. But understand that luck, as a dear friend and

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mentor once told me, is “where opportunity and preparation merge.” This is the kind of luck required to be a successful entrepreneur. My hope is that this book will give you the principles you need to prepare for the opportunities that will undoubtedly cross your path.

Good luck to you all. May the next big deal be yours.

