



# REAL ESTATE INVESTING MASTERY

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Real Estate Investing Podcast Episode # 81

## **Which Do You Have, a Business or a Job? Learn to Focus on Your Strengths (and Build a Team for the Rest)**

*Hosted by: Shaun McCloskey with Joe McCall*

**Joe:**

Welcome. This is the real estate investing mastery podcast. Hey everybody, welcome to the real estate investing mastery podcast. I have another interview. We just released another previous interview I did with JP Moses. This was another interview I did with a friend of mine Shaun McCloskey for the Lifeonaire insiders coaching group.

Now, you've heard me talk about Lifeonaire before. I've interviewed Shaun McCloskey and Steve Cook on this podcast before. I love Lifeonaire. They have a really, really good book. You've got a go to Amazon or go to lifeonaire.com and by their book. It'll change your life. Lifeonaire has been a huge influence on me and my life.

Anyway, Shaun asked me if they can interview me for one of their group coaching calls. This was last minute. I said, "Yeah, sure." I thought it was a pretty good recording. Feedback was really, really good on it. We are including that interview here. It's like a group coaching call warts and all.

None of this stuff was prepared in advance and hopefully it's not too long and I didn't say anything stupid. I have not even listened to this thing back, so I'm crossing my fingers and hoping that's okay. But I think it is because again, the feedback from it was really good. It's about an hour and half long. I think you're going to get a lot out of it. Even if you just get one or 2 things out of it, that'll probably make it worth it right? Few things I just wanted to mention as well. Go to realestateinvestingmastery.com. Check out our fast cash survival kit. We got a lot of cool stuff on there. We're starting to do more content. We're starting to do more videos. You're going to hear me talking more and more in future upcoming episodes about our book Brilliant at the Basics.



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Basically my business partner and I Peter, we want to do more deals and we created a partnering program. It's not coaching. Basically we want to do more deals and so we are looking for folks that get a lot of deals but they need some ... They want to do more or even if you're beginning, that's fine but we want to do more deals. We will set up your systems. We will do your marketing for you. There is an upfront fee that's required. We do ask that you pay this fee. You do have to be able to afford marketing every month. It's a serious program. It's not for everybody but regardless, if you ever do work with us or not, this book you'll get a lot out of it. It's called Being Brilliant at the Basics.

It's about just keeping the business simple, being brilliant at the basics and it's free, you just pay shipping and handling. You can get more information about this book at [freebasicbook.com](http://freebasicbook.com). Again, that's [www.freebasicbook.com](http://www.freebasicbook.com). I think you'll get a lot out of it.

The podcast website is [realestateinvestingmastery.com](http://realestateinvestingmastery.com). Listen, if you like this stuff, if you're getting any value out of it, will you please leave us a review in iTunes. I have not been asking for reviews as much as I should be for our podcast on iTunes. We really, really do appreciate your feedback. It helps with the rankings. I think if you like the show, just do us a favor, leave a review. If you don't like the show, leave us a review anyway. We'd like to hear what you think of it. Let's see what else. Yeah, if you like Lifeonaire, I want to highly recommend go to their website, [Lifeonaire.com](http://Lifeonaire.com), L-I-F-E-O-N-A-I-R-E, I think. Just Google Lifeonaire however you want to spell it and you'll probably find it but they have a really good book. You got to check it out and I hope you enjoy this interview, okay? Take care.

**Shaun:** All right, welcome everybody. I hit the recorder button. We are now recording. Actually there's about a dozen or so people on the line and more people coming in so there'll probably be some late minute stragglers. This call this morning is our life center call. I just talked to Joe McCall yesterday over text messages and chatting a little bit. He just got back from this unbelievable 10 week trip and I thought man, what better call to interview him and see how he is running his entire life and business from the road than our life center call.

This morning, I'm going to start out the call interviewing Joe for a little bit then we're going to open it up after Joe's finished for questions and then we'll open it up for any of your own personal challenges or any questions you have or personal stuff, life or business after we're done with that. I thought it's pretty fitting for this morning to cause every time I talk to Joe, it's like he's in a different part of the country and if any of you follow Joe on Facebook at all, you



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probably seen some of the pictures he takes from Yosemite and all these unbelievable national parks in Alaska and all the stuff. I'm not going to tell all about it, I want you to hear that from him but welcome Joe. How are you man?

**Joe:** Awesome Shaun. I'm glad to be back actually.

**Shaun:** Thanks. Are you?

**Joe:** Yeah, I am glad to be back. We've been gone quite a while, about 10 weeks. We were torn. We wanted to come back and we didn't and glad to be back. Living in the little 400 ft.<sup>2</sup> camper with our family, wife and 4 kids and a dog makes you really appreciate the things in life that we have here in the United States. I'm not saying we were living in poverty but you have to think about things like electricity and water and where you're going to go to the bathroom, things like that.

I mean I'm not trying to make light of people who really are living in poverty. We were camping and some would call it glamping because we had a nice camper and we had hot water, we had a microwave. We had satellite TV. We had a stove in the kitchen and even an outdoor kitchen. We had 2 refrigerators in this thing so this camper's really big. It's really nice. It's only a few months old. A lot of the campgrounds we went to had no utility hookups and so we had to use generators. We had a limited supply of water. Whenever we would have our waste tanks would get full, we have to find a way to dump it. It was a full-time job taking care of that stuff. Right?

**Shaun:** Just dump it all in the highway, that's no problem. Right?

**Joe:** Right. When we get home, my goodness, you have an unlimited supply of electricity. You can let the water ... Because when you take a shower in a camper, you got to rinse yourself off. You only have a limited amount of hot water, you rinse yourself off and then you turn the water off and you soap yourself and then you turn it on again to rinse it. Try training 8 and 10-year-old kids to do that. Here you come back to the states, I mean back to home and you can take a long shower, have almost unlimited hot water and you don't have to hurry. It's amazing. When you flush the toilet, you could almost flush anything you want. I know it's a horrible analogy because here's Steve Cook in Walla Walla ...

**Shaun:** I want to preface real quick before you get too much into this. For those of you that don't know Joe McCall, he is a real estate investor and he speaks every now and then and he's got an info marketing business and teaches other people how to do wholesale and lease options. One of



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the things Joe was talking about last year, actually 2 years ago now is that he would like to be a little bit more mobile in his business. He would like to start being able to do what he does but not ... first of all not have to do it every single day but second of all, be able to do it from anywhere in the world. A couple of years ago, he did this trip out to Prague. How long did you spend out there?

**Joe:** We were in the Czech Republic for 2 months.

**Shaun:** For 2 months so what he found is that he's actually ... Weren't you even more profitable when you were in Prague for that 2 months than you were back home because it kind of forced to be productive during the hours that you did work, right?

**Joe:** Yeah, especially I mean did I make more money? I don't know. But I tell you my dollar per hour was definitely higher because I only worked a couple hours a day. The same with this trip and I'll talk about that later here too. I didn't work as much as I had hoped or as I wanted to because it was kind of a working vacation. It was just hard to get Internet service wherever we were. I owe so much to Lifeonaire. Here's Steve Cook in the middle of Guatemala and these guys really do have a problem with water and sanitary conditions. I don't mean to make light of what real people, real poor people like 99% of the world are going through.

We had a really, really nice luxurious camper. Coming back here really makes you have a different perspective like we were living in this 400 ft.<sup>2</sup> house for 2 and half months and we come back here to our huge ... It's almost 5000, 5500 ft.<sup>2</sup> house if you count the finished basement. We have so much junk and we have so much excess. It's kind of disturbing.

We were talking a lot about do we really wanted go back to all that? I mean it takes 10 minutes to clean our entire house while we're camping. I can sweep and mop the entire floor on my hands and knees in 5 minutes with a wet paper towel. It's like oh man we were kind of like not looking forward to coming back to our nice suburban clean bubble that we live in. That was really eye-opening but I owe a lot of this to Lifeonaire because I was in Lifeonaire when it started and I've have always had, ever since we started, we had this first exercise of creating a vision for your life and then designing your business around that.

I always thought man it would be so cool to have this thing called lifestyle independence or lifestyle freedom where I can live and work where ever I want and if we just want to pick up and



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go, we can go. A year or 2 ago, we went to Europe for a couple months. I was doing deals while we were there and then on this last trip, we went for a couple months and nothing really changed. I had my team in St. Louis and my virtual assistants in the Philippines do all the work for me. I don't know if Jason Roberts is on the call but I've learned a lot from him too. I think you said this Shaun, Jason takes a look at his entire list of things to do and asks himself how can I get someone else to do all of this for me. That's what I've tried to do and that's what really allowed me to go on this kind of trip and still work.

**Shaun:**

That's awesome. Jason does say that with a little twist. I think he says how can I not do any of this, which is kind of the same thing. The slight difference of the question is sometimes things just get taken off the list because he doesn't want to do them and he doesn't even want to outsource them and sometimes he realizes that they're not even important but yeah man, I love that. That's really important.

Can you tell us a little bit, so it sounds really cool to go traveling around and a lot of people are not in that position yet and you weren't either just a couple of years ago. What kind of things would somebody have to put in place? That may or may not be everybody's vision and let me just clarify real quick because you have kids, you got your dog, you got everybody on this thing. I want to ask you about your business here in a second, but did it get cramped at all? Were you sometimes at a point where you're like, "Man, I got to have my own space," or was 10 weeks enough? Is this something that you would want to do full-time? Give me an idea about that.

**Joe:**

It did get cramped at first but then you get used to it. It's funny, on this trip, we were closer as a family than we've ever been. At home, we have a big king-sized bed and in the camper, my wife and I sleep in the little queen sized bed, I mean "queen sized bed". The kids all shared one room in the camper. The back of the room at the camper has 4 bunk beds in there.

Looking back, they didn't have a ton of toys so they played with each other a lot. My wife and I, we did buy a satellite ... You can buy a satellite portable satellite TV and you pay by the month. I did subscribe to that but literally on the 10 weeks, we probably only watched TV with that satellite 2 or 3 times because you got a campfire to look at. You got the stars to gaze at. We always were out doing things and looking at things. We get home late and we're just too tired to watch TV so we would go to bed. We played games. I read more books than I have in a while.



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You get a little cramped at first because you're used to your big comfortable lifestyle and now you're forced to live in a small little place with your family. Guess what? It forces you to be closer to each other and that's one of the reasons why it was so hard to come back in the sense that we're going to miss that closeness that we had. Even though I work from home and I have ... I say I have 3 offices. I have an office at home and the office where we share a space and an office at Starbucks.

Even working at home, it's nice but here I am in the little finished office in the corner of our basement. There, I was working out underneath these huge redwood pine trees on a picnic bench somewhere. It just makes you appreciate the things that we have a lot more. I think we definitely want to do it again. It takes some time getting used to but once you're used to it, you're like this is really cool. I don't think we could do it for a full year. That would be a little too much I think. But yeah, there's people that have. We met people that do it and I know some friends, some good friends that do it.

We do homeschool our older kids. The homeschooling is not for everybody. If you have children and you have to homeschool, we got awesome curriculum that we use with our kids. It's faith-based and it's really awesome, it just makes it so much easy, it makes it really easy for my wife to do this homeschooling with them because the curriculum is so good.

Honestly, we're wanting to do it again and we are even talking about going back to Europe for maybe 3 to 6 months in 2015 next year. But from a life perspective, it's so important and why am I excited about being on this call is because Lifeonaire helped me map out a vision for my life. I want to hang out with my kids. I want to see the world. I want to see the United States with my family as much as I can before I retire, if I ever retire.

I don't to wait until I'm 65 to be able to buy a motorhome and travel around the country and see old the state parks, national parks. I don't wait until I am retired "to go see the world". Why not see it now? Why not take our kids now to go see this stuff? What kind of memories are they going to have from these kinds of trips? I hope they're not arrogant and proud because we are ... We did this trip because I've been very successful in my business, really kind of turned around in the last couple of years but our transmission blew out 2 days into the trip. It was about 7 grand. I have this really expensive Ford Excursion diesel. It's not cheap to replace parts on this thing. Our transmission was 7 grand to replace and we didn't have much choice and I wasn't going to



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go back home so we're going to finish this trip come hell or high water and so I had to pay 7 grand to fix this transmission.

**Shaun:** We are going to have fun. Dang it.

**Joe:** Yes.

**Shaun:** It's like the vacation movie. Something goes wrong and they're like, "Dang it! We're going to have fun."

**Joe:** Right. The cool thing about that is that we were at the best campground for the kids. They had a blast that week. We rented dune buggies. We went flying on this dune buggy through the mud on this off-road trails. We got soaked in mud, the kids played in the pool, they played on these huge waterslides and jump pillows. We did a lot of cool hiking.

In the midst of this adversity, we got this transmission fixed and we paid cash for it. Just the peace of mind that okay here we are, we're going to embark on this journey and his terrible thing happens. It dawned on me like you know what, I don't have to put this on a credit card. I can just take care of it and go. It was awesome because a few years ago, we started creating a vision, saying we want to do this. How can we do it? Instead of asking ourselves, man that would be cool to do that, how could I ever afford to do that? We started asking ourselves how can we afford to do this. How can I start setting up my business so that we can take these kind of trips and creating that business plan around your vision to do that.

**Shaun:** That's pretty awesome man. For those of you that don't know Joe and think well it's easy for him. He's got successful business now. Listen, I started with Joe, I mean back in probably 08, he hadn't even done a deal yet. It's not like you've been doing this 20 years and was born with a silver spoon in his mouth. He struggled in the beginning and he fought and he did all the same things that everybody does when they start their own business. He had some hiccups in the beginning. He had deals that he lost money on. He had stuff that he screwed up in the beginning too but he has persevered, he's developed his vision and he said hey this something that's really important to me. I want to figure out a way to make it happen. Now it has. Can you give us some ideas-

**Joe:** Let me clarify something too Shaun. I probably get 50% of my income from deals and 50% of my income from teaching and coaching. Sometimes it's 25% deals and sometimes it's 75% teaching



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and coaching. I really, really loved doing that. It's part of my vision. I really enjoy that. But if I was doing just 100% deals, I can still do this kinds of trips. I don't want people to think that well Joe's doing that because he's teaching and coaching. Teaching and coaching can be very lucrative. I think it's Robert Alan, he said, I've made millions doing deals and tens of millions teaching people how to do deals. It can be very lucrative right but you could still live this kind of lifestyle just doing deals because even when I was doing a ton of deals in St. Louis, I never saw the houses. I never talked to the sellers.

I did talk to the sellers occasionally but I never saw the homes. I never met the buyers. I always would get someone else to do this stuff for me. So then I figured, why do I have to be in St. Louis to do it? I got a virtual assistant that does my marketing. I've got a VA that pre-screens the leads and I can get it under contract online and I've got a realtor that can help market and sell my homes for me, so why do I have to be in St. Louis to do that. I can do that anywhere.

I started testing that by doing deals in other markets and then once I realize, you know what I can do deals in St. Louis and I can do deals in Palm Beach Florida and Phoenix Arizona virtually, why not do them from Europe? Why not go to Prague because we have friends and connections there and do deals from there. I don't want people to think that you have to be in the information business or be able to do teaching and coaching and sell courses to do this. You can travel like this and live whatever lifestyle you want and do deals. So I just wanted to clarify that.

**Shaun:**

Let me ask you to get specific because this is where people are going, what are you talking about. I do rehabs and there's no way I could leave. A few years ago, you were not able to do this stuff. What was your thought process? You clearly first started by asking a different question which I like. You said instead of saying well that's easy for other people to do, you said no, no, no. How can I have a business that allows me to travel like I want to travel? How did you answer that question in the beginning? What kind of things did you start to put in place specifically so that people can have some idea on ... I'm sure there's tons of people that are going to listen to this and go, well that sounds great but how did you do it? How did you do it?

**Joe:**

A couple things. I realized early on and I remember those days too Shaun, going to your property match office, wanting to do deals so bad. I so appreciate you Shaun and you have no idea the influence that you and Steve and Lifeonaire have had on my life and even before Lifeonaire started. But anyway, I remember early on in those days realizing that marketing is the most important part of this business. I realized that we are not in the real estate business. We are in



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the marketing business. Almost every problem in real estate can be solved by marketing, doing more of it or doing the right marketing because leads are the lifeblood of your business. So many people are struggling because they don't have enough leads.

I realized, I remember listening to ... I bought a ton of courses and gurus and they talked about this stuff. I didn't believe them until I started doing deals. You go through these cycles. You do a bunch of marketing and all of a sudden, you get a bunch of leads and so you stop your marketing so you could handle all the leads and you get a couple contracts to work real hard to sell them and then you're excited and all of a sudden, you make some money. You turn around and there's no more leads. Your pipeline is completely empty.

You think oh great, crap. You start scrambling and you do more marketing and you get more leads. You go through this huge roller coaster ride of ups and downs, of getting all these leads and I realized, man marketing is really, really important. What these gurus were telling me was absolutely right. You've got to time block your marketing. You've got to plan on time every day or every week to do your marketing. When I did the marketing and I started doing a lot of marketing consistently, it solved a lot of my problems. I don't know about all of them but it's all almost all of my problems because now, I don't have to try to work real hard to make a non-deal into a deal. I'm not stressed out because I only have 20 leads this week. None of them are any good and oh no crap, what am I going to do. You start taking those marginal deals because you don't have many choose from. You start taking these marginal deals on and before you know it ...

**Shaun:** I would start thinking well something is better than nothing. I got nothing I'm working on so I might as well work on something and then I would start focusing my time on that marginal deal. Marginal deals takes just as much as time as a profitable deal. And pretty soon I found myself I had a pipeline full of marginal deals but it's really just because I didn't have much selection at the time. You're hitting home with me pretty hard.

**Joe:** Oh yeah. Then all of a sudden you work on this marginal deal and guess what, that's the deal that's going to turn around and bite you in the butt. You finish the rehab and you can't sell. You're going to have to come to closing with 10, \$20,000 to sell the stupid thing or you finally rent it out and there's no cash flow.



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It goes vacant and all of a sudden, you're making payments on a vacant house. I started realizing early on the importance of marketing because if you're doing a lot of marketing and spending your money wisely because it can spend your money foolishly on marketing. Spending money wisely on marketing, all of a sudden now you've got 100 leads a week coming in. You can be much more selective.

Obviously, your chances of finding that sweet deal is going to be higher if you have 100 leads a week coming in that if you have just 10 or 20. You can say no to those marginal deals. You can pass on them and only take the good ones. It also completely changes you psychologically when you're talking to sellers if you're not desperate. If you're talking to sellers and you've got 50 other leads to call and that seller's giving you a hard time, that's fine, just move on.

Sellers can pick that up so easily when you're desperate on the phone or when you're talking to sellers and you're really trying hard to get this deal to work because you need to make some money. If you have a lot, the right marketing going down, you got a lot of leads coming in. It solves all your problems because you can just cherry pick the low hanging fruit and you can get these good deals. I realized early on the importance of marketing. Then I heard somebody once talk about there's 3 keys to success in real estate. I've been harping on this for years. There's 3 keys to success in real estate investing. Marketing, automation and delegation. By the way, Shaun, I just finished reading this book The Pumpkin Plan. Have you read that yet?

**Shaun:** I have. It's very good.

**Joe:** Oh man, he talks about the sweet spot in there. It relates exactly to the same principle. Marketing, automation and delegation. So I understood the importance of marketing and I realize all right, I tried to schedule time blocking and I couldn't do it. I said I've got to get someone else to get this marketing done for me because if I don't do it, it's just not going to get done.

I started developing systems where I could get virtual assistants to do the marketing for me. At the time, I was doing a bunch of craigslist stuff. I was doing a bunch of postcards. I still am but I was doing more craigslist stuff back then. This was in 2009. Now, my marketing problem is done. I'm still working a full-time job and I'm getting a ton of leads and I have these systems and processes down to get all these leads coming in automatically without me having to work to do them.



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Now I have the problem of I can't handle all of these leads that are coming in. I got too many of them. I started creating systems to delegate this stuff out. I got someone to take the calls for me. He started taking the calls and he actually started meeting with the sellers and getting them under contract. I paid him a commission. It was commission-based. It was commission only. But then I had the problem of now I got all these properties under contract. I can't sell them so then I started figuring out well maybe I can hire a realtor to sell this homes for me, to market these homes for me.

Then, I understood marketing automation delegation. I had the systems in place where the VAs are bringing the marketing out, sending the marketing out, getting the leads in and then I had delegated this stuff out because I couldn't do it. I was working 50, 60 hours a week. I have my family at home. I had a friend taking the leads and meeting with the sellers, getting them under contract and then I had a realtor that was advertising and marketing the homes.

I realize, this is I think the key to success. Within about 3 to 4 months of flipping lease options like I was doing back in 09, my part-time income doing that surpassed my full-time income at my job. I was an engineer with a large electrical company building these power plants. That's when I quit my job. I said sayonara. I left. That was in 2009, April 2009 so a little over 5 years now. I kept on doing that. I kept on, okay what marketing is working today. I have to be focused like a laser beam making sure that marketing gets done. What systems can I create to get that marketing going out the door every day? How can I delegate everything out to somebody else? I'm just working on my business, not in it. Once I figured that out-

**Shaun:**

Let me interrupt real quick because I want to make sure that everybody on the phone hears what you just said. I think people have said to me too. How did you end up getting to do so many deals? Man, I don't think I had the delegation of the deals down as much as you have. I'll tell you what I did do and that is the delegation of the marketing.

What you just said is profound because I learned very quickly ... When I first even started in my short sale business, it was like a month into it and I hated licking stamps and I got to a point where I hated the process of marketing so much that I just either would not do it which happened 80% of the time or 20% of the time, I would guilt myself into it so then I'm like man I hate it but it's got to get done. Then I would finally not do it for so long but I would just feel bad enough where finally I would do it and then I'd do it for a week and then I'd be like oh, then I got calls coming in and then I wouldn't do it so much.



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My marketing was never consistent. What you just said is so important and I want everybody on the phone to get this. The only way, Joe is consistent is if it's him not doing it. Because for me, I wasn't consistent at all until I hired somebody else to do it. Once the marketing was going out every single day whether or not I was doing it because somebody was getting paid to do it and there's cheap ways you can do that which I might ask you about here in a minute but once that's going out every single day, whether or not Joe has any involvement in it, that is a huge difference in the leads that you're getting, the whole quality of your business, what you'll go after, what you won't go after.

What happens is, doesn't take very long before you start to get just a little bit arrogant in a good way. What I mean by that is when you have 4 leads coming in a month, you try to turn every one of the leads into a deal. When you have 100 leads coming in a week, you don't have time to go after everything. If somebody's not willing to abide whatever your offer is going to be, then you're like, "Next. I got 99 more leads to work."

**Joe:** Yeah. It makes a huge difference. Oh yeah and people are thinking I can't afford to hire someone else to do it. I say you can't afford not to because you're literally throwing away money. You're wasting that money. You're losing money by not doing that. Again, ask yourself the question I can't afford that, ask yourself how can I afford that. How can I do that?

You can hire 2, \$3 an hour VAs to do this stuff for you. You can hire people to pre-screen leads and pay them on commission. Realtors get paid on commission. You can hire other people to do this stuff really cheaply and or pay them on commission. I can't stress enough the importance of marketing. You have to become an expert at it. Once you do, everything else falls into place.

**Shaun:** I agree. The next obvious question is what kind of marketing. Well, here's the deal. We can go over some of that if you want but it almost ... I don't want to say it doesn't matter because what kind of marketing you do does matter too but so many people spend so much time trying to figure out the perfect way to market before they'll market. That's not what you did, man.

One of the things I like about Joe is that he is an implementer. He would go out and he would try anything that he was told works. In some ways, I wish I could be more like Joe because I tend to be more of a skeptic. Joe just believes everything and he goes and tries it then he finds out whether or not it's true. In a lot of ways, I wish I was more like that because I tend to want to have a little bit more proof. I think most people want to have more proof before they're willing



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to try it. I think one of the lessons I learned from you man is you just go out and try it and if it doesn't work, then you'll either tweak it or you'll totally stop it but the point is, you're out trying while other people are sitting there trying to decide which things they're going to do. You've already tried 15 things by the time they've decided to do one.

**Joe:**

Yeah, and I'm really big on education because that's I think really, really important. There's a lot of stupid dumb education out there but there's a lot of good education out there. Sometimes, even a bad course is good because you'll learn a different way, a little different tweak, a little different twist on what something that somebody else is doing. I invested a lot of money in education. I've learned from different people different types of marketing and I just started implementing it and figuring out what works and what sticks but I realized also it's important to have a plan.

You need to figure out ... you need to break down your goals into things you can control. This was really important for me. When I'm traveling, I know how much money I need to make every month to make ends meet. I try to come up with a marketing plan that's going to meet those needs. You can't control making 10 grand a month. You can't control getting 50 leads a month from your marketing. What you can control is how much marketing you're doing every day, every week to get to those goals.

Bear with me here as I'll walk you through some real quick numbers. If you want to make 100 grand a year, well that's about 10 grand a month let's say and let's say your average profit per deal is 5 grand. That means you need to do 2 deals a month. You can't control that right. Let's say, you need 2 deals a month, let's just say you need 3 because maybe you'll only sell 75% of the deals you get under contract.

You need to get 3 contracts a month. Let's say you have to talk to 40 sellers. You need 40 leads to get one contract. What did I say?  $3 \times 40$  is you need 120 leads per month and every market is different. If you need 120 leads per month, what kind of marketing are you going to do to get that 120 leads? You've got to break this down into a plan that you can control.

Let's say 50% of those leads come from postcards. You need 60 leads a month from postcards. If your average response rate is let's be conservative, 2%, you need to send out 3000 postcards a month. I like to send them every week so I need to send out 750 postcards every week. Then, you need to ask yourself well who am I going to send them to? There's different lists that you



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can send. My point is you write that stuff down. Let's say 25% of your leads come from craigslist and what I mean by that is contacting landlords and sellers who were advertising their house on craigslist and asking them if they want to sell their house then you work the numbers backwards and you realize all right I need to contact 20 sellers and landlords every day in craigslist.

You look at well the other 25% of my leads are going to come from vehicles signs or bandit signs or making offers on the MLS or et cetera, et cetera. Now, you have a marketing plan and you know every week I have to send out 750 postcards. I have to contact everyday 20 to 25 sellers on craigslist and I need to put out 30 bandit signs every weekend. I need to make 20 offers a day on the MLS et cetera, et cetera.

Those are goals that you can control and the chances are very good if you're consistent with that stuff and you're doing it regularly that you're going to get a lot of leads and you're going to do a lot of deals. Then the next thing I like to ask is all right how can I get someone else to do all of this for me. How can I get someone else to do the craigslist stuff for me? How can I get someone else to send the postcards? That way, it gets done. I like calling it marketing done for me in spite of me. Someone else does the postcards, someone else does the craigslist. Someone else makes the offers on the MLS. Then I can focus on the other things in my business. Talking to sellers and managing the rehab, whatever it is that your gifts are, whatever you're strong at, that's what you need to be doing. That makes sense, Shaun?

**Shaun:** It makes perfect sense. What do you feel like you are the strongest at in your business? Is that what it is talking to sellers?

**Joe:** No.

**Shaun:** Or is it putting the systems in place or what?

**Joe:** I think my strength is marketing and systems. I'm not good at talking to sellers. In fact, this is how I do deals today, Shaun. I love this. This is something I'm super passionate about. I find other wholesalers that were already are wholesaling deals. They already are good talking to sellers. They're the guys and girls that they understand the importance of speed when it comes to when you get a seller lead and it's hot, the chances are pretty high. They've already called 5, 10 other wholesalers. They'll drop whatever they're doing to go meet with that seller.



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Those are kind of the wholesalers that will spend an hour or 2 at the kitchen table, building rapport with the seller and explaining everything and building that trust. Many times, we'll get a lower offer accepted than someone else because that seller trusted that wholesaler. I like looking for other wholesalers that are already wholesaling 5 to 10 deals a month. They already are successful. Maybe they're not doing enough marketing or they're not doing the right kind of marketing.

There's a lot of guys out there who have gotten comfortable getting deals from the MLS or foreclosures and the courthouse steps or maybe they've done direct mail occasionally but aren't consistent with it. I'd like to approach them and say hey ...

**Shaun:** Maybe they don't like marketing.

**Joe:** Yeah, there's a ton of it. There's a guy in our office I talked to yesterday who does not like doing it and I'm scratching my head thinking well why not. The more marketing you do, the more money you make. Why don't you like doing it? He just hates it. He's not licking stamps but he hates going to Click 2 Mail and sending the postcards to Click 2 Mail. It's not that hard but there's something about it he just hates. He loves talking to sellers and meeting with them at the kitchen table. Those are the kind of guys I like to work with. I approached him and I said hey, you're already doing a bunch of deals. I know you already have a buyer's list.

A lot of these wholesalers that are successful, they have the cash. They can close quickly if they had to. They could literally close in 7 days with their own cash. If they don't have their own cash, they have access to transactional funding. They know the game. They're not a beginner. They're experienced wholesalers. They already have the net worth, they already have the money or access to it. They just need more leads. I love the marketing and these systems and the automation so I'll approach them and I'll say hey why don't I do the marketing for you and any deal that you get from my marketing, we'll split the profits 50-50.

I got this idea from one of my students, Shaun. I interviewed him on my podcast, real estate investing mastery. A student named Jake and he lived in San Jose which is very expensive at Southern San Francisco. He was engaged to his wife, his fiancée at the time and him were both working full-time jobs and he really want to do real estate investing. He was doing a bunch of marketing in San Jose and was really getting frustrated with the results.



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In Northern California, the Bay Area is very tough market. You have to do more marketing there to get a deal. But your profit margins are much higher deals there. Anyway, he's doing a bunch of marketing and getting discouraged. While his fiancée moves to Fresno for job transfer. He goes and sees her on the weekends. He's down there one time and he sees a bunch of for sale by owners, I mean bandit signs out there from investors in Fresno California which is kind of in the middle part of California, in the desert valley area of California. Homes are much cheaper there. He contacts these other wholesalers that are there. He says hey, tell me about your business and they're wholesaling a bunch of deals and he has this idea, well what if I did the marketing, the same marketing I'm doing in San Jose, what if I did that same marketing in Fresno.

I'll send the postcards there and I'll do the craigslist stuff and I'll do the bandit signs, whatever. I'll pay someone to do that. The leads will come into me. I'll prescreen them and then give them to the wholesalers. He called about 10 different wholesalers that were down there. He found only 1 or 2 of them that were serious players.

One of the things you'll find is that most people out there that are doing marketing aren't serious. They're not like really committed to it. He found 1 or 2 that were really committed to it. There was a full-time income wholesaling houses. These guys already had systems and the network in place to wholesale deals successfully. They were already trained. He said let me do your marketing for you. They said great. He started doing the marketing in Fresno from San Jose which is about 2 or 3 hours' drive I think. He started taking in the leads prescreening them himself and then sending them on to his wholesaler friend in Fresno.

His wholesaler friend would immediately drop everything to go meet with the seller, get it under contract and get it sold a couple of days later. I mean these guys are just machines. They're animals. They're very aggressive. All of a sudden now, he's making enough money doing that, that he can quit his job and he moves to Fresno to be with his fiancée. But guess what? He still kept on doing the same thing even when he lived in Fresno, he still kept doing the marketing for the other wholesalers. He was just the middleman.

I interviewed him probably about 2 years ago. I thought that is freaking brilliant. Because this is a guy who knows what he's good at. He's good at doing the marketing and he's good at prescreening those sellers, doing those initial calls. I started thinking about how I could do that myself. I started my consulting business. I started doing marketing for other students. That's



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good. But then I started to put a little more twist on it again. I said well why don't I find other wholesalers who are already successful and I will do their marketing. I'll pay for the marketing. I'll have my virtual assistants prescreen the seller leads that come in and call all the hang-ups.

If a potential the comes in then we'll give that to the wholesaler. Then we'll split the profits and I'll get reimbursed half of the marketing expenses. There's really no risk to the wholesaler out there and they can ... They're getting these prescreened prequalified leads. I'm paying for the marketing and they only pay me if it turns into a deal. I'm doing this right now for about 4 or 5 of the other wholesalers and other markets right now. Phoenix, Palm Beach, Pinellis County Florida, here in St. Louis. Is that 4?

I'm going to be doing it real soon here in Baltimore and up in Milwaukee, Wisconsin. So far, it's going really well. I've been really, really pleased with it. I'm excited about it because now, I could do this in as many markets as I want and it's just a matter of me finding other people that I can partner with in this kind of situation. It allows me to be location independent. I can work anywhere in the country, anywhere in the world. Does that make sense? Was I complicating it too much?

**Shaun:** That makes perfect sense. I absolutely love it. It sounds absolutely phenomenal. I love it because you're doing what you do best and this is one of the things that I think most people just don't get it. They think that they have to do every part of the transaction. They get overwhelmed by everything that has to be done to make money. And really it's for any business and you're honing in on the one thing that you do well. I don't know if you guys heard this earlier but Joe was an engineer before he was into real estate business and so his strength is figuring out how to put systems in place and how stuff works. Now, he is a great implementer but when it comes to doing the same thing over and over and over long-term, Joe, I think you'll get bored to death right?

**Joe:** Oh yeah.

**Shaun:** If you have to do the exact ... One of Joe's strengths is that he's good at engineering and kind of putting stuff together. Some people would look at the fact that Joe gets bored and can't do the same thing over and over and over forever. They would look at that as a weakness and they would beat themselves up about it and instead Joe says wait a minute, how can I figure out how to take what I'm good at, turn it into a system and have other people do it. I can constantly re-



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create it or tweak it and make it better but I don't have to do it every single time and I can still make money out of it.

What he's finding is he's actually turning the real estate investment business into an actual business versus what most real estate investors have which is a job. This is the difference between him being able to go on vacation and go travel for 10 weeks at a time. That doesn't mean you can just set it and forget it and not ever have anything to do with it again. I'm sure there are components of it that you can do that with. But now, all you have to do is maintain certain aspects of it, remember what's working, tweak what's not working on a little bit and still get the results.

**Shaun:** I think it's important to know what you're good at, what your strengths are because you may be like this other guy in our office who doesn't like doing the marketing but he just loves talking to sellers. Maybe you're that guy who likes to talk to sellers and you're good at building rapport. Find somebody else in your market who is good at the marketing, who hates talking to sellers and partner with them somehow and make sure it's fair and inequitable but say hey listen, you have the money to invest in marketing but you don't like talking to sellers or you're not good at it, why don't you do the marketing for me. I'll talk to the sellers and sell the properties and we'll split the profits on the deal. Yeah, I can make more money if I did this myself maybe. Knowing me and how, I don't want to say lazy I am, but I just don't like talking to sellers. I don't like meeting them in person. It just wouldn't get done and so 50% ...

**Shaun:** That's alright....

**Joe:** Yeah well, you heard too Shaun. We are wanting to start a slackers anonymous group. We need to talk about that. You find out which are good and find out what you're not good at and get something else to help you with that other stuff. I think it all revolves around marketing, all revolves so you either have to be the one that's good at marketing or need to partner with somebody who is good at marketing and split the deal. I can do 5 to 10 deals a month when I'm partnering with somebody else. Yeah, I'm only making 50% but 50% of 10 deals is better than 100% of 2.

**Shaun:** Yeah. Let me paint a picture too for the people on the phone because there's a guy named ... can I say who you're working with here in St. Louis?



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**Joe:** Yeah sure. Uh-huh.

**Shaun:** A guy named Jeremy Velasquez who's here in St. Louis. He's been a student. He was one of my very first short sale students years ago. Jeremy's a total go-getter. A matter fact, I did a call with him, a real estate call with him just a couple of months ago. For those of you that were on the call, Jeremy had done like he just started his real estate business back up and going after shutting a brokerage down. He opened a Keller William brokerage and worked on that the last couple of years and then realized that wasn't what he love doing, so he reopened up his real estate investing business.

I think from January until the time I interviewed him in April or something or maybe in May, he had already closed 22 deals. He just started it back up in January. Jeremy's the kind of guy that Joe is looking for so Joe and Jeremy partnered up. Jeremy hates doing all the marketing but where Jeremy shines is he's phenomenal in front of a seller and if you guys heard the call I did. It was a negotiations call about how Jeremy pretty much always gets the deal.

Jeremy is a master negotiator and he knows that's his strength but what's not his strength is systems. He sucked at it, he hates it. He doesn't want anything to do with it. He wants to have the phone ring and pick up the phone. He wants to go to a house knowing that he's going to write it up and turn it into a deal. As long as the phone's ringing, he's fine, but when the phone stops ringing, he gets stressed and he doesn't enjoy what he does.

Joe and Jeremy get together and they decide okay Joe could make the phone ring. Jeremy can be the guy that goes in the appointments. They both focused on their strengths. Joe is loving the relationship because he gets to focus on what he's good at which is making the phone ring and doing the marketing and putting those systems in place and having his virtual assistants do most of it.

Jeremy is loving it because his phone is ringing off the stinking hook all day long. He's getting just about more leads than he can handle. As a matter of fact, I'm having breakfast with him this week. One of the things he said last week, he goes man I'm loving every second of it. He goes, you know what, he says I'm working harder than normal. He says I'm working on the stuff that I really enjoy doing so it kind of doesn't seem like it's much work. We're going to meet over breakfast I Thursday of this week and talk about how he can try to do a little bit more with still



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utilizing his skills but it's a relationship that's working out really, really well so far because both of them are focusing on what their strengths are period.

As a result, Joe gets to go travel. He can turn his marketing machine on. He knows that Jeremy's back here on the ground. Jeremy's a mover and shaker. Joe knows for sure that Jeremy is going to be answering the calls. He knows that Jeremy can't handle not answering the call. That would stress that Jeremy more to not answer them than to get them done so the relationship works.

Some of you who have tried doing some of this in the past where you try to outsource or you've only try to work on those things that you enjoy doing but you try to partner up with the wrong people. It's important for what Joe said too because he is clearly identified who works for him and who does not. Jeremy works for him but somebody who ... Joe I'm assuming a brand-new investor is probably not your ideal candidate even if they are hungry. Maybe they are, I don't know but you've clearly identified who the right person is. Right?

**Joe:**

Yeah. With my consulting programs, my done for you marketing, I will still do marketing for the beginning investor but I'll make them pay for it. I charge a premium up front. It's part of my coaching program. It's a little different. I'll give you an example. One client in Florida, he paid me quite a bit of money, him and his wife to coach them and I've coached them for about 6 to 7 months now maybe more. He just left his job. He's got 40 grand, 50 grand last time we talked in the pipeline right now for deals.

He's a guy that has proven himself. He is doing really well and he needed some help with investing in marketing and so I offered him. I said, hey listen I know you can close deals. I know you're aggressive. I've seen you grow into this and you've proven yourself. What if I paid for the marketing? It's like I'm becoming an investor in his business. What if I pay for the marketing and use my systems and do all ... By the way, one of the things that holds all of this together is Podio.

Podio is a CRM software that we use and it's free. It's absolutely amazing. Anyway, yeah so we've been partnering together now and it's been a couple months. We've got 3 deals that are going to be closing in the next either this week or next week. We are splitting the marketing costs as well. After the deal happens, I get reimbursed half of my marketing costs and split the profits 50-50 on the deal. He's super excited about that. That's an example of someone that I've taken as a coaching student where he was paying for all the marketing I was doing it to



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transitioning into listen I've seen success so I'm going to start investing in your business. I do that occasionally.

**Shaun:** With somebody like Jeremy though now, you may do that a little bit differently where one of the benefits, Jeremy is not paying for marketing and not having to do it. You know Jeremy is aggressive enough to where you may be willing to front those marketing costs knowing that Jeremy is going to take care of the leads that do come in. Correct?

**Joe:** Right. Exactly.

**Shaun:** You did a little bit of exposure there but you're limiting your exposure in that regard by only working where you're paying for all the marketing, you're only working with the guys who are already closing the 5, 10 deals per month like you were talking about. It's trying to limit your exposure of what's going out the door each month in that regard by only working with experienced people, sort of the best of the best, right.

**Joe:** Yeah. This guy I'm working ... another guy in Palm Beach Florida, he literally closes 9 out of 10 sellers that he meets with in person. That's not 9 out of 10 sellers he gets leads on but when he goes and meets with the sellers at the kitchen table, 9 out of 10 times, he's going to get that property under contract either that day or a few days later. That's how good he is. He's just a bulldog but he's super nice, friendly, outgoing, energetic. He's not a slimy sales guy that pushes people into doing something they don't want to do. People just like him. I could never be like that, Shaun. I could never be that guy.

**Shaun:** People just don't like you?

**Joe:** No, people don't like me at all. Right. Yes. I don't know.

**Shaun:** I could never be the guy people actually like. That's what it sounds like there.

**Joe:** Right. That's exactly what I meant. Anyway, I'm hoping that helps somebody out there. You got to figure out that marketing is what it's all about. Either you got to do the marketing or somebody else has got to do it. You have to get it done. Once you get the systems and you figure out what works, there's a lot to marketing. You got make sure that your mailing to the right lists, you got to do ... When everybody's going this way, you got to go that way.



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Right now I'll tell you this, what I've been seeing a lot. We're spending about \$10,000 a month on marketing right now. So that's what? 25,000 postcards a month that we're sending right now in different markets for different people? Actually, we're spending more than that just in postcards. We're spending about 12 grand a month in postcards.

Anyway, what I'm seeing a lot is everybody is mailing to the absentee owners list right now. It's becoming very competitive. What I'm seeing success in right now is mailing to regular homeowners who have equity in their houses. You're not going to get as much as high of a response rate but they have equity. The great thing about direct mail is you can target homes that have equity. You can target homes that meets your criteria, with zip codes and 3 plus bedrooms, garage or whatever.

I'm seeing a lot of success. It used to be absentee owners were one of the best list that you could buy but it seems like a ton of people are doing that now. It's becoming a difficult so now I'm looking at other lists and just giving it time, the absentee owners list will become really good again soon that you got a really be a student of marketing. You've got to see what other people are doing. You've got to network with other people around the country. If you can afford it, buy as many courses that you can on marketing and real estate investing that talk about marketing and what's working today and just implement it and see what works and see what doesn't.

**Shaun:** Awesome man. If you're okay with it, just because we've been going for about an hour now, I might open it up to see if anybody has any questions if you're okay with that? Do you mind?

**Joe:** Yeah, for sure.

**Shaun:** All right so guys I have everybody muted right now. I've got the Q&A button pushed which means everybody muted but you can press\*7 if you have a question and that will automatically unmute you just make sure you don't have a ton of background noise going on before you press\*7.\*7 will unmute you if you have a question for Joe. It's your turn.

**Malik:** Joe.

**Joe:** Yes?

**Malik:** Hi. How are you doing? This is Malik from New Jersey.



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**Joe:** Hello.

**Malik:** My question to you is when it comes to market, I'm in a high-density Metro area in New Jersey. I'm surrounded by 3 counties. Each county, there's a specific challenge where it's lucrative for you to make money if you're consistent with the market. But how do you focus I guess where your dollars are going versus just being all over the place? You know what I mean? Instead of trying to be in all 3 counties and then there's investors that I will wholesale too and not all of them wants the same area though.

**Joe:** I think there's a couple things I would say. When I look back, when I wholesale a bunch of deals, I've got a few times when I wholesale more deals than others. There was a time last fall where we were wholesaling about 5 deals a week. That's what, 20 a month. It was all because of one simple reason. We found some really good cash buyers. Because I brought a new, a guy on ... He was my acquisitions manager and this is another story into my journey about this Shaun. This ties into answering your question.

I wanted to outsource my business so I hired a acquisitions manager. I did the marketing and I figured out train somebody to do, go and get the deals under contract. I paid him 25% of the deal but it turned out I was still really involved because now I'm training somebody. I have somebody on my team, even though he's 100% commission, he's like an employee. I'm still answering a bunch of questions. I'm putting out a bunch of fires and even after all of my expenses, after I pay for the marketing, after I pay him and then the different costs involved with that, I'm still only netting maybe 40% on the deal.

So then that's when I started thinking about why don't I instead of hiring somebody as an acquisitions manager, why not find somebody who already is successful. Anyway, what we did though is we said, instead of marketing for sellers first, let's market for buyers first. We started doing a bunch of direct mail to cash buyers who had bought properties recently in St. Louis.

Also, we started marketing to out-of-state buyers who were buying properties in other states. We picked about 7 different markets that were very active, Dallas, Memphis, Cleveland, Ohio, Kansas City and one or 2 at Indianapolis and a couple at maybe Cincinnati. We picked 7 different markets where other investors were buying properties and we found the investors who were buying properties in those markets from other states.



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In a list of about 1500, 2000 cash buyers, we started sending them letters and postcards saying hey if you're looking for good cash flowing deals, we've got them here in St. Louis. We are one of the premiere real estate investment company in St. Louis and we've got a lot of good deals for you. So give us a call.

We started taking calls from these investors. We found some that were really hungry for deals. We just ask them well what are you looking for? How many do you want to buy every month? We found these guys that had ... They wouldn't tell us how much they had in cash but they would say things like we're looking to buy 20 more properties in the next 6 months and we're looking for properties that have at least 2 or 3 bedrooms that can't be in the bad areas. It has to meet these numbers. They have to meet certain cash flow and certain return on investment.

So then what we did is we turned around and started marketing for sellers in those neighborhoods that we knew we could get those numbers and started getting these properties under contract. We started building relationships with property managers and rehabbers in the St. Louis area. Then we started putting these packages together for our investors. We found the buyers first and then we started marketing to them. That's a really, really powerful strategy. It's nothing new. People have been teaching that for years but a lot of people focus sometimes mistakenly on find the sellers first and then finding the buyers for the properties.

But when you build a good solid buyers list, you become like a bird dog for them. They go out, you start marketing their homes. You get them under contract and you either double close or you assign your contract to your cash buyers. We can walk around town saying hey we've got a million-dollars burning a hole in our pocket. Who has a deal? We started sending e-mails out to other investors in St. Louis. We started building a network of realtors and investors and property managers. We started getting other people to bring their deals to us because we had the money. We had the buyers.

Within a few months, we stopped doing much marketing because we were getting so many referrals from other people. Anyway, the other thing I was going to say is you have all these markets, these counties you're in. Number 1, find out who the serious buyers are and call them up and say hey, how can I help you grow your business. How can I help you find more deals? Find out what they want. Find out what they're looking for and the numbers they have to have then go out into the streets and make offers on the MLS, do marketing.



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The other thing I like to do is you can do this in list source. You can go in and say alright show me in each county, show me all of the investors that bought homes in the last 6 months. I'm on the phone. I can't talk. Show me all of the investors who bought homes in the last 6 months and it'll pull you a list and then you can break that down by zip code.

This is free. I wish I could show it to you. Maybe I can do a video, Shaun and if you want, you can send it to anybody who asks for it. You can say show me a list of all the zip codes where all the investor transactions occurred in the last 6 months. You can export that into a table and sort it by the most active zip codes.

It's really cool because then you can look at each county has 50 zip codes in there or whatever and you can pick the top zip codes that have the most investor activity. The cool thing about that is now you know which zip codes are the most active or are most of the investors are buying homes. You also know how much they're paying for these homes. You can go in and look to see all right well they're paying an average of \$30 a square foot for these houses. Then you can also go in and see who those buyers are.

Now you know okay instead of these hundred zip codes, I'm going to target this top 15 zip codes. I know what prices these investors are paying and I know who these investors are so now I'm just going to go out, do marketing to homeowners in those ZIP codes and I already have a buyers list that I can market the homes to once I get them under contract. It's simply a matter of doing some research and figuring out the best use of your marketing dollar. Go where the demand is. That's my long answer to a short question.

**Shaun:** I just want to add one thing to that and that is definitely an approach that works really well. If you're overwhelmed by anything that Joe just said, pick one area. I mean sometimes when you're in a highly populated area and it looks like based on your phone call, you're calling from New Jersey and so you had a lot choose from probably where you live. There is buyers everywhere. Granted, Joe is doing something very specific. He's finding the buyer and saying let me find exactly what you're looking for. He's going out and finding that. That's great. There's nothing wrong with that at all. Also, if that overwhelms you, just pick one area. That's it. Then just market like crazy in that one specific area and see what you find because I'd rather have you doing something than nothing. A lot of times people get overwhelmed, when they get overwhelmed, they just do nothing. If any of that overwhelm, just pick one area and just hone in on it and see what happens. Does that help?



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- Joe:** Yeah. I hope that helps and I hope I didn't overwhelm you with all the information.
- Malik:** No, you definitely didn't. My other question real quick is probably a little off topic but it was for Shaun. Shaun, I just got a short sale client. But her property is due to go to a shared sell on September 10, I faxed an the authorization to release information and I spoke with loss mitigation and they said there was no guarantee that they would do the short sale or not do the short sale but what they would do is to quick-offer submit the whole packet over. They would definitely begin to look at it to work on. Do I continue to even proceed with the short sale process? We still have time to do an adjournment in New Jersey...you know 30 days
- Shaun:** I would right now. We're kind of in a transition state right now where 5 years ago, I would've said if there wasn't at least 10 days left before the foreclosure sale, don't waste your time. You still get 15 days left so you're fine either way but 5 years ago ...
- Malik:** Things...
- Shaun:** Yeah. 5 years ago, I would've said don't waste your time if the sale date is coming up in 10 days or less but then 2 years ago, I would've said if it's the day before the sale, to bid an offer because the bank will probably postpone it. Today, we're kind of in a transition period where it's like it depends on the lender. Some lenders will postpone real easily. Some of them still don't want to. The only thing you can do to find out is to make an offer
- Malik:** The interesting thing though is she has a primary mortgages with Weichert and she has a home equity line of credit, I mean home equity line with Bank of America.
- Shaun:** Is Bank of America the one foreclosing?
- Malik:** No, no. Weichert is. She only owes almost 179,000. I've been going over the video and I know you were saying ... Now would that be considered like offering 80% of ...
- Shaun:** No, no, no. To me, she could owe 1 million bucks on that same house. I don't care but just because she owes a million doesn't mean I'm going to offer 800. You got to figure out what the property is worth and then offer whatever you're going to offer [beep] what it's worth. What do you think it's worth right now?
- Malik:** Its value if it's fixed up like 230, 230, 240.



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- Shaun:** What's the need for fix up, how much repairs?
- Malik:** On the outside is where you need a majority of the work the roof. I'd say probably roof paint or siding needs probably about maybe 12, 15 tops.
- Shaun:** Okay. That's not bad at all. They only owe 179?
- Malik:** Yeah. They owe 179. It's an older couple. The husband had lost his job, sold it. The lady she had hardship. She was taking care of her elderly mother who passed and then her father passed. She fell behind in taking care of her parents.
- Shaun:** How much is owed on the first mortgage?
- Malik:** She owes the 179 on the first mortgage and then on the home equity line of credit.
- Shaun:** Okay, all right. Now it's a different story. I thought she had 179 total. Offer what you're going to offer. Submit an offer to the bank and see what they'll say. What do you think you want to offer on the first? Whatever that's going to be, just write it up and shoot it over so you can get that sucker postponed. The closer your offer is to 179, the more likely they're going to postpone it but don't offer close to 179 if that's not what you think you want offer, because that something to deal with also.
- Malik:** Right, right. Okay. I was thinking maybe offering about a half of that possibly.
- Shaun:** Go for it. That's pretty low. If the property really is worth 230 and only needs 15 grand worth of fix, and you're going to offer 80 grand, that's pretty low. They're probably not going to accept that. They're probably going to take it to foreclosure. You got to find a balance between what you want to pay versus what you think they're going to accept and then offer somewhere in that neighborhood.

There's not a science to that. You've got to figure in what you can justify with comps in the area, what they think the property is also going to be worth versus what you think it's worth and so on. What I'm getting at is if you go and offer \$5, they're not going to stop the sale. If you go offer them 178, they'll probably stop it but that's not going to work for you so you got to find somewhere in the middle.



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All right guys who else has some other questions?\*7 will unmute you. I see there's about I don't know, 15 or 20 people on the call and all of you are muted as of right now. I'm assuming that means you don't have questions or\*7 will unmute you so that you can ask a question for Joe. Either that or Joe maybe you just answered every question everyone has on the face of the earth, maybe. I don't know.

**Joe:** Probably not.

**Malik:** Hello.

**Joe:** Hello.

**Damien:** Hey, this is Damien. How are you doing?

**Shaun:** Hi what's up Damien?

**Damien:** I did have a question. When you say use virtual assistants, how do you do that? I guess you don't use virtual assistants for your postcards or you do using just a printer or something like that?

**Joe:** For postcards, I use a company called Tri-Win.com, Tri-Win. Because I do so many of them, I get postcards at \$.33 a postcard which trust me is insane. No one else can do it cheaper but you've got to send 6500 a month to do that. I'm well over that but they are really, really good. Most people will just use Click 2 Mail. With Click 2 Mail-

**Damien:** Wait, use what?

**Joe:** Click 2 Mail, Click 2 Mail dot com. They're about \$.43 a post card. They're still really good because they're fast. There's no real minimum order quantity. There may be but I don't know. It might be like 100. You can upload 500, maybe 1000 postcards and send them and they will print and mail the next day. Now with Click 2 Mail, the cool thing about it is you can preload money and you can upload your template for postcards. You could have your VA's send postcards for you just using your preloaded funds and your preloaded templates.

There's something else that's really cool. I don't want to get too technical here, I'd have to show it to you but you can have your VAs in the Philippines send letters for you as well through Click 2 Mail one at a time. We do this with follow-ups if a seller says no to our offer, we're going to



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send them a letter and a contract and I can have my VAs do this through Click 2 Mail. They can send one letter at a time through Click 2 Mail. That's a little more advanced but Click 2 Mail is a really good site. You should get familiar with it.

The other thing I'll say too is with Click 2 Mail, maybe you don't want to have your VA do it because if they make one mistake, that's a lot of money. Your thousand postcards are all wasted if there's one mistake and Click 2 Mail is not going to refund your money so you could do it yourself and just schedule them out. You can upload 10,000 postcards addresses and schedule those postcards to be sent 1000 every week for the next 2 weeks and just do it once and it's done for 10 weeks. That's what I might recommend before getting a VA to do that for you.

**Damien:** Okay and then you ... It populates the addresses or you download it with the list source or how do you do that?

**Joe:** I'll download the list from list source or listability is another service that I use. Then I scrub that and I got a list of 5000 sellers I want to mail to. I create my postcard inside a Click 2 Mail with what I call merge fields and that just merge fields from my database. So then I will create the postcard with the merge fields in there, upload my list and it'll merge those fields from the list, from the spreadsheet into the postcards so every postcard is different. It's personalized. Hey Mr. Smith, I want to buy your house at 123 Main St.

If you just go to YouTube and do a search for how to use Click2Mail, you'll see videos on YouTube on how to use Click 2 Mail. It'll show you what exactly I'm talking about. Cool?

**Damien:** Cool.

**Shaun:** Good stuff guys. I want to be respectful of Joe's time so we're going to end this call in 10 minutes but I want to see if anybody else has some other calls, we've got time for at least one or 2 more.

**Female:** Question about automation.

**Joe:** Okay. Question about automation.

**Female:** What you mean by automation? Examples?



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**Joe:** What do I mean by that?

**Female:** Yeah. Examples.

**Joe:** Podio is the best answer I can give to that. Just go to [podio.com](http://podio.com). P as in Peter, O, D as in dog, I, O. Podio.com. Automation means to me systems. It's just like McDonald's has the most amazing systems on the planet because they can run a multimillion dollar business with teenagers flipping the burgers and flipping the fries.

A system means everything is set up and then placed. It's just like an airline that has these flight safety brochures when you open them when you're in an air plane. That's an automated system in a sense that it shows you without words, they created these things for people to understand that don't even speak English. It shows you how to do all of this stuff like buckle your belt and jump out the door and et cetera, et cetera. When I automate a system, I break it down into the most simplest terms so that anybody can understand it and then a VA can do it for me.

An example of a system for me would be my VA's who do all of my craigslist marketing. I created a document that spells out what I want them to do. I want them to go to craigslist and I want them to look for homes that meet certain criteria that I'm looking for and then when they find that house, I want them to send certain messages to those landlords, to those sellers and then when a response comes back, I want them to put that stuff into Podio.

I write this document down and then I do a video of me walking through it and then I upload that video and put a link to that video in the document and I send that to my VAs. That's an automated system where somebody else from the Philippines or in St. Louis can run for me and I don't have to manage it. I'm just looking at the results. Every day, I'm looking in Podio and I see 5 new leads from craigslist in there. I know the system's working. It's automated. It gets done in spite of me. Does that answer your question?

**Female:** Yes it does. Thank you. It's basically a set of processes.

**Joe:** Yeah. Once you have that system done, then you delegate it to someone else. That's the marketing automation delegation piece of it.

**Female:** Got it. Thank you.



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- Shaun:** Joe, there's times when you do it and you figure out the system yourself but then there's times where you delegate even figuring out the system to somebody else. Is that right?
- Joe:** Yeah, that's kind of like the next level. You tell your person, your assistant, hey I want this done. Go figure out how to do it. Trusting them ... They're smarter than you. Believe it or not. I don't mean to sound arrogant but my assistants in many ways are smarter than me. They know how to do things or figure things out and I want them to figure it out. That's hard for me sometimes still but I try real hard to do that. I'd give them some general directions. Go figure out how to do this and it gets done.
- Male:** I have a quick question about your ... Like any paper document, do you have mail come to you and if you're out of town for several months, how do you get that to you and things like that?
- Joe:** I have a UPS store mailbox and I recommend everybody get an account with one of those UPS stores because this is funny Shaun, you guys should seriously think about doing this too because if you ever change your office, you're going to have to change your address again but the UPS store is great.
- I do a ton of direct mail. I get a lot of angry responses to my direct mail. I actually had people that were looking up the address and seeing that it was a UPS store and calling the UPS store and they were complaining about my mail. Who is this guy sending me this mail? Blah blah blah blah. What I did, and the problem is too if you look at my address online, you'll find my company name on there and I'm sending postcards for other investors, for other students.
- I actually got another UPS store account at another location in Lake St. Louis. One of my UPS stores is in O'Fallon; one is in Lake St. Louis which are suburbs near where I live. I warned the guy at the new account that I opened up, we warned him in advance saying look we do a bunch of direct mail. We get a lot of angry hate mail back and sometimes people will call your location wondering why you are sending these postcards to them. I said are you okay with that? He said yeah, I don't care. It doesn't happen a lot. It's just when you do a lot of volume like that, you're going to get a lot of angry hate mail. I don't know why. You ever think about calling Domino's and complaining to them when you get one of their pieces of mail in the mail?
- Male:** No.
- Joe:** No, but for some reason-



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**Male:** Some people do anyway.

**Joe:** Right. Sure they do. The answer to your question-

**Male:** Yeah.

**Joe:** I'm horrible at being succinct with my answers. I have an assistant who, every day or every couple days would go to the UPS store and check my mail. She would also go to my house and check my mail at my house. Anything that wasn't junk mail, she take a picture of it and asked me if I wanted her to open it or not. Then if I replied back yes, then she would open the letter and take a picture of the contents and send it to me. That's how I handled the mail while I was gone.

**Male:** Okay I thought that maybe at the UPS store, they were able to go in there and maybe take a picture of just the mail itself.

**Joe:** Maybe they could if I ask them to and I pay them extra for it but I just have my assistant do it. I've had the UPS store address since 2006 now, so 8 years. I've had a lot of different offices and I've moved several times since then. I'm glad I do that.

**Shaun:** There are services out there that will actually scan your mail for you and can literally e-mail it all to you if you want.

**Joe:** Yeah that's a real good point. There's also services for people who do full-time RVing where you just have your mail forwarded to their company and once a week, they'll mail it all to you. If you just googled RV mailing services or whatever, you'll find companies that do that, specifically for RVers.

**Female:** I have a question in Atlanta if you can take one more?

**Shaun:** Yeah. We'll do one more before we wrap it up.

**Female:** Submitted this online as well, Joe, we bought and had begun implementing your leads in an hour course. Great stuff. Thanks for putting that together. What percentage of your deals still come from craigslist these days and what changes have you made to your craigslist marketing recently just as the market continues to change and as more users jump on the bandwagon?



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**Joe:** If people are curious about what you're talking about, if you go to [onehourleads.com](http://onehourleads.com), you'll see this little course that I created. It's 97 bucks. It's really good, [onehourleads.com](http://onehourleads.com). I created that with a guy named Rob Swanson. I'm really proud of it. It's a great course.

Anyway, I'd say probably 25% of our deals come from craigslist. Not as many as used to because postcards just works so stinking well. I love postcards. It's unfortunate that they cost money but postcards work so well. Craigslist works as well to. I'm getting 5 to 10 leads a day in St. Louis from craigslist. It's just that with postcards, because we're going after such a targeted list, the percentage of deals that come from postcards are higher than the percentage deals that come from craigslist but it's still very, very important to do.

What has changed? Google Voice is a lot more difficult to use. It used to be Google Voice, anybody could sign up for an account. You could give access to your VA and your VA could send 40, 50 text messages a day from the Philippines but Google Voice is really trying to clamp down in the last 3 to 4 months where if you sign up for a new account and you start sending the same text messages like 5 times in a row, they'll shut you down automatically.

What did I do? I went and I got a ... those really cheap prepaid cell phones that you can buy? Here in St. Louis, we have Boost Mobile. They're popular all over the country. I went and I bought a real cheap prepaid cell phone from boost mobile and I gave it to my local assistant and she now sends the text messages from the phone. It's an android phone. I don't want to get too technical here but there's a program you can buy called Mighty Text.

It's an app or website, Mighty Text. What that does is it allows you to send text messages from your computer through your phone. What you do is to get your VA to log in to Mighty Text for you and send text messages. It'll send them from your real phone and your VA can see the responses through Mighty Text and put them into Podio.

That's the biggest thing that's changed with craigslist. Since it came out, that course, more people are using craigslist now but it's still really, really effective. I mean where else can you go to find landlords of vacant homes. Every house that's on their advertising for rents, for sale by owner is a vacant house and the landlords are giving you their phone numbers. We'll text them and say hey do you want to sell your house? If it's a FSBO, we'll say hey, we saw your property on craigslist, how negotiable is your price? I'm an investor. Is your price negotiable? It's a great way to get your foot in the door.



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The other thing I like to do is I like to contact the realtors and property managers who are advertising houses for rent in craigslist. I like to ask them would your client be interested in selling that house. I'll let you represent me. You can get both sides of the commission. Sometimes, they'll say no. Then I'll say, well look do you have any other clients with rental properties that they might like to sell? If I can make an offer on them, you can represent me and get both sides of the commission. They'll say, "Yeah maybe. I have some. Let me look into it." I'll say, "Can I e-mail you my contact information? That way if you come across a seller or somebody that has a deal, let me know and I'll let you represent me. I'll buy it through you."

The cool thing now is I have a database of e-mails of realtors and property managers. Once a week, we send everybody on our list an e-mail. Hey, this is Joe. Do you have any deals? Just a couple of sentences weekly, every week, send out an e-mail. We consistently get leads from that. Craigslist is not a one-time thing. It's a long-term game. Since we've been doing this for so long, I literally have tens of thousands of phone numbers of landlords from all over the country. I have their phone numbers. I could, if I wanted to, do a large campaign to all the landlords with their phone numbers by voice blast or text messages, asked them if they have a house they want to sell.

**Female:** Awesome. Thank you.

**Joe:** Anyway, again, another succinct answer to your question.

**Female:** I appreciate it. Thanks so much.

**Joe:** Sure, sure.

**Shaun:** All right man. That's a good answer. I'm really, really appreciative of you being on this call especially since it was last minute. Thanks for all the good information man. It's really cool to hear how you can actually do this business from pretty much anywhere if you focus on what your strengths are and you tweak a couple things and make sure you're working on the most important things each day and you've answered clearly the most important thing for you is marketing. I appreciate everything that you shared guys. Thank you very much for everybody that was on this call the entire time. We didn't lose anybody on this call. Everybody stayed on from start to finish so obviously, that means it was a good call. Joe, any final thoughts before we wrap this up?



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- Joe:** No. I do have a ... I just wrote a book Shaun. Can I tell people how to get my book?
- Shaun:** Sure.
- Joe:** If you go to freebasicbook.com, let me make sure that site still works. freebasicbook.com, a business partner and I did a webinar being brilliant at the basics, called Being Brilliant at the Basics. We've turned those series of 4 webinars into a book. You just pay for shipping and handling. It's pretty cool. Check it out.
- Shaun:** Awesome. Well thank you again man for being on the call. Thank you guys, everybody for hanging in there. Appreciate it man. Good stuff.
- Joe:** All right guys. See you.
- Shaun:** Have a great day everybody.