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1152 – What Would I Do If I Could Sit Down With Somebody for an Hour and Build Out All Their Systems – Houses

Hosted by: Joe McCall

Hey, what's up, guys? Joe McCall, Real Estate Investing Mastery Podcast. Welcome to the show. I'm coming at you from my car and driving. I just dropped my son off at the mechanic to pick his car up because he had to. Oh, it's a long story. I won't go there. But anyway, I thought about something here that I think would be of interest to you. And I was thinking about this, and I'm probably going to do a video on it. But here's the thing I want to talk about. If I had an hour to sit down with somebody and set up their business, I think I'll do this in two different episodes. If I had an hour to sit down with somebody and set up their real estate investing business for houses number one and vacant land. Number two, what would I do? And I'm big into systems and marketing. And I think that with the right plan, right, like everything is anything is possible. And it's just a numbers game. So when you understand the importance of marketing and the importance of like the simple basic things, like if you set it up right at the beginning, it makes everything so much easier because now you have some goals, you have some targets. This is one of the things I was talking to my son about as I was driving to the mechanic to pick up his car. It was like, okay, if your aim at nothing, you're going to hit it every time. So I was talking him about like budgeting, simple, simple budgeting. Like over the next two months, what do you expect to be coming in and what do you expect to be going out? What are your expected income and what's your expected expenses? And you need to plan and budget for these things. And he's talking about an emergency fund. And so money's getting tight for him because he's been kind of spending it foolishly a little bit, in my opinion. So and part of the reason why he's struggling to pay is he's not explaining or expecting for these unexpected expenses, like an alternate or going out. And he's saving up for school. So he's learning and I'm just like pulling my hair out, but it's like we all need to learn it now. How does that relate to business? Well, at the beginning, when we get started is we need to plan. We need to kind of know what we're doing. We need to kind of have a roadmap, a plan of attack. We need to have some goals, but they need to be goals we can control. My son can't control having a 500 or \$600 repair bill in the middle of the summer and July. Right. But he can prepare and plan for having an emergency fund of a thousand bucks for these unforeseen expenses and stuff. Right. So I've been trying to help with that.

And that's one of the things I do a lot in real estate is I help people come up with a plan. All right. What are your goals? Let's break this down into things you can control. You can't control making ten grand a month where, you know you have to do two deals and the average profit is five grand per deal. And you have to you can't control that. You can't control that your average profit is going to be five grand, that you need to make 30 offers to do a deal. You can't control any of that. That's kind of where you start, though. You work



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backwards from there. But what you can control is, all right, every day I need to send you know, I need to do 100 dials, cold calls. I need to send 20 letters, yellow letters or whatever. I need to, you know, post one or two Craigslist ads every day. It's like bandit signs or door knocking or whatever it is. Right. To get leads, you need to have a plan. This is all right every day. This is what I'm going to do. And I'm based on the numbers on averages. If you send out 20 text messages a day to rentals on Zillow, if you make dial 100 cold calls, dial 100 phone numbers every day, and if you send out 25 to 50 yellow letters every day over a span of two, three or four months of doing that consistently, you should get X number of leads. You should make X number of offers, you should get X number of deals. All right. So if I were to sit down with somebody and have an hour with them to set up their business with them so they could learn how to do it, this is kind of what I would do. All right.

First thing is, I would figure out, where's the demand? So if it's houses, let's do houses on this first one, okay. And then I'll do part two for vacant land. But I would first say, all right, what county are you in for me? You know, if you're in a real competitive county, I'd prefer to go out into the small towns. Like what are the counties surrounding the real competitive, expensive county that you're in? And let's start looking outside that county now. The market is shifting right now dramatically. A lot of hedge funds, almost all of them have pulled out. So a lot of things are changing now where I think I'm predicting over the next 6 to 12 months, it's going to become slowly less and less competitive for deals. It's going to be easier to find motivated sellers. The tricky part is going to be finding. The buyers with cash. So anyway, I would I would find out who. Where is the demand? So where in this county that I'm in and in the surrounding counties, if I'm in Nashville or Denver or San Diego or, you know, I don't know, Miami. Super competitive markets. Right. And even though it's getting a little less competitive now, I would start looking in counties outside of that. What are the counties that with the small towns around to one or two or three counties out where there are some small towns and you can still do deals and wholesale deals out there. All right. Anyway, I would look at I'd get a list of three or four or five counties, and I would look to see where the active zip codes, where is the demand, where are from investors? Where are the investors buying properties right now? Because that's who our customer is. I see this all the time. The seller is not the customer. Your buyers are your customers. So if you want to make a lot of money in real estate, go find out who the buyers are and what do they want, and then go get it for them. So you'd go number one is you'd find the zip codes that have the most buyer activity, investor buyer activity, and then you pull a list of those buyers. Now there's a couple of different things that kind of flip flop on this all the time, like, you got it. First of all, you got to have a list. So I would download the list of and by the way, you can do this all inside of freedom soft and you can do it inside of the Joe McCall Custom Edition signature edition of Freedom soft at hundreds of leads dot com. Hundreds of leads dot com. I need to update that webinar too, by the way, because a bunch of updates have been made and it's amazing now.

So anyway, you got a whole list of those buyers and find out what they're buying, where they're buying it, what average price are they buying it? What, you know, who is it? And I would focus more heavily on who the buyers are in the last 30, 60 days, not necessarily going back six months, because a lot of those hedge



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funds that are buying those properties are just not buying them anymore. So I would be looking actually back in the most recent 30 days, if you can, who are the investor buyers last 30 days? Then I would go in and I'd find what kind of houses are they're buying? And then if you can, you should skip trace them, call them in. Hey, this is where I waffle on this. Like, do you find the deals first or do you find the buyers first? You got to find the buyers first. But do you talk to them? I don't like talking to buyers until I actually have the deals to give to them because you're kind of wasting their time. Well, anyway, now I have a list of these buyers and I've done this before and it works. You know, I've done a calling, cold calling campaign or a texting campaign just saying, hey, are you looking for deals? Are you looking for more deals? What are you looking for? And you know, you can do that. And I've done it before and it works, but it's kind of a waste of time. You're kind of wasting their time because you already know what they're looking for and they just bought it. So but it is kind of important because you get some connections and they get to know you a little bit. You introduce yourself to them. But anyway, I prefer to find out what zip codes they're buying and what kind of houses are they buying? Go get some of these deals under contract, then call them and talk to them and say, Hey, Jim, how are you doing? Let me introduce myself. I'm Joe. I see you bought a property in this area recently and I have another property similar to that that I just got under contract. I want to see if you're interested in it or not. You understand the difference. All right. So I have these list of buyers. I know what they want. Then I would pull a list of sellers who own properties in those zip codes. And my favorite list has always been, first and foremost, absentee owners, tired landlords. This has always been a really good list. It's very competitive list, yes. But it's a great list because landlords get tired and motivated a lot faster and easier than a regular homeowner. So anyway, I would find a list of free and clear absentee owners or high equity absentee owners. And you can do this all in freedom soft again in those top zip codes. And then I would skip trace them. You could do a direct mail campaign, but if you don't have a ton of money, direct mail is kind of expensive. But I would pull that list, I would skip trace it, and I would do a cold calling campaign. So if you polled you know, if I were to do this in Saint Louis County, for example, I'd find the top five zip codes from the last 30, 60 days. And I would pull a list then of all of the sellers in those zip codes, absentee owners who've owned their houses for maybe over ten years, and they have high equity. And that's about all I care about. They don't have to I don't care if they're out of state, out of county. I don't care about any of that. I just want an absentee owner and then I'll skip chase them. And if I were to pull that. From five zip codes. I would probably get a list of 1500 to 2000 absentee owners that meet that criteria that I can skip trace. So these are not losses. And then I would every day make it a goal to call 100 of them. And when you skip trace a couple thousand, you know, you probably get 30 504,000 phone numbers.

Now, depending on how you if you feel okay with calling the do not calls, you know, you can do that or not. It's up to you. But I'm not going to give you any advice on that. Okay. But you're going to get a lot of phone numbers and I would start calling them and I prefer doing cold calling inside of freedom soft because you can dial one phone number at a time. The quality of the connection is really good and you don't have that weird, awkward pause when somebody does answer the phone because the triple dialer that you're using is trying to switch you over. And then so it's just better you can set it up and freedom is off to where you



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can leave them a voicemail and then you can text them immediately. Hey, Jim, this is Joe. I just left you a voicemail about your house. It's important you call me back. Urgent, right? You can send that as a text after you leave my voicemail. But anyway, when you call them, it's just. And I know. Listen, this is not easy stuff. Nobody likes cold calling. Maybe some weirdo out there does, but nobody likes it. You just. You just got to grin and bear it. You just got to do it. And it's the cheapest way to get leads right now. I would not do this voicemail. I would not do text blasting. There's just gotten harder and harder to do and is more difficult and it just doesn't work like it used to. And you can get in big trouble with it. But cold calling, in my opinion, is still really good and very, very effective. It's how we're doing. Almost all of our house deals right now, vacant land. We're doing direct mail, but anyway, cold call. And it's real simple. It's just it's a conversation. Hey, this is Joe. I'm looking for Jim. That's it, right? And hey, Jim, how are you? I think you own that property on one, two, three. Main Street. Am I right? Cool. Listen, I'm sorry for calling you out of the blue. I'm just wondering if you're interested in selling it. That's cool. Okay, maybe if the price is right and you just talk to them. He asked him a bunch of questions. You don't have to make an offer on the phone and you say, All right, well, let me look at some numbers and I'll send you an offer. What's the best email to send you? An offer it all right. You ask them the questions like, you know, is at the least you can take. If I could pay cash and close quickly, could you go any lower than that? All right. To set the lowest you can go, if they tell me 75, I say, well, okay, I know I'm probably being a really annoying pest right now, but would you take 65 if I could pay you cash right now, like today? Would you take 65, see what they say? And then you can say something like, well, you know, I don't know if you have a mortgage or not, but if I could pay you more, would you be willing to do something creative, like owner financing? I could pay you over time, or that probably wouldn't work with it. So I give them a tease them with maybe I could pay you more if you do create a financing. All right. So anyway, I don't know what the numbers are going to be. You know, on average, when we're using virtual assistants for cold calling and we're using triple dialers because that's what Gavin likes to do. And so he prefers we'll get an average of, you know, every hour that a VA does cold calling, we'll get an average of maybe 1 to 2 leads from somebody who says, yeah, I might want to sell. So it's just a numbers game. You're going to do better numbers if it's you and you're answering the phones. They're answering the phones and you're talking to them right then and there. There's not a language or an accent barrier and you can move on those pretty quickly. So you're going to do better when you're doing the cold, calling yourself and you're leaving voicemails, you're texting them, you're sending them reminders, etc., etc.. All right. So anyway, that would be my goal. And my goal in this marketing plan I'm talking about is to talk to five sellers a day. Five sellers. What I mean is like somebody who says, yeah, I might want to sell my house, maybe tell me more. Okay.

After I do the hour of cold calling, I would go into Zillow and look up all of the rental properties and Craigslist, Facebook rentals and Zillow and Craigslist. And I would just start calling the landlords and property managers make a list of who you're calling and just double check that list to make sure you haven't called them in the last couple, three or four or five days, and just call them and say, hey, I'm an investor, I'm looking to buy some more property in the area. You wouldn't be interested in maybe entertaining an offer for your rental property here. Would you like to buy it? I'm not a real term, not



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looking for listing. Just talk to them. Right. If it's a property manager, do you have any clients that might be have a house they want to sell? Yeah. I can let you represent me. You can get both sides of the commission, etc. and I'll let you manage the property after I buy it. So, like, just it's that's where the money is made. Right. So if you're not on the phone, you're not making money. And if you're not if you don't have a ton of money, you can't afford doing expensive PC marketing. You can't afford to do a lot of direct mail. And this is by far and away the fastest, cheapest, easiest way to do deals is smile and dial. Get on the phone and call. Right. So that's that's what I would do. And I could help you set all of that up in an hour or less using real simple tools and automation, freedom, soft being really the main thing, pretty much the only thing that you'd need at this point. And depending on your budget, you could do some letters. You know, the other thing is if you call and you talk to let's say you get a voicemail or something, you could real quickly and easily and freedom soft create a letter and send a letter to that owner of that rental property and ask them, Hey, would you be interested in selling your house? Give me a call at this number. All right. So, yeah, I think I want to do a video on this because I could show you exactly what I would do and how I would set it all up in Freedom Soft. I think you would be impressed. And especially now in this economy, in this market, you know who's going to prosper and thrive and make a lot of money. The deal finders, that is the number one skill in this recession, finding deals, making it rain, being the rainmaker. And if you can find the deals, you can make a lot of money. So anyway, cool. You guys ready to make it happen? I don't even have a website to give to you right now. How about. Okay, I got something here. If you want freedom soft, go check out a webinar I did about it called hundreds of leads dot com hundreds with an s of leads with an s dot com. And that webinar we did about a year ago with Rob and we've made a lot of updates to freedom stuff since then. And so you're going to see the custom updates that I've made to Freedom Soft in there. So anyway, I hope you enjoy it. Go watch that class. All about freedom soft. Hundreds of leads dot com. Have a good day. See you.