

# BestFlippingTeam

## Training Module 6

This training covers how to buy the house. The in house appointment and dealing with the seller

Every week we give an easy way to market and find a deal. How to get a deal fast that doesn't involve spending much! This week's tip: Get business cards. You can get 100 cards online for about \$15. Put your keywords on the cards "cash buyer" "No closing costs" "no realtor fees" "No repairs needed" "no inspections" "no appraisals" "close fast". Get them all out as quickly as possible.

Things to remember every week:

This is designed for you to train your people, many people have the end goal of being the money partner and having a team to handle every piece of the business. Once it is set up, this makes the most money in the least time.

This business is for you to have free time.

This is designed for you to work less and have more.

We always want to remind you of the "three places you could be" Anxious to find a deal, patiently tuning in and doing assignments, or lastly "You waited until the end and you are reviewing all of these together". Any one of these is fine, as long as you get into action.

This will take time and effort to get there.

In many cases you will be better off to do all the training and do the deals yourself at first, you are more likely to be the most committed to the process since you are leveraged.

In many cases you'll be better off to hire someone right away because it saves time, but realize the team member often times is not as leveraged as you. You have to decide and analyze that risk on an individual basis.

Weekly Reminder: Basic wholesale- Wholesaling is a niche in real estate that is 100% investor based. You are finding deals as investments at low, low prices and then "flipping" them to other investors (usually fix and flippers or landlords). Your goal here is to buy at wholesale prices and "flip" them to your investors at prices that are still below market value, leaving the majority of the profit for them. The golden thing about wholesaling is that you are making your money almost INSTANTLY, in most cases without ever owning the property. You do not need to use your own money or your own credit to make BIG profits on these deals

Weekly reminder 2: If you have enrolled into a training that has the network, then you have access to the network. You can use wholesalers in the network. A good goal for a wholesaler should be to set a goal for 2-3 deals within three months. Remember to email the office if you need to utilize the network. We reach out to the various people in the network that could fit your needs or we do a blanket marketing campaign for you inside the network (whichever way is most appropriate) and then get back to you with the response.

You should have a call rail number set up. If this is your first week on board, you may have to check your email and get set up. This is the number that you get set up for all of your marketing. We give you call scripts and common objections that we have developed over the past 17 years. These scripts are perfectly tailored to explain and demonstrate to the seller why it makes sense to sell their property to you. This call script works extremely well and you can rely on them.

Things to know about yourself. You are a cash buyer. With our network and support you have the ability to write offers as a cash buyer. In most cases what that really means is that you do not write your offer contingent on financing. You do not care about the condition of the home. You do not care about appraisals, you do not need inspections that are required by lending institutions. They have nothing to worry about! Roofs bad, floor is bad, bathroom is missing? That is all acceptable. Many sellers have been involved with a buyer that needs to appraise and inspect the property and after a lengthy time period the buyer backs out due to an appraisal coming in low, or inspection comes back with lists of repairs

that ruin the deal. Always remember to tell them they do not pay any realtor fees or closing costs. Title insurance, doc stamps, closing fees any and all of it. You will make it so whatever you offer, that's what they walk at closing with! No math! You offer \$110,000 that's what they get! This is very enticing for sellers.

This week we are talking about you being out there dealing with the seller. This is directly connected to those conversations you practiced with Module 1.

We will go from the moment they answer the door to the signed buy side contract  
Thank you for inviting me to look at your house!

\*Your llc\* Let's say you are ABC homebuyers and our partners are one of the largest purchasers of houses in the United States.

Our company is part of a huge buying group who have been buying homes for the last 20 years.

Step 1: Build Rapport

Enough about us, tell me about you.  
How long have you lived in this house?  
Where are you from originally?  
Do you have family in the area  
What do you do for work?  
What kinds of things do you do for fun?

Building rapport, asking non business questions and telling about yourself (relating to them!!)

Step 2: Find The Pain. Consider yourself a doctor or home buying. The customer has to have symptoms. If they cannot tell you "where it hurts" you can not offer a remedy. So ask the questions that find out the symptoms and find out where it hurts, so you can help them with a remedy.

Tell me about your house (wait and be quiet, you will look for symptoms- leaky pipes the pain is "paying to fix them" the remedy is to have them not have to pay to fix them)  
Why do you want to sell? (I don't want to "I need to" I have a have a sick family member in another state, the pain is the inability to be there and keep up their house here, the remedy is to sell fast )  
Why did you call me? (mere curiosity, isn't a symptom so move on to the next question, the key is to set yourself apart)  
How soon do you need to sell? (I need to sell before a foreclose, that's a symptom)(selling fast is great)  
Why don't you sell through a real estate agent? (hopefully it is about time)(If they don't want to fix it, or have people walk through their house, this is good news for you)(One thing I have learned about realtors and what they say they can list it for, I'll show you the real comps here and what they can actually get for it)(If they say some numbers that make you feel good about your offer that's good, if they throw out some numbers that are way higher than your offer, maybe think it might be a faster appointment)  
What did the real estate agent say?

You are just trying to get them to talk. You can ask any questions you'd like.  
You are getting them to open up and reveal what pain they have so you can solve their issue by buying their home.

Step 2: Find The Pain.

And then it continues (make it a flowing conversation)

Tell me more...

How long have you had this issue/concern?  
What have you tried to do to solve it?  
Why do you suppose that didn't work?  
What are you hoping we can do?  
Are your names the only ones on the title

QUESTIONS QUESTIONS QUESTIONS QUESTIONS QUESTIONS  
(telling isn't selling!)

Step 2: Find The Pain, you're the doctor "Show me where it hurts".

At this point, you've found out if they are going through one of our "special circumstances" that we spoke about.

**\*\*Pro Tip\*\*** If you send to a special circumstance list, before going on your appointment, you will know this by referencing their property address on your mailing list. Also, you may have (should have) found this out on your phone interview.

Once their "pain" or "special circumstance" has been revealed, you concentrate more on how you buying their home will help them get past it or how that will make their life easier or better. You are showing them you can be the solution to their problem, not some investor who wants to make money on reselling their home.

Step 3: Walk Them Through The Home

Would you show me around the house? (this is a question! Make sure to politely ask, let them lead)

Point out the good the bad and the ugly :)

No negative comments about the condition of the house

But you do want to comment on repair issues (this is great for me, but sometimes we have to replace that. Don't be negative but more apologetic, unfortunately I have to replace that) (keep bringing up "their pain" and how this helps solve it)

Let them hear you assign a dollar amount to each repair (if you haven't don't this- memorize it, make sure you KNOW the numbers) (if they mention "that doesn't need replaced" reply "the good thing about me that is I'm an investor, a lender might not approve something that is PAST ITS USEFUL life. Working or not, we won't need that approved to fixed prior to buying)

Okay for the seller to wonder what you are thinking (keep bringing up "their pain" and how this helps solve it)

Let them know you'll be replacing things they may not think of- Light fixtures, door knobs, brass hinges- paint, electric covers, vent covers

Talk about how nice each room will look when you do " \_\_\_\_\_ " (if they have advice, roll with it, keep the rapport)

You are softly letting them know their house needs work. You want them to envision the home renovated and like new. Let them see your final product in their minds! Maybe consider selling the finished product pictures to them.

Step 3: Walk Them Through The Home

**\*\*\*** The entire time you are walking through their home, you are also referencing being their solution to their particular pain. You are discussing the work the home needs, but always focusing on helping them through their struggles**\*\*\***

Step 4: Give Them Options

Your best option may be to fix up the house to perfect condition and sell it retail!! Never hide this, it may be better and tell them it may be their best option. "Let's talk about what that looks like"

Retail Sale  
(typically top dollar for them)

“You can do all the things I just showed you and list it on the market with a Realtor.”

\*List what they’d need to do\* (roof, let them know, this roof is past its useful life, they may pull up a shingle and see that it doesn’t have the right fastener screws and then its over)

\*Write out the costs of each and total it\*

Appraisal and Inspections need to come in

Realtor fees and closing costs, we don’t charge any this is about 6% closing costs will be about 2%

Showing after showing for months, I wouldn’t be too thrilled about showings after showing for months people walking around inside your house

\*Show them your comps (concentrate on the lower comps and explain they need to prepare for worst case scenario)\*

Expect to finalize the process and collect your money by \_\_\_\_\_ date.

7-8 Months- show them the date

\*Go to As-Is option and explain that\*

As-Is Sale to Us

(fastest, easiest, sometimes NET more \$ anyway) this is ALWAYS true

“You do no repairs at all - don’t even clean”

“You pay no closing costs or fees”

“We do no inspections or appraisals” (no surprises, Im not coming back later and tell you I didn’t see something)

“No showings”

Get your money in 2 weeks (or whenever you want)

We offer: (help moving, you stay in the home after closing, find you a new place, close at your home etc)

## Step 4: Give Them Options

Your best option may be to fix up the house to perfect condition and sell it retail!!

**Retail Sale**  
(typically top dollar for them)

- “You can do all the things I just showed you and list it on the market with a Realtor.”
- \*List what they’d need to do\*
- \*Write out the costs of each and total it\*
- Appraisal and Inspections need to come in
- Realtor fees and closing costs
- Showing after showing for months
- \*Show them your comps (concentrate on the lower comps and explain they need to prepare for worst case scenario)\*
- Expect to finalize the process and collect your money by \_\_\_\_\_ date.

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**As-Is Sale to Us**  
(fastest, easiest, sometimes NET more \$ anyway)

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- “We do no inspections or appraisals”
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\*Go to the timeline flow of each option\*

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### Retail Sale Timeline



### As-Is to Us Timeline



Renovation  
(hire contractor)  
(permits)  
(mess in the house)  
(work completed)  
(uncover more needs)  
(upkeep and carry)  
90 Days+

Listing  
(showings/showings)  
(keeping it clean)  
(lowballs/negotiation)  
(price drops)  
(upkeep and carry)  
90 Days+

Under Contract  
(inspections)  
(appraisal)  
(FHA/VA ins/app)  
(price reductions)  
(cancelations?)  
(upkeep and carry)  
45 - 60 Days

Closing  
(pay closing costs)  
(pay realtor fees)

(closing delays)  
(all fees and costs subtracted from price - collect NET)  
7 - 9 months +

Contract Written  
(no repairs)  
(no showings)  
(no fees - we pay CC)  
(price is the price)  
(no app or insp)  
(you closing date)  
TODAY

Closing  
(we pay CC)  
(no fees)  
(you pick close date)  
(the price we agreed on is your check!)  
(collect contract amount)  
2 weeks? Up to you!

BEST FLIPPING TEAM

Offer to help them move.

Offer to let them stay in the home after closing \*Attorneys don't like. You can hold \$10,000 in escrow. Draft a move out day. If they stay past that day, they will be charged daily "\$100" something like that. Sometimes they need their money before they can afford to leave.

Offer to help them find a new place

Offer to close at their house, you can sign here and the lawyer will send a mobile notary.

Offering anything you can that makes their life easier but isn't overly expensive

Uncover more needs is "the things you find out that need fixed you didn't know" Mold behind the wall, electrical issues.

15 to 20 showing you have to leave. People don't like to be there while people look through their house

A lot of low ball offers will come your way

You will have to do price drops

All the whole time you list the house you have upkeeps and carrying costs. Buyers may take 90 days

Buyer orders inspection and appraisal, if its FHA sometimes the buyer needs 2 inspections and appraisals. They can cancel anytime or renegotiate.

Its usually 45-60 days once all the rest of that issues are past.

So you're paying electric, gas, whats those bills?

Ok, so you take all the fees and the costs and you collect a net amount and that takes 7-9 months.

Our timeline- no repairs, no negotiations, write contract, write the closing date, you collect the money. The price you collect is your check, no math. No adding "list all the fees" Which one sounds better to you "seller"?

Between the retail sale and "as is" sale. Which one looks better? They say "as is" but they usually aren't ready. What do you think a fair price for your house will be when its filled up? At this point you and the seller have to agree. Look back through the comps. You could list it for \$200,000 people don't usually pay full price, what happens if you get an offer for "\$190,000" work negotiations with them and come to an amount they are gonna agree with. Show them that they ask for 6% and 2% explain the fact that most homebuyers ask for a 3% seller concession. You going to say no to that?

Take a look at the monthly upkeep for the house and do the math for 7-9 months. That's a total

At that point mention that you haven't covered the costs of repairs. You also want to mention that you used your pirces. At 12% to your numbers for them.

Make unexpected expenses at \$0

Add 1.5% for WDO

When you work their seller net, there walk away number, don't show them that yet. Cash to seller on your sheet but don't show them

Say “we compared timelines” lets look at the cash to seller amount on the sheet. Now you have your 90% MCO on the table

Then say this before they show you the numbers. Before we go through this let me ask “what process do you go through to make a decision”? They will say “I like to sleep on it, I like to talk to my friends and family” then you say “Well “seller” I have four more appointments today and 7 more this week, and I need to buy a house this week, I have enough money to buy a house, I do my renovation and then that’s it. If we could come up with something that’s fair to you, do you think we could do something today?” They say “Yea if its fair”. You would tell them that you could make an offer on the next house and if you buy that your offer is not just something that is standing. Ask them what are some things you have to consider? She will say some things. Then you reconfirm if the numbers work we can do something today. Ask who else involved. Confirm the decision is in their hands. “what is it that you need to know to make a decision today?” They will answer the things they need to know, which is usually how much you are going to give them. You have covered a lot of the objection already.

You can say “If the number that we come with puts enough money in your pocket to do the things you want to do, we will do it today.” “they say “Yeah if its fair” If the number doesn’t work, I want you to go sell it retail

Name all the things they can do with the money. Mention (what they said the needed) and to make it fair. It seems like we might actually be able to figure it out today. Lets figure it out today alright? If we figure out retail is better, go retail! Let’s just figure out whatever is better for you. You are going to pick the fair offer today, am I right? We are going to do this today. This is to get them to agree to do it and not go back on their word, people don’t like to go back on their word

You can call them out on it. Let’s make a decision today, I need to know what I’m doing and you need to know what you’re doing, its not even fair on you.

“Ok, again, once you have gone through all these processes, how do you decide, what makes that decision for you?” they are going to say “I need to make sure that it makes sense for me” that is what they say.

No matter what they say you can agree. That’s makes sense it is how I make decisions, its how most people make decisions.

Ask “what’s your timeline again” if they say “2 weeks” mention the negatives of waiting

Say “My goal is your goal. I want to buy your home, but I want what you want. We have gone over a lot, have I missed anything” if they say “no, I think that’s everything” Once they say that- They are going to sell your home. They like you, they’ve built rapport.

Make your offer

Lets look at the difference. Retail \$164,800? Sounds good? As is sale from us in as little as 2 weeks (mention the crash, the retail sale is scary to me as well, either one of us doing the retail side could lose) “I can offer \$148,000, (bring out the contract and fill it out and sign it) you can make \$148,000 right now, you walk at closing, or you can take now”

She might ask if its \$15,000 less. You say “let me rethink this” “You are paying \$15,000 for 7-9 months of your life seems cheap (expound 7-9 months paying bills, not being where we want) I’m not going to go back on my word, but man \$15,000 for 7-9 months of my life- sitting here watching buyers and contractors come in and out of my house, my bathrooms ripped out, my toilets ripped out) Man its seems like a great deal to me, what do you think?”

Now she sees it as \$15,000 vs her life. Keep saying “You may never get that 164k, this is a guarantee, if this number is 80k or 100k, we would actually have a discussion, I’m just going to stop talking, what do you think”

She might say "Can you go 150K?" and you know you can because your max cash offer. "yes I can go 150k and you want to set this two weeks from now?" seller says yes "Ok great and you are in the best hands! Our closing agent is so nice, she is going to help you and make this great for you. 2 weeks! Are you ready to go and \_\_\_\_\_ do the things you said, I'm good with buying a plane ticket for you"

Lets say she says I want to go with the \$168,000. She wants the high number, but you want it now, "your good!" Build up the value of what they are doing compared to the difference. If they say something way higher "Ask if they are joking"

If the number is close to yours you can ask "Can you show me how that makes sense to me or for anyone?"

Books to read : Never split the difference by Chris Voss  
Getting to the yes by Robert Fisher  
Influence- Psychology of persuasion by Robert Cialdini  
Secrets to closing the sale by Zig Ziglar  
How to win friends and influence people by Dale Carnegie

Once you get a contract you have to walk the deal to the closing. There may be little bumps and hiccups, questions, but at this point you are dealing with the title company and have a life line for questions answers and solutions. Keep the buyer and seller separate if you are wholesaling it.

If you're wholesaling let the know you have contractors and investors

Just because you have a contract, does NOT guarantee a closing!

Make sure you fully explain the next steps:

"Now that we're under contract Mr. Seller, I'll be forwarding your contact info to the title company (leave contact info for said company) and they'll be reaching out to go over the closing process" etc...

Send contract and contact info to title company and follow up with them and seller to ensure open communication.

During your initial meeting with the seller, make sure to mention that you have partners that will need to access the home to do estimates and measurements.

Keep your showings to prospective buyers to a MINIMUM! This will keep your seller from feeling nervous about the solidity of your contract.

If you fail to mention this little info, it will be difficult to bring prospective end buyers into the seller's home without raising red flags

Arrange Moving Help

Often times the difference between locking up a deal and losing out to another investor is minor, yet significant, "gives" you can offer the seller.

One of the biggest differences between you and someone else could be moving assistance!

So many seller's (especially the elderly, handicapped, and out of state sellers) want or NEED help moving their belongings.

Spending a little extra of your time (or hiring a highschool kid) to help pack and move the seller's belongings will prove highly valuable in your playbook.

Not only will the seller be impressed with your willingness to help, it will add another level of trust that is so important in any successful transaction.

Intermediary Between Seller and Title

## Keeping The Buyer and Seller Separate

Your role at this point turns from salesperson to communicator and intermediary.

If title has pertinent information, you should step up and relay any and all info so the seller feels like you're still on their team, even if title is communicating directly with them.

If the seller has questions or concerns, make yourself readily available to pass info from them to title company - seller will feel like you're tailoring to their needs.

If you're wholesaling the deal, you MUST keep your correspondences separate - ie, don't copy the seller and the buyer in the same email!

Above rules apply to your buyer just as equally and importantly. Stay in contact!

## Playing Psychologist

If your seller becomes nervous / worried about selling, the only way to keep the deal together is to be the person they can express those concerns to and to be the person to quiet those concerns.

If you're presented with an obstacle you're unsure of how to overcome, it's always wise to consult with the title company and your mentor; the quicker you come up with a solution, the likelier you are to solve the problem!

Often times, reiterating the seller's pain and your solution to that pain, is paramount to a smooth closing if they've become reluctant or get cold feet (remind them WHY selling to you is the best option).

They are not really allowed to cancel, but they do it all the time.