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1173 – Land & Houses Coaching Call With Joe

Hosted by: Joe McCall

Joe: Hey. What's going on, guys? Oh, there you go. Coaching call with Joe. How's everybody doing? Hey, normally I do this call privately to a small group of Zoom folks, but I wanted to just make this a little bigger to a wider audience. This is a monthly coaching call that I do called Inner Circle, Joe's Inner Circle. And I've been doing these types of calls specifically for years and years, and so I just wanted to do it live on the Facebooks and the YouTubes. And so hello, those of you that were in Zoom and were kind enough to actually switch on over to Facebook or YouTube, I appreciate it. Also, I am actually broadcasting into Streamyard. I mean, not Streamyard, to LinkedIn as well, which is crazy. So my goal today is to answer your questions and to teach you some cool things that we're doing right now with vacant land. So good. How's it going, everybody? We got Robert Taylor, by the way. What's up, Robert? Just did a deal. Made \$5,000 on this deal. Robert, I saved your testimonial. Do you mind if I share it real quick? I screenshotted it. Let me pull it up, if you don't mind. I'll wait for you to say it's okay. Robert, I just have the screenshot that you made. Yes. Okay, good.

Joe: So this is so exciting. He did it. You know what? I must to show it in the Facebook group. We did a new market challenge group. And those of you that don't know this new market challenge we did was pretty epic and awesome. So I'm going to share my screen here real quick. Let me pull this aside and do share screen window. Boom, boom. All right. You see that? So this is Robert. Everybody say, hi, Robert. And he did this deal. So we did a new market case study challenge three weeks ago or so. And Gavin and I picked two new virtual markets to get a deal and to do a contract. And our goal was to get a deal under contract in 30 days or less. And so far, we have four deals under contract. We have three in Baton Rouge houses, three houses under contract. And we have one vacant land deal under contract. So we have four deals under contract. And Gavin has beat me fair and square. He's gotten more deals under contract than I have. So I'll talk a little bit about what we did. But again, as I'm sharing this, I want to answer your question. So if you guys have any questions at all, please tape them in the chat, whether you're watching this and Facebook or YouTube. And I will answer them like Dave has got a great question right here and I'll answer that in a minute. So again, if you're watching this YouTube or Facebook, maybe even LinkedIn, type in your questions, in the chat, in the comments, and I can see them here and I will answer them. All right. But here's Robert. So awesome. Hey again, guess what? I got my first contract signed and found a local buyer and got an assignment fee of \$5,000. Come on, Robert. That's awesome. Congratulations, Robert. There's a picture of the contract and the assignment agreement. Oh, that looks like my contract, Robert. Nice.



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Do you like my contract, Robert? So we're getting a lot of. Hey, Robert. Congratulations. Congrats, Robert.

Joe:

And look, he did give me permission to share this, so there it is. All right. I've been on Joe and Gavin's trainings for a while, and I committed to agent outreach. And if you're interested, I'll show you what that is. What is agent outreach? Very effective. And I'll show this to you. That is cold calling agents in small towns looking for low priced, high days on market listings. Boom. And I got one. I love this. Oh, good. Robert says, yes, this was your contract. Love it. It's a good contract. Tony says, Congratulations. Nice. All right. The property to check this out was listed at \$69,900. I know this is really might be small for you guys, but I'll just read it. I sent a three option letter of intent that I learned from Joe's training. That's awesome. And so what are the three options that we've given that letter? Cash offer, number one. Number two is a lease option, and number three is usually owner financing or some kind of combination of that. Right. So the seller or the agent, whatever took option number one, the all cash offer we negotiated, I locked it in at \$40,000. It was listed for 69,900. He got it under contract for \$40,000, 42% discount. It's a three bedroom, one bath, 1500 1150 square foot brick ranch in a solid neighborhood with rents around \$850 to \$1000 a month. So excited. Many moons in the making. Now is time to make more massive, imperfect action. Congratulations, Robert. Hey, Robert. I'm. I'm interested to know, how did you find the buyer to assign that to. How did that work out for you? How did you find the buyer? Now, Robert says here this is a Frankenstein deal with three facets of training I got from you. Number one, small towns. I love it. Number two, using your three option letter of intent. Love it. And number three, calling on hi day on markets listings with agents. Boom. Next says Robert Taylor on fire. All right. Let me show you kind of what I think he did. And then, Robert, would you mind just commenting wherever you are in Facebook or whatnot? How did you how did you find the buyer? Now, let's look. Somebody type in a county or an area, a state, a city in the YouTube Facebook comments. Robert Shelly says, hi. Good morning, guy. Good morning, Robert. Hey, Ralph, what's going on? South Bay Wireless. How do y'all creative investors. Good morning. You're all glad you guys are here. All right. I'm going to move this thing up here. So I'm looking at the camera, not over at the site. How's that? Is a little better. Is somebody give me a status? Here we go. We've got Cherokee County. North Carolina's owner says, let me make this a little bigger. Cool. What else? Nick says it's alive. Houston, Texas. Fort Lauderdale, Florida. Defiance County, Ohio. Oh, good. Robert says here, let's go back because he I asked him the question, how did you find the buyer? I've been working with local Atlanta investors who want your branch out of Atlanta metro area. I called on to and got it under an assignment. Nice. You just called two fires. I'm in south east. In Wisconsin. And Mickey is saying it's not showing up on Zoom. That's right. I'm not in Zoom anymore. My apologies, Mickey. I'm in YouTube and Facebook through a tool called Stream Yard. Ralph Newton,



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Louisville, Kentucky. All right. Let's look at Kentucky. Let's just do that. Okay. Let me hide that comment there so you can see my screen. Let's go to Kentucky, Kentucky, USA. I like Redfin for a real simple reason. I'll show you in a minute. Why now? We have to pick an area. Let's just go after Lexington. Over Lexington is kind of a small town and we can remove outline via zoom out. You can see the areas of coverage that Redfin has. So it looks like Redfin is still updating over here in the left. Zoom in a little bit. So in some states, you'll see that Redfin does not cover the whole state. So it'll show you like grayed out areas where they don't cover. But Lexington has 4400 listings. Louisville is 7300. Cincinnati has 11,000. Whatever this is down here, this area, Williamsburg. And so what we're looking for is in this area of Kentucky, we're looking for older listings and we're looking for small towns. There's a lot of investors that are investing in Louisville, Lexington, but they're looking for more deals. They're complaining about it being too competitive with Cincinnati. They would be open to doing deals in smaller towns if somebody could bring them a good deal. Right.

Joe:

So, all right. What I'm going to do here is I'm going to go to for sale. These are all the property. Well, those are sold. All right. Never mind. And then we're going to look at just houses. And I want to do I don't want their nice, big, expensive homes. I want the ones that are cheaper because those are going to cash flow better. We're looking for, especially in these smaller areas, we're looking for cash flow. Right. So we do Max Price 200 time on Redfin in more than 60 days, there are 1070 homes under 100,000, under \$200,000 that are houses that have been on the market over 60 days now. Some of these showed 12 days and that's usually because they went off the market and came back on the market. So you have to be kind of careful with that. All right. Now, let's let's filter down a little bit more. Let's look in the because we like smaller towns, right? So if you're in Cincinnati and you want to get out, you want to get into maybe an area around here, around Lexington, a lot of small towns around here. Right. Well, look at this. There's 291 homes in my window over here on the left. And again, some of these have not doesn't look like it's been on the market for that long. But it's because it went off the market. It came back on the market. Let's just look at this first one as an example. It's been on Redfin 16 days. But if we scroll down some, I don't know if we'll see it this time. We should see a history. Yeah, you see, it was active in March and when pending. And then they changed the price. They raised the price. Even then it's relisted. So I don't know what's going on there. They raised the price. We're looking for properties that have been on the market a while and need updating. Do you think this property needs updating? Wow. Look at that ceiling. Pink carpet, wood paneling on the ceiling, on the walls. Whoa. Yeah, baby, that looks like something from something. Can you guys see this? Yeah. Robert is saying yum, yum, yum. More than 60 days on market. Perfect. Yeah. Thank you, Nick. Where is my darn tootin' coffee? She's. She hasn't come up here yet. Maybe my wife and my daughter are not. Are not paying



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attention to our phones. Yeah, Mickey, I'm sorry for the confusion on the Zoom thing. I know you got an email with the Zoom link, but I changed it. I made an executive decision and I changed it. So my apologies. All right, so this House needs updating. Do you think this house is going to sell any time soon? Do you think somebody is going to look at this house with the radiant heating there on the floor, the blood stained red, purple carpet, wood paneling, ceilings and whatever is going on, on the walls and whatever's going on in the ceilings. Do you think they're going to look at it and say, oh, this is move in ready? We don't need to do anything to update this. Wow. What is that? I don't I just don't get it. All right? It looks nice on the outside, but scary on the inside. Those are good deals. Those are good houses. And this is in a small town. I'm not sure where this is. Let's look. Yeah, I don't know where that is. Does anybody know where that is? Moorhead. It's in between. What? So it's maybe an hour or 2 hours outside of Lexington, a little small town. Why would anybody want this one? Well, you never know. There's a lot of other homes around here. All right, so now what? So what? What are you going to do? Well, it's been on the market a while. Look, here's the realtor's number. Our name and information, Patrick Garvin and Joshua Warne, Kentucky Residential Real Estate, LLC. All right. Sometimes you can get their contact information. There it is right there. Now, one of the things, what did Robert do to get this deal under contract? He picked up the phone, picked up the phone and called. What kind of conversation would you have with a realtor like this?

Joe:

Well, let's role play real quick. Hey, Brian, this is Joe McCall. How are you? Good, good. Hey, listen, I'm an investor from out of town in Saint Louis, Missouri, and I was just looking on Redfin, looking for some properties that we can buy. Rent out. And I saw that you had the property at three, three, five Haldeman Road. Is that right? All right. Cause it's still available. All right. Nice. Can you tell me a little bit about it? Well, you know, it's these little TLC needs a little of updating. Okay, so tell me about that. If I'm looking at the pictures here, but tell me tell me what's going on. It looks nice on the outside. Yeah, it's really nice on the outside. Okay. And it's got a propane tank in the back. Looks very private. Good. Is that road pretty busy now? Okay. Well, yeah. Yeah. Tell me about the kitchen. What's going on there? Well, you know, it's needs a little updating. You know, it's original. Good, solid, good, solid bones. Okay, tell me about the dining room. Is that radiant heat? Does it have central air? Does it have air conditioning? Oh, dozens. It has got a wall air conditioner there. Yikes. Okay. But, you know, it looks good. When was that? When was the carpet? How old is that carpet there? Oh, it's been there since the seventies. Oh, okay. Well, all right. Nice. All right. The. Wow, the purple floors, carpets. What's. I'm sure they're clean and they're nice, and they feel really nice underneath, you know, your feet, right? Okay. So. All right, well, I'm just curious why why hasn't this house sold yet? I mean, if it's solid and it's in a good area, why hasn't it sold yet? How long has it been on the market? You see, I'm asking these kinds of questions to see what's going on with the seller and it looks like it's



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vacant. Is that right? I'm sure like they. What are their plans with it? What are they going to do if they can't sell it? Are they just going to keep it on the market until they do again? Why hasn't it sold yet? Now, sometimes I say it looks like a nice house. Why would they even want to sell it now? That might be lying. I don't know if this looks like a nice house. I could say, hey, it looks like a nice house on the outside. Why would they even want to sell it? So what's going on? Why isn't the soldier I ask a question like, well, how negotiable is the seller and their price? I'm sure they got lots of time, right? They're just going to sit and wait. By the way, I also tell the investor, the realtor, that I'm an investor upfront. Right. So they know and the less I know about the House, the better. Don't do a bunch of research on these homes, right? The less you know about the house, the better. And so you're just going to keep on asking questions. Why hasn't it sold yet? What needs to be fixed? What do you think that home would rent for?

Joe:

Yes. Look at this. Robert's got a great point right here. He says homes that are dead or I'm sorry, homes that are dated like this one are not just are just not selling after the April market reset, perfect target for creative offers. Absolutely right, Robert. We'll talk about that here in a second. So I'm going to ask the realtor. Well, I'm telling the realtor I'm an investor. And by the way, Mr. Realtor, Kevin Patrick, whatever. If you know, if you can help me find a deal, I'll let you represent me. I don't have a realtor representing means. Brian. Well, you know what? Brian is not the listing agent. You want to call the listing? He's a buyer's agent. Right? So you want to call you want to Google Patrick Garvin or Joshua Warren and you just Google and you can find right. There is a phone number usually right on Google, you can find a phone number or you can go here, get some information about him. Got a nice picture of his kids and phone number or cell phone number right there. Boom. Okay. So what's what's going on with this? You can represent me if you can bring me a deal. What do you think this property would rent for? Now, why would I say to the realtor, you can represent me if you bring me a deal? I want that realtor to know that I'm a serious investor. He's not going to be wasting his time with me. And if he brings me some good deals, I'm going to help him make some more money. So sometimes realtors can make money on both sides of the commission. They can represent the seller and the buyer, right? So they can represent me get the buyer's commission, they can represent the seller, get the seller's commission. Now, if they can't do that, maybe somebody else in their office can do it. They can get a referral commission. I don't care. I don't know. Let them figure that out. But I'm going to let him know. I'm looking for an agent to represent me. And if you can't, if you want, you can figure it out. You can get both sides of the commission. All right. Does that make sense? So I want him on. My team is now. He can't disclose to me things that the seller has said about this. But, you know, he'll he'll be a little more friendly and open with me. I'm telling him I'm an investor. I want to buy this house to rent it out. Tell me, what's the rental market like? What do you think this property would rent for? Okay.



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So it would rent for a, you know, 1500 a month. Okay, so what? I need to fix it up. How much work do you think it would take? How much do you think it would cost me to update this property? This is a full get rehab, by the way, to get it rent ready. This might be good enough for rent ready? I'd want to ask him, like if I was just as is. What do you think I could rent this thing for? Maybe this part. In this part of Kentucky, they don't care, because in this part of Kentucky, the inventories are really, really low. It's very hard for somebody to find a house to rent. And I might even if I get this price right, I might even just sell it as is or the owner financing as a handyman special.

Joe:

All right. So I'm asking the questions to the realtor, trying to find if the seller is motivated. And I can say, listen to this. I don't know if this will work for me or not, but if you if this doesn't work, do you? Know of any other properties that need some updating that I could buy as an investment property. And you can represent me on any other deals you bring me. Okay. So let me ask you some more questions about this. He wants 140,000, right? Boy, what do you think about that? Is that a fair price? Just, you know, tell me honestly, would you pay \$140,000 as an investment property for this thing if you were me in my shoes? Now, the realtor may say, I can't answer that. All right. Just fine. Right. I say, well, okay, man, if I'm going to probably need if I'm going to get this updated, it's going to need at least 30, 40, 50 grand, say, 40 grand to get it updated. I mean, I don't know. Is this the lowest they could go? 140? How negotiable that are they on their price? And or maybe you can't tell me. What do you think they would take anything like, you know, if it rents for a live if it rents for 1100. Just looking at my numbers here man to get my what I need, I'm going to need to be in the hundred 90, \$200,000 range. That's not and that's probably not going to work for them, is it? Who knows? A realtor may say, God make an offer. So a lot of times these realtors are just frustrated with the seller, frustrated that they took on such a crappy listing that needs so much work knowing that they'll never sell this thing for 140. All right. So I'm going to ask the questions two or three different ways. Is this the lowest they would go? Would they accept anything lower? Sometimes a realtor will say, just make an offer. And I said, All right, well, I got one or two more questions for you here real quick. All right. So if I could get them something closer to their asking price, would they be willing to do something creative, like maybe seller financing or owner financing, you know, or something like that? Would they be willing to lease it to me for a few years first and then sell it? Okay. By the way, backtrack whenever you're talking to a realtor, always open up the street view and ask them questions about what you see on the street view. Okay. Nice. Looks like a good area. Yeah. So I'm looking at what's that across the street? Not that there's anything wrong with trailers. Okay. I used to live in one. I was. I grew up in a trailer park. I know what it's like to be, quote unquote, white, white trash. But I would ask the question, what are these? What are these little trailer parks, these trailers across the street? You might want to look, oh, this house looks nice. You know something going on



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right there. But look, in the area, it looks like a pretty area, some nice houses next to it and stuff like that. But when you're looking at photos, also go to the satellite view. Where's the satellite? There it is. And look to see, is there is there a a train railroad track in the back? Ask the realtor what what is even though you see and you know, it's a railroad track, ask them as the realtor. Is that. What's that behind? What's that in their backyard going through? Is that a dirt road? Oh, no, it's a railroad track. Yikes. Okay, now, how often does that go through? I'm sure it's not very often. Right? It's not very loud. Right. A lot of times in some of these areas, you'll see like junkyards or you'll see a neighbors property with a bunch of junk in it and stuff. So you want to ask the realtor while you're talking to them. You want to ask them the question. You want the realtor to tell you what that stuff is. And again, the realtor knows I'm in Saint Louis, Missouri. I'm an investor looking for some rental properties. So it's okay. And this is why it's so important. The less you know, the better. You don't want to go into these phone calls with these realtors in small towns with a bunch of research in advance. You want to ask them questions about tell me about the story, the situation. What's this neighborhood like? Do you think I could find a tenant? Do you have any contractor referrals there? Do you have any good property management companies there? How do you know it'll rent for 1300 a month? Does that make sense? What I'm saying? So ask the more questions, the better.

Joe:

All right, so the seller says, yeah, they might be a little negotiable. Go ahead and make an offer said, well, let me ask you another thing. If I could get them something closer to the price they want, would they consider would they take their payments over time? Would they consider maybe some seller financing or let me lease it for a little bit and then buy it? All right, that's it. So sometimes they'll say, well, just, I don't know, make an offering. And so one of the things that Robert did. Yeah, Robert, I'll look at those in a minute here. Robert is saying, gang, this is a conversation that I have with the agents, just like Joe taught me in the past. I love it. All right. When you want it, when you send them an offer, it doesn't have to be super complicated. I have a calculator that my students have that you get access to with your student, but like it's called the automated offer pro. But one of the things that it gives you is you can make the different options to the seller. You can say, Alright, I'll pay you cash now on this deal. You know, 140, I don't know, without looking at comps or whatever, I'm probably going to offer like 100. I'ma sell it as is with the owner financing. If I buy it for a hundred, I'm a seller for as as is for the owner financing for 144, maybe 130. Right. I'm not going to do anything to fix it up. If it needs work, I don't know. I might just rent it out. Depends on on the terms. But my offer is going to be cash or maybe 100 owner financing, no down payment, 0% interest principal only payments for ten years and I'll give them \$140,000 with zero down principal only payments over ten years. And so if it'll rent for let's say 1100 a month, my calculator, 1100 divided by two, I'll pay them \$550 a month principal only payments every month and I'll take care of the taxes and insurance.



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Right. And so 140,000 divided by five 5254 payments divided by 12. So that will be 21 years. Now, I'm, you know, I might be 550 a month of the balloon in ten years or something like that. But the point is, I'll give them their price if they give me my terms, it's price or terms. And when I'm making multiple options to them, I will give them their price on my terms. And what are my terms? Zero down and 0% interest. Now, maybe you can do okay, one or 2%, but that's where you start. Okay. Let's say the seller says, no, I need I need to have 10,000 down. All right, so I'll give you 10,000. So if I can give you \$10,000 down, can we do this deal today? Well, yeah. All right. So I can't give you I still can't give you the 140 then, so I'll give you 120. And \$10,000 down. Now, maybe I could do 130, \$10,000 down somewhere in there. Right. I'll give you 130, \$10,000 down and 500 a month instead of 550 a month. I'll give you 500 a month. Well, I got to have interest. Well, what kind of interest do you want? If they say no, I need a down payment. Say, well, how much of a down payment do you need? How much of how much interest do you need? Well, I need to have at least 4%, as I said. Well, all right, if I can get you 4%, then would you be willing to do this deal today? Yeah. Okay, well, I can get you 4%, but instead of 130, I can buy it for 120. I'll buy it for one 25,000, down 4%. Interest only payments with the balloon in ten years. You see what I'm doing there? My goal, if I'm going to buy this thing, is I want to own it free and clear in five years or less. That's my goal. Right? And I want to cash flow as little as possible until I pay it off. Yeah. So that's the beautiful thing about doing creative finance deals, especially in small towns like this. All right, guys, you keep on coming in with your questions. I know there's a lot of you watching right now on YouTube and Facebook. You can't see everybody that's watching. If you're watching on Facebook, you don't see all the YouTube people and stuff. But there's a lot of people here. If you've got questions, please type them in the YouTube or Facebook or LinkedIn comments and I'll see them here and I'll answer them here in just a minute.

Joe:

But I wanted to walk you through this exercise of looking in small towns for these deals. Here's another \$115,000 in Irvine, Kentucky. Anybody know where that is? Not just look at the details here. Let's look at Street View. See what this area is like. No, no Street View available. This one doesn't need as much work. Interesting staircase there. I don't know what's going on there, but private, by the way, guys, these these kinds of houses with an acreage with privacy. Even in small towns, when I've done deals like this before, they sell very, very quickly, especially when you offer on terms this looks and this is definitely rent ready right now. Right. You don't need to do anything for this to get it ready for rent. You might want to do some kind of railing there. I don't know. Okay. Well, was that a duplex? Interesting. Let's look here. It's a gorgeous little dollhouse. Maybe it used to be a duplex, but it's not anymore. A three bedroom, one bath. Why hasn't the sold yet? Looks like it's on some acreage, right? Yeah, it's on one acre. Let's see here. The history is listed in June when pending and went back on the market in August. You think the seller might be getting



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a little interested, a little motivated? We're coming into the fall. They're like, oh, my gosh, what's going to happen now? By the way, this is a small town. You may be worried, how am I going to find a buyer for this thing? Guys, there are investors buying deals here. Let's look at this for oh three, three, six. Let's just go to PropStream. Are there investors that are buying properties in that area? If I was going to wholesale this to an investor, let's also look here on Zillow. Are there any rentals in that area? Are there landlords that have a rental property? Let's see if Zillow will play nice with me. And it's not. I have to be in safari for Zillow to work. See? Look, it won't show me rentals on Chrome. I can only do it in Safari. All right. Anyway, so that zipcode was 40336, right? Just in that zip code, there's 9100 properties there. If I go to owner occupied doesn't know that have bought a property within the last two years. 384. All right. Let's look at let's just make sure they're single family or 2 to 4 families. 198. Awesome. Look at that. In that zip code in that small town if you're going to be wholesaling deals. All right. In 40336 and I'm not even looking at any of the other zip codes around it. There's 198 absentee owners who have bought a property in the last two years. Is that crazy? Now let's look at ownership info. How many would be out of state or out of the country? 81. 81. Different properties in that little tiny town in that small town area. 81 different properties are owned by investors from out of the county or out of the state, rather, just out of the county. Right. And this one, this might be Mid-South Capital Partners out of Richmond, Kentucky. They own this property. Is it a vacant lot? I don't know. Maybe it is. Let's do. Some states and counties aren't going to give you all that information. Let's do maybe minimum bedrooms. 243. Do you smell and what? I'm stepping in. You picking up what I'm laying down. So let's say you get this deal under contract for \$100,000. Do you think maybe you could find an investor in that area? Now, this is 40351. Let's look at 4351. Think you could find an investor in four who has bought a property in the last two years from out of state in 40351.

Joe:

Let's do one more thing. Let's do let's make sure they're cheaper homes. Let's go to valuation, let's say estimated value under \$200,000. There's 27. Do you think, hey, I've got a property here that I have under contract for 100,000. I'll sign you my contract for \$5,000. This is where I would start. Go right here to prop stream. You can do the same thing. And freedom soft. Find these people who have bought a property in the last two years. You could even. It doesn't have to be just in the last two years. It can be all of the absentee owners. How do I clear the date? One let me clear the date after reset it. But you could pull all the absentee owners. Let's just do this. Who have bought in the last three or ten years. All right. There's 94. This one. They live in Kalispell, Montana. All right. That's how you do it, folks. You can do deals in small towns. Don't be afraid of small towns. Anybody have questions about what I'm talking about here? Right. David says you can further refine that buying number, that number of buyers that have more than three properties. Yeah, he's absolutely right. So you could go in here ownership info, you could say number of



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properties own. They have to have they own at least three properties. There you go. 57 So this guy, Bogart, Travis Justin, who lives in Sardinia, Ohio, you ever heard of that? They own. You can go right here. Two linked properties. They own five properties. All it looks like they're all free and clear. What if you get this property under contract for owner financing and you don't want to stay in the middle of it? You're maybe it's your first deal. Maybe you're too nervous about owning investment property out of state, especially on terms like this. In a small town like this, you can't find good property management or whatever. What are you going to do? Well, you get it under contract owner finance and then just assign or sell your contract to these guys. You could export all of them, skip trace them and call them. Let's look on Freedom Software real quick. Go here to lead finder buyer leads. I want Kentucky zip code 40351. I'm gonna do advanced search here. All right, so in four, three, five one, I want all the absentee owners that are out of state now. An individual owned only I'm going to exclude. Well, you know what? Here's the thing. I would mail letters to I would have skip trace. Everybody, let's do no preference for all of these. Okay? Yeah. Let's exclude trusts and bank owned. Nice list in preference on the trusts. I would let me clarify my thoughts here and figure them out. I would skip trace and call everybody that I could, but then I would send a letter to even the corporate owned properties as well. And I would also look at the neighbor, the neighboring zip codes as well, maybe the entire county. I would look for all of the absentee owners. All right. That have bought let's do in the last two years or whatever that is. It's 18 months maybe. Okay. So this is out of state owners that have bought in the last one and a half years, whatever that is. Search for showing 13 here. Now you're going to get different results where they're using props. Dream for freedom. So often I probably I might have done something different here with this. You can add them to a lead list and you can start skip tracing them. Well, okay, these are out of state owners, I guess, and perhaps dream I was looking for out of state and out of county, remember? So freedom stuff doesn't give you the choice to search out of county. If I did just out of state. Okay, our numbers are very similar, but I'm okay if they don't live in that county to contact them as well. These are absentee owners anyway. So now from this you can highlight all of them. You can skip, trace them and call them right from here inside of freedom saw and say, hey, I've got this deal here at three, three, five Halderman in Moorhead and I'm an investor. I decided I don't want this property. I have it under contract for owner finance at \$140,000, principal only payments of \$500 a month. And you can have this contract. If I if I can assign you this contract, you can have it. My assignment fee is \$10,000. Are you interested what you think they're going to say for ten grand? They're going to get an interest free loan. They're going to buy a property at a good price and not pay any interest on it, or maybe even a low interest. If they go to a bank to buy a rental property, they're going have to put 25% down. They're going to have to have six months of reserves. They're going to pay six or 7% interest. All right. So you can sell or assign your contracts to other investors for an assignment fee. And you don't have to have the owner's



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permission to do this either. Would you use list source to identify absentee owners? No, I would use freedom soft and prop string. Okay. So Robert is telling me a good question from Mickey, and I'll answer that in just a minute. Robert is saying he's posted the actual letter of intent on my Facebook page to show.

Joe:

So let's look at that real quick. Let me refresh this page. Where did you do that, Robert? Was it in the comments here? So he said he posted it on the Joe McCall page to see if I can find that Robert could be posted in the New Market Challenge. I've got too many pages here. I don't know what's what's. Going on what and where. So I see that you you said on the Joe McCall page here. But Robert, I'm sorry, I don't see it. For some reason, Facebook doesn't let me view all of the comments. If you maybe you can email it to me, Robert, or send me a private message. So medium. Okay, good. You saying he's going to show us here? Now, what he's going to do is going to show us the actual letter of intent. Okay, let me show you the letter that I like to send to nearby investors. Yellow cash buyer, yellow letter. Here you go. This is the yellow letter that I like to send to other investors that live that other investors that own investment property in those areas. And this is a handwritten yellow letter. You want to handwrite this with giant red ink, maybe from a red sharpie or something like that. Okay. Urgent notice. I desperately need to sell my property at one, two, three Main Street. I've had it listed for some time now, and I can't wait any longer. You want to make it sound like you're desperate, motivated seller, right. Take a drive by. Call me. I'll let you in. The title is clear. Taxes are paid, condition is good and I need it sold today. Drive by. Call me. Make me a cash offer right now, Joe. Phone number. And this better be your cell phone number or freedom safe number that goes directly reroutes to your cell phone because you want to answer these calls when they come in. This letter works like gangbusters. And then the other thing I like to do is I like to crumple the letter up and then reopen it and fold it and put it in an invitation envelope, hand addressed invitation envelopes. Okay. And you send this to 100 nearby investors who own rental properties or landlords, and they will call you on this letter. A lot of them are going to know you're a wholesaler. I've had investors call me and say, listen, I just wanted to call you to tell you I love this letter. It was amazing. Thank you for sending it. Going to use it. But this letter works really, really well. The other thing you can do is since I have a higher standard sign, I have this branded sign where I can find it. Here, hold on. Yes, here it is. This sign works really, really well as well. Please help me. I need to sell my house. I'll take anything. Phone number. By the way, when you put up signs, what do you do? You answer the phones. All right. Robert has it on the new market page. New Market Challenge, somebody saying click on the comments and won't let me view the comments. For some reason, whenever I'm Robert, I don't see it. Let me refresh this page. Put in the new market challenge. Here it is. Okay. Boom. Thank you, Robert. There it is. Check this out, guys, isn't it, Robert? I mean, everybody give Robert a nice big round of applause, big handshake and



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a hand and applause. Okay. This was what he sent to the seller. Remember they were asking, let's go back just real quick. They were asking that it was listed for 69 nine. It was listed for \$70,000. And this is what he offered. This is what he sent to the realtor. So can you do assignments with realtors? Yes, certainly can. So will buy your property as is pay all the additional traditional closing costs. We at closing will use a real estate attorney based out of metro Atlanta. We're prepared to buy your home in any of the following ways. Number one, cash offer. We'll pay you 35 grand in closing 30 days or lease purchase option we'll be your tenant buyer will sublease the house out to one of our pre-qualified tenants will stay in the middle. We'll be responsible for all the regular maintenance and repairs up to \$500. So then we'll give you a little bit more. We'll give you 48,500 down and we'll pay you 425 a month and rent and love it for five years. So we'll pay a little bit more. And if you're willing to do seller financing, we'll give you full price. We'll give you 60. What made us maybe a little less than or no, we'll pay you 67, 900. We'll put 20 \$100 down and we'll do 500 until paid off you. What does that mean? 500 a month until paid off. Those are principal only payments. No interest. But we'll pay all the property taxes and insurance. Thank you. So look at the different prices. Cash 35 grand. Lease option 48,000. Full price seller financing 68,000. So, Mr. Seller, it doesn't matter to me which one you pick. Just pick one. Now, the cool thing about this is Robert can make the same \$5,000 as an assignment fee for any one of these three transactions.

Joe:

Okay. All he needs to do is make a couple of phone calls to investors that already own property out there, say, hey, I've got a property under contract for lease option for 48 grand. It's worth they're trying to sell it now for 68. The rent is only 425 a month. You can probably rent this thing out for 900 a month. Do you want my a contract? Excuse me. Do you want my contract? I'll sign it to you for \$5,000. Most investors who are looking for more deals and there's a lot of them out there right now will say yes in a heartbeat. In fact, the deal might be so good. Then they're going to be wondering, well, what's the catch? What's going on here? What do you. Is there something wrong with the property? Why is this such a good deal? Even full price. But with owner financing, principal only payments of 500 a month. Let me just ask you right now, if you're watching this on Facebook, YouTube, how many of you would buy this investment property in Columbus, Georgia? For now, look at this. This down payment was 2000. So Robert needs to assign this contract for 5000, which means the investor buyer would have to pay \$7,000. Right. Does that make sense? So who here in YouTube or Facebook's watching right now would pay \$7,000 for this deal with \$500 principal only payments. So 0% who would spend \$7,000 for 0% principal only payment loan \$500 until paid off. Let's look at a calculator. This thing rents for 905, probably \$1,000 a month. So it's \$500 a month in cash flow. That's gross cash flow, right? Well, if it runs for a thousand a, let's take out 35% for expenses, the net cash flow on this thing. Well, if you take out 30% for project management, taxes, insurance, things like this.



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All right. We got people here saying I would all day long. Nice. Okay. So if we take out 35% for management, taxes, insurance vacancies, repairs, maintenance and all of that, that's about 650 month. And we're paying 500 a month in principal only payments for our net net cash flow on this thing is \$150 a month. That doesn't count. That does not even count 100% principal reduction every single month. So like what? How much of your equity are you building into this thing? You're building \$6,000 a year in equity, so you'll get it paid off in ten years. All right. So \$150 a month, net cash flow times 12 is 1800 dollars a year. Net net net cash flow divided by the \$7,000 you put into it. That's a 26% cash on cash return in the first year, 26% cash on cash return. Now, maybe this property needs repairs. And, you know, I don't know if it needs repairs, it's probably worth \$100,000 fixed up. What if you put. Well, okay, I'm getting way technical in advance here. I want to get into answering some questions, but I was going to say you could put an owner occupant in it who's buying it as is and who's doing the repairs themselves with owner financing. So you could create a wraparound mortgage. You're buying it for 68. You're selling it for 98, as is with owner financing at 7% interest. You're paying zero. You're selling it at 7% interest. And that buyer has to fix it up themselves. And you're selling it to an owner financing. All right. Then you sell the package to another investor to take your place. You could easily sell that for five or \$10,000. All day long. You see why I love creative real estate here. All right. So I want to get into the the questions that are being asked here. Yes. So David says, plus, you get depreciation, the tax benefits bill. Robert says yes. Salon owner financing cash flow about \$500 a month. Love it. So it says he will close with an attorney in Atlanta. Is this done over Zoom? You can do mobile notaries. It's not a big deal. I remember the last time well, I do remember the last time I was in a title company was because I refinanced our house. But all right. Let's get to the questions here. I'm going to move the screen now. I'll leave it here. Never mind gangbusters, guys. That I would. All day long. Opportunities galore. Great. Great questions. Yeah, Larry Goines taught us that metro money, like investors from Atlanta, want to branch out and get low priced out of town properties. They do all day long. Great info. Good vibes. Yes. Yeah. Creative Investors, LLC. I appreciate that. But I can't. They won't let me view live comments for something when I'm streaming. How do you assign a good question for Mickey? How do you assign the deal with a realtor involved? Well, that's the other thing you got to think about, too, Mickey. Right. So if there is a realtor involved, they're going to want part of their commission and in there, that's all negotiable. You can pay them part now, part later. They can pay it all upfront. But that's something you got to be aware of. So a realtor, if they're getting 6% on a \$100,000 home, that's \$6,000. And so normally what you want to do is, you know, make at least a \$6,000 down payment so that seller can pay their realtor their commission. All right. Now, it depends on if it's a buyer or seller's market. You might tell if it's a strong buyer's market, you might tell the realtor, I'll pay you half of your commission now. And because you're only going to get half of it anyway, if another realtor brings a buyer, you're only getting half



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of your full commission anyway. But then I'll pay you the rest, the other half of your commission. You know when this contract is done in three or four or five years or whatever. So it's it's all negotiable. And there's nothing in the there's nothing in even the realtors contracts that will prevent you from assigning it unless the contract says this is not assignable. And every realtor contract that I have seen says it is assignable, but you have to have the written consent of the seller. Okay. Not a big deal. What you could do is go ahead and close on it with seller financing or lease purchase or cash. Go ahead and close on it. And then now it's your deal. You can do whatever you want with it and then you can sell that deal or assign it to somebody else. But Robert, maybe you have some feedback on that. This was a listed property with an agent. How did you assign it with it? Was there any problems or kickback from the realtor about that? We'll see what Robert says here in a minute. I'll show you his comments. Would you use this source? Yes, but I mainly use props, dream and freedom. Soft goods. Thank you, Nick, for the feedback here. I wish my parents or any loved ones were into this stuff too. Yes. You smell this things. I'm stepping in. I'm sipping what you were pouring. It's awesome. You can further refine that buying number of buyers that have more than three properties. Good. We did that. So two front doors is curious. I bet you on that house. It used to be a duplex, but now it looks like more of a single family creating when wins. Love these trainings. Nice. There are two others for sale on Zillow for 80 and 130. Oh, so you're talking about your property. This is the conversation that I have with the agents, fire.

Joe:

Thank you for the kind words everybody. If it's to be it's up to me. A little becomes a lot. All right. Lots of good questions here. I'm just trying to go through them quickly. There was a question from Robert brings up a good point. I already brought this up before because I've been working with local Atlanta investors who weren't want to branch out of Atlanta metro area. So, you know, whenever you are doing deals in small towns, look for the investors in the big towns that are wanting to buy more cash flow deals that want to get out of their market. And you can a lot of times find out what they want to ask them. What if I brought you a three bedroom, one bath house that needed updating? Would you take it in these small towns if the price is right, a lot of we're going to say yes. All right. There is a question earlier on from where did it go? Here it is, David. I'm going to answer this question. I'm going to look at the new comments that have been posted. Obviously, the residential market is changing. How have you been how how have you seen the rural land market shift? Oh, it's a good question. It all depends on the area. David, in Part County, Colorado, it's always been a tough, competitive area. And I did some marketing there recently and I got a very low response rate on my letters, only about 0.75%. Normally I'm getting 3% and I got 0.75% response rate. So I did some extra marketing there and we're doing some texting and we so far we have like 50 something leads, but still in a normal county we should be getting three times as many would be overwhelmed. The Park County is a very difficult



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county. We did get a deal under contract. It's a 15 acre property. We got it under contract for \$13,000 just less than a week ago. Yeah, 13 grand. We'll probably sell it for 20 to 25000. So it's going to be a really easy deal to sell. So what I'm seeing in land is I'm not seeing a slowdown really. We're seeing maybe more sellers accepting our offers. One thing we are seeing is we're seeing more buyers wanting owner financing. So when you're going to offer owner financing on a deal, you'll sell it like hotcakes easily. So it's maybe a little harder to sell for cash than it was a year ago. But I love owner financing. I'm telling you, everybody should be selling with owner financing as much as you can. You'll get your money back in less than a year, if not six months. If you do it right and you'll just make more money that way and you'll start building up your passive income. All right. Let's look at the comments here. Back to the basics. Mickey says, I thought most of realtors contracts were specifically not assignable, not true. If anything, it'll say it is assignable, but only with the written permission and or consent from the seller. Okay. Shelly says yes. I'm getting a lot of buyers that want owner financing. All right. So Robert may not be here any more because I. That's okay. Cool. Well, any other questions as I wrap this up, guys? We've been here about an hour. It's been fun. I just like walking through example deals. Congratulations again to Robert on making \$5,000. What did he do? Let's just recap it. Okay. Number one, he went to Redfin and started calling realtors of older listings that have been on the market for a long time. Well, good. Robert still is here. Robert, I had a question for you, and I forgot what it was. Oh, yeah. Robert, how did this was a deal? You got under contract with the realtor. What happened when you were when you tried to sign the contract? Did you have any extra steps or anything extra that you had to sign for that? Does that make sense? How did you do the assignment with the realtor involved? And it looks like you used my contract, so maybe you just dealt directly with the seller. Sometimes realtors don't care. So we'll figure that out. Or it could be maybe what Robert did. Well, he just says, Yeah, that was for the closing attorney to handle. So the title company just handled it. What might have happened? Is this what I bet Robert? The the end buyer. Yeah. The title company is guiding him through the documents that are necessary. Yeah, right on. So what's going on? Is the title company and that end buyer is handling it. If that end buyer has to do new paperwork or new contracts or whatever, the title company, that end buyer's just going to take care of it.

Joe: Okay, so what was I saying? What the whole point is just summarize this and wrap it up. All right. Number one, don't be afraid of the small towns. There's a lot of deals, a lot of opportunity in small towns, very little competition, whether doing houses or vacant land, a lot of interest and zero competition for deals in small towns. Number two, contact realtors. Don't be afraid to work with realtors. Contact the agents of properties that have been on the market over 60 days in small towns that need updating. Number three, pick up the phone and call them. If you are not on the phone, you are not making money. Okay. Pick up



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the phone and call these realtors and talk to them. Ask them questions about the house. Don't people pretend? Don't pretend to be the expert. Ask them 50 questions about the house. Why hasn't it sold yet? You know what? What how much work do you think it needs to do to get ready to fix fixed up, to be ready to rent? What do you think it would rent for if this doesn't work out? Do you have any other deals that I could buy? You can represent me and get both sides of the commission. Or I don't have a buyer's agent with with me in this area. What's the least they would take? Is the price negotiable? If I could offer them. If it's listed for 100, if I offered them 70, would they just tear that contract up and throw it away? Would I be wasting your time? Right. If I could get them their price, would they be willing to do something like seller financing or lease purchases? That probably wouldn't work, would it? All right. To make multiple options is the next point. Make multiple options, make a cash offer and an owner financing offer. Give them one price for the next price. It's either price or terms. All right. Follow up is the next big thing. Always be following up with these agents. Hey, do you have any deals yet? Has that guy sold the house yet? Are they negotiable on the price? If I don't want to waste your time. But if I created. If I wrote you a contract for \$50,000, would they accept it, do you think? Yeah, that's it. Okay. And then when you get a deal under contract, find the other investors that are either in the big towns nearby or who already own small investment properties in the small towns, and contact them column, send them a letter, put some signs out there, and you will sell your deals very, very quickly. This is a real good point from Robert. I set expectations with the agent upfront that I would be a signing the deal. So she's already open and willing. Very, very important. All right. You've just always be honest with the realtors, with the sellers, with your buyers. Never try to hide anything. It always come back and bite you in the butt if you do that. Okay. Always be open and honest. Be a truth. Is a seeker and a truth giver, as my friend Tom Cole used to say, always tell the truth. Hey, I'm an investor. I'm new in the business. I don't know what I'm doing. I just watch some late night infomercial. I listen to some guy on a podcast that I can get rich doing real estate, but I have some questions on this house. I'm interested in buying it. Do you mind if I ask you some questions about it? Right. So just always be honest. Tell that seller, that realtor. I'm from out of town. I might buy it, I might not. I might sell my contract to somebody else or I have a business partner in the area who's an investor and I might just assign or sell my contract to them, make me free. I don't know where your questions were. I've not seen them. So if you have any and maybe if you are a student, please send an email to support at Joe McCall dot com, support at Joe McCall dot com. All right, so Robert's got one more point here, then we'll wrap it up. Phone calls, RGA, revenue generating activities. If you're not on the phone, you're not making money.

Joe: All right. That's it, guys. Let's wrap it up. Well, I wanted to tell you. Something too, if you're interested in learning more about flipping vacant land. I know we've been talking about



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houses. But go watch my webinar. Simple land class dot com. Simple land class dot com. And I have a class there that teaches you how to buy and sell dirt for a thousand bucks and sell it for 8000 bucks on Facebook or Craigslist or something like that. Simple land class dot com or any other comments here before we wrap it up. Thank you, Robert. You're welcome. That was fun. Appreciate you guys. All right. We'll see you later, everybody.