estate gurus to tell us how to become financially independent by buying real estate, principally single-family homes with little or no down payment.

He wrote a second book on how to manage real estate in your spare time, and then updated the first book to reflect the creative-financing potential that developed as interest rates soared.

Now Simon & Schuster, New York, has published the third in the series, "Hidden Fortunes: How to Profit from the New Opportunities of the 1980s." ($16.95) It gets into a lot more detail than its predecessors on all aspects of real-estate acquisition, management and topics such as avoiding bankruptcy and how to find a buyer when you're ready to sell.

Even the author in a recent visit describes this latest work as "harder."

Lowry said it took 2½ years to write (actually he dictated) this latest "how to" textbook, which addresses realistically some of the difficulties which have to be overcome in today's complicated real-estate market.

years ago aren't likely today. But he also believes in the cycle that dictates what's down will come up, indicating that now is a good time to get involved as an investor.

"As for the hard times talk, remember that hard times are when most fortunes are made," he commented.

Lowry spends a lot of time in the book dealing with distressed owners and how to negotiate without feeling too uncomfortable. He includes practical advice on such property, including what to do if an owner can't decide, how and what pressure to apply, plus a lot of the basics of such deals.

Lowry urges conservative investors to stop being overly cautious.

"There are times when we need to say to ourselves, 'to hell with caution, let's try something new.' I think this is such a time for you, if you're hesitating to make your first venture into real

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Bellevue man has left his prints on road to success

by **Boyd Burchard**
Times business reporter

C. Edward Springman

At 47, C. Edward Springman is a self-made millionaire.

He is a good example of how someone gets into real estate in a small way and builds it into a solid business. And he is a living proof that most fortunes are made in hard times.

Springman owns Sherron Associates in his own new building on Northup Way in Bellevue. His company shares interests in and manages 33 apartment buildings with about 2,500 units. The buildings are owned variously with about 200 happy investor partners. He's made a lot of money for many of them and himself.

The property-investment-and-landlord business wasn't Springman's original aim. "I backed into it full speed about 15 years ago," he says.

After college in 1960 he took a sales job with Alcoa and was sent to Seattle. He soon switched to selling IBM computers for more income and dabbled in real estate on the side.

His first buys were a dilapidated duplex on Mercer Island and raw land that he and his wife and two sons upgraded and maintained. The sons, now in their 20s, still hate landscaping work with a passion.

Springman quit IBM in 1969 to become an apartment-house sales manager with West and Wheeler. That lasted five months, and he quit to sell electronics for a steadier income — but not before he had made an important business visit to Dr. Milton G. Radewan, a Wenatchee opthalmologist.

It was a meeting that led to millions of dollars of future partnership investments for Springman, and the founding, in 1976, of Sherron Associates.

Radewan was a frustrated investor who had lost money in a mutual fund and an oil exploration deal. He saw potential for profit and tax shelter in real estate and called West & Wheeler in Seattle for help.

The call was handed to Springman, who remembers well his November snowstorm trip over Snoqualmie Pass. Radewan liked real estate but declined to buy an apartment house Springman considered an excellent investment.

"He was smart enough to realize," Springman says, "that he didn't know how to manage the thing. So finally I said I'd buy 10 percent of it and manage it."

That did it. They bought the building with $35,000 down. Radewan bought 65 percent, another doctor 25 percent and Springman 10 percent.

The sale price was $395,000. Seven years later, the partners sold the building for $550,000, and Radewan's profit was about $124,000.

Not that it was all smooth sailing. The Boeing Co. laid off 60,000 people and the Seattle economy became a disaster in 1970. Many renters couldn't.

Springman's apartments weren't breaking even, and he kept his traveling job. Rather than hiring help, he and his wife and sons did the upgrading and maintenance. Rents had to be reduced to keep the units full, but Springman's energy-and-growing management expertise began to pay off. Although there was no cash flow, the buildings began to break even.

"At the time," Springman recalls, "building

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Inflati

Bank r

arthritis drug, Oraflex, after new information emerged this year to indicate that Lilly and

"respectfully decline to accept the distinction.

a three-month injectible contraceptive that is a suspected carcinogen in humans."

Bellevue man managed his way to millions

SPRINGMAN

continued from C 1

owners were offering to sell for 10 percent down or just closing costs down. Realtors couldn't sell anything to anybody."

But he still considered Seattle "a fantastic place" and reasoned that the economy had to improve. He suggested to Radewan that they buy more fix-up buildings at bargain terms and eventually make a lot of money. Radewan went along.

Springman put $19,000 of the doctor's money into a 16-unit building, and, as with many subsequent investments, it paid off. Eventual return on Radewan's $19,000 was $144,700.

Seattleites still wanted to sell, and Springman, Radewan and an increasing number of doctors and other partners who learned about Springman by word of mouth kept on buying — at terms like 10 percent down with 20-year financing.

Each partnership, then and now, has been general, not limited, with each individual having a share proportionate to his investment. Springman does the finding, negotiating and putting-together and gets 5 percent of the value of the property payable from cash flow over 60 months. If there's no cash flow, there's no fee.

Sherron Associates, which employs five property managers and has two key assistants to Springman, also manages and maintains the properties for 5 percent of the gross.

The best deal, he says, was a 450-unit building in Denver that he and six partners bought for $5.5 million in 1976 and on which they've spent about $450,000 for upgrading. They're closing a sale of the building in 1984 for $16 million.

Springman doesn't compete with big syndicators who want "pride-of-ownership" buildings, pay high market prices and hold for future price increases. Prices of such properties are out of sight, he says, because there are too many dollars chasing too few properties.

His own operating philosophy is: "You make your profit when you buy. I don't buy at market value and count on inflation for my profit.

"Typically, I buy a property that has had management problems, deferred maintenance, is bankrupt or has had some other type of difficulty. If I can find one that has been abused, has a poor tenant profile and poor operating history, then I can add something by providing good management.

"Our operation is a small window in the business."

Most of Springman's partners are invested in more than one deal. He doesn't advertise. He's had a couple of purchases go sour, but his overall record is so good that he has a waiting list for future investments.

He merely has to pass the word of a potential buy, and it's quickly fully subscribed.

He practices hi this year spendin $6.5 million in including one deal midst of negotiatin

The Reno-base believes creative continue to be an i of real-estate in means we'll have understand the qui