



Virtual Profit Workshop Part 6 (Final Episode)

Hosted by: Joe McCall

Guest: Gavin Timms

Joe: Hey, what's going on, guys, Joe McCall from the Real Estate Investing Mastery podcast, and I'm doing a little video introduction here for the next series of four to five podcasts that we're going to be releasing. About a month ago, my coaching business partner, Gavin Timms, who's the guy you can't see that very well. We did this workbook. We did a workshop where this workbook came from, and it was really, really good. It was an all-day workshop. We called it the Virtual Profits Workshop. And on that workshop all day Saturday event, we did a lot of teaching. We taught people how to find deals, how to talk to sellers, how to find sellers, how to find buyers. We talked about systems and processes and we walked through case studies of actual deals is a really, really good event.

Joe: And so I said, we've got to release this as a series of podcasts. And so that's what this next four or five episodes are going to be all about. And so I'm not going to record a new introduction for each of them. We'll just probably replay the same intro to those four podcasts. So if you've already heard this before, my apologies, but it was a really good podcast and you're going to walk through this stuff in this manual. And in fact, what I might do in fact, I will do this if you go to RealEstateInvestingMastery.com, RealEstateInvestingMastery.com I'll have my podcast guy David, put this workbook. It's a 20, 25-page PDF. I'm going to have him put this in the on the website for the episodes. If you go to real estate investing mastery, as were all my podcasts are, and that's where you can get show notes and transcriptions links and things like that.

Joe: So I want to encourage you to go get this workbook because it's going to be really helpful for you. We actually use this as our agenda for notes. And so there's a lot of things that are really important, points that are kind of like fill in the blank in this workbook. So Gavin and I, we've been working together for almost five years, maybe a little bit more. And he's a great coach. And so he's kind of the main coach in my publishing education side of my business. And it was really good. One of the things that we did was we interviewed four different coaching clients that are doing really well, doing deals part time and full time that are just crushing it. And we interviewed them and talked about what's working now. It wasn't just a way that we can kind of share and brag and get nice testimonials.

Joe: It's really was more educational, like what's working now in the industry that people can use. And so I think you're going to find a lot of value out of those podcasts. So, again, we start with what's your big why?



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Why are you in this business? Why are you doing what you do? And then we talk about the technical stuff of what is it that what are the tools that you need? How do you find the sellers? What do you say to them? How do you make the offers all that good stuff? So I think you're going to get I don't think I know you're getting a lot of value out of these podcasts. So if you're interested in getting this workbook right here, go to real estate investing, mastery dotcom, do a search for Virtual Profits workshop. We're going to be calling these podcasts Virtual Profit Workshop. And each of them will have a each of them will have kind of a title or a subject.

Joe: And on the show notes will be a link to get this workbook. Also, if you want to work with me and Gavin, if you want to be our next success story, somebody that's actually doing deals, then I want to encourage you to go to Coach Joe dot net, CoachJoe.net. That'll take you to a page that explains the program that Gavin and I have and what we do with folks. It's an application only process, so we don't take everybody. In fact, we turn down a lot of people that just aren't ready for it. And if you're wanting to, though, to get started, if you're wanting some help with getting your marketing set up, your system set up, if you want some done with you and some done for you, I'd encourage you to go to CoachJoe.net, CoachJoe.net, and apply. It's just a simple application. Tell us a little bit about yourself. Tell us about your goals or situation. Where are you now? Where do you want to be? And we'll get on the phone and see if we can help you.

Joe: OK, so go to CoachJoe.net for that. Enjoy these episodes, guys. I know you're going to get a lot of value out of it. I'm hoping that you do. And this might be, I feel like some of the most important podcast episodes that I released in a long, long time. So enjoy them and I will see you guys later. Don't forget to get the show notes, the transcripts, this workbook, all of the links that we talk about. Go to RealEstateInvestingMastery.com, RealEstateInvestingMastery.com Look up on the search bar, Virtual Profits workshop and you'll find these four or five episodes.

Joe: All right. So we need to move on. I want to talk about how to determine the ARV, the after-repair value. This is super easy. It's just gonna take us a second when too many people overwhelm or get overwhelmed and overcomplicate finding the ARV or the after repair value. OK, we do it super simple. We go and look up the average of three or four different property valuation websites. So we'll go to Zillow is one of them Redfin appraisal. We I like to use prop stream Joe Dotcom and sometimes realtor dotcom. So if you can find three or four different ARV's, don't complicate this. Just take the average of Zillow, Redfin, realtor dot com appraisal, propstreamjoe.com. That will get you within five to ten percent. That'll get you in the ballpark.



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Joe: So when it comes to making offers on deals. Don't feel like you have to analyze it to the Nats, you know what, just got to get it in the ballpark. So determine the air of real simple, write this down, take the average of three or four of those different websites. That's all you need to do. How do you determine repairs, by the way, all of this? How long should it take you to do this to find offers? A couple, three minutes, two to three minutes. So as long as it could take you. And what's a simple formula for determining repairs?

Joe: What we do what I like to do is I usually go into five thousand-dollar increments. And the more you get into this, you'll just think about, OK, looking at the pictures, it needs about 15 grand in work. It needs twenty-five work. It needs thirty and fine. A general rule of thumb is like five bucks. What I do is if the seller says it doesn't need any work and I don't see any pictures, I get five bucks a square foot. If I can see that it needs paint and carpet, some basic cosmetics, I do ten bucks a square foot if it needs a full gut rehab depending on where you are in the country.

Joe: Twenty, twenty five dollars a square foot if you're going to be rehabbing it. Really nice. Thirty bucks a square foot. Simple as that. And whenever you get that number rounded up to the nearest five, that's how you determine repaired. Simple. There's other ways like inside of REI simple. There's a rehab estimate or tool in there that gets you pretty close. And one of the things I have in some of my courses is a a sheet that you can just fill out and it helps you calculate some numbers. But point is, when you're making your initial offer, don't worry about spending more than just a minute on estimating repairs because it doesn't matter what you think.

Joe: Gavin tells a funny story when he's getting started. He didn't want to go look at the houses because he would had no idea what he was looking at. He'd have no idea if the roof needed to be fixed, if the kitchen was outdated or if the electric panel was old. He had no idea. He didn't want to look like he was an idiot. He felt like you would have looked dumb if he didn't know. So this is why I like virtual deals again. Right. You can estimate the stuff really quickly on the fly right from your laptop. You want to add anything to that game?

Gavin: Yeah, I think for me, I just said that was the fair bit, the fear. It was the contract and the fair bit was in front of someone and asking me what this was and what's that. With that in mind, I don't even know what a wholesale deal is. Right. I'm Olin and I'm brand new at the time. So when you remove all that, it becomes easier. And sometimes you have to treat your mind into thinking certain things right when you go virtual, if you're the guy that likes to go to see every house, you don't want to do that anymore. And this is the way that you're going to do it, this is the new way. For me on a virtual level is that you can make way



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more offers, talk to way more people than you can driving out to the property. Spend an hour with the seller, driving home three hours of your day. You walked away with maybe a contract or didn't. Well, you could have called thirty, forty more people in that, maybe got two contracts. That's how we run the business. And that's our thought process behind it. And especially now with covid, everyone's having to do like there's not a choice behind it because it's now the done thing. The good thing is, is that that's how we were built from day one.

Joe: OK, so somebody is messaging here that I did a video back in March last year on how to comp properties and make offers in just a few minutes. Real simple and easy, you guys. We don't want you to overthink this complicated. And when we talk about making three offers a day, do you see why this is so quick and easy? This isn't hard. OK, we're on the next page here at the top where it says, what are the three methods for determining a cash offer? What are the three methods for determining a cash offer? All right. You ready? This is going to be really, really hard. Where is, I'm looking at my mind map. OK, well, I know what it is anyway, but I can't find it on my notes here. Three ways to make cash offers.

Joe: Number one, I call it the Mayo formula. If you heard of that, the Mayo formula, maybe I can get my iPad open here and I can share my iPad. All right. Let's see if this is still working here. Nice. OK, I'm going to share my iPad. All right. Here we go. All right. So this is we're talking about cash offers. And the first one I like is the Mayo formula that stands for maximum allowable offer, maximum allowable offer. So that is a simple formula. It looks like this R.V. let's you have to repair value times seventy percent minus repairs, minus your wholesale fee. Let's look at an example. Let's say you find that Zillow, realtor.com, e appraisal. You take those and you divide it by three, you get the average. Let's see the averages. Two hundred thousand. That's your ARV. You take two hundred thousand times 70 percent. Get our calculator out here. OK, yeah. There we go.

Joe: That equals one hundred and forty thousand. And we know it's a fifteen hundred square foot house and it needs cosmetics, paint, carpet, maybe update's vanities and things like that. So we're going to do ten dollars a square foot. So the repairs are going to be what, fifteen thousand dollars. No, I'm going to take a hundred and forty thousand minus fifteen thousand and I want to make ten thousand dollars wholesale fee. So that's going to be one hundred and fifteen thousand. That's going to be my cash offer using the MAO Formula. All right, another shortcut that I like. Let's take the average. I don't have a fancy name for this, an average of the lowest for Solds times 80 percent.

Joe: OK, let's just look at a property here on Zillow and I'm going to kind of show you how to do this or Redfin. I'm going to go to Redfin and let's look in Cincinnati, Ohio, here, because that's where Steve Zimmer



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kind of is. Let me get here. Cincinnati, Ohio. I'll share my screen here with you all. OK, there we go. And let's look at I'm just going to look for a house that probably needs a lot of work. Under one hundred and twenty-five thousand dollars. Let's go here to more filters. And this is a fixer upper only. I don't trust this search. It's only giving me 60. There's a lot more than that. Let's look at this house here. This just came online on Redfin twenty-five hours ago. We scroll through here. This is a property that needs some work. Show you some pictures here, need some updating and not a lot. Not that bad.

Joe: But it's probably in a rough area, I'm just guessing, you know, if I were to look at the street view of this, it's probably in a in a rough let's say this is a house that we want to make a cash offer on. They're asking eighty-six thousand. And I'm guessing this is a small little house, but it's in an older area of Cincinnati. OK, so what I like to do then as I scroll here to the map and I just click on this little thingy here and I click map nearby homes for sale map nearby homes for sale. Now, what that does is that puts that house in the middle of the map right here. And what I'm seeing here is six other properties that are listed for sale. I'm going to sort it by price so I can see there's a thirty thousand dollar that might be vacant land. Something I don't know. Eighty-six. Ninety-nine. So I'm going to go here to more filters, I must say house only a scroll down and I'm going to switch off for sale and I'm a switch on sold. Let's do last six months and I think our house was I forget the size of the square. We'll look at that later.

Joe: But now I sort this table down here, by price. All right. And there we go. Just like that. I have the four lowest sold. And the reason I like Redfin is because Redfin gives you really good sold data. And so now I'm just going to get my calculator. Are you forty-seven thousand five hundred plus fifty-six thousand plus fifty-seven thousand plus seventy-four thousand equals divided by four is fifty-eight thousand times point eight. But I would offer on this one forty-six thousand nine hundred on that house. OK, now the thing that's important with this is let's say you get this property under contract or forty-six thousand nine hundred and you're going to add on ten grand.

Joe: Are you going to be able to sell it? What's your competition doing in that area? I'm going to buy it for forty-six nine. I'm going to sell it for fifty-six nine. I just go back here to Redfin. More filters. I'm going to change it. Turned solds off, turn for sale on, apply filters. There's only four homes there. I'm going to zoom out a little bit to get more now I show five. Let me zoom out one more time. Now I'm seeing thirteen and I sort this table by price. Looks good to me. Right. Here's a property for sale for eighty-six. Ninety, ninety-five. Ninety-nine.

Joe: OK, so that's just a simple, easy way to make a cash off. Let me go back to my iPad here. These are, these are two different deals here, but we have here one way with the MAO formula. The other way is the



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average of the lowest for Solds times eighty percent. All right. The third way that I like, this one's really easy. There's no formula for this. Ask your local investors, what would they pay for it? Here's the formula. OK, minus ten grand. That's your formula, right? What would you buy this thing for? And then subtract ten grand and that's what you go back to the seller. Go nice. All right, let me go back here.

Joe: Let me ask you guys, which method do you prefer. Type this in the chat box. Which method do you prefer? The MAO. The second. Mayo. Mayo number two, number one. I really love number three. All right. Mayo average of those four. Mayo three to ask local investor number two to Mayo. It's pretty evenly split. I think mostly the first two. It's not hard, guys, is it? Do you think you could do two or three of four of these a day? I mean, you think you can maybe even have a VA do it for you.

Joe: Nice. Yeah, not that hard. Not that hard. OK, let's go back to the agenda here. And there's this. Let's talk about lease option. What is the lease option? This is really simple. Write this down. A lease option is a lease with the option to buy. That's it. So you're basically leasing it for one to two years, three to five years, leasing it for a predetermined period of time, and with the option to buy it at a predetermined price. You lease it for this time, OK? And then you have the option to buy it, not the obligation. OK, the cool thing about lease options is you control without owning it. This is so important to understand. This is control without ownership, super powerful. If you guys can figure that out and you don't learn how to do this, it's wholesaling also.

Joe: You can control incredibly valuable real estate without owning it and not taking the deed or anything like that. That's what a lease option is. And you can see my comment there, the key to success in real estate, that is to own nothing, control everything. I can't spell that's the secret. Oh, nothing. Control everything. It's ownership. It's not ownership. It's about control. Oh, nothing. Control. Everything, I think is not. Nelson Rockefeller said the secret to success in business and this applies to everything in real estate. It is to own nothing but control everything. All right, so there are pretty much two main types of lease option deals. OK, two main types of lease option deals. Number one is the sandwich lease option. And number two. Is the wholesale lease option or the assignment? I don't understand the text there.

Joe: OK, there's also a third. It's just it's just a straight option. You're not leasing it. You're just option. OK, now, in every type of lease option, you have three parties. The A is the seller, the B is the investor, and the C is the buyer or the tenant buyer. OK, so when we do a sandwich lease option, we have a contract between the A to B, that's one contract and then we find a buyer to live in the house and that's the B to C contract. We have a sandwich, we're staying in the middle. This is a sandwich lease option right now in a lease option assignment. We're not staying in the middle. So here you have the A to B C in a lease option



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assignment. I have a contract to lease the property from the seller. And then I take that contract and I assign it to the tenant buyer and I'm done and out of the picture. Now, it becomes a contract between the seller and the tenant buyer. I'm done and out of it.

Joe: Does that make sense? That's a lease option assignment. Now, how do you determine a sandwich lease option offer? Real simple. Let's talk about this. A sandwich lease option offer. Here's the formula. You guys finding this helpful? I would take the ARV minus repairs, estimated repairs. That's the as is value. That's today's as is value. I'm to take the as is value times. Eighty five percent. All right, I want 15 percent equity, and that equals the option, right? OK, that's number one. Number two, you need the rent. Number one was the option price. Number two is the rent. The rent is real simple market rent times seventy five percent. You want at least twenty five percent rent or cash flow. OK, and this gives you the rent. The third thing that you need negotiating this is the term super important and on a sandwich lease option, you typically want three to five years and that's on the A to be OK, on the B to C, one to two years. Remember the B to C from here to here.

Joe: You want one to two years here to here you want three to five. Why is that. Because if this doesn't work out, you have more time to get another tenant buyer in there. OK, so three to five years with the seller and then you can do one to two years with the tenant buyer. All right. And then what else could you negotiate? All you have to also negotiate it's called the option. Let's just call it option because you don't have to call it option deposit. Normally, I do one month's rent and that's again on the A, B on the B to C, I typically get three five percent. OK, but on the A to B with the seller, I'm going to get one month's rent.

Joe: Now here's the beautiful thing about lease options, guys. Unlike a cash deal where you only have one thing you can negotiate and that's the price in a lease option, you can negotiate the option price, the rent, the terms or the option deposit. You could even negotiate rent credits. You know what that is? That's just where your seller is giving you a certain amount of discounted off the price in the future if and when you pay the rent on time. So you have multiple, three, four or five levers that you can negotiate with seller. If they're stuck on their price, we'll give them their price. But they'll give you need to negotiate the rent or the terms. Maybe instead of three to five years, you get seven to ten years, OK? You can even negotiate the you can even negotiate what you call.

Joe: Oh yeah. You don't start paying the rent for six to 12 months. What if the seller stuck. They want fifteen hundred you say. And but you only are offering thirteen hundred you say well alright I'll give you fifteen hundred but I want 12 months. I'm going to keep one hundred. Had a stellar student Marty negotiating a little small deal in Alabama and she negotiated the first two years. You give the seller the



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price he wants and the rent he wants, but she keeps one hundred percent of the rent for the first two years and the next three years they split it. Fifty, fifty-seven. I said, yeah. All he cared about was his price and his rent. She negotiated the terms. She kept one hundred percent of the rent for the first two years. Fifty percent of the rent in the next three years.

Joe: So that's how you make a simple sandwich lease option offer. Now, the wholesaling lease option offers really simple. The option price, market value, whatever the seller wants, the rent market, rent option, deposit in term two years. That's it. Now you become remember I talked about it here. You have a contract. This is between you and the tenant buyer, you and the seller. And then you're going to take that contract then and assign it to this guy. You're oops, you assign it to them and then you're out of the picture. It becomes a contract now between the seller and the buyer and you keep the option deposit as your fee. So your profit is three to five percent. OK, that's a simple, straightforward wholesaling lease option deal. So let's I talked about already, but here in the workbook, what are the five different things you can negotiate with sellers on a lease option. Just talked about it. You remember, you can negotiate the option price, the rent, the terms, the option deposit, maybe even rent credits. For a sixth thing, you can say I'm not going to pay you when you rent for six months, 12 months. All right. Some of you are confused by that.

Joe: Why would I only give ten-dollar option deposit money? That's just my initial contract, my initial down payment to lock up or secure the property. That's just for a contract to be valid with the seller. You need to give consideration. And this is what I'm putting down on the contract with the seller. There is more details in all this, but I cover that in my class. I can't dive into all that detail now because most of you understand it. OK, cool. What are some of your key takeaways with what we've shared so far? Guys, type it in the box. What are some of your key takeaways, what you've seen us do so far here? Really good. This is not too hard to do. That's right, Chris. Everything is negotiable. That's right, Don. Sandwich is the way to go. I love me some sandwiches. I got one right here. Flexibility to meet the owners' needs good.

Joe: Own nothing, control everything. So important, especially guys. As the market starts transitioning. You don't want to be stuck holding and rehabbing a big property right now. Who knows what's going to happen after the election or in six months. You don't want to be stuck holding a big rehab. That's my strong opinion. The great thing about lease options, too, is if the market goes bad, you can walk away. You just have an option. You don't have to buy it. You don't own. It removes a lot of the risk and liability. There's lots of ways to make and control money. Lease options are a great way to go. Lease options seem to have the most options. You're right, Patrick. I love this. Look at this. You see Patrick's comment. What's his biggest takeaway? It's time to start making some offers.



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Joe: There is now the sandwich lease options that they give the most options for streams of income and tax benefit. I'm not giving tax advice, so I don't know about tax. Oh, Dex, I love this. It's pretty easy to make three to four offers a day. Yeah, I just did it on an iPad. OK, it's easy determining offers, deal structuring, flexibility, ease of calculations that we can negotiate to a win-win. Yes, Robert, I forgot that people love to work with me and for me. You have systems and a team easier than I thought. I don't hear that very often. Scottie, so. I appreciate that. Sometimes when I teach it, I complicate it sometimes too much. I dive too deep in the details and I just overwhelm people. And I keep it pretty simple there, Gavin.

Gavin: That was a good one. One of your best. Give it a tap.

Joe: There's no doubt that it's funny when I when we're doing a workshop live, I can see Gavin go through the back. So I did I did pretty good there. It's easy. Got a nice finally usually the hardest thing for me to do. Good. We're getting some clapping. Back to the basics. Seems simple. OK, cool. Let's, let's move on. We just got one or two more pages in here and we're gonna talk about scaling your business now. Automation system. Right. We talk about marketing automation delegations. We're coming into the automation here. This is really good. Brilliant at the basics. Christopher, you're absolutely right. We need to be brilliant. If you want to make good money in this business is not hard. You just got to learn to be brilliant at the basics. And that's what I'm showing you here. That's what we're laying down. I'm glad that you are picking up what we're laying down. Patty's saying, this is actually a fun webinar?

Joe: All right. The first bullet point on here is sometimes the best automation is a good what? Someone type it in the chat. Sometimes the best. Automation is a good virtual assistant. We're getting it. You guys got it. He knows what he needs to do. He's too busy. He can't do it. And we helped him find a good VA. That's one of the things we do with our coaching clients. We help them find a good VA and let the VA learn the systems. You know, Steve went out and bought a course on Facebook ads. Right. Do you think he is spending any time learning how to do Facebook ads? None. He sees the value in that. Hire a VA, who understands technology, Facebook and stuff like that, and is going to be then going through it and implementing. I've done this so many times. I bought a course one time on how to bid on HUD properties at HUD home store dotcom gave it to my assistant. I said, Sheila, go through this and start making offers on HUD. Guess what she did? She started making offers on HUD, and we started actually selling those deals to other investors that were looking for a deal. So sometimes the best automation is a good vuh. You can have all the fancy REI simple, Podio, tech tools.

Joe: But here's the problem. Sometimes people have is are spending too much time behind the computer. You should not be behind the computer. That's five dollars an hour is not knocking somebody who's doing



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the five dollar an hour activities, which you need to be spending your time on the five hundred dollar an hour activities, which is what talking to sellers and making offers, doing what Steve Zimmer does, doing what he's doing, talking to sellers and making offers business. That's all it comes down to talk to sellers and make offers and follow up. We're going to be talking more about that here. So sometimes, you know, when there's a very good reason why I don't have I've not given myself permission to dive deep into systems today. I'm not showing you REI Simple. I'm not showing you how to download stuff from here and upload it to their and pull this list and send that out mass thinking like I'm not showing you that stuff because you don't have to know how to do it.

Joe: But sometimes when you look at the tools, the technology, the systems, you're like, oh my gosh, where do I even get started? And you think you have to learn how to do it before you can hire VA. That's not the case, guys. You need to stop asking how, start asking who. That's the second bullet point here. Stop asking how to start asking who else. Some of you can breathe a sigh of relief when you do that, because I just give you example after example. Like we're starting to do some YouTube ads right now. Right. And I'm halfway tempted to, like, figure out and learn how to do it myself. But I know that's not the best use of my time.

Joe: Best use of my time is to find somebody else, find who can do my YouTube ads for me. Oh, yeah. Stop asking how I started asking who the next one. Don't try to fix your weaknesses. Do what? Outsource them. Thank you, Rick and Mike. Don't try to fix your weaknesses. Outsource them. If Steve Zimmer would have said and I need to learn how to do technology so I can do this. Man, no. He didn't try to learn computers. He just delegated them, outsource them. And his wife is awesome. She volunteered that. I'll help with that. You can get a VA to do it. Virtual assistants. A lot of you guys have you kids, you have neighbors. Stay at home moms, people down the street. You would be shocked. Like I wanted to start doing some land deals, OK, but I don't have the time to go learn it. So I found a friend who was doing house houses, doesn't want to do houses anymore, was interested in land.

Joe: Listen, why don't you I'm going to go. I'll buy three different courses on land investing and I don't know which one is best. And I gave them to him. He went through most of them and found out one that he liked the best. And he started going through it, him and his wife. And then we started doing land it. We've done like 30 or 40 of them. And all I do now, my sons are helping me do it because they're still teenagers, 15, 16 years old. But they started when they were thirteen, fourteen. They will go out and I send the direct mail, my sons review the deals, make offers. They never talk to the seller and then we get it under contract. And my friends, then they take down the property and they turn around, sell it. And we're making really, really good money with that. OK, that is something where, again, my weakness is I don't have time. I'm too busy.



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I'm doing too many other things. I don't have the time to take on a new business, but I know how to find people to do it. I know how to get VAs and my sons or other people to help do it.

Joe: So start partnering with something, somebody that can do the stuff you're not good at. If you're not good at talking on the phone, find somebody who is important with them. If you've got the money, but not the time to talk, find somebody who can talk. If you've got the time to talk, you don't have the money for marketing. Find somebody to invest in the marketing. Gavin talk about the story you tell about this is so good. When you were getting started in Phoenix, you didn't have any money for marketing. You stood up at the local REA. What did you say was really good?

Gavin: Yeah, I'd moved to Phoenix from San Francisco actually, and I've spent seven hundred bucks on market and didn't get anything like straight away. So I went to Phoenix. I was working at the time we kind of analyzed and thought well we can cry about it or do something about it. So I started to go to meet up groups. Phoenix is renowned for meetings. There's at least three or four every single day in Phoenix. So I attended the first one on a Tuesday and it was amazing because she got to stand up individually. And you introduce yourself, tell a bit about 30 seconds. who you were and what you're trying to do and everyone would take a turn. So at the end of it, you would have like who was the rehabbers, who were the cash buyers, the wholesalers, who were the attorneys or worked the title company.

Gavin: So you got like a good mix of everyone's information and you wanted to connect with. My chance, came up and buy mine, never closed a deal. And I stood up and said where I'm from, live in Phoenix now. I said, I don't have money for leads, but one thing I could do is I can close deals. So anyone that's got any old deals. Dead leads, do you want to partner? Let's talk. Sat back down, here's my number and the lady then kind of locked eyes and we met. She said I want to talk to you. So after she said, can you meet tomorrow? I said, sure. So we met at a coffee shop, she gave me 60 dead leads. Dead. And on a sheet of paper. It was direct mail and it was gone out three months prior. And she said, look, we can't get anything. These are pretty much dead. You said you wanted to work, if you want to do anything.

Gavin: I said, OK, I'll work these, we'll partner 50 50, but I'm not going to go and see the house and I'm not signing any paperwork, so I need you to use your contract. I'll do all the talking and let's see if we can do anything. I called 40,60. I spoke to about 40 people. We got two contracts in the first just a week, maybe eight, 10 days. That's how I started. Right. And I really understood follow up from the from day one because the first house I ever moved was the scenario. Remember it now. Eighty-five thousand with eighty thousand with offered. Sorry. On this property the lady wanted one 130. She said, I'm going to put the money and fix it up and sell it myself. OK, ok, no problem. That's what the note said and it was the dead



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lead I called up, get three months later. She's not done anything to the house. She's not moved a thing. She's not done nothing.

Gavin: And she said, well I've done nothing in three months. Yeah. Maybe I'll leave. And that was the first deal from one phone call to follow up with the situation. And obviously she hadn't done what she said and I picked the deal. So I knew, hold on a minute. So whatever people are saying is only then and well, what about now? So that's how I've kind of been brought in to know that the best leads are the old leads. Right. The most amount of money in your business right now is in your CRM. If you've already been doing this for a while and you haven't got a result. Gigi said something earlier that she went back and someone else had sold. Right because the money's already in the CRM. I talked to Lauren a lot about we believe it is over a million dollars in our CRM. We just got to get to it, close it right. Because the leads are already there.

Gavin: We have thousands of leads, tons of sellers, and our majority of our leads for the next several months are already in the CRM, all in the follow up. And if you can stay on top of it, get efficient, build the teams. We've gone from one cold caller. We set up Gigi. We set up Chris White, Chris Arnold to get this so they can focus on what they were good at, which is making money and everyone needs that. So if you need accountability, that's why we wanted to program that we have today as a one off because it's going to give you the opportunity to get a head start and to come out made money before Christmas. Right. Let's not wait till the new year. And that's one of the most frustrating things that I hear is, oh, I'm going to wait till January. You're always late. It is never a good time. Today is the time. Right.

Gavin: And if it's not with us, with someone you know, go into whatever you want to work with, it doesn't need to be ours. I'm not saying that. But you have to do something today, because if you don't, it isn't going to happen for you. You've got to get out of your comfort zone. I've gone. Honestly, it was embarrassing. I look back, I went to that meeting. Right. And it was a Tuesday in the middle of the summer boiling hot. And I'm in, like, trousered slacks and like a shirt and everyone else in shorts and flipflops. I mean, I if I couldn't have stood out from being from England is the way I was dressed, I would've stood out. I mean, it was kind of embarrassing looking back. But the best thing I ever did and sometimes you got to do that, get out of your comfort zone and you never know what's going to happen on the other side.

Joe: Nice. Good. All right. There's things you don't have in your business. I mean, nobody has it all. So just find other people that do have it. Gavin needed leads, waste a bunch of money and direct mail and had no more money for marketing and found somebody he knew what he was good at. All right. So the next bullet point in here is I've already talked about this. Make sure you only focusing on your highest revenue generating activities, highest revenue generating activities. What are your highest revenue generating.



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Talking sellers, making offers, following up. Just make offers. That's like the number one rule in real estate. Make offers, make offers, make offers.

Joe: Explain what simple system scale means. We did this already a little bit. When I was doing the drawing. Simple system skill. I learned that from Rob Swanson. I really love this because it's about building silos, right? Six silos. I want to get this one hundred percent complete before I move on to the next thing. So for an example of a simple system scale would be, let's say you want to start doing some direct mail, let's build a system out of that. Well, you need to simplify it a little more. Direct mail is too big. All right. Yellow letters are cool. Yellow letters to yellow letters to expired listings. OK, good. Now you've got a simple thing there, right? Let's build a system around yellow letters to that. I say expired. Expired list. OK, simple system. Well, all right.

Joe: I need to go. I need to get access to the MLS to get these listings. I need to go to the software or something like that. How do you get those expired listings? Then you've got to send them a letter and the letters should be simple. Here's a couple, three sentences and you handwrite them out, you put them in an invitation envelope, you put a stamp. Stamp crooked, add a one cent stamp, it helps your open rates, maybe crumple the letters up, hold them back again. That's a system right then and only then do you scale it. It's so easy. So what I like to do is I create a Google doc at bullet point. First part is what I'm trying to do. What's the ultimate goal? Why am I doing then I bullet point. All right. First thing, get a list. Second thing, handwrite the letters, find the owners' address. Third thing, write the letters and fourth thing, mail them. And then fifth, update the scorecard.

Joe: OK, and that's your system. And you can record yourself doing it if you want. Whatever your system is. I like to use loom, L-O-O-M to record my computer screen. Now there you go. I have a Google doc with the step by step, bullet point, a Loom video link in there of me doing it and that's my system. I have this Google doc, I can share it now with my VAs and I can say do it. And as you start growing in this, here's the cool thing guys.

Joe: You can actually now have your VAs create your systems for you. So just give your VA some of my training videos on sending text messages to Zillow and say, right, we want to do this in Cleveland, Ohio. I want you to send 50 text messages to rentals on Zillow be priced between a thousand and two thousand a month. And I want you to send a text and I want you send a letter and then make the VAs come up with the systems in the process. Don't think that you have to be coming up with a bunch of systems and operating procedure manuals or whatever. Right. SOP standard operating procedures to make your voice



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do that stuff, make your assistants do that. So simple system scale. Don't try to build or scale something that you don't have a system. I don't try to build a system unless you have something that's simple.

Joe: Keep it really, really simple. All right. Are we listen to this, Isaac. He says this here. I literally just got my first lease option contract signed about five minutes ago, only to go Isaac. After three months of hard work. I couldn't have done it without you guys. Nice. Awesome. That's so cool. All right, here we go. Last page. What are some of the must have systems that you're going to need in your business? There's really maybe one. You ready? CRM, what is the CRM stands for? Customer maybe relationships management, I think. Yeah, I don't know. I don't know. But it's a database. All right.

Joe: You need to have a database and you need to have a database that can do as many things all under one roof as possible. That's why I like REI simple so much because it gives you the phone, right. You can get the list. Another good tool you need is something like propstream Joe. I recommend that. PropstreamJoe.com. But like most have systems, well, you need to have a CRM and a database. You need to have a way to make phone calls, websites eventually. And that's it. And a way to send letters. The most important part of that is that lead management database tool manager leads and a way to make phone calls because you make your money on the phone. Those are some of the must have systems and any other systems that I forgot that people need. If you're doing cold calling, you need a triple dialer. We teach you how to do that in our stuff.

Joe: OK, cool. Let's talk about VAs. Where do you find VAs? Oh, there's a lot of different ways. Up work, but what do you guys use to find VAs? What do you guys like? Type that in the chat. I use up work a lot. Still use it today, online jobs that could we use that. Fiver. Excellent, what else? Upwork. Greg, thank you indeed, LinkedIn, VA outsourcing. Oh, I love this, Robert. I use my current VA to find other VAs. We do that a lot. Yes, that's a secret gem right there, Robert. That's awesome, because if your VA is good, they know what it takes to be a good VA and they're going to recommend good people to you. OK, so yeah, I definitely we get usually if you find one good VA, that's all you need and you can find lots of other good VA's. Nice. Yeah. So Upwork is good. There's a website I use sometimes called Virtual Staff Finder, Dotcom, Virtual Staff Finder, dot com and they're headhunting service and they can help you find VA's. I can't think of anything else on that.

Gavin: You've got enough if you can't find a VA, we have a problem.



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Joe: Question here. This is a good one. What are the three things your VA should be doing? I want you guys to type that in. What are the three things your VA should be doing, Robert? I'll answer your question right here.

Gavin: OK, cold calling, data entry, marketing and follow up. CRM Find Sellers Manager leads writing letters, prescreening sellers, cold calling, compiling lead lists.

Joe: This is all good. Admin work, managing leads, marketing follow up CRM. I think Tom got it. Not in the right order. That's ok Tom. Yeah Rodrik got it. OK, yeah. Write this down Ed. You see Ed's question there. Gavin can you answer that is seven. Yeah. OK, so here's the three things your voice should be doing. Number one, marketing. They should be managing your marketing method. Maybe it's doing it themselves. Maybe it's managing the mail house, scraping software with Facebook ads. Whoever is doing the ads, they should be managing the marketing. We're not in the real estate investing business. Right. We are in the real estate invest. We're not in the real estate investing business. We are in the marketing business. The marketing business is all about getting leads. Leads are the lifeblood of our business. Marketing is everything and everything is market. So your VAs primary responsibility is making sure leads are coming in the door.

Joe: And if you're thinking, man, I don't know what I'm going to have my VA do. There's I don't know what. I don't know. I don't have much going on. Guys, you just take some of the marketing we talked about today and have your VA start implementing that. That's a full-time job right there. If you wanted to go crazy with it, have them go into three different market. All What if you just had a VA sending one hundred emails every day to realtors about some of their older listings? You just went in and said, all right, I want you to send one hundred emails a day to all the realtors that have old listings of properties that need work in these five markets. Send them an email, ask him if the seller is negotiable and would they consider something in this price range, texting, sending letters, making offers to go Section eight homeowners. There's a lot of really, really cool things that your VA could do. The number one.

Joe: Number two, this is a big one. Updating the CRM. You should be you should not be the one behind the computer. You need to have your VA update the CRM. And so that's as simple as you get a lead come in. You talk to the seller and then you, Voxel, the VA, your updates, talk to the VA on Voxel. You leave a voicemail. It's a voice, walkie talkie, voice memo app or whatever. And you say, Hey, Jim, I talked to the seller one, two, three, Main Street and it's listed with the realtor. It'll expire in three months. Remind me in three months to call them. Um, that's it then. You don't have to worry about it. The VA updates CRM. You can say, listen, I Jim, I just talked to the seller at one, two, three Main Street and remind me to tomorrow,



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call them back at five o'clock. Your VA updates updated CRM and adds an appointment to your calendar and you call them tomorrow.

Joe: I learned a lot of this from Tom Croll and he took what I was doing it without sourcing VAs to a whole nother level. And it's so cool. He started doing this where he had a special email that only his VA had and every because he was finding himself spending way too much time behind the computer, spending three hours a day just updating the CRM with his notes from his deals and was getting really, really frustrated with all of that. So he decided, you know what, I'm not going to spend any more time behind the computer. And he is getting buried in Post-it notes and yellow legal pad of paper. And he was talking to sellers in the car from his house all over the place. And he couldn't keep track of the stuff. So he started using WhatsApp to send messages back and forth to his VA. I recommend Voxer with the VA. It's easier.

Joe: And then he said, all right, every morning, VA, I want you to email me separate emails, three emails, and each of those emails needs to have the name and the phone number of the person I need to call next. And I want to see any kind of notes that are in there or whatnot. So he opens up the email and it's only she is the only one that has that email address. So he could only see her emails and it says, call the seller. Here's the situation. Here's the address by the law. And he calls. Cellar chicken scratches his notes on a piece of paper and then WhatsApp or voxels the seller, the VA back around to talk to the seller. I have an appointment with them today at three o'clock, added to my calendar and give me comps, et cetera, et cetera. All right. Or it's a deadly market is dead and avantgarde. Do not call it or add them to our cold follow up campaign. All you do then is bam. You delete the email, you go to the next email, call the seller, write some notes, Voxer your VA, delete the email, go to the next seller.

Joe: Now, you've gone through all three emails and it's only been 15 minutes. Then you voxer the VA, OK, send me my next email, send me the next three people I need to call or whatever, OK, you should not be behind the computer. And Tom used to say, this is so funny. Show me an expert in Podio and I'll show you a brochure wholesaler. And we were coaching people. I remember this so clearly. We had a workshop and the guy was here and he was showing us how awesome is. Podio was. Right. Podio is a serum that we were using at the time and he had all his fancy automations set up and he had tons and tons of leads in there. And we accidentally looked at his contracts app and there was nothing in there. He had this amazing system. I was drooling over it. It was awesome. It does all these fancy things. But he had zero leads, I mean, zero contracts.

Joe: So show me an expert in REI simple, Podio, whatever CRM you're using, and I'll show you a broke wholesaler. It's not about. So you need a VA to update the CRM for you. Right. Super important. Then the



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third thing that your VA should do is do all your follow up. 90 percent of your deals are going to come from the follow up. Every student we've had that does deals does a lot of follow up supercritical, very, very important. So if you're not going to do it and you probably aren't, you got to get somebody else to do it for you in spite of you. This is my big mantra when it comes to marketing. Got to get someone to do it for you in spite of you. Carl's asking a good question. Is all of this done with one VA? Maybe when you're just getting started out?

Joe: Yeah, just hire one VA. They can do the marketing. It doesn't take that long. They can update the CRM and they can do your follow up for you in the CRM like area. Simple should be able to do 90 percent of the follow up for you. But you're absolutely right, Randol, get out of your own way. Get out of your own way. These are all really important things to do. The three things that your VA should be doing. Number one, marketing. Number two, updating the CRM. Number three, doing your follow up, guys. If you just figure that out, man, I'm telling you, you're going to have so much more free time.

Gavin: And I will say as well, it bolts on. Like you got one and then you get two. I mean, we have five on lead gen. When we have two or three admin just on my side, then you probably have five or six probably as well. But you don't come out the blocks with that many. You just as you scale, you start to you know, you only hire when it's necessary.

Joe: Yep. Want you guys to type in. What have been some of your biggest takeaways from this whole day? What have been some of the biggest things that have helped you, inspired you and really helped you figure it out? By the way, some people a lot of people are asking, how much do you pay VA? Part time VA? Two hundred fifty to five hundred bucks a month, full time VA. Five hundred to a thousand bucks a month. Yeah, that's pretty much what it is.

Gavin: Awesome guys. So hopefully while Joe's pulling that up. You've got some good stuff today. We always try. I know these things are free, but we try to do our best. We try our best to bring as much value as possible. And hopefully it's going to help you moving forward, which I think you will hopefully agree. That was the case today. Again tomorrow, three to 4:00 Central, three to five Eastern tomorrow. We've got that link. We're going to do the Q&A. We got some great questions. We want to make sure that we're not missing anything to try and get on that call if you can. Plus, we'll take in new questions if we have time, but we'll definitely answer the ones that you've left today first. So I appreciate that as well.



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