

TRANSCRIPT

SESSION 3.4 SIMPLE WAYS TO DO A REAL ESTATE DEAL

Nate Broughton: All right, continuing on with the real estate section of the BLUEPRINTS. Dane and I have already given you some of our war stories of real estate deals gone bad, and property management war stories, and horror stories I guess you would call them, that we've been through. We've also talked about why real estate, why invest in real estate over other things, and what are some of the advantages. Hopefully we've lined all those up. And now I think we're at the point in the course where we can say, how can you do your first real estate deal. What's the best way to jump in. Dane and I have given examples of some of our early deals, where we've bought a rental property, or we've gone in and tried to do a fix and flip, and I thought I'd bring in an expert for this lesson. Because if you listen to the Opt Out Life, maybe you've listened to episode six with our good friend Alex Martinez.

He has done a lot more in real estate than us as far as number of deals, and it's been his focus for a long time. He is the purveyor of RealEstateSkills.com, and several courses and coaching programs on real estate, how to do real estate deals. So I wanted to get him in here to give you the low down on the simplest ways to do your first real estate deal. Hello, Alex.

Alex Martinez: Hey Nate, glad to be here, man.

Nate Broughton: Thanks for taking the time to do this. I really wanted you to do this because it's going to be infinitely more valuable for everyone than if I just give my advice and what I've learned. You really know this space, you're dealing with it every day, not only on deals that you've done but with your students. And so, I'm gonna let the expert teacher kind of take the floor a little bit. But to kick it off, what should someone be thinking if they've kind of been through the things that I've just described, and they've never done a real estate deal. They're getting a little excited about doing it, they've come around to the idea that hey, this is something I want to do. They're in that frame of mind, what do you say to them?

Alex Martinez: Yeah, so first off, if you want to do your first real estate deal, and you want to make active income from real estate. That means quick money. So we're talking two weeks or less than a month. What I recommend for anyone to do, is to do a wholesale deal. And what a wholesale deal is, it's a type of flipping. But flipping, that word, let's make a distinction. Flipping doesn't necessarily mean you need to go in and renovate a property and fix it up. Flipping can also mean you get a property under contract, and you sell the rights to that contract to someone else, and you flip the property to them and make some money. So that's what I want to talk about, because that's something I discovered six plus years ago. It's something that a lot of people come to me and say hey Alex, I want to get started in real estate, how do I start? Where do I start? And I always recommend doing wholesaling because you can learn the whole entire process of going from finding a deal

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to buying a deal, without actually having to buy a deal and put any money.

So it's a perfect way to start your real estate venture, if you want to make that active income, and you don't want to risk your capital, and you want to make money with no money.

Nate Broughton:

I like that, because there's a lot of ways to go too deep, too quick. And the things that I think are worthwhile are education, so things like this, and some of the programs that you have, where people can-- I think it's always worthwhile to spend a couple grand on learning from someone before you jump in, because doing a real estate deal isn't like, I don't know, spending a couple hundred bucks on a domain name, or some stock, or screwing around with something at the farmer's market, you can lose real money with this. And there are rules, there are guidelines, there are laws. And there are a lot of players. Now, it's a great place to go, so I don't want to scare people away, but investing in education, and then being able to do a deal without taking much risk is the next thing, and that's what you're putting forth here, and I want to hear more about it.

Alex Martinez

Cool, cool. So, that concept of wholesaling, let's talk about that. And then, let's talk about the actual steps you can take to do your first wholesale deal. So, let's clarify what wholesaling is. So wholesaling is when you actually find a property that needs to be renovated, that needs to be fixed and flipped. And so typically what this is, is it's a distressed property. So maybe it's run down, maybe there's been renters in a property and they've just treated it poorly. And the appliances don't work, it smells like dogs and cats in there. Basically it's a property that a first time home buyer wouldn't want to buy. It needs to go all cash, it needs to go to an investor, it needs to be renovated and fixed up to be up to date on current market trends to then be sold to a first time home buyer.

So, that's the type of property that you're looking for now. And wholesaling, once again, what you do is you find that property, and you get a property under contract saying that you're gonna buy it at said price. So let's say, you find a property, it's distressed, and you say, I will buy this for \$300,000. Now what you do, you get that property under contract saying you'll buy it for \$300,000-- and it doesn't cost money to put up a property under contract. Typically, in California for example, you have to put in a deposit within 72 hours. But that whole 72 hour time frame, you don't have to put in a deposit, you don't have to put in any money, and then after that, from the California Association of Realtors contract, it is refundable. So you can have those deposits refundable if for some reason you don't buy that property.

But let's say you get the property under contract at \$300,000. Now what you do is, you find that buyer that wants to buy your deal, and that buyer is typically a fix and flipper, who is running a business. A fix and

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flipper who is renovating properties and selling them on the market, they're not just finding properties and fixing them and selling them. They're managing contractors, they're running a whole entire business. They have payroll, they have to make sure that their properties on the market sell top dollar, so they have agents to sell their property. So they have a lot of things going on. That's what I'm getting at. So you, as someone who can find those deals for fix and flippers run that whole entire business. You can find that deal, get under contract, and then say hey, I've got this great deal for you.

And you can then present that deal that you got under contract at \$300,000, you could then present that at \$310,000 for that fix and flipper to buy. Or even \$320,000. So what I'm saying is, you get under contract at \$300,000, let's just use the \$10,000 example. So then you present it to the fix and flipper at \$310,000. Now what happens is, you make the difference between the price you got under contract at \$300,000, and the \$310,000 price that the fix and flipper is buying it at. So you make \$10,000 for literally getting that property under contract, and then presenting it to that buyer. And we call that a cash buyer. And then the transfer of your name to that cash buyer's name, that's called assigning the contract. So we're just assigning the equitable interest in the contract, we're assigning the contract rights to the buyer, and he's paying you 10, 20, \$30,000, to do that.

Nate Broughton:

So let me break in and say, okay, what we're doing effectively is we're finding a house that is for sale, and it is typically going to be one that is a little run down, or not up to date. It's not a sexy HGTV house. And these houses are always on the market, no matter where you are. And you are going through the effort of finding this house, you're getting it under contract as you've described, which means contacting the seller, the selling agent, negotiating a deal, and getting it on paper that you want to buy it at said price. One of the components of doing that is a deposit, and typically in California if you're using the templated contracts from CAR, is you have 72 hours to fund that deposit. And you've also noted that typically that deposit by default is refundable. So that's good.

So we're kind of illustrating that you can get into this deal without any cash, you can get it on paper, and now that you have that on paper, that's when you gotta do the work. The magic. To flip it, in a way, to use a term that may confuse but, take that contract to another buyer who is looking for these deals, and sell it to them for a profit. And that's how you can do a no money down deal to make \$10,000, in your example. Now, the components of doing that, I think we have to walk through what a contract is or how you can get access to contracts or how that process works. And then also, the other side, finding buyers, right?

So how do you walk out the door, or find something online, a listing, and call on it, and get it under contract. Do you need something, do you need an agent? Do you need some sort of skill or certification to do that? And then, let's go from there and talk about how do you meet these

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buyers, where can you find them. What are your tips, tricks, and hacks for that?

Alex Martinez: Awesome. So, first let's talk about where do you find these deals. And the best place that I've seen from my time of doing this, is something called the MLS. And the MLS stands for Multiple Listing Service. What it means is that any property on the market, typically in your county, is listed for sale by a real estate agent on the MLS. So then let's break that down. It basically means, any property on the MLS, there's a motivated seller behind that property. Means they want to sell their property. Now on the MLS, there's brand new properties on there. There's renovated, nice properties, retail properties that a first time home buyer would buy. But like Nate mentioned, there's always gonna be properties that need fixing on there. There's always gonna be distressed properties on there. People facing foreclosure, where the property needs to go to an investor, or sellers facing divorce, where they just want a quick sale in two weeks. So those types of situations will always be on the MLS. Instead of trying to jump through a bundle of hay and look for one needle, you know, a needle in a haystack, like a lot of investors do, I like to begin with the end in mind and say hey, let's go to where all the deals are. Let's get access to this thing called the MLS. And so the MLS is a database of all the properties on the market, and the way to get access to it. That a lot of people know how to get access to, is you need to be a licensed real estate agent or broker, and that's one way to get access. That's the main way to get access.

But what a lot of people don't know, is you can actually get assistant access, unlicensed access to the MLS, which is so important to understand because a lot of people think they need to spend a few hundred dollars, \$500 plus, six months of studying, to then get access to the MLS. It's frankly not the truth. If you know someone who's an agent or broker, who's investor friendly, wants to work with investors, get more deals.

Well you can then sign on to be their assistant to get access to this MLS, to then have access to all the deals on the market in your area.

So that's what I recommend really for anyone. Whether you're starting out and you just learned about real estate yesterday, or you've been in the game for 20 years, I recommend getting access to the MLS. There's more benefits than just finding these deals, you can look up past sales data to then accurately analyze properties. Any new properties that come on the market on a daily basis, you can set reminders and have it email you. So it's just the smart way to go that I've seen.

Nate Broughton: Is there a cost to doing that?

Alex Martinez: So, there is a cost. In some states, it's free. So it's dependent upon every single county. So there's an MLS really, usually in about every single county within your state.

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And I want to make a point that if you know someone, if you're in a different state, let's say you're in New York and you know someone in Arizona who has MLS access. It's not really gonna help you out if that person's in Arizona. They need to be local to your county, and a local agent for you to get that assistant access for you to then utilize it and benefit from it. And then, to go more into the cost, the cost itself. It's not expensive. It's actually more money if you're a licensed agent as opposed to an unlicensed, a person with access to the MLS.

So the cost, we know here in San Diego, is probably about \$25 per quarter. Turns out to be less than 50 cents a day. And if you can afford 50 cents a day, you know, couple less Starbucks a week, then you can have access to all these deals. And that's something I recommend for anyone to get.

Nate Broughton: So if you don't know any real estate agents, I mean I know they're around, I can probably look out the window here and spit on two of them. Or at least see their signs in their offices. I think there is one sitting beneath me at the moment. Joking aside, where are you gonna find these people if you don't have them? I mean obviously personal network, but events? Networking? What do you recommend?

Alex Martinez: Yeah, so there's this one type of event called a Real Estate Investing Association event. In short, they're called REIAs, R-E-I-A-S. REIAs. I recommend going there, because that's where all the real estate professionals who are interested in investing go. So once again, let's begin with the end in mind. Let's not make our job harder, let's go to where all the professionals, the real estate investors, people interested in investing. Let's go to where they hang out, rather than trying to look in the dark for these people. So, at these events, you'll find the agents and brokers that want to work with real estate investors. That are investor friendly. Because there's all different types of agents. Not all agents are cut from the same cloth.

Some agents only want to deal with high end properties, two, three million dollar properties. They don't want anything to do with real estate investors. But then there's some agents who love working with anyone and everyone. And any way they can get more business, they'll take the opportunity. So, if you go to a Real Estate Investing Association meeting, you find an agent or broker who's there, who enjoys working with investors. Well then you can really just go up to them. First off, develop a relationship, you just don't want to go off and say hey, can I get MLS access?

Nate Broughton: Right, that won't work. That won't work, they'd be like who the heck is this guy?

Alex Martinez: Right. If you're genuinely interested in them and their business, and you learn about hey, how can I help you get more business. How'd last year look

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for you. What types of deals do you like to work on. Okay, great. Well, one thing I know of is this thing called assistant access to the MLS, and I know that if I'm able to get access to it, I'm able to find deals that will benefit me but also will benefit you. Because for the deals that I want to make work, some of the time I can have you represent me as my agent. And when someone represents a buyer as an agent, they make a commission. Here in California, about 2.5% commission.

So, there's a benefit there, if someone's going to give you MLS access, that's a way for them to make more commissions. It's almost someone is ... if you're that assistant looking for deals, you can basically be finding deals for this agent to represent you on. So you really are an assistant for them, helping them get deals that they can then get commission on. And that is the best way to get MLS access. And if for some reason, the first agent you go to says no. Don't worry, that's okay. Every no you get you're closer to a yes. And if you believe in that, that's going to get you far in life, and also far in real estate.

Because I equate real estate asking questions, you need to get MLS access, you need to submit offers to get deals, but it's like a baseball player, right? The best baseball players, they pretty much know they're going to miss two out of three times. But that one out of three times, that fires them up, and they're professional because they score or get a base hit, one out of three times. That's the same thing for anything in real estate, whether you're getting MLS access, or offering on deals. But that's how you get MLS access, and that's how you find those agents and brokers that you want to work with.

Nate Broughton:

So now that you've established that you need to get MLS access, and you've given us some very instructive ways to get it. Like developing agent relationships, and you can do that through your own network, and more specifically through going to REIAs. Which are a great place not only to meet agents, but also to meet fix and flippers, which I think we can talk a little bit more about. And we'll also say that hey, that's where me and you met. One of those events. So it can lead to many, many things as we've both just had a curiosity and an interest and some progress investing in real estate. And that's where people like us hang out, basically. And where I met other wholesalers, and I would have coffee with them just to learn. Not people I had developed a long term relationship with, but people that I was curious about, and certainly found valuable in my education in real estate in my early days. So I certainly encourage those events.

But to jump off of those for a second, we've got MLS access, now what do we do with that access? We've established that that's where all the deals pretty much in the county live, and that's where you can find them. But as I'm poking around, I know I should be looking for distressed properties, properties that are not retail. I think that's a good way to classify ones

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that ones would not be a target. But how do I mechanically use this system to find deals? I know you've got some tips and ways to use it to the highest and best degree.

Alex Martinez:

Yeah. So some good tips and tricks on how to use the MLS. So let's say you went to the REIA, you got the access, now you have MLS access. The really cool thing is that each MLS is sophisticated. It's like a software search system. You can literally pick your criteria of square footage, or bed baths, zoning different areas within your county, all these properties that are on the market. What I like to do, which is very very easy, is I like to pull up the newest leads that are on the market, because they're fresh. They're hot. I know that they haven't had a lot of people calling them. So I like to pull up either today's new listings, or yesterday's new listings. Those are new properties on the market. Some markets, there's more than others. Some there are gonna be a hundred plus, some there could be 20.

But what you do is you literally go through, and you look through the images, and there's also a remarks section. A description of each property. And sometimes just right in the description it says hey, needs an all cash offer. Perfect. Hey, fixer upper. Perfect. Need to sell quickly. Perfect. There's indicators like that. But sometimes they're not in the remarks, and so you need to look at the photos. And if you look at this property and say hey, there's no way in heck a first time home buyer's gonna buy this, then it's probably a good property for you to call on.

So you want to filter through these properties, the new listings on the market, because of the freshest opportunities. And let's say 20 properties are new listings on the market, maybe only five are a good call on. So don't worry if not every one is going to be perfect to call on. And if you call on every one, frankly you're just gonna be wasting your time. You wanna call the ones that have the best bet of going through, the best bet of working for you.

So, you find those ones that are distressed by either reading the remarks, or looking through the photos. The MLS is really cool, where the agent who puts this property on the market-- that's how these properties are on the MLS, an agent that is selling it puts it on there. They can upload photos. So you want to look at those photos, click through them. Really understand what's going on with the property. Now, lots of cool things about the MLS. Probably the best thing is that the contact information for each agent, their phone number, email, and address, is on the MLS.

And so, like I said, some real estate investors even spend thousands on marketing to try and get one phone call on a deal that may work for them. We're now spending less than 50 cents a day to find deals that are on the market right in front of us, and we have the contact information for the listing agent who's selling it. So that's a powerful, powerful thing. I want you to realize that you can do this all within five minutes of just logging into

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your MLS and finding multiple properties that can work for you. That literally can bring you \$10,000 on each property. So that's the power of it.

Nate Broughton: That's a key point, right. That it's a way to end around doing a ... you're not turning this into a business, you're not doing marketing for yourself. We're saying this is the simplest way to do your first real estate deal. And yeah, we've talked through some of the steps, and maybe that feels like a bit of work. But it's a small amount of pain to get access to deals and contact information of people who are representing those deals. So, we've got those two things down. Now we want to reach out on a property. You've done this a lot. What language should you use, what method, how can you make yourself kind of stand out a little bit as a first timer.

And I don't know if that means maybe you need to go get a buyer in your pocket first, and have that before you start reaching out to deals, you tell me. But yeah, what do you need to do to reach out, because if this is the first time you're doing it, and you sit down and you've got a phone sitting in front of you, and a phone number. You've gotta call someone, you don't know what the hell go say. Or you've got a blank screen, and you've gotta type something out, and you don't know what the hell to say. What should people say?

Alex Martinez: What I recommend, the simplest way to get deals on the MLS is going to be that Real Estate Investing Association meeting where you found that agent or broker, or you went there to network. Who are also there are these people called cash buyers. And these cash buyers are the fix and flippers that can buy your deals that you want to wholesale for all cash. And so I'll say this again, begin with the end in mind. We want to think about who's gonna buy this deal that we're getting under contract, this house. The people who are gonna buy those are the cash buyers. So to make this as simple as possible, while you're at that Real Estate Investing Association, you want to meet those cash buyers, those fix and flippers, who are doing multiple deals per month.

We're not trying to work with someone who just buys one property every 12 months, renovates it, takes six months, puts it on the market. We're trying to find these buyers who are sophisticated, who are doing three to five deals per month. Multiple deals. Because what this means is that they'll have systems and processes in place where, if you send them a property-- hey, you know, you can buy this for \$310,000, I got it under contract. They can give you quick answer, one, two, three hours. They'll give you a call back when they see your number. As opposed to other investors who aren't as sophisticated, other cash buyers, who may take weeks to get back to you, days to get back to you. And frankly that doesn't benefit anyone. When someone takes that long to get back to you, because there's a timeline on each and every deal, right.

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If these deals could last forever, then a lot more people would do it. So, speed is the name of the game. So we want to find these cash buyers, these fix and flippers, do multiple deals per month, at the Real Estate Investing Associations. And when you meet them, you want to learn their buying criteria, right. So what types of properties do you like? What's your bread and butter? Do you like two bed one baths, do you like three bed one baths? Do you like properties under \$500,000? Under a million? So, you're trying to narrow down what types of properties they like. So I'll tell you what, in San Diego, a majority of buyers will not buy properties with over an acre of land on it, because it's very hard to find other properties with an acre of land on it that have sold at a comparable price.

It's very hard to analyze these properties to understand what they're gonna sell at. But the normal property, you know, bread and butter, lots of companies, cash buyers, fix and flippers, that want to do deals. They're about 1,200 square foot houses, three bed two baths. So now I know, if I've talked to five different buyers, and they say hey, you know, this is my bread and butter. Three bed, two bath, 1,200 square foot. I now know exactly what type of property I need to be looking for. And if I find a property out in the boonies, with two acres of land on it, I know I'm most likely gonna skip it, and not even waste my time with it. Because I don't know any buyers that are gonna want to buy it.

So that is what you want to do once you get that MLS access. You want to find these buyers' buying criteria, so you're not just finding random properties. In fact, you're finding the exact properties they want to buy. And that's gonna give you the biggest wholesale checks, it's gonna give you the highest likelihood of these deals going through, and it's gonna make sure that you have a genuine relationship with your buyer where they respond to you quickly.

Nate Broughton: I like it. So, we've established a bit more about what you need to have in your pocket, who you need to have in your circle. I think we've got all the assets you need to do your first real estate deal. Now what do we say to the agent? Let's get back to that point I was asking about. Alright, I'm ready, I've got my deal I wanna target, I've got my person in my pocket, I've got my relationships. It hasn't been too hard to set all this stuff up, by the way. I'm not out any money, but I need to communicate with another human and do my first deal. Real estate deals are all about the gab, right? What do we say, and how do we let people that we're serious, and that we're someone that they should work with?

Alex Martinez: Yeah, yeah. So once you find that deal on the MLS, that's distressed, that needs fixing. You find that listing agent's contact information, and you give them a call. And on this phone call, you don't just start off and say hey, you know, I'm a wholesaler and I want to get this under contract and assign it to another buyer.

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It's not what you want to do. What you want to do is actually develop a relationship with this agent. Never forget, you know, we're dealing with human beings in this business. And it's a numbers game, and it's a relationships game. So don't forget that relationships part. We're contacting a listing agent who knows they're gonna be contacted because they put this property on the market, so first off you can eliminate really any fear and nervousness. They know that they're gonna get phone calls, it's basically permission to call this listing agent when they put it on the market.

So eliminate that fear. It's okay. Another fear a lot of people have before they do their first call is that, oh my gosh I'm so scared, I may mess this deal up. Well, it's okay. There's always another deal around the corner. Trust me, I've been doing this for six plus years. There's always another deal. If you mess it up, who cares. You're gonna get feedback, you're gonna learn, you're gonna get better. So don't worry about that either. Okay. So on the actual phone call, here's how I like to start off.

Hey Lisa, I saw your property at 1234 Hearst drive, hope you're having a great day. I was wondering if you had a few minutes to chat about the property, by any chance? And that's exactly how I start. So I've done thousands and thousands of phone calls just like that. Just warm, welcome, I'm calling exactly about your property, do you have a few minutes to chat about it by any chance. 99.9% of the time they're gonna say yes. Next question I go into is, great! Well, you know, I am a buyer, I'm not an agent, so would you be open to representing me as my buyer's agent by any chance? And this is an important second question. Because now, if they represent you as a buyers agent, what this means guys is, they're going to make twice as much money as opposed to if they work with another buyer that has a buyer's agent.

So for someone new in real estate, I just want to clarify that when a deal is sold on MLS, a house is sold on the MLS. Typically a listing agent makes about 2.5, 3% commission. And there's a buyer's agent who makes 2.5, 3% commission. But once we get MLS assistant access, we bypass pretty much having a buyer's agent. We call this listing agent about their property, and we ask if they're open to representing us as our own buyer's agent. Well now, ding ding ding goes off in their head, they have the ability to make twice as much money from doing the same amount of work. So that can put you leaps and bounds upon other offers, that they're not representing. And from there, once we've asked that question, once again. Probably about 99% of the time, they're gonna say yes. Then you want to discover about the property. I like to call this call discovery call. Because we see what the property is on the MLS, we see the photos. We see the remarks. We see the description. And now you want to go through and basically validate what you see on the description of the property. So I like to say hey, you know, I see these photos on here. Looks like the property's stuck in the 1970s a little bit, but I wanted to verify that these are recent photos, is that right? And then you just start going through. Are there any structural or foundational

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issues. So these are major issues for any investor, right. Like cracked slabs. So is there anything major wrong with the property? That's what I wanna get out of the way first, because if there's something major, that can be like a 10 grand fix, right. So is there anything major going on wrong with the property.

And you go through, you know, what's going on with the property. You discover what's going on, you ask them about it, you have this warm conversation. They want you to win because there's a potential that they can make dual commission. They can make twice as much money from working with you. So once you go through, you verify everything about the property, you may learn a thing or two about the property. You may learn a thing or two about the situation the seller's in. You may learn that they have to sell the property actually in 14 days, and maybe if you can come in right at the list price or anywhere around that within 20 grand, you can make this deal work.

So that's the power of having a discovery call with these listing agents, is it's not just a transactional call. It's this call where you're developing a relationship, you're developing trust. You let them know that you are a buyer of property. And everything you need to know about it on that call. Now, towards the end of the phone call, let's say you validated everything about the property. Now you want to say, you know, around where do I need to come in at to make it work? Right, try and have them tell you a number. And this would be the easiest way, because then after the fact, you can analyze those numbers that you get.

Now, any number they tell you, let's say they say, you know Alex, \$310,000 will work. Ah, is that flexible by any chance? That's what I like to say.

Nate Broughton: I like it.

Alex Martinez: So, anything they have, always ask if it's flexible. Because, I've said that, and it's made me 10 more thousand dollars, or 20 more thousand dollars on a deal. So you want to go through this call, it's most important that it's a discovery call, you're learning about the property. You're developing a relationship. You want to get them on your side by incentivizing them to work with you. Getting them dual commission. And then, you want them to tell you where you need to come in at to make it work. So that's the simplest way to have a call with a listing agent, and they'll tell you the number that you need to come in at. That's the simplest way.

Nate Broughton: I mean, we're giving away a lot of good information here. Which, we're not giving it away, because this is the Opt Out Life BLUEPRINT, but what you're really doing for us here is giving us the nitty gritty of the stuff that you produce on real estate skills and your pro wholesaler course, so I hope people are enjoying the value and getting something out of this. I think we

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should tidy this up a little bit, so we've got to the point where ... I mean, we've gotten pretty far along here. We've got an agent on the phone, we're negotiating a deal. Let's try to close that deal, and then talk about assigning that deal off to a buyer. And then, let's wrap it up a little bit and tell our students, our people here on the Opt Out Life BLUEPRINT, how they can learn more.

Because the Opt Out Life talks a lot about real estate investing, it's something Dana and I know a bit about, but it's not really what we're doing here at Opt Out Life and that's kind of why we have people like you who we're friends with who can educate people who are really interested in real estate investing and turning this into something that they're a little more active with. So, tidy up this deal, let's close it out, and give me a little pitch for Alex Martinez because we've given away a lot here, and I want people to know what you have to offer if they want to learn more.

Alex Martinez:

Yeah, thanks Nate. So let's say, listing agent tells us the price we need to come in at. Perfect. Now you can lock it up, which means you can get it under contract at that price. Now, the beauty of working with listing agents and having them represent you as your buyer's agent, so just one agent involved. There's streamlined communication, right. This agent is dealing with the seller, and they're dealing with you. As opposed to having another agent in there, where sometimes things can get lost in translation. Believe me, I've seen it happen. Tons of times. So we have streamlined communication now.

And now you don't really even need to worry about writing up your own contract, because this listing agent will typically a majority of the time have access to contracts that they use for the property. So this agent's gonna write up the contract for the deal. Now, the most important thing, the most important thing you include in this contract, is inspection contingency. This inspection contingency allows you to back out of the deal for any reason due to your own inspection. So, if it doesn't pass your inspection, if it doesn't pass your buyer's inspection, you're allowed to back out of this deal.

The way you need to look at that is like it's your escape clause. It's how you get out of the deal. It's how you're able to do this essentially risk free. There's always a little risk in something, but essentially, virtually, as low a risk as possible. By having the inspection contingency. So in California, typical inspection contingency starting is, for investors, seven days. Alright. So you have seven days with that inspection contingency to back out. And what that also means is, you have about seven days to wholesale that deal, to assign that deal to the buyer that you've already lined up, you've already primed, you've already asked them what their buying criteria is. You've already found the exact deal they want.

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And now, once you get the property under contract, really, I look at the signing as almost the easy part. Maybe not the first time around, but after you do it over and over again, it's the easiest part. And so now what you do, once you get the property under contract, is you want to contact your buyer of the deal. And you don't want to tell him exactly where you got the property under contract. So let's use that example of \$300,000. You want to tell him the price that you want to sell it to him at. So whether it's 310, or \$320,000. That's all he needs to know. He needs to run the numbers and see if it's gonna work for his business, if it's gonna be a deal or not.

So let's say you say hey, you can buy this for \$320,000. And he says hey, 320 doesn't work for our numbers, but we can do 310. Alright. So let's say okay, cool, we can do 310. Let's go ahead and do that. You've lined with the buyer, you guys agreed to that \$310,000. And now since listing agent's handling all the contracts, there's also something called an assignment. And it's an addendum, it's an extra piece to a contract that gets added in. And this assignment says hey, we're going to transfer the rights from myself to the buyer involved.

And the way I like to preface it, this is another big golden nugget that took me years of trial and error, and lost a lot of money learning this lesson. So listen up. So, a lot of people botch this assignment. Let's say, they put a lot of pressure on themselves with transferring the title. So what you want to say is hey, Lisa, great talking with you. You know, we actually, sometimes I buy the property in my name, and sometimes we buy in my financing partner's name. You know how it goes in real estate, right. So, what we're gonna do on this property is, my financing partner is bringing in a majority of the capital, so we just need to buy it in his name. And just leave it at that.

Because that's standard operating procedure for a lot of real estate deals, for a lot of real estate investment companies. A lot of commercial, residential deals. There's a lot of different financing partners. Heck, every home owner across the United States who's getting a mortgage, they have a financing partner. So when you preface it that way, it's very seamless, and the agent's gonna handle the assignment. It's their job, their the agent handling the contract. So, they'll handle the assignment, and they'll make sure that the buyer, your buyer who wants the deal, is gonna buy it from you for \$310,000, is going to now have the rights to buy that contract.

And so that's how you handle the assignment which, like I said, sometimes we buy the property in my financing partner's name, sometimes we buy in my name. And this one, we're buying in my financing partner's name. That's the language you want to use.

Nate Broughton:

I mean, that's super key, right? It sounds like it's ... I think that's the tidbit I think I was going for even in trying to figure out, what do you say to these people.

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That's something that I think a newbie can really mess up. And I think if you go back through the things we've talked about over the last 30 to 40 minutes, and we'll do our best to kind of pull out the key points and script points that you can use to kind of go off and start doing this. But, like I said a minute ago, I want people to understand that there's a whole lot more information that they can learn and get from you at RealEstateSkills.com. And hopefully they've gotten a little bit of a taste of how they can do their first real estate deal. You know, I think, as I sit here and listen to it, I know that as a newbie it can be a little bit intimidating.

But if you go back through and listen one more time, or use some of the guides that we're going to give you, there's not that much to this. And certainly not as much as figuring out how to find a property and finance it on your own, and then take over that property, and fix it up, and put a renter in there, or fix it up and then sell it. I mean, there's a lot to this real estate game. There's a great big payoff on both short term and long term if you can figure it out. But what we've walked through really is a step by step way to hop into a real estate deal. Make five, ten, twenty thousand dollars without any risk. As long as you can kind of be curious, and go through the pain of learning how to source these deals, get MLS access, negotiate a deal, and get that on paper. And then have a buyer in your back pocket to send it to. It's not too bad, right?

Alex Martinez: It's not too bad, no.

Nate Broughton: Okay. So yeah, one last little plug Alex. Again, thank you for doing this. And I know as we kind of cut it up, it's gonna be some very valuable content to kind of book in the real estate section of the BLUEPRINT. But I know people will hear from you throughout our content on Opt Out Life and through your podcast on our network. But what do you usually say is the next step if someone's listened to this and they want to get a bit more, what can they do?

Alex Martinez: Yeah, if you want to get a bit more, I recommend going to RealEstateSkills.com. That's my company and website where a lot of what we went over, in my blog I go more in depth, so you definitely want to check that out. And then also I like to hold free workshops every now and then. So those are live, online workshops where you can go, you can learn, talk live, I answer your questions, Q&A. And that's what I recommend for anyone to go there. Also, I have a course called Pro Wholesaler. So everything we talked about today, we go even more in depth right, because I can only fit so much in about half an hour. We go more in depth on how to do this. And then, also really how to scale it to seven figures. So how to plug people into your business to finding these deals for you. Because I like to teach you how to get your first deal, but then I always say you know, it's about going from

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zero to one. Then one to two. Then two to five. And then automating, and doing it over and over and over again, and really building that machine that can build you wealth. So that's what we go over in my program, the Pro Wholesaler program.

Nate Broughton: Cool, and I do recommend it, and I don't say that just because. I know the legitimacy behind it, I know you've been doing this for so many years. But I mean, I actually know people here in San Diego who've recently lost their job, who've found your program, and who are using it to make money. And it's kind of their new thing. And I also know that some of your other students are just kind of doing this on the side, as a side gig while they maintain their current job or whatever they're doing, or while they're in school. And it's extra income. That's either gonna be nice extra income for them, or it's gonna be something that they can turn into a full time job.

So I've seen real people use these programs, I've used real estate-- I haven't taken Alex's courses because I was foolish, and it wasn't around at the time, and I had to learn through years and years of pain. Of losing money and figuring my way through it. And I wish I had those shortcuts for myself, and I've been impressed with the personal feedback I've gotten from people who are using it as well. So do check it out, and we'll continue here on in the BLUEPRINT with some more information for you. Thank you Alex, I know we'll hear from you soon.

Alex Martinez: Opt Out!

Nate Broughton: Opt Out!