



REAL ESTATE INVESTING MASTERY

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Let's Make An Offer! - An REI Secrets Series Special

Hosted by: Joe McCall

Joe :

Welcome. This is the Real Estate Investing Mastery podcast. All right, hey, guys, what's going on, Joe Macall and I am doing this live at you right now in the Joe McCall office studios today on the ARIA Secrets webinar series. We are going to go look at a couple of deals and make some offers. Would you like to see how I come up with comps, come up with maybe some estimated repairs, come up with a cash offer, at least option offer, owner financing offer? Would that be of any interest to you guys? I hope so. And I'm excited about this. Thank you. We have about a whole bunch of people here live in Zoom, and I'm streaming this right now to the YouTube's in the Facebook's. So if you are watching us live, say hi and please like the video right now, give me a thumbs up, please, and subscribe to this YouTube channel like my Facebook page and just say hi. Tell us where you are from. Tell us what you think. I'd love to know what you think of these videos. Do you feel like the quality is good? The audio, the video? Is it good? Is it boring? Is it exciting? Is it helpful? Is it useful? I'd love to know. I'd love to get your feedback. I look at your comments and I really, really appreciate them. So, again, if you're watching this on YouTube, please, right now, give me a thumbs up like this video and subscribe to the channel. I come out with about two videos a week doing cool stuff like this. It's a lot of fun. I enjoy it. I just want to make sure you're enjoying it, too. All right. So you guys here on Zoom, thanks for being here and I appreciate you guys are giving me thumbs up and zoom. That's nice. I appreciate that as well. OK, so what I want to do is I asked the of my students who are here on Zoome to give me a couple of addresses of some properties and I'm going to go just look at them. I have zero idea what is in or what's going on with any of these properties. And I want to make some offers. And so what I'm going to do is I'm going to open up my offer, my automated offer, pro software here, and I'm going to share with you my screen. And if you want access to this thing, you can get it. Oh, cool. Looks like I'm live. I'm in the YouTube's. Nice. All right. So what I'm going to do is I'm going to share this with you. And right now I want to share my screen. How about that basic room? All right. If you want this software, it's included in my partner with Joe Class. If you go to partner with Joe Dot Net, partner with Joe Dot Net, let me make sure I have your attention here. Partner with Joe Dot Net. If you go to partner with Joe Dot Net, you're going to get this software. It's called Automated Off Pro and it helps you calculate cash offer two different option offers and two different owner financing offers. And it gives you the the contract proposal, the letter to send to the sellers explaining the offer, either the cash offer, selling the cash offer, selling the lease purchase offer, selling the owner, financing offers. All right. And so in this, I have a little clout in this part of my course. I have a video to show you how to use this. And then here is the actual software itself. It's called Automated Offer Pro. I built this with some help

and I'm just going to walk through this now. Some I don't know anything about this deal, so I'm just going to make some assumptions. And I don't even remember who said, I'm sorry. I don't remember the name of the person who sent this to me. But let's go to Zillow. And you know what? Sometimes Zillow on Chrome gives me a hard time. L'Avenir, that property's not coming up. So, again, let me I'm coming at this kind of raw let's look at Google Maps and see the kind of address this is on Google Maps. I'm going to copy that here. Put it here. Paste enter. So it's not showing up on this house. Doesn't show up on Zillow. Why not? What is this? So is this the house right here? Let me look at the zoom chat and see if I can find anything out. Oh, it's five three one Pearl Street. OK, let's try five thirty one. There we go. Belvedere. Where is that? This is a house that's currently listed for sale then on the market one day. All right. Just curious, whoever posted this deal, Beverly, where did you where did you get this property from the homes being sold. They want OK, this she says here the seller is over there doing a lease option. It's being listed right now for one ninety. The seller is open to doing a lease option. So how did you find this deal, Beverly? By the way, Joseph says your automat offer pros. Great. It saves me a lot of time. I got it as part of the partner with your program. So, yeah, again, go to partner with Joe Dot Net. I'm a show you how we can make it quick and dirty, offer a quick and clean offer with this property right here. Now, I want a little bit more information on this thing. Right. So I'm going to let's look it up on Google Maps. I'm going to paste this in there. All right. Let's zoom out so we can kind of see where in Illinois this is. I have a feeling it's oh, I was going to say near Chicago. Looks like it's a suburb of Rockford, Illinois. And by the way, let's say you were doing deals in Chicago. Would you look at this deal, this house is maybe, you know, I want to guess it probably takes an hour, two hours with traffic to get to downtown from there, an hour without traffic. Would you look at this deal thinking, oh, man, that's way out in the country. That's way too far away. I don't want to do that kind of a deal because there wouldn't be any buyers for it if you think that you are gravely mistaken, because there's a lot of opportunity in small markets. And Beverly said here, someone I know called me about the house. They would like to buy it. OK, so let's look at the street view. Kind of like to see what is a neighborhood look like when I'm looking at a deal. So this this is funny. See, this this camera must have caught a tree limb because this tree limb is well, it's not there. Now, if we move this way, I can't move anyway. This is look at this neighborhood. There's a tree limb again. Did you see that? All right. Never mind. There it is. This looks like a good neighborhood, right? Nice small town. Let's look at it one more time. Their driveway might need some work. Is this a multifamily house because it shares a driveway, which is interesting. Not a big deal. Maybe so. Yeah, I love small towns, love small towns. One of the things I like to look at when I'm looking at a deal is what is the neighborhood around that property look like? If you see a bunch of vacant lots, that tells me it's in an area where there's a lot of abandoned homes. Maybe it's not the best area to be in. Is it near some industrial buildings? Is it next to a railroad track or is it close to a river? What are the neighbors? You see a lot of cars on the front lawn. This looks like a decent area close to downtown maybe of that little town. All right. I like it. Now, one of the other things I like to do is to see what can we see on Redfearn? One of the things that we also talked about in this workshop that I just did was we never do too much research on a property before we call the seller. It's easy to fall into the trap of doing a bunch of research, trying to see get as much information as you can about the house before you call the seller. Usually it's just a big, big, huge time stock. It's a big waste of time. You don't want to do that. It's a nice house. Kind of crazy. I don't know if many

buyers are going to be all that interested in this kind of a pink choice in their room. It's a good, nice house. I like it. All right. So they're asking one ninety. I'm going to write these things. Thirty two hundred square feet. That does not look like a thirty two hundred square foot house. I would imagine that includes the finished basement. There is no garage. So maybe it maybe it is. Well, there's a garage in the back. I would bet you anything that thirty two hundred includes. Is there a finished basement. This looks like a basement. No it doesn't. Yeah. Interesting. I don't know. This looks like a pretty tiny house. Thirty two hundred square feet maybe it doesn't have a basement. All right, well we'll go with it. It is listed on the MLS. It's listed with an agent with the realtor. So you would think that they would have that correct. Was built in nineteen ten. So it's an older house. All right. So here in the software, automated off approach, first there's five or six different pages here. Your info, property info after value, cash offer, lease option, owner financing. I'm going to look at one more thing here. Real True.com. Want to put that property address in here. Sometimes I like to see I'm looking for what are they saying the property is worth? Sometimes you'll see that in here. Here we go, Socor. You see that right there. It's really small in this area right there. It's growing all the way over to core logic. This is from realtor dot com says it's worth one seventy to four hundred and Quantum I've never heard of that before is worth they say it's worth one seventy seven. Three thirty eight. OK, sometimes you get an estimate of value on Redfin, sometimes not like if it's listed for sale. They're not going to tell you what the estimated value of the house is. You're not going to get much from there. Sometimes Zillow will tell you this estimate. Sometimes it doesn't estimate is do you see that two or six? Seven hundred. I'm needing this for the next part of my offer here. And we'll go to prop stream. Joe Dotcom prop stream is amazing. If you don't have prop stream, you need to get it. Just go to prop stream. Joe Dotcom. You get a seven day trial when you log in. Takes a minute here. Sometimes you get value from Trulia, Dotcom and Realty Track Dotcom. So some of these websites that I'm going to to get values of properties, RealtyTrac, dot com, Trulia dot com, which is owned by Zillow. So sometimes you don't get much different. But one of the I'll show you one of the things I like about Trulia here in a second. You're going to get a property value from Prop Stream Joe, which is awesome. You're going to get some values here from realtor dotcom. Redfin many times gives you the Redfin estimate if it's not listed, actively listed for sale. And of course, then you get values from Zillow. And what I like to do to determine the RV is I will. Average them, average them to get an estimated HRB. So look at Prop Stream, we're going to click this button here. Their estimated value is one seventy six one seven six to seven and their estimated rent, one four four eight. Because we're going to average see the rents right there. We're going to average rents. Now, sometimes you get some good information on these on these properties. This one has been owned by the seller for almost six years. It's not an absentee owner. Elizabeth Vinnick owns it here. And how much equity does she have? Well, this it says and they don't know. So some counties, some markets will just they don't know mortgage information, so they can't get it. But, yeah, it was sold for one twenty three back about six years ago. So there's no information on the mortgage. Maybe that means there isn't a mortgage. Don't know. All right. What's interesting is they still say here. Thirty two hundred square feet, three beds, two and a half baths, which is interesting because the listing says four beds, four baths. Redfin says four and three and a half. All right. Something that we definitely want to talk to the seller about. Right. Or the realtor. OK, you can see there's no Lean's and there's not even a. All right. Never mind. We'll talk about that. OK, here's the house on Trulia. One of the things I like

about Trulia is if you click on the map, I think it's right here. If you click on the map, you can click on crime and this will tell you the crime of the neighborhood. What's it like if you zoom out the lowest? It's a good it's lowest. It's a light blue. I hope you can see that. I'm a zoom out again. And now you can see kind of where the dark blues are. And this is where light light blue is. And over here on the on the right, you can also see kind of the the things that there are there's assault, vandalism, burglary. And when you get into the darker areas, that's generally an area. It's not a like it's a means. It's a bad area. It's just like that may not be where you want to own rental property. That may not be a good fix and flip area. You're just going to find you, generally speaking, cheaper properties in those darker areas. So this home is in a good area. You can also look at, I don't know, school, street view map photos, things like that, which is interesting. But you get that from Trulia. Sometimes here from Trulia, you'll get also the estimate of value. But I'll see it here. I think now in this zip code, the typical home value is one eighty one. So I'm going to write that down. One eighty one seven, eight, seven. Also, sometimes you can see the estimated rent here. I'm looking for estimate. I know one realtor dot com. You scroll down, you can see estimated rent sometimes, but not this time. It's interesting. Sometimes you see this stuff, sometimes you don't. What is Zillow say the estimated rent is? Tell me if you see it. Well, it's always interesting to look at the price history too. Right? Getting close. I feel it. There it is. Wow. They're estimating two oh three three rents estimate is twenty thirty three. It's been interesting. As lately I've been noticing trends in big differences. It used to be different sites like Zillow, crop stream and look at rental meter in a minute would all have similar rent ranges and now they're starting to get varied quite a bit. And I don't know what to think of that, but that's what it is. All right. So let's look at Realty Track here real quick. Realty Track. It says it's off market, but their estimated value is one ninety to 640. Sometimes, again, you can see the estimated rent. This is interesting. RealtyTrac tells you what the Zillow estimate is. That's interesting because Zillow won't tell you what the estimate is because it's on Zillow for sale. So I'm going to write this down. So I'll show you where it goes in the calculator here in a minute. All right. I want to look at one more thing. I want to go to rent o meter to see what they say the rent is Paiste. The address right there. I'm going to do four beds, analyze the median rent is eighteen fifty in that neighborhood. Now, how they get that, I don't know, average, but they look at some other similar properties that are listed for rent. And we will also I'll show you Zillow. What else I do. Eighteen fifty. Let's look here at Zillow. They're, they're estimating twenty thirty three. Right. Let's close that, that house that we're looking at is right in the center of this map. I want to look for rent, make sure we're looking at houses only. Hopefully this works for me in Google Chrome and it's not. So what I'm going to do is I'm going to look in Safari. I'm a new screen share here. OK, so now I'm on safari in Zillow on safari, and this will work better for me. So the house that we're looking at is right in the center of this map. I'm looking for properties for rent that are three plus bedroom houses only. And let me remove the square footage filters. All right. Now let's start zooming out, looking for rental comps. Zoom out again. Zoom out again. There's not a lot, is there? Holy smokes. There's one for sixteen. Ninety five. Let's remove. Boundary zoom out again now we're getting up over here into Rockford. So what I'm looking at is, all right, well, what is the competition if somebody is looking for a rental property in this area? What is it like out there? These are smaller homes, 13. Forty five, 60, 90, five. The other thing this tells me is I have a good feeling if I get this under contract, a lease option, I am going to find a ton of interest. I'm going to get a lot of calls on these properties. Seventeen hundred twenty three fifty similar

house. Eighteen ninety five. Wow. Twenty nine fifty. I'm out in Rockford. Let me zoom out one more time now. I got a lot more. So let's do four plus bedrooms now. I have six. This one's eighteen fifty. Seventeen hundred. Yeah I don't feel good. Zillow says the estimate, the estimate for their rent is two thousand thirty three dollars. I don't feel good about asking trying to get two thousand. I would feel better around the house if it's a nice house. It does look like I feel better around the seventeen ninety five. All right. What does this matter? If we're making a lease option offer, we want to know what we can rent it for. And all I'm doing here is looking at, well, what is the competition? Eventually I'm going to get a leasing agent. The leasing agent is going to find me a tenant and they're going to tell me what it would rent for. But I'm going to go with seventy ninety five to be my estimated rent. All right. So let me go back to my offer here. My offer software. All right. You see my screen. I just did a bunch of work. I again looked at the values on Zillow, Redfin, realtor, dot com prop stream, Trulia Realty Track, realtor dot com gave me values from CoreLogic and Planetarium. I got a bunch of numbers here. Right. So the next thing is I'm going to go here to property info and I'm going to put the seller's name because I'm going to send the seller an offer. And it's Elizabeth Vinnick, I believe, and I did not get her permission to talk about her house. So hopefully she's not mad right now. I'm pasting the address in here because this is what's going to go on the letterhead on the offer that we send to her. It's going to fill out the contracts and the letters and all of that. OK, and her address is the same. The mailing address for the seller is the same as the property address copy paste. So I just have now the property address, our mailing address seller name, and I get that from prop stream Joe Dotcom. The other cool thing is when you're looking at property, it tells you all the other properties that this person owns and there'll be a link or button here called Linked Properties, and that's really helpful to find out if they're an active investor and stuff. Right now we go to next. We're in the after repair value. This is how I like to determine my RV. And you can spend a lot of time doing this, but I'm just quick and dirty in and out. I want to it sounds gross. I want to I want to get the quick value of what I feel like the property is worth after it's all fixed up. OK, so Zillow was two six six hundred. Trulia didn't give me one. I truly did give me like the average value of the houses in that area is one eighty one seven eight seven. This is the average of properties in that zip code. Redfin didn't give me anything did it. No, real dotcom gave me the quantity. They gave me CoreLogic so much do one seven two four hundred and then chuntering. Remember that quantum just typing this in one seventy seven three three eight. I also I can just put here like the one on here the list price is what. One ninety. I can use that in kind of my average calculations here. Right. Prop stream Joe. The value was one seventy six to seven. What else do we have. CoreLogic with this right here. CoreLogic on terrorism list prop Zillow. RealtyTrac, RealtyTrac gave us one ninety two six four zero. I think I got it all. One, two, three, four, five, six, seven one to do so. The average now is what, one eighty five, one eighty five. Now you put in what ever you want to use. Let's just use that. I like it. So the RV, the repair value is probably a little less than what they're listing it for. Normally when sellers list property, they push up the value a little bit. We'll see. But let's go with one eighty five. Now, the other thing you could do and let me show you Redfin here, because this is I really like Redfin for this. I'll show you why we moved my camera thing here. This is the property right here in Redmond. Right. If I click on this map and then I click on this map nearby Homes for sale. Cool thing about this. As long as Redfin is available in your area and I really recommend you get used to and familiar with Redfin because like we talked to some sellers live in this workshop that I just did and we were talking to a couple of

sellers live on the phone. And while I was talking to them, I was able to pull up the property on Redfin and Zillow. Look at what the comps were while I was there on the phone with them. And so right now, if I go in here and I zoom out a little bit, I'm not doing many filters. But these are active properties of sorting this by price. Let me just do a. Here, let's do minimum beds, three real quick and let's do so at least two thousand square feet. OK, but I'm going to zoom out now. I have only one home for sale. Zoom out again. Now you've got six homes for sale and sort this by price. So when I'm talking to the seller and they're saying their house is worth two hundred thousand, that's OK. So I'm just looking here and I see that there's a house here for one fifty five, one eighty five, one ninety one ninety. So I'm sure your house is nicer. Right. But what do you think the difference is. What's going on. I don't know the market as well as you do. I don't know this area as well as you do. But why is your house worth two hundred and these things are selling for one eighty five. Why would I want to buy your house for two hundred. I can buy this one for one eighty five here. This looks like a nice house. Four bedroom, a little smaller than yours. You only see what I'm saying. So what you're on the phone many times. The seller will not give you their price. They're just like I would ever make an offer. But if you can pull up the property like this real quickly and look at what other similar properties are selling for, you might get an idea of kind of just get from them a ballpark of what they're looking at. You can if you tell them, well, you know, I've seen the property here that I can buy right now for one fifty five and it doesn't need much work. It's kind of ready right now. Why should I buy your house when I can buy this one for one fifty five and just see what they say. And this is after that they won't tell you what the property's worth or maybe even after that they do. Right. You can ask these questions and then the next thing I like to do is right here, go to more filters, turn for sale off, sold on. I like to go back in the last six to 12 months. I go to 12 months because that's going to give you more comps, obviously. Right. Apply filters. So there are sixty five homes. I'm going to actually zoom in and to get fewer. And remember that house we're looking at is right in the center of this map. This is why I like Redfin. So now we have 20 homes. I sort this table by price. Now you may see it where it looks like this. It's just photos. We can change it to table. And right here you can sort it by price. And then I'm talking to the seller. I say, boy, I'm seeing some houses that sold here for one hundred. One hundred and three hundred and five one twenty nine, one thirty three. Now, obviously, these are going to work, right. I'm sure, Mr. Sellers, these houses aren't as nice as yours. But wow, I'm looking at one here. It's sold. When did this sell? A few months ago. Not too far. Like this is literally a couple of blocks away and it looks very nice and it's sold for one thirty five. One of the things I like to say to sellers when I'm talking to them about their price on the phone, is this sold in December of twenty twenty. I see. Mr. Seller. Listen, could we reverse roles here. You put yourself in my shoes. Would you pay two hundred thousand dollars for your house. Do you think that's a fair price. Oh great question. Right now maybe this one sold for so cheap because it does not have central air. It has these what do you call those things, radiator, radiator, heat, an older house. It's an older neighborhood. So maybe that's common out there. I don't know. Here's a house that's sold. This is almost exactly the same size, same beds and bath. This house is gorgeous. Look at this thing, right? It's radiator heat. So it does not have central air. Does it have air conditioning? I don't know. I kind of doubt it, but it's sold for one thirty seven. Now, what I'm looking for here is this is the lower end. But let's also look at the higher end. If I start this the other way around from high to low, remember that cellar where they're selling it for one ninety? I'm trying to determine the RV. And so these are sold homes in

the last year. This one sold for to thirty five. Is this a good similar property? This looks like a newer home doesn't it. If I go to deed to it was built in nineteen ninety four. Remember our house was built in nineteen ten. That might not be a good comp if you wanted to you could go here to more filters, you could go to your built and say it had to have been built before. Nineteen fifty apply filters. Now we have thirteen. I'm starting from high to low. Now this is interesting. The highest one is one seventy eight. Here's one sixty seven. It looks good right. One fifty nine. This looks really nice so I don't know, I don't see pictures for this one. Seventy eight. It might have sold but it's on the other side of the river. The other cool thing too is you can actually zoom out and if you know this area well enough you might say, listen, this side of the river is nice, this side of the river is bad. So you could go right here to draw and you can just draw and try to get here quick draw and you can draw where you want to look on Zillow. And you just know this area is very similar right there. And then it'll give you the comps just in that area. Now, I don't know if that's true or not. Let's just remove the outline. I'm looking at all the comps here. I have fifteen in my search area. This one sold for to forty six. This one sold for two fifteen one seventy eight. Don't have pictures. This one's over one sixty five. And we determined remember in our let me move this thing here in this offer thing we determined the RV averaging these things was one eighty five. Well looking at the comps here in Redfin do you feel like one eighty five would be a good RV after repair value. Maybe we're pushing a little bit. Right. I wish I could see this picture here, but. This one sold for one sixty seven. Yeah, so what do you guys think on Zoom right now? Tell me what you think if you're watching this on YouTube and Facebook. Tell me what you think in the comments down below. So maybe one fifty five is too high. Let's be I've always I like being conservative. Let's say a good RB today is one 80. You want to go with one 80? Let's do one eighty. One eighty. Let's do that. OK, now here's the thing. Sometimes when you're making offers, it's like really hard to find good comps on a property. And what you just sometimes you just got to guess the best guess you can and stick it out there on the market and see what the market tells you the enemy is. It doesn't matter what we think the value of the house is, it doesn't matter what we think the repairs are, the rent is any of that. What matters is what our buyers think it's worth. So sometimes you just got to take your best guess. Don't overanalyze this thing. Don't spend too much time on it. Just come up with a number and put it in there. Your buyers will tell you if you're off or not, and then you can go back to the seller and adjust your price if you have to. Right. You can go back and say, listen, I'm sorry, the numbers will not support this. Value the numbers. The market will not bear this value. I underestimated the resale value. I blame it on the three Rs and I'm renegotiating with the seller. We underestimated the repairs. We underestimated the rent. We overestimated the rent. We thought the rent would be higher and we overestimated the retail, the retail value of the house anyway. So sometimes you just don't get it at the lowest price you can and use that as your RV. So let's say the RV is really one eighty. Let's go to next. Now, here's my cash offer. This is where I make cash offers and I use two methods for making a cash offer. No. One, I use the RV time 70 percent minus repairs, minus fee at your standard male formula. OK, RV time. Seventy percent minus repairs minus. Now, if you're in a hot market like San Diego, L.A., San Francisco, New York, you might use eighty percent. OK, but I'd be real careful with that. Now let's look at I usually do 70 percent, especially in the small towns. Square footage, 30 to 60. Right. Repairs. Do you think do you guys think this house needs any repairs? Let's look at it again here. Look at the pictures, maybe the driveway. It's going to need some landscaping in the front, don't you think? Maybe some tech pointing. I don't.

I'm just once you see, like these these Ive's whatever growing into the into the side of the house might need some driveway work, but the kitchen looks really nice. You probably want to paint this room. Bathroom looks really nice. You might want to paint this room. So I'm going to need some real basic cosmetics, especially in the front. So you know what? If we did five bucks per square foot at sixteen grand, that's pretty high. Let's just make it ten. All right. And I want to make at least ten thousand dollars wholesale fee. So my cash offer using Method one is going to be one hundred and six thousand dollars. Do you think the seller is going to accept that? No, they have it listed for one ninety. Why on earth would I make an offer for one or six? Well, blame the numbers. OK, all right. Now let's look at the method. Number two is the average of the lowest sold. Now, here's the problem with that. This method works best if there's a property that needs a lot of work. So if I were to look at the lowest sold and average them and times that by 80 percent, that's that's going to give me a ridiculously low number. Remember, in Redfin, we were looking here, we have one hundred and one. I mean, one hundred and three hundred and five hundred and twenty nine hundred thirty three. If you were to average that, that would probably be like one, ten times eighty percent might be like eighty five ninety thousand dollars which is going to be. Well let's just do it here. I'll show you. OK, I'm going to write these numbers down to one hundred one two three one five nine hundred one twenty nine nine hundred one thirty three nine hundred. Now these are probably properties that needed work, they needed updating. That's why they sold for so cheap. So we'll put this in here anyway. Let's do where my numbers. No. One hundred one two three one five nine hundred one twenty nine nine hundred one one thirty three. Now if I have a VA, by the way, the VA will put the address in here for me if the VA is doing this for me. All right. So the average of those is one hundred and fourteen. I'm going to multiply that by 80 percent. So now I have two different cash offers. Can you see this method? One is the Mayo Formula One oh six and method two is the average of the lowest three or four or five times eighty percent. So now I can decide which one I want to use. I'm just going to use a bigger one now in my cash offers. Let's do a thousand earnest money deposit. Let's give them a deadline of Saturday or whatever. When I, when I make a cash offer for one of six and I'm going to sell it to an investor for one of one sixteen. Right. I need to make sure if I sell it, can I sell it for one sixty. What is my competition look like? And this is when I go back to Redfin, I'm going to say for a sold off sold I'm sorry for sale on sold off. Right now I just want to see what is. A competition, am I going to be able to sell this thing for one 16 and I think I am like, here's a house for one thirty eight needs a little bit of updating. This is one sixty four point sixty five. So I'm just looking at my competition. I feel pretty good. And this one is way over here. This one looks like, it looks like the backyard. But anyway the can I sell my house for one 16. I think I could write it. I mean, worst case, I just hotel it so I buy it and maybe paint those two rooms and do some landscaping and put it back on the MLS. I think I could sell it really quickly, so I feel good about that price. Let's just stick with it right now. We're going to click next. Now, my lease option. This is kind of what Beverly who submitted this property asked about. So you guys are asking me some good questions here in the Zoome chat. I'll try to get to those now. When I do a sandwich lease option offer, I usually want to get at least 15 percent minimum equity in the deal. So what I like to do is I look to look at of the as is value. So I look at what the R.V. is one eighty. It needs about ten thousand repairs of the as is value is one seventy. I want at least 15 percent equity of the as is value. So I want at least twenty five grand in equity. So I will give the seller an option price of one forty four or five hundred market rents. We

determined about seventeen ninety five. Right for cash flow. I usually want to get at least twenty five percent of the rent for cash flow so I get four hundred and forty eight dollars a month in cash flow. So I'm going to give the seller thirteen forty six in rent option deposit. I usually pay the seller one month's rent. I'll do fifteen hundred dollars an option deposit and I try to get it for five years now. Wholesaling lease option offer. I'll just give the seller whatever price they want. Now they, they're trying to sell it for one ninety. My ass is value is one seventy. I'm going to do something in the middle one eighty seventy ninety five a month and rent. I'll pay one hundred dollar option deposit and let's to two years. Right. We'll show you on the screen later what that looks like. Now let's going to next owner financing. OK, this is where I have to. Owner financing offers principal only payments and interest only payments. Now there's one hundred different ways you can do this. This I'm just kind of throwing something together to get something that is ballpark where I might be. This is like I'm throwing a bunch of things at the wall to see what sticks almost right. And again, I don't know if there's a mortgage on the house or not, but that doesn't matter. I'm still going to just make an offer anyway. So the as is value is one seventy, but she's listing it for one ninety. What if I want I give her one hundred and eighty thousand dollar offer with principal only payments. Would you do that. Yeah. Down payment. I put any money down. Let's do five percent and you can always just change it here. Let's make it ten thousand down. Market rent is seventy ninety five. My principal only payments. I usually like to do it at half of what the rents would be. So I'm going to give a principal only payments of eight ninety seven fifty, which means what I'm going to pay off. It's going to be free and clear in sixteen years. Now let's say I offer interest only payments, so if I'm giving her it's either price or terms, if I'm giving her better terms, the price needs to be lower. So I want to, I want at least like a five percent discount on the price, maybe ten percent discount and four down payment. I want to do less downs. I might do well here. I was doing five percent. Now I could do ten percent down up here and let's do five percent down to be less money down here and interest. I'll offer three percent interest and I'll offer to do a balloon in ten years. Now you're looking at this. Thinking what. Why would you why would you do that? Well, cash flow. I'm going to pay Noma's. The property's worth maybe one eighty now in five years, it's might be worth to twenty. And I'm going to be cash flowing at least three or four hundred dollars a month on this deal. And I can use the extra cash flow to pay down the principal so I could pay this off in ten years if I was really aggressive with the pay down. But I'm getting a tenant now. So anyway, there's different ways you can structure this. There's one hundred different ways. But I got principal only payments and I have interest only payments. And let's click submit here. What's going to happen is it gives you now some different gives you a bunch of different downloads and letters, three different letters of intent, a cash offer, only a one page with three options, a one page summary report and a blind owner financing offer. Somebody is asking, why not zero interest. I did do a zero interest. It's their principal only payments. That was the first option up there. And you'll see your letter of intent. One is going to have cash sandwich, lease option or financing, although I two is going to be cash sandwich lease option wholesaling lease. Option number three is going to be cash owner financing with interest only payments and owner financing with principal only payments. That's zero percent interest. And then I'm going to have a one pager with three options, which is going to include the cash sandwich lease option and owner financing the principal only payments. All right. So now I can download these things, I would download them and show you kind of what they look like here. So everything I just showed you there is kind

of how I make my office right. Let me do my do not disturb here. I don't get any notifications popping up while I share my screen, I need to do a nude screen share of that. All right, so now I'm going to open up Allawi, one, Allawi to Allawi, three cash for one page, one page. Koinonia finds some opening it. I'm opening up a bunch of word documents here. And there we go. Here's Allawi, number one. This is a cover letter to put your information at the top here. Seller's information right here. Dear Elizabeth is great talking with you today about your house. That address, please review the different options we may be able to offer to buy your house. If you have any questions, call me. Now, this is a word, documents. You can go in here and edit this, right? Changes. You may want to change Illinois to ill and you may not like the the comma there. So anyway, this is a three option letter of intent. All cash three one hundred and six thousand lease purchase option owner financing at least purchase sandwich. This option one forty four and owner financing of one eighty. OK, so what I like to try to do when I'm making my three options, I like to make it where it's get the price gets higher. Kind of an equal equal steps almost. Right. One six one forty four one eighty. So I can give the seller more for their property if they're willing to wait longer for it. The longer they're willing to wait, the higher, more, more a higher price I can give to them. OK, so this again is a cash offer, one oh six. Now if you look at this and they're like, no, I don't want to do a cash offer because it's going to hack them off, then just delete it and do option one and option two. And this is the word document, OK? And send that to them. I'm going to bring it put it back in here, though. You can see the sandwich lease option. I'm going to pay her thirteen, forty six a month in rent. I'm going to rent it out for seventeen ninety five a month. I'm going to buy it for one forty five and I'm going to sell it for maybe one eighty five or financing. This is my long term buy and hold, cash flow, wealth building retirement strategy. I'm going to pay full price for it but eighteen grand down. Where does that money come from. Either my bank account or I get a private investor and I'm going to pay eight hundred ninety seven dollars a month principal only payments for fifteen years. That's my initial offer. What if she says I want interest or I want to be I don't want to wait fifteen years or whatever, then I might just. OK, well what interest rate do you want? Depending on what they say, my purchase price will go down, my down payment will go down. If they don't want to wait fifteen years they only want to wait five. I might do a lower the price a little bit, whatever. So my cash flow is going to be a few hundred bucks on this. Not a ton, but I also have to pay. Remember taxes and insurance. One thing you could do is you could turn around and sell this on a wrap around mortgage on a land contract to an owner occupant. Or you could just keep it as a long term rental. You'll pay this thing off and if you accelerate your payments a little bit, you'll pay it off in ten years. You get tons and tons of equity in this deal very, very quickly. Then the next pages here, I'm not going to spend much time on this. This page explains what the lease option is. It's a summary of the benefits of a lease option, and it has a bunch of frequently asked three pages, three pages of frequently asked questions. Now, number two, why number two is a something similar, but it's now has an all cash offer, a lease purchase sandwich lease option offer and wholesaling lease option or lease option assignment offer write goes. You can see the price here similar. But this assignment, this lease option assignment here, that means I'm just going to get it under contract with a lease option with the seller and I'm going to sell or assign my lease option to a tenant buyer for five thousand dollars assignment fee. Then I'm going to be done and out of the deal. That's just an assignment. And again, there's more pages of what a lease option is. And the frequently asked questions, the third letter of intent that I like to use is right

here. And this is let's look at cash seller financing one seller financing two. So two different seller financing offers. And you may not like this, you can change it, but this first one is cash one or six seller financing one sixty two, which is interest three percent interest only payments. You notice I someone have a balance due of one fifty three in 10 years. That doesn't sound like a good deal. Well maybe, maybe it is because that house is worth one eighty today. It's going to be worth two fifty in ten years. Let's say someone have one hundred grand in equity. I'm going to have ten years of three, four hundred dollars a month cash flow. It's a great deal. And how many of these can you have? Banks limit you on how much how many properties you can own, but you can have an infinite amount of these types of properties. Right. Just asking the seller to carry back financing now. Principal only payments. I'll give the seller price. I'll give them a great down payment. Your principal only payments. This is a great deal. And you may think, how am I going to get eighteen grand and maybe you need to borrow some money for repairs or whatnot. Right. But like I'm telling you, it's. Easy to find private investors for this, Caroline is asking here in the Zoom chat, how do you know which letter to send to the seller? I don't know whichever one you want. If you want to give them a cash offer, lease option offer and owner financing offer, send them no no. One. If you want only lease option offers, send the number two. If you want only seller financing offer, send them letter number three. It's up to you. This one's a little different. It has. What is the owner financing? A summary of the benefits. And I did not include it for you for this, but I just have this one page report, how to sell your house as is at a fair price in the date of your choice. I borrowed this with permission from Richard Rup, the guy who wrote it. Super cool guy. That's a cool report that you can add to that. OK, let's say you want to send the just a cash offer to the seller. But here's a document that this software creates that I love. Let's say I just want to send a cash offer. And this is, again, words like you can fix things like removing the decimals. If you want to make this a different font, you can choose whatever you want. Let's make it Calibra. OK, here's my one page contract. So this is an awesome one page contract, by the way, and lost some formatting when I change the font. So it kind of broke it up into two pages. See if I can fix that. Here we go. And this is, this is something I borrowed from Chris Chieko, my man with permission and he's got these two tables in here. Chris Chicos. Awesome. Go check him out on his YouTube channel. He's got an amazing, some amazing videos. He's got a great course. He's the go to guy for how to do Facebook ads for real estate investors. Go check out Chicos website, flip anywhere dot com or his YouTube channel. Just search for Chris Chieko. But this is a table like here, all the benefits when you sell your property to us. And then here's another one. There's two ways to sell your properties. You can determine the price, prepare the home on and wait for an offer advertised. Wait for an offer, hold an open house, wait for an offer. Show properties buyers wait for an offer, negotiate sales price, make the repairs, prepare the contracts, coordinate the follow up with the title company, or sell your house to us. Get a check at closing and so you can take these documents. So like, if I wanted to send this to the seller, I'm going to say this. I'm going to save it as a PDF. Right. And let's say I have this lead in my freedom to do this was a deal that I was playing with at at the workshop. Let's say somebody somebody give me an Zoome chat. Give me your cell phone number. This property came. Yeah, this is a demo property here. Let's just do this. Let's do a new lead. I'm going to do a new lead and this will be my Zillo demo campaign. Let's just call it. No, no. Where to go. Let's do let's just do this one here. Seller's name was Caroline. Gave me her number. Caroline. Caroline, what's your email address, if you don't mind the address of the property. All

right. There's her email address. So let's say Caroline was the owner. And by the way, in freedom soft, you can click find owner right here and you can do that and it'll give you the owner's name and the owner's name and address. And if you save those fields to the lead, puts it right down here. Right. So anyway, let's say Caroline was the owner. That's your email address and that is her cell phone number. And I just created that document in here right in my automated offer, pro software to edit the offer details. You can click this link and the software sends you a link to edit this this offer later on. And so you can. Right. Click this and click on and go to save our sorry copy link address. Right. Click on that. Go to copy link address. So when you're in your freedom song you can just paste that URL right there into the offer link. OK, and then a week later, a month later you just go to that link and copy it and I'm going to go into an incognito window because it does so it doesn't know that I'm logged into anywhere else. I'm hit enter and I can go back to that actual property right here. Here's what they have to repair values and all of that that I did before. I might want to change something, you know, make a better off lease option, offer better owner financing, offer whatever, and I can change it and submit. And then it's going to give me my new downloads down here. Does that make sense? All right. So let's say I want to send the cash offer to the seller. It's going to go to attachments. I'm going to attach that file. I just turned into a PDF. It was this one, right? Yep. So I'm going to attach it. And so, Carol, I'ma send you a text here, and I want you to reply to the text. Let me know that you got it. OK, so get ready. I click on View and see this. You are here. I'm going to copy this. You URL, text it to her. I'm going to click on right here CM's. I say, hey Carolin. Here is an offer that I am going to send to you or something. I might say it was great talking with you today. OK, here's an offer that I'm going to send you. Here is an offer which you say that and I paste that link that you URL in there, click send estimates. So I just sent her a text. I'm also going to send her an email. So there's a couple of things I can do I. Email from here, or I can click email from here and click your email here. It opens up a pop up window. I have a template here. I'm just going to pick one at random. I got a bunch of them. How about here's a standard email and I can click on this. I'm going to attach that offer and I'm going to send her an email boom just like that, a center and email. So Caroline, let me know in the chat and or in the text when you get that text and when you get that email, I just emailed it to her. Go to communications. That's the text I sent. There's the email I sent. I could actually even call her right now. Caroline, I'm going to Caroline, I'm going to call you. I don't know if this is work going to work because I'm on Zoom right now. Normally you'd get a headset on. It's dialing. Hurry. I don't know if you can hear it. Hey, Caroline. Joe, how are you? Thank you. You're here. Welcome. Respond to my text, would you? All right. Thanks. Bye bye. All right. Just hang up. Now, there is an echo because she heard me on Zoom and I was also calling her on her phone right now. But this is a great thing about freedom, so you can use that communication with them. OK, let me refresh my page and you should see her response here in just a minute. She'll respond to my text. It comes in a minute. You can see my outbound call and I also record my phone calls. So recorded that 60 minute call and you'll hear you'll see the replay button here in a minute. All right, cool. Now I'm going to I sent her the offer. I always want to change the status to something. Maybe this is an active lead, OK? And I want to go to task and I want to remind myself to follow up with her follow up, assign it to me. I'm going to follow up with her tomorrow. What's tomorrow on sixteenth boom? Just like that. Now, I have made an offer. I've sent it to her. Oh, and one more thing that's really cool. I always want to send offers in the mail, in the physical mail, and there's a way to do that with click to

mail. And there's a service with click to mail called email to mail. And if you click on this right here, oops, not this right here. Click to mail, email to me. What it does is you send an email to click HTML. If you have a pre, if you have credits in there, you attach a file, you attach your letter, you send it to click to mail and in the subject line you put the seller's name and mailing address click to be able to get the email or print the attachment and send it in the physical mail to whoever is in the subject line. It's really amazing. It's super cheap, too. So I'm going to click on email right here and I'm going to send it to clicked email right now. All right. Just like that. If I clicked send email, I'm not going to do this. It would send that attachment click to mail, would get it same day or next business day with mail it in the physical mail to the seller, which is awesome. Now, why would you do physical mail? Why not just email? Because emails are easy to get lost. They're going to spam. The seller may see it, never open it or may think I'll look at it later. But if it's in a direct mail, everybody, almost almost everybody opens almost all of their direct mail. Right. And they're going to they're going to open it. They may not keep it now, but they're going to put it maybe in their junk drawer for looking at it later. Here's the thing. You're this is something your competition is not doing. One of the most important rules in real estate is marketing every day, right? No. To talk to five sellers a day. Number three, make an offer to every seller you talk to a number four, you want to follow up with every single seller you make an offer to. OK, so if you're sending four offers a day, five offers day, guess what's going to happen? You're going to get a bunch of leads to follow up with. And then what's going to happen? Guess what's going to happen after three, four, six months of follow up? Hey, Mr. Silver, I'm calling you again about that house. You probably don't remember me, but I sent you an offer a month ago about your property. I'm just curious, have you sold it yet? Do you have any other properties you might want to sell? Because your deals will come from the follow up? Follow up is the most important thing that you should be doing. And so it's better to follow up with a real offer that you send to sellers, because then you can say, hey, I'm following up with that offer I sent you a month ago. So important to send it in the physical mail. You don't have to do this click to mail thing. Right? You could just print this. Go right here. Print it is your printer. This is what I have my sons do. My sons are sending physical offers in the mail to sellers of homeowners of vacant land, vacant land owners. And I'm just making to do it. Old school because he hand writes the address on the envelope and it's more likely to get opened. But yeah, just print these things, stick them in an envelope, put a stamp on it, hand, address the envelope and send it to the sellers. I promise you, it makes you stand out. It's something your competition is not doing. And if you follow up, you're going to do deals really simple. Can we show you one more thing here and freedom stuff? Then we'll wrap this up. Digital signatures right here. If you click sign, you can do digital signatures here. If I wanted to send it to Carolina, I think I spell your name. Caroline Cool. It's uploading the file right now. So it's going to take just a minute. It's a it's a four page letter. There you go. I'm to click next. And if I wanted to, I could scroll down to where I want. A signature seller goes right there and I assign Caroline, make it required, cool. Also going to drag the date right there and it's going to be Caroline. So you don't need DocuSign anymore, right? Signature. You can do all of your digital signatures right inside of freedom songs. It's included. Super helpful, very powerful. I mean, just go back and cancel that. Now, the cool thing is with freedom sopped is when they are done signing it. How do you cancel out of this when they are done signing it? This signed copy will just show up right here in the attachments so you don't go find it in your email and upload it into here after you download and all that. Cool. I'm going to go

and complete this task because I don't want to remind myself to follow up and not know what's going on. See if she's responded yet. For some reason, I don't see your response. Caroline, did you respond to my text? And so here's a recording of the call. All right. So I don't know why I've not seen her response yet. Caroline, if you would type in the zoom chat, did you respond to the text? Should have come from this phone number right here, three one four four zero eight five seven nine two. She said on the phone call, she got my text. Well, you know what? I see your response right here. OK, Caroline, you've done this before. I have. OK, I've used Caroline's number before in another demonstration from another campaign, which is interesting. So this phone number, which is Caroline's I used it in a campaign I was demoing called the other letters to Zello Maryland. So her text response did show up, but it showed up in my in another lead. And here's her other response. Follow up second response. So if this was a unique number, normally it is. Right, because you're just dealing with one seller for one house. Her response is right here. Got it. Second response here would show up in that lead that I was just working on right here. But it's not showing up here because I have that same phone number in two different leads and Freedom Summer. All right. You can there's a way you can merge those two, by the way, together. You can merge them together. But I don't need to do that here. All right. So what do you guys think? If you want to get this software, which I think is the greatest thing since sliced bread and sliced cheese and sliced cucumbers, which my wife does all the time, she cuts. She gets these great cucumbers, and you have to get the ones that are individually wrapped in plastic because they're better for you, I guess. And then you still have to wash them, of course. But then you slice them. And we always have sliced cucumbers on our table, which is awesome. If you want this thing, go to partner with Jodan Net, partner with Joe Dot Net. And the cool thing is here you can get the there's a free version you can get that will do just the cash offer part. So when you're looking at this thing, it will do the these first four windows, do the your info, the property info, the after repair value in the cash offer for the free version. If you want the lease option and the owner financing, you need to join partner with Joe and it's only seven bucks. OK, so go check out partner with Joe Dot Net. All right, guys, appreciate you all very much. This is going a little bit longer than I normally do these things, but I hope you appreciated this and got some value out of it. Here's the whole point. The big lesson I hope you guys take away from this. OK, make an offer to every seller that you talk to. No. One. No, to send the offers in the physical mail. Number three, always give the sellers options. OK, give the seller a cash offer, Analise option and an owner financing offer, especially if they're cold leads and they don't want to sell right now. They they or they don't need to sell right now. They may want to sell, but they don't need to sell. They're not super motivated. Right. Send them multiple different offers and then follow up, send them that same offer every thirty days. That's how you do deals. I'm telling you, this actually works. This is how it works. Some of you on Zouma saying, how do we find this recording? It's in the YouTube's and it's in the Facebook group. So that's it. Let's wrap this up, guys. Appreciate you. If you're watching this on YouTube again, please subscribe to this channel. Give me a thumbs up like this video. I'd really appreciate it. Let me know in the comments what you think. Do you have any questions? If you'd like this calculator, go to partner with Joe Net. And if you're watching this on Facebook. Hi, how's it going? Please, like this video as well. Comment down below. Let me know what you think. If you have any questions about this, I really appreciate it. We will see you guys later. I appreciate you all very much.

