

THE MAKERS OF BAD ASS INVESTORS

PROPERTY M-O-B-

ISSUE 5

Should you
Hire Someone
**To Take Your
Calls?**

5 WAYS TO DEAL WITH
END DEMANDS

TOP 7
reasons why your
Real Estate Marketing
isn't working

Forcing SELLER
MOTIVATION

Is It Possible?

A COMMON **MISTAKE** That Could Land You In **JAIL**

Magazine Content

FORCING SELLER MOTIVATION **IS IT POSSIBLE?**

Newbies make a lot of mistakes, but this is one of the biggest one to avoid.



Features



SHOULD YOU HIRE SOMEONE TO TAKE YOUR CALLS?

Sellers can suck the energy right out of you. Learn a very easy way to pre-screen sellers without having to be glued to your phone 24 hours a day.



TOP 7 REASONS WHY YOUR REAL ESTATE MARKETING ISN'T WORKING

Mastering the lead generation part of the business isn't easy. Find out the top 7 reasons why your marketing isn't working.



5 WAYS TO DEAL WITH EMD DEMANDS

\$1? \$10? \$100? \$1000? Find out how much money is required to make a real estate contract valid and enforceable.



A COMMON MISTAKE THAT COULD LAND YOU IN JAIL

Its easy to get caught up in the madness of trying to close a deal, but make sure that you're not making this very big (and illegal) mistake!



Forcing Seller Motivation

It's been some time since I've been a newbie, but oh, how I clearly remember when I tried to make a deal out of every seller that called my number. I had made it through the beginning, I had learned how to start investing in real estate, but I couldn't wrap my head around the fact that I was looking for that ONE seller who was motivated and ready to sell their house to me TODAY.

No matter how much I write about it here, or how many videos I publish to YouTube, it's inevitable that as a newbie, you'll do it too. And if you're an experienced investor reading this, this article will make you look back and laugh, because it was something that was out of your control.

Is it possible?

You may do it only for the first 10 or 20 sellers that call, or you may do it for the first 1 or 2 years of sellers that call, but you WILL do it. It's part of the learning curve.

Let me explain what I'm talking about in this hypothetical, but very real, example below:

You've done tons of research and finally learned how to start investing in real estate. You've just mailed out 500 yellow letters or postcards to absentee owners. Side note – I certainly don't like that list, but I know a lot of you mail to them, so I had to use it in my example. The phone is ringing, and for some strange reason, you're answering all of your own calls instead of using PatLive. Wait. The phone ain't just ringing. It's ringing off the HOOK!

You're so excited because you've got some live ones calling in, telling you their life stories, and you're really build rapport with these people. The conversations are lingering on for 5 or 10 minutes, and then you finally start digging in to asking them why they want to sell their house.



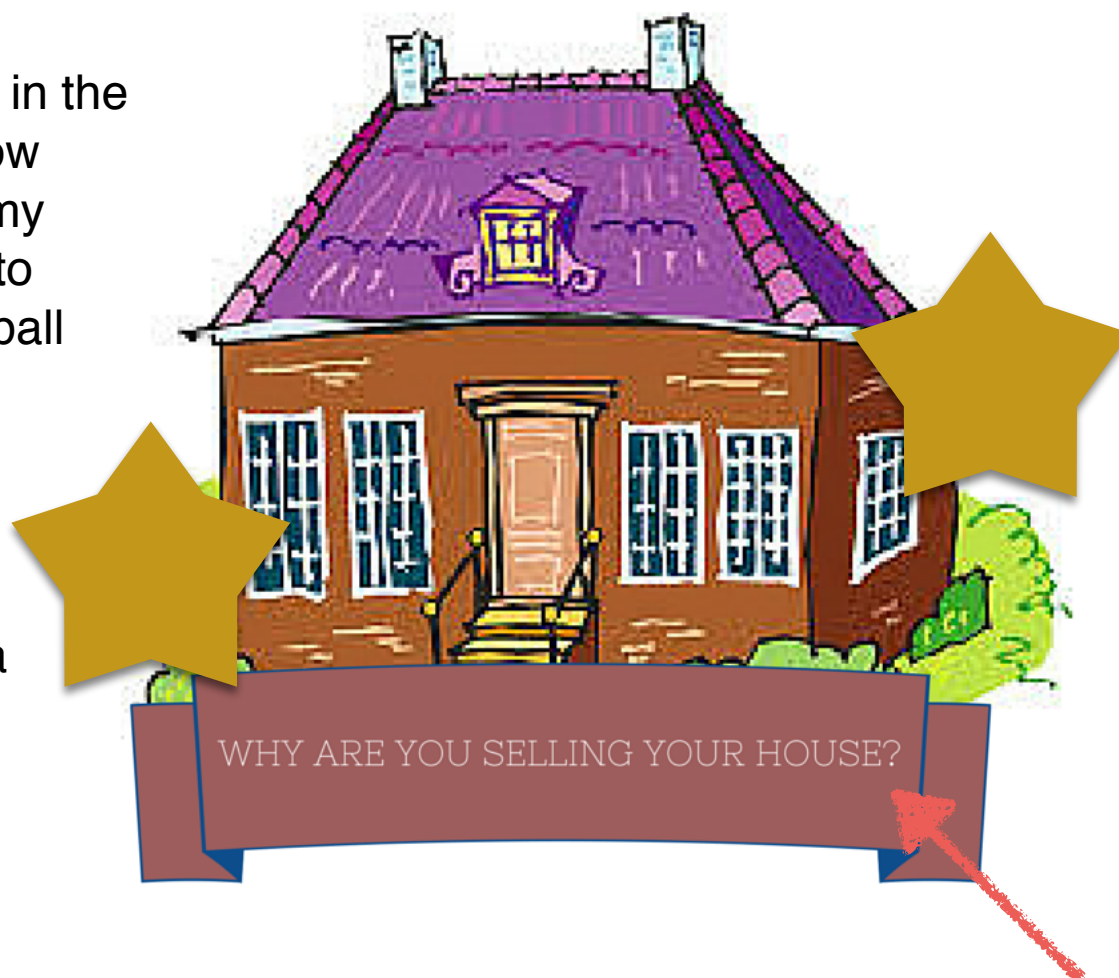
Dear (Seller's Name),
This is Tracy
Caywood and I still
want to
\$ B U Y \$
your house.

Please call me.
(904) 555-1234

Thanks,
Tracy

Your seller answers with the most disappointing response in the universe: “Oh, I got your letter in the mail, and I was just curious how much you would offer me for my house”. OMG! That’s enough to make me want to curl up in a ball and die. I HATE that answer.

Before you get to that point, be ready to listen for trigger words to identify your motivated sellers. We have a free list of Motivated Seller Trigger Keywords for you to check out and prepare yourself to weed through sellers.



THIS IS THE MOST IMPORTANT QUESTION OF EVERY CALL.

But for some reason, you pretend like they didn’t say that. You keep talking, wasting time, and maybe you even set up a time to come look at their house, because they invited you to do so. In fact they said that if you just came over, you’d love the house and want to make an offer on it.

You start pulling comps, and doing some due diligence on this property, thinking that maybe the seller will give you a discount on this property. You are DEAD WRONG. Let me help you understand something.

As wholesalers, we’re in the business of helping people solve their problems. They’re willing to take a discount on their house to help them solve it. Think of it like a real estate pawn shop. Would you take your diamond ring to the pawn shop unless you were in a troubled spot and needed some fast cash? HELL NO you wouldn’t. The only reason you’d go there is if you were in a bind, or you just didn’t want the ring anymore and didn’t want to be bothered getting an appraisal and waiting for a retail buyer to come along

Become a Bad Ass Real Estate Investor




Sellers that enter into contracts with wholesalers are the same way. They need to sell the house. Notice I said need, and not want. So without an underlying REASON to sell the house, and a NEED for the money or to get rid of the house, then you're not going to be able to get a deal from them. It just won't work. No matter how hard you try, and how much you squeeze. It just isn't going to happen.



If you want to shorten the pain of this inevitable problem that all new real estate investors will have, practice your listening skills. Ask the seller WHY they NEED to sell the house, and LISTEN for their answer. It's single handedly the most important question that you can ask them, and it's also the most important answer that you'll receive. If they don't reply with an answer that contains one of the motivated seller trigger keywords, then you MIGHT find yourself trying to make a deal out of nothing.



Get instant access to a list of 38 words that will indicate your sellers are motivated RIGHT NOW on the Property MOB Website.



**If You Had \$1,000 to Spend on
Marketing, What Would You
Spend it On?**

Read Property M.O.B.'s Marketing Plan on Next Page

\$1,000 Marketing Plan

Stop trying to figure out where you should be spending your money to generate leads! Follow this Marketing Plan [organized by Property M.O.B.] and be on your way to generate hundreds of your own motivated seller leads.

Marketing Channel	Allocated Budget	Estimated Reach
Direct Mail	\$600.00	1,200 People
Bandit Signs	\$400.00	High Traffic Areas

Based on the results that the Members of Property M.O.B. are getting, these are currently the two best methods of lead generation. There are several channels of lead generation available and as your budget grows, it's recommended that you are implementing several marketing channels for best results.

Who Should I Send The Direct Mail To?

Selecting your mailing list is a critical part of the lead generation process. The best way to determine who the best leads are for a campaign is to test different criteria. If you're on a limited budget, then start out with a mailing list that you can obtain for free or very inexpensive. For some great recommendations on the **Top 3 Mailing Lists Every Real Estate Should Be Mailing to**, [register for our free training](#).

If your budget isn't generating enough leads for you, then implement these FREE Marketing Channels:

- Posting Craigslist Ads
- Door Knocking
- Cold Calling
- Post in Local Facebook Groups
- Social Media
- Sphere of Influence

Become a Member of Property M.O.B. and Get Instant Access to all of these Training Courses and MUCH MORE!

- Using Facebook Group to Generate Seller Leads
- Mailing List Management
- Direct Mail Follow Up Formula
- Hidden Treasures in Quit Claim Deeds
- Postcard Templates
- Facebook Marketing Basics
- Using Bird Dogs in your Business

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What's the Best Way to Handle Bandit Signs?

Local ordinances have varying rules about placing out bandit signs. Be sure you educate yourself on the laws in your county about putting out bandit signs. She cities have cracked down on a major not with bandit signs, while others are little more forgiving. There's a great article about a [Bandit Sign Scandal](#) on the Property M.O.B. Website that you can read when you have time. There's also a great article on [Creating a High Converting bandit Sign Campaign](#).

If you decide that Bandit signs aren't for you, then allocate your entire budget to a Direct Mail Campaign.



Should I Hire Pat Live to Take My Calls?

Does a Bear Shit in the Woods? I'm sorry for that reference, it's the first thing I could think of.

In case you haven't figured me out yet, I'm all about outsourcing everything that I can to make my life more efficient, more organized, and so that I have the least amount of minutia as possible. Answering phone calls from leads happens to be at the top of my list of minutia. There is of course, more than one way to skin a cat.

Let's discuss the various methods from worst to best:

The worst way imaginable to take seller calls: Is to take them yourself

"I could hear dogs and babies in the background, one lady was smoking a cigarette!"

Good Lord, this will drive you right to the bottle of nearest whiskey. While it may be a good idea for a newbie to take a few calls in the beginning just to get an idea of what a motivated seller sounds like, and as well as what a NON-motivated seller sounds like. Just a warning, though, it WILL get old very quickly. The number of NON motivated sellers will outweigh the motivated ones by a mile. If you do this, don't say I didn't warn you.

The next worst way is to send all of your sellers to voice mail

This is what the masses of people in our country do. No one wants to answer the phone any more. If you have a motivated seller on the line, trust me when I tell you that you really should be capturing their information. You don't want them to get away, or be left in limbo waiting on someone to call them back. If they're seriously motivated, they'll continue dialing numbers until they get a live person to tell them they'll come look at the house. I've also found that once a seller gets someone on the phone they tend to stop dialing.

You can hire a Virtual Assistant to take your calls.

Ehhh. I'm not totally excited about this either. Most of the time, you're going to hire someone from another country. They don't speak English very well (in most cases), and they aren't awake during U.S. hours. I prefer letting them do administrative tasks like processing contracts and scheduling closings. I don't want them to be the first point of contact for my sellers.

You can hire a cheap answering service.

I did that once. All of their operators worked from home. I did some random test calls on this company (I can't remember the name of them now), and the operator did a terrible job handling the call.



Besides that, I could hear dogs and babies in the background. Not that I have anything against dogs or babies, but I don't want either one of them screaming in the background when I'm trying to collect information from a seller.

This is my livelihood on the line. Oh yeah, the operator was also smoking a cigarette during the call. I could hear her blowing the smoke out and coughing. What an epic fail!!



Then there's Pat Live.



**Subscribe to PATLive and Property
MOB will pay your setup fee**

Are they expensive? I guess, but not really in the big picture. That's what everyone is always crying about. I'm always happy to get a big Pat Live bill. It means that sellers are calling me, and I'm getting seller leads. One of the best things about Pat Live is that they understand our business. Ron LeGrand has trained them to know exactly what it is that we do, and how to handle the seller calls. You don't even have to explain. They have **LIVE** and **PROFESSIONAL** operators that take your calls LIVE 24 hours a day, 365 days a year. What more could you want?

I even have Pat Live enter the seller's information directly into my seller lead form, which is integrated into The Godfather CRM. So as soon as Pat Live has completed the call, I receive an email notification with the seller lead information. Pat Live even has the ability to add additional virtual numbers for only \$5 per month. Which means you can forward ALL of your Google Voice numbers to Pat Live.

If you're serious about your business, and your not one of those people that hem and haw about spending too many nickels, then go ahead and take the calls yourself. Otherwise, sign up for an account with Pat Live and let them handle it for you. If you spend \$500 on a monthly invoice in exchange for a \$10,000 check, then what does it REALLY matter how much the Pat Live bill is?

I'm a proud and enthusiastic affiliate, and a USER of their service! If you mention our Magazine "**Property M.O.B. or Tracy Caywood**", they'll waive the setup fee and give you a killer unadvertised special. There contact number is 1-800-775-7790.



What If the Seller Wants an Earnest Money Deposit?

(and You Don't Have it)

If you're dealing with the right sellers, then they're not going to ask for an earnest money deposit in most cases. By the "right" sellers, I'm talking about MOTIVATED sellers, the ones that NEED to sell their house.

The instances where I've seen sellers ask for earnest money is usually either when the sellers are of a more sophisticated nature (usually higher priced houses), or when they consult with their attorney, and the attorney advises them to ask for Earnest Money.

In most of the 50 United States, a earnest money deposit is NOT required on a Real Estate Purchase and Sale Agreement. The promise to buy is the consideration (known as "good Consideration") that's required to make the contract enforceable. So do you know what I did? I completely removed the Earnest Money line item from my agreement. that's right. I deleted it. Its not even on my contract. The seller doesn't see it, and therefore they don't ask for it. Brilliant!!

In the event you get one of these sellers that insists on an Earnest Money Deposit, and you want to remain **RISK FREE**, there are a few things that you can do.

- 1 Write into your offer that the EMD is due within 7 days after acceptance. This could buy you some time to see if you can get a buyer for your contract (assignee) within that time frame who can put up the money. If you don't get any takers within 7 days, you can cancel the whole deal. This isn't the best practice, but an option.
- 2 Tell the seller you'll place a binder with the title company once the title comes back clear. This should give you at least 7 days to see if you can get a buyer. Most sellers will agree with this since you are agreeing to their wishes as long as the title comes back clear.
- 3 Tell the Seller that Since you Close so fast, you typically don't put up Earnest Money Deposits.
- 4 Tell the seller that you need to keep your cash liquid, so that you can close on the contracts that are scheduled to close in front of his.
- 5 Offer the seller \$10. Just because the seller asks for an Earnest Money deposit doesn't mean that they want your arm and leg. Offer them \$10. Some people think that they MUST get at least \$1 to make the contract legal. Crazy, right?

Forget the whole thing. Sometimes you just have to tell the seller to kick stones (in a nice way, of course), if you can't agree. I mean, if you write a big check, you may lose a big check. So why would you write a big check?

PRACTICING REAL ESTATE WITHOUT A REAL ESTATE LICENSE

Today, just a quick tip for you newbies, and maybe even some people that aren't so new. If you don't know what I'm about to tell you, then wow. This could be an eye opener for you and keep you out of jail, or even out of lawsuits.

First let me explain what this article is about. It's about practicing real estate without a license. There are 8 activities that you must have a license for to practice real state (at least in my state of Florida). When I say "practice", I mean to do these activities for someone else, in exchange for compensation.

8 ACTIVITIES THAT REQUIRE A LICENSE

A – ADVERTISE

B – BUY

A – APPRAISE

R – RENT

S – SELL

A – AUCTION

L – LEASE

E – EXCHANGE

Take note that these activities are all same things that a real estate investor might be involved in. The difference is, the investor is doing these activities for HIMSELF (acting as a principal in the transaction), instead of for someone else.



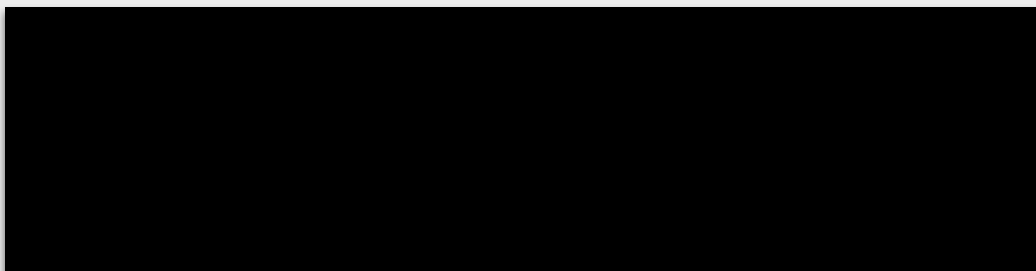
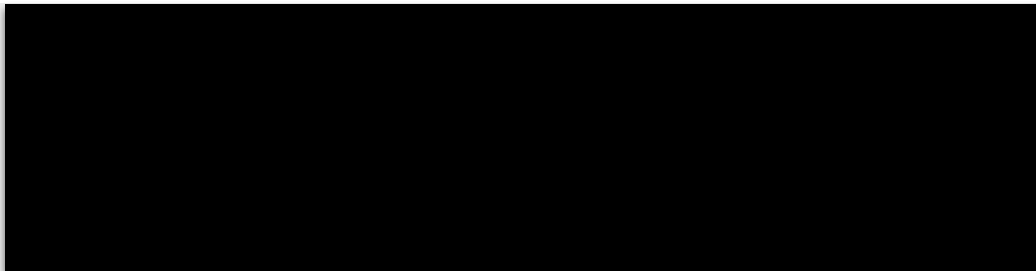
I saw someone handing out a tip the other day online, and they were advising you to go to a website, like Realtor.com, or Trulia, or places that have real estate listings for sale, find some properties that you think are deals, and start pimping them out to buyers. Are YOU KIDDING ME??? You can't do that! That's illegal..... Pretty certain that it's illegal to do that in all 50 states and every country across the globe.

Not real sure about other countries, third-world and stuff, but in this country, you can't do that. You can't market, and advertise, and expect compensation to sell someone else's property unless one of two things is going on.

First, you either need to have a real estate license-- you need to be licensed in the state in which the property is located in order to sell that property for someone and expect compensation. The other option is to have equitable interest in that property. How do you obtain that? You need to have a written purchase and sale agreement, or an option to purchase, from the seller, the owner themselves.

You can also have a written Joint Venture agreement signed with an investor who is willing to co-sell that property with you.

You can't just go out and locate properties online that you think are potential deals, and start pimping them out to your "buyers list" and expect to be paid.



Check the rules in your state about what the penalty is for unlicensed real estate activity.

I had someone send me an email the other day. It said they have a buyer who found their own property on the MLS, and he was going to charge her a fee on top of a listing price, as an assignment fee. He had her out looking for properties on the MLS!

She had a REALTOR sending her listings and then she was coming to him, and he was going to get the contract and then charge her a fee for that?

Oh my god. Just-- What a convoluted stack of shit that would be. So don't do that. If you want to earn your keep in this business, do your own marketing, locate your own prospects, negotiate your own deals, get your own deals, get your own contracts, and then you'll have the right to sell your interest in that property, to a cash buyer and earn your money the legit way. The legal way.

There's so much bad advice out there.

It's sad that newbies come into the market and are looking for education, and tips, and advice on how to get started, and they run across a video like that. So that was not the best advice to listen to. That'll get your ass in trouble.

And in the state of Florida, it's a third-degree felony to act like a real estate agent without a license, and that's exactly what that's doing. Check the rules in your state about what the penalty is for unlicensed real estate activity.



The Top 7 Reasons Why Your Marketing Isn't Working

There's actually a method to effective marketing and getting the best results. It can be very frustrating when your marketing efforts aren't producing the results that you're expecting.

1. Wrong Message



It's important to know your audience. Send them a message that speaks to them. Don't talk about yourself (BIG MISTAKE). Talk about them and how you can help them. Use words like "you" and "your" instead of "I" and "We"

2. Wrong Market



Direct Mail is highly effective when sent to the right market (audience). You can send a bad message to a good market and it will still work, but you can't send a good message to a bad market. Do your research and know who your avatar is!

3. Wrong Media



Keep your marketing simple. Try different methods of media (i.e. direct mail, Facebook Ads, TV, Radio, Bandit Signs, etc)

4. Bad Timing



Time and circumstances change every day. Your marketing may not be seen by the right person because of bad timing. Be sure you're being mindful of holidays and seasonal marketing. Real Estate is historically busy in the spring. Take advantage of this time.

5. Lack of Follow Ups



Making only one contact with your prospect is the worst mistake you can make. The most money is made in follow ups. Be sure to have a follow up system in place for every marketing campaign that you launch.

6. Insufficient Tracking



You won't know what's working and what's not working if you're not testing and tracking your marketing campaigns. This is essential to your success. Spending money on marketing doesn't make it a success. Knowing how each campaign performs and ditching the non-performers does!

7. Insufficient Budget



It takes money to generate leads, and run a successful business. Without a sufficient marketing budget, your business is doomed. Set realistic goals, and understand that the more money you can spend on marketing, the more leads you'll generate. You can't get very far with only \$100.





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