

4-WEEK ACTION PLAN

WEEK 1: SETTING UP YOUR BUSINESS

Step 1: Preparing To Do Business

- Create your own business entity (something short and easy), LLC, S Corp, C Corp.
- Set up a P.O. Box or an address that differs from your home.
- Get the tools of the trade. Business cards, email address for your new business, phone number specific to your real estate business.

Step 2: Review Your Real Estate Software.

- Review the video tutorials on how to use the software.
- Get familiar with finding and analyzing deals and the verbiage of your new industry.

Step 3: Build Your Cash Buyers List

- Market to cash buyers:
 - Post prospector ads on Craigslist, Zillow and any local RE classified ad space.
- Prospect Ad: 3 bed/ 2 bath, Needs Work, Must sell 404-555-1234
 - Reverse Marketing:
 - Call on ads “I Buy Houses” and on Craigslist.
 - Call on “For Rent” Ads.
 - ✓ Ask if they buy, fix and flip?
 - ✓ Ask if they are interested in more income properties?
 - ✓ Also, ask if they have properties for sale?
 - Six Degrees of Separation: Who do you know that knows a potential cash buyer or seller? Network!
 - ✓ Construction Trade: plumbers, electricians, roofers, carpenters, etc.
 - ✓ RE Professionals: Mortgage Brokers, Realtors, RE Attorneys, etc.
 - Foreclosure Auctions:
 - ✓ Auctions are NOT for beginners, attend just to network if you choose and hand out business cards.

WEEK 2: MARKETING YOUR BUSINESS

Step 1: Marketing & Finding Motivated Sellers:

- FSBOs (For Sale By Owner)
 - Contact 5 FSBOs:
 - Craigslist: search Real Estate for sale section, refine search to “For Sale By Owner”

- Local Classified Ads
 - Yard Signs
- Practice talking to people about their properties. (Use your Property intake form)
 - Why are you selling?
 - How did you come up with that price?
 - What condition is the property in?
 - Have you listed it with a realtor in the past?
- Enlist Bird Dogs: Things to look for in a Bird Dog:
 - A go-getter with a lot of HUSTLE and entrepreneurial spirit that will work hard for you.
 - Wants and needs to earn extra money
 - Someone with a large network and uses it.
- Bird Dog Lead Criteria:
 - Address of property with pictures
 - Name address and phone number of owner
- Market: I Buy Houses Fast Cash-Any Condition 404-555-1234 (KEEP IT SIMPLE AND BIG)
 - Post ads on Craigslist, Zillow and local online RE classified ads, etc.
 - Bandit Signs
 - I Buy Houses Fast Cash, Any Condition 404-555-1234 (KEEP IT SIMPLE AND BIG)
 - ✓ White 18x24 poster board, extra with black marker, sign stakes & staple gun
 - Bulletin Boards:
 - Gas stations, convenience stores, grocery stores, Laundromats, etc.
 - Car Marketing
 - Door magnets
 - Rear window wraps (truck only)
- Mailers: Letters being mailed to (Yellow Letter):
 - Vacant home owners
 - Pre-foreclosure
 - Expired listings
 - Any other number of criteria that fits your needs

WEEK 3: GO TO WORK! PRACTICE YOUR NEW SKILLS:

Step 1: Find a RE Agent:

- Call your local RE Brokers such as Remax, Century 21, etc.
 - Ask: who in your office works with RE Investors?
 - Ask for their contact info, or if they are in the office, to connect you.
- Conversation w/Realtor: Tell the Realtor you are looking for properties in the areas that you are interested in, that you could buy, fix and sell and have at least \$30,000 in profit after rehab. Have them send you listings based on the following criteria:

- “As Is”, this indicates that there is something wrong with the property.
- At least one price reduction, but 2 is better.
- 60 days over the average days on the market. This could indicate a real motivation.
- Absentee homeowner. Typically the motivation will be higher to sell.
- Additional Criteria:
 - Look for at least 1,000 square feet and above.
 - Don't overlook 3/1,s. They can be converted to 3/2.

Step 2: Have Realtor send you the listings, review and compare. Select 5 properties that you want to look at.

WEEK 3: MARKET ANALYSIS & PROFIT TEAM

Step 1: Continue Prospecting by calling 5 FSBO's, For Rent Ads and Classified Ads per day.

(Get comfortable with asking questions and having conversations)

Step 2: Visit 5 properties that you've selected from various sources.

- Use the “Rehab Estimator Report Form” as a guide of what to look for.
- This exercise is meant to get you out of your comfort zone, talking to realtors, owners and bird doggers as well as looking at properties.
- Make sure you get comps in those areas (from a realtor if you can) and make offers on the ones that look like great deals only if you've been building your Cash Buyers List.

Step 3: Start Market Analysis

- Your comps should have the following:
 - ARV (After Repair Value) that are in GREAT condition compared to the property you are looking at.
 - Properties sold within the last 3 to 6 months.
 - Properties within a ½ mile radius.
 - Properties with the same number of bedrooms and bathrooms (ARV)
 - Properties within a 20% margin of the square footage plus or minus.
 - Example: 1,400 square foot home
 - Add 20% = 1,680 square feet
 - Subtract 20% = 1,120 square feet
 - Properties of the same style, (ranch, Tudor, split lever, etc.)
 - Similar year built
 - Same building materials, (brick, frame, stucco)
 - **Notes:** if the subject house has a basement or garage, the comps must have one as well. If there are no comps , first adjust the radius and go 1 mile out. If you are still not finding comps, adjust the sold date out to 6 – 9 months.

WEEK 4: CONTINUE BUILDING YOUR SUCCESS TEAM

- **Contact and interview:**
 - ✓ Real Estate Attorney or Title Company
 - ✓ General Contractor (several)
 - ✓ Local Community Banks and Hard Money Lenders
 - ✓ Investors

WEBSITE RESOURCES

www.money.cnn.com/real_estate

Search your cities name- information and articles will come up.

www.bls.gov Bureau of labor statistics. Information regarding employment & economic trends.

www.fedstats.com is a gateway to statistics from more than 100 U.S. Federal agencies.

www.hud.gov U.S. Department of Housing and Urban Development (HUD) offers detailed information about a wide range of federal programs that are of interest to real estate investors.

WEBSITES FOR RE INVESTORS:

www.realtytrac.com

www.zillow.com

www.craigslist.com

www.fsbo.com

www.forsalebyowner.com

www.trulia.com

www.city-data.com

www.hotpads.com

www.hometownlocator.com

www.yellowletters.com

www.biggerpockets.com

www.fanniema.com

www.freddiemac.com