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Learn Lease Options From One Page- Part 1

Hosted by: Joe McCall

Hey guys, Joe McCall, REI In Your Car. On this episode we're going to be talking about my one page guide to doing lease option deals. And I'll probably break this up into three parts. I don't know yet, but I'm going to walk through a piece of paper that I wrote a few years ago on like all the steps from beginning to end on how to do a lease option deal from beginning to end on one piece of paper, cool.

So I just wanted to say too, before we go here I really like doing these podcasts in your car. I hope you all don't mind. Every once in a while I get somebody complaining about the audio quality not being that great and I get it. But you know, I like talking to somebody while I'm driving and it's like you and I are sitting here and we're just talking shop and we're talking about business and you get to hear the car sounds so it's not like it's boring monotone where you can hear me smacking my lips on a real professional mike, which is gross anyway, right?

So I wanted to talk about this one page, piece of paper thing that I wrote and I wish I could show it to you, but I'm on a podcast and I'm driving, so I can't. Really kind of, this all started where I was invited to speak at a convention in Ohio for real estate investors. And I was one of maybe 20 speakers that were invited to come teach about real estate investing. And I was talking about lease options, surprise, surprise, right? And the guy that was going before me, I was in there early to listen to him speak and I was there to teach lease options and I also had a course that I had to sell and the guy before me was talking about his stuff and it was good, it was really good, but he was trying to over deliver on the value, right?

Like it was a generic real estate investing course and kind of an emphasis on how to rehab properties and stuff like that. And so when he was talking about what was in his course, I was quickly getting overwhelmed. I'll tell you why. It was like, all right, so in this course, I'm going to teach you how to rehab properties for profit, right? And so you're going to get 20 DVDs of 30 hours of videos, and you're going to get these manuals with all the contracts and checklists you ever need. And as a bonus, you're going to need to know how to get private money. So I'm going to throw in another course as a bonus on how to get all the private money you could ever need. And it's 10 DVDs and two books and whatever is all of this awesome, valuable stuff.



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And he keeps on stacking these notebooks with these DVDs in it. And once you know how to get the private money I'm going to teach you how to find the deals. So you get this other bonus course on advanced marketing tactics, and it's 10 DVDs and a bunch of transcripts and audio and forms like, you know, papers and stuff like that. And once you do that, you're going to need to know how to protect your assets. So you're going to get another bonus course. If you act in the next 30 minutes, you're going to get this other bonus course of 20 DVDs of how to protect your assets and set up your entities and all of that stuff, yadda, yadda, yadda, yadda. Then there was another one about outsourcing and just going on and on and on. It's a pretty amazing gift on stacking these notebooks on top of each other.

You know like the whole song and dance of if you buy it now within the next hour, it's normally 5,000 million dollars on my website, but you get it today for just the low price of \$9.97 and it was like really incredibly valuable stuff. I'm not trying to knock him right, but I was completely overwhelmed. I was looking around the room and it seemed like a lot of people were overwhelmed too. Just, it's called the thud factor. You know, you're just trying to impress people with the volume of material that you have, right. But I was completely overwhelmed and I was thinking this is crazy and I'm coming up to speak next and I'm just going to be teaching how to flip lease options, right. Which is super easy to do. And I had maybe one online course with maybe six or seven hours worth of videos, like my core stack next to his was like maybe an inch compared to a foot of material.

So I don't know. I was thinking, geez, how am I going to compete with this? But I'm completely overwhelmed and I think everybody is too. So I decided I'm going to sit back in the room and I said, I wonder if I could write down the whole concept of doing lease option deals on one piece of paper. And I did, I wrote it down on one piece of paper about eight or nine steps or something like that. And I was a pretty detailed in this, right? I used some initials because I couldn't like write everything all out, but I did. And when it was my turn to speak, I stood up at the front of the room and I said, you know, hey, it's awesome. You know, how you doing guys? I'm afraid I don't have as much as like the other guys have that are selling you all this stuff.

But I'm going to teach you how to do lease option deals. And I just, I wrote it all down on one piece of paper and who would be interested in learning how to do deals and make a quick five grand in the next 45 days using just like one piece of paper? Like this is all you need. And everybody started applauding. It was crazy and I just thought, you know what I think I'm onto something. Like it doesn't have to be that complicated. Education is important. You got to invest in your education and it's important to learn as much as you can. But education without implementation is completely useless.



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Knowledge is not power. Knowledge with action is power, but knowledge by itself is not power. And I'm afraid that people that buy these huge giant courses or sign up for these really comprehensive coaching programs are really going to struggle with overwhelm. They're going to get this material, they're going to open it up and they're going to be like, what on earth did I get myself into? Where do I even start? Oh wow. So anyway, whenever I try to teach something, I really tried hard to just make it as actionable as possible.

So I'm going to review the steps on this piece of paper that I wrote and I feel like with the time that I spent introducing this, I'm going to have to hurry up because I'm only going to get through the first step on this podcast. So that's good it'll give me more content to teach as we can kind of stretch this out a little bit. The first step is to find motivated sellers, right? It's marketing and you all know we're not in the real estate business. We're in the marketing business. In fact, I would say this, we're not investors who do marketing. We're marketers that do investing. And that's the plain cold, hard truth, okay.

So what kind of marketing can you do? Well, I'll tell you my favorite. I have two favorite ways, actually three or four, but kind of there, you'll see what I mean when I'm talking about here. I like to send emails and text messages and voice messages, too properties on Zillow and Craigslist. And specifically I like to go find the rentals in the for sale by owners. And again, I'm not posting ads on Craigslist, I'm responding to ads. I'm responding to people who posted ads, on Facebook Marketplace as well, right? Facebook Marketplace, Craigslist and Zillow. I want to contact them as many ways as possible. I'm going to send them a text, I'm going to send them an email. I want to do a sly dial. If it's Facebook messenger, I'm going to send them a message, you know, and I you want to mix them up, send them from different phone numbers, different emails and all of that.

But the cool thing about this is I don't like cold calling, right? As long as someone else does it, I like it. But for these properties, I don't like cold calling, but a VA, a virtual assistant can do all of this for you, right? So we go and find properties listed for rent and we ask them a simple question. Hey, we saw your rental property 123 Main Street on Zillow and it looks like a nice house. You wouldn't be interested at all and maybe renting it for a year and then selling it would you? That's one thing you could say. Or you could say things like, I saw your property on Zillow. You wouldn't have any interest in selling it would you or would you entertain an offer to sell by any chance? You just mix it up and ask different things.

Would you consider maybe a lease to buy, rent to buy, rent to own? I like keeping it simple. You wouldn't consider maybe leasing it for a year and then selling it, would you? There's other things you can say for like for sale by owners. You could ask, you know, hey, I'm an investor. Is your price



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negotiable? Or would you be open to maybe selling it on terms? So just changing the language around, I'd like to contact them and change the message.

But the cool thing is now your VA's can do this for you. And as you start doing this more and more, you can actually build a huge database of landlords and property managers and realtors and wholesalers and investors and all of them that you could potentially do deals with in the future, right? So, you know, every six months or so, you could take your entire list, maybe send them a ringless voicemail.

Maybe I said maybe, okay. But you could send out some marketing to everybody and say, hey, listen, we talked a while ago, I'm looking for another property in the area. If you have anything that you would like to sell, please call me. I'd like to talk with you about it, right? Or if you know of anybody or whatnot. So you can put these ads, these messages out there. As you're doing this, you're building a list, a database of property managers in all of the people that are involved in real estate stuff, right? So you can potentially maybe do a deal with them in the future. So I love that strategy. You know, you have the entire United States in your backyard, right? Zillow doesn't block you from seeing properties in other states does it? No. Craigslist doesn't either. So you can get a VA to do all this work for you.

And in my course I teach, you know some software and some tools and companies that we use to scrape all of this stuff for us, which makes it even that much easier. And my CRM database, which is called REI Simple, we actually can send out mass text messages and emails from there, which is pretty cool. We can even make phone calls and it's all in one CRM database it's amazing. On my webinar, by the way, I demonstrate REI Simple and you can actually see how and what we do with this type of marketing. And you can watch my webinar at SLOClass.com. That stands for simple lease options. SLOClass.com. Check that out.

All right, so second favorite form of marketing is networking with other investors and wholesalers, okay? A lot of wholesalers out there are throwing away their dead leads. They don't have enough equity in the house, right? So there's nothing they can do with them and they don't want to do anything with them. They may be, could refer them to a realtor, but that's a hassle a pain in the butt. So what if you found wholesalers and said, listen, what are you doing with your dead leads? If you sent them to me and I do a lease option on them, I can split the deal with you 50/50, or something like that, right?

If you're just getting started out, that's what I would do if I were you. So I would start networking with other wholesalers, even as you're calling and talking to landlords from your texting and



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emailing and phone calls. Ask them, hey, do you ever come across properties? Do you do marketing on your own of your own that you maybe have a lead that you know, can't do anything with and the seller's motivated but you can't buy it because there's not any equity.

Or if they did have enough equity, they're not willing to share any of it with you. Throw me that lead, I'll do a lease option on it and pay you 50% of my profits or whatever. I mean, what wholesaler would say no to that? That's what I would do if I were you, okay. Lot of potential opportunity there because these wholesalers are spending thousands and thousands and thousands, t's ridiculous, of dollars every month and throwing these leads away that don't have any equity and if you do a lease option on them, bam there you go. You can make \$5,000, \$10,000 grand on a lease option assignment pretty quickly and easily if you know what you're doing. So there's other marketing that I like to do. You know, I dive deep into different marketing strategies in my course, one of the other things I like to do is send the letters to rental properties on Zillow.

If you look at all the rental properties on Zillow and Facebook Marketplace, guess what, they all have one thing in common. They are vacant, their vacant homes, most all of them, right? I also like to send mail to expired listings. And yes, there are still expired listings today. You may think the market is super competitive and hot, but when you send marketing to these expired listings, you need to make sure you tell them something. I am not a realtor. Repeat after me. I am not a realtor. I am not looking for a listing. I want to buy your house. If you're interested in selling it, please give me a call and you can talk to them. Cool. So that's the first step, marketing. You should have, let me, I'll end this podcast episode with this. In your marketing, you need to have a marketing plan, okay?

It should be just simple written on the back of a napkin. But you need to break your revenue goals down into things you can control. Like you can't control, I'm going to make \$10,000 grand a month, or the average profit on a deal is \$5,000grand. So I need to do two deals. You can't control, like I need 30 leads to do one deal. But what you can control is the outbound marketing that you do. And so you need to write that down and you need to put it in a spreadsheet and you need to track those numbers every day. If you can't track the numbers, get a VA or an assistant or somebody to write those numbers down and track those numbers for you everyday. Because if you're struggling, I can guarantee you it's because of one thing, you're not doing enough marketing or maybe you are doing the marketing, but you're not talking to any enough sellers. You're not making enough offers.

So your speed to income is directly proportional to the number of offers that you make. Let's keep this super simple. It's focused on what's most important. And let's focus on making offers to



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sellers, right? So you need to track your numbers. You need to track, like, all right, I'm going to send out 50 text messages and emails and voicemails a day from craigslist, Zillow, and Facebook Marketplace. All right, well maybe break those, each of those down into 20, 20, 20 and then what else? Like, I'm going to call two wholesalers a day and just say hi and network with them. And you know, to do that, you could go to, We Buy Houses guys, or you could Google wholesalers from bigger pockets or different Facebook marketplaces and just reach out to them. Say, hey, how's it going? Listen, I'm doing a lot of lease options these days.

I'm looking for deals and offered to partner with them and help them with their dead leads. Put that into your scorecard. It could be 20 letters a day. You got to put those numbers down and track them. And as you write those numbers down, think, how can I get someone else to do all of this for me? Get someone else to do all that marketing for you so you can focus on offers to sellers, right. And then the other thing you need to track on this scorecard is the number of sellers you're talking to every day and the number of offers that you're making every day. You should be talking to a minimum of five sellers a day. Five sellers a day you should be talking to. And you should be making offers to every single one of them. Yes, every single one of them.

Now, if the seller is kind of warm to hot in the motivation scale, if it's close enough, you should schedule an appointment and go meet the seller at the house, right. But you know, if their a cold leads, still send them an offer, send them an offer anyway and follow up. So that's a future thing that I'm going to be talking about in another step. But that's super important to remember through all of this. Like you got to keep a database of all your leads so that you can follow up with them. 75%, 85% of your business, your deals are going to come from the follow. So you got to put them in a database, send them an offer, follow up with them every single month, every single week, depending on the temperature of the lead, you know, you need to follow up with them until either they die or you die or they sell the house.

Something like you just got to follow up with them over and over and over and over again. Because you know, at least purchase a lot of people have not heard of that, they never thought of it before. They want to sell it. They don't want to be a long distance landlord or think that they think that being doing a lease purchase means are going to be a landlord or whatnot. So they just need time to think about it. In future steps I'll be talking about how to make those offers and I have a lease option credibility kit that sells the lease option concept for you. So we'll be talking about that some more. The next step I'll do on the next podcast episode is going to be talking to sellers. Excuse me. It's going to be talking to sellers and it's going to be pretty simple.



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I just like to ask questions. I ask a lot of questions. In fact, I never answer questions. I only answer questions with questions. That's super important because you want to stay in control of the conversation. You don't want to be the motivated buyer. You don't want to be chasing sellers. You have to have confidence in what you're doing, what you're saying you need to exude. That's the word I'm looking for. You need to exude confidence when you're talking to sellers on the phone and you do that by asking questions. Simple questions. We'll talk about that next time.

Listen, if you want to know more about how to flip these lease options and how to do sandwich lease options, if you just did one lease option deal a month, in three years, you'd have over a million dollars in equity and over \$10,000 in monthly cashflow without ever buying a single house, right? You're not buying houses. You're controlling them so you're not using private money. You're not using banks and you're not using any of your own pocket money out of your pocket. You're not using any of that. You're using the money that you get from the tenant buyers to pay anything for the sellers like you have to do. So anyway, if you want to watch my class on this, go to the SLOClass.com that stands for simple lease options, SLOClass.com. Check that out and you get more information on it. Cool. All right guys, we'll see you take care.