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1230 - Learn How New Land Flipping Students Chris & Ryan Have Done 8+ Deals In The Last 3 Months

Hosted by: Joe McCall

Guests: Chris Tweedie & Ryan Becker

- Joe:** All right, guys. Hey, how are you doing? So glad you guys are here. Got some good friends of mine, Chris Tweedie and Ryan Becker from San Diego, my old stomping grounds. And they just got my course recently in the last while. Well, Chris tell me again when you got it.
- Chris:** Yeah, I did the course in August and took action. It's the first time sending mailers in September.
- Joe:** So since September, which is now three, about six months. But you just started getting traction in the last three or four months and done 11 deals or eight deals and you got three more that you're closing. When are you going to be selling those again?
- Chris:** This week. They're in escrow. I mean, we have the buyers. They're like, they're closing this week here.
- Joe:** Come on, come on, come on. We are so excited to talk about this. So I posted something on Facebook. I said, Hey, who's doing deals? Who wants to be on my podcast? And Chris was generous and gracious enough to say, Yeah, let me do it. I'd like to talk about it. I love interviewing people that are just getting started in the business, just starting to have success because I'm telling you what these guys are doing. You just mark my words. Six months from now, they're both going to be, if they wanted to quit their jobs doing this full time because they're going to be making so much money doing it. It's a great business to be in. And I want to just do this video as a podcast to welcome you guys to this whole concept of flipping vacant land and talk about how you can do it too. So real quick, this podcast is brought to you by my brand new I just released this. It's a nine page strategy PDF. I'm trying to figure out a better name for it. So I got just strategy pdf dot com and this is a nine page PDF that you can get that basically gives an outline of what we do and how we do this stuff. And so if you want to get that is completely free, as if you're watching this on YouTube or Facebook later on the link will be in the description down below or just go to strategy pdf dot com, get this thing for free and then I'm going to invite you to watch a webinar that



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teaches you how to actually do this stuff and you can watch me actually do it and you can get the same program that Chris and Ryan invested in and do some land deals, get you on this podcast. Let's talk about this business. I'm excited, guys, because I just talked to a friend of mine in Colorado who does a lot of deals himself and he also coaches other people to do deals. And he was telling me the story of this lady who's been in this program for a while, kind of timid, little shy, didn't really believe in herself that she could do this right. And I think a lot of people can relate to this. You're just getting started and you're like, man, you overanalyze it. You kind of like are afraid to make a mistake and then you're afraid to have success sometimes. Or you're like, What if this actually works? What if the seller says yes to my offer? Then what am I going to do? So she was kind of in that boat and she did not have much money for direct mail. So finally she just got sick and tired of being sick and tired. Said, All right, I'm going to do something about this. And went to a certain software, got a bunch of list of huge list of people who have bought vacant land in the last three months in this particular county and found people that own a bunch of land already. So it wasn't just their first vacant lot they bought. She went through and just called them all and said, Hey, are you looking to buy more land? And they would say yes or no. Whatever she talked to, I don't know, a dozen and found 12, ten people that said, Yeah, we want to buy more land. This is what we're looking for and this is what we'll pay for. We know what she did. She went on the MLS reticent and started looking for properties that had been listed for longer than six months and just started calling the realtors and saying because she knew her buyers would pay, you know, I don't know, 10,000, you know, an acre, whatever it is. And then she would just call the realtors and say, Hey, I am interested in buying your property. Would you sell it for this? I know it's been on the market for \$50,000. Do you think your client might sell it for 20,000 now, you think? And what? Who would ever do that? Well, anyway, here's the cool to make a short story line. This lady's now doing a deal every three days. Just by doing that, just getting on the phone, calling buyers, getting on the phone, calling realtors because she can't afford direct mail doing a deal every three days. I'm just like, dang, I love this business because they're I've done a lot of different strategies and I've not found anything yet in real estate investing that says easy. So one final plug real quick. Do you want my nine page PDF that explains this and how I did it with my teenagers? My teenagers and I did over 150 grand on deals that they helped me with. You can get this strategy pdf for free. Just nine pages. Strategy pdf dot com. Cool. Nice. Hey thanks guys Chris and Ryan for be on my podcast. Sorry for the long introductions. So who wants to go first? Tell us a little bit about who you guys are, how you became friends. You go to a cool church, talk about the church you go to in San Diego, cause maybe there's somebody listening to this that would want to go and hang out with you guys.



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- Chris:** Yeah, sure I'll get started because I am the one who took your course and started this business. Yeah, Ryan and I are actually next door neighbors. Literally, we share a wall in an apartment building. So we met at church, and, you know, that's why I decided to be my neighbor. As our unit opened up. Cool. And yeah, we go to a church called Brabus Road Church is in Kearny Mesa for anybody in San Diego. It's a great church. We've been there ten years now. Yeah, do love it. But yeah, I bought the course in August and just a little background on me and I've done a ton of things. I've been in sales for the majority of my career, but I was a music major in college and music composition. So I at one point I thought I wanted to write music for movies, but that didn't pan out. But I've always kind of had the gift of gab, and I naturally found a role in sales. But throughout the years I've always been fascinated by real estate, and I've I've been a serial course taker up until.
- Joe:** Professional student.
- Chris:** Yeah, I did. Years ago, I learned about wholesaling, got super excited about it, and I was planning to put up bandit signs and tackle it, but I just never took action. I just I was one of those people that just never took action. And I came to this point in my life, I've got two kids now and I I'm just not able to really get ahead in my full time job. I'm blessed to be able to work from home like I love my full time job. I'm just I just can't get ahead and save enough to, like, get a house for my family. So anyway, I, I saw your course and it really just intrigued me. And after the, you know, the video before you purchased the course, I, I decided to go for it. And I just decided, like, I'm just going to do whatever this guy says to a tee and, you know, got a little money saved up. And I'm just I'm just going to go for it. So I, I did. I started and I just I also decided I'm just going to take action whether or not I had everything in place.
- Joe:** That's a writer downer, write that one down. Let 'em preach.
- Chris:** Because that paralyzed me in the path of things like this. So I knew that I, I was going to get freedom source and I knew that I was going to get rights and get the list I knew I was going to start mailing. That's about as far as I got, and I just started to mail start to the 500 letters a week. I chose a county that is around where my parents live in central California. I started sending offers just based on the price, recommended price. Then they were all 25%. And some of these some of the lots were in the higher value range, like, you know, 75,000. But that 25% offer really offended a lot of people. But regardless, there are a lot of lower value ones. And I started to get some of these offers accepted and I was getting excited about it. But I think my friends have heard me get excited about stuff before, so I was kind of keeping it to myself. But I was out in the courtyard on the phone with a seller that I got a property under contract. Oh, this is actually I feel like I'm rambling, but no, that's good.



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Joe: Okay.

Chris: I also you posted that video. Perfect timing for me about Freedom Land Capital and that they would fund larger deals as long as you got on a contract for 50%. So I had this guy that was going to sign for about 15% of a much, much higher value deal. This nice little guy named Willie. And I was out in the courtyard on the phone and Ryan overheard and I was super excited about it. I just told him everything and told him that I was planning his freedom, land, capital and, you know, and Ryan was like, well, I mean, you could like, why don't you just figure out a way to do without them? I'm like, That's a good idea. Let's talk and Ryan is a licensed realtor here in California, so he's done residential real estate on just on the realtor side. But, but yeah, I just started chatting up with him and he was just basically like, It sounds really fine what you're doing just sounds fun. I'd love to be on any help. Like, I'd love to do this with you guys. I just decided, you know, let's just go into it together at the time. We'll split expenses, we'll get ahead. You know, I was I was actually running out of marketing my marketing budget right around the time Ryan heard me. I'll be. Exactly. Yeah. I mean, like, now I think back and then from there. Yeah, we as we started to get the properties under contract, we were kind of strategizing different things that we could do, but we ended up deciding on just listing the properties ourselves on the MLS using broker lists and brokers.

Joe: What states were you doing this in?

Chris: Just California. Yeah. Yeah. And we've stayed in California so far.

Joe: All right, now why broker list? Why didn't you just list them yourself, Ryan or were they outside of your MLS?

Ryan: Yeah, so definitely outside of my MLS and I, I didn't want to get my I didn't want to use my license and tire my whole thing and have my broker involved in all this. So paying 100 baht, which is what we pay, paying 100 bucks for two or 300 bucks through broker list, I can completely remove that liability off of myself and my license and put it on whoever else that is. And then I can still do my residential. And it doesn't mess up my statistics either. If we list a \$10,000 property.

Joe: It'll mess up your volume.

Ryan: Yeah, it'll mess up my like my, like price per deal. As a realtor in San Diego. It's like my average could be, you know, whatever, seven or 800,000. If I start throwing \$10,000 deals



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in there, it's going to, you know, not only put liability, but lower my, you know, my average as.

Joe: All right. So let me ask you that. Were you closing on these deals, buying them, owning them, and then listing them and selling them?

Ryan: Chris do you want to go or have me to take over this one.

Chris: I'll start and then I can jump in. No, we've actually only done that one time. We've only and we used a friend of ours funds to do it. We paid them some percentage of the profits on the deal. The other seven now deals and we got three coming this week. We have gotten the property under contract, got permission to list it and sell it, and we found a buyer that was willing to pay more when we have it under contract for. And then we just did an assignment and yeah, in most cases we haven't even had to share the closing costs with the buyer. So we've just made whatever the difference between the contract price and the buy buyer price, that's been our spread.

Joe: So this is cool to me because so many people have said, Hey, I can't do it. You just so let's rewind a little bit more and I'll ask you a bunch more questions about this. But basically you're sending out mail, Hey, if you want to sell, you're like, call us now. They leave a voicemail, right? Do you call them back or do you just send them an offer and then talk to them after you send them offer?

Chris: As you probably know, it depends. I mean, it depends on the voice mail. And sometimes they're, you know, they'll actually send a price in their text or whatever. And it just way, way more than you know, is reasonable. But so yeah, sometimes it works perfectly like we've done, I think, three deals where we didn't even talk to the person until it was time for them for escrow to get them. Well, it was just text, which is awesome. But I mean, if they want to talk on the phone, I definitely talked to them. I actually don't really like that part of the business.

Joe: It's better, right? It's always better when you can talk to them, but then you send an offer. Have you tracked your numbers to see like what? How many offers does it take to get one accepted?

Chris: Yes, we are at exactly one out of 20 right now.

Joe: One out of 20. That's amazing. I'm averaging about the same. I tell people does be conservative. One out of 30. It's just a numbers game, right? You just to make offers. All



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right. So then you've got this contract now to buy this property at 25 to \$0.35 on the dollar. And a lot of people think, may I? I talked to a realtor and they said, you can't list you can't sell that property on the MLS. It's illegal, it's immoral and it's fattening and you're going to go to jail. I mean, you're going to have all hockey sticks if you do that. Just like how long, as I've heard that for years and years. But here you are in California now I've used broker list dot com also in Siskiyou County, way up north California. And I've found a flat fee broker that listed my properties before I actually owned it and they listed it on the MLS and that's how we sold it. And then we the way I did it is we double closed. So we bought the deal that we turned around and sold it. But so you guys found a realtor, a flat fee agent that listed the property on the MLS before you owned it. Just so I'm clear. Yeah, so it can be done.

Ryan: You needed a notarized power of attorney.

Joe: You need a notarized power of attorney. So explain that just briefly what that is.

Chris: Go Ryan.

Ryan: Yeah. So basically our contract states it allows us, it gives us the right to purchase this property. One of the items on the contract also allows us to market this property. But just having a docuSign saying that from the seller saying that we have the right to market, this property is not enough in the state of California. We need to hire a notary, which costs \$75 to and we have a net. We have our notary who has a network of hundreds of thousands of notaries in the United States to go to that person's house and physically get a power of attorney signed that says we have the right to market that property. Now, we can then with that play notarized, we can do whatever we want. That person gave us full permission to do whatever well at that property, we take that notarized poha as well as the signed contract to our flat fee broker. And he they, they look at it and they take that as gold and they say you can do whatever you want with this property, you can, you can update the whatever. The seller is not involved in any of the negotiations. We do everything from there.

Joe: Yeah, see this. This is why I love working with realtors and then working with creative real estate friendly attorney realtors, because there's a way to do it. I mean, California is one of the toughest states to do business in period. You know, they call it the left Coast for a reason. But even I'm sorry, I'm from there. I can make fun of people in California.

Ryan: Oh, yeah. So are we. Go for it.



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- Joe:** Okay. All right. Well, but even in an anti-business environment like California, you can still find creative ways to do these deals. And there's a huge demand for vacant land in California, even though some would say man is so competitive in California. Here you guys are doing deals there, right?
- Chris:** Yeah. We haven't known any different. Nobody told us that we shouldn't be in California. I just saw a post on the Simple Outlets Facebook group and someone is asking for advice on choosing a market. And somebody wrote in the comments, don't use Texas or California.
- Joe:** Well, yeah, I said before, don't use Texas only for one simple reason. It's a non-disclosure state and it's hard to get sold caps. Right. But if you have access to get sold comps in Texas, you can kill it there because there's tons of demand, very little competition. But like California, I've done deals in Kern County and Siskiyou County, maybe San Bernardino. I'd have to go look, maybe L.A. County. But okay, Let me ask you, is something you guys are in California, you don't think give me the markets you're in. But are you like are you are you buying is flipping the little \$5,000 acre lot that you find in, you know, in San Bernardino County or Kern County? Like there's little small there all the same, or are you doing bigger deals in that? What do you what are you guys mainly focusing on?
- Chris:** That is exactly where we started, the small ones, because that's all I knew from the course, you know, And we just did exactly what I was told to do. And we I mean, we had we had like I think four or five deals in that in that range so far. But we figured out something in doing it this way. Our cost to sell the property to flip this property is the same regardless of the value of the property, right? So we can offer more and still have a pretty decent spread with a more valuable property. I think the challenge is the more valuable the property, the harder it is to get that seller to agree to what we're doing. But yeah, and that that's really the secret sauce, I think. But with this like I've become just really, you know, if they want to know what, what type of business we're doing, I'm just, I just tell them, you know, because I have to get them to sign a power of attorney at the end. Anyway, I might as well be honest with them. Otherwise they're going to get that power of attorney. I'm like, What is this? You know?
- Joe:** So you could make that you could make that part of the contract, too, right? I mean, it doesn't have to be a separate thing. You can just say, hey, you know, why don't we just have our notary come over to your house wherever you are, and he can meet them at a Starbucks or something, and they'll give you some paperwork to sign when this is part of the contract that they signed.



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- Ryan:** Maybe the only reason you don't do that is because with the E sign, you can get them to sign it. Like right now, like Chris can hop off the phone with them and get him to sign it. And then the we between the time when Chris hops off the phone and then when the notary gets there tomorrow, that's, that's the only reason we do that.
- Joe:** That's a good point.
- Chris:** Yeah. That's the way I mean, it's only it's been the last three or four that we've I think we kind of skirted behind at first until the broker told us we need to start doing that play. Yeah, Yeah.
- Ryan:** Our broker didn't, wasn't abiding by the rules and was allowing us to postseason the beginning without the play. And then he got busted. And so we had to add this to our process.
- Joe:** Good, good, good, good.
- Chris:** But we didn't know.
- Joe:** What type of properties are you chasing now? You're not chasing those little ones. Because again, yeah, if you're going to sell it, if you're going to have to sell it for five grand, you have no you don't have much room to make any money. Right. Yeah.
- Ryan:** So we're targeting higher value ones now because again, with this assignment process, we don't need to have we don't need to use freedom and capital or using on a front that money. And so we can make offers on properties that are extremely high value, that money that we don't even have. And then like Chris was getting into a little bit, we can trim our margins because if you're looking now in multi \$100,000 range, you know, if it's properties value at 150, we can make an offer at \$100,000. Yeah, now and then we can sell it. So we usually I think what we start at Chris I think is around like we make our offers in around we have a sliding scale depending on how valuable a property is, the higher value ones, we started around 50%, so 150 regional property. My Roth right, the offer for a 90 \$100,000 and then we sell it for a usually around like 90% of the retail value so we can turn them over quickly then. So you might sell it for 140, but that's a \$40,000 spread.
- Joe:** How much time do you give yourselves to buy the property? How many months do you have for due diligence and that kind of thing.
- Chris:** Same.



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- Ryan:** Yeah, 90 plus 30 days. Which if we just tell them we want an extra 30 days, we get an extra 30 days.
- Joe:** All right, cool. And are you doing any artist money deposits or proof of funds for these deals on these contracts?
- Chris:** We haven't had to do that yet. No.
- Ryan:** I'm this last one. I did a I did a PLF on it because it was our biggest spread today. Okay. Can we talk like numbers is at five? Yeah.
- Joe:** Yeah, totally.
- Ryan:** Okay. So it was one that Chris got under contract for \$8,000. We got the we hired professional photographer to go out there. He took photos. It was right after it rained in this area, like, nonstop for, like, a week. We took this place that was normally just like a dustbowl desert. And it just looked like it just looked like an English premier soccer field. It was just like. Beautiful. And we were like, you know, we didn't coordinate it that way. Just happened. Listed it. We got we have the buyers falling into freedom soft too. And we figured out a way to get a little bit of a bidding war going for these properties. I said, Hey, because we listed it so low, I said, Hey, just kind of in residential real estate, have all your offers. And by Thursday night at midnight we're going to submit counter offers. Whatever offers are coming in again, 8000 was our end. Price offers are coming in at like 19, 20,023, then 25, and we ended up getting it under contract for 28,000. And that one I because we had so many buyers that were on the hook, I asked for proof of funds.
- Joe:** So you asked for proof of funds though, on your buyer. So I'm just saying, were the sellers ever asking you for proof of funds or earnest money deposits?
- Chris:** Not yet.
- Joe:** But I'm so glad you told that story.
- Ryan:** We asked for those on the buyer side, but they were asking the sellers.
- Joe:** Yeah. Wow, that's so cool. Now, So this is a deal. You you're buying you have under contract to buy for \$8,000. You found a buyer on the MLS through some kind of bidding



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thing which is super cool. Somebody that would buy it for 28 grand, which is still probably a pretty good deal, right for them.

Ryan: Oh yeah. It's the retail value of this thing is probably like 30, 35. So they're getting a deal.

Joe: So this particular deal here are you have about a \$20,000 spread. Are you going to do an assignment with that as well? Are you going to double close on this.

Ryan: It's an assignment, Yeah. So here about 150 bucks for photos and another 100 bucks still listed on the MLS or about like 250 bucks on that one.

Joe: So we're doing two assignments right now because of you, Chris. We talked about it and we had a buyer, one of our deals in Florida, and I'd never done an assignment for vacant land before. We're buying this thing for similar numbers. Is yours right around where I want to try to remember 12 grand. We're selling it for 35 or something, but he's paying us on two deals. 20? We have a \$24,000 assignment. V unreachable is like I was. I mean, here I am, the guy who's done a ton of deals, who teaches people how to do a ton of deals, and I'm like, nervous, all right? I'm scared of what I want to What's going to happen when I tell this buyer that he has to do a an assignment fee? And I asked him and I'm curious to know what your conversation is when you talk to these buyers. Well, I told my buyer, I said, listen, you're getting this thing for 35, whatever it was. I said, How serious are you about this? Do you really want it? And he says, Yes. I said, Is this 35 grand a good price? You said, Yes. I said, All right, this is the way we're going to do it. This is going to save you a bunch of money in closing costs. Okay.

Ryan: Yep that's how we say it, too Yeah.

Joe: Where you're going to do an assignment, We're going to do one closing. We're going to do an assignment. We have it under contract to buy it. I don't remember if we told him whatever, but we told him the assignment fee is going to be \$24,000. Are you okay with that? Want to make sure you are? Because if you're not, that's fine. You got other people that are interested in this property. We will call them. But what is that okay with you? Not a problem. OK, No big deal. And bam! Okay, so people will actually pay you \$20,000 assignment fees for these deals knowing that they're buying you for 28, which means, oh, they bought it for eight and they're okay with that?

Ryan: Yeah, that's definitely something to know. At the close of escrow, everyone gets disclosed all this information anyway, so you're better off letting them know. And Chris and I have always been on the same page is transparency. You're better off letting them know very,



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very soon that as early as you can what's going to go down, because they're going to find out and I'd be their brother, be the one to tell them, and then to find out and then they come back and get Matt.

Joe: That is that's beautiful. And you're saving. Jeez, at least a couple thousand dollars, aren't you? And closing costs and escrow fees and things like that.

Ryan: Yeah. Yeah, exactly. And we frame it just like you do. Gel for the end buyer is, hey, you're, you're saving money. You don't have to do a double closet. You don't have to pay the additional closing costs or whatever. And hey, this is how we could go and buy this for 8000 and sell it for 20, and then we would have to pay extra. We'd have to mark up the property, we'd have to do all this. This is just efficiency. We're just doing this in one transaction. So there's no reason why you should get upset that we have these relationships, that we spend a ton of money on building these relationships with the sellers. That's our whole business. So there's no reason you should get mad about that. You're getting a deal with a 28 grand is the end price and everyone should be happy. And if you're not, then we'll find somebody else.

Joe: So the way you guys do your closings, does the seller also have to sign some kind of disclosure on this as well?

Ryan: Like a disclosure like it says.

Joe: Yeah. Does the seller have to sign any kind of disclosure on how much the end buyer is buying it.

Ryan: No, no. Okay. The seller doesn't know the seller through title and I don't believe the seller ever knows the only way the seller would know is if they went and check the public records or Zillow or whatever and saw that the ending transaction was. But actually, I think technically they wouldn't know because the technical ending transaction value is the 8000, not the 28.

Joe: Yeah.

Ryan: So it messes up cops for everyone in there.

Joe: Well, that's true.

Ryan: Because the closing value of the property for this one, for example, is \$8,000 a trial. The 28,000. The 20,000 is the assignment.



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Joe: That's right.

Ryan: So the end the seller never knows. I don't think. And they don't need to know.

Joe: Yeah. Yeah, that's good. So talk about like some people are. I've heard this alright. Some people are like, Oh, that's not fair. That's not fair to the seller. And some sometimes realtors have heartburn with this because, like, you know what? You. You shouldn't have. Well, they'll accuse us of lying to the sellers and telling them that their property is worth less than it is just so we can steal it from under. Would you address that, Ryan and Chris to obviously, I'd like talk about that. If you guys wrestle with that, what do you do to make sure like this isn't really the truth?

Ryan: Chris deals with Sellers, so he does a great job of setting expectations, the sellers.

Chris: So yeah, I mean, I, I usually we've kind of increased our introductory offer because we're not, we're not dealing with \$5,000 properties anymore. So like I said, we're usually starting around 35% of market value. And I'll just see what they say sometimes even before I can get there, they have a price in mind and if I can get them on the phone, I always make them say that or I try to make them say that first so that I. I know either I've got a great deal on my hands already and I can just, you know, either accept it or negotiate a little bit. But if they ask me questions or if we're just like really having a hard time agreeing on value, I'll go and tell them. You may not you may not agree with this Joe or others watching, but I'll tell them, listen, we've run comps on this and here's the retail value that we think we can get for it. And that's our whole business. Like we're going to sell it to retail and we're trying to give for a little bit less than that.

Joe: Yeah. So nothing wrong with that. Yeah. Okay. No, of course you're telling the seller what you're doing. I always tell sellers, Listen, I am not going to pay you the most for your property. You should list it with a realtor if you really want to get the most for this property, the highest price possible. I and I'm not your guy. You should listen with an agent. And in fact, I'll give you a name. I'll give you three or four realtors that do a lot of land here, if you want to list it with them. Almost every time I say that, they're like, No, I just want to get rid of is just here. Right. Yeah.

Chris: Yeah, definitely. I mean, I find myself giving advice to two sellers that have an unrealistic expectation for what they can get for it. I don't have to do that, but and they may not listen to me. And I said, Listen, we do this all the time. This is what we think we can sell it for. And



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we're just the way they are. So, I mean, you could try to get that price listing with a realtor, but just we've in this we've been sent comp reports in some cases just to prove it to them.

- Joe:** So basically, you know you in exchange for the speeding can in exchange for your price, you're giving the seller the speed and convenience of selling it quickly, getting an all cash offer, no hassles, none of that.
- Chris:** We do negotiate because we because we have a pretty good handle on what we what we can sell it for the right hand because our cost is the same. You know, we can negotiate up as long as we're making at least five grand, we'll do the deal because that means five grand we didn't have before. Yeah.
- Joe:** So is that your minimum? What, you're shooting four or five K when your deals?
- Ryan:** Yeah, like minimum.
- Joe:** Let me challenge you guys this and everybody watching this. You should make your new minimum ten grand, because you know what? You're going to get it. It's like I have so many stories of students that I helped with this that were. Man, just getting started. They're happened to make three grand on a deal like Joe. Three grand. That's a lot of money. You know, I'd have to work 50 hours at Home Depot to make five to make three grand right now, not try to get five grand. Just me. Expect minimum five grand. Start asking for it. And they do. And then they start getting it. Okay, Now start asking for 7500. Now start asking for ten grand and you'll be shocked when you start just expecting it. Now, it's not some magic woo woo stuff. It's just like you do. You will figure it out in your offers and this is what you know. We want to make a minimum of ten grand. You'll start finding you'll start doing some deals that are only maybe make eight grand or not, but most of your deals are going to be ten grand, 15 grand and higher, 20 grand. So I would challenge you guys to change your mindset about that for sure.
- Chris:** I love that.
- Joe:** Especially in California. I mean, your minimum profit on these deals should be ten. Okay.
- Chris:** Well, I mean, with that being said, like we have three under contract right now that the spread is at least 30 K based on our comps. So I mean we're really starting to get more of these under contract that are higher value because we still are slogging through some of the lower value ones that the one of the first ones we ever did on assignment was they



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signed the deal at \$575 and we flipped it for 30 to 50. But I was I was I was amazed that I got a contract back for 575. That was back when I was just 25% player in off offers.

Joe: What if you saw that in owner financing? You bought it for 575 bucks and you sold it for 100 bucks a month for five years?

Chris: Mm hmm. Yeah, we definitely could have done that. We just haven't. We haven't done the seller. We haven't. Property yet, except for once. And we just flipped it for cash.

Joe: That's so good for you guys. Now, let's just.

Chris: Yeah, that's only part of our long term strategy. Just being getting the nice big chunks for now. But, yeah, we definitely want to have a segment of our business where we have regular cash flow coming in, but we're also trying to set up our business where we can kind of predict the amount of deals we're going to get based on the amount of letters we're sending out. Like we recently update our marketing from 500 to 1000, we've brought on a VA. We've got a couple of people interested in helping us with sales. So we're yeah, we're going to eventually, probably pretty soon look at doubling our marketing again and just seeing, you know, what's what kind of results we can get.

Joe: You guys need to look at doing some cold calling as well. We're doing cold calling right now. And by the way, anybody watching this or listening to it, Gavin and I did a implementation workshop two weeks a week or two weeks ago here in Saint Louis. And you guys are welcome to come. Do want to check it out in any way you're watching right now. If you go to Joe McCall dot com slash workshop Joe McCall dot com slash workshop you going to see our next one. I think we're doing it as we're recording this May 8th and ninth. We're going to start doing them every month. But Gavin is my coaching business partner. He's been doing houses with me for a long, long time and his big thing has been cold calling and realtors, we learned this from you guys. Investors learned cold calling and you because you guys been doing it forever. And so we for a long time we've been cold calling for houses is, hey, do you want to sell your house? We get one VA we have the VAs from the Philippines. And in a day's worth of cold calling 5 hours, they'll get one or two leads on average. All right, with houses. We've been doing this now for a month with vacant land in some very competitive counties. One VA is getting 6 to 7 leads now. So they're going from one or two on a really good day to six or seven color, very competitive market now. And a lead for us is anybody who says, yeah, that's me, I own that land, I'll sell it. So some to think about. I would say as you start doing this direct mail, then there's I can't say it now, but in the course there's a company I recommend that can do cold calling and texting for you. I would, I would stay away from the texting. You can do some cold calling for you and you



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can eventually hire your own VAs to do it for you as well. But a lot of opportunity there and nobody's doing it yet with vacant land.

Chris: Now follow up question for you. Yeah. Do you do you call the same list that you're mainly. Yeah. Okay.

Joe: Yeah. I skip trace and just keep trace the call It describes working really, really well. And we're going to be doing this at our next implementation workshop where we're just going to be like, we, we did it for two reasons. I wanted to get some more leads and one of these counties that I'm in, but I also wanted to give these students a bunch of leads to work on when they came to the workshop. And honestly, right now I'm over one of the leads. I got about 160 leads right now in my freedom, soft from cold calling. And I'm like, okay, now we're going to start making some offers.

Ryan: Yeah.

Joe: We're sitting on a list. You take a 100, we're sitting on at least five or six deals from these this little campaign that we were only halfway through this list, cold calling it. So I'm really excited about seeing the results of this. And, you know, you could if you find your honeypot, your sweet market, where you're you know, it's like, you know, what's working, what's selling, you know, what your buyers want. You can dive deeper in there in maybe to test the market with direct mail. You find a good spot, then you go deeper with cold call like that.

Chris: Yeah. Because, I mean, we can we can we have 15,000 records at least right now that we could have somebody just start. It's depressing cold going, I think Joe and you and I talked the other day and you said, you guys need to start cold calling. I just assumed you meant I should just get on the phone and start calling all these people. I'm like, That doesn't sound like something I want to start doing. But you mean outsourcing the call?

Joe: Yeah, for sure. You know, you can offline. I'll tell you who that company is. I recommend in the course, you know, But you can hire Filipino VAs. There's a lot of people are hiring Latino VAs I guess I'm not sure the correct term to call Hispanic or Latino Spanish speaking VAs to do cold calling for you from Colombia, from South American countries. They have really good English and you'll pay a little more for them than you would for a Filipino VA. But they're really good quality, good people, hard workers, and they can do these phone calls for you for super cheap. And it's been really, really good for us. It's amazing. And nobody's doing it yet. Everybody's just doing direct mail because it works. It works really well. You guys have done deals with it, but just take it to another level. I mean, you guys could you



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guy's dominate California? There's so much opportunity there. You don't have to go to any other state if you didn't want to, right?

- Ryan:** Oh, that's great. I think we should definitely do that. I mean, we already out of you just need something to do is give the list is already there. Just have to start calling some of these people.
- Joe:** We're going to be adding a new module in the land course about cold calling in the next one or two weeks, hopefully. But there's also companies you can hire, like the one I'll send you. They can do it for you. They may not do it as good as you would do it, but it's. It's going to work. I got some questions for you. Average profits on your deals right now.
- Ryan:** Good question, let's see. Right now.
- Chris:** Well, 8 deals divided by 20 26,000.
- Ryan:** Yes. Yeah, exactly. So because so many of them, again, we started in the lower categories. They basically gone up with every single one. Yeah. So. Yeah. What is that, 25. So it's probably around like three or 4000. Yeah.
- Joe:** Average. Okay. So I know they started with these small deals, but in your last three or four or five deals, what's your average profit been on those.
- Ryan:** Let's see. So if we count this one that if we count the ones that are closing this week, they'd be probably closer to like 10,000.
- Joe:** I love that. Yeah. So you're that's going to be your new minimum target, right?
- Chris:** Yeah. Yeah. I mean, we've talked about our goal as a company, you know, by the end of the year, especially because like you said at the beginning, from your mouth to God's ears, by the way, we want to be able to purchase full time jobs and just do this full time. Our goal is our ten deals closing a month at a minimum of 10,000 per deal. So yeah, we want to figure out the marketing and what members will need to be pump into it to get to that point. But that's our goal.
- Joe:** If you guys are committed to it and you're working together well, you know, sounds like you got good chemistry, you know, that is it's going to be it's going to take work, right? Nothing's easy. You can't guarantee it, but it's going to be a lot easier than you think. It's not going to be that because you're going to get some deals where you're making 20. Right.



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So you don't have to do ten deals a month. You could do five. But that is so exciting, especially as you start going into new markets. You know, I interviewed a guy in my podcast who's doing about 50 million a year flipping vacant land. I'd say, well, right now he's working with some badge funds that got a lot of money, so he's buying everything. But there's guys doing million dollar months right now. Just flipping vacant rent can be done for sure. Okay, so building wars, I wanted to ask you a little bit more about the bidding wars. Can you explain that a little bit more, Ryan?

Ryan:

Yeah. So I learned this a lot from doing my just residential real estate side. So just as a little bit of context, the agreement that we're trying to get them to, to get them to sign is called an a signer agreement. It's basically the other end of the agreement that we get with the seller saying that it's assignable. Now the buyer, we're going to have them sign designer agreement, basically agreeing to that. So originally we were sending out this, you know, I would talk to a buyer, whatever, on the phone, it'd be, Hey, what's the price? Okay, 30,000. And I would type up the doc sign and then send it over to them. And as I was thinking about, I was like, This doesn't leave a lot of room for if you have somebody else who wants a bidding war, because if I'm the one submitting that, then if they sign it now, it's binding to me because I'm the one who sent it. So there has to be some kind of way for in a traditional transaction, like a residential transaction where they are the ones that made the offer to us. And so we haven't we don't have a fully like, well, eventually we'll have a website where they can submit their offer on the website. That's the goal. You see all the properties, submit the offer on the website. Until then, I'm just having them email me or submit their offer verbally to me. And this is a little trick that we use in residential real estate is you want to give a timeline for when you want all your offers to be in. So if you think about it as the as the seller, you know, we're not technically the seller, but we're acting as the seller. You want to hold all the cards in your hand at the same time in terms of all the offers that you get in, If you have an offer that came in and someone said, Oh, one might be coming in in a couple of days, and then the person that the offer that you do have in hand is saying, Well, I'm going to give you buy tonight to decide. It puts you in a very tough spot because you have to choose between this bird in hand versus two in the bush. Someone might have said they're offering ten grand more, but you have this one for whatever. And so how you get around that, as you say, we're about to have a listing that comes on tomorrow. You say we want all offers in hand by midnight Friday night. That way all the offers have to come in by that time. And then you submit and you say and submit your highest and best offer. And then you go back and you do one more counter to the people that are close at the top, say, Hey, are you sure that's your highest and best? It never is. It never is our highest and best. They can always go up. So you go, Are you sure that's your highest and best ball? And that's how we got this thing that went from 23 to 24 or 25 up to 28 new picks, which I hear. Oh, go ahead.



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- Joe:** So when you put it on the MLS then, so that has the language on there. Do you like can you pre-released it on the MLS saying, Hey, it's coming soon, it's going to be here, you're building some anticipation for it.
- Ryan:** You can't you can't do anything about offers in the public remarks on the MLS. You can only put that in the private remarks. So I don't say anything specific about that. On the MLS, we have templated emails that we send out. Say we get an interested buyer or an agent who's interested in buying it. We have an email that we send out to that agent or. Through that buyer that has all of the information that we can't put in the MLS, including when we want offers submitted by how they submit offers. GPS coordinates, all this stuff as well as a bunch of attachments, stuff that we can't get on the MLS.
- Joe:** Can you put it in agent remarks?
- Ryan:** You can, but the listing service we have doesn't make it easy to do that. So I just if they're serious, then I'll either end up on the phone with them or in an email chain with them. And that's just in that templated email that I send over.
- Joe:** So you can't you can't say on the MLS description submit, you can't submit offers before Friday the 15th.
- Ryan:** To my understanding, at least the MLS service we use, the only thing you're allowed to put in public remarks on the MLS is information about the property, physical information about the property. You can't put anything. This is my understanding. This what they told me. I'm not super versed, but I've tried it and they say, no, that has to go in confidential remarks or agent remarks or whatever.
- Joe:** All right. So like, let's say you listed on a Wednesday. Mm hmm. It goes live on the Wednesday house. When are you are you getting enough interest in the property because you pricing is so low? Is that why?
- Ryan:** Yes. So we price it about 90%. And I usually gauge within the first day, the first 24 to 48 hours how long I'm going to give it. And so if this last one is submitted at the \$8,000, within like a few hours, I was like, call in Chris. Like dude disorder is going to be crazy. Like, we hired the photographer because we never go to these properties. We hired the photographer, give him an extra 50 bucks to go buy signs from Ace Hardware and put our number on there. And I was getting we got offers before it was even listed on the MLS.



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- Joe:** Serious.
- Ryan:** Yeah. And so I got I was like, dude. So we listed it. I think I'm like Monday morning. And I was and I gave it till Thursday night.
- Joe:** Nice. So you make that decision after it's listed?
- Ryan:** Yeah. Because we have some that have been on there for a couple of like we're ending the year of our 90 day contract. I just messed up when I did the valuation and valued it too high. And now we, you know, lower the price and lower the price and our margins spiked barely like we're talking about, barely gonna make any money. And so there's those ones, but the ones that within those first 24 hours you're getting calls on I yeah I usually give it less than a week is about five days.
- Joe:** And that's a question some people have is what if I make a bad offer and it's been sitting and it hasn't sell sold. You can go back to the seller and renegotiate a lower price, right?
- Ryan:** Yeah. Or we can just let the. If they don't want to negotiate a lower price, we can just let the contract expire. Nice.
- Joe:** Okay. Yeah. Got us.
- Chris:** So got a voicemail from a seller. That is one of the ones that it's taken a little bit longer and Yeah, I'm going to have to have a conversation with them potentially, you know, negotiating the sales price or just saying we'll part ways as friends this time.
- Joe:** Yeah. Yeah, for sure. You could also I've done this before. I give the seller a list of three or four realtors that they can contact, could do a lot of land that they can help them. I wanted to ask you about the commissions. So when a realtor brings you buyer, what kind of commissions do you pay that realtor?
- Ryan:** 3%.
- Joe:** That's it. Yeah. Okay. I thought, you know, with cheaper price land, is this a California thing? Because in Florida, some other states, North Carolina I've been in, I'm typically the total commissions are around 10%. So I'm paying the buyer's agent around 5% on the lower priced properties. Right. Okay. California, you're doing 3%. Not a big deal.
- Ryan:** But again, that suggests to the buyer's agent, right?



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Joe: Yeah. Yeah.

Ryan: Yeah.

Joe: So that you're not getting any kickback from that.

Ryan: From what?

Joe: From the buyer's agent saying I want more than 3%. What are you doing?

Ryan: Well, yeah, they do, but we're like, if you're buyers and just we bank on the fact that our properties are desirable and the buyer is wanting to buy that property. And so the listing agent can do some unethical practices, business practices, and try to steer them elsewhere. But ultimately their buyer wants that property and we get flack all the time. But it's like, Hey, you don't have to go out there like or, you know, you send your buyer to me and you don't have to represent them like I'll represent them.

Joe: Yeah, yeah. Just tie them to the property?

Ryan: Yeah, exactly. So we keep that in there and you know, the 3% and but again, our properties are vacant. So I so my pitch to the, the buyer's agents is you don't have to go out to the property yourself. I always tell them I'm a realtor. Look, you don't have to go to the property yourself. I'm going to send you the designer agreement that your broker might require of a vacant land purchase agreement for the car forms. But you don't have to do that. We can do this, or you just do this designer agreement. You give the GPS coordinates to your buyer, you send them out, I send you sign or do it to you. You click a button and boom, there's like, you know, 1500 bucks in your bank account. So I sell it to them like that. Like, Hey, you don't have to do anything. And you can make a 3% commission on this.

Joe: Beautiful. Love it.

Chris: Okay. It's worth noting that the \$20,000 spread we're about to make did not have a buyer's agent at all. Wow. We did have to pay a commission on.

Ryan: Nice and the buyer's during off closing.



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- Joe:** How do you guys pick your markets? There's only you know ten. Counties, 12 counties in California. So do you do you go countywide or do you go down into drill, drill down into specific areas in the counties?
- Chris:** We've been doing county wide in price so far. We did. Fresno County. Kern County. Kern County was the one where I did like 500 letters in Fresno County. And then I switched to Kern County and just did 5 to 10 acres. I think I also limited the value to \$20,000 in that list as well. So we're actually starting a mailer and a thousand letters a week right now with the new parameters with the higher price.
- Joe:** So the price you're saying the value is higher than \$20,000?
- Chris:** Yes. Yeah.
- Joe:** Yeah, That's interesting. And that's one of the cool things you can only do with price, which is why I love it so much, is because you can say avoid these cheap ones in price has an estimated value on every vacant lot based on calves. So you're saying all these give me a list of properties that are worth over 20,000?
- Chris:** Yeah. And this isn't necessarily a ringing endorsement for price estimated values.
- Joe:** Right.
- Chris:** But I've actually started to use county assessor values at a certain like 10,000, \$10,000 in county assessed value, because that pretty much guarantees in most cases that the property's worth more than that.
- Joe:** Okay, good. And you're sending neutral letters.
- Chris:** Within the letter. The letter that you give us in the course.
- Joe:** Just says call or text the 24 hour recorded voicemail. Yeah. How's that working for you? And you like it? I know it's not perfect.
- Chris:** But it works really well. I mean, I just like everybody. When I sent out the first list, I sent out the first mailers and, you know, waiting on that first phone call, it's like, I don't know this word. I just paid a bunch of money for this. But yeah, they'll be you know, the voice mail comes in in that campaign. I come from like a sales background where you have like a Kanban view. You take things through the pipeline. So part of me wishes that it looked a



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little bit more like that. But, you know, we've come up with our own buckets to put things in along with these.

Joe: Are you using statuses or groups?

Chris: Yeah statuses.

Joe: Yeah. Okay. Yeah. Have you, have you tried the new direct mail functionality yet?

Chris: Not, not yet. I still have a big inventory with was Rocket Print.

Joe: That's great. You're getting great pricing with Rocket Print. Yeah. You'll get the same pricing and maybe better first class mail with freedom. Stop the new direct mail engine now. But I'm working on putting all my templates in there and that should be I'm going to have some training videos on there, but you can send one off letter offers to sellers and it costs the same as if you're doing 5000. And the follow up thing you can do now with direct mail is was really amazing. Awesome. When you get a deal under contract, are you using a different tool to kind of manage the sales process using free and soft still for that?

Chris: I mean, we supplemented with a Google sheet that we share that like Ryan basically just uses that to like say, okay, this is we're going to listen for. And if he has to make a change to pass it down, there's probably a way to manage that and freedom of about that. We just don't know yet.

Joe: A lot of people do that and then sometimes we do. I try as much as to keep it all in one place, but I know a lot of land investors that will do their acquisitions in their CRM of choice and then might use Monday.com to sell the dispositions, selling the deals. You know, something that can give you a little bit more flexibility and that puts that through pipeline thing that you're talking about there.

Ryan: Yeah, I used sheets. Yeah, we just and that's because you can just have it all there. You can look, you we have our stages in the pipeline. We can through sheets, put them through the pipeline at a glance, see the owner and all the notes on it and just go through like that.

Joe: Yeah, that's cool. You should still track your stats. Your KPIs like your key performance indicators in Freedom soft. So when you do sell the deal, put your revenue numbers in there, market is sold that way. You can see from the lead that came in how many from the from the list that you downloaded, how many leads you got from that? How many leads did you send offers to, and then how much revenue did it generate? So you can see your



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revenue per lead. And by the way, Rob Swanson is going to be soon updating the whole KPI dashboard. It's going to be pretty amazing when you when it comes out. One or two more questions. What was a year? Well, yeah, yeah, I remember. Chris, you got my business completion challenge. I have a picture of you holding your check, getting a refund for my course. Is that right?

Chris: That is correct. And that was honestly one of the things at the end when I had my buy decision criteria that helped me make that decision. And honestly, even before I came on it, it was like I was getting towards the end of my marketing budget. But I knew that at that 25th offer that I sent out, I, I could send that all in and I was going to get that back and I would have at least, you know, a couple more months of marketing in there. Yeah.

Joe: So I, to date I've refunded over 270, \$275,000 and course completion Channel three right. Where I goal is to do a million and some people think I'm crazy for doing that but. It's helping people like you, Chris, who are just like, I don't know if I should do this. Like, you know what? Joe's got a great guarantee there. I'm going to go and do it anyway. And so I get some testimonials. I get guys like you on my podcast talking about how awesome this business is. And I have a business proposal for you I'm going to ask you guys about later offline here that maybe we can do some deals together. So congratulations. That's awesome. Chris, good to meet you.

Ryan: Thank you.

Joe: Keep me updated, please, on your progress. It's so cool to see you guys doing these deals. And it just. It makes me super happy.

Ryan: Good good.

Chris: Awesome, we're thrilled. Yeah. For the opportunity to talk to you like this. And yeah, I think more will definitely report back. We start to implement the cold calling because yeah it sounds like that's a really good next move.

Joe: Yeah I totally think it would be. All right guys let's wrap this up. Any final tips you want to give both of you, each of you, to somebody who's new in the business, just kind of testing the waters a little bit. What would you say to that?

Chris: I mean, I'll go back to what I said from the beginning. Just start taking action. Just send out the mailers, even if you like. I didn't set up freedom sites and I did set up all that. But even if you do have to use your personal phone, you know, for a while, just send them out and



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just start getting calls. That's the it's the biggest thing is just don't sit there. Just start taking action. It absolutely is a numbers game. At a certain point, like even if your numbers are worse than somebody else like and you send enough offers, you are going to get one accepted. And once you have that, there's number of ways you can profit from that deal.

Joe: Yeah, that's awesome. Yeah. Yeah. So, Ryan, what about you?

Ryan: I mean, I was just going to say. Yeah, numbers game. Yeah. Don't get discouraged. Just keep sending them out. And if you do come across, your numbers are super duper low. Like, take inventory, be like, okay, why are my numbers so much lower or whatever? But if you're following, you know what you advise Joan, then you're doing it like that. I mean, the numbers are just going to speak for themselves and just keep doing it.

Joe: Awesome. Good. All right, guys, stick around. Don't hang up yet. Those of you that remember at the beginning of the podcast, I talked about, if you want the strategy pdf about how I did with my sons over 150 grand in profits from flipping vacant land, strategy pdf dot com Check that out. Also talked about the workshop. We've got another one coming up. We're going to start doing them every month. A lot of fun. We're just going to roll up our sleeves, get on the phone, start making offers, go to Joe McCall dot com slash workshop to get information on the next one that I'm going to do. And we'll be doing that with Gavin. Tim's my coaching business partner. Yeah cool. Thank you, Chris Ryan appreciate you all. Yeah. See you guys later. Don't hang up. Just wait. All right see you guys, bye bye.