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Deals Gone Bad #14: Someone Steal Lockbox, Moves In House, Takes 6 Months To Evict – Mark Monroe

Hosted by: Joe McCall

Guest: Mark Monroe

Joe: Hey, welcome. This is the Real Estate Investing Mastery podcast. Good morning, wherever you are. Hope you're doing well. I'm excited about this show because we've got a guy on. His name is Mark Monroe, and I've seen him a lot in Facebook. He's an active investor and he has a really, really interesting story. He's got a story of a tenant who stole his lockbox, got the code to get in the house, moved in, and it took Mark six months to get the guy out. So we're going to be talking about this story. More importantly, we're going to be talking about what he could have done to avoid it. What could he have done differently that where this wouldn't have happened? And I think he might even tell a story of a tenant took a shotgun to his house.

Joe: So we'll see how bad that gets. But this is a Deal Gone Bad series. And somebody said once smart people learn from their mistakes, wise people learn from the mistakes of others. And so on this podcast series, I've got about twenty or twenty five lined up. This is number 14 with Mark, but I'm trying to share stories of things that have gone bad. Not everything is all rose colored and blossoms or whatever. Right. Like this business is a tough business. It's a very profitable business. But you'll notice every single one of our guests has not quit. They've not given up. They've pursued, they've persevered through these challenges and have thriving successful businesses today. And I think this is going to be really helpful.

Joe: I'm getting a lot of really good feedback from this also. We are live right now on YouTube and Facebook. Marco, what's going on? Marco. There he is. Good morning, everyone. Hey, Mark. Or go. So if you are watching this live right now on Facebook and YouTube, please type something in the comments. Say hello, tell us where you're from. Give us a thumbs up and subscribe to the YouTube channel, would you? I'd really appreciate it. If you're listening to this on audio podcast, subscribe to Apple podcasts, leave a review and appreciate it. So. Oh, yeah. One more thing here before we go. I do. I've been collecting all of the notes and we're going to be putting together them together into a book. And if you text the word bad to thirty-one, thirty-one thirty-one or go to JoeMcCall.com/bad, you can



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get all of the notes and the references and the links and the lessons learned from all of our guests on this podcast series.

- Joe:** And right now they are in a mind map. Pretty soon we'll be putting them into like a resource, a PDF or a book or something like that. But if you want first dibs at it, if you want to get the raw notes, as I'm actually live right now typing them in, then just text the word bad to thirty one, thirty one thirty one, or go to JoeMcCall.com/bad. All right. So I'm going to bring on Mark. Mark, how are you?
- Mark:** I'm doing well and yourself?
- Joe:** Really good. Little under the weather. I got a stuffy nose and cold so I apologize if I'm not my normal.
- Mark:** You didn't get the Covid thing, did you?
- Joe:** I don't know. I got a test the other day. So stupid. It's a freaking fraud. But don't get me started.
- Mark:** Literally down here. I've known about 30 people. That's all about it. And every single one of them has been fine. One of them had a pretty bad flu for about like five days, but everybody else just lost their taste and they had a migraine for a few days.
- Joe:** I'm a lot better today than I was three days ago. So things are a lot better. And I'm just frustrated with this whole stupid thing.
- Mark:** And we're almost over. You know, we have it just now, this past week, we have a vaccine, that's, what, 90 percent ready to go.
- Joe:** So well, they're also saying there's more shutdowns coming ahead. This is not the place to talk about that, because we're here to talk about real estate and we're here to talk about deals gone bad. So, Mark, give us a little history of you. Where are you now? And do you know what kind of deals do you do?



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Mark: So I got into real estate banking back in 1995 up in the Washington, D.C. area. A couple of my guys, we ended up starting our own mortgage company up there. And we end up blowing it up, guys, in my twenties at that time making a disgusting amount of money for my age. And you're young and stupid and you don't think the money's ever going to run out. And I'm like, oh, I'm going to leave that and go try something different. I'm making great money and you just kind of live and learn. So I've been in the real estate banking game for a long time. Then in 2008, the crash happened and we kind of shifted over to doing some loan modifications. What made it different than everybody else is we actually hired mortgage underwriters. And then I remember, if you remember Litton Loans, they reached out to us and then we were doing their overflow on the back end and then regulations came down and then you had to be a law firm. So we sold that off.

Mark: Then we got into doing the lead generation and been generating leads, God, for mortgage with clients like Quicken Loans, Bank America, Solar City, thousands of attorneys that we had that for quite some time doing lead generation. Yeah, yeah. We did lead gen. So we literally at Quicken Loans, Bank of America, PennyMac. I don't know if you know Penny Mac, they used to be Countrywide people now. So that was my background. But throughout the years I've always been doing lease options. Was my go to I did that way back in the late 90s. I followed Wendy Patton, learned her course. She was great. So when I was during that time period, I kind of step back and I just kind of doing loans for myself. And I had a little niche at that time. So I'd find sellers that wanted to sell their home, but they couldn't sell to move on.

Mark: So what I'll do is I'll go and refinance a property, down to look at the rates at that time are like seven, eight percent, maybe refinance it brought it down a two year ARM, pay out, take over your property, I'll do a lease option on it. So refinance it, made money out of that loan. Oh, by the way, your new home, I want to do that loan. And then I did the lease options. On one lead, I got three different transactions out of it, so it worked out really well. And then then I got recruited by a national company to go to buy subprime mortgages from North Carolina down to Florida. So I was out there meeting with banks, buying all their mortgage subprime paper back in the day. So it's kind of a little bit about my background in them. Since the covid thing, I just pretty much went back and I had another business that we did small business lending like hard money, like the emerging cash advance. So I had that for a few years with my other partner. I said, hey you know



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what? I'm moving on to something different. I'm at a different age. I want to slow down and start enjoying life a little bit more.

Joe: Yeah, very cool. All right. So you're doing on average, how many deals a month right now?

Mark: Last month I did 11 deals. Yeah. And I really just want to do probably I don't want to blow up another business I built businesses. Done it. Tired. I just really now I want to probably stay between like three to five deals a month. But for some reason now I'm just getting referrals, people bringing deals to me because I do. Lease option is one of the tools, my tool belt. I do those and owner finance and sub-to. So I know all that type of situation. So since Covid's here, I'm just kind of work, you know, I'm stuck at home.

Joe: And you're in Florida, right?

Mark: Yeah, yeah. Boca Raton, South Florida, near Fort Lauderdale.

Joe: And where do you do most of your deals? Where do you focus?

Mark: I originally started it was my backyard, but then I started doing some virtual, wholesale or virtual. And that's where this deal came about, my first learning mistake. So I want to do virtual. So now I do Florida, Georgia, North Carolina, Tennessee. And I have a couple up in Vermont right now as well. So these are I'm partnering up with other investors and they're getting deals and I'm kind of helping them structuring what kind of looks like that.

Joe: So what's your favorite way to bring down deals?

Mark: It really comes down to the seller, figuring out the seller's needs, what they're looking for, what they're trying to accomplish? That's really what it comes down to it. I'll look at anything that makes sense. That's kind of what my thought process in my approach is.

Joe: But you when you buy a house, you try to buy it with subject to or owner financing or lease options?

Mark: I feel very comfortable with lease options. I just known it for years. It's just my go to, mainly especially if you're a retail seller and they can't carry the mortgage. That's usually



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those are the easiest, the easiest deals for me, at least the lease options. But I will do a sub to depending on the situation.

Joe: That's a good question I'd like to ask you, kind of relates to what we're going to be talking about, too, like when do you choose to do a lease option or a deal where you're just leasing it with the option to buy? And when do you choose to do a subject to to take over the mortgage on the deal?

Mark: It depends how much money I have to come out of pocket. OK, if I had like, one that I just did, one where she was behind in the mortgage, I had to bring her mortgage current. She needed money to move. So I gave her ten thousand to move. I had to put in. I'm into that one for probably about twenty-two thousand. Twenty-three thousand. So that one I want to have some collateral against a property. If I'm putting much up and just doing like first month, last month, security, well then I'll tend to do like a lease option. It really depends on the situation and with the seller how like what they need out of it. If a seller just wants to downsize and they want to move on and they don't feel comfortable transferring the property, whatever, I'll just do it a lease option on it.

Joe: Do you feel like there's less risk to you, the investor, when you buy it on a lease option?

Mark: One hundred percent. If you're doing a sub-to you need to make sure that you have six months reserve because if they default, you've got to evict them. You've got to make sure you're the one to keep paying the mortgage. You're responsible for that. Lease options is worst case, you're giving out property back to the owner. They're taking that property back, especially when they're going into these tough times coming up. I prefer lease options because of the risk factor. And if the market changes, it's an option. You can kind of just kind of walk away from it.

Joe: I've been saying that a lot. It's the control without ownership, isn't it? And I've always preferred that. When I've only gotten in trouble when I've owned too much and I had too much debt in my name and too much liability and too much risk.

Mark: Yeah. And if the seller is OK doing something creative financing, if they only want to do it short term and they want the money out, I'm going to always go to this option because if the market corrects, I want a minimum of five years to go before that market to kind of



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correct and come back. Otherwise, I'm going to always go to at least option because it's a shorter term that I can it's less risky.

Joe: It's also I think it's also less risk to the seller to perhaps you were in the mortgage business. There is always that risk that a bank could call a loan due on a subject to. I remember talking one time to a guy who worked at Citi Mortgage and he was working in the I forget what department it was, but basically he was telling me what he does and he gets notified whenever there's something, a red flag that happens and he digs in and investigates what's going on, it could be insurance changed.

Joe: Taxes haven't been escrowed properly. And I said, have you ever heard of, like, subject to invest buying houses subject to. Oh, yeah, we sure have. And I said, really? He said, Yeah, I said, what do you think? What do you know about it? He said, Well, you know, we know it happens and he knew I was an investor. So we know you investors do it, he said. But bottom line, we're so busy we can't do anything about it except when you do something stupid and you raise a red flag, which is so easy to do. If the insurance isn't right, if it's not in the right names and all that, if there's ever any kind of hint of late payments or if you get late, that just makes everything worse. And he said but be careful, he said, because if the market starts turning around and interest rates start going up right. You've got all these loans at two to three percent if rate starts going up to five, six percent. You think the banks are going to be as quick to overlook those, you know what I mean? So anyway, let's talk about this deal. Mark, how long ago was this?

Mark: This was just the beginning of covid, when covid started hitting. So I would say early March, early March was my first deal that I was kind of doing virtually it was probably about three or four hours from me and somebody that I know was an investor who lives in Florida. He does everything up in Ohio. So he goes, oh, just send somebody out to the property, do a walk through, take pictures, do an inspection and put the lockbox on.

Joe: This was in Ohio?

Mark: Well, that's what he does. No, this property was here in Florida. It was northern Florida. And I'm down here in southern Florida. So it's about three or four hour drive. So he said, just give him a lockbox, tell him to take a photo of the driver's license, send it to me, I'll give them a code, and they go walk through that and they tell me when they leave. So I'm



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like, OK. So he was kind of coaching me through how he does his virtual wholesaling, if you will. So I had this, probably gave it out to about five or seven people, the code and they went through. And this one couple went in, liked the property. He said he'll get back to me. He's interested. So what happened was this was on a, I think, a Thursday or Friday. And I had another couple getting ready to go out and look at the property the following one today.

Mark: And they said, oh, you know, the door, we can't get in, the lockbox is gone and this car. And I knock on the door and there's people living the property, I'm like what? There's people living there? So I started digging, doing some research. And what happened was it was the couple that went to the property. They went in on a Saturday afternoon unlocked and just moved everything right into the house and started living into the property. So then we hired an attorney. We started going through the eviction process. And then sure enough, in about the second or third weekend, then covid hit and then they just froze all evictions. So then I couldn't do anything.

Joe: Didn't they freeze evictions for people who couldn't pay rent because of loss of income from covid?

Mark: That's how I finally got them out. But in the beginning, they just froze everything.

Joe: It didn't matter that they were there fraudulently.

Mark: Yeah. So, yeah, that's how it was in the beginning in the state of Florida, there's was just so we couldn't do anything. That courts weren't even open because they had completely shut down. The sheriffs, even if the court was open, the sheriffs weren't serving because at that stage when everything was completely locked down. So we finally, after months and months, my attorney, we had to literally he had to dig up and show that this gentleman did not get any type of income loss at all whatsoever. So we had to present that to the judge. We actually did actually a court hearing right on Zoom. It was pretty wild. So it's a judge, my attorney, myself and then the tenant.

Joe: So the tenant even showed up and did they even have the gall to even show up in the court?



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- Mark:** What he tried doing, he tried to say that the property wasn't up to code. So he went in there. He started taking photos of the smoke detector and like a broken window, whatever it was. So he was trying to use that the property was up to code. I had to put all this money on the property. Meanwhile, the rent, he owed about twelve thousand five hundred dollars.
- Joe:** And he had zero lease. He didn't have a signed a lease or anything. Did the judge laugh at him or hopefully?
- Mark:** No, because how we put everything in, like he did it in an LLC or whatever, all the bills and everything. So they were trying to say in the state of Florida, if you're looking at LLC, then you have to have an attorney representing you. So it's going to solve another. So this guy knew the system. He was playing the system so he knew how to stall and kept pushing it out further and further. But the judge finally, we just we finally got him out.
- Joe:** So did the judge award damages?
- Mark:** No, because it was really because how he did it, he has everything in an LLC. So there's really I couldn't get anything out of I mean, I could possibly turn it over to collections. Maybe that might be an option.
- Joe:** Oh, one hundred percent it's an option. Yeah, you should because that attaches to his credit. And if anybody does a background check on him, that judgment shows up. You can garnish wages, you can hire an aggressive collection agency to go after him, follow him. And that collection. I've done this before and it's amazing how well it works. And it may take a couple, three years, but it'll always be following that guy. You get an aggressive collection agency and they will follow him whenever he gets a job or gets any kind of paycheck or gets a checking account, they will garnish the wages and take it to pay that judgment and he'll pay you interest during this whole time, attorney's fees, collection fees.
- Joe:** And you may never get it, but it makes his life a lot more difficult to get any kind of credit for cars or appliances or house. I've done this before to a tenant, and he owed me maybe three months of lost rent, which was only at maybe two thousand bucks or something like that. But he owed me five thousand dollars from interest and attorney's fees and collection agency fees. The collection agency kept 50 percent of whatever they collected, but I didn't



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care. Not that I'm vengeful and but the guy stole money from me and he took advantage of me.

Mark: And the place got destroyed. There's probably another I think there's another thirty-five hundred on top and the attorney fees on top of it.

Joe: So even though you may think, this is a lesson learned for everybody, I think even though you may not ever think you'll ever collect the guy because he put it in an LLC, but you can sue anybody no matter if they're hiding behind an LLC or not. You can name them, you can name their LLC and you can name their individual personal name. And if a judge rules in your favor and you get a judgment, they get all of your attorney's fees, the penalties, the interest and the damages and the loss rents and all of that. And a good aggressive collection agency. They love working with guys like you because you're giving them permission to pursue this guy.

Joe: And this guy that worked for me, man, he'd update me once a month. He was a private investigator. He would do skip tracing. He knew the phone numbers of this guy's mother, his brothers, sisters, his cousins. He was constantly calling the guy, harassing him, mailing him, contacting his employer, contacting his bank accounts. It was I felt kind of bad for the guy. But you know what? He called me after about three years and said, listen, I'm trying to buy a house. Can I just settle this? I did negotiate. When he finally reached out to me, I said, all right. And I did negotiate a settlement with him. And then he got it wiped off and he was able to buy his house.

Mark: Interesting. You know, so what's a good way to find a good aggressive collection. If anybody's watching this that they know, just put a note in there, I'd love to know.

Joe: I found this guy. And it's been about ten years from a referral from a property manager, I think is what it was, what I did. This is what I did. I called because I needed to evict them. I called the largest property management company in St. Louis. I asked them, who do you use for your evictions? Because I wanted the one eviction attorney. But he brings a case to the judge. The judge knows this guy. He sees them all the time. He just pretty much rubber stamps, that kind of an attorney. Right. And this guy does twenty, thirty evictions a week. Right. I got this guy, the property management company told me, listen, he he's really good at what he does and he knows what he's doing. Give him whatever he asks for and don't



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bug him. Don't call him and ask him and he'll take care of it. Don't worry about it. So I gave him everything he needed and he won and he said, OK, I'll take care of it.

Joe: Three weeks later, I didn't hear from him and I'm like, I don't know what to do. Should I call him? And the property management company said, leave him alone. And then, sure enough, I got a phone call from his assistant. All right, it's done. We got a judgment and it's eviction. And the tenants moved out and he took care of everything. And then I asked him, I said, well, who do you recommend for a collection agency? And he recommended this guy. He was a local St. Louis guy. I don't even know if I could find his name and number any more.

Mark: It's good to know. I'm sure.

Joe: Talk to property management companies. Ask them who they recommend or who they use for evictions. You want the best attorney that just does most of the evictions in that county and then ask him who do they use for collections?

Mark: I should probably even ask the attorney that did the eviction for me.

Joe: Oh, yeah. I mean, this guy needs to learn his lesson, in my opinion. He's done it to other people, he'll do it more. He needs to be stopped. And one of the ways is just aggressive collection agency tactics. And I've been the recipient of those aggressive collections. When I was, when the market crashed and I lost everything, then those guys had no mercy on me. They called me, they called my wife. They called me at home.

Mark: You're going to jail.

Joe: They never threatened me with jail. It was never that bad.

Mark: They use every tactic.

Joe: Oh, yeah. And, you know, I remember, though, that's a long story. I won't go into it. I had to beg them. Please stop calling me at home. You're waking up my little kids. They were trying to, my wife's at home.



- Mark:** Yeah. So I definitely learned some lessons from this.
- Joe:** Depressing. But this is a good lesson learned, I think, for everybody, because don't let these guys walk over you. There's people who game the systems like this and they may have done it in an LLC, but you can still sue them personally. Yeah, I don't know if you've ever been served a lawsuit before, but, you know, during business as usual made you your nicknames, your middle names, your LLC is all of the other related LLCs, they'll name. This is something that happened to me. I wasn't involved in the deal, but I kind of was.
- Joe:** But it was someone else's deal. They went through in that lawsuit and named everybody involved in the transaction, the leasing agent, the property management company, the people who own the property management company, the investors, the private investors. And I was like kind of a partner with the guy who owned the property. Anyway, they named everybody. And when you do a lawsuit. You can name everybody, anybody you want. Doesn't matter if they did an LLC or there's no corporate veil. It can be pierced anytime somebody does something illegal. And that's what this guy did. And I think it would be easy to prove.
- Mark:** Was it a real lawsuit or was it a shakedown? I had one of those. I had one where literally a I think almost like thirty-seven thousand dollars and just great. So what happened was a lot of people probably don't know this, but if you send somebody to your website, right. And they fill out a form and say they're under DNC, but they're opting in in some states, they have to re-opt back in after 30 days. If not, you're violating the DNC. So there's an attorney out there. And this is what he specializes in. He just was shaking it down. That's all he was doing.
- Joe:** There's a lot of companies that do that, especially in Florida right now. You've got to be careful with ringless voicemail and texting because they're just sending threatening lawsuit letters to get you to settle.
- Mark:** And they just look at and they're like, oh, so my partner just bought this beautiful home in this nice area. And he's sitting there and oh, I see you just bought this beautiful home and such and such community. You guys must be doing really well, you know. You just knew it's just a shakedown all the way. He just going to drag it out. Drag it out.



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- Joe:** Well, all right. So you got this tenant out. They damaged the property. What did you do then? Did you fix it up?
- Mark:** Yeah, just fixed it up and just turned around and got somebody back into the property. It was a big learning mistake on my part. I was just, you know, I think we actually had a discussion several months ago. You're doing one of your coaching calls or something like that. I came on you and Gavin. And we were talking about it at one time and just pretty much learned like going forward, I always use a Realtor showing your properties. Let them go in and show the property. That's probably one of the biggest things. It's so worth paying a realtor, the amount of money that I end up losing on this compared to just in one month's rent up front, by far, that's the biggest thing.
- Mark:** The second biggest thing is because the property is sitting a little bit and I was getting antsy. So I just grabbed the first one supposedly. Well, actually, I didn't grab them. He just kind of went into the property. So that was probably, I think the biggest one is definitely using a realtor when you're doing stuff virtually. That's kind of that's how I shifted the whole process. And my buddy that he uses that he said he's never had a problem with it. But, you know, it was a lesson. And it's just so much easier not having to worry about it, just let the realtor handle everything.
- Joe:** You know, I used to do that a lot with properties even that were close to me. I would give the lockbox code away. And the worst thing that ever happened to me was somebody stole my staging. So I had I don't know, there wasn't much five hundred and seven hundred bucks in staging like towels and decorative candles and stuff like that. But that sucked. You feel violated somebody. But a lot of people do that and sometimes people look at it as it's a risk worth taking because it saves them the time of going to the house and showing it all the time when you can just give the lock. But it sounds like you did the right things. You did you get their phone number; you get the copy of their driver's license.
- Mark:** I had it all. Definitely got it. And it was them, you know, it was all the contact information. He just knew the system he worked at come to find out he was actually, he went around and inspected rentals for the county, like for the violate for I guess you need a rental certification.
- Joe:** So he worked for the county?



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- Mark:** Yeah, well, he was a subcontractor for the county so he knew, he definitely knew how to work that system really well. So and I was just shocked. And then oh by the way he actually with a neighbor got into it with a neighbor. The neighbor actually had to file a restraining order on this guy during that time period that you know.
- Joe:** During this time that you were you were still paying the mortgage on it. Oh, yeah. You kept the mortgage current. you took care of the seller, which was good. Awesome. Good. Thank you for doing that. And then you still have the property?
- Mark:** Yes. Yeah.
- Joe:** If Covid wouldn't have happened, do you think it would have been easier to get the guy out?
- Mark:** Yeah, we probably would have had him out about forty-five days the attorney said. Yeah, yeah, that's what we said. It was just the timing was just unbelievable.
- Joe:** That's a huge lesson learned when you're selling properties and this could be for lease options or owner financing or cash deals or any when you're selling properties, use realtors. I don't know why people are so afraid to pay for that or don't want to. And it just makes such perfect sense.
- Mark:** Yeah. Do you wanna hear about my other one? My one where the guy took the shotgun? So I had a property, this was many, many years ago. I bought a fourplex up in New England in Vermont, small little town. And that's kind of where I grew up. But I think actually, you know, the funny thing is I played football with Sean Terry back in the day. Yeah, he was we're rivals. He was from the next town over. So anyways, what happened was I didn't know this. I would never end up doing something. First of all, fourplex. I only do beautiful homes in nice areas now. And that's what you always say that. So the key to it is always make sure your tenant that you put into properties are always the good tenants of whoever's buying the property. That's the key to all headaches, you know, and making sure they're putting a reasonable amount of money down.
- Mark:** Cause if they have something on the line, they're kind of concerned about losing money anyways. This guy I have a property manager, he put somebody into the property, come to



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find out this guy was kind of dealing drugs out of the unit. It was a fourplex. So somebody moved out and then he was trying to show the property to somebody else to fill up the other unit. He stopped paying, by the way, the one that was in the property. So we're trying to get him out. Then the other people moved out. Every time we went to show the property to a new tenant, he would come out, yell, scream. So nobody wanted to live there. So then another person moved out. So I have a fourplex and we have one person paying the rent and nobody else is paying it.

Mark: And what happened was in the up there at the time, the state of Vermont from I think the end of November to the end of March, you can't evict during the winter time. And I did not know this. So this guy knew the system. So what happened was the property manager knew the town of the city and he had other property. So we took that one tenant moved her into another, another place. So now the place is completely empty. And he actually was friends with the city that ran the water. So we said, hey, we're not paying a water bill. So they condemned the building to get the guy out. And then he took a shotgun and just shot the whole inside of the place all up.

Joe: Wow. What did you do?

Mark: Insurance covered it. But I was like I didn't collect anything for a while. So I learned my lesson never to do. Like, I don't like duplex, triplex, fourplex. I don't like those. I prefer bigger multifamily. But I'd rather stick with nice residential homes in nice areas. It's just less headaches.

Joe: All right. So here's lessons learned that I've typed up so far. Number one, always use a realtor to show your properties, pay them one month's rent. It's not a big deal. Don't give them a lockbox code out. Always make sure you really prescreen good tenants for your properties. Do a full prescreening background check, right. Don't just take the first one who expresses interest or even who has the money, right? Or who. I'm writing that down has money. You want to make sure you take somebody that puts a good deposit down on the property but has a clean background check who passes the muster, whatever that means. Yeah. And avoid renting crappy properties, stick with nice homes in nice areas.

Mark: And I would always, always recommend using RMLL for underwriting your buyers to make sure that they qualify. That's huge.



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- Joe:** Always use a licensed mortgage broker. Yeah, licensed mortgage broker to review your tenant buyers.
- Mark:** Yeah, absolutely. To make sure they can definitely qualify.
- Joe:** Yep, yep, yep. Very good. Because I want to make sure I write this down.
- Mark:** Yeah. I had, I had one recently. Just real quick. I had this gentleman at least option property that he was a roofer roofing company and that particular particularly looking for first month last month, security like three percent of the option to be down. So it's like about ten, ten thousand five hundred. And this one guy that went and looked at it, they really, really wanted this property so bad. But he did everything under the table and he wanted so bad he was willing to double, he was willing to put twenty-five thousand dollars down. But he did everything under the books. And I knew and we sent him through the RMLL and the guy, we told them, hey, you have three years to show your income and the guy didn't want to do it. So what happened was I end up turning that guy down even though he had twenty five thousand dollars. I ended up going with somebody else that only had eight thousand dollars put down. We ended up putting on a payment plan because they're showing income. So we always want to use in RMLL just for that reason.
- Joe:** A licensed mortgage broker is going to tell you, yeah, they can get a mortgage if they do this and this and this over the next two or three years. And you want to make sure that they have good debt to income ratio. They don't have stupid things on their credit that can't be fixed. Going to make sure they don't have a five-million-dollar tax lien on in their name because they'll never get a mortgage. Right. You have to make sure they don't have five hundred thousand dollars in unpaid child support or alimony.
- Mark:** For me, that's for me. That's key. I want to make sure my who I'm putting in that property is definitely getting a loan. So I always make sure that work like this guy, I knew he could pay it. I knew he had a down payment, but I know at the end of three years he wasn't going to be able to get a loan. So that's key to me is like I want to get my other capital on the back end of that, but also make sure that it's a win for everybody, one for the seller, one for the buyer. And also we make a little bit of money on the deal.



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- Joe:** That's great. Good. Mark, that's been a good podcast. Sure appreciate you being on. How can people reach you if they want to get a hold of you?
- Mark:** They can look for me on Facebook. I also have a pretty large group out there: Creative Real Estate Investing. Just look for that group that can join there or just hit me up on LinkedIn, Instagram, but usually in the group is pretty good.
- Joe:** I'm writing this down here to put on the thing. There you go. There's a Facebook group called Creative Real Estate Investing, is that right? Good. Look for the group. Join it. You're active in there. I've seen a lot of activity. It's a good group, Mark. Good man. Very much. Thanks for being on the podcast. And guys, don't forget, if you want the notes in the list of all of the lessons learned from Mark and the other people that we've interviewed for this podcast series, I go to JoeMcCall.com/bad or text the word bad to thirty one thirty one thirty one. And we'll see you guys later. Thanks, Mark. We'll see you.