



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

REI Secrets - Brilliant At The Basics Part 4 – Making Simple Offers

Hosted by: Joe McCall

Welcome. This is the Real Estate Investing Mastery podcast.

This is the REI secrets. So, hey, this is Joe, and on this video series, this is my part four of the brilliant at the basics video series that I'm doing, and I'm breaking down kind of a simple, basic things that you need to understand you need to do in order to do a lot of deals. Now how many of you all have this book? I don't know if the text is going in the right direction or not when you're watching this, but this is a book I wrote seven years ago with a friend of mine, Peter Veckselman, and we we gave away or sold because we gave it away for free. Just pay shipping and handling it. You know, couple of thousand of these, many of them, and the feedback was amazing, was awesome. You know, just for various reasons, Peter and I are not working together anymore, but this book is really, really good. It's called brilliant at the basics. How to get more leads, more time, more money by being brilliant at the basics, and we shared in this book the exact systems and tools that we use to flip a bunch of properties and how you can too. Well, part of this series that I'm doing is I'm updating this book and I want to do it all new again. A lot of like 99 percent of what's in here is still applicable and valuable. Useful, helpful for today. I just want to update it, but I love this idea of being brilliant at the basics. This is something that Peter Vekselman kind of helped me think about, and he coined that phrase. But the people that are successful in this business who do the most deals are really good at the simple, basic things, and it's really easy to complicate this business to make it difficult, confusing. It's really not that hard. All right. And in fact, the people, a lot of the people, not everybody, a lot of people that I see doing the best in this business, it's doing the most deals. They haven't gone out and spent tons of money on education. They're just massive action takers.

And in fact, I was looking at this thread recently of this one student that was interested in coaching. And the guy the guy interested in coaching was asking the coach saying, Hey, do you have any openings in your coaching program? And the guy said, Are you an analytical person or an action taker? And the guy said, I'm more analytical. And he said, Do not sign up for my coaching program. We do not have any openings for you in our coaching program. Go watch a ton of free YouTube videos and go do something else. You're not invited or not. Welcome into my coaching program. And I was like, what? That was pretty harsh, but I love that because if you're overly analytical, you're going to really, really struggle in this business now. It's OK to be analytical, but don't let your analytical side overtake your implementation side. I don't know which one is left or right brained, but like sometimes they have the most success in this business. You need a jump off the building and figure out how to fly as you fall. I've talked about this before. The key to success is this is not be ready. Aim, aim, aim, aim, always aiming and then eventually getting to fire because chances are the odds are stacked against. You will never get to fire. The people that are successful are the ready. They get a little bit of training, a little bit of education have to be dangerous and they fire. They make mistakes. They fail forward. They take massive, imperfect action. And then they aim to readjust fire again and readjust fire again. So it's ready. Fire aim.

That should be your approach. Ready, fire aim. I was a professional student for three years, buying course after course, after program, after program, spending more money on education than I was making and getting completely frustrated with myself and complaining about some of these coaching programs that I bought that I thought were not good, right? I spent tons of money on this coaching education and I was mad. Like, man, I learned the same things in that course, that coaching program that I learned in this \$100 course that I had or whatever. But you know what? The problem was in here, in my heart and in my head. I was afraid to take action. I was afraid to make mistakes until I just started figuring out this business. Isn't that hard? It's really not that difficult. I need to understand those simple, basic things. And when I can do that and I can implement the basics, in fact, if I can become brilliant at the basics and I'm going to start doing deals, and that's how I started doing deals. So the first session series of this no one was about more of the mindset involved. Number two was marketing. Number three was talking to sellers, and today I'm going to be talking about making offers and I've got a cool thing I want to share with you now on this video and when my book is available, it will come with this spreadsheet that I'm going to be giving you.

So as we start that, let's review a few of the rules to OK. If you want to be successful in this business, you have to understand. Number one, we are in the marketing business, not the real estate business was all about marketing. Marketing is number one, so you need to get marketing done for you in spite of you write that down. Rule number one, after you take massive, imperfect action and you realize it's ready fire aim and to be successful, you have to take massive, imperfect action. That's really rule number one. You have to believe that you can do it right. The next one, the next number one is marketing. Get your marketing done for you. In spite of you, the next rule number two is you've got to talk to sellers. OK, talk to five sellers a day telling you. That's all you did talk to five sellers a day. You're going to kill it now. I wish I could show you my huge guns right here, take off my shirt and show you my guns. But it'll be a little embarrassing. Here's the thing I've been working out for six days a week, pretty much every day for the last almost six months now, and I've just been getting better and better and better, getting stronger and stronger. I work out with some friends from church. It's awesome. I go because I don't want to get the I don't want to get in trouble with my friends and I don't want them to give me a hard time. But I like going, hanging out with my friends, but also working out. So I've gained a ton of strength. I was pulling some weights today and I realized this is like twice as much as I used to do six months ago because the more I practice and work out that muscle, the better I get at it right, the stronger I get. And pretty soon, you know, I'm going to be bigger than Arnold Schwarzenegger. You just watch, just wait and see. I just kidding. But that's it's like talking to sellers is a muscle. You work out that muscle, you get better and better at it. So if you could talk to five sellers a day and I'm not talking about like a long time, just three to five minutes each seller. Hey, can you tell me about your house? I'm looking for an investment property. Can I ask you some questions? Is it still available? Can you tell me about it? You know, what do you think it's worth? Do you think that's a fair price for this crazy market? Just ask questions. Talk to five dollars a day. That's the rule number two or three. The next rule number four, I think it is, is make offers to every single seller you talked to. All right. Make offers to every single seller that you talk to. And it doesn't matter, even if they say, No, I don't want to sell or I'm not going to give it away or, you know, I would send an offer still to every single seller you talked to. And that's a little bit about what we're going to be talking about today. The final rule is follow up. You need to follow up with all of your sellers every 30 days. Follow up is where your deals are going to come from. Ninety nine percent of your deals may be at least 90 percent are going to come from the follow up. It's going to take seven to eight touches over three to four months on an average of continuous follow up. Some of your deals are going to be a year later or follow. Some of them are just going to be after a couple of touches or attempts, but follow up is important. So those four or five things right?

Massive, imperfect action. Stop being afraid of failure and making mistakes. You're going to make it. So just accept it. You're not going to have it all figured out. You're not going to have all your i's dotted. All your t's crossed. Just live with it. It's going to be fine. Everything's going to be all right. So we're in the marketing business, not the real estate investor. So you got to get your marketing done for you in spite of you. You need to talk to five sellers a day. You need to make an offer to every seller you talk to and you need to follow up with every seller you make an offer to every 30 days. Those are those brilliant, basic things. If you do that, you're going to do deals. I don't know what else to say. I should just maybe end the series right now, because that's it. All right. But I'm today. I'm going to be talking about how to make simple offers, and part of the making offers is really important to understand. We got to keep it simple. A lot of people, you know, because I teach lease options and there's a lot of people talking about subject to an owner financing. There's a lot of different ways you can make offers, and a lot of times people get stuck on all the intricacies of that. Like they feel like they have to learn how to make a lease option offer and a cash offer and an owner financing offer. Or they feel like, well, what if the seller says no to my cash or if I have to have something else to give them? That's all helpful and good, right? But if you're just getting started, they get really just focus, just focus on making cash. That's it. I know I know more people that are more successful, making just cash offers, then creative financing offers and lease options. So lease options are cool. It's an amazing strategy. I love it, but I have more students, more friends that are more successful doing more cash deals. So when you're talking to sellers, all right, don't worry, don't try to fit a square peg in a round hole. And I talk about sending options, right? But just focus on a cash offer if you especially if you're just getting started because sometimes again, people get overwhelmed with all this information overload in their head and they're thinking they have to know how to do all these different kinds of offers before they make the first offer. So forget about that. Just focus on one offer, and I'm going to encourage you to just focus first on learning how to make simple cash offers. Because when you make a cash offer, there's only one thing you negotiate the price. Once you start getting into creative financing, like lease options and stuff, you will do more deals. But like you have to negotiate three or four different things, you have to price the term like how many? How many years the interest rate or the rent, right? You've got two down payment. You've got, you know, a lot of different things like that so that that can be overwhelming to a lot of people when you're just getting started, focus on making cash offers.

All right now, one of the things that I wanted to talk about that I didn't talk about before is you need to know who your buyers are, and it's really important that you know who your buyers are because it's so much easier to sell what you what your buyers want than what you have. And excuse me if I talked about this before, but it's important to understand if you go walking around Times Square in New York and you make a bowl of spaghetti and you're walking around the street and going up to strangers and say, Hey, are you hungry? Would you like some spaghetti? What do you think they're going to say? No, they're going to think you're weird, you're psycho. Why are you doing that? But instead? He went during lunch, the lunch hour, when people are walking on their lunch breaks and you said, Hey, are you hungry? And you got a bike with a DoorDash or Uber Eats, sign on it and you say, Hey, are you hungry? Would you like me to get you something to eat? What would you like? How many more people will give you money and we'll buy your food if you take their order first and then you'll get what they want. OK, so it's like this in any type of business, especially real estate, you need to know what your buyers want and you need to know what they're looking for, where they're looking for it, right? So it's write this down. It's easier, always easier to sell buyers what they want rather than what you have. So if you go out, finding a deal may be a deal that nobody wants. That's why I like focusing in on the median price range of homes the homes in the bread and butter blue collar neighborhoods, because that's where the highest demand is. If you look at a bell curve and you sort all of the homes that have sold in the last year in your county, and you sort all of those homes into a from low to high and you plot them on a graph,

it's always going to have this bell curve shape to it. And the extremes you want to avoid the extremes of the bell curve. The really cheap homes in the really expensive homes. Why? Because there's very few buyers that want home the pool of buyers in those extremes. The cheap and the high end are really, really small. So you typically want to avoid the zip codes that have the real expensive or the really cheap homes you want to focus on the homes in the zip codes where the investors are already buying homes. And the cool thing with data today is we can find out what zip codes are buying and who these buyers are, what they're buying and what their address is. So we can contact them and say, Hey, I see that you're buying properties in six three one one six. Are you looking for more? It makes sense. We can even go and find buyers that are buying in other counties from out of state, and we can ask them, Hey, you know what? I see that you're buying properties in Marion County, Indiana. We are in Kansas City, Missouri, and we're one of the premier real estate investing companies in Kansas City. And if you're looking for more great cash flow rental properties, give us a call because we've got a bunch of them here in Kansas City that you might like to see. But I know what they want. They're buying in Indianapolis. These houses for 75 to one hundred and twenty five grand that rent for a thousand dollars a month. Well, I got those as well in Kansas City.

Does that make sense? All right. So what I'm going to show you right now is how to find those top zip codes, and this is a free way to do that, to find top zip codes in other county. So if somebody were on Zoom right now with a bunch of folks, if somebody can type in a city or a county in the Zoom chat, I'm going to show you and demonstrate how this works. So somebody please type in a city or a county and give me the state and not a small county, give me a decent one. All right. How about Jefferson County, Alabama? Where is that? I'm going to look that up here. Jefferson County, Alabama, is Birmingham. All right, let's do that. Birmingham is a great market. All right now, I'm going to share my screen and I'm going to go to a resource called List Source and list source is free. You just create a free account was not free to get the leads, but you can. It's free to create an account. And when you log into this source, you're going to go right here to invest or foreclosure services, you're going to go down to absentee owners. Now, if you're watching this, this is going to be in YouTube. So go to my YouTube channel and subscribe. And this video will be in YouTube. All right. So this is how you can pull lists of absentee owners. And absentee owner is somebody who owns a rental property whose address mailing address is different than the property address. They're absentee, OK? And let's go to county. Let's go to Alabama. And what did we say? I should note. Jefferson. Jefferson County and add it in here to the selected county right there. 76000 absentee owners now, by the way, is I'm doing this. And if you're looking at if you're trying to decide between three or four different markets, if you're doing deals, virtually do this for each of the three markets and see which county has more investor activity. That might be something that you want to do. And by the way, look, you notice here they don't include data for Montana, South Carolina, Idaho and Kansas for whatever reason. So just ignore those states. There are ways, by the way, that you can get that information. You just have to be a little more. Don't give up so easily. So now we're going to go to next, and now we have to select property type. I'm going to select this one to preset selection, and I select single family residences one to four units and add it over here. So there are thirty seven thousand absentee owners who own a town townhouse, duplex type, which single family, etc. I'm just going to scroll down now. I want to do last market recording date, let's do last six months and then add it over here. That means in the last six months, there's been twelve hundred transactions in Birmingham, Alabama, area and I'm a scroll all the way down and click next because there's a couple more things we still have to do. And you can see now right here, corporate owned property properties is set to its defaults to exclude. I don't care if an LLC or a corporation buys one of these properties, I want to know where everybody is buying properties. I'm going to click no preference and that number. Jumps up to thirty one 100. So now in the last six months, there have been 31 transactions in Jefferson County, Alabama, by investors, absentee owners.

All right now you can do that from different states, different counties, and then I would compare them all and see which ones are more active. You don't want to. This is not something you want to be afraid of your competition. This isn't something where you want to say, Man, there's too much competition there. I don't want to be in that market. Competition is a good thing. In fact, the less competition there is, the more concerned I would be. That's not a good market you want to be where there's a lot of activity, right? Thirty one hundred now what we're doing is I'm going to pretend like I'm purchasing a list on the click this year. I'm a click on purchase partial list and I'm a select customer selection right here, and then I'm going to group properties by zip codes. And what this just did is give me a table now of all the zip codes in that county, I don't know there's 20 or 30 of them here, and it tells me how many transactions happened in each of those zip codes. All right. If you have my book and when you get my book, when it's available, you're going to have access to the spreadsheet here. And what I'm going to do is real simple here. I'm going to take this data, I'm going to copy and paste and I'm just scrolling down. I'm copying and pasting. I do Command C or Control C. I'm going to go to this spreadsheet and I'm going to paste it here on this blank tab because that paste this column and I don't want this column here, but now I'm just going to take this stuff scroll all the way to the bottom. There's 40 or 50 zip codes in that county. I'm going to copy that data. Go to this tab right here. I'm just going to paste it right there and look what it just done did, which I loved here. So I take all it takes all of these zip codes and there is again 50 of them and it ranks them by the one with the most transactions. When I've done this before, I've always lost people because I'll just I'll do these formulas and then everyone's like, What did he just do when they're completely lost? But now we can see here in three five two one five, there are three hundred and five transactions, 10 percent of all the investor activity happened in that zip code. And so this is the incremental number and this is a cumulative number. So here if I go after these 11 zip codes, this is where 50 percent of all of the activity. I hope it's not too small. You can see that this is where 50 percent of all the investor activity in Jefferson County has happened in these 11 zip codes. So going back to my analogy of it's easier to sell buyers what they want rather than what they have. Maybe if I'm going into Jefferson County to do some marketing, direct mail, cold calling, whatever I'm doing, maybe I should target homeowners or people who own properties in those 11 zip codes. OK, we're talking about a hyper focus here, right? So I'm going to go into the zip codes like three five, two one five and three five two three five three five two oh six, et cetera. That's where I want to focus. OK, now again, if you have this book, if you're watching this, you're going to have a link to get to the spreadsheet and do what I just did. You need to make a copy of the spreadsheet. So you're going to go to file, make a copy and then you can play with this spreadsheet and do it. I just did. OK. I hope you guys appreciate this because again, this is something that you can do on your own and just copy and paste these formulas and do it real quick. But I hired a guy on Upwork for like forty five dollars and he built the spreadsheet for me. So all you have to do is just copy and paste the zip codes and the count that you get from this source right here and just paste them into the spreadsheet and it sorts them and ranks them right. So pretty cool. Thank you. You're welcome.

Some of you are like, whatever, Joe. OK, so what if we started? We started contacting sellers, and let's look at three five two one five. Let's go in here to Zillow. I was looking at a property earlier. Let's go here to Zillow, and I'm just going to type in that zip code three five two one five and see what's out there now. These are just for sale by owner, so let's let's do all I don't want coming soon. Or then let's do. I'm going to get price range. I just want to kind of see what's going on out here, any let's just stick with houses. All right. So there's 48 agent listings and 14 for sale by owner listings, and some of these are zero. I don't know what that means. These are auctions. All right. So make some offers. This is price low to high. You can sort of buy newest if you wanted. And if you don't want to see these auctions, you just go here and you can on select auctions. Foreclosures are typically on select those. Also, because I like

dealing directly with the seller, I don't like new construction, but you know I'd still make offers to foreclosures. You're just going to be dealing with banks. Not a big deal. So this just has given me a feel for what's kind of out here. Those are. But let's go here to agent listings. This one's for sixty nine grand. These are the kind of properties you can get in this part of Birmingham. This looks like a nice, solid bones property for sixty nine grand. This looks like a really good deal. And this property, I bet you would rent for eight hundred to a thousand a month based on the just the visuals of it. I don't know enough about this neighborhood to tell you that, but let's look at home values. Sometimes they give you the estimated rent range. Sometimes they don't. Yeah, OK. 936 a month. Now this may need some work, but for. Somebody that's looking for rental neighborhoods, there's a lot of investors that are buying in three two five one five four three five two one five, right? Why hasn't this property sold yet? Probably not. We'll see how long as it's been on the market, what's only been on the Zillow for twenty one hours? It's probably getting a ton of bids right now. One of the things that I like to do is I like to go down here and I've sorted this by I'm going to the top and sorted it by newest. I like to go down and look for the ones that have been listed longer, so I'll go to the second page and see. Some of these have been on Zillow for 145 days. This one has been on for a couple of months and they just dropped the price 15 grand. So this would be a good one to call the realtor and make an offer on it. Why hasn't this property sold yet? Maybe it's in a bad neighborhood. Maybe it's ugly. Maybe it needs too much work like some of these pictures are really weird. Not sure what's going on here? If you look at this, potential investors great rental property currently rented for six hundred a month. So this looks like it's a property that needs a lot of work and it hasn't sold yet. It's been on the market for a hundred thirty eight days because they're asking too much for. Well, maybe let's contact this with this realtor, Whitney Shirley. Call them up and say, Hey, I like this house. I'm an investor from out of town. I'm looking to buy more property in the area. Can you tell me a little bit about this? Maybe it hasn't sold yet because there's a tenant in there, and it's really hard to get inside the house to look at it. So no investor can get inside and inspect it because the tenants playing difficult, the seller will put \$1500 towards repairs. That's really generous. The seller has multiple properties for sale and will sell as a package or individually, so they have a bunch of properties here. So this sells. This sounds like the seller might be getting motivated. It's been on the market now for six months or more. Hasn't sold yet. They just dropped their price 15 grand.

What kind of offer would you make on this kind of a property? Well, guess what? I feel pretty good about this one because I'm going to make a good offer on this. I'm a show you how I would come up with an offer. It's really simple, but the seller might be might entertain an offer. Now you've got to get this out of your mind, too. You might think, Well, let's say I come up with an offer for I know I could sell this thing for fifty, so I'm going to need to offer 40, let's say, all right, that you might think, Oh my gosh, no seller would ever accept that much of a discount on a listed property. This property's been listed for a long time. They've probably already received a bunch of lowball offers. I'm not going to waste their time with another ridiculous lowball offer. I'm just going to move on. Are the realtors going to screw this deal up? I don't want to offend anybody or make anybody mad. Get that stinking thinking out of your head. You make offers. Your goal is to talk to five sellers or realtors a day. You want to make an offer to all of them. And so I would call this agent up, say, Hey, listen, can you tell me a little bit about this property? Why do you think it hasn't sold yet? Are they asking too much? I see you just drop the price 15 grand. I'm sure you're getting a lot of offers, right? Just talk to them and say, you know, if I made an offer around 40 grand. Is it really going to offend the seller? Am I going to make them really mad? I just asked that question. They may say, yeah, they've already accepted. They've already rejected a bunch of offers more than that. You say, you know what? Let me just I'm going to send you an offer anyway, if that's OK. And if you want, just throw it away or go ahead and give it to the seller, you guys, you will be surprised how many sellers will say yes to an offer that's low because they're just sick of it. They're tired of it. They're done with it. They want to get rid of it. Realtor This listing agent is probably tired and

frustrated with the handling. This this client and these deals, right? And you make an offer just at the right time and they're like, Screw it, forget it. Fine, whatever. I've seen this happen over and over and over and over and over again. Okay, so there are still deals on the MLS. There really are. So anyway, I wanted we'll make an offer on this property here in just a minute. I'll show you how I'll make an offer, but I want to show you just kind of going back to these zip codes, right? We have six or three five two one five if we go into Redfin three five two one five. I'm like looking at Redfin for a couple of reasons. I moved this up here, OK, now I'm going to remove outline. So that gives me all of the properties that are for sale in that area. Looks like northern Birmingham, OK, and I'm going to go here two filters and I'm going to go to houses only. I'm going to do time on Redfin more than 60 days. And guess what? I have 30 homes that have been on the market over 60 days. Let's change that. Even to maybe oops, let's change that to all filters. Scroll to more than 90 days. Do you think maybe I know reservoir recordings now we're in the winter, but do you think if a house in this hot market where houses are supposed to be selling lightning fast and all you need to do even in Birmingham, all you need to stick a sign in the yard and you're going to get multiple offers above asking price. You're going to sell it within a week. Do you think maybe some of these sellers that have been sitting on this house on the market for 90 days hasn't sold yet? You think some of them, maybe one of them, maybe one of those twenty five, twenty four in this area might be getting motivated? Yeah. Now look at this house. Why hasn't this one sold yet? Looks pretty nice but needs updating. This is not a house, you can see those pictures there. This is not a house that a retail buyer is going to want to buy. This is a house that needs updating. It needs work of freight. There's no curb appeal with that house right there. Got wood paneling. Kitchen. Got this weird brick carpet needs carpet paint. Walzer Yeah, beautiful. This is why it hasn't sold yet. They're asking too much, and only an investor would want to buy this thing and an investor is not going to pay that much. This is a great neighborhood. I bet you this thing's fixed up would sell for. I mean, I don't know what. Sometimes you can go down here and see in this zip code what similar homes are selling for, and I'm going to scroll down a little bit here. The school districts are good. I mean, look at that. Good reviews for schools. All right. Just keep on going here. Climate risk? Nice. OK. Rent's pretty good. Solid rents in this area. I like that. Eleven hundred to twelve hundred a month. All right.

So for this zip code, here we go. The median list. I know this is kind of hard to see. Let me zoom in a little bit. The median list price is one hundred and thirty grand median days on market. Thirty three is solid. So this tells me that if I fix this house up, I might be able to sell it for one hundred and thirty grand, but it's going to need a lot of work. So maybe this is another property will make a cash offer on what I wanted to show you. If you go in here and you look at these properties, you're going to find properties in here that need updating. There's a reason why these houses haven't sold yet. Look at this kitchen, look at the ceiling. So it's been on the market 119 days. I know it's kind of hard to see there, but when you see a picture like this, a bedroom like nobody got this house ready just to take pictures. And this is a rental property. And chances are somebody who wants to buy this is going to have a hard time going in it and inspecting it because some tenants are in there and they have toilet paper above, I mean, paper towels above their toilet. All right. So anyway, this is a great rental property that I could make an offer on. So there is no more excuses for not finding deals to make offers. All right, let's do this. Let's go ahead and make some offers. What do you say? Let's make an offer on this property here and on this property here they're asking. Eighty nine nine. This house has been on the market for three months. Hasn't sold yet. Great investment opportunity. Large home on a corner lot. First thing I would do would call the agent. Always just call the agent. This property here has been on the market for one hundred and thirty eight days and both of these, you look at them, both of them are currently rented. All right. Now one of the first things I look at just off the bat, when I'm looking at this, I'm thinking, All right. It's listed for seventy grand and it hasn't sold yet. What price would I need to be able to list it for or sell it for to get a lot of interest? Just gut check right now. I think if I could sell this thing for fifty, an investor is going to

come in and look at it and say, Holy smokes, it was listed for seventy. I can buy it for fifty. That might be a good deal, so I'm going to buy. I'm going to make an offer for 40. That's just kind of what I'm thinking right now. This kind of a property and make an offer for around 40 grand. This one, I'm looking at. What price would I need to sell this thing for? To make it interesting to an investor that's been looking at this MLS every single day looking for deals. And when I see one of the first things that investors do when they're looking for a property to buy, if I'm advertising two hundred Eighteen Avenue and Center Point Alabama, they're going to look to see, well, what was it listed for before? What's the history on it? And they're going to see all it was listed for 89 nine. And now it's for sale. I can buy it for sixty five. I mean, that sounds like a good deal. I'm going to be able to sell it like that, and I know I'm going to be able to sell it because again, this is a property in a hot zip code, so I might offer. I'm going to sell it for sixty five. I'm going to offer fifty five. That could be as simple as that. Like, I didn't use a spreadsheet, I didn't use a calculator. I don't know about the RV. I don't know about repairs. I don't know about any of that stuff. I don't care. I'm just going to make an offer. So what do you do? You call Chris Barnett. You call him. You look him up, say, Hey, Chris, how are you doing, Joe here? Tell me about this property. Why hasn't it sold yet? So great investment opportunity. OK, what would the house is in this neighborhood sell for if they're fixed up? I'm just curious and be honest with them and tell him, you're from out of state. You don't know. And by the way, you also tell the agent, Listen, if you can help me with this deal, I'll let you represent me and you can give both sides of the commission. You can get the listing side, the the listing agent commission and the buyer's agent's commission. You can be my buyer's agent. And if this doesn't work out, maybe you have other properties that will work out. I'm a hungry buyer right now. I've got money burning a hole in my pocket. I'm looking for deals. So let that realtor know that you're on his or her side.

Ask him about the house. Why do you think it hasn't sold yet? What kind of work do you think it needs to get done? Do you know any good contractors in the neighborhood? You know, if I fix this thing up, what do you think it would sell for? You understand. So I guess I'm thinking in my head, What can I sell this property for two all of these investors that are buying properties that's going to make this like drop everything they're doing to make me an offer to buy this property. If it's listed for ninety, I'm going to try to sell it for sixty five, which means I'm going to make an offer for fifty five. It's as simple as that. It's not that complicated. Is it right? So, you know, I'm going to show you a little simple spreadsheet here in a minute, but let's just look at it. Real, simple, high level view of what kind of offers we can make on this. Oh, by the way, I was going to say, this is what I'm calling Chris. I'm just going to talk to tell them, Hey, listen, you can get both sides the commission. What can we do here? And he might say, Well, you know, I'm going to say to him, Listen, I'm I'm probably going to be around the forty five, fifty five price range. That's probably just ridiculous and not going to work for you, is it? Is that going to really make your client mad? Yeah, it is. I mean, they they rejected offers higher than that. I say, Well, you know, I'm sure, I'm sure you're getting a ton of interest. I'm sure you're getting a lot of people looking at this. But like, can I just can I just go ahead and just send you an email or something, put it in writing? And then if you want, maybe you can just write up an offer for me and send it to the seller. Would that be OK? All right. So I'm going to then send Chris an email. Don't worry about filling out the contracts and all that. Just send Chris an email. Hey, Chris, good talking to you today on the phone. Listen, I'd like to make an offer on this property, and I know it's probably going to be rejected and they're probably going to be mad. But you know what? If you can just help me with a little bit here, make me an offer, make the offer for me. Write it up. I'll sign it, you know, and you got to ask him what kind of earnest money do they? They're going to suggest, and you're going to want at least a two week inspection window and things like that. So send the realtor an email saying I'd be willing to offer something like this and then see what happens and then follow up, and we'll talk about that in the next Brilliant at the basics thing.

So one of the things I like to do about with Redfin, I'm looking at this property and I want to make an offer. If I click on this little map icon right here, it opens up a map and then it gives me right here map nearby homes for sale. In fact, hold on one second. I'm going to write down some numbers here. This property is eighty nine nine before I lose my place. It's a three bedroom, one and a half baths. Seventeen hundred and forty four square feet. All right, I'm gonna click on this map and I'm a click right here. Map nearby homes for sale and what this does in Redfin. What that does is it puts that house in the center of that map so I can start looking at similar homes in that area, and I'm going to zoom out because I need more properties. All right. I'm going to zoom out one more time. Here you go. There's 14 homes in this window that are currently listed for sale, and I take this table here and I'm sorted by price. I'm also going to say filters. I only want houses all right now. The first thing is I'm looking at this and I can see there's a house listed for sale for 8.5 for less, but it's a lot smaller. So maybe I'm not worried about that. Maybe I'll go here to all filters and I'm going to say square footage. Square footage has to be at least, let's say, twelve hundred square feet and max 20 to 50. All right. So now I'm the cheapest. Here's one for 125 125, but I'm looking at these. These are newer homes. Maybe, OK, completely new inside. All right. Let me zoom out one more time to see if we can get any more. Oh, here we go. Here's a house for less for sixty nine night. So I might be talking to this realtor and I might say, I'm looking here and I see a similar house listed for sale right now for sixty nine nine. I'm sure your house is nicer. Like, why would I want to buy your house? And not this for 20 grand less. All right now I'm also on the phone. I'm gonna go here to all filters and I must click sold. There's been a hundred and twenty eight homes sold recently. I mean, actually we can do sold it within the last six months. Two hundred and ninety three homes. All right, obviously way too many. So I'm going to zoom back in. That house is still in the center of the map now. I have 76 homes and I sort this buy price. And sure enough, lookie here, this is why that house hasn't sold for 90000 yet. Here's house. It's sold for thirty five. Here's a house. It's sold 50, 56, 60, 65, 65, 65, 70. So just looking at these numbers, I can automatically see, all right. Investors right now are buying properties in this area for I just looking at my numbers here, I think if I if I could sell this thing for sixty five, I probably sell it pretty quickly, right? So I'm going to offer 55. There you go. No spreadsheet needed. I'm just looking at sold comps. When I'm talking to the agent, I might say, Can you explain this neighborhood to me? I'm seeing a bunch of houses here that sold for 60. Sixty five. Why are they asking, do you think they're going to get 90? How long do they have to wait? See what the realtor says and say, Well, you know, if I make any kind of offer, I'm going to need to be in this price range. Is that probably going to work or what do you think? Maybe not here. I'm making the realtor defend that high price.

So just get a feel for it. And then I'm just going to. I know I can sell this thing for sixty five, so I'm going to make an offer for fifty five. And that's it. Boom. And then you know what I'm going to do. I'm going to go in and find like this property right here and click on here. Sold two months ago, it was listed by Brian Welch. Guess what? I'm going to call. I'm going to call Brian Welch and ask him, Hey, I see you recently sold a property in that area for sixty five at fifth place northwest. Do you know, do you have any other buyers that are looking for more properties and sometimes you can't sit here? Sometimes you can see the listing agent and the buyer's agent. So I would call the listing agent and the buyer's agent or get into the MLS and find out who the buyer's agent was and call them. And you can say, Hey, I got another property in the area. Do you want to help me find a buyer? I'll pay a commission or something like that. Cool. Let me just look. But another example here, this one sold for 50. Click on view details. Yes. In this market, Redfin is only giving me the listing agent and some markets you get the listing agent in the buying. But I'm going to call them up and offer to pay them a \$3000 commission if they bring me a buyer for my other property. All right. Let's look at this other one here. So again, for that property, I want to make an offer a cash offer. What did I say for fifty five thousand for this property here? Nine for four Meadowbrook. One thing I like to do now is I'm going to copy that address and I'll go back to Zillow and I'm just going to type in that address right here because I want that property to be in the center of my

map just like we kind of did in Redfin there, and I'm going to close this and that property is right there in the center, and I'm going to sort this from low to high. And again, kind of what we were looking at before. Now this is a six hundred and forty eight square foot house. Let's just go here two more. Let's do square feet over twelve fifty and let's do under 20 to 50. Done. Low to high. There's one for sixty five seventy five seventy five eighty nine. And remember, they are asking on this house, I'll shoot that. I lose it. Where to go? Hold on a second year Zillow. Let me go back to that original listing here. All right, they're asking. Sixty nine nine, I'm going to write this down. This is a three bedroom, nine hundred and seventy six square feet, so I need to go here and change my filter a little bit. All right. Let's do 750 to twelve fifty. So these are active listings on Zillow between 750 square feet and it's twelve hundred fifty square feet because ours is nine hundred and seventy six square feet. This is sorted from low to high. Here's a fishbowl for an 88. Here's one that's currently listed right now for sixty nine. This one is sixty nine seventy five, so it is kind of the lower end right now, but I'm thinking you've got to remember to like, let's say you make an offer for four fifty five now you're going have to sell it for sixty five. You think you're going to be able to sell it for sixty five when the realtor get even sell it for sixty nine? No, you need to be thinking, I want to sell this fifty. I want this to be like ridiculous, no brainer. I'm going to sell it fast. The next thing I like to do is looking at sold, so I'm going to change. Come on, I want to change for sale, to sold a lot of them here, but I'm gonna go to more. I'm going to say sold in the last six months or thirty seven and you're sort of from low to high. And looky, here we go. Forty eight, fifty fifty to fifty three.

So when I'm talking to this agent, I'm going to ask him, tell me a little bit about this neighborhood because I'm seeing a lot of houses here that's sold in the low to mid 50s. So if I make an offer, I'm going to need to be somewhere around there so that going to work or probably not. I'm going to ask him about this and this is literally just down the street sold for 50. Looking at pictures here? Oops. This is in decent shape and a weird ceiling. Weird kitchen. Put 15 20 grand into this and you got a great rental property, right? But just looking for get the spreadsheets. Forget the calculators. Just looking at this, I'm thinking, All right, I'm going to. If I'm going to, if I sell mind, if I market mine for fifty, I'm probably going to sell it pretty quick, maybe fifty five. So I'm going to offer forty five. All right. Just like that. And that took me way longer than it should take you because I'm explaining things and I'm kind of bumping around a little bit. But like, just like that, I've made two offers. Don't worry about the contracts just yet. Send an email to the agent, maybe even get the agent's email and just say, Hey, I saw your property. You can have a VA do this. Maybe even go look at all of the homes in this area. Whatever zip code you're in that have been listed for over 60 90 days and send an email to all the realtors and make an offer at 70 percent of whatever the lowest prices or have a VA go in and look at these cards. But that's how you make offers really very simple. Look to see what they're selling for. Find the number one actually first, find the zip codes that they're buying in. Find these properties that have been listed for a while that need work. Find out what they're selling for and make an offer for 10 grand less. That's it.

All right. That's all I wanted to share. I do have a calculator here because there are different calculators that you can use to kind of come up with offers. And I'll just show this to you real quick. If you really wanted to use a calculator, there's three different methods I like to use to make cash offers. One is a cash offer for rental properties that are in the lower price range. So let's say this is a 12 000 square foot house and it needs about \$15 per square foot in rehab, and it would rent for eight ninety five a month. And I'm figuring 40 percent for expenses, and I know my investor wants a 12 percent cash on cash return or 11 percent cash on cash return on their property. And I want to make at least a \$10000 wholesale fee if I sell this property that rents for eight ninety five a month. If I sell it for 30, if I buy it for 30 and sell it for 40, my investor who buys it after 18 grand in repairs after 40 percent for expenses. That's taxes, insurance, maintenance, vacancies, management, all of that stuff. They're going to make 11

percent on their money. Let's say you have an investor is looking to make 10 percent of their money. Cash on cash return. The first year buyer for thirty five. Sell it for forty five. This is a real simple formula that I use for rental properties only. This is for properties that are like, you know, on. There are a 100 grand that rent for a thousand a month or less. And this this is how you make an offer based on the ROI. So if you have this book when this book comes out, I'll also give you this spreadsheet as well here and I'll put these spreadsheets. You know what I'm going to do? I'm going to put these spreadsheets in the YouTube video description as well. So if you want these spreadsheets, I'll put them in the YouTube description comment. You know the description down below the video, and you can get access to these spreadsheets. This top zip code spreadsheet that I just showed you and this cash offer calculator as well. The other thing I like to do is to find the average for another cash offer way is to find the average of the lowest three or four times 80 percent. So you can take the average lowest sold one, two and three. And let's say it's twenty six five twenty eight five thirty thousand, you know, multiplied the average times 80 percent. You're going to offer twenty two and sell it for thirty two. The other way to do it, this is for rehab properties. This is your typical male formula, your male formula, which is a three times 70 percent minus your minus wholesale fee. So let's say this property fixed up, it will be worth one. Thirty five. So seventy percent of one thirty five and it has twelve hundred square feet. It's going to need \$15 a square foot in rehab and you want to make a wholesale profit of 10 grand. You would offer 66 and sell it for seventy six. OK. Three different ways to make cash offers. Number one, it's based on the ROI. This is lower and cheaper rental properties, so I'm figuring if my investor wants to make 10 percent of their money and rents for eight ninety five and it needs eight hundred in repairs, then I'm going to need to offer thirty five if they buy it for forty five, put in the work for rehab, manage it, rent it out for a year and cap 40 percent for all their expenses. They're going to make 10 percent on their money. OK. This is the average of the lowest three sold comps, times 80 percent. And this is the male formula the RV. The after repair value times 70 percent minus repairs minus your wholesale fee comes up with your cash offer. A to B is what you offer. B or C is what you sell it for. Makes sense. Real quick here. One of the ways that you can find the RV is through hold on here is like you can go and find the averages of the estimating values, values of properties from Zillow, Redfin, Realtor.com, RealtyTrac and put them in here. You get the average in the median and the lowest and just pick something in there that could be your RV that you plug in over here. Real simple spreadsheet that you can have access to as well. Again, if you're watching this live right now or you're watching this on my podcast or whatever, the links to those two spreadsheets will be in the YouTube description video for this.

All right. That's all I've got for now, guys. I appreciate you. This is part four. I'm going to be doing one more video part five and it's going to be about follow up. This is how your real brilliant took the basic, simple things number one, massive, imperfect action number two marketing where in the marketing business get your marketing done for you in spite of you, make your marketing a priority that gets done every single day. Number three, talk to sellers, talk to five sellers a day and that includes realtors. Call realtors, talk to five a day, guys, you will do deals, I promise you. Number four, I think I'm forgetting my number make offers to every single seller you talk to. And I just showed you real simple way how to make offers by looking at what they're selling for offering 10 less than the next year follow up make. Well, when it comes to offers too, this is real important. Understand. Keep it simple. Just focus on one strategy. Focus on cash offers. All right. Focus on properties that need work in desirable areas. Find out where the buyers are buying and go. Get properties that they're looking for. Much easier to sell buyers what they want in areas that they want than it is to sell them what you have. And then finally, follow up with sellers, follow up with every single offer you make every 30 days until they sell the house or they die. Follow up because that's where most of your deals are going to come from, and we'll be talking about that later. So this all is going to be part of this book brain at the basics that I'm putting together, which will be coming out soon. So stay tuned, and I'm looking forward to sharing all of that with you

when it comes out. Thank you, guys. Appreciate it. Right now, if you want those spreadsheets, go to my YouTube channel. Just go to YouTube to search for Joe McCall. Subscribe to my channel. Find this video. It's going to be called brilliant at the basics, sure. And I will put in the description of that video links to these spreadsheets here in just a few minutes. I'll do that. Appreciate you guys. We'll see you later. Take care. Bye bye.