



I'm Creating A New Course About Buying Your Own Dream House On A Lease Option

Hosted by: Joe McCall

- Joe: Hey everybody, what is up? Joe McCall, Real Estate Investing Mastery podcast. Hope you're doing well.
- Joe: I'm actually coming at you from San Diego, sunny San Diego, where you know, it's funny, I got a lot of memories here. I used to live here. I was kind of raised in San Diego, I was born in LA. I'm here for a one-day business meeting tomorrow. Some of you might know the guy, his name is Billy Jean. He's a marketing guy. Billy Genius, marketing genius and super cool guy. But I'm going to hear, I'm going to be with him in a small little mastermind for 20, 30 people for a day tomorrow. Hopefully learn some cool things about marketing, which I'm a huge student of, right? You should always be a student of marketing, right? I say that a lot. The three key cornerstones of success in this business is marketing. It all starts with marketing automation and delegation; marketing automation and delegation, right?
- Joe: So that's super important, right? I am in San Diego. It's funny because I used to live here. And just as a little side note before I get to the important thing that I want to talk about, you know, everybody wants to live in beautiful sunny San Diego because they think it's just so beautiful and incredible, right? But usually the only parts that you see that are beautiful and incredible when you come here on vacation are the really nice expensive, wealthy areas, right? But 99% of the people that live in San Diego live out in the city where I used to live, right, about 30, 45 minutes away from the beach. And it's San Diego, it's just not really that nice in some of those areas. I'm driving in this car in rush hour right now and southern California rush hour is, let me just put it this way, a little busier than the rush hour in St Louis, Missouri, right?
- Joe: I drove past some really kind of poor areas downtown where there was probably a couple hundred homeless people. And so there's a real big homeless problem here. Not a big deal. I'm not here to talk about politics and all that, but, when I was, it's funny because about, oh, I don't remember how long ago, 15, 17 years ago, I had an opportunity to get a job with a certain company in Lake Tahoe and I really loved



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California. Really wanted to stay in California and Lake Tahoe borders, California and Nevada. Right. So always liked California, but then an opportunity that... that opportunity didn't open up and another job opened up in St Louis. So I was really struggling because you'd rather live in California or Missouri. Most people would say California, duh! But you know, so I was a little bummed and a friend told me something, he gave me some really good advice. He said, Joe, sometimes if you can't be with the one you love, you just got to love the one you're with. And okay, that only... that doesn't apply to people in relationships, okay? But it doesn't apply to, you know, your marriage and stuff like that. But it maybe, it does apply to where you live because I moved to St Louis, Missouri. I didn't like it at first. I thought we'd only lived there for a few months or I mean a few years. It turns out I really liked it a lot. I liked St Louis, I liked the Midwest. It's beautiful out there. You can get so much more for your money. It's a great place to raise kids and schools are way better there. There's just some ways, there's more to do. Some ways like there's a lot to do in southern California, right?

Joe: I really like St Louis. I like the baseball teams better, hockey teams are better out there. Football teams? Yeah. St Louis doesn't have one anymore. There's a lot that St Louis has to offer. So let me just encourage you all if you're thinking, I wish I lived where YE San Diego, the mountains, you know there is the grass you think is always greener on the other side, but you still have to mow the grass over there on the other side. Like the house that we live in now in St Louis would probably cost \$3 or \$4 million in San Diego. Okay. And where else in... you can't even get the kind of privacy that we have. Trees that we have, the beautiful countryside that we have, the wildlife that we have where we live now. Right? So it's like I'll take St Louis. Yeah, I got family there, friends there. My kids are born and raised there and kind of a great church. So I'm grateful and appreciative for where I am and I'm glad I didn't fight to try to stay in California, especially with this traffic. Oh, my goodness. And people are mean here. Like the drivers, they're way more mean, meaner? They're meaner in California than they are in Missouri. People are more polite out there. Oh, you know, there's nice people here in San Diego and there's mean people in St Louis. I know, but like some of you know what I'm talking about. You've been in both places, you kind of been in the Midwest and you've been out in California or New York. Yeah. So, all right. And there's no earthquakes in St Louis at least yet. There's a huge [inaudible]. All right. So enough of that. If you can't be with the one you love, get along with the one you're with if you're looking for a



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place to live and so that does not apply to relationships. That's a horrible advice. That's of the devil. That's not good.

Joe: So anyway, all right. Today we did a really awesome coaching call. Gavin and I did where we just do it once in a while. We do a free coaching call and we just share with everybody kind of what our coaching calls look like, where we evaluate deals, we actually pull deals up, we look up addresses, look in comps, and we kind of teach people how we would make an offer on these deals. And it's so cool. The feedback was just really, really amazing. And then we answer a ton of questions of course, right? So that was a lot of fun. We did that today and I want to encourage you guys, if you want to see the replays of that, go to my YouTube channel. If you've not been to my YouTube channel, I got a ton of really good videos on there.

Joe: A lot of my podcasts are released as videos. You can see them and you can see a lot of the live videos that I do where we do coaching calls or podcasts or interviews. But this one was really good and you just kind of ask people at the beginning, excuse me, all right, if you've got a deal you're working on or a seller you've talked to and you want some help evaluating the deal, like what would you offer and what would you have said? What would we would say to the seller if we were talking to them, put in the address, give us some details about the property, and we had a bunch of them. So we looked at three or four deals and it was fun, a lot of fun. And the value is really good. So if you were interested in seeing that and seeing some of the other calls that we've done like that, I want to encourage you right now, go to YouTube and subscribe to my channel.

Joe: I think if you just look up Joe McCall, you'll find my channel. You'll find some of my videos or you can, if you don't... yeah, I think you should just... my channel is called Joe McCall so go there and look for that, subscribe to it and you know, ring the little bell thing that's asks if you want notifications because I come out with new videos at least once or twice a week. Good resource. Okay. The other thing I wanted to tell you, I'm working on all of my flight here. It's got about three and a half hour flight and I just can't believe how quickly the time flew because I was actually working on a new class that I'm doing about how to use lease options to find your own dream home to live in. And that's something that I've done twice. I have some students that have done it, friends that have done it and it's really amazing.



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Joe: It's like there's a lot of reasons why, you know, you can't buy a house right now and they're not bad reasons. There's a lot of people out there that you know, you're small business owners or entrepreneurs and you are working hard to build your business and you're making some money. But guess what? Tax man knocks and when the tax man knocks on your door, you have to pay taxes. So ideally, most people, if they're starting a business, running a business, they try to lower their income, write off as many expenses as they can so they don't have to pay as much tax as well. What happens when you do that, it gets harder to get mortgages and apply for mortgage and get a house. So you can make really good money, but you're reporting not as much money as you're making.

Joe: I mean, legally right? within the legal bounds of what's legal. I'm not giving you any tax advice here. I'm not an accountant, but you want to try to write off as much expenses as you can. So sometimes you may be able to afford a \$750,000 house, but you can't get a mortgage for it because you don't have the income for it. All right. Hold on a second. And another thing that you've got to think about is a lot of small business owners and entrepreneurs, you know, the reason why you're successful, the reason why you make so much money is because you take a lot of crazy risks. You take a lot of risks and when you take risks, sometimes you fail. And failure is not a bad thing. Failure is actually a good thing. In fact, I would really be hesitant to take the advice anybody, in terms of business advice, who has not failed at least several times, once or twice at least, right? Because people who are successful in business, if you look at that as this quick snapshot, you might think, oh my gosh, this guy's amazing. Everything he touches is gold and what an awesome example. No, it's not the truth. Most successful business owners and entrepreneurs have failed many times before they hit success. And a lot of times you don't even look deals. People that do a lot of deals have a lot of failures and a lot of deals that they've lost money on or a lot of deals that they have lost because you know, for whatever reason they made a mistake and an offer or they didn't, whatever. So only, I mean for the most part, like just, you should only take business advice from people that are successful. Number one, they have to be successful, right? But they've also had some failures and that's how they learn to be successful because they learned from their failures and mistakes.

Joe: So what does that have to do with lease options and buying your own dream house? Well, if you're a small business owner, you've probably have some mistakes



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and failures with different business ventures in the past and that has damaged your credit. You know, maybe you've accidentally, or you've taken out a business partner that wasn't a smart decision and that business partner ruined your credit. Or you know, you've taken on too much debt from a failed business in the past. Well, the bank looks at that and they don't care that you're a small business; they don't understand what small business ownership really is. They don't understand entrepreneurship. They don't... they're just pencil pushers, bean counters, right? They don't understand the risks that it takes, what'd you put on the line to start a business, run a business. So they make it really hard for you to get a job, I mean to get a mortgage.

Joe: You could be able to buy the house with cash, but you don't want to. But you know, you have a bankruptcy or foreclosure or creditors or judgments or something like that in the past that they will not lend you the money. You can easily afford it, but they're not going to give you a mortgage because whatever's in your credit, right? And you also have to have what? You know, two years' really good tax returns and really good income and something like that. So when you're a small business owner, you could be making a couple hundred grand and you can be bringing home a couple of hundred grand a year, but you're going to find it really difficult to get a mortgage for a lot of reasons. Right? Oh, there's my old school; there's my old apartment.

Joe: Wow. They tore down the old school, built some kind of retail. So yeah. So that's kind of my story, too, and I'm working on this class, putting this new thing together about how to buy your own dream home as a lease option. And I was in that boat. I made a bunch of money, but I had some things that happened to me from the market crash. You know, I've lost houses to foreclosure and short sales and stuff like that. And you know, bunch of other things, but I was making good money and I couldn't get a mortgage. So I used the lease option to buy the house of our dreams. And you know, what's funny, too, is I talk about this in this class. I used a lease option because we thought we wanted this one particular house and I didn't put any money in. I might've put like a couple of grand down. I don't remember. Maybe just one month's rent, but we thought we wanted that house and we decided after a couple of years, you know what? We don't, we don't want to buy this house so we didn't, which is the coolest thing about lease options, right? Because if you're going out and getting a traditional mortgage and buying a house, do you think after



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a couple of years of living in it, you just go to the bank and say, hey, you know what? I don't want this anymore here. Can you take it back? Ah, not going to happen. Right? If you decide to sell it now, you got a bunch of costs of selling the house and you're probably really not going to walk away with anything. So yeah, some would think about a lot of advantages to lease options. So I'm working on my slides, preparing a presentation to teach this stuff.

Joe: So stay tuned because you're going to probably get an invitation to join. Watch the webinar where I teach this stuff on how to use lease options to find your own house and it's going to be really cool. A lot of fun and I know you're going to get a lot out of this. I almost said Hob Knob, whatever that means. But I hang out with a lot of really successful business people. I mean people that make \$10 million a year plus, right? And in their businesses, either in marketing or real estate or you know, Internet marketing stuff. And you'd be shocked. I'm telling you guys, you would be blown away by how many entrepreneurs and small business owners there are out there that make great money, have crappy credit and cannot get a good mortgage. It's horrible. It's embarrassing. But here's the cool thing. Take some comfort in that, right? If you're in that boat and you have bad credit, you can't get a good to buy the nice house in your dreams, well, there are things that you can do to get a house like that. You know, rent to own it, lease option it or owner finance it with very little money out of your pocket and it'll give you time to build up the down payment that you need or to restore, build a credit that you need. Here's another thing, if you're a successful business owner and you're doing a couple of hundred thousand dollars a year and take home income, well, you can probably afford a 500,000, \$750,000 house, right? Well, banks are going to want and that's... you get into the jumbo loan territory there, right? So banks are going to want to see at least 20% down payment because those are riskier loans, right? Well, sometimes it takes time to build that kind of down payment up and save that kind of money.

Joe: You know, that's \$100,000 on a \$500,000 house. So yeah, like when we bought our recent house that we are living in now, we had to come up with a \$130,000 down payment, something like that. \$120,000 down payment. Well, I just don't have that in, you know, on the change here in my car or my wallet. It takes some time to build up that kind of cash reserves. And so during the lease option, I was able to get that down payment money. So yeah, there's a lot of advantages to rent to own and I'm going to be doing a Webinar class teaching you about that and I'll be talking



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more about it in future podcast episodes. I want to tell you something first. So if you're not on my email list, I'm going to give you a little sneaky way to get on my email list.

Joe: And I have a mind map. I just found this during the coaching call today. I forgot about it and somebody told me about it. Excuse me. And by the way, I'm on my way right now to have dinner with Todd Toback, my good old buddy Todd Toback, in San Diego. Well, I'm in the area called Rancho San Diego. Todd lives around here and I'm on my way to have dinner with the good old man. He's not old, I think I'm a little older than him, but this is the guy who first taught me lease options way long time ago, about 11 or 12 years ago. And I'm meeting him for dinner here at Rubio's. So, but anyway, I was going to say this. During the coaching call today, this guy reminded... somebody was asking about, how do I get that calculator or something?

Joe: Then somebody said, well, just text the word WLO to 313131 and Joe will send it to you. And I thought, oh my gosh, I forgot about that. So I had this mind map where I taught how to do like, it's an introduction to wholesaling lease options. And in the mind map, I actually give you a bunch of really cool free stuff in there and there's some videos in there of me teaching the mind map. You can actually get to the mind map at... in the videos where I teach the mind map by texting the word WLO to 313131. All right? So if you want to get notified of this class when I do it, it'll be free, so you need to get on my email list. And to get on my email list you need to text the word WLO that stands for Wholesaling Lease Options, to 313131.

Joe: The system will send you a text back. You can go to a page, put in your name and email and I'll send you the mind map and you're getting invitation to watch my Webinar and get some information about coaching if you want. But there's a lot of really cool stuff in that mind map, and you'll get on my email list and I'll tell you all about how to buy your own dream house as a lease option. I think this is really cool. It's going to be helpful for a lot of people. I have students that have done it successfully. I have one client who bought like a multimillion dollar house on a lease option. Well, she didn't buy it yet, but she's lease optioning it right now and it's pretty awesome. Cool. All right, so you ready? I got to go. I got out of rush hour traffic and I'm here at Rubio's. If you're in San Diego, what's up? You should think



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about moving to St Louis. Weather is pretty out there. It's beautiful here, too, all right. Text the word WLO to 313131 right now. I'll see you guys. Bye-bye.