Real Estate Investing For Real People

Five Simple Strategies New Investors Need To Adopt To Start Kicking A** in Real Estate

By

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Introduction

The "Problem" with Real Estate…

Let's face it, there has been *gallons* of ink printed about how to invest in real estate. Finding deals, fixing, flipping, renting – it's all been covered hundreds of times and in dozens of different ways.

This book isn't about how to wholesale your first deal or build a buyer's list, it's about a challenge that new investors face that is far, far bigger than that.

That challenge isn't about how to make money as a real estate investor – that's easy and can be summed up in one sentence – *sell it for more than it costs you*. A far bigger problem for any investor is how to effectively create and utilize systems within your real estate business to ensure you are able to easily find, buy, and ultimately sell properties *while still having the time to live the life you have so far only dreamed about.*

Of course, it's easy to buy and flip a few properties a year. Send out some marketing, lock up a contract, make repairs and sell. (Just watch all those television shows!) But, if you're really serious about becoming a full-time investor and fulfilling your own dreams instead of helping someone else fulfill theirs, then you'll have to adopt tactics and systems that no television show is willing to share.

Those tactics and systems aren't sexy. They aren't even revolutionary. But they are *incredibly* important to your success.

The truth of it all is this: Unless you develop a complete business system to assist you in running your real estate investment company, you don't have a company, you have a *job, that's right a J.O.B!* These systems and processes are the lifeblood of any business and the only way you'll ever be able to grow and eventually scale your company.

…And most importantly make *real* money in real estate.

Over the last two decades, we have created ways to do just that and more in order to be able to effectively teach it to investors like you. In those first years, before the real estate meltdown of 2007-2008, the systems and processes we developed were completely different than those we use today. There was a lot of time spent manually looking up leads, tons of on hand digging and ultimately tons of time working **<u>In The Business</u>.** We finally had enough, and started looking for ways to save time and money. We embraced the new online world where everyone is a few key strokes away from everyone else, incorporated the delegation practices we had been honing and started working **<u>On Our Business</u>.** And trust us, once you make that shift you will never go back.

Seeing how that simple mind shift made a huge impact on our lives, we felt the need to share that with others. Let's face it, we become investors to make money. Money that will enable us to start living the life we have always wanted. But in our experience, most investors who are just getting started or are investing and working full time in another business often wind up trading one 40 hour a week J.O.B. for another self-created 40 hour a week J.O.B.

This means, less time for your family. For your spouse. For you. Defeating the whole purpose of creating your own business.

Think of it like this - those big paydays are great, but if your real estate business takes nearly 40 hours a week to run AND you're still working another job, those take you away from the other things you love for 70, 80 or even 100 hours each week.

How much fun is that, really?

How long can you keep up that kind of pace?

When do you get to enjoy all those big paychecks you are bringing in?

Even if you could do it for six months, or a year, what kind of money would your real estate business need to generate to make you believe you can leave your full-time job?

For most of our students, that number is usually at least as much as they are currently making elsewhere. If they cannot replace their current income, they won't – or can't - leave that job to concentrate on real estate.

That's at the heart of why we began teaching our own systems, sharing our methods, and why we decided to create this book. Here you'll find the things we consider to be the keys to creating a dream life through real estate investing!

Processes to get you working on your business not in it.

Systems to get in touch with motivated buyers and sellers faster.

Programs that make it easier to make the offer and close the sale.

But, most importantly, all of these are able to work together to allow you to spend less time "doin' it, doin' it, doin' it." and more time living the life you want!

If you build it properly, you'll never have to feel like you're stuck on the merry-go-round of building a business that doesn't serve your life; simply trading more time for more money but never being able to enjoy it.

So, with all that said, get comfortable, get a pen and paper (or a highlighter, we don't mind if you take notes right here in the book), and let's get to work!

Chapter One: Becoming An Investor Before You *Are* An Investor

"Your Network is your Net Worth"

-Porter Gale

Without a doubt the biggest challenge for new investors is simply telling people they are a new investor. In our experience, most people start off with real estate as a side gig - a way to make a few extra thousand dollars each month while they continue to work at their "real" job. They don't identify themselves yet as an investor.

To put it another way, they set out to build a company in an industry that needs visibility and marketing and then resign themselves to being invisible!

How well can that possibly work?

Of course, if your goal is just to flip a house or two once or twice a quarter, you might be satisfied with those little paydays, but there's one problem: by the time our new investor does all the work – finding properties, identifying a motivated seller, getting a contract, finding a buyer, and actually closing the deal … they didn't really "make" any more money than they could have made if they'd simply spent those extra hours at the job they currently have.

Get it?

What we propose is something radically different:

Real estate investment is as much a lifestyle as a career. You can't be a restaurant manager Thursday and an investor Friday. When you're first starting out, you might need to be a real estate investor who's still working in the restaurant business, but you have to make a fundamental shift in your own mindset before you can begin to cash checks worth talking about.

Why?

Well, for one thing, it's about what Blair Singer calls the "Inner Voice." You know what we're talking about – the little voice in your head that tells you what you *can't* do – "*You're a tax specialist, not a real estate investor!*" or "*You're a single mother, why take a chance of losing your job if your boss finds out you're out moonlighting in real estate?*"

I'm here to tell you, if you don't change that tune, you will never allow yourself to turn real estate into real wealth. Playing small means taking what others leave you and never being able to control your destiny. You can never become wealthy if you play small.

That's really the point here. By modeling your business and growth on a successful system of actions, you can effectively plot your growth in a predictable way. In other words, you have a blueprint to follow of everything you need to do *and when to do it and you can mitigate the problems that many other investors are challenged by.*

In the end, the goal you want, is to be able to trade in your J.O.B. (*Just Over Broke*) for an M.B.A. (*Massive Bank Account*)! Just as importantly, you want to be able to do that in an easy and relaxed way so you can walk away from your old job and settle right into real estate investing as a full-time entrepreneur.

"Okay, you've gotten my attention, but what am I supposed to *do*?"

Well, first things first, let's take a look at human nature. People do business with people who have experience in their field, correct? So, the first step to becoming a knowledgeable real estate investor is to make sure you're seen with them, you're learning from them, and that you act like one!

Now, no matter where you are in this process, you've obviously taken the first step in this journey, because you're reading this book and you've come to your first workshop with us.

Here's an important way to look at your actions and education in real estate: if you're not learning from the other people in the room (inspired and fueled by them), then you're in the wrong room. To go back to my point about human nature from earlier, here's an exercise for you to do next time you're out in a public place…

Just look at the groups of people you observe. You tend to identify them by their common attributes. They are dressed in business suites; professionals. They are in scrubs; medical staff. They are in basketball uniforms; athletes. Your mind groups people together and that same phenomena happens when you are part of the group. You identify yourself as one of them. Even studies have shown you resemble the 5 people you hang out with the most.

Use that to your advantage and choose your group wisely!

Be sure to attend local events that allow you to meet people who are doing exactly the type of work your new business is focused on doing. A great resource for this is your local REIA (Real Estate Investor Association) groups. These groups can be found on Meetup.com, Facebook.com and Linkedin.com, for starters. This will also allow you to learn from the mistakes of others, observe what is really working and save yourself the time of figuring it out on your own.

But most importantly, you'll be observed by the people in those groups as being "one of them." Maybe you're a soccer mom during the day, but if you're at a real estate investing event, other attendees and members see you as a real estate investor.

And you don't have to be smart, experienced, or even good at it yet. In fact, you NEED to feel like the most inexperienced person in the room, because that will allow you to learn from every one of the people in there.

This is about building a network of contacts in your area that know you NOT as your "old" job (which you might still be doing) but as a real estate investor. This is the time to stand up and be counted as a serious investor who is willing to learn and always looking to expand their knowledge.

There's something more to this besides simply building a network and that's the idea of continuing education. If you are not learning and growing then you are dying. You need to be constantly surrounding yourself with people that are successful and achieving the goals you want to achieve. If you do this, you will find that you now have the knowledge *and* the network to support your first renovation. Then your first full gut job. Then your first knock down. To your first multi-family deal and so on.

In comparatively little time, you'll realize that your network – and your wallet – have gotten far bigger than you ever thought.

It's not hard to understand why we place so much emphasis on building and growing your personal network, as well as continuing your own professional education. We do it ourselves and we know that it helps us to put more money in our pockets. It also allows us to make sure we are teaching all our students the best processes and strategies to build their own successful businesses. The bottom line is this: start actively learning the business and building your real estate network long before you ever find or sell your first house. When the time comes to assign that first contract, you'll be able to reach out to your local network as well as access the training and mentorship of the entire team at REI Blueprint.

Chapter Two: It's NOT a Job, It's a Business

"It's the system, stupid!"

Michael E. Gerber, The E-Myth Revisited

One of the main reasons we are so passionate about new investors actively seeing themselves as investors is it allows them to think about their real estate business as a business, instead of simply a casual stream of income – something to do to make a little extra money on the side.

It really boils down to thinking about this as a money machine that can make you independently wealthy versus a hobby or a side gig.

Take for Instance, LeBron James. LeBron James plays basketball, right?

My Uncle Jimmy does too, in his driveway, with his buddies on the weekends.

LeBron James is a professional playing for millions of dollars every year and Uncle Jimmy is hoping he might win a $20 bill off his buddy Dan in the side bet they have going

Who do you think is more prepared?

Now, maybe Uncle Jimmy has an amazing jump shot and could have turned pro, but his views of training and preparedness are radically different that LeBron James.

Just like your view of real estate needs to be… starting ***right this moment***.

Now chances are, when you finished Chapter One, you kept continued on reading, so it's unlikely that you've been able to internalize all of the things that we mentioned just a few pages ago.

No problem.

But understand, the way we're going to lay this out for you from now on is that you've made the decision to be great at real estate investing and you're committed to your success.

If you're not, then you might as well put down this book, because nothing else we're going to discuss in the next twenty or so pages is going to be for people who are half-assed involved.

This is for real.

We're *doing* this.

So, let's go ahead and talk about the gorilla in the room – **time**. Most new investors are still working a full-time job. It's how they are paying the bills and it's also likely something they have a lot of experience doing, so their schedule is busy – at least 40 hours a week, and probably closer to 50, not counting the commute.

Since we're openly discussing creating a business, not a side gig, you need to be comfortable with the knowledge that your real estate investing business is going to take time each week for you to develop it the right way.

So where do you find the time?

Well, we have found three primary places that every investor, no matter how new or established they are, must focus on to be successful:

Delegation, Follow-up, and Automation

The first step in any of these is to determine what your dollar per hour is. Just like at your regular job, when you trade in an hour of work you are given back a certain dollar amount. The same is true of your real estate investing business. You will need to determine how much an hour of your time is worth. The easiest way to do this is to determine what your dream life costs. Don't scrimp, don't filter by current money restraints, really dig deep and calculate how much you would have to shell out a year to live that life. Now divide that number by 52. That will give you the amount you need to make in a week to live your best life. Finally divide that weekly number by 40. You now have your dollar per hour. This is the amount each task in your business needs to pay you in order for you to create the life you want. Is it a big number? It should be! Is it scary? Yes, and it definitely should be! Because change is scary and what you want is a big change but trust us, it is worth it!

Next take that number and look at all the tasks in your business. If you wouldn't pay another person to do that task for the dollar per hour you have come up with for yourself, then it is earmarked for delegation. Notice I said earmarked. In the beginning you may have the means to start immediately delegating out tasks, but most people don't. You are in what we call the hustle period. For the time being you are going to be doing some of these tasks yourself while at the same time structuring your business in a way that allows you to quickly delegate those tasks off as the means become available.

To prioritize those tasks to be delegated, you are going to look first at what needs to be done to alleviate some of the bottlenecks that keep you from building your real estate business effectively – basically, everything you might do when you're not working.

- Cutting the grass
- Cleaning the house
- Doing laundry
- Shopping for groceries

- Ironing your work clothes
- Driving the kids to and from school or practice

Sound silly? Take a hard look at the time you spend each week handling these tasks and consider how much time you can reclaim if you no longer have to do them.

We can already hear you saying, "Wait, wait, wait! That stuff all costs money! Where am I supposed to find that? AND I can't let little Timmy ride the bus!"

Considering that the average profit check most of our students make is well over $30,000 on their first property, and also remembering that they obtain their first deal usually within the first 60 days of them starting their business, I think it's obvious that $30,000 buys a lot of dry cleaning and grass cutting. Sure, this requires some commitment on your part, but remember, you've created more time to grow your business because you aren't stuck doing these jobs.

As far as getting your kids to and from school or practice, if you don't want them to ride the bus – or it isn't an option, that's fine – perhaps reach out to another parent and arrange for you to pick up or drop off their kids on certain days while they handle other days.

Now, that type of delegation is *outside* of your real estate business, but there is another entire process for delegating inside of your company, too. There are numerous tasks in a real estate investing business that are prime candidates for delegation. One of those being the tasks associated with following up. And if there is one thing we have found new investors don't like to do or let slide, it is follow-up.

And the follow-up is important! Remember this quote by Jim Rohn, "The fortune is in the follow up."

Again, and again, when students tell us they "can't get a deal to close" we find that those same new investors are not following up with their leads and prospects. Statistically, most sales occur long after the second or even the third point of contact. In fact, *over 60% of all sales occur between the sixth and the eleventh contact!*

We know what you are thinking, *"But, I don't want to bother them. They told me they wanted to "think about it" and I know they'll call when they have an answer in mind."*

Here's another great example of playing small! Do your business a favor and *never, ever, ever again refer to <u>your</u> follow-up as a "**bother.**"*

Instead, change "bother" to "bless."

Remember, real estate investors are providing a very specific service to a very specific group of motivated sellers and buyers.

You are serving your prospects and providing them a service they truly need! They're in a bind for any variety of reasons. It would be foolish to ever "bother" a prospect, or someone who truly needs us to help them, but we will make sure our team ***blesses*** them as many times as it takes!

Follow-up with every one of your leads, again and again. Simple as that. If they get mad, so be it. You – YOU – have to believe in the solutions you're providing and you have to know, inside and out, that you are offer your prospect the best chance to get where they want to go. The rest is just communicating that passion.

Now, even if we change "bother" to "bless," we still may struggle with the fact it can be frustrating to be told "no, not now" again and again. We get it, but this is a people business and that is going to happen. It is time to get comfortable being uncomfortable. Shift your mindset and take that "no" as a "not at this time".

Creating all of this follow-up has created numerous tasks and procedures, but the good news is, you don't have to be the one doing all the follow-up in your business. You can utilize Virtual Assistants (VA) to send out your follow-up Facebook messages or emails. They can even send out automated text messages so you can respond and jump on the phone to talk to leads as soon as they finally make the decision to do something about their situation.

Now that we have seen how important follow-up is and how it can be delegated off to make it easier, we come to the next way to buy back time in your business and that is through automation.

In a lot of ways, this may seem like another form of delegation, but it is really a framework that will keep your entire business organized, no matter how big or small you choose to scale it.

One of the best ways to incorporate automation into your business is to utilize a Contact Relationship Management (CRM) system. Now, there are literally thousands of these programs and if you believe some of the advertising hype online, simple email autoresponder systems like MailChimp or Constant Contact are real CRM programs. They aren't.

You see, a CRM, for all its complexity allows you, as the owner, to do a lot more than simply send emails. A true CRM like REI Blueprint or Keap, allows you to document every step of your buyer's or seller's journey with you – every email they opened, when your mailers went out, what marketing is getting the most responses and keeping track of all of the vital information needed to close a deal. Think of it as a management system, or framework, for technology and people that you can customize almost completely to your exact needs. Let me give you an example…

You receive a new batch of motivated seller leads from your data pull. Your VA uploads them into your CRM, which triggers your marketing pieces to start going out. A highly motivated seller calls in off an automated marketing piece. You document your call in the system including any and all features of the house. An appointment is set and entered into the system which syncs to your calendar.

After you've actually met them, you might fill out another internal form, again in your CRM, detailing your offer and any particulars – such as the comps you used, the ARV (After Repair Value), the repair costs, and, based on other details you've noted, that may be able to automatically filter your buyer's list for the best matches for you to offer the contract to.

Instead of a bunch of handwritten notes you can only hope to keep track of, the CRM stores all of this in the Cloud and you and your team can access it anywhere you need to from nearly any device in the world.

Of course, your CRM can also send emails. So, to continue with this prospective seller, if he or she didn't respond to your offer in, say, 24 or 48 hours, you can send them an email that could be personalized with their name, their address, and even particulars about your visit but was completely automated, based on what you've documented in the visit. Yes, even the offer price.

If they don't respond, your CRM could be programmed to create a task for you or your team to reach out to them to review the offer and address their concerns.

All this brings us back to follow-up and delegation – as you can see, even with this very simple example, we've already "blessed" these folks five times after they called us!

The most important thing in this whole example isn't how powerful the technology is, it's how much time this can save us and how we are able to stay in front of our leads in a cost effective and time effective manner.

Of course, this technology isn't free, but, as of this writing, programs like REI Blueprint can be had for less than $150/month, depending on how large a database of contacts you plan to have loaded into the program. When you consider this software can do the work of several people, yet never needs a day off, or benefits, or a nap, you realize what an incredibly inexpensive tool this is and how important it is for your success.

With a CRM acting as the foundation of your real estate business, it's also critically important to know there are dozens of other programs out there that can often be partnered with your CRM to allow increased functionality.

Programs like Mojo Dialer, PatLive, PlusThis, and VoiceNation are further examples of programs that can leave voice mails for buyers and sellers, send SMS (text) messages, and even schedule meetings for you or your team with buyers and sellers – automatically.

Now, we're not psychic, but we still know what you're thinking, *"This is incredibly powerful - almost scary - stuff. I don't know how to use any of this! I want to buy and sell homes and make a fortune doing that, not learn how to be a computer geek!"*

Really, if you're thinking that, you've missed the whole point of this chapter **– you DON'T have to do it!** Find the people who know how to deploy this technology and hire them, just like you hired the kid down the street to cut your grass that saved you two hours every week. A VA who is located overseas can be hired for less than a McDonald's burger and is more proficient in the programs and CRM you will be utilizing. If you have a sure-fire way to find, buy, and sell houses faster and with less of your time involved in each transaction, how much more money can you make and how quickly can you grow your own business?

In other words, don't step over dollars to pick up dimes. Understand the real cost of "saving" money, build a team with the right people on it that will allow you to do what you do best and allow you to create a system that supports your goals: becoming a successful real estate investor.

Chapter Three: Fishing Where the Fish Are

"Success seems to be connected with action. Successful people keep moving. They make mistakes, but they don't quit."

- Conrad Hilton

For many real estate investors, the marketing process is almost an afterthought. Many real estate companies have had incredible success using the same old marketing model for – literally – decades.

Put out bandit signs on Friday night and pick them up Monday morning.

Drive around and see if you can find a "distressed" looking property.

Send out direct mail written for a specific set of buyer or seller traits – say, homeowners who are behind on their taxes.

Every one of these tactics work, and in some markets, they work incredibly well. But as we shared previously, too many investors are playing small. Each one of these tactics requires a lot of time to effectively manage if you're only a one or two-person business. That being said, if you're one of the dozens of investors in a larger city, how many bandit signs do you have to put out to actually be seen by your ideal customer? – You know, the homeowner trying to sell the house they can't afford or the young family with credit challenges trying to find an affordable home.

All of us know how radically the housing market changed as a result of the recession. We actually learned two critical lessons in the midst of the 2007-2008 real estate meltdown.

The first was perseverance. As the markets tanked, our business model floundered, and home values collapsed; it would have been easy to just write the whole thing off and call it done.

Obviously, we didn't, but we understood that our business – in fact, our entire industry – faced a whole new set of challenges, to say nothing of the new regulations the federal and state governments had put in place.

The second critical lesson was about creativity.

The truth of it was people still had to live *somewhere* – the challenge was how to effectively find and market to people who believed they couldn't buy a home of their own OR the only option they had to sell their home was foreclosure or bankruptcy.

What we found in those first years after the meltdown was the importance of "fishing where the fish are." So just where in the hell were our "fish" – the buyers and sellers we needed to be able to market to?

Here was where our creativity began to flow. We incorporated tried and true marketing strategies but tweaked them to fit today's ever-changing communication platforms. As of this writing, Facebook has 2.32 BILLION users worldwide. To put that in perspective, there are about 7 billion people on the planet. Since everyone needs a place to live it goes without saying that the vast majority of Facebook users own a home and are potential leads.

Make sense?

It's not an exaggeration to say every buyer and seller you will ever need is on Facebook already.

But Facebook is not the only social media platform out there. There are literally dozens of social media platforms specializing in every aspect of a person's life – LinkedIn for business, SnapChat and Instagram catering to the younger generation, while Facebook sort of looms over the entire "social media" experience.

Not to mention Twitter, Reddit, Pinterest, Tumblr and scores of other ones.

Even with the most basic, tried and true marketing techniques, we found we could engage new buyers and sellers on these platforms, using what we already knew worked to spark conversations and later, sales.

We were able to create a complete process to identify, engage, and eventually convert people in the faceless world of social media into buyers and sellers we had a personal relationship with. So, how'd we do it?

The first thing we did was envision who we were reaching out to. What would they respond to? What means of communication would work for them?

For example, if we were dealing with a professional –say for instance the attorney handling a probate case, it was more professional to use LinkedIn to reach out to them via a personal message. On the other hand, if we were dealing with a distressed property owner who owned a suburban, family home, then we'd use Facebook.

Regardless of the platform used, the idea was the same – we would catch people when they were "checking in" on their social media accounts. In other words, when they were not distracted by work or family and decided to focus on themselves. As incredibly powerful as email is, many people simply scan email titles and delete those they don't have time to read. Social media, on the other hand, often catches people because they are accessing their account via their phone and if there is one thing that everyone has on their person at all times it is their phone.

They are accessible even if they are 1,000 miles away.

The reason this works so well is simple – we used an old idea in a new way. People haven't changed, but the way they communicate has. Think of the way your grandparents communicated with their friends and family. They called them on the telephone or even wrote a letter. How many people do you know write a letter or honestly even call each other? Most of our communication is done via text or through messenger.

The reasons we see these older marketing strategies struggling to get leads to respond is that we have moved on to more convenient and readily available avenues of communication.

By using social media, real estate investors are tapping into the fact that most people are utilizing social media for a large part of their day. It might be easy to miss an email, a bandit sign or a piece of direct mail, but it is a lot harder for people to "miss" personal messages from others in a social media setting. So, if you want your targeted buyer or seller to remember you, you have to engage with them on the communication platform they prefer and that is readily available to them. That is at the heart of the social media strategy we use.

Once we have identified a buyer or seller, we reach out to them with a personal message about the property AND send them a friend request. At this stage, it's about getting in front of them. To follow up on some of the delegation tactics we discussed in Chapter Two, this first message can be sent by a VA or, depending on the platform, it can also be automated with programs like DingoSoft which allows you to automatically send personalized messages. Ultimately, though, this message is just the first step in the process.

Six to eleven points of contact, remember? Social media allows us access to potential clients we may otherwise never be able to engage with.

Now, a few of you might think this is somehow "dirty" because we're intentionally trying to capture leads when they're somehow vulnerable. Nothing could be farther from the truth. What we are doing is reaching out to people who need the services we're providing and capturing *their attention* – making them aware of the solutions they didn't know existed and that our team specializes in. Good marketers in other industries utilize this concept all the time and you should be as well.

Honestly, there's far more to it than simply reaching out on Facebook so rather than trying to compress an entire strategy into one chapter of a book, we are going to be teaching you how at our next ***90 Days to Cash 3 Day Immersion*** training.

Chapter Four: Going Old School For New Sellers

"Sometimes seeing something new means seeing something old in a new way"

-Annonymous

Now, as we said earlier, after the bottom fell out of the lending industry in 2007, we found ourselves in a whole new world. The mortgage industry had changed radically, the housing market – at least from an investment point of view – had shifted wildly as a result of the fall of property values, and even though we knew we could weather the storm, we knew we had to do something different and fast. We lived in a state where there were only 21 days between a foreclosure filing and the sheriff sale! We needed a way to track down a lead quickly! We didn't have the luxury of going to the local county or city courthouse and looking up the tax records to figure out the owner's contact information.

Trying to locate an owner before a house goes up for auction, at any given time, in your city or county, there is a finite number of deals to be had. At the same time, there are other investors just like you who are looking for those diamonds in the rough.

Speed is critical in allowing you to find, review, vet, and make offers on properties *before* your competitors can. So, what did we do? We went old school! All the way back to our own credit and recovery days with skip tracing tactics popularized decades ago, coupled with new technology that makes it faster and more effective. At first, we simply took those names and addresses we had gotten from the courthouse and used the old "reverse lookup" function from online platforms like White Pages and various other websites. It was effective, but with the relatively limited strength of those early systems, it took time.

But here's what happened – we started finding deals that other investors were too lazy to track down. THAT was when we knew we had created an incredibly powerful tool for our real estate business.

There are a number of ways to do this today, but let's look at a "hard" example.

You've found a distressed property, a duplex in this example, and your trip to the courthouse has shown the owner of record to be an LLC in Texas, of all places.

A LOT of investors would stop right there. It's out of state, it's an LLC, which allows the owner a tremendous amount of privacy, and when you visit the Texas Secretary of State's website to find out more information on the LLC, the only information Texas may be required to give you is the registered agent of the LLC.

By using some basic skip tracing software, you can simply enter the name of the registered agent and begin getting information about them – phone numbers, address, social media profiles.

It's amazing what can be found with the technology available today. There are multiple software systems on the market today that allow real estate investors to deploy this type of active search. Some of the ones we've found most beneficial, and in no particular order, are:

- **TLO**
  Website: www.tlo.com

  Provide: Phone Numbers, Emails, Addresses and potentially other information

  Fee: $1.00 per search

- **PeopleLooker/BeenVerified**
  Website: www.peoplelooker.com

  Provide: Phone Numbers, Emails, Addresses, some social media links

  Fee: $9.83 - $18.28 a month/unlimited searches

- **Whitepages Premium**
  Website: www.whitepages.com

  Provide: Phone Numbers and Addresses

  Fee: $19.99 for up to 200 searches

- **LocatePlus (paid)**
- **Skip Genie (paid)**
- **Intelius (paid)**
- **LexisNexis (paid)**
- **Accurint (paid)**
- **TruePeopleSearch (Free)**

Obviously, with tools like this to provide you critical information, you'll be able to reach out to the registered agent and speak with them or send them an email inquiring about the owner and their willingness to discuss selling the property. In some cases, of course, nobody wants to talk to you (more on that in the next chapter) but in others, especially for absentee landlords who might have hit a financial bump in their road, you may be able to provide them a way out of the property with the right offer and a reminder of how profitable the property was for so many years.

That's one of the most common ways to track owners, but with the tools we've found and the systems we've built, we've been able to reach sellers no one else can. In fact, depending on the program we're using, we can simply plug in an address of a property, or an owner's name, and get loads of data on them.

Yes, it can be a little scary what is out there on the web. Emails, former and current addresses, phone numbers, social media profiles, dates of birth, history of the property, former owners, outstanding liens, fines, even building records like when certain permits were issued.

Each of these things, by themselves, might be of relatively little merit, but as a whole, they all allow you to understand what the property has been through and things about the owner that may help you to make a deal.

Now that you understand how incredibly powerful these tools are, let's talk about something that sometimes bothers students.

Privacy.

More than once, we have had students approach us and say they don't feel comfortable using skip tracing tactics to find owners.

To be perfectly honest it can be almost scary what can be found out about people via online searches with the correct software. That being said as long as you respect *and* protect their privacy as well as go in with the intention of helping them out of their situation then you are not "violating" their privacy

We would never tell you to use the information to try to cut a deal, but instead, we use this to *find* a deal. Real estate investing is about bringing buyers and sellers together and that is exactly why creating and using these techniques is so important: you can waste days trying to find an owner, only to be told "no, not yet" and have little to show for your time and troubles.

If you can cut to the chase in a matter of minutes instead of days, it obviously makes far more sense to do so and begin the relationship with a potential seller than it does to wait and hope. Waiting and hoping might be fine for investors who don't care if they close a deal, but for you? Or us? We've got money to make!

Chapter Five: Doing What The Other Guys Won't

"I have never worked a day in my life without selling. If I believe in something, I sell it, and I sell it hard."

-Estée Lauder

No book about real estate investing would be complete without a frank discussion about sales.

After all, nothing happens until you make a deal, right? Everything you do, as an investor, starts or ends with a sale. Period. If you, as an investor, can't – or won't – let yourself get comfortable with the sales conversation, then you've made it incredibly hard to make yourself wealthy in real estate.

Let's take a step back for a minute, okay?

First things first, "sales" isn't a dirty word. Remember earlier in the book when we suggested you change "bother" to "bless?" Same thing now. If you are uncomfortable with the concept of selling – and admittedly, many new investors who haven't ever actually sold anything are – then do yourself a favor:

Remember, it's *just* a conversation.

You're in business to make money, of course, but you are also in business to help owners who are in a situation they may need to get out of. To provide a recourse for those who don't have the resources to repair a distressed property or the time to get it ready to market and simply want to sell it outright and take the convenience instead of the ARV.

Now, hopefully that handles the more common objections from new investors about picking up the phone, but let's dedicate some time to looking at the harder part…

Making outbound calls. Or, if you like, cold calls. Now, we already touched on this idea a good bit in Chapter Two, but as many pieces as you put in place to automate contacting your prospects and leads, you still need to pick up the phone and talk to them.

There's no replacement for the sound of the human voice. If you want to know why we are such big proponents of making outbound calls, it's simple:

They work.

In our experience, working with students, real estate professionals, and mentors all over the country, 60-80% of investors miss sales opportunities because they won't pick up the phone and dial the number. From the statistics we've already shared, we know that sales most often occur after the sixth point of contact, right? And if nobody seems to want to make the call, then the percentages *are* really in your favor if you'll simply ***pick up the phone***.

So why is it that so few investors are willing to go this extra mile to make the sale? It really comes down to fear. Fear of rejection. Fear of "bothering" people. Fear of missing out.

Never say no for the other guy!

Time and again, we've heard new investors tell us, "I'm just terrible at cold calling or following up with my prospects."

Of course, you are! And when you were an infant, you were terrible at walking, but after some practice, you got to be pretty solid at that, right? Making outbound calls and cold calling potential prospects is the exact same thing. You have to practice the craft to be good at the craft. It's easy to believe some people are born with certain skill sets, and it's hard to argue with that logic when you look at a professional football player that's 6 feet, 8 inches tall and a finely chiseled 315 pounds. He was made for the game, but he also dedicated years of his life to becoming better. Why would getting comfortable with cold calling be any different?

So how do you do it? Discipline. Simple as that. Right now, in call centers all over the world, people sit in their cubicles and dial numbers. Their company knows how often those employees will close sales, how many times they'll actually have people answer the calls, and they know how many times those employees will be hung up on. They also have a clear understanding of the metrics of how long a sales call should last and, based on the talk time, how many sales a given sales person should have in a day.

Have you ever taken the time to work up you own metrics?

No less an authority on sales than Zig Ziglar once stated that a complete stranger knocking on doors would sell one product for every hundred doors they knocked on. Eighty of those "knocks" would go unanswered and of the remaining twenty, only five people would actually let the salesman into the house to present.

If our salesman closed one of those sales, which in Mr. Ziglar's experience he would, he was closing at a 20% ratio for the amount of presentations he actually got to do.

Think about that.

How many cold calls did you do last week? Most are going to say none. Why not? If you even got half of the closing rate above you are closing 10% of the calls you make! So, what have you got to lose?

More importantly, even when prospects say "no" on the phone, what they are really saying is, "No, not *now*." In fact, nearly 80% of our deals close between six and twelve months after the lead first contacted us.

So, let's talk about *you* for a minute.

How can you overcome what is essentially a phobia about picking up the phone?

For starters, set goals.

That might be as simple as deciding to make fifteen calls a day, regardless of the outcome of each one – no answer, voice mail, or one where you can actually speak to your prospect. Here's the important thing to remember – you cannot control who answers (or doesn't answer) the phone, but you can control how many calls you make. Statistically, the more calls you make, the more deals you'll get, right? And if we build on our earlier observation that cold calling is a skill that can be learned and improved upon, doesn't it make sense to practice those skills every day?

The lesson here is simple, if you decide to make fifteen calls a day, you absolutely need to track your success. Of course, you should be tracking the details of each call in your CRM – messages left, attempts made to reach the prospect, or calls where you connected with them as we talked about earlier in the book, but *personally*, you need to track those calls, too.

Make notes about everything and capture those metrics. Examples you should consider documenting might be:

- Do prospects answer the phone more frequently in the morning or in the evening?
- Are your prospects more direct and open to communication while they are at work or when they are on their own time? If they are pressed for time, they may volunteer information or objections they would otherwise keep to themselves, just to get you off the call.
- If you leave voice mails, what percentage of those messages are returned?
- What is the average length of your phone calls with prospects?
- What call attempt do most leads answer on? 1st, 2nd, 10th?

When you do connect with your prospect, it's also critical to not lapse into a casual conversation about things that have no bearing on the real estate offer you're following up on. Too many times, we hear new investors tell us they don't have any problem getting their prospects on the phone, but they never steer the conversation to a close.

They talk about the weather, the ball game, kids, people they know in the community … everything but the business at hand.

Let me tell you, you HAVE to build rapport with your prospects and ensure they know, like, and trust you, but you have to get to the point. Use a script and questionnaire every time to steer your conversation. These will allow you to make sure you get your critical questions answered so you can make the offer, follow up on the deal, move it to a close. Idle talk is never productive and never profitable. Get your prospects on the phone, make sure they're doing well or their family is healthy or their business is running smoothly, but steer the conversation to the real estate transaction. Are they ready to move forward? Are they having any challenges that you and your team can assist them through (title problems, credit worries, even figuring out how to get their belongings out of the house)? What you're really doing is handling objections, and gathering the information you need to make an offer you both can agree on.

When we were first starting out, we went to the trouble of doing all this and creating guidelines for our team to use on calls. We wrote out scripts for everything – buyers, sellers, lenders, *everybody*.

We role play those with our team AND we role play those with our students during our training. More importantly, when you attend our ***90 Days to Cash 3 Day Immersion*** training, you will see first-hand how a proven script can close a deal.

Even if you hate the idea of picking up the phone, you have to acknowledge and understand it's a necessary part of the business. As our businesses have grown through the last decade, we've done the math and the simple fact is this: when you, as an investor, do the things others can't (or won't) do, you'll cash the checks others aren't cashing.

When you get out of your comfort zone, your business and your bank account grow. Simple as that.

Conclusion

Every one of the chapters in this book represents things we consider to be non-negotiable for success in real estate, no matter where you are or what your model looks like. It's easy for a new investor to find a distressed property, clean it up, and sell it or to rent it – almost too easy. When it comes time to build a business based on their first successes, many new investors run into a wall of scalability they can never hope to overcome. Each deal simply takes too much time to complete, so they can never quite have "enough" time to do the things they love or income to just focus on real estate investing.

So, with that in mind, let's have a quick word about our ***90 Days to Cash 3 Day Immersion Training****…*

First of all, this book is only the tip of the iceberg. There are so many details that any book about real estate investing would need to be hundreds of pages just to cover how to do it successfully in one state, much less fifty of them. That was the driving factor in creating our training programs – to educate new investors on the pitfalls of real estate investing when they're not set up properly and to provide them the opportunity to avoid some of the incredible frustration we felt in those early years.

Some of those examples we've already mentioned – things like a properly built and organized CRM system to automate the flow of prospects through your business, implementing a system within your business and life to create more hours for work and fun, and developing scripts to ensure you and your team are picking up the phone when others aren't. We give this kind of structure and advice to our ***90 Days to Cash 3 Day Immersion*** *students because it is something we are passionate about. At the same time, these are the tools that have allowed us to scale our business year after year.*

If you're truly ready to take the next step and quit struggling to carry every deal to the finish line, then we want to invite you to join us at the ***90 Days to Cash 3 Day Immersion*** *for a much more in-depth training that can really push you into a six or seven figure real estate business.*

You'll learn the exact step by step process for finding highly profitable real estate deals so you can finally escape the 9-5 rat race and live the life you've only dreamed of while reclaiming the time your real estate business is stealing from you due to simply not having a better system in place.

We'll show you in detail how to implement the systems and processes every successful real estate investor has in place to ensure your profits so that you can finally start living the American Dream. If you want to finally - once and for all - break free from the stress and struggle of trying to get your real estate business off the ground and learn from a team whose companies are generating millions of dollars doing exactly what you want to do, then you owe it to yourself to attend our ***90 Days to Cash 3 Day Immersion*** *event. The cost is minimal, the education is priceless, and you truly have nothing to lose.*

To your success-

Rachel and Jason

REI Blueprint

About the Authors

Jason Roberts and Rachel Schneider have always been fascinated by the world of real estate. In 2001, while still in their early 20's, Jason and Rachel decided that instead of working for someone else, they would rather be in charge of their own destiny and opened a mortgage company. They eventually built that business into a multi-million-dollar company, where they closed over 3000 real estate transactions. Then the market crashed and they had to find a new way to use their real estate talents. That is when they went into real estate investing and started down a new path. Implementing the real estate strategies, they have honed over time they have since closed well over 400 real estate transactions, including pre-foreclosures, short sales, wholesales, probates, and many others.

Having seen pretty much everything, they decided to funnel that expertise into their true passion: sharing their knowledge with other investors. They now run a top coaching program with the nation's leading investors, own a profitable hard money lending company with over 2 million dollars in loans out to their coaching students at any given time, and continue to share their wealth of knowledge as co-owners of their local REIA ... all while continuing to flip houses using the exact systems they teach!