



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

1288 – What to Do When You're First Starting Out

Hosted by: Joe McCall

Joe:

Good morning, Joe here, REI in your car. It's a beautiful day today. I'm actually really happy and excited. It's Monday and it's raining. It's raining and overcast. But the reason I'm so excited is I'm leaving the my last day at the rehab at the hospital. So I've been doing rehab three times a week for the last four weeks. But just, you know, mainly doing cardio stuff. They hook you up to a bunch of monitors and they make you walk on a treadmill. And then what? A slow bike and sometimes a elliptical. But thank you, God, my numbers are really, really good. And blood pressure is really good. Heart rates really good. I've been eating healthy, feeling good and strong. My, you know, my chest muscles are still sore, like, you know, from the surgery. And that's slow. That's a 12 month recovery process. But I've been super, super blessed. And so they did all my tests and I did a lot surveys and I answered all of their million questions. And the reason I asked it had no, you know what's cool is the other day my wife and I went to have and my kids, three of my four kids went to have dinner at this Thai restaurant that's close to our where we live close to our church and just sit down, you know, And then a minute later, in comes the doctor, the surgeon that actually worked on me. His name is Dr. Docs. Guy's amazing. You know, like any time. And as I think about this, like, do I have a special place in my heart for him? You know what I mean? Like, literally and figuratively, no pun intended, because this guy literally held my heart in his hands, or at least he touched it and takes out my bad aortic valve and replaces it with a new, new one. And so anyway, I got to see him and talk to him. And, you know, he works on he probably does, you know, five of these surgeries every week. And it had been five months. But he did remember me. And I don't know if I told you guys this before in a previous podcast, and my apologies if I had. But the funny thing was he remembered me because of my little goatee thing on my chin, and he's from Puerto Rico and he remembers me because I was talking to him about how I when I was in Puerto Rico, like a week before the surgery and I shot a bunch of iguanas. I was in Puerto Rico with Jerry Norton. Go check out his YouTube channel. Really, I like Jerry a lot. He's the real deal. He's like, we spent a lot of time looking at some of his deals and talking about real estate. He's got a great YouTube channel now. But anyway, I was in Puerto Rico the week before my surgery and I was really like, I didn't know if I should go to Puerto Rico because I was having these heart palpitations, real bad dizziness, and but it was a great opportunity to go spend some time with Jerry and film some videos. We did a 7 or 8 seven part video series on flipping vacant land. You should go to his YouTube channel and take a look at that. She's really, really good. But so my doctors from Puerto Rico. Well, one of the things Jerry Norton and I did is we went and went iguana hunting and we shot like 25 iguanas. They're invasive. They're an invasive species. They're not native to Puerto Rico, and they just destroy a lot of people's



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

yards and gardens and stuff like that. So, yeah, if you are offended that I went and shot and killed a bunch of iguanas, don't be because we actually freeze them. Jerry freezes them and sells them to a guy who sends them to a gourmet chef in California who turns them into food. I don't know, like gourmet iguana meat. Anyway, so the doctor remembered me because of that. And so it was fun. We got to talk with him. We actually he was with his son. He's in his 30s. We had to sit down and have a big dinner together at this Thai restaurant. And I just loved this guy, you know, Makes me want to cry a little bit. I'm just super grateful for all the physicians and the doctors and the nurses and the janitor staff and the security and all these people that work in these hospitals. And God bless you. Like it's really touching and amazing, you know? And these doctors, you may say, oh, they're getting paid well. They're sitting fat and comfortable and, you know, they get paid. Really? What? No, but okay, maybe they do it. Thank God they do. Right. Like, I don't know if they get paid enough.

Joe:

But here's the thing. You don't realize these guys work hard like they're on call 24 seven and they're working like 60 hours, 70 hours a week. Some of these doctors and nurses, they come in when it's dark and leave when it's dark. And you realize the pressure, the stress, the demand that they have on them, you know, they got people's lives in their hands. How do they. So thank you. Thank you. Thank you. All of you guys, listen to this. That are doctors or dentists, are there emergency responders who help people who are sick nurses, the custodians, the janitors? Yeah, it's just super. I'm like. And so here I am five minutes into my podcast and I've not talked about real estate, but I've got something I want to talk about real estate with y'all. And it has to do with I was thinking about this because I'm doing a workshop coming up. Real soon here. I don't even have a link to send to you, but this get on my email list and I'll probably do another podcast talking about it. But on December 2nd, as I'm recording this to Saturday, I'm doing a 3 or 4 hour workshop or I'm going to be going live and I'm going to show you how to break into a new market and do a bunch of land deals. I'm going to be demonstrating at live. We're actually going to be making offers and talking to buyers, talking to sellers and all that good stuff. Right. So anyway, how what you know, a lot of people are stuck in like, I get it, you're not in a place where you can do thousands of dollars a month in marketing for direct mail, like the fastest, easiest, best way to get leads and do deals is with direct mail. It works. And on average, but you got to spend about 1000 to \$1500 in direct mail per deal. But you're going to make on average \$7500 to \$10,000 or more in profits. So our average profits on vacant land deals in the last year, then about \$10,800 per deal. But you've got to spend about 1000 to \$2000 in direct mail. That's just kind of how the business works, right? You put you invest in marketing, you make money back. So but you may not have what you're starting off. You're not new to the business. You haven't done any deals yet. You're working full time job. Maybe you're a doctor and you don't have the time or, you know, you don't know



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

for sure if this is something that you really want to do. So you're kind of I don't know. Right? You're just everybody's in a different spot. So you're wondering like, well, okay, I don't want to spend the money. I can only do \$500 a month on marketing or direct mail. So what should I do? Well, there are some really, really simple things you guys can do right now to start getting leads and start making offers, because we all know the number one rule in real estate is what make offers, make offers, make offers, and that's it. Nothing else matters. Make offers. Make offers. Make offers and write this one down. Your speed income is directly proportional to the number of offers that you make. It's directly correlated. Don't ask me to tell you what correlation means or proportional means or whatever, but like if you want to do more, if you want to make more money, if you want to make money, period. In this business, you need to make offers. And on average, you know, if you're doing direct mail, we average about one deal every 20 offers that we make. All right. If you're doing more of the free strategies, which I'm going to talk about here, you might have to be like one out of every 50 or so. It's just a six, half one dozen, the other or something like that. So if you want to do deals, you got to make offers. So if you don't have any money for marketing, guess what? That's okay. You just need to make more offers. So you either have money or you have time. When you're getting started into this. And I can virtually guarantee guaranteed, virtually. I mean, unless you're, you're, you're making stupid offers like a \$1 but like you can, you'll do deals if you make \$100. Let's say you make five offers a day. That's how many offers a week. 25 offers a week times four. That's 100 offers a month. Could you make 100 offers a month on vacant land deals? Yes, 100,000%. You can make five offers a day, 100 offers a month. So I'm gonna show you out. But, you know, it all comes down, down to this. Like, how bad do you want it? You know, maybe it's not that big of a deal to you. Maybe you kind of want it. You kind of don't. I don't know how bad you want it. So the first thing I tell you, the best place to go and just start making offers.

Joe:

And here's the deal. You know, you may not get a deal from these offers, but you're building relationships with realtors and other investors and wholesalers so that maybe in the future, because you're going to be following up with them, you will do a deal. They'll bring you a deal. That's the whole point of this. All right. So you might be discouraged and think, man, I this is a property that's been on the market for six months and hasn't sold yet. They're asking for 50 grand and it's worth 20. They're not going to accept my offer at ten. Well, okay, maybe not. Maybe. But you're opening the door, You're getting your foot in the door and you're building a relationship with a realtor or somebody in the business. Right? And so then that may that bit may become a deal in the future. So let me explain to you how it works. First thing I like to do is I like to go to Redfin. Well, first, go to Zillow and find like, you can do this in Redfin as well, I guess, but find it in the in the last six months, nine, three months, Where is all the activity? Where are all of the buyers buying land? And that's



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

where you want to focus on, right? So you want to focus on the hot markets where there's been a lot of activity. I'd say, you know, in the last 90 days, there should be at least 50 to 75 sold in the last 90 days for vacant land only. There's vacant land. That's a good market. So there's a ton of them out there. Right. So that's where I would start first. Okay. Then you go into that market, you look all right, so me, all of the active land listings and I would say I would ignore the ones over 100 grand. Maybe just getting started. I would say Max Price \$100,000 and I might even do minimum price. \$20,000 maybe, because like. It's really hard for you to make money when you're trying to sell a deal at \$5,000. You know what I'm saying? So there's some states where there's a ton of properties that are for sale for 4 or 5000 bucks. I would ignore those calls. You're going to have to buy them for a dollar or something. I don't know. I just have never done deals. Those and that small of a price range. So I would say maybe minimum 10,000, maximum 100,000 go into that county and then look up actives and then look at then on the market longer than six months. And some of these you're going to find a ton of them. Now, there's other things you can do, too, is you can also say, all right, been on the market longer than 60 days, but have had their price reduced in the last 30 days or more than 30 days. So I would look at first, then on the market over six months, second, then I would look at maybe been on the market over three months, but had their price reduced recently. The third thing you would do is you could do keyword searches, right? So you could look at all of the vacant lots, but do a keyword search for the word motivated, something like that. And then you can find a bunch of these. And here's the thing. Guys like you can you can do this in one county, but if you do this every day, you're going to run out of properties right in that county. You're going to reach out to all of them. Well, guess what? You've got the entire United States in your backyard. You can do this in one county and then go to the next county the next week in the next county, and then go to the next state. Like you will not run out of people to do this for. They then the other thing you can look for are the for sale by owners. So look at the FSBOs for sale by owners and you Zillow's best for that I think And then just contact these So what are you doing now? All right. So why haven't these properties sold yet? Because they're overpriced. They're just asking too much. All right. So sometimes sellers just need time to cook. Sometimes sellers are like, yeah, you know what? I'm going to try to sell it for this. But it's been six months. The realtor is getting frustrated. The seller is like, What's going on? Mr. Realtor, you haven't sold this thing yet. Maybe they're starting to get motivated. Maybe they're starting to get tired of paying the HOA dues. Maybe they get tired of paying the taxes or whatever. And so you got to call these realtors up, you know, say, hey, Jane, I'm interested in this property. This is what I'm telling you to do. Now call. Pick up the phone and call. This is the key to all of this, picking up that phone. And it's not an 800 pound cactus, okay? It's if you're not on the phone, you're not making money in this business. Right.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Joe: And if anything, you get out of this and anything I talk about, if you could talk to five people a day, just talk to I mean, maybe don't even make an offer. Just talk to five people a day. You'll do deals. So you're going to call these realtors out, bringing you a lot of voicemails. That's fine. Just text them. Call them again. When you dial the number and it goes straight to voicemail, just hang up and dial the number again. Do that 2 or 3 times, but talk to them and say, Hey, I care. I'm interested in this. You know, this this 0.26 acre property in this area. You don't have a minute. You don't know. Can I ask you some questions about it? Hey, I'm an investor and I'm interested in this property. By the way, I don't have a realtor representing me, so if you want, you can represent me and double dip the commissions. In other words, I can get both sides of the commissions. And also I tell them sometimes, listen, if this deal doesn't work out, if I'm an investor and I'm always looking for discounted off market properties, if you can bring me and any other deals that are off market, I pay 10% commissions. Yeah, okay. I'm not going to go too deep into all of that. But like I'm always approaching these realtors with first, like, I want to help you make more money. And so if you can work with me on these land deals, buying land, I can make you money. So I can. Can you tell me about this property? You know, it looks like a nice property in a good area. The lot, it's all sold activity. Why hasn't this thing sold yet? There's something wrong with it. And then I ask them things like, I don't have my script in front of me. I ask them things like, you know, I'm certain certainly your client's not in a hurry to sell this thing, right? Like it's been on the market. How long he's been on the market. I know, but I'm going to ask anyway how long he's been on the market. You think? Oh, okay. Yeah, I guess. Wow. Shoot. It looks like it's been six months. Why do you think it hasn't sold yet? Is it is it just overpriced? How negotiable is your client on their price? They're not in a hurry to sell, right? They. I doubt. Boy, they're probably not going to. I'm looking here at active listings in the area and I'm doing this on Red Phantom zooming out. I'm seeing all the similar active properties on the market right now. They're asking 50. I'm like in wow, shoot. I mean, they know. Do they know? Like I'm looking here and I'm seeing some properties that are currently for sale for 30. Have you asked them why would somebody want to pay 50 for their house when they can this vacant lot, when they can buy another vacant lot here at mile away for 30 grand or something? So I'm just asking these questions right to the agent. I mean, I'm looking at sold. I quickly flip over to sold and I say, Well, shoot. I see. And I'm going back a year absorbing this list from low to high. So I see the cheapest sold first and I'm seeing some sold here that sold for, you know, 10 or 15 grand. Your client wouldn't accept anything in this price range, would they? I'm just asking the question. Sometimes realtors will say no. They've rejected offers higher than. That before I could say, Well, could you at least just make a verbal offer for me? Because sometimes, you know, because sometimes sellers will just need some time to think about it or they they're just thinking their property is worth way more than it is. Plus, it might even actually help you sell this property faster because now the client might consider lowering their price. Obviously it's



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

overpriced. They're asking way too much. So I'm not asking me to write up an offer, but just at least make a verbal offer for me to see what the realtor says. Kind of wrapping up this podcast here.

Joe:

The main thing you're doing with these realtors when you're talking to them is just establish, establish a relationship. Maybe. Do you want to say, hey, listen, if this deal doesn't work out, do you have any other off market, vacant lots in the area that I can buy, I'll pay 10% commissions. Can I send you my contact information so that if you find something, you can let me know. Now, you are going to get the realtors phone number, their email address, and once a month you're just going to follow up with them. Send them a text, send them an email, send them a voicemail. Hey, this is Jo. How's it going? You don't remember me, but I'm just following up on that property that we talked about, that offer that I made on that 2.3 acre lot or whatever in Jackson County. You're just wondering, have has it sold yet? The next follow up could be, Hey, do you have any. I'm looking to buy some vacant land in the area. Do you have any off market discounted vacant lots that I can buy. I paid 10% commissions on anything you can bring me. And that's how you do it, right? It's so simple. It's really not that hard. You just follow up. The other thing I'll tell you that you can start doing those two of the things I want to about do the same kind of conversations with For Sale by owners. You texted me, Call them. Just ask them about the properties. Do you have any other vacant lots you're trying to sell? Do you know anybody that's got some vacant land there want to sell? The other thing you should be doing is calling other wholesalers. So do some searching. In this Google search, we buy houses Tampa or whatever. Find all of the investors that are doing PPC ads that are local investors in that area that are advertising on the first page of Google or are high on the first or second pages of Google on kind of just SEO, generic search, organic search, you know what I'm saying? Find those guys, call them and talk to them and say, Hey, I'm only an investor. I buy and sell a lot of land. What do you guys do with your vacant land leads? Do you throw them away or do you work them? And maybe you can work something out with them? It's all negotiable. It's different. But you can say, listen, for every vacant land you'll get, for every vacant leads you give me vacant land to lead, you give me us. I'll share my profits with you. I'll pay you 25% of my profits. Or you could do 35 or 50%. Doesn't matter, right? These guys are doing a lot of paid PPC. They're doing a lot. You know, they've been around a long time. They get a lot of leads because they're high on page one, page two of Google. So talk to these guys and ask them what they do with their vacant land leads. They could send them to you and you'll split the profits with that. Maybe pay them a thousand bucks or something like that. Right. If you guys just did that, if you just talked to five people a day, could be for sale by owner, could be a realtor, could be another wholesaler. Just talk to them. Ask them, hey, do you have you got any deals? The other thing you can do when you're talking to them is asking them questions like, are you looking to buy any land deals?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Do you know anybody who is? So now you can start building your buyers list. You can find private investors. You can find investor friendly title companies. You can find investor friendly land, investor friendly land agents that can maybe list your vacant land deal when you get it under contract later. Does that make sense? So anyway, yeah, you guys, you control your own destiny in this business. There's nothing stopping you from making money. Doesn't money like you? I don't have enough money for marketing. Not an excuse anymore. Right? You don't understand technology or these expensive CRMs that are 100, 200, 300 bucks a month. Like you don't have to have all of it. Everything I just said to you, you could do with a cell phone. You could do with a pad of paper. You could keep track of all these leads in a spreadsheet or something like that. So just keep it simple. Make offers. That's all it matters. That's all I got, guys. Hey, real quick, I talked to you earlier about this workshop I'm doing. If you haven't been if you're not on my email list, just go get my free land flippers tool kit. That's Simple Land Kit dot com, Simple Land Kit dot com. And it's got a bunch of good stuff in there that you could use today. Like my scripts? Yeah, my scripts are in there and you can use those when you're cold calling agents and for sale by owners and wholesalers and stuff like that. So go to Simple Land Kit dot com you will get on my email list and then you'll be notified when I do these kinds of free workshops and I do them all the time. So if you miss this one, I'm doing it pretty soon here. You can get on the list for the next one. Appreciate you all. We'll see you. Take care.