



7 Step Money Magnet System with Josh Cantwell

Hosted by: Joe McCall

Guest: Josh Cantwell

Joe: All right. Hey, everybody, welcome. What's up? This is Joe McCall. Real Estate Investing Mastery podcast. And you might recognize that guy right there. His name is Josh Cantwell. You got a special podcast today. We're gonna be talking about raising private money. I mean, who doesn't like money? Well, some of it. Yeah. How would you like some more of it? All right. On this podcast, Real Estate Investing Mastery podcast, I always bring you the best the best stuff, the best content, the best guests. And we're going be talking about raising private money. And Josh Cantwell has done a lot of it over the years. He's raised over 60 million dollars in private money. He has over 37 million dollars employed, deployed, is that right? Right now, it is working for him. It's employed money working for these guys. Thirty seven million dollars deployed right now into deals. And we're going to be talking about that.

Joe: And Josh is going to give us a simple seven step framework that he uses to raise more private money. So check it out. First thing that I want to let you guys know, a couple of things first before we get started here. Number one, a lot of you all are watching us right now on the YouTube's or the Facebook. So if you're watching this right now, please say hello. Say tell us where you're from. And as we go through this podcast, if you have any questions, type them in the comments in YouTube or Facebook and I will bring them up. I'll post them here for Josh. We'll ask him whatever questions you want, as long as they're clean and appropriate. I'll hide your bad comments. Josh can handle it. So we'll be funny. We'll see if you have something funny you want to say. Gordon posted in there. And we already got some people. Oh, look at this, Daniel. Joe McCahon. Josh Cantwell, two of the most influential people in the game. Hello, gentlemen. That's all right. Nice. And you know Paul Evans. I do. Yeah. Cleveland's finest hedge fund manager.

Josh: What's up, Paul? Good to see you, man.



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Joe: Josh Right. Nice. Daniel is in Cleveland, Ohio. Very nice. And, of course, Paul from Michigan. Michigan, Michigan. Bad news. Yeah. I will not talk about college football rivalry either, because I'm sure there is some of that in Ohio and Michigan. But glad you guys are here. So if you're all watching, we got a lot of people on YouTube right now watching us and on Facebook. So just give us your shout out. Hello. The second thing I want to announce that this podcast is brought to you by my CRM called REI Simple and go check. It's the best CRM on the planet. I've checked. I've looked at all of them. And this is the best one. And so it's pretty cool. It's called REI simple. Go check that out. REIsimple dot com. Nice. Paul is saying here, listen, I can't wait for fat daddies. Meet up again. Josh. I don't know what. I don't want to know what that means that daddy's here.

Josh: He got the name wrong. It's called fatheads but I like fat daddy's even better. We actually we own the Ohio Landlords Association. I actually own the O.L.A. Association. And we were doing our meetings at a place called Fatheads Brewery. It's a local huge craft brewery, awesome place. But then, you know, Covid shut us down and couldn't have our meetings anymore. So we miss it. It was a lot of fun. Give a couple presentations there and the crowds were getting big. You know, couple hundred people. Haven't been able to have them for the last couple of months. But we talked in that about raising a lot of private money, some stuff we'll talk about today. And then, of course, using that with that organization, that group was using the capital to build a massive portfolio of rentals, portfolios of rentals, single family plus apartments, even self-storage. We talked about during the OLA. So Paul was a regular recurring attendee.

Joe: Paul says here, LOL, my bad.

Josh: Fat Daddy's sounds good.

Joe: We also got Jeff in the house from California. Jeff, love California. All right, cool. Let's get start here. Josh, you've been in the business a long time. You've been doing this stuff, what, since early 2000s, right?

Josh: Yeah. I was actually in for first house I ever bought was about 2001. Went full time in real estate 2004, and focused primarily on wholesaling short sales lease options for the first seven years, 2004 till about 2011. And that's what I, yeah, all in Ohio. And then, you know, we we quickly got a national reputation. And I was a keynote speaker at the Home Busters



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conferences in the middle of the Great Recession and talk about short sales, held our own events, and then became a national thing. We created a software called Real Flow. And, you know, it was all about quick turning, transactional. Being a transaction entrepreneur, transaction engineer. Until the time I got sick with cancer in 2011. So you have been in it for a while. It's been a lot of fun.

Joe: We've had you on the show before. I think three times. And we talked a lot about your story with cancer. And it's crazy. Like you guys go to real estate investing mastery dot com. We'll go to REIM podcast dot com and just do a search as a search bar at the top of your search for Josh or Josh Cantwell. And look for that podcast we did. It was in twenty nineteen, I believe. Maybe before or we talked about his story with cancer. It'll rock your world. Man, it's just an amazing story. You survive it and the things you learned from it. My goodness.

Josh: Go. Yeah. Even today, like every day you realize pretty quickly every day is a gift. Literally every day is a gift. And having that kind of perspective allows you have a lot of positivity on your perspective of the world. Especially in today's environment, where everything is very blue, red politically and everything's, you know, everyone thinks they're right. Everyone's kind of fighting for what they think is right for the company. Country should reopen. None of that really matters to me. Give a shit less frankly, because, you know, I just want to focus on what's important to me right now. And that's the gift that cancer gave me.

Joe: Oh, man. That's so it's a cool story. Go check out the previous podcasts we did with Josh. So, Josh, you've raised a lot of private money over the years. Kind of. What got you. What got you started? Why? Why did you start raising private money? I mean, there's a lot of banks out there that lend money. There's a lot of hard money lenders. Why private?

Josh: You know, I really try to teach people to tell people, look, you know, if you're using bank fund funding or institution or private money or hard money, you have to do deals on their terms. You have to do deals based on their credit box deals based on what they want to fund. And private lenders will fund anything and everything. So I guess to close the deal last week, it was just a little duplex. But here's the thing, Joe. I got the purchase money, the rehab money, the closing costs and eight months' worth of interest all baked into the loan. So when I close the property, I got a private lender loan four hundred and twelve thousand dollars that funded everything out little. Nothing out of pocket for the next eight months.



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We're going to quickly stabilize that duplex over the next 45 days. Rent it out. We'll make about five, six hundred dollars per month, about three hundred dollars per month per door.

Josh: And I literally don't even have to pay the private lender any interest because it's already baked in the loans. That's a very simple residential example. Is that a created total freedom for me to buy the property I wanted to buy at my terms in order to do that? You know, I just had to convince that private lender that this was a great deal, that I was the right person to buy it, that I was able to execute my plan for that property. I've gotten really good at sort of pitching myself in that fashion, but I don't I don't pay any points that pay any interest for eight months. And there's no prepayment penalty. So it's totally flexible funding. So funding equals freedom. Private lenders equal freedom to do deals your way.

Joe: That's good. You want to apply. You're not at some bank manager's whim. Yeah, if they're having a good day or bad day.

Josh: It's crazy. Joe, I've raised 60 million dollars. And I have not had somebody check my credit score in over 10 years. So like that alone, like in it, we know what your debt to income ratio or what your debt service coverage ratio. How big is your balance sheet? Like, I haven't given my tax return, her bank statement or based that anyone think over 10 years. And yet we've done just a ton, a ton of deals, big and small.

Joe: And you have a great track record. So talk about what are the seven steps and seven steps to raise private money. And some people might be intimidated, by the way, Josh, like, oh, my gosh, you know, he's raised 60 million dollars a year. So talk about how you kind of you get started in this and how these seven steps could apply to anybody.

Josh: Yeah, yeah. I mean, look, I'll go through the seven steps real quick and then really like I think what would be very valuable is to kind of hunker down at one step, like one particular step that we can give a lot of value and really kind of journeys towards people who haven't raised a lot of money or what they can do. So step number one is basically to just come up with an irresistible offer. So, for example, an irresistible offer would be if I'm doing a rehab, that I'm going to pay someone 12 percent interest or 15 percent of my profits, whichever is greater. So the perception is wholly comedy. It's all percent interest on my money at a minimal like that's an irresistible offer. Another one example would be if



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you're doing an apartment deal, maybe you're going to pay an eight percent preferred return or a 10 percent preferred return, plus give them a piece of equity in your deal so that when you refinance the building and they're out of the deal, then they still own a little piece of that apartment in perpetuity. That's an irresistible offer. So that's step one.

Josh: Step number two, especially when you're first starting out, is what I call Project 100. Project 100 is simple. Make a list of the people that you already know, like and trust them are, you know, like and trust you and the places that you can go to meet more people that already know, like and trust. You see, raising private money is not about pitching people. Raising private capital, Joe is really about showing people, educating people about what you do in a cool way. And they will self-select, they will self-convince that they should do business with you. OK, so make a profit. One hundred of all the people that we know like and trust first. First name, last name, email, phone, physical address.

Josh: Set number three is to actually tell everybody what you doing in a cool way. So not you don't say I don't like when people ask what do I do, I don't say I'm a real estate investor. What I say is I raise private capital for real estate. We buy distressed properties and apartment buildings and we pay our investors fixed double digit return.

Joe: And so that's so good. Will you say that again?

Josh: Yeah. Yeah. Again, I don't tell people I'm a real estate investor, I own apartments. I run a private equity fund. I don't tell them that. I say I raise private capital for real estate. And then this is the part where you can kind of insert what you do there. So this can vary depending on what your niche is. It could be self-storage or apartments or rehabs or rentals. So I raise private capital for real estate. We buy distressed apartment buildings, let's just say apartment buildings in this example, and we pay our investors a fixed double-digit rate of return. What do you do? Right. So actually, that's.....

Joe: Inevitably, almost inevitably, they're going to ask you, well, what is how does that work?

Josh: Yeah. Right. And I don't, you never give them the actual answer. How does it work? What you say is, It works great. It's the hope. Because, again, this is where I want to get too far. Nobody trouble. We want to be compliant with the SEC so that all of this raising capital is governed by the SEC. And we want to make sure that we have a prior existing relationship



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with investors. There's a 506B or a 506C. I don't want to go down that money trail either. But depending on if you work people that you already have relationships with. You can go 506B. If you wanna recruit capital from new, which we could talk about that today, a lot like recruiting capital from strangers or from people that you don't know. How do you create a whole new audience of potential private lenders? We can get a lot of value on that today.

Josh:

So but regardless of whether you already know you, Joe, or don't know you, you're going to have to build a relationship with them anyway to convince them to want to work with you, to invest with you. So really important central for us to create a pitch book. Now, in the old days when I first got started doing this, Joe, creating a pitch book was literally like a three-ring binder. Today, there's all kinds of cool software, like it's a software we use called Syndication Pro. And this allows you to actually have people kind of opt in for information and go through demo videos of your different offers. What is private lending? What is private? Investing in the pitch book is not a book anymore. It's actually a membership area, the membership site, like a back end of software, and it allows people to look through your offers and look through your track record and your history and a super cool digital technologic, like tech way so people can know not having to go through like an old school PowerPoint presentation pitch book. So that's number four.

Josh:

Number five is this is the kind of part where we can definitely talk about today is this regular, recurring, multiple medium marketing approach. So 2r, 3m, regular recurring multi medium marketing approach. Yeah. So, um, number six is just follow a proven sales process. So once people do opt in and want information, we have a specific presentation that we deliver and finally, step number seven is follow up, follow up. Follow up. And the reason why that one's most important. I'll take a quick story. Joe, I have a private investor and many we have hundreds of private investors, but the one that sticks out is a guy that in 2015 was introduced them to him through a friend of mine. My friend Shaun introduced me to Brandon. I met Brandon. We went down golfing at Trump National Golf Course down in Charlotte, North Carolina. Brandon, pretty sophisticated guy. Had a million-dollar house, you know, on the twelve fairway of Trump National. Amazing property. And I followed up with Brad for three years before he invested. And now he's invested hundreds and hundreds of thousands of dollars with us. And so follow up is huge because a no today is just a no for today. It doesn't mean it's no forever.



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- Joe:** Yeah. Yeah. They're not going to, a lot of times too these private investors will tell you they just have a little bit to invest when they really have couple of hundred thousand to invest or a million. They're not going to come out there and tell you and they're looking to establish a relationship, see if they can trust you, right?
- Josh:** No doubt. No doubt. I mean, if I do have a guy who just committed to our latest department offering, he just exited a business for 20-million-dollar windfall and he's starting with one hundred thousand dollars with us. So the guy's got way more to go with. But he was referred by a friend. So it a very warm introduction and he just wants to start with. So I respect that that's where he wants to start. But I also know that if we do a great job, that that relationship can go really, really long and really far beautiful.
- Joe:** All right. So regular recurring multi-media marketing approach. What is it? Can you dive deeper into that?
- Josh:** Yeah. So it really starts with this whole idea of, if I'm going to raise money, OK. Am I going to start with people that I already know, like and trust? And let's assume that you're going to do that, because I'm going to tell everybody you're never going to be successful raising capital from strangers. If you can't convince someone that you already know. Right. So it's not about convincing them. It's just about presenting them with okay, if I'm going to buy this rehab for one hundred thousand dollars. I want to put 30000 into it. I'm in for 130. And I'm going to be able to sell this thing for 200 grand and I'm able to pay you a twelve percent interest rate or fifteen percent of my profit. And then at the end of that presentation, instead of saying, I'm going to pay you. Say I'm going to pay an investor that I work with 12 percent interest or 15 percent of profit. Do you know anybody who might be interested in working with me on a deal like this? They self-select by saying something like, hey, well, what about me? This is like we are. They know each other. And this seems like a great deal and you got it at a discount, and I can get 12 percent return. What about me? So that's what we want.
- Josh:** Now, when you get beyond that and you're talking about now how do I build a big portfolio of private lenders? How do I build a hundred-million-dollar real estate portfolio or 300 million? Where we're at right now, it becomes I can't just build that portfolio with private lenders that I already know. I don't know that many people. Right. So now it really starts with just regular recurring multi-media marketing approach and you have to have a way to



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capture leads. So let's start with that. And that's what we use, a software like software like Syndication Pro, or it could be a single Web site where people can opt-in for more information. That opt-in squeeze page or that way they can raise their hand is hugely important because all the marketing doesn't freaking matter if you don't have a way or to point all those people somewhere where they can opt in for more information and then let the system follow up with them through auto responders and videos.

Josh: It's like a mini funnel, if you will. And so we got to have that first. And so if you don't have one, you could go to a Web site yourself. You could hire somebody or there's multiple different softwares out there that are prepackaged for just a hundred, two hundred bucks a month. That will allow you to point on your traffic there.

Joe: Did you create Syndication Pro?

Josh: I did not, no. I'm just a subscriber to it. I'm not even an affiliate. I don't get paid for mentioning that software or anything like that. But when you get the word syndication, you know, can be used for a simple rehab or a simple rental. It could be used for a 50 million dollar apartment or a private equity fund. All of those are fall under the term syndication. You're basically syndicating your put in your offer out to many people and they're all investing in your deal or end up in some sort of pooled investment, if you will. So it starts there. And let's say I've got a program where I can capture leads and I can show people my offers. Now I'm gonna backup. And this is where, Joe, you know, you've gotten this right for a long time. You know, running a podcast, running content, using digital advertising, podcasts, YouTube, blogging, Facebook lives, Facebook marketplace, owning Facebook groups, LinkedIn, all the personal posts on your personal Facebook page.

Josh: All these kind of things allow people to build a relationship with you. You don't you don't even know they exist because they're out there in the ether of the Internet, but they know you exist and they're paying attention to your content as you talk to that content. And teach about apartments or lease options or rehabs that they're going to through that content. You can put banners in your content, just like we're doing on your podcast. You can have shout outs, calls to action. If you want more information, go to this Web site and opt in for free information. No cost. No obligation. Right. So that that piece is a big way because you can syndicate this digital content out to multiple different platforms. You can



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record at one time, just like we're doing right now. And you could be on YouTube and Facebook and you could be on Instagram and could be on Twitter all at the same time.

Josh: And so you just have to be, first of all, authentic. But you've got to be different. You can't have the same thing. Say the same thing. Anybody else says you got to have a special message or a special offer. That's why step one, the irresistible offer is so important, because you want to have one thing to hang your hat on, get whether it's rehab, whether it's rentals or apartments, you might do it all. But you don't want to talk about all. You want to focus on one kind of offer, one core thing that you do, and talk about that over and over and over and over again. And then as people hear from you, then they're going to say, you know, I've got a half a million now. I just sold the business or I've got 100 grand. Let me opt in for some of Joe's content or Josh's stuff and let me see what kind of offers he has.

Josh: OK. So instead of you now doing all the follow up, you doing the follow up emails and the phone calls, the software system does all that for you. It's beautiful. So there's the digital way. Secondly is what I call the manual or individual way of going to events. You know, when we get out of this coronavirus business, going to seminars, going to meet up groups, speaking at meetup groups. Like I like to go to e-commerce events, Joe, where there's guys out on eComm companies and they sell physical products on like Amazon or their Web site. And those guys, if they have a successful business, they have a lot of free cash flow and they know real estate can create passive income, great tax advantages. But they don't want to be an active real estate investor.

Josh: They want to be passage. I want to go to those events, especially if I can like on a speaking game, if I can be a keynote speaker or speak at one of the breakouts or one of the panels that are going to get a flood of people to go to that Web site and opt in for information. The third part is the physical newsletter. Joe, this is really good. Yeah.

Joe: You have a good one, too. I get your newsletter.

Josh: Yeah. Yeah. A physical newsletter. Joe is we still send in the physical snail mail. It's a four page or high gloss. But, you know, nobody really gets mail anymore that they really want to open a lot. Actually, snail mail, even a lot of the advertising is gone. You don't see a lot of junk mail anymore. Unless it's Christmas time. And so we use the snail mail to our



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advantage. So we take the same content that we would teach at an event or the same content I would put on digital. And I take that and put it in a physical newsletter and mail it. It costs me about a dollar per piece. And but we mail it and then that way they're like, oh, this is another mechanism, another channel that I've gotten more information from Josh.

Josh: And frankly, here's how it all comes together. Joe, I record podcasts like we're doing now on my own podcast and share. I sometimes do solo casts or sometimes it's a guest. I, and even if it's a deal that I'm doing like an apartment deal or rehab or a private lender loan. I record the podcasts around that. That's how I teach it. Then I have a team that takes that podcast, creates all the blog posts, all the newsletters, all of the other posts and things like that for me. And it all goes out, but it all starts with me getting on and recording. Me being the personality. Me being the authority to teach it. And then the rest of it gets done by a team that pushes it all out. It's not very expensive, Joe. It's really good even for our big business. It's just a few thousand bucks a month to get all of that content pushed out and drive all that traffic back to that opt-in website. It's pretty amazing.

Joe: And I love the podcast format, too, because I've had so many guests on the show and just talking about their deals and they'll contact me later. And Joe, you won't believe it. I got, you know, I raise so many hundreds of thousands of dollars. I found somebody that brought me a deal even or I saw a buy, brought a buyer that I sold a deal to. So being out there and leading with value, I like this phrase of leading with value, which is what you're talking about. Right. You're giving information out to help people. And some people are going to say, hey, listen, that's great. Thank you. See you later. Some people are gonna say, you know what? I'd like to do business with that guy.

Josh: Yeah, and that's easy, Joe. The easiest thing to do is just get on a podcast. Get on a Zoom call like we're doing now. Get on some sort of way to talk and talk about case studies. People love to hear the good, the bad and the ugly about case studies, about how you structured a deal or how you raise private money. And even if you're like I'm going to start doing apartments. I want to buy my first 20 unit, first 50 unit. But right now I'm following John McCall and I'm wholesaling lease options. And I've got Joe's book and I'm doing a great job with that. I want to take some of the profits and I want to buy my next department deal. OK, great. Get on a podcast. Get on a recording like this and talk about



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your lease option deals, because that's still going to create a lot of credibility and professionalism. People are going to want to hear about.

- Josh:** And if you pivot and add some rehab deal or some way you're raising private money or self-storage deal. They're going to look at all the credibility you have for those other deals in there and associated that with role. He'll be successful in the next year or two. Even if you've never done an apartment, they'll still associate that success with lease options or wholesaling or whatever you're doing. So just get on, talk about the case studies that you're doing or talk about the deal that you looked at they didn't do or talk about and bring a friend on who did a successful deal. Talk about that deal and then that becomes the basis of the digital contact. We also have the physical newsletter and we have the in-person meet ups. Those three things create new leads, new people visiting your Web site, people opting in for content and basically getting on to your potential passive investor list. Good. All of that comes down to a funnel.
- Joe:** I've said this a lot, too. If I were to start a new podcast. At the time when I started real estate investing mastery, it was pretty niched there in 2011, there was only about three other active real estate investing podcasts.
- Josh:** You've been running this podcast for nine years? Yeah. Wow, that's great, man.
- Joe:** But, you know, there was Sean Terry with Flip to Freedom. There was the real estate radio guys and Jason Hartman. There a few little others, Matt Terry was starting around the same time. We go back and forth. I think I started before he did. But. Anyway. So I call it real estate investing mastery, though. If I were to start today, I mean, it's flooded. There are tons of real estate, really good real estate podcasts. But I would start one that was more niche down to my market. It would be real estate investing in St. Louis or Missouri, maybe even. Right. And I would be focusing in on the investors here in this market. You know, if you're in Florida, I would say create a podcast, real estate investing for southern Florida or something like that, right? Yeah.
- Joe:** You have so much so much content that you can create. You're not going to have that huge audience. Right. But the small audience you have is going to be very, very hyper focused and interested. When they see my podcast and they see your podcast released at the same time. Guess which one they're going to listen to first? They're gonna listen to yours



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because you're talking about deals where they are investing in. Right. Or the specific niche that they're interested in. So the more niche down you go, the better. Right. So I would start interviewing title companies, mortgage lenders, bankers, property managers, contractors in my market, the radio network. Absolutely. I would go do videos and podcasts about certain deals. Right.

Joe: If a wholesaler is advertising a sweet deal right now, I would go look at the property, bring my iPhone with me and record a video of me walking through this property and talking about the benefits of the repairs, talking about why I would offer a deal. Why would I make an offer? Why I wouldn't make an offer. But there is so much opportunity out there. And you may think guys listening to this like, oh, I've already missed the podcast boat or I'm not I'm never gonna have an audience as big as Josh's. But you know what? You don't need a big audience. That's the whole point of this. You could raise a ton of private money, fund a ton of buyers and even sellers on your deals by just getting putting yourself out there, being the local expert, like being the local expert. And in many ways, you can make more money being the local expert than being the national.

Josh: That's right, Joe and you know the other thing it does is when people ask me questions about like let's say somebody is a little bit cynical, why would I do this with you? Or what experience do you have? They don't know who I am or any of my background or anything like that. I'm like, hey man go to my podcasts. Here's the Web site. Go to episode number one hundred and fifty-two. And listen to this podcast. This already addresses, I've already gotten your question forty-two times. And so I've already recorded a podcast about exactly this. And when I finally get objections, people don't really object. They just want to feel like they have control. And so when they ask these questions, these cynical questions or peppering with questions. They feel like they're in control.

Josh: And when I say I'm not going to answer your questions, I've already answered that question a thousand times. Hey, buddy, you're not special. I've already answered this before. Just go to this podcast, episode number ninety-six or whatever. Take a listen to this. You'll really love it. It answers your exact question. Oh, by the way, there's you know 50 other podcasts on there about your types of questions and you know, my case studies. They won't even go listen to the podcast most of the time. But it's the perception of, hey, that guy has a podcast. He's already answered my question. He's got investors. He's



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already got other deals. That's all they need, again, is to drop their guard a little bit and now be more open to investing in our deals and things like that.

Joe: So it could be a book. Go read my book. Yes. And anybody can publish a book now these days, right? That's right. That's a great question. Why don't you just go get my book and read my book or go watch my YouTube channel, go to my Facebook page? And, you know, when they go there and they can see you've been interviewing all these people, you've been doing these walkthroughs through the house, you're going to be seen as a local authority, as the expert, and that's going to remove that resistance to want to now do more deals.

Josh: Joe, you have the least amount of control when you're defending yourself. Right. So when you're in a fight with a family member and you screwed up and the family members peppering you with questions and you're defending yourself, you're on your heels. You have the least amount of control. Same thing in business. You screwed up. You bought the wrong property, lost money. And you're having to defend yourself, you have the least amount of control. When you don't have to defend yourself and someone else or something else defends you. You're pulling in that third-party credibility to allow you to have them defend you. And this is great because we can use iTunes, YouTube, Facebook, we can use all these different other platforms, have them defend us by saying, hey, we've already done that. We've already got this started taken care of.

Josh: So it all starts there, Joe. And then when we've got these new opt-ins on here now, it's important to follow up. So a weekly email broadcast, we've got to send out a weekly e-mail broadcast. Back to you again, sending out one of our podcasts or teaching something new or making an offer. And what we really try to do, this is a big part of it with raising money is to have an event. Have an event, have a deadline. So when you're looking to raise money for a deal, you want to always be kind of adding people into your pool of potential investors. But then we want to use salesmanship and scarcity to our advantage. What I love to do is to host a webinar with all these potential people who showed interest and say, hey, I'm buying this 10-million-dollar apartment. I need to raise two and a half million dollars. I've already raised six hundred thousand or a million because usually I already have some people who have already kind of pre committed. And so I've got 50 people on the line today and I've only got room for fifteen of you. You have 50 people on or one hundred people on. And I'm only going to subscribe twelve units or fifteen units at a one hundred



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thousand apiece. And so then I go through my presentation on a live webinar, go to webinar. You know Zoom, something like that.

Josh: And then I say, look, the first twelve people that taxing you at this number can have a unit. Now I'm in total control because I've got an oversupply of potential private investors and a limited amount of deals. I'm winning the supply-demand game. Yeah, scarcity and urgency. Exactly. So now it's like, hey, we're closing this deal in two weeks. So I need you to commit now thanks to urgency and scarcity. I got 50, 75 people on the line, but I only have room for 10 of those choose techniques that are proven to work. There's been hundreds of books written on it in salesmanship. And, you know, the book influenced by Robert Cialdini is all about those two and strategies. And that allows me to, instead of begging for money to fund my next deal, allows me to be in control and say, hey, you know what? You might even want to invest in my deal. I might not even allow you to invest because I don't like the way you're talking to me. I don't like your cynicism. I don't like this and that. So you know what? I'm going to put these other people in the deal. And you lost out because you're a jerk. When you have that amount of credibility and control, you now can own your own business and create freedom with all the properties that you're buying. It's really, really good position to be in.

Joe: You can take it away. You know, you pull away, you're almost removed from the outcome. Not almost, like you are removed from the outcome. It's cool. It's not a big deal. If you don't want to raise money with me, I'm not chasing you. This is an interview process to see if we're going to be a good fit.

Josh: That's right. Joe, when I say things like, look, I could use your money, but I don't need it. That's a super powerful statement. You know, when I say like, hey, if you want to invest in this deal, great. I'm in this for the long term. I'm looking to build relationships and you decide not to invest in this deal. It's OK. You're going to miss out on a great deal. But I'm in this for the next deal or next deal or the next deals. You don't do this one. It's OK. You can invest the next one down the road. But you know what? I don't know if there's going to be another one down the road. I don't know when the next one's coming, but if you do it either way, you're making any of this up. Absolutely. I'm just using salesmanship. I'm using influencing strategies and using some NLP to use these these triggers, these buying triggers that people really need to push them over the edge, you know? Well, here's the here's the downside is when I have a deal that I'm able to raise for the next two or three months,



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that's actually a bad sign. I hate that. Like, I don't want to open up a raise today and have people not have to commit until, like, four months from now.

Josh: I'd rather it's been a little bit of organized chaos, but I'd rather say webinars Wednesday and I need all the commitments by Friday. I need all the money in the house by next Friday. And we've been successful at raising, you know, 60 million dollars and just big apartment deals with a very short window, giving people like ten days to commit and wire their funds instead of saying, hey, you know, we're going to close this deal in about 30 days. Like, you know give us a soft commitment. Because a soft commitment, Joe, is no commitment. Like a soft commitment is they're not really committed. You're only really committed until they sign the subscription amendment. Why are the money? And so all of this whole approach is about building up this group of people that we're building relationships with, then having an event and then making them make a quick decision. I went in and I'm going to wire that money quickly. When you use this multiple medium approach, it allows you to take a lot of control. Now this is obviously an advanced strategy, Joe. Not every newer investor is going to be able to pull this off. But the quicker they think about this stuff, even if they're new, the quicker they start thinking about how I position myself as an authority, the better. And the more money you're going to raise, the more freedom.

Joe: This is so good. This is really good. Like you don't go into, I won't get into that. But we're getting some great comments here from Joseph. Look at the Joe. The wheels of my brain are turning. You lit that fire, you light that fire of ideas. Awesome. Nice job. Mental game. Unbelievable tip. I'm going to rewatch this podcast many times. Best content I've seen online. Awesome. Thanks, Marty. Apparently, I don't know who this is, but come on. Really.

Josh: They hired us to trade was up three games to one in that World Series. I'm glad the Cubs won. The tribe is talking about the Cleveland Indians, Indians, Indians, cubs. Yeah. What a great World Series that was. That was the all-time most watched World Series out team is 2015. I think so, yeah. So it's been a few years already. Believe it or not.

Joe: But no, no. Because that's the year the Cubs won it. So there's 2015.

Josh: Yeah. That was the other tribe in the World Series.

Joe: No, no, no. That was Kansas City Royals.



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- Josh:** Oh, yeah. Was it Royals. I think was the year after. 2016 maybe.
- Joe:** OK. Who cares? Yeah, I don't care. Nobody cares. The Royals will win. That's great. By the way, everybody if you didn't know I'm a Cardinals fan. Yeah. Josh is from Ohio. He's a Cleveland Indians fan and a Browns fan.
- Josh:** I'm mostly Ohio State Buckeyes fan right here. You know, people around Cleveland, especially if you're still a Browns fan, you're nuts. You've gotten trampled on, stepped on so many years. I gave up on the Browns about 10 or 15 years ago. But I've got a huge. And for now, that's good.
- Joe:** Good for you. You have something to root for in Ohio? Not much. But, you know, I'll give you the Buckeyes. That's all right. Hey, man, you've shared a lot of real cool stuff, Josh. One of the things we talked about was this thing you've got called Get Flip System, right? What is that?
- Josh:** Yes. So the Flip System is my latest book. We've written about eight or 10 different e-books and we finally got one into print. It's called The Flip System is right here. Get Flip system dot com. There you go. Get flip system dot com. And actually, everything that I talked about today in podcasts I've used in my business and it's in this book, there's two whole chapters, 30, 40 pages on exactly those techniques and strategies. And then today I'm using those strategies to land and close on some really massive apartment deals. We've got eight or nine large apartment complexes that we own as a general partner. Again, I'm a partner in those. I don't own them all myself. I've got some other partners as well. But we got about four million dollars of private money just in apartments. We own over twenty-six hundred units. But it started with all my residential stuff in this book. And so it's a great place for people to start raising money.
- Joe:** And I want to emphasize this to guys, just as Josh is doing big apartment deals. Right. Don't think that this book is not going to help you because this book that Josh is talking about, just the things that we talked about on this podcast, even if you're just getting started, even if you're in the residential business and you're just buying single family homes, these are all principles that you need to start thinking of and applying right now in your business today, no matter how small or how big you are. Right. So I'm really highly recommending



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his book. The Flip System go to getflipsystem.com and pick up the book because Josh is going to teach you how this applies to you in the residential.

Josh: Yeah. This book, actually, Joe, is 100 percent about residential. OK, cool. I wrote it for residential investors. That's where I got my start. That's where I raised a lot of capital and it became a private lender. And then just recently, in the last two years or so, we really started to put some of those dollars into apartments which really built written for the residential investor to do big flips and to buy big rental portfolios and even small apartments, things like that. It's where I got my start and get flip systems based in my story. You know I talk about cancer, things I learned along the way there as well. But that's my favorite part of real serious raising money. So there there's multiple chapters in there. The book was endorsed by Jack Canfield and Kevin Harrington and just had a blast writing it. I hope you guys get a lot out of it. Matter of fact, at [get flip system dot com](http://getflipssystem.com). They can get a free copy, just pay the shipping and handling.

Joe: Oh, it's free. Just pay a little shipping and handling. It's a real book. Nice. Paul Evans said here, I was on a webinar with Josh and Tim Brats for Carolina Deal recently and it was done exactly the way he just said. A heck of a webinar. Yeah. Cool. So you partnered with him? He's been on the podcast before.

Josh: Yeah. Yeah. Tim actually live in the same neighborhood where, you know, we stumbled into each other a couple of years ago. We had an attorney who was had both of us as clients and introduced us. And we got together for breakfast one day. Tim was drunk and hanging out partying at a Cavs game the night before he showed up for our meeting late and still a little bit hung over. And we had a great time talking about the Cavs team and stuff back when LeBron was in town and Tim and I have a great relationship. We've done a lot of big deals. Yeah. Tim's a good friend.

Joe: He's a smart investor. You bet. Listen, if you're ever in St. Louis looking at some multifamily deals, let's go to a Cardinals game play. Yeah, I'd love to have you guys here. I know we got a lot of very successful wealthy multi-family investors in properties here in the Midwest. It's a great place to invest.

Josh: That's where we invest, Joe. It's Midwest and Southeast. So we've got complexes, apartments in Ohio, but also in Mobile, Alabama, Lawton, Oklahoma, a couple of different



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parts of Georgia, which is a new development I'm actually doing with Tim on Hilton Head Island. Some really, really cool stuff. And using the strategies in this book, we just talk to two duplexes last week in an opportunity zone in Cleveland. So we're still doing the residential stuff as well as the big commercial things.

Joe: Nice. And again, as Paul so kindly reminds us, all, St. Louis, the home of the Stanley Cup champion.

Josh: Well, a big fan of hockey. Love hockey.

Joe: And pretty soon the we'll be back playing some sports again, which is going to be nice. Basketball, baseball and hockey. Joshua, it's good to have you on the podcast. You're one of the few guys I've had on as many times as you have been on. So congratulations. Yeah. Appreciate that. The book looks really good, man. Get flip system dot.com. It's free. Just pay a little bit of shipping and get it out to you.

Josh: Thanks, a lot Joe. Appreciate you having me on again, man. Really, it's been a great relationship for the past eight or 10 years. You and I hanging out, sharing ideas and having each other on our podcast. And it's really been a lot of fun, man. So appreciate it again.

Joe: I appreciate. I just wanted to ask you one more question because you asked me a good question on your podcast, where you have a podcast as well. How do you find your pod on iTunes?

Josh: It's called Accelerated Investor. They can also do Accelerated Investor Podcast Stack, Accelerated Investor podcast, new release episodes regularly twice a week. Nice. And Joe, you've been on. I think you've been on it at least twice. You just recorded another one. So absolutely. Love to have you on again. Go down the road and especially after this virus is gone. Kind to see what you know, how the market shakes out. We'll record more stuff.

Joe: Good. Thanks again, Josh. It was a good, informative podcast. I mean, you really gave a lot of good stuff there. I'm hoping you guys if you're jumping in late. You're listening to this later. I go back and listen to it from the beginning cause Josh gave some really, really good tips on raising private money. It's all about positioning. It's about leading with value. It's about offering to help people by actually helping them. Right. And then giving them the



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giving them the permission to say yes or no to S.H. I.T. or get off the pot. Right. And understanding the whole thing of urgency and scarcity and giving people a reason to say yes. And it's OK to say no. Give them permission to say no. But that's the one of the best, easiest ways to raise money. And there's a lot of really good and gold nuggets that you just laid there, so. Thank you, Josh.

Josh: You bet. Anytime, Joe. Thanks for having me.

Joe: We'll see you all later. Take care, guys. Bye bye, everybody.