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The Importance of Having a Database

Hosted by: Joe McCall

Hey, what's going on guys? Joe McCall, REI In Your Car. Real Estate Investing Mastery Podcast.

Hey guys. Today I'm going to talk about the importance of having a database to manage your leads. This is so, so critical and important. I remember when I was first getting started in the business, my coach at the time telling me, in fact it was Todd Toback. Some of you know Todd. He was doing cool things right now with next level wholesaling. Shout out to Todd Toback if he's listening to this. We're friends now, but at the time he was my coach and I took a lot of advice from him. I took everything he said seriously, except this one thing about making sure all of your leads are in a database.

I remember him saying this back in 2008 and being disgruntled with it, right? Not thinking, oh, I don't know, I don't like that. Like if the seller doesn't want to do a deal right now, fine I'll just, you know, throw the lead away, move on to the next one. I have enough leads I'm handling right now. I can't handle possibly doing any more or managing any more leads and, but he talked about the importance of managing your leads in a database, your sellers and your buyers super important. And this, you know, in 2008 that wasn't that long ago.

There were still, even back then, Podio wasn't around, there weren't any really good CRM's for real estate investors like we have today. But there were still a lot of things out there that you could use back then. There were spreadsheets, Google Docs had sheets back then, Google Sheets if you remember. So anyway, I kind of ho hummed it. Didn't think it was that important. And you know, here's a guy, Todd who's telling me this. I remember one night I was working at a job site, my background is civil engineering and I was working at a job out in Illinois on a power plant and I was not very happy with my job.

I mean, here I am, I'm away from my family. I have to spend the night out in the middle of nowhere, Illinois and there's a lot of nowhere. Illinois, everybody just thinks of Chicago. But like if you go down south a couple of hours, you're in the middle of nowhere. Like there's nothing. That's where I was, I was working and I had Todd's book and I remember I bought it and one of the bonuses was a free coaching call with Todd. And I remember I scheduled my call with Todd. It was like 6 o'clock in the evening or 7 o'clock in the evening in Illinois and about 4 or five o'clock in the evening in San Diego where he's from. And so I was all excited, man, I was so nervous. I've got to, I get to talk to Todd, right. And it was good, you know, half hour or so.



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He answered all my questions and my last question for him was this. I said, Todd, I know I've done deals before and I liked this lease option stuff, but can you really make a full time income doing lease options? I just needed to hear the truth. And I believed Todd, right? I knew he wouldn't lie to me. I said, can I really like if I quit my job could I really, really like honestly, seriously swear to God, pinky finger promise, whatever that is, right? Can I make a full time income doing this? Is that legit? And he said to me a couple of words that really changed my life forever. And he said, yes, Joe you can as almost like that's a dumb question. It's like yeah, yes you can, you really can. And I said, okay, I believe you. I'm going to do it.

I believed him. And so sure enough, probably five, six months later, I did quit my job. I was making more money doing lease options part time than I was in my full time job. And that was history, right. So in Todd's course, one of the things that he told me was the importance of database. And I wished I would've listened to him then, but I did because I thought, oh, it's too much hassle, too much work I don't really need to do that. They don't want to do a deal now then they won't want to do a deal later, so I'm just going to pass it, move on. But I have understood as I've grown older and grown into the business and done more deals, and have coached a lot of people to do deals and have mastermind and partnered with people who do deals.

If you do not have a database manager leads, you do not have a business and you shouldn't be doing business. You should not be trying to do real estate or investing. Even if you're a realtor listening to this, you should not even be trying to do it. Stop wasting your time and money unless you have a database. And I would take it even further, you shouldn't be wasting your time in this business if you're not taking your database seriously. And when I say database, I mean CRM. I mean something like Podio, REI Simple, which is my new CRM. Maybe you're using Real Flow or REI Blackbook or Investor Fuse or whatever. There's a ton of them out there. Really good ones out there. I think REI Pro is another one that's good. My personal favorite is REI Simple. I love it. I've customized it for lease options and the kind of marketing that it does and the document management that it does is literally second to none.

I'm going to brag about it because I have seen all the CRMs and nothing does it as well as REI Simple does for various reasons. They all have their strengths and REI Simple is not perfect, but there's nothing better that I've seen that manages documents, creates contracts and does auto responders and follow ups by text and by email better and cold calling than REI Simple. But anyway, I digress. And in case you're curious I white labeled Freedom Soft to come up with REI Simple, but I've customized it for lease options so only my students can get REI Simple. It's just simply amazing. I'm in, I almost said I'm in love with it but not that much like, but it's really, really



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good. And here's the point, if you don't take your manager managing your CRM, your database seriously, then you're not really in business and you shouldn't be in business.

You should do something else that's how important this is. Somebody told me once in one of the masterminds, he said, if you don't know your numbers, you do not have a real business. Now, he was talking about specifically knowing the books, the revenue, the expenses, your net income, your margins, your taxes and all of that stuff, right? Like if you don't know your numbers, you don't have a business. Well I would say the same thing with your buyer and seller leads. If you're not tracking your buyers and seller leads, then you do not have a business. Now, here's the thing that's important. You need to manage your CRM. You can't just throw leads in there and expect it to do anything for you. You have to update the statuses or change the stage of the leads, right? You have to create follow up tasks or reminders or add them to your auto-responders.

Text and email auto-responders like you can't just mark a lead as follow up and that's it. You don't have any notes. You don't have any task assigned to somebody in the future. Every single lead, the status needs to mean something, the stage or status, whatever you want to call it, whatever it is in your CRM, it needs to mean something. You need to be able to look at that status and see, okay, well this lead is here and this is what happens needs to happen next. So you may need 20 statuses and that's okay, but if you just status, your lead is follow up, that means nothing. You need to status lead with like follow up, cold follow up warm, follow up hot and maybe have different things that happen with each of those follow ups, right? And then you need to create a task, a task of what kind of follow up do you want to do.

Let's say it's a cold lead and they say, you know, I do own that property but I don't want to sell it. Well, you know what, no means not yet. So add a task to follow up in three months. And that follow up could be just another text. It could be a sly broadcast a sly dial it could be a letter or a postcard in the mail, but you should be following up with every lead. You've got to set up your databases so that no leads fall through the cracks and no lead gets left behind. You send something in the mail, physical mail to every single seller you talk to, every single lead if you can, right. I'm telling you that's what your competition is not doing you. If you do this, if you just take what I'm telling you right now, seriously, I don't care what market you're in and how competitive it is, you will do more deals.

Like let's say you're in Phoenix, Phoenix, tons of wholesalers. You can't walk down the street and trip over a bandit sign or a wholesaler putting the bandit sign in the ground, right? Like they're everywhere tons of competition. Probably, maybe one of the most competitive markets in the US. But I bet you my bottom dollar, that may be only 25% of those wholesalers are doing any kind of



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consistent follow up. I've seen it I know it's true. The ones that are doing a lot of deals and there's not as many as you might think, but they're doing consistent follow up and they have good databases, they have good systems, they have good CRMs where every lead is getting an offer. Every lead is getting followed up with if 85% to 90% of your deals come from the follow up, which is the truth, you can't do that without a good CRM.

Every seller needs to be touched at least six or seven times before it turns into a deal on our deals right now, we're doing in Alabama, on average of five to 10 a month. It's the average follow up time is three months. It's six to seven touches of following up with them consistently, and you couldn't do that without a good CRM. So here's my point. I think I feel like I'm beating a dead horse. I'm looking at the time here, right at about 10 minutes. I'm running out of things to say, I'm running out of ways to stress the importance of this, but I hope you get it. If you're just getting started, it doesn't, you don't have to have a real fancy CRM database. You don't have to be spending hundreds and hundreds of dollars on this. You know, you could just use Google Sheets if you want it to.

Every lead though needs to be status with a follow up, a stage, or a status follow up. When does that follow up need to happen? You know, if you're talking to the seller and they, you find out that they're taking their dog to the vet or something like that, put that in the comments and the notes and next time you call them or talk to them and say, hey, how's your dog doing? Last time we talked you were taking your dog to the vet, is everything okay? Those kinds of things are really important. I can't tell you how many deals we've done where the sellers have said, you know what, you're the only ones that call me back or that have actually followed up with me. Or you're the only ones who answer their phones and they're showing you a stack of five miles high of postcards and letters that they've received some other wholesalers, but you're the only one following up with them.

You're the only one who cares enough about their cat, remembers what you said to them before and you're following up with them consistently and you're friendly and you're not a jerk and you do what you say and you say what you do. So anyway, that's the thing, you know, and it doesn't have to be overwhelming. So if you're just getting started, do it to keep it simple. Use a Google Sheets. There's a thing called, I used to use it. I don't need more time, no. What's it called? Smartsheet. It might be called something differently now, but Smartsheet is like a Google Sheet, online spreadsheets. But you can attach things to each record each row you can assign tasks and responsibilities and flags and labels, things that you can't do in Google Sheets. So checkout Smartsheet if you really want to do something with spreadsheets. It's still not as good,



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I think the next thing up would be Podio. You can get Podio for free, real simple basic version. Or you can get like nine bucks a month for Podio. Podio is good, but you can't create contracts. You can't send emails or text messages from inside of Podio by itself. You're going to have to get a bunch of third party integration tools, which hallelujah, those days are over for me. I'm doing something else now. There's other tools as well. Shout out to my friend Damon at REI Blackbook. You've got Freedom Soft. You've got Real Flow. REI Pro and there's probably two or three others that I'm forgetting. Mine is called REI Simple. It's the best thing on the planet. I'm put my, I can wager money on that. I can show it. Prove it to you because of the document management that it has.

You can create contracts. You can send documents in the physical mail. It was like .82 cents per letter, like one off letters. Sending them to sellers would do that all the time, send offers. We send follow up letters because physical mail, just don't trust email and that stuff's going to get lost in spam. They're going to look at it and say, Oh, I'll look at that later. And then they're going to get lost in their email. Who reads emails anymore anyway, so send things in the physical mail, make sure your CRM has some way to text sellers and have it set up where you can do auto responders by emails and by texts with sellers. You can do SMS broadcasts, which we do, which is amazing and there are compliant. The way we do them inside of our REI Simple you can create. Yeah. So it's just, anyway, I can go on and on.

You get the point, get something, okay. If you want more information about REI Simple and why I think it's so awesome. I want you to, I want to encourage you, go to a website here. I'm going to give you, it's a class and you can watch a webinar where I talk about lease options and I talk about, I actually demonstrate REI Simple. Go to SLOClass.com, SLOClass.com and should see either my next live webinar or the next one that I do that you can just watch a recording of. But yeah, really cool and I appreciate you all. That's all I got to say. There's more I could say, but I feel like you get the point and if you don't get the point, then you're not going to get, if you haven't got the point yet, you're not going to get the point. If I talk more about this, so we'll see you guys later. I am driving right now on the interstate and starting to get traffic starting to get busier, so I need to concentrate more. We'll see you all later. Go to SLOClass.com and watch my latest Webinar there about simple lease options and about REI Simple SLOClass.com. See you guys. Take care. Bye Bye.