



**By Preston Ely, with Felipe Soares**

**WARNING:** This digital book is for your personal use only. You may **NOT** give away, share or resell this Intellectual Property in any way.

## **All Rights Reserved**

**Copyright © 2012. All rights reserved.**

(as in “All rights reserved to hunt you down and destroy you if you copy my stuff.”  
☺ Don’t do it, ok? Think of your own things. Use your brain. You’ll come up with something.

Seriously though, I regularly scour the web to see if my work is being plagiarized. I’ll catch you.

And then I’ll destroy you. MooAH-AH-AH-AH-AHHHHHH.....evil laugh)

Enjoy,

Preston & Felipe

## Table of Contents

Forward	Page 3
Introduction	Page 5
Chapter 1 “The Most Important Thing”	Page 9
Chapter 2 “Wholesaling – An Overview”	Page 20
Chapter 3 “Finding Leads”	Page 23
Chapter 4 “What to Do With Your Leads After You Have Them”	Page 34
Chapter 5 “What to do With Houses Once You Have Them Under Contract”	Page 45
Chapter 6 “Deal Killers”	Page 55
Chapter 7 “Some Closing Thoughts”	Page 60
Recommended Reading	Page 62
Epilogue	Page 63
Mentoring Program	Page 76

## Forward

It's been said that in Oriental culture it is taboo to write a book until you are over the age of 50.

I suppose there is a lot of wisdom in that.

It takes a good minute for our pea brains to wrap themselves around the complexities of life on planet earth. Every time you think you know something, you later realize you were totally wrong. And that's good.

When that happens we can then walk in our current circumstances with more humility and open-mindedness. Go through the whole process enough times and you become wise. It takes time.

Anyways, I say all that to say **this...**

I'm only 31 ... and I'm writing this book anydarnways. After all, I'm not Oriental! I like hot sake and I dated a Vietnamese girl in high school once, but that's about it. Plus I don't think the "50 year old" rule counts for digital books.

So why should you read this book?

**Because I graduated Harvard with a degree in real estate?**

Shoot; I barely graduated high school and would have rather punched myself in the face until I bled and died than have gone to college.

**Because I'm famous?**

Not just yet. But keep an eye on me.

## Because I am a nationally recognized speaker and writer?

Uuuhhh ... I'm big in Europe. Does that count?

No, you should not read this book for any of the above reasons people. You should read this book for this one reason ... **It's practically free!**

I am about to get you started on a proven fast track to real estate wealth, and it cost you less than freakin' fifty bucks! Where else are you gonna find that? This will be the same information (if not better) than the heavy hitters charge you thousands of dollars for in their seminars.

One difference you will see in this book is that I actually give you real life nuts and bolts details on how to get things accomplished (complete with forms, references to websites where to find required information, exact wording for your marketing, etc ...)

I could have easily stretched this information out and charged \$300 for some big "manual" ... but I didn't.

I cut out all the fluff and we are getting right down to business. You will get just as much out of this one book as with most gurus' expensive CD and home study programs.

Most importantly you should read this because **I made \$500,000 my first year in real estate** ... and so can you.

You're about to dive into the exciting and still-underground world of "real estate matchmaking" ... or as it's more commonly known, **wholesaling**. It changed my life, and it's about to change yours.

Pre\$ton Ely  
President, FreedomSoft LLLP

## Introduction

Dang I hated school.

Hated homework.

Hated gym class.

Hated getting beaten up by football players every time I did the littlest thing (like take their girlfriends by accident).

School just wasn't for me. I always knew I would not be going to college. My friends in high school used to ridicule me for not aspiring to higher education. They couldn't comprehend why on earth I wasn't following all of them with every little thing they did.

They just didn't get it.

Well, they started comprehending and "getting it" when I rolled up in my Lexus complete with 18" rims and sound system at age 21 while they were still in school living off mommy and daddy. And they definitely get it now that they see the 745 with 22" rims I've upgraded to and the waterfront penthouse I live in.

They get it so well that some of them have signed up as my students.

They have the college degrees, but they are now learning at my feet the true ways of the world of money, which school unfortunately just does not teach.

By the way, I'm not bragging with the whole 745/penthouse thing. It's just stuff; you could take it from me and I'd be just as happy (I think. Please don't test me on that, God!)

I'm just setting the stage is all. Painting a picture if you will.

Now, I am not bashing school whatsoever. Some people need it.

Doctors need it. Attorneys need it. Plenty of worthy professions which this world would suck without need organized education.

I'll probably even recommend to my kids that they go to college ... But I won't force them to.

Not everyone is cut out for it, and not everyone needs it. I'd be more of an advocate if they would just teach what we really need... life skills!

Have any of you read Rich Dad Poor Dad? Well go read the entire series. It will change your life. It changed mine. It took me from employment to enjoyment. From confinement to refinement. From a cubicle to ... The only thing I can think of that remotely rhymes with cubicle is icicle, but those books did not take me there.

Oh well. Go read those books. The people who listen to what Robert Kiyosaki has to say are the people who will survive in the new economy that we find ourselves in.

I don't know if you've noticed this or not but companies are no longer taking care of their employees; pensions are a thing of the past.

The government is not a viable option for security or financial freedom; social security is headed for bankruptcy and government cheese isn't fit for rats (actually yes it is. The rat race. Get it? Ha!).

401k's are about as good a retirement plan as just putting it all on black on the roulette table. Starting in 2001, anyone trying to retire via 401k had to go back to work.

It is all up to you now, my friend. It is up to you to provide a secure future for you and your family. There is no more security.

There is no more leaning on your employer to take care of you (do you really want that anyways – your future in someone else's hands?). How are you going to do it? What is your plan?

Forget about mere surviving and being able to retire for a second.

Do you have a plan for financial freedom? Financial freedom is the ability to choose when, where, and how much you work (if at all) while living the lifestyle you want. Very difficult to accomplish as an employee. Very difficult indeed.

My first sales job was selling steak and seafood out of the back of a truck during my senior year of high school. I was 17. That was fun. 😊

Next it was selling a \$1,700 vacuum cleaner door to door that same year. More fun! 😊 😊

After I graduated high school I partied professionally and worked at a BBQ restaurant in my spare time. A millionaire in the making. It was plain for all to see.

I spent my first 10 professional years as an employee of a financial brokerage owned by a lifelong friend of mine who gave me a break. I started out making \$4 an hour as the office do-boy (great break huh?) and ended up doing pretty well. Life was good.



But life suddenly got not good.

I was spending more than I was making. I was bored with my job. There had to be something more. This couldn't be all life had to offer. 9 to 5. Chit chatting at the water cooler. Kissing butt. Policies. Boring meetings that, on a scale of 1 to 10 on making-me-want-to-end-my-life-violently, ranked a 17 at least.

I kept talking myself into staying because I was making good money and had no college education. I didn't know I could do anything else. I was scared to death of not being under the wing of a company, which kept me from starting my own business.

Enter ... Rich Dad Poor Dad.

I'm pretty sure that book is what changed it all for me. I started believing that I could do something on my own; without a boss. I started looking into the #1 industry Kiyosaki espouses in his books – real estate investing.

Folks, the people who subscribe to the Rich Dad Poor Dad mentality are the people who will survive and thrive in this new information age we find ourselves in. Real estate investing with a “New Rich” mindset – that's where it's at. There's no other place you'd rather be.

It feels like it's only been a couple years since exiting the rat race. I paid my dues, and now I have several hundred real estate students that I coach and do business with on a routine basis.

People bring wholesale deals to my desk every day without my having to lift a finger.

The time to start flying around the world speaking and encouraging others has begun. If you really want to – and if your natural gifts allow for it – You can do the same thing.

Since the day I finally quit, got involved in real estate, and made \$50,000 my first month of “unemployment” I have been in absolute heaven on earth.

- no more meetings
- no more rules (except for those I put in place for myself)
- no more boss
- no more traffic
- no more office monkey ball tournaments  
(that’s actually a negative because those were pretty fun. Shirts versus skins. We had a lenient boss I’ll be the first to admit. But it still sucked because sometimes he would make us put our shirts back on because the receptionist couldn’t stop drooling. Never mind.)
- all the free time I want. I work when I want and how I want.
- more money than I had ever thought possible... money is no longer an issue.

Real freedom.

The way life was intended. Do you want it?

**How bad?**

## Chapter 1

### The Most Important Thing

*“Always bear in mind that your own resolution to succeed is more important than any other one thing.”*

*- Abraham Lincoln*

Attitude.

I can hear you groaning already. My point exactly – Stop groaning!  
Groaner!

If I skip right into real estate without addressing this I will be doing you a huge disservice. There is no success in this world without first conquering the battle within your mind.

Now everyone will tell you that they have a positive attitude. Maybe one in a thousand truly possess it.

How do I know? About 8 years ago I remember someone asking me if I thought the glass was half full or half empty. They were testing me to see if I really knew who I was. I said “Half full, of course.”

They laughed.

At that point I began vehemently defending my self-perceived positive outlook on life. This produced more laughter for some reason. Now this particular person was not exactly a nice “tester”. I don’t suggest “testing” your negative friends in this manner because all it did was make me mad.

But at a later date the nicest Tester of them all revealed the truth to me in a much more diplomatic fashion. The Tester of the hearts of men showed me the light.

It was one of the few true epiphanies of my life.

So I'm sitting around my house just miserable as usual. Everything was wrong and I was dwelling on all of it when all of a sudden ... I became enlightened to the most revolutionary, powerful, life changing truth of my life on earth outside of my salvation –

I had a negative attitude (to say the least), and I needed a positive attitude. **And this was the cause of all my unhappiness.**

It was a truly magical moment because the force of this truth just about knocked me over.

Isn't it weird how you can know something but not REALLY know it? It's called head knowledge as opposed to heart knowledge.

Do you possess a truly positive optimistic outlook on life?

Are you sure?

I mean, previous to my epiphany, I actually thought I was a positive person. My thinking was not in line with reality. I was deceived. This brings new meaning to Jesus' words 2000 years ago - "The truth ... Will set you free."

I got happy all of a sudden. Out of nowhere ... I had hope.

I stopped what I was doing, drove to the bookstore, and bought every book on positive thinking I could get my hands on. Most of them were

by Norman Vincent Peale who wrote the famous book *The Power of Positive Thinking*; Great book, you should read it.

So I'm pouring through books by Dale Carnegie, Anthony Robbins, Napoleon Hill, and the like.

The more I read, the more my epiphany proved true. Indeed, I had been living my whole life with a negative attitude. And not just any negative attitude. I was downright rotten. Mean. Critical. Complaining. Moaning. **Angry.**

I found why was bad in everything. I have no idea how, to that day, I had managed to be successful with my job in sales, which is an industry that demands a positive attitude. I guess it was just because I bulldozed my way through everything with no thought to diplomacy whatsoever.

From that moment on – to this very day 8 or so years later – I have been on a consistent self-development program, second to none.

I call it the “Kick Life Straight Upside the Head and Smile about It” program. Or, KLSUTHASAI for short.

Life is hard. It is so hard that sometime it ends up beating people to the point that they take their own life.

It is constantly pulling us down. Constantly beating us up. Constantly telling us we are no good and we don't have what it takes to make it. That we aren't good enough.

Listen to me and listen to me good, friend – **YOU MUST FIGHT FOR YOUR LIFE!** Make no mistake - **THIS IS WAR!**

You **DO** have what it takes, and you **ARE** good enough!

You were made in the image of the very God of this universe which is where your self-esteem gets its right to soar through the heavens! You are divine! Literally!

Let that truth sink down into your cranium long enough and you'll start walking with your head up and your shoulders back a bit.

How proud do you think Donald Trump's son is to walk around town knowing who he is and where he is from? How much more should you walk proud knowing that your dad didn't just build a casino and a golf course; He built this little thing commonly referred to as "the universe" and this other small project that went relatively well called "mankind." YAY for my Dad!

You should put your own KLSUTHASAI program in place for yourself because you are worth it! God thinks so and I think so. We're rooting for you!

It is not enough to just la-dee-da through life allowing whatever thoughts want to come into your head to just come on in, allowing whoever wants to control you to control you, allowing your fickle and weak feelings to guide you, or to allow circumstances to just have their way with you.

The world has it up to **here** with those types of people. The government, your boss, and the world system love those folks.

YOU, my friend, I am happy to declare by faith, are not included in this sad group.

YOU are reading this book, which puts you in the top 5% of people by that and that alone!

Most people don't bother. Most people wake up, drink their coffee, and in a half-slumber head off to work and float through their day still half-slumbering, come home, watch the depressing news, ignore their family, and faint for the night.

So sad.

Let's you and I make sure and do our best to inspire these people. To offer them hope. To show them a better way.

*"Up, sluggard, and waste not life! In the grave will be sleeping enough!"  
- Benjamin Franklin*

I read the most interesting thing the other day. It was about how a copywriter's job in writing a good headline is to snap people out of their trance.

According to this writer, 95% of all people are literally hypnotized at any given point in the day. They are simply "surviving."

Wake the heck up!

Life is short and we've got things to do! You are here for a purpose and it is your responsibility to discover this purpose and live it to the fullest. We will all give an account one day of how we spent our time here on earth. Nature itself makes it very obvious that much is required of us.

Dig deeper ... Look beneath the surface level of things and start asking yourself what is really going on here in life.

Why are you here? You are no accident. Nothing is accident. There is something very important happening here in life and it is our job to figure out what. This is what separates us from the animals after all.

Ok, so this is a book on real estate. Why am I saying all this? For this reason –

If your head is not screwed on right. If you do not have a truly positive attitude. If you do not have an entirely optimistic outlook on life ... You will not survive in this industry. Or, if you manage to survive, you certainly will not thrive at the top level, which is where I want you to be.

I am saying all this because I believe with all my heart that a positive attitude will account for about 95% of your success in real estate. When I bring in a new coaching student, I spend a good amount of our time talking about this very thing.

I can tell you almost everything I know about finding good real estate deals, and I can even coach you on a one-on-one basis. But if you do not have a positive attitude – we are wasting our time. You will give up when you approach your first inevitable obstacle.

*"The longer I live, the more I realize the impact of attitude on life. Attitude, to me is more important than facts. It is more important than the past, than education, than money, than circumstances, than failures, than successes, than what other people think or say or do. It is more important than appearance, giftedness or skill. It will make or break a company ...a church ...a home. The remarkable thing is we have a choice everyday regarding the attitude we will embrace for that day. We cannot change our past ... We cannot change the fact that people will act in a certain way. We cannot change the inevitable. The only thing we can do is play on the one string we have, and that is our*



*attitude ...I am convinced that life is 10% what happens to me and 90% how I react to it. And so it is with you ...we are in charge of our attitudes."*  
- Charles Swindoll

Let me tell you what I consider to be the very essence of the type of attitude I am telling you that you need to acquire –

**It is the thing inside of you that is 100% convinced that you can do anything if you really want to.**

Do you have that?

I have noticed that most all successful people have this deep seeded belief in their brains. As you embark on your new career in real estate you absolutely must believe 100% that you are going to succeed.

You are not just rolling the dice. "Well I'll give this real estate thing a whirl and see how it goes."

When I started my real estate business I KNEW I was going to succeed. It was only a matter of time.

This belief motivated me to stick with it when forces were against me and turning back to the COTC (Comfort of the Cubicle) seemed so enticing (Read the book *The Dream Giver* to help counteract this natural COTC phenomena).

Why do you need to work on your attitude?

Because for every 10 people who pay big bucks for me to coach them in real estate, only 2 of them end up seeing it through to success. A

majority of them I never even end up hearing from again after our first meeting. Isn't that crazy?

Why is this?

It's because every single new endeavor demands a testing period from us. Once all your enthusiasm wears off and the realities of what it really takes to make a business (or marriage, or diet & exercise program, or anything else of value) succeed sets in ... The average Joe quits.

Bottom line? They don't believe they can do it.

Life demands a lot of us, and outside of relying on God (which is the most important thing actually) it is up to us to train ourselves to become champions. Olympic athletes do not become world champions without doing things that other people simply aren't willing to do. Namely, train.

So the Olympians are training their bodies and we need to train our minds. Actually we need to train our bodies as well, which has an amazing effect on our minds as a byproduct. Where do we get this motivation to train and discipline ourselves for the purpose of ultimate success? It really boils down to our level of desire.

I was watching the UFC (Ultimate Fighting Championship) the other day. They showed a clip of Georges St Pierre after beating yet another poor sucker down.

The announcer was trying to interview him, but Georges tears the microphone out of his hand, falls to his knees, and with every ounce of energy and passion he could muster, with veins popping out of all his well trained muscles, and with agony on his face, he screamed out:

“Please! I am on my knees BEGGING the UFC. PLEASE GIVE ME A TITLE SHOT! I WANT IT **SO** BAD!”

It was intense.

So a few months later; guess who the new welterweight champion is now. That’s right – Georges St Pierre. They gave him his title shot against longtime world champion Matt Hughes and he won.

The guy who wanted it most (had the most desire) ... Got the prize.

How bad do you want financial freedom?

How bad do you want out of that cubicle (or as I like to call it – CubicHell)?

Take a moment and think about what you really want in life. Most people don’t do this.

What do you want?

Are you satisfied with where you are?

If not, you need to decide where you want to be and come up with a plan to get there. Set some goals. Put some pictures up on your wall of what you’d like to be driving and where you’d like to be living. I’d do it myself if I wasn’t so happy with where I’ve gotten. 😊

Don’t worry if your plan doesn’t make total sense and is thrown together. Just make it.

You should see the crazy plan I first came up with when I got started in real estate. I didn’t end up doing hardly any of it. But it got me moving.

That is the important thing. God rewards moving. He is a God of action. He loves pro-activity because He Himself is proactive!

Don't worry about how this is all going to work out. You're not in control anyways (that's a whole other book). Get busy and watch your destiny unfold before your very eyes.

When I started my real estate business I just got real busy – reading, meeting with people, planning, more reading, going to investment clubs, making offers I'm glad weren't accepted, going to seminars. I got real, real busy until one day ... Things just started happening.

Partners, investors, money, deals, new ideas ... Just started flowing towards me. It was almost too good to be true. I couldn't believe my "luck." All my hard work paid off and it catapulted me to a new level of living that I always dreamed possible. 😊 I will never look back.

### **Action Plan**

How do you develop a winner's attitude? I could write a whole book on this one topic alone. Here is the quick version. Do these things on a consistent basis and you will transform your life:

1. Watch "The Secret" I don't agree with everything in it, but I like that the premise is we attract what we expect to attract.
2. Buy everything by Anthony Robbins and listen to it all twice.
3. Read Keys to Success by Napoleon Hill and do the exercise "Definite Major Purpose". Read through your exercise every day.
4. Always be reading some sort of motivational book that makes you feel good. I recommend Your Best Life Now by Joel Osteen. There

is no way to read that book and not feel good about life.

It all starts with your thoughts, which lead to good feelings, which then results in positive action and positive attraction.

5. Stop listening to the radio in your car. Listen only to motivational and “success oriented” CDs or MP3s.

Doesn't sound fun? Well how fun is your life right now?

True champions pay the price and then reap the rewards. You can play now and pay later or you can pay now and play later. The latter will prove much more satisfying and ultimately easier on you.

6. Start controlling your thoughts and monitoring your self-talk.

For example – catch yourself saying “I can't do it” or “it's too hard.” Change to it to – “I can do it with God's help.”

You won't ever catch me dead saying I can't do anything. With God ALL things are possible, so says my ol' faithful bible. And I choose to believe it.

Tell yourself only positive things. Why? Because whatever you think about will come about. People are not usually poor first and then they start thinking they are poor. They first think they are poor ... And so they are poor.

7. Get rid of all your negative friends or at least limit your exposure to them. There is an ancient proverb that says “He who walks with the wise will be wise, but the companion of fools will be destroyed.”

Don't be destroyed, my friend. Please, I'm begging you. I don't want any of my students to be destroyed. Choose your friends carefully. Go only where you are celebrated. You are worth too much to surround yourself with mediocrity and hatred. Go to church or something. Hang out there.

8. Use your time in the shower every morning to tell yourself who you really are. And take showers if you don't already. Maybe that should be a separate point.

I do this shower ritual every day religiously. Here are some things I tell myself everyday of the week:

- I am a champion
- I am a world beater
- I can do anything
- I am the best at every single thing I set my mind to
- I am wealthy (fake it till ya make it)
- I am happy and peaceful and joyful and well rested
- I feel fantastic
- I am excited about this new day. I can't wait to see what God has in store for me!
- I am a born winner. I was destined for greatness.

It's called FAITH folks.

Faith means to believe in something even if you cannot physically see it.

Even if you are not currently experiencing these things in your life, they are nonetheless within reach. The truth lies dormant inside of you waiting for you to wake up and grab a hold of it! You were destined for greatness; it is just up to you to realize it and manifest it!

What the mind hears you say on a consistent basis it ends up believing. That's why a kid whose dad tells him he is worthless and will never amount to anything usually ends up that way. The child's impressionable mind believes it.

Start telling yourself something new. Start seeing yourself in a new light. Try to catch the vision that God has for your life. He loves you and wants to lead you into your destiny. He wants to show you why you were put here on earth in the first place. You have a mission to fulfill and it is important!

The bible says "And this is the victory that has overcome the world ... Our faith." Become a believer ... Not a skeptic. Become a positive force in this world. Develop the mindset of the truly successful.

Be positive.

p.s. – And if you don't believe in God. That's perfectly fine. You will one day. For now just ignore me about all that and focus on the valuable information I will give you about real estate. K?

## Chapter 2

### Wholesaling – An Overview

*“Wealth may be an excellent thing, for it means power, and it means leisure, it means liberty.”*  
*- James Russell Lowell*

I am not going to spend a whole lot of time on this because I think a majority of you get what wholesaling houses is all about.

So I’m working like a dog, buying houses and renting them out, trying to talk sellers into owner financing, attempting to lease option and then re-lease option the same house, and a multitude of other “creative real estate” tactics.

I was actually tempted to write “schemes” instead of “tactics” but decided not to because those avenues are viable options for the real estate investor (so long as you enjoy dying young from stress and working even harder than when you were in the rat race).

I not only had no money, I was LOSING money!

I had a large number of rental properties but almost none of them were cash flowing (very difficult to do in an inflated market like the one I entered on the west coast of Florida in 2004).

All along I have this friend rolling his eyes every time I told him he was doing it all wrong by selling (flipping) all the time. “You need to hold for long term wealth!” I would exclaim. More eye rolling.

So the longer I hung out with him the more I got tired of watching him drive a 500SL and a custom H2 Hummer, live in a mansion, and have half a million in cash sitting around at all times.



I was broke.

I owned way more real estate than him. But I was broke. And I was sick of it. The day I decided to sell all my houses and go full time wholesaling is the day my life truly began. True freedom.

*There is a better and easier way to produce passive income than rental properties folks.*

Rental properties are a second job. It's hard work; I don't care if you do have a property manager (making it even more difficult to cash flow your properties).

It does produce long term wealth for a lot of people (even though in my opinion it's no way to live), but hear me out here ... Make sure you have a lot of cash before you start doing it.

Most people just rush out and buy up a bunch of houses to hold as rentals. Then when vacancies and repairs and raised taxes and insurance kick in, they go bankrupt.

This book is being published for those of you who, like me, want a LOT of ca\$hola.

Use the cash to go buy up a bunch of rental property if you like, but **get the cash first**.

Wholesaling houses is simply a way to generate a lot of cash. The more cash you have, the more passive your position can be in your investments.

An example – Lets say all you have is \$50,000 to your name. You want to open up a restaurant. Well you can bet your bottom dollar you will be physically working in that restaurant for quite some time in order to see it succeed.

Now let's say you have \$4,000,000 in cash. You want to open a restaurant. You could easily arrange it to where you never even set foot inside it and it will still be successful. Are we all on the same page?

Use wholesaling to produce mass loads of cash so that you develop truly passive investments!

That's my thinking anyways. Take it for what it's worth. Here is the wholesaling formula in a broad stroke:

1. Find a motivated seller and negotiate a sales price around 40 to 60 percent of the after repair value (the value of the house if it were in perfect condition). Sometimes less. The lower the better (duh).

Last year I put a house under contract for \$15,000 and it was worth \$90,000. Put the house under contract with as long an inspection period as you can manage.

2. Take the price that you agreed on and mark it up anywhere from \$2,000 to \$100,000 (it will take a while for you to get the feel for what you think it will sell quickly for).
3. Market the property to your community's group of real estate investors (more on that later).
4. Once you find your buyer, simply assign the contract to them with your profit documented as an "assignment fee."

That's wholesaling in a nutshell. Ready to get started?

## Chapter 3

### Finding Leads

*“Seek ... And ye shall find”*  
*-Jesus*

This is the easy part.

The following are what I consider the very best ways to find motivated sellers. I will solely be teaching you how to find leads in this chapter. We will leave “what to do with your leads after you have them” for the next section.

First, sit down and figure out how much money you have available to spend on marketing every month. Then pick and choose which of the following you will do according to your personal taste and inclinations:

### **Networking**

This is foundational. When I first started getting my real estate business off the ground, I realized that I would have to network my brains out.

But there was a problem – I didn’t like talking to strangers all that much. I’d rather stay home.

What I had to do was make a decision. What did I want more? To be comfortable? Or to meet my goals of becoming a multimillionaire in real estate?

Being comfortable is for the lazy masses. That’s not you and I. I already know you are exceptional because you have gone out of your way to read this book. Most people do not do things like that. Yay for you.

Here are my step by step instructions for networking:

1. **Print up some business cards.** Print them on bright neon green card stock and have them read like this:

front

**WE BUY HOUSES!**

**CALL NOW!**

**1-800-CASH-FOR houses**

America's Premier Home Buying Service

Inside fold

Are you making payments on a house you can no longer afford? Been transferred and need to sell quick? Making double payments? Facing foreclosure? Inherit an unwanted home? Divorce? No equity? House simply won't sell?

**NEED TO SELL FAST FOR ANY REASON???**

**WE CAN HELP!!**

1-800-CASH-FOR, America's leading home buyer is here to assist you NOW. We buy all types of

property in all areas in all types of condition and can close very quickly (even within a few days).

We may even be able to pay your asking price!!

Call the automated 800 # below to find out more about some of our exciting programs.

**(800) CASH-FOR** (houses)

P.S. It has been our experience that problems do not simply go away on their own. Call today!!

back

**Know of someone who needs to sell  
their property FAST and at a FAIR  
price? We will give you**

**\$500**

**just for calling and telling us about  
it!!!!**

Of course you will want to change the contact information. On to the next step:

**2. Leave these business cards out in public places all over your community.**

Leave them in businesses that allow people to leave their cards (yours will stand out because of the color), leave them in coffee shops, gas stations, restaurants, bathroom stalls – everywhere.

I signed up a new student once and he went out and left a stack of cards at a gas station the very next day. A lady called him that same afternoon and we ended up buying her lakefront lot for \$9,000. Sold it for over \$50,000 the very next day and it closed it 2 weeks. Nice.

**3. Make a goal of how many cards you would like to hand out per day and stick to it religiously.**

If your goal is five and you only hand out three one day, guess how many you have to hand out the next day?

That's right – SEVEN. True champions discipline themselves so no one else has to. This is how easy handing out business cards is –

**You:** “Hey, thanks for the coffee Ms Starbucks Coffee Girl. By the way, do you know of anyone's house I could buy?”

**Starbucks Girl:** “Um ... What do you mean?”

**You:** “Well, I buy houses. I'm looking to buy two or three more this month so I'm just wondering if you happen to know of anyone who is looking to sell quickly and possibly give me a discount for cash.”

**Starbucks Girl:** “No, I don't.”

**You:** “Ok. Well listen, if I give you my card will you call me if you ever happen to hear of anyone who you think sounds pretty motivated to sell their house? I'll give you \$500 just for calling and telling me (if I happen to buy it).”

**Starbucks Girl:** “Sure! Of course!”

Now sometimes they will actually know of someone needing to sell. The first week I printed my cards up I handed the security officer at my office complex my card and gave him an identical pitch. He said his girlfriend had just inherited a couple homes and wanted to sell them. I ended up buying one, sold it, and made over \$50,000.

I even hardly knew what I was doing. But even if they do not know of anybody in particular that needs to sell you will slowly but

surely be creating your army of birddogs that every successful wholesaler ends up having.

4. **Join and attend BNI** (Business Network International – <http://www.bni.com>)

This is the classiest and most effective networking group around. They are worldwide. Join one with over 25 members. The bigger the better. They only take one person from every industry so you will be the only real estate investor there (most real estate investors do not do intelligent things like go to these type events).

You will get lots of leads. Trust me on this.

That about wraps up networking. Get out there and start talking to LOTS of people. The more the wealthier. 😊 All your hard work will pay off in Benjamin's.

### **Classified Ads**

You need at least one ad out there somewhere. Start with a local free flyer. Those are usually cheaper to advertise in and are sometimes even more effective than your local paper. The local paper is good too, but it may take a while to get your ad to the top of the list which is where you need it to get all the calls. It usually goes by seniority.

Don't worry that there are tons of other investors advertising. I used to not see the sense in advertising next to all those other people. Just do it. Most of those guys won't even answer their phone.

Your ad should read like this –



I'LL BUY YOUR HOUSE  
TODAY! **CA\$H!!!!!!!!!!**  
Any area. Any condition.  
Call Preston at XXX-XXXX

Geez I'm making this too easy for you people. I should be charging more for this. 😊

I just remembered a fantastic way to run a classified ad absolutely free!

Go to [www.craigslist.org](http://www.craigslist.org) and [www.backpage.com](http://www.backpage.com)

These are free daily online classified websites. LOTS of people utilize these sites!

I guarantee you will get leads right away. Run the ad every Monday for best results.

As a side note I have a friend/student here in Tampa whose Backpage ad comes up in Google if you type in "sell house fast Tampa." Do you know how much other companies pay to have their sites on that first page of Google?

Don't worry about what to say when people call just yet. We'll get to that later. And don't be nervous because it's so easy you wouldn't believe it. It's just cash offers we're throwing out there. Nothing fancy. On to the next marketing idea.

### **Bandit Signs**

This is how you will probably generate your first leads. Throw out 50 to 100 signs and you can guarantee your phone will ring off the hook.

Here are step by step instructions:

1. Order 18 x 24 white or yellow corrugated plastic signs from [www.freebanditsigns.com](http://www.freebanditsigns.com). I don't know of anywhere cheaper to get them.

You also need to either order wire stakes from them or else you can get wooden yard sign stakes at Home Depot or something (in that case use 1 inch roofing nails to nail them in). Start out by ordering 200 or so. They are about a buck a piece.

2. Hand write them to save money and to get more calls (don't ask me why this works but it does. I think it's because people are so bombarded by traditional marketing that the "commercial" looking signs get subconsciously blocked out and the handwritten ones jump out as a possible "deal"). They should read as such:

I'LL BUY YOUR  
HOUSE TODAY!  
CA\$H!!  
XXX-XXX-XXXX

3. Put at least 25 signs out per general vicinity. You want to saturate an area. Put them where cars are generally stopped or slowing down and can easily see and read them. i.e. – stop lights, stop signs, entrance and exit ramps of interstates, etc. After 5:00 on Fridays is best since the "sign police" usually don't work on the weekends.
4. Go home and watch your phone start ringing.

Now, some towns do not really like these bandit signs (hence the name of the signs). By "some" towns what I mean is "every town I've ever

heard of in the known universe”, and by “not really like” I mean “hate with all their hating hatred.”

What you need to do is purchase an 800 number and voice mail system. This is untraceable to you so it keeps you out of trouble. Order one at [www.tollfreeforwarding.com](http://www.tollfreeforwarding.com).

I use this 800# and voice mail system myself personally. It’s all of \$15 a month or something. I think it was designed with Realtors in mind but it can TOTALLY be used by investors. Make sure and tell them I sent you for a special rate. This is a must-have. Ya gotta get it.

### **Flyers**

One of my students takes a 2 hour jog every morning. So now guess what he does on his jog? He sticks flyers in mailboxes.

Don’t do this. It’s illegal. Put them on door knobs or something. Anyways, he gets 3 leads a day from this. Amazing.

Here is a copy of the flyer he uses:

# **I'll Buy Your House Today!!!**

Transferred? Bad Tenants? Need Fast Cash? Behind on Payments? House Vacant? Moving? Double Payments? Divorce? Estate Sale? ... House Simply Won't Sell?

Here Is Your Quick and Easy Solution:

- Fast Closing
- Even Within 48 Hours
- Instant Debt Relief!
- Cash!!!
- Freedom From Maintenance Hassles!
- Guaranteed Written Offer Within 48 Hours!

Call Toll Free 24 Hr. Recorded Message:  
866-499-9816

And in 90 Seconds You'll Know Exactly How I Can Help You!!!

## Mailers

Every big wholesaler does mailers. You are going to be big right? I mean if you're not planning on going **BIG** what the heck are you doing? The more mailers the merrier (say that fast sixty three times).

The following is a list of people who would make good candidates to receive mailers from you:

1. People in foreclosure (lots of competition but it can be done).
2. People who are 30-90 days late on their mortgage but have not gone into foreclosure yet. This is the true gold mine. There is no competition since there is not yet a public record of this person's delinquency. So if there is no public record ... How do you find out about it? Sorry. I only give this information out to my students and phone consultees (that may not be a real word).

Get creative. I'm sure you'll figure it out. 😊

3. Landlords (one of my faves – you can get lists from [www.realquest.com](http://www.realquest.com))
4. Out of state owners
5. Owners of vacant property
6. People with delinquent taxes
7. Blanket mailers to certain zip codes (preferably low income neighborhoods)
8. People in bankruptcy

## 9. People getting divorced

All these mailers simply need to be one paragraph long stating your desire to buy the house at such and such address. Mention that you can pay cash and close quickly (I will show you how in the next chapter). Nothing fancy.

You can get a lot of these address lists at title companies and some you can get at the courthouse.

The final category of finding leads is what I like to call

### **Big Baller Marketing**

If you don't know what a "Big Baller" is then I suggest you go watch MTV Cribs for a few episodes and get back to me. And if you don't know what MTV Cribs is then, well, I guess we just can't relate buddy. Don't take it personally. We're just at different stages of life is all. Your stage is probably better than mine anyways so don't worry.

Allow me to make you just a little bit cooler than you already are by expanding your street slang vocab. This will help your relationship with your kids so bear with me here:

*From Wikipedia, the free encyclopedia*

*A **baller** is a slang term for someone who has "made it to the big time", or a person who lives a flashy luxurious lifestyle.*

There ya have it. Big baller marketing requires at least \$3,000 a month in advertising costs and up to \$60,000. Admittedly this is the most expensive way to go, but it is also the most profitable and the easiest.

I'm all about ease folks. Show me the easy way and I'm all ears.

Listen, I have students who spend zero in advertising every month and students who spend thousands. They all make money. It's just that one gets his leads a heck of a lot easier than the other one. But you have to start where you are and work your way up.

My boy Kenny Rushing here in Tampa spends \$50,000 a month in marketing for crying out loud. He makes millions flipping shacks in the ghetto. But I guarantee you he didn't start out spending that much.

So what is Big Baller Marketing?

Big Baller Marketing is 800 vanity numbers, billboards, TV ads, radio ads, and mass (I mean MASS – tens of thousands) mailers. In short, it is running your real estate business just like a regular business that requires capital.

The good news is that there are companies out there who will sublicense you their 800 vanity number (i.e. – [800-YOU-SELL](#) (which I HIGHLY recommend), 800-SELL-FAST, 800-SELL-NOW ... I know the owners of all these phone numbers) AND they will do all your marketing FOR you! Make sure and tell the folks at 800-YOU-SELL that I sent you. You'll get special pricing.

The even better news is that because they do marketing nationwide on a massive scale they get wholesale advertising rates and pass them on to you. You will pay anywhere from \$2,000 to \$30,000 a month for these companies and your phone will ring off the hook all day every day with leads.

The last company I worked with allowed me to do 40,000 postcard mailers a month for under \$800.

All right so now the leads are pouring in. On to the next overly-brilliant chapter.



## Chapter 4

### What to Do With Your Leads After You Have Them (The Art of the Buy)

*“The secret to buying real estate in this current market is to buy with value built in.”*

*-Warren Buffet (2006)*

First off, the lead sheet that I use is on the following page.

So your phone rings and the guy on the other end says, “Hey, I saw one of your signs. I’ve got a house for sale.” This is your reply –

“Great. I have just a couple quick questions for you.” You then proceed to ask him all the questions on the lead sheet.

Once you have that information you say “thank you sir. I will check this out right away and call you back.”

Is anyone as amazed as I am at the simplicity of all this? It reminds me of this magazine ad I saw once with this cocky looking kid on a bike and his t-shirt read –

**I am amazed at the simplicity of this game.  
Bring me your finest meats and cheeses.**

Now listen up because this is important. You’re not going to read this anywhere else so perkify your ears. Yeah that’s right. Perkify. It’s a new word. I just invented it. “The act of perking.”

It is imperative that you get ALL the answers to the questions on this lead sheet. It is the only way to make intelligent offers.

There are several questions on there that some people will be reluctant to give. Such as “loan balance” “reason for selling” “what is the least you will take?” and sometimes even the “asking price”.

Here is the key to getting these answers every single time without fail: EXPECT them to give you the answer.

You are doing these people a favor by even entertaining the thought of buying their house. Ya dig? They should be thanking their lucky stars (“thank you star” – does anyone actually do that?) to simply have your attention on the phone for 30 seconds.

The lead sheet is as follows ...

## LEAD SHEET

**Contact:**

**Address:**

**Bedrooms and Baths:**

**Square Footage:**

**Construction Type (block or frame):**

**Repairs Needed:**

**Reason for Selling:**

(be specific. "moving out of state" is not specific. "Moving out of state because Mom is DYING and seller is going BANKRUPT" is specific)

**Loan Balance:**

**Will you take what you owe?**

**Are payments and taxes current?**

**If not, how much is owed?**

**Asking Price:**

**THE MAGICAL QUESTION!**

**If we pay cash, close quickly, and take the property in it's as-is condition, what is the LEAST you will take? (ask it JUST like this and with CONFIDENCE!)**

**TAV (tax assessed value – you can find this on county tax website):**

**ARV (After Repair Value - use FreedomSoft.com or RealQuest.com):**

Now that sounds simple enough, but let me give you my definition of “expect.”

Actually better yet – allow me to paint you a picture.

When I “expect” something of someone, I ask the question in such a way that the emotion of fear is sparked inside the person. Now I’m not trying to scare anyone; this is just what naturally happens.

I ask questions in such a way as to convey through my demeanor and voice inflection that I would be shocked to the point of needing a medical team to come clinically un-shock me if they did not answer my question. Confidence literally oozes out of me.

I do not ask the question hopefully. Rather I ask it **expectantly**. People tend to want to live up to what is expected of them. They are scared to offend me by not living up to my expectations.

It would be easier for me to explain this to you if you could hear an example of this. Let me simply reiterate this important truth because if you truly believe this then you will naturally carry this “expectant” attitude around with you all the time:

Motivated sellers need you. You do not need them. You are doing them a favor ... Not the other way around.

Take control of every conversation and be the boss. Refuse to deal with anyone who will not cooperate. Those are not the people you are looking for anyways.

Develop a fierce, bold, determined, and powerful attitude and presence.

People should be intimidated just standing in the presence of your greatness. Not intimidated in a bad way, but intimidated in the way you might be intimidated standing next to Donald Trump or the president of the United States. You can develop this. Refer back to Chapter 1 on positive thinking. Think your way into it.

You are what you think you are. That is one of the great secrets of life. To the degree that you do not believe this you must be suffering.

Here is one tip if someone will not give you an asking price and just demands an offer. Remember the first rule of negotiation – He who mentions the first number loses. Get a number out of them.

Say “Ok sir, no problem. Just at least give me a general range then of where I need to be so that I don’t insult you.”

Notice I did not “ask” him to do this. I told him to. As a matter of fact, now that I think about it ... I rarely ask anyone anything. I tell people things very matter-of-factly.

Stop leaving your destiny in the hands of other people and start taking control of things. And I’m not talking about being a jerk. Not at all.

Simply start holding your head high, shoulders back, and speaking with confidence and authority. Respect yourself and others will too!

People (and success) gravitate toward this type of person. Be bold! This world needs warriors not wussies. Don’t be a wussy. 😊

So now you have a lead - Awesome!

Get about 20 more of those and you’ll probably buy one house. Seriously, this is a numbers game. The average person is not going to

want to sell you their house for pennies on the dollar ... But every once in a while someone will. Your job is to produce as many of those “once in a while” as possible through massive action via marketing.

And what do you do with this lead?

Well, if you are one of my students then you have it easy. Simply forward it on over to me and I tell you exactly what to do with it. I tell you what’s good about it, what’s bad about it, what to offer, and what not to offer, etc., etc.

But let’s suppose you don’t have that extreme luxury virtually guaranteeing your success at every turn. Then what?

First off let’s look at the “reason for selling.” If this “reason” is not a very motivated reason then we simply throw the lead in the trash. For example – “we’re moving to a bigger house down the street” is about as unmotivated as it gets. Trash it.

On the other hand – “we’re moving to a motel down the street because the bank is taking this nice house away from us in 2 weeks” is a very motivated reason. These are the only types of people we want to talk to.

Here is an exact list of types of folks we want to do business with:

- Landlords getting rid of rental property
- People in foreclosure
- People who have inherited homes
- People making double payments
- People who have been transferred and must sell now
- People with medical problems / health issues
- People with vacant homes

- People with homes in disrepair
- People with homes on sinkholes
- People in bankruptcy or financial chaos of any sort

You get the picture. You are looking for people who want to sell FAST and who are well aware that they are not getting market value for their home. That's why I love doing business with landlords. They know what time it is.

So you've checked the lead and they are selling for good reason. The next thing to do is to figure out what the house is worth. You can do this for free on [www.zillow.com](http://www.zillow.com) or you can get more accurate comps not-for-free at [www.freedomsoft.com](http://www.freedomsoft.com).

Figuring out house values is an art. It takes some getting used to.

My advice to you is to use common sense. It's an art ... Not rocket science. If you want to figure out the exact value then you will want to print out the comps and go drive around the neighborhood comparing those comps to your house.

If all those comps are on the water and your subject property is not then you know you have worthless comps.

Call all the realtor For Sale signs in the area and ask Realtors about values in the neighborhood.

Stop people who are walking around the neighborhood and ask them.

Knock on doors if you have to.

“Excuse me sir I’m sorry to bother you but I’m considering buying a home in this neighborhood and just wanted to get your opinion of values around here.”

Better yet, develop a relationship with a local appraiser and have him give you the values. You can pay for this service (I’ve paid \$25 per lookup) or you can offer to refer him to all your customers; whatever.

Now you have determined that the seller is adequately motivated and the house is worth say \$150,000. The next step is to determine the tax assessed value. You can find this on most county tax assessor websites.

Simply type in the name of your county in the Google search engine, and then enter the words “tax” and “assessor.” You are looking for the property’s tax assessed value. Not the “just market value” or any other weird thing. Find the tax assessed value.

As a general rule of thumb – If the asking price is substantially lower than the tax assessed value you have a good deal on your hands.

Now this is not always the case but eight times out of ten it is.

If nothing else, the tax assessed value compared with the value that Zillow or FreedomSoft gives you will help you to determine the true value of the property.

Generally speaking we want to make offers anywhere from 40 to 60 percent of the after repair value (the value of the house if it were in excellent condition).

If it is a frame construction house that needs a total rehab then I want to be 50% ARV and below.



A block home needing regular renovations can be around 60%.

If it needs no repair then maybe around 70% depending on the price and the current market.

Now let me also note that I am speaking as a wholesaler in a regular market. If it were a super hot market, then the amount I would be willing to offer would go up. If it is a slow market then I would make lower offers. You will get the feel for this over time.

Lucky for you my system is virtually risk free so you are free to make mistakes with very limited repercussions.

A good rule of thumb when you are starting out is to make sure your buyer can use a hard money lender to finance the property. This means the cost of the house, the repairs, and the closing costs are all under 70% of the after repair value.

Now it is time to make an offer. I sometimes make verbal offers and sometimes fax written offers. Here is how you know when to do what –

### **Written Offers**

If the amount I want to offer is significantly below what the seller is asking then I will always fax the offer. That way they won't scream, cuss me out (thereby disrupting my positive flow that day), hang up, and then forget about me.

By receiving something in writing they will scream, cuss at the cat (sorry kitty), save the contract in their file, and then sign it and fax it back 2 months later when they still haven't been able to sell it any other way.



Actually sometimes they will fax it back that very same day. Ya just never know. Fax a bunch of offers out and see which ones come back in signed! Fun!

I use the standard Florida state-approved real estate contract for all my offers. Specifically I use the “As-Is” version of it, which reassures the sellers that I am taking the property in the exact condition it is in with no requirement for them to fix anything at all (very important). Do some research on the web or with Realtors and you should be able to get a copy of this contract for your particular state.

Now, as to filling these contracts out, most of it is total common sense.

The only thing that will ever vary on my contracts is the closing date, the inspection period (how long I have to inspect the property and back out), and the manner in which I am paying (cash or finance).

Other than that it is always a \$1,000 deposit (payable to my title company. Pick a mom and pop title company that lets you get away with murder preferably 😊. Legal murder that is of course), assignable, and net to the seller (click the box that says ‘Buyer pays title insurance’ and make a note on additional comments that says “Net to Seller – Buyer pays all closing costs”).

If you do not have the \$1,000 for the deposit then you can either try to get away with a smaller deposit or, better yet, you simply get the deposit from the new buyer that you are about to find.

I leave a lot of things blank such as “legal description”, everything about the financing if I’m making it contingent on financing, “items to be left in property”, etc.

Hopefully the contract you are using has a box that says “Buyer may assign contract and be released from all liability.” If it does then check that box.

If the seller has a problem with it, then don't do the deal. If the seller doesn't, then at the top of the contract where you write the Buyer's name write “YOUR NAME and/or assigns”.

The variables of the contract are - the manner in which we are paying, the closing date, and the inspection period. This is an art. You can't learn it right away. Over the years I have acquired a certain “feel” for what I can get away with on a particular transaction.

We want to get the very best terms for us possible, and the very best terms for us possible are ones which give us the most time to re-sell the property and with the most options.

If I make the contract a Cash contract with no inspection period and a 1 week closing then I am pretty limited to who I can market that property to.

Remember this – the terms which you agree upon with the seller are the same terms you must find a buyer to agree to. So a contract contingent on financing with a 45 day close and a 21 day inspection period might sound a little easier to process doesn't it?

It sure does.

Now I may have told the seller up front that I can pay cash and close in 3 days but I will still fax him an offer with a financing contingency and a 30 close and not feel at all bad about it. All I said up front is that I “can” do it; not I “will” do it. Big difference. I am free to offer whatever I want.

Countless times I have asked sellers what is the least they will take if I pay cash and close quick, I offer that same price they give me but with a 30 day financing contingency, and they accept it. Countless. And by “countless” I mean at least more than the fingers on my hands because that’s what I use to count (thank the Lord for bookkeepers).

### **Verbal Offers**

If the asking price is something close to what you are willing to pay, then you want to call him right away and say “hey, I spoke with my partner. He likes the deal and wanted me to offer you \$75,000 net – we’ll pay all the closing costs.”

Try to negotiate a price right there on the phone and then fax the contract over.

Now, I mentioned the word “net.” That simply means that we will pay all the closing costs (except the seller’s taxes). We always buy “net” and we always sell “net.”

Why do we do this?

Well on the buying end it removes any confusion from the seller’s mind as to how much he will actually be receiving at the closing table. It assures us we will have a smooth closing. No surprise with a seller expecting a check for \$75,000 and it ends up being \$71,875 because his side of the closing costs came out and he didn’t know anything about it.

On the selling end we do this because it makes it easier for us to calculate our desired profit. For example if we didn’t sell a property “net” and wanted to profit \$10,000 on a flip then we would have to

take the price we bought at, raise it by \$10,000, calculate how much the closing costs “might be”, and then raise it by that much again.

We still will never end up getting exactly \$10,000 that way. Too much trouble.

Make all your selling prices net to you, meaning the buyer is responsible for all closing costs. The people you will be selling to are used to buying this way from certain wholesalers anyways so it won't be a big deal.

Do not ever give a deposit directly to a seller. It goes to the title company. Half the time I never even end up giving a deposit to ANYbody because I just bring in the buyer and they close real quick so it doesn't matter. All you need from your seller is a faxed signature on the contract and you are all set.

I rarely even meet people with the way I do business. I never go to closings. I can't remember the last time I even saw a house in person that I contracted on.

It's about working smart not hard, my friends. Over time you will be able to do this as well. At first it's not a bad idea to get out there, see the properties, and meet the people. Pay your dues and all. It's only fair. 😊

So you fax over a contract and the seller faxes it back signed. Now, it's Game ON and the clock is ticking. You officially have however long your inspection period is to get this thing sold. Let's find a buyer!

## Chapter 5

### What To Do With Houses Once You Have Them Under Contract (The Art of the Sell)

*“In the modern world of business, it is useless to be a creative original thinker unless you can sell what you create.”*

-David Ogilvy

Your ultimate objective is to build your own buyers list.

I currently have over 1,000 local real estate investors in my email database and 7,000 worldwide investors. When I get a hot deal, I simply put the details in an email, hit “send” then sit back and wait for my phone to ring.

It’s awesome. So much better than paid advertising, don’t you think?

But I had to earn those buyers and their email addresses. One by one. Here is how you do it.

Follow this ridiculously easy system and you will have buyers beating down your doors for all your deals:

#### **Put Out Bandit Signs**

Use those same 18x24” plastic corrugated bandit signs that I mentioned earlier. You are going to put about five signs out around the general vicinity of the house that you put under contract. Don’t put it right in the front yard. The seller may still be living there.

We don’t necessarily want to advertise to him that we were never planning on personally closing on his property. Put them at the nearest major intersection, maybe a local stop sign, or something like that.

The signs should read something like this:

Handyman Special!  
Distress Sale!  
(813) XXX-XXXX

You can actually have it say pretty much anything you want. Just make sure it looks like it was written by a third grader and don't put the address on it.

When people call (and they will call), you are going to do two things:

1. Try to sell them the house.
2. Get their email address and tell them you come across these types of properties all the time and will keep them posted when new ones come in.

When they ask what your involvement with the house is simply tell them you are representing the owner who is in a distressed situation and needs to sell quickly.

These bandit signs are how I initially started building my buyers list. To this day my students utilize this technique to sell property and build their lists.

### **Advertise on Rehablist.com**

Why advertise here? Because it's free! And effective!

Go check it out. It's awesome. I've sold tons of properties on this site. They are nationwide. Check out this testimonial from the website's President:

"Preston I want to thank you for helping build our site into a national powerhouse! We were just starting as the buyers list for our wholesale flipping company when you joined.

I think you were still working a regular job at the time.

I remember you began listing the deals of other investors and rapidly moved to become one of the highest volume and professional house wholesalers in all of Tampa Bay!

To this day you are still the largest single home lister on rehablist.com nationwide! And we are in over 200 cities now!

You're true American success story."

Mike Collins  
Founder  
RehabList.com

Mike is a great guy by the way; one of the best wholesalers in all the land.

His wholesaling home study course is an absolute must have if you really want to make a living as a wholesaler (and who wouldn't?!). Seriously! Invest in it asap. It'll make you 100 times more money than it cost to invest in it. He still has it severely under priced in my opinion.



Anyways, guess what you do whenever someone calls you from your rehablist.com ad ... That's right ... Sell them your property and add them to your buyers list.

Ok, those two things (bandit signs and rehablist) combined with sending an email out to my buyers list is all I do to sell my properties.

Feel free to do whatever else you want. You can advertise on craigslist for free. You can advertise in the local newspaper for not-for-free. Whatever. Eventually you want to build your buyers list so large that sending an email is all you have to do.

One thing you can do to get a quick start on this buyers list thing is put bandit signs out all over your city that say:

Wholesale Houses!  
Cheap!  
(813) XXX-XXXX

Get everyone's email address who calls. You could run an ad as well if you want.

You should also consider getting your own website. You can have one just like mine already put together for super-cheap. It's customizable and SO simple to set up (it darn sure better be if I'M doing it). Go to [www.FreedomSoft.com](http://www.FreedomSoft.com) for details on that.

You can have a buyers list signup box right on your homepage and direct traffic to your site, thereby automating the whole thing (the website does it all for you).

Alrighty, so now you have a bunch of buyers contacting you.

Remember, all we are doing here really is brokering our contract. We are putting a motivated seller in touch with a buyer and getting paid to do it. Easy as that.

So these potential buyers will all want to do one of three things –

1. Annoy the heck out of you with a bunch of questions.
2. Schedule an appointment to see the inside of the house.
3. Make an offer right off the bat.

Guess which buyers I like the best.

Well I don't like to be annoyed and I don't like scheduling things if that gives you any clue. I **love** people who just drive by the property and call me with a cash offer. That is the ideal buyer.

Think about it. We don't own this house yet. If we have 15 different people who all want to see the inside of the house, isn't that going to be somewhat difficult to get by the current owner (seller)?

If I do not have an immediate cash buyer but rather a handful of people who want to see the inside of the house, here is what I do:

I send them over to the house individually and have them introduce themselves to my seller as either one of my inspectors or one of my partners.

I am very stern with my buyers and tell them that if they deviate from my instructions that we will not be able to do business together in the future.

You do not want these people going directly to the seller with the deal and cutting you out. It's been done; believe me.

We then set up appointments with the seller and our buyers ("inspectors") to view the property. The seller after all is expecting some inspections, hence our "inspection period."

If you want to be extra careful then you can meet the people at the house yourself. Me personally, I don't have time for that.

If you've contracted on the house at the right price then you should come across your buyer fairly quickly.

If you haven't found a buyer after a while and your inspection period is coming up then you will want to drop the price to try and move it.

In other words, if you have raised the price of the home \$15,000 for your profit then perhaps cut that in half.

Heck, I'll flip a contract for \$2,000 if I have to just to make the seller happy and move on to the next one. Which brings me to a very important point –

### **The Natural Flow of Money (Profits) for the Wholesaler**

The \$2,000 and \$5,000 flips pay your bills. You will have lots of these coming through the pipeline. Don't be discouraged. Drip, drip, drip ... Makes a puddle of fortune. They add up quick.

I had quite a few drips just like that last week alone and it totaled over \$25,000.

Every once in a while, you will hit a home run. Those are what put you way ahead.

So it goes something like this –

\$4,000 deal, \$5,000 deal, \$2,000 deal, \$5,000 deal, \$5,000 deal,  
\$10,000 deal, \$2,000 deal, \$5,000 deal, \$35,000 deal, \$3,000 deal,  
\$5,000 deal, \$4,000 deal, \$50,000 deal, \$2,000 deal, etc., etc..

Understand?

The key to success as a wholesaler is VOLUME.

You want to be doing a LOT of deals ALL the time.

If you lose one, who cares? There's dozens more where that one came from. Don't get caught up with just one deal. Just one deal sucks. Get thirty of 'em and now you're in business.

Don't believe there is that much business out there? Well that would be your first problem. The truth is there are INFINITE deals out there. Enough to go around for everyone who is supposed to be in this business (everyone else will fall off anyways so who cares).

Think VOLUME. Lots of marketing, lots of leads, and lots of transactions; get your phone ringing off the hook.

Make it happen!

Ok, so someone wants to buy your property. Great! The first thing you always need to ask them is how they intend to pay for it. Now sometimes people will look at you funny and say "Pay for it? What do you mean?"

To these people the concept of paying cash for a house as opposed to “financing” it with a bank’s money has never really even entered their minds as a possibility. Well be nice to them anyways because you never know.

Cash, hard money loans, and conventional financing are the three possible ways someone might purchase your house.

The first two make life easy and should be sought after with all your heart. Conventional financing is disaster in the making. But it can still be done as a last resort.

This part of the whole deal is kind of up to you. Me personally, I do everything I can to find a cash or hard money buyer. The reason is this – Conventional lenders will not accept an assigned contract ... And that is exactly what we have.

So in order to work with a buyer who is using conventional lending we have to write a new contract between our buyer and our seller directly. If the assignment fee you are charging is small (like under \$5,000) then you can just collect that from the buyer right up front.

Say, “Listen, I usually don’t accept contracts contingent on conventional financing because it is such a pain, but I’m willing to make an exception. The only contingency is I need to collect my \$5,000 assignment fee up front.”

The buyer may request that the title company hold it in escrow which is fine I suppose.

Usually though the assignment fee will be over \$5,000. I average \$10,000. Most buyers simply do not even have that much up front to

give you (the world is broke in case you didn't know. Don't be like the world).

The only way to get paid in this case is to write a new contract between the seller and buyer and make up an addendum that documents your profit. Consult with an attorney about this though if you are not a licensed Realtor. Make sure you structure it so you're still a principal on the transaction somehow.

Cash and hard money buyers make life easy. They can typically close extremely quickly and the documentation is simple. Simply give the buyer a copy of your signed contract with the seller along with an assignment contract.

The assignment contract that I use is included in this book on one of the next couple pages. It's filled out based on a deal I did recently. All pretty self explanatory.

Always try to get a \$2,000 non-refundable deposit from your buyer, payable directly to you or your company. Avoid having deposits made out to title companies. The reason for this is simple:

First of all you get to spend their money right away instead of a few weeks from now. 😊

And second of all if they back out of the deal (which happens often) you are assured that you at least made that \$2,000 as opposed to a title company holding on to it while the buyer fights to get it back for seventeen years.

Sometimes the buyer will be adamant about writing the check out to the title company. Fine. He is a savvy buyer and is more likely to close anyways. Let him do it.

Once you have a contract with the buyer it is time to fax everything over to your title company.

Simply say “here is a new deal. Please begin the title search and advise ASAP.” Give them the contact information for both your seller and your buyer.

A good title company should handle all the details of the closing without much involvement on your part. You want your title processor to call the individual parties directly and handle what needs to be handled without bothering you with it.

You can coach them in this direction little-by-little. If the title processor calls you and asks for, say, a seller’s social security number or something, you can reply “I don’t have it. Go ahead and contact the seller directly.”

Guess what? Your job is done! Mission accomplished!

How easy is this? A third grader can grasp what we’re doing here. All you’re left to do is sit back and wait for the title company to send you your check.

Now you’re welcome to follow up with everyone, make sure everything is proceeding along in a timely manner, and attend the closing – whatever.

Me personally, I have too much going on. If something falls through the cracks so be it; there are a hundred other deals where that came from.

It is good business though to make sure the closing happens on time. Sometimes the buyer will get delayed and you will have to go back to

the seller and ask for an extension on the contract. This is usually not a big deal. There are however, some things that can occasionally come up and kill a deal. The next chapter deals with these issues.



**Agreement to Assign Contract for Sale and Purchase**

Subject Property: 110 Hickory Hammock Rd Lake Wales FL 33859.

Legal Description:

This agreement is made between Real Freedom, Inc. (ASSIGNOR) and Meloney Painting and Remodeling (ASSIGNEE) regarding purchase of above referenced SUBJECT PROPERTY.

Whereas Real Freedom, Inc. (BUYER) has entered into a Purchase and Sales Agreement with CJ Baxter (SELLER) for the purchase of SUBJECT PROPERTY, and whereas BUYER wishes to assign its rights, interests and obligations in the Purchase and Sales Agreement, it is hereby agreed between ASSIGNOR and ASSIGNEE as follows:

1. ASSIGNEE shall pay ASSIGNOR a NON-REFUNDABLE assignment fee of \$8,000 (payable \$4,000 with signing of contract and balance at close).
2. Assignee’s inspection period shall expire upon execution of this Assignment. ASSIGNEE accepts all terms and conditions of the contract for Sale and Purchase between BUYER and SELLER in its entirety.
3. ASSIGNEE acknowledges receipt of legible copies of the original Contract for Sale and Purchase in its entirety including all Addendums associated with this transaction.
4. Additional terms and conditions of this Assignment are as follows: -This assignment contract is non-assignable without the express written consent of the ASSIGNOR.
5. Disclosures and Acknowledgement:
  - a) ASSIGNOR and affiliated associates make no warranty, expressed or implied, regarding inspection reports or other reports provided to ASSIGNEE by ASSIGNOR or third parties concerning this property.
  - b) ASSIGNEE acknowledges they are conducting a transaction dealing directly with ASSIGNOR for the purchase of SUBJECT PROPERTY. ASSIGNEE is not relying upon or being represented by a REAL ESTATE BROKERAGE in this transaction.

**AGREED AND ACCEPTED ASSIGNOR (Real Freedom, Inc.)**

Signature:\_\_\_\_\_

Dated:\_\_\_\_\_

Print Name:\_\_\_\_\_

ASSIGNEE(\_\_\_\_\_)

Signature:\_\_\_\_\_

Dated:\_\_\_\_\_

Print Name:\_\_\_\_\_

## Chapter 6

### Deal Killers

*“Problems are merely opportunities dressed in work clothes.”  
- Norman Vincent Peale*

The following are some different scenarios of things that can screw up your deal.

I was going to focus on just the issues that could come up at closing, but let's go ahead and address possible deal killers from start to finish. You need to know what to do when these things happen. I really just don't know where else you could possibly learn all this stuff.

#### **You Can't Find a Buyer for the Property in the First Place**

You put a contract on a house and have searched high and low for a buyer but to no avail.

I personally cancel my contract if I have not found a buyer by the end of the inspection period. I will normally just call or write the seller and tell them I can't close because it did not meet my partner's inspection requirements.

No big deal. Contracts on homes fall through all the time and for a myriad of different reasons.

Just make sure the house isn't going to auction or anything. We are not out to screw people over. I do not go around putting every house I look at under contract and then canceling half of them.

I am very picky about which properties I tie up. I want to be 90% sure that I can sell it.

We want to have integrity in our business and treat people well. It is the only way we stay in business. If I have to let a property go I always tell the seller that I will try to find them a buyer. And sometimes I do (and still make a profit!).

More than likely you have not found your buyer because the price is too high for that particular area and property.

Another thing you can do is go back to the seller and tell them it did not pass your partner's inspection but that you could possibly talk him into taking it anyways at a lower price.

“Is there anything you can do on the price, sir?”

That's all you have to ask. Then be quiet and listen. Let him name the first number and go from there.

Once you have renegotiated a lower price you will immediately start marketing the property again notifying your buyers that you have slashed the price on one of your houses for a quick sale.

You need to find your buyer before the end of the inspection period. Try to get that extended if possible. Time is of the essence on these deals which is why it is important to buy at the right price.

You will get better and better at this over time. It's a learned skill.

## **One of your Potential Buyers Betrays You**

It happens. Not often. But it does happen.

You've put a contract in place with a seller and advertised it to 500 different people. One of those people is a scumbag. Actually probably two of those people are scumbags but one of them was too hung over that day to go out and screw you. The other less drunk scumbag goes directly to your seller and tries to cut you out of the deal.

Why would he do this?

Because he is Satan in human clothes of course. And to get a better deal. If you have raised the price of the house \$20,000 and he can save \$18,000 by offering the seller an extra \$2,000 to sell it to him instead then he is that much richer (until God strikes him with lightning later on in life when he is least expecting it that is).

It's bad business, but people do it anyways because they are bad people (the two go hand in hand).

Here is what you do in this case – pray for him. Maybe even donate some extra money to his family because obviously he is in need, and move on.

Seriously, don't sue him or the seller. It's a waste of time and money. Only poor people sue.

The one thing you can do to prevent this from happening is to get both yours and the seller's signatures notarized on the contract in the first place and record the contract with the county.

This puts a cloud on the title and Mr. Bad Man will be unable to close.

This is time consuming and annoying so I don't do it. But if you run into this situation more than once then maybe you'll want to look into it.

Like the book says - Don't sweat the small stuff. This is small stuff.

### **Your Buyer Doesn't End Up Closing**

Sometimes your buyer will back out just because he changed his mind.

Sometimes his credit won't go through with the hard money lender or the mortgage broker.

Nothing you can do about these things besides keep the deposit (always, always, always make sure you have documented the deposit as "non-refundable").

The first thing to know in this situation is this – you have assigned your contract to this buyer so you have been legally released from liability in regards to that original contract with the seller. However, if you can still put the deal together with another buyer then by all means do it.

Hopefully the buyer who fell through left you some time to round up another buyer. If not then you will simply need to go back to the seller, tell him what happened, and try to renegotiate a new contract that allows you some more time to find another buyer.

Some sellers will be pretty upset and you will have lost the deal.

Well you got a \$2,000 fee up front from that buyer so count it a \$2,000 deal and move on.

## The Title Doesn't Clear With the Title Company

This is so annoying. You've done all the work of finding and negotiating a good deal, brought in a buyer for it, and now it gets mucked up at the end. Not much you can do about this.

For all you who are just beginning in real estate, every house has a "title". These titles have to be filed properly with the state in order to be eligible for title insurance (which all your buyers will want).

If someone within the last hundred years or so filed the deed improperly, the title company will be required to track that 100 year old person down who is now residing in Bangladesh somewhere in order to get them to sign a quit claim deed.

More than likely this is not going to happen, so what is required is for the current seller to go to court and file for what is commonly referred to as "Quiet Title." A quiet title order basically tells the title to the shut the heck up and behave so we can do business properly. It takes 3 to 6 months and costs a few grand.

There is absolutely nothing we can do about this except stay in touch with the seller and scoop up the property once the title is clear.

You could probably even sign a new contract that extends the closing date until the title is clear so that they can't sell it to anyone else. You'll have to reimburse the buyer's deposit of course and tell them you'll call them in the future once the title issues are clear.

I once had three houses in a row run into this same problem. SO annoying. But so what. "Just keep swimming" says Dory in *Finding Nemo*. 😊

I'm sure there are some other potential problems that I'm just not thinking of right now. You'll figure it out. If not, feel free to set up a phone consultation with me. It's only \$997 an hour. We'll work through it together.

## Chapter 7

### Some Closing Thoughts

Wholesaling real estate is the quickest way out of the rat race that I know of.

It is a spring board to a larger and freer life than you ever possibly imagined. You can go on from there to whatever you want.

Don't just stop at flipping contracts. Make a ton of cash and use it to accomplish your purpose in life. Use it to quit your job and free you up to start creatively finding your voice in this world.

A lot of very rich people in this world started out by doing exactly what is being described in the pages of this book.

Heck, this is exactly what Kiyosaki is talking about in his Rich Dad Poor Dad books when he says "find a good deal on a piece of real estate, go find someone who wants to buy that good deal, put those two people together, and get paid for it."

Think big. Don't ever settle for a mediocre existence. Whatever you do, make it your goal to be the top dog. Make a name for yourself. Think Donald Trump. Brand your name.

Here in Tampa, FL every real estate investor knows me. Why? Because I don't act like a freaking robot during my day to day business dealings.

My voice mail doesn't say "I'm unavailable. Please leave a message and I'll call you back." It says "Hey I can't talk right now cuz I'm out fighting crime. I'll be back in a second."



I don't put up a front. I don't act like someone I'm not. I'm real. I'm authentic. People are drawn to that.

People are dying for something real in this world. Do everything you can to find out who you truly are and then speak from that voice to a world that desperately needs what you have to offer.

Put your own personal flair in all your emails and newsletters (publish email newsletters by the way. It's the wave of the future.)

You were born with a purpose. Do everything in your power to find out what that is and then live it to its fullest. Only then will you find the happiness and peace you are looking for.

Money isn't everything. I thought it was until I got a bunch of it. What a rude awakening. It didn't change a thing.

My own personal conviction is that Jesus Christ, the Son of God, is the Truth that we are all looking for and it is not until we come to him and receive forgiveness for our sins that we can begin to truly live.

But you remember that from Sunday school when you were a kid right? It's still true. You'll have to find that out for yourself though.

Feel free to call me or stop by for a conversation on that topic. I don't charge for those calls. 😊

Be blessed. Make money.

-Pre\$ton Ely  
Real Freedom, Inc.

### Recommended Reading

\*\*\*\*\*

MUST HAVE!!!! [Mike Collins' Online Wholesaling Course](#) MUST HAVE!!!!

\*\*\*\*\*

The Four Hour Work Week by Timothy Ferriss (the best book in the world)

[Secrets of the Millionaire Mind](#) by T Harv Eker

The Dream Giver by Bruce Wilkinson

The Bible by God (best selling book in the history of the world)

[How to be a Quick Turn Real Estate Millionaire](#) by Ron LeGrand

[Every single book in the Rich Dad Poor Dad series](#) by Robert Kiyosaki

[Real Estate Riches](#) by Dolf de Roos

Your Best Life Now by Joel Osteen

Keys to Success by Napoleon Hill

[Think Like a Billionaire](#) by Scot Anderson

[Influence](#) by Robert Cialdini

[How to Win Friends and Influence People](#) by Dale Carnegie

[Marketing Outrageously](#) by Jon Spoelstra

# EPILOGUE

## Flipping Houses In A Slow Market

*A How-To Guide for the Current Recession*

*“In every adversity lies an opportunity”*

*- Ancient Chinese Proverb*

I’m hesitant to even write this Epilogue at all. It’s been two years since I first published Flip Your Way to Financial Freedom, and since then, the world economy has fallen into a pretty freakin’ bad recession.

Some people say it’s the worst ever. And it keeps deteriorating by the day it seems.

*So how did I manage to flip four houses in just the last seven days for a total profit of over \$40,000?*

I did this in Tampa, FL where unemployment is through the roof and houses are sitting on the market for what seems like an eternity. The job market is horrible, and for the first time in Florida’s history, there are more people moving *out* than moving *in*.

I’ve sat back and watched for the past 12 months or so as the media has bombarded the world with stories of doom and gloom.

I’ve had to bite my tongue as fellow marketers have used the market conditions to scare the crap out of people and motivate them to buy their widgets.

Heck, just last week I darn near bought a hundred grand worth of gold bullion due to an article I read about how the world was going to end in a week and we needed to buy precious metals immediately. That was, of course, until I realized that the authors actually sold gold and silver.

As for myself ... I have for the most part refrained from even mentioning the recession to my subscribers and customers and potential customers. Why give it more power than it should have? It hasn't affected *my* life. So why should I even take the chance of frightening others?

So my hesitation in even addressing the current market conditions is twofold ...

(1) Everything I've taught you to do in Flip Your Way to Financial Freedom still works. We use every single concept and technique that it contains on a weekly basis to this day.

(2) I don't personally consider the market conditions in my personal life and business. Flipping houses works no matter *what* the market is doing. And it always will so long as our society remains free.

That being said, there *are* a couple things we are doing differently now in our wholesaling business than we were 2 years ago. They're not major changes. But they're worth mentioning.

But first ... Allow me to share with you my thoughts on doing business in unstable, slow, recession/depression-like conditions in general.

And I'd like to express these thoughts ... in the form of song.

Hahaha. Just kidding! I won't sing. This isn't American Idol. But I will ask you to read this short story about two friends of mine, Flip ... and

Skip ...

## **The Story of the Two Flippers**

By Pre\$ton Ely

Once upon a time, there were two real estate wholesalers. Flip and Skip. They lived in a small town called Flipville. Flipville, USA.

Life was good in Flipville for little Flip and Skip. They were both really good at flipping houses. They would flip houses all day long. Then they would meet at a local bar, give each other a high five, and drink a beer.

Life was good.

Then one day, Skip made what turned out to be a disastrous mistake. He bought a TV and started watching CNN.

You see, unbeknownst to Flip and Skip, the country was in a recession. But they didn't know that. And like the complete idiots they were, they just kept right on doing business as usual, flipping houses every day and meeting at night for a high-five and a beer!

But this was all about to change.

As fate would have it, Skip didn't show up at the bar one night. Flip sat there by himself all night long. And it sucked because he had to just high-five himself because the bartender was a jerk and wouldn't play along.

Flip was tempted to get upset about the whole thing, but he didn't. He tried, but no matter how hard he tried it didn't work cuz he was too happy about all the houses he flipped that day.

“Oh well,” thought little Flip as he walked home. “It’s Skip’s loss. We’ll just have to do TWO high fives tomorrow night.” He laughed himself to sleep.

But tomorrow night came. And Skip was nowhere to be found.

And the next night came. No Skip.

This continued for two weeks.

“That’s it, I’m pissed,” thought Flip. “I’ve high-fived myself 14 nights in a row. This is getting ridiculous. I’m going over to Skip’s house to do my dang high five the right way.”

Flip punched the bartender in the face for never high-fiving him, then turned and stormed out of the bar. Flip was a nice guy, but sometimes even nice guys need to stand up to injustices.

The walk over to Skip’s definitely sucked badly. It was like 19 miles or so, and he started getting a cramp from whistling too much while he walked. He knew if he stopped whistling his cramp would probably go away, but he just couldn’t stop himself. He really loved whistling. And in case you’re wondering, there is no such thing as a car in Flipville.

Eventually, Flip limped up to Skip’s driveway (which was weird because there are no cars in Flipville).

“What the heck is Skip doing with a driveway,” whistled Flip. “Oh well, who cares,” he thought as he crawled up towards the door in excruciating pain from his cramps. “I’m just happy to finally be here. I wonder what Skip is doing.”

As Flip made his way to the door, his stomach sank as he caught the reflection of the most perverted thing you could ever imagine bouncing off the picture window ...

Richard Quest reporting live on CNN!!!

“WHAT IN THE HECK IS GOING ON,” yelled Flip, as he barged through the door? There lye Skip on the Lazy Boy.

Unshaven (which was nothing new, but still..).

Drooling (definitely new).

Eyes glazed over ... Just staring at the screen like a zombie.

“Come on in, Flip,” Skip said lackadaisically. Pull up a chair. You’re never gonna believe what’s going on with the economy. We’re in a recess. No one is making any money right now. It’s all over. We can’t flip houses anymore. No one will ever buy them.”

Flip couldn’t believe what he was hearing. I mean, he knew Skip wasn’t the brightest star in the sky, but this was just a whole new level of stupidity that he was surprised even existed in a living human.

“I flipped 19 houses today you freakin’ idiot!” yelled Flip, as he smacked little Skip straight off the Lazy Boy, “And we’re not in a “recess” either, jackass. I’m pretty sure that’s not even how you say it.”

Now, Skip, you’re not gonna like this very much probably, but it’s for your own good. You’ll thank me later maybe.”

At this, Skip watched with a look of horror in his eyes as Flip bounced off the couch, flew through the air like a Pokemon, and karate kicked

the TV straight out the picture window and onto the driveway.

“Why do I have that driveway?” thought Skip.

Then Flip smacked Skip straight across the face. Again. Hard.

“Skip, you are getting stupider and stupider by the day. Why in the heck did you buy that dumb TV? Worse yet, what were you thinking watching the NEWS???? And on CNN of all stations!

Don’t you realize that your mind has no choice but to give you what you put INTO it? If you start listening to a bunch of stuff about a recess, you’re gonna become poor, just like you’re doing right now!”

“And if you put Richard Quest in your mind, you’re gonna turn into a crack head with a rope tied from your neck to your testicles standing outside in Central Park with a sex toy in your socks looking like a complete tool! (Google it if you don’t believe me.) Is that what you want???”

Skip thought about it. He definitely did NOT want to tie anything around his testicles and he was starting to get hungry. Ever since he started living in a recess he hadn’t had any desire to go out and flip houses so he was totally broke.

“Flip, you’re right. I’ve made a huge mistake watching the news about this recess. The pretty people on the screen were just so convincing that I figured it MUST be true. I figured they must be smarter than me since they’re the ones on TV. So I just started acting that way and it BECAME true for me! What a moron I’ve been! Thank you for coming to rescue me!”

“You’re welcome, Skip. Now, take this house I bought today and go flip



it to one of the OTHER people out there like us who don't give a crap WHAT that stupid TV says and are just doing business as usual because they're not total puppet-robots of the media like you started to be for a second there."

So Skip went out and flipped the house to one of the other non-suckers in less than 17 minutes. He felt better, but something was still missing.

"I know what it is," thought Skip.

He grabbed Flip, ran down to the bar, did a high five and drank a beer. His sense of sanity was immediately restored. Then he beat the bartender up for being so mean to Flip while he was gone.

The End.

### **The Moral of the Story –**

97 out of 100 people get depressed after watching the news. 3 out of 100 people actually make anything out of their lives worth a crap.

You do the math.

It's been said that there were more millionaires made during The Great Depression than any other time in history.

It's also common knowledge that more millionaires are made during times of recession than all other times.

Why would this be?

I think if we look closely at human nature, the answer will surface.

We are all born with natural tendencies that in general are trying to destroy us. Allow me to list a few ...

- selfishness
- laziness
- fear
- sex with anyone and everyone
- hatred

To prove my point ... Notice how you don't have to try and be lazy. It's easy, right? But how much effort does it take to be ambitious and hard working?

So how does this apply to hard times creating millionaires?

Well when times are good and the economy is growing, jobs are plentiful. The rat race never looked so good as in times of prosperity.

But when times are not good and the economy is shrinking, jobs are sparse.

*And people are forced to get out of their comfort zones, be creative, and go into business for their-DANG-selves.*

Recessions force people out of their comfort zones. And guess what ... surprise, surprise ... This uncomfortable, new, dangerous, "unknown" way of living is where entrepreneurs spend their entire lives! Welcome to our world!

It's a beautiful world really. No rules. No bosses. We write our own ticket. Create our own reality. Sign our own checks. We are FREE.

But it's not the most comfortable of worlds. No rules sounds good until you realize you are now responsible for writing the rules. How will you spend your time? What will you work on today? You're in charge. Do you have what it takes to do this?

Allow me to answer that for you ...

You **DO**.

You can do this. You have it in you to pull this off. I did it. You can do it. It was hard at first – yes. Uncomfortable – definitely, but ... Oohhhhhh so worth it. Oh man if you only knew; and you will soon, the joy of freedom. There is nothing like it. Work when you want, vacation when you want, combine work AND vacation when you want. It's glorious.

So let me help you get there. Your part of the deal is to simply do the things I tell you to do and DON'T F-ing QUIT. PLEASE don't quit. There is nothing sadder than someone who is almost there ... and then they stop just short of the goal.

There is the story of the guy who found a pick stuck in a rock from the gold rush of the 1850's (or whenever it was). After some more digging, it was found that the pick was mere inches away from a HUGE vein of gold.

If only the guy had kept going.

You just never know how close you are to breaking through. If you do nothing more than plow ahead and don't quit ... You are almost assured success.

**Don't quit.**

So my general view of flipping houses in a down (slow) market is that there is a lot of opportunity for people who normally would never have the guts to try it ... To be forced to try it. And to add to that, my belief is that you should pretty much ignore the news, media, and general public. Cuz they're all idiots. If you are bound and determined to make money, you will make money; I don't care WHAT the market is doing.

All that being said ...

Since the market turned, we have made two small changes to our business ...

1. We are more focused on finding buyers than we were when the market was good.
2. We are much pickier about the types of houses we put under contract.

Regarding buyers ...

This is a very slight change. There are idiots, I mean people, out there who will tell you that "Buyers are everything! Don't even go looking for sellers until you have a buyer lined up and ready!"

There is a reason why these people are idiots. Don't forget that.

As humans, we just looooooove extremes. There is almost no such thing as "balance" with anyone except for the wisest people in the world.

So whenever someone seems really one-sided, let that be an alarm to you. It is not just a "buyers" market during slow times, and it is not just a "sellers" market during fast times. It is always a little bit of both.

We currently sell almost all our houses with bandit signs that say the following ...

Cheap house  
\$29k  
(813) XXX-XXXX

I'm not kidding either. We put about ten of them around every house that we put under contract, and that is usually where the buyer comes from.

Listen to me carefully here ...

*There are **always** buyers for cheap houses out there. No matter what the market is doing. Don't let anyone ever tell you any different.*

But that being said, it is of utmost importance that you dedicate yourself to analyzing your particular market in terms of the following:

1. Who is buying wholesale houses in your area?
2. What price range are they buying in?
3. What types of houses are they buying?

In a slow market like we happen to be in now, you will usually find that your biggest customers are landlords; some rehabbers, but mostly landlords.

Landlords aren't big into renovations, so you will probably find that your ideal house needs minor cosmetics or less.

Landlords normally like block construction houses as opposed to frame.

Landlords tend to buy CHEAP houses that cash flow. In our farm area of Tampa, FL, our average purchase right now is under \$40,000 if that tells you anything. Imagine what it must be in Butt Crack, Montana; Pennies.

So for example, in Tampa, FL, we currently look for 3 bedroom, 1 or 2 bath, block houses under \$40,000 that have after-repair-values of over \$100,000. And yes, we find, buy, and sell these all the time. You'll believe it once you see it, and you'll see it, if you do exactly what I've told you to do in this digital book.

Also, we are spending way less on our marketing right now. In a slow market, motivated sellers are all over the place. Our phone rings off the hook with a cheap ad in the local newspaper, a Google Maps listing (free), and some probate letters. No need to spend a lot of money.

Here's what our current classified ad says, by the way ...

**“Cash Offer In 7 Minutes  
& Close In 3 Days!”**

All These Other Ads Are  
Jokes. We Pay Cash.  
(813) XXX-XXXX

When you fax the seller a contract that documents a close in 30 days as opposed to 3, he normally won't even bat an eye. But if he does, simply tell him your cash is tied up on another deal at the moment, but you'll be good to go in 30 days. No big deal. And remember, it's not *your* money we're talking about here. It's the money from the buyer that you are about to go round up real quick, capice?

Well, my friend ... that's about it. Not much has changed since the market boom a couple/few years ago. We're spending less on marketing and buying houses much, much cheaper. That's it. Besides

that ... business as usual. We're wrapping up a deal right now that literally will net us \$100,000.

You can do it too.

Make it happen.

P.S. Very few people in this world can take information like I have provided you and make it happen on their own. Most people, including myself, found it very difficult to get into real estate until we finally found a mentor/partner to hold our hand through the process and keep us motivated. Get one. For more information about our JV Coaching program please visit [www.CasaDealsCoaching.com](http://www.CasaDealsCoaching.com)