

REI NETWORK RK

Episode: 075

Business Breakdown with Clients Fred & Lateresa

Hosted by: Gavin Timms

Gavin: Hey, guys, welcome to the Network podcast with me. Gavin Timms. Hey, guys, how are you doing? Welcome back to the REI Network podcast with me, Gavin Timms. Today on this podcast or YouTube. Depending on where you're watching, I have to. My clients are going to be joining me. We're going to be doing a kind of a coaching call saying where they're at and know diving into kind of that business a little bit so excited. They agreed that we could put this on just to get a feel for kind of what we do in our program in general. So it's a good example. So let me bring them over. Here they are, Fred and Lateresa. Are you guys doing good morning?

Fred & Lateresa: Good morning. Great, great.

Gavin: And I appreciate you. I do these coaching calls and I know you guys and I will do a podcast. So kind of here we are. So I appreciate you both for doing that and we've been working together. I want to say six months, I'm throwing that out there. I don't actually know how long has it been that long?

Lateresa: Not quite.

Gavin: Not quite. Four or five months. Yeah, but yeah, you guys are always on the calls and we're going to be talking about the program as we go through this. I appreciate you being that consistently pushing forward, but give us a little bit of background on you guys. Like, Where are you living? What did you do? What is your background in kind of life and why did you choose to get into real estate?

Fred: Oh, well, we're in Spring Texas. We just moved here from Virginia. I just recently retired as an industrial electrician and Lateresa has retired from her business and kind of got shot down there and COVID. So we've been dabbling in this for a while. I'm not really going in full heartedly, but now we're pushing forward and making this an effort to make this succeed.

Gavin: Now absolutely. I think the big thing is when we spoke, because you've been in other programs before, right? And one big thing with me is I'm not a, you know, I actually got on the phone and spoke with you guys and I remember it well that you can't keep harping coach to coach, right? You can't keep buying calls to call. And I was super clear that we have to get results in what we're doing and that goes for everyone watching right people keep looking for. So the gold that's not there, right? You just have to get

down and do the work and be held accountable to doing that and getting over the roadblocks to get results. Now, obviously, you guys come on, you moving to a different area. You left Virginia. You moved to Texas in the middle of this over the last few months. You've also went into a virtual market, which we'll talk about. So there's been a lot happening, a lot of chaos. And the thing is, is that you're not the only ones, right? This happens to a lot of people, a lot of people watching this recording right now are going to be in the same situation. And it's obviously called life, right? Life gets in the way when you come up with a plan that you get excited about. And I see this like when I worked with people, we come up with a game plan. Everyone's excited and we're ready to educate always. Things come up that you don't expect because you don't. Normally you just get on with it. Life continues. You deal with family problems, you deal with these things. But what you don't see is how that derails from the business and how you have to kind of make moves to be able to still move forward and potentially get deals right. And one of the big shifts that we did with you guys was you slide use in direct mail, right? It was one of the things that we did. And obviously what happens is the calls you are you had a really good response right from the direct mail. You guys did the tri fold, right? The tri fold. Is that what you did first?

Fred & Lateresa:

We've got a big letter, big letter.

Gavin:

The big letter. Yeah. So with a direct mail coach, Ryan, who I just actually interviewed recently and you saw sending that and guess what? The phone started ringing, it actually works. Now we have to look at, OK, we have marketing coming in. One thing I've always managed to do is get leads coming in for every client. It's not that I don't feel it's hard, but then it's now this is where the process kicks in to be able to actually lock the deal up and close. So, you know, with you guys, you are going through a lot of the time again, moving houses and being virtual, and we kind of knew that going in. But I think you probably thought, and I want you to speak on this, that you thought the transition was probably going to be easier than probably what it ended up being. Would that be fair?

Lateresa:

Yeah, the move, the move was a lot, a lot to pack. And when you move moving to another state, how do you feel?

Fred:

Yeah, yeah. It took like, well, not so much packing, but unpacking and getting settled here. Yeah, there's a lot longer than we anticipated I think.

Gavin:

Yeah. And that's the thing, though that's the call. I've moved a lot. Right. We used to travel every 13 weeks. So packing and unpacking every 13 weeks. I understand the chaos, right and what goes in and you say, Oh, it's not that bad. We just get there. And within a day or two, we'll be ready and set and it just doesn't work like that. So what kind of happened was this I was listening and what? You joined our coaching calls. The problem that I'm saying is, hold on a minute, you spent money. We have direct mail coming in there. Sit in that too long, right? You know that as soon as that call comes in, you have. To be able to it live or call him back immediately. The problem was that way. Things are just sitting right. And again, that's not a dig at you to what, you know, to get results and a motivated seller is just going to call the next postcard or the next letter. Right? And they're going to go through until someone picks up the phone. Just like when

we're looking for a relative of a relative, I'm trying. It's my house. I'm not going to call one. I'm just going to keep dialing until someone picks up and whoever answers the phone wins. And obviously, I know this on from a numbers standpoint. So that's kind of where we changed and tweak. So we brought in one of my partners, Dustin, who you now you know well, to actually help and take some of them calls for you to kind of get through that bind for that period of time, right? Do you feel that? And again, I want to hear from you of not actually ask this, but do you feel that that helps a lot?

Lateresa: It was just a relief. I think all of us to know that, that our marketing efforts are being worked on, you know, even though we couldn't even go in and do it ourselves. And the communication with Dustin was was very well, and it was almost like a partner in a sense, which really helped us.

Gavin: No, absolutely. And that's a that's a goal for everyone that I work with. It's like trying to remove every roadblock to get a result. And obviously, I looked at your situation and said, Look, they're move in. This is life like, you can't not move, right? You can't not impact, you know? So when I look to land, so OK, this is the best solution that I could bring on a short term basis to be able to come in and get someone to work them leads for you to see if we can actually get a deal now. We have got. As it stands now, as we record in this, we have got a couple of sellers that are right on the verge of go in. And one, if it does go, we're looking at a decent size fee and the not in yet. So again, nothing's in and nothing's in until it's closed. But we do have a couple in the pipeline that are looking really good. So hopefully we we get them, you know? So how's it going then? So we have Dustin again working on on some stuff with you in terms of trying some stuff close to get your deal over the line. So where's everything else that right now? Like what was going well and what do you need help with right now, would you say?

Lateresa: Well, we're we're basically trying to get our texting efforts out there to start calling on the ones that did not respond to the mailer. And again, life kind of takes toll. So we're still trying to do that and look and still hiring a VA to do that for us. So that's kind of where we stand of going forward,

Fred: I will say I will say that the partnering with Dustin on that first deal was good because it turned out to need to be a creative financing type deal. It wasn't just a straight wholesale deal, so that was definitely an area that we really didn't have any expertise in. So it really helped out having somebody who knew, you know, the way to communicate the different plans of attack to the potential, you know, seller.

Gavin: No, absolutely. Because what happens is, is that my job is to keep you focused, right? Number one is I need to stay focused. Now, obviously, you come in and everyone wants to do everything. Why wouldn't they ever wants to know how to do a wholesale? They want to know how to a hotel, a flip, a lease option and own a finance, a sub to right. All we could do this and that. But the reality is, is that you need to have that knowledge to be able to negotiate that right. And if you're not careful when something is brand new to you, you start in a better lease option with a bit of sub two with a bit of owner finance in there. And all of a sudden then you start mixing things up and it gets super confusing. So I think, you know, as you know, on all calls, it's trying to stay in your lane. That's the one

thing and then we can work on to the next because yes, you look at it is it's a lost opportunity because you're not making multiple offers. But if you don't understand how to position them offers, you're not going to get them anyway. So you're better off again bringing someone in. And that's why Dustin's huge for my business and obviously is on the team with me because now we're actually working them deals with clients to go right. If you get them to where you can't do a cash deal and then it's a terms deal will come in and actually negotiate it for you or with you to see if we can get a deal. And again, this is huge because now it works for us because we can do a deal, right? Work for you because you can do a deal. Everyone's making money. The seller wins because we're solving the problem. So again, it's another win win and we want to also things that no one else does right? And I don't think anyone else is going to when you're in the coaching programs, as far as I know, they're just going well. So just gets you leads when you can. Well, again, that doesn't solve and get a deal, right? That's just a lazy answer. Common sense one. But it's what are we going to do? Everyone needs a backup plan if you're not going to work them leads because again, like. Whatever that is, right? And you could say, well, there's twenty four hours a day, there's always time, there's arguments all over the place on. Can you get to leads or calm? Well, the reality is, if it's not happening, we have to pivot and change to be able to make sure that we, you know, that we do so with you guys. You send our mail. And then what we chose to do was anyone who didn't respond through direct mail. We were going to then contact through text message. Your calling? Right? Yeah. And this is kind of a step, you know, like a tiered marketing strategy where it will save you money because it's more calculated. It's not more spray and pray, right? Like we know with with cold calling and text and all this, you need bigger numbers. Normally skip trace to do more volume, but with a direct manual, let's say that you send out sales. Let's say you've got 50 people respond and then you have basically 950 people that you need to go after through text, through skip tracing, through text and through call so you could text everyone. Anyone who didn't respond, you then call and again, you will save money because you're not doing everything all at once, right? So that's what you're doing. And and on that we talk then about how many you're going to send per day, right? Are using freedom soft to text or using batch?

Lateresa: We're using freedom soft. So 100 texts is that is the max that we can send out on that?

Gavin: Yeah, which is important, right? So when we had that discussion, how many texts are you going to send? Because people say to me all the time one of the most common questions and people listening are going to understand this is how many texts should I send? And you have to work backwards. How many leads do you want? Right? And then you send the amount of texts to get them amount of leads. So if you want five leads or three leads, you're going to keep sending text messages until you get three or five positive responses that could be 20. That could be 100. And you don't know until you start. And what I suggest that everyone does, and I've told you this is do 20 at a time, right? 20. Deal with them responses, then do 20 more. The reason being is is that in a text message, if someone's willing to engage with you, now is the time to go back and forth because they're on their phone and they're ready to go. What the problem is, sometimes with YAs texting in again is they text and they text, and then it sits there for six hours ready for you to make the call. Right? So you need to be thinking about that when you hire a VA to do the texting. So what I suggest that you do, if that's the case, if you do hire a VA to text is get the VA to work, try and work at the same time as you

wanted to make the calls. OK. So why the VA is doing the texting may then shoot over to you and say, Hey, this one, call them, and then you can pick up that latter that that lead immediately and you can look at the text exchange and then you can lead into the conversation. Right. And also, the VA can be an issue the whole time. OK, so you don't have to say, Hey, Bailey was just texting you. You can do it like it was you. Right, right. And then all of a sudden you just got going, Hey, we would just text in and then you move that conversation on. But that just takes some coordination with you in the VA. Does something for you guys to think about because because what happens is if we don't do that is they'll bring tech, they'll bring leads in through text and then you're chasing them all day talking to them on the phone. So you'll sit down for two hours to make your calls or an hour or whatever. And then you call and no one answers the phone now. Now they text again tomorrow, and you've got double the amount of leads now that you chase him. So you have to try and coordinate that to try and get him on the phone as best you can. And one way to get around that is get the VA techs at the same time you'll ready to call. All right. Awesome. So what else have we got going on? Is there anything else you guys need need help with?

Lateresa: No, not at the moment. I will say that being on the coaching calls and Fred and Fred will agree with me is that it's been really helpful to hear in the group what everybody is doing, the strategies and also the encouragement and the motivation that you bring, you know, to to the coaching calls. That is something I feel like we have needed all along. And even though you get just a little bit here and a little bit there, it's power packed with you.

Gavin: Yeah, well, I appreciate that. Thank you. Yeah, I mean, we're going every day now. Obviously, we're doing calls every day, actually. After this, we're going live in thirty five minutes is recording this and I appreciate the feedback. We've been doing this probably three or four months now at this intensity, but it's it's been a game changer for me in terms of results and helping people because I didn't realize before that, you know, during one call a week, it's just. Not enough in this business to get results, it just isn't. I didn't realize it thought it was good for many years, but then there's something to be said when we go every day because when I thought about doing this every day, I was like, I don't know what I'm going to talk about. I mean, is there anything left to talk about? But when you actually do it, everyone's got a different situation. Everyone's got a different seller and one's got a different deal. Everyone's got a different objection. Everyone's winning or losing right. And there's so many things to to to talk about and your wins and your struggles. But that is good because in this feedback of the way that we position these calls, where everyone's got the video on if they want, everyone can interact. So there's no hiding. There's no is anyone really doing deals, right? When someone says I'm doing four or five a month, I have 50 60 came close and someone's just had 100 grand months or someone's just bought their 60th rental. It gives you an open mind to going, Wow, like we can do this and that that's just not coming from me. And then you know that I'm always giving you my challenges and struggles of what I'm seeing in my business because it isn't all rosy. I wish it was, and I think of a lot of influences out there, and I talk about this on the coaching call that there's a lot of nonsense out there and it's not real. Why it's not reality. Yeah, we can. We can. I mean, we're working on a deal, and I've talked about this for twenty thousand dollars. If we get it, we bought this thing for nearly six months on the contract, trying to trying to tidy up

the lanes. There's been over 60 hours on the phone with the IRS for our closing coordinator trying to tidy up Olin with the IRS. There's just things in it that you don't see right now. If I could rewind and know all of this would never have done the deal, I would have just said, forget the 20, because the time that's gone in, we could have made more money. But once you get so far down the road, when do you pull now? It feels like I should have three months ago because I didn't think we'd be still here. And maybe I should pull now because I could be here in nine months. I don't know because you so deep in, you've got to win. But the difference is, is that I can come online and go, there is a twenty thousand dollar check. Also, congrats. But no one knows the backstory of what went in, and that's what I try and change from. The rehabs would do it. You know, yeah, we made forty grand on a rehab, but it was a disaster. And here's why we should have made this. This is what went wrong. And there are the lessons that you can't tell the real learning things right. When everything goes well, anyone can do real estate, you know, if you are a. She was as pleased by this house, and I'll sell it for 30 cents on the dollar when anyone can make money doing that. But when that doesn't happen, then what are you going to do? And that's why you have to get creative and learn these different techniques and things like that. So I appreciate that and I appreciate you guys getting on because you guys are consistently on there and it's good for accountability as well, right?

Fred: Yeah. Well, I like to, you know, because everybody's got different situations are coming against, and I just like the fact that you and them help work through these obstacles and what they need to do to get around them and to solve their problems and whatnot. Like you just said, you know, but other programs or whatever they tell you, we made \$40000 on this deal, but they don't tell you that they spent six months doing it and they had to go back and redo it or whatever or bring in other people and to get it to happen, just, you know, they just give it a rosy outlook outcome. Yeah. And you know, so when you run into that situation, you're thinking, well, they did it, but then you don't, you know, why am I having all these troubles? And the reality is, is they had the same troubles. They didn't let us know about it. So yeah, I appreciate your transparency and the struggles and stuff you come across as well that you know, you're not the real estate guru that you know, has no issues and everything goes like plans.

Gavin: Yeah, and I wish I wish it was always it did, and it was smooth. And then I'm telling you now I'll tell everyone, enjoy the wins when it's simple, because you'll have it, you'll have them when they lie over deals and you just you just pray and go, Why call every day or just be like this? Like you just made fifteen grand. It was one phone call. Everything went through the buy and paid. It was just seamless, fast three week close and then it was just a breeze and they come back home for Olin. I don't know how many, but they come, so I enjoy them ones because they will happen. Were you also going to have the rough ones as well? That's the business we're in, and that's why we have the potential to make the money that we make. You know, the potential, the money that we can make, you know, when we talk about a hundred thousand a year, two three four one million one point five, how much do you want to grow to and understanding as well. Above all, this is back in the off as I talk a lot about what you guys want and what anyone's listening. What is it that you want? It doesn't mean I just interviewed a good friend of mine in North Dakota. John is a realtor, is a broker. You sell a thousand homes this year. What is outgoings like? Two hundred and thirty thousand a month? Forty seven people on staff. That's not for

me, right? Personally, because. It stresses me out. I don't want to lose you a thousand, I don't need to do thirty five deals a month to break even before I make any money. Well, that to me is insane. Well, again, you can run a business like that if you have that vision. And that's the key is that everyone's running at different levels because it's what they want. It's trying to get you all happy, medium. How much money do you need? You know how many deals you want to do? I'm back in the office again. Know maybe one day a month to net five grand if you can make five grand a month and you're doing one deal. Maybe that would change everything for you. Maybe you want five a month, right? You want 10 among my my sweet spot if I can get to about one point five million. For me a year. That's what I want. I feel that I could do it with a team that I have. Anything beyond that, I've got to go to levels that I don't want to go. So between that one and one point five, I can get in there consistently every year. I know I'd be good at that. But to go then to three, I just can't. I can't do it on the way that I'm set up without then going into eight markets and over leveraging and having more people and stuff. So having that vision and staying dedicated and disciplined to that is important because it's very easy to get on that shiny object, even for me. I mean, I know some of the best in the business, but I wouldn't swap my business for it, you know? But what they have so everything, and you have to put everything into perspective what you want. Right? So awesome. Awesome. Well, I appreciate you guys. Anything else you want to talk about cover while we're on?

Lateresa: No, I mean, I just wanted to tell you also that in today's market, when sellers are holding out for top dollar because of that's where the market is right now, that it's nice to have to be a coach with you to a mentor with you because it helps us see that we're not the only ones in the same boat. You know, when you're out there holding out there, holding out there, holding out, you know, and then you bring that level of motivation and encouragement to say, you know, it's OK that they're holding out, but we can always you're looking and analyzing deals as well, which really helps, you know, it helps us.

Gavin: Yeah. Well, no, I appreciate that. And everything's timing. You cannot turn a non-motivated seller into motivated. You can't do it unless you're going to overpay. You wish you would do right. You can only motivate me, some in his house, my house right now what I'm saying, and you pay me double for it, then I'll you'll have me motivated now. Close within 30 days. No problem. But if you're not going to pay me double, I'm not moving. So I'm not motivated, right? And you're not. There's nothing that you can say and do that you're going to turn or persuade me otherwise. Now everything is timing, and that's the point of making your offer and following all, because guess what? What is what they're telling you doesn't happen, right? Right? What if you can be able to position and say, Well, look, you know, we can't do it that. But what if we did it over some time to term and we could get you to that amount? What would what would you think about that and then take them down a terms route, take them to if we pay them rent for X amount and then we'll take it over to finance so they save on the taxes, whatever, and then see if anything comes in. If it doesn't make your offer follow back up and see if things change and if you do enough of it, you win. You know, you just do. And you know, I appreciate that. And you know, Justin again, he's now he does one of the calls. He does a great job and we've even started working deals with clients, which is great. And I know that we've got a couple real close. Again, though, I talk too much about it, but hopefully they come over the line. They should be pretty good deals when

you're doing business right now in Charlotte County, Florida. Right, right, right. Yeah. So and you're building now a little a little army there in terms of your buyers and your network in there. So guys, if I just want to try this out for everyone listening, if you are in that market, you got any deals around that market, make sure you send it over to Fred and Latrice, I hear is that email creative home financing solutions at gmail.com. Creative home financing solutions at gmail.com. Send them an email and connect with them if you have a deal that will be happy to kind of help you again. They're working on that foundation in that market. We've got some good, good things in the pipeline, which is which is great. So appreciate you guys. Thank you for coming on and doing this. I think it helps people. It's real. They see what situations people are in and kind of what we're doing in the program. So thank you. Before we had done any of the last things.

**Fred
& Lateresa:** No, that's good.

Gavin: Awesome. No, I appreciate you both guys. If you're interested in joining our group, you want to go to REI Network dot com slash join. We are growing. We're all about working with the right people, we feel it's very affordable for what we deliver and no one else delivers as much as we do. And we're getting fantastic results if you're interested, go to REI Network dot com slash join. Let's get on the phone, have a conversation. Fred and Latrice, I will see you here in probably 20 minutes live and we'll go from there. All right, guys. Thank you so much. Thank you. Have a good one.