

Wholesale School Week 4 Homework

The intention of this week's homework is to:

- Test your understanding of this week's lesson
- Get you practice talking to sellers in a low-pressure environment

When your homework is complete, send it to WholesaleSchool@Gmail.com.

Note: I've had several requests for 'transcripts' of the web classes. If you will read the handouts that go with each class, you'll find that they're near-transcripts.

Things to DO This Week:

[] **Remember those 50 driving for dollars properties you got in week one, and looked up the contact info for on week 2? Mail them.** You can use the postcard I included for you in the week 1 handouts or any postcard or letter you'd like to experiment with. Don't get too concerned about things like the phone number (use your cell phone if you don't have another) or anything else; it's just 50 postcards, we'll deal with that stuff next week.

[] **Return any calls you get from these sellers within 24 hours.**

[] **Use the phone interview form I've provided to interview each of these sellers as they call.** You can use the word version and just type the answers into your computer, but it's a good idea to print out several copies so that you can return seller calls without being near your computer.

[] Any postcards that you get returned to you for bad addresses, **try to track down the owner through social media, beenverified.com**, or the other methods we talked about in week 3, and contact them through a different address, phone, whatever information you can find.

[] **In addition to whatever sellers may call, use Craigslist, Zillow, or FSBO.com to find 5 additional sellers to TALK TO** (not leave messages for, not email). Use the interview form, but open with the question, "Why are you selling?" Don't call sellers who are clearly wholesalers, but other than that, it doesn't matter what the nature of the property

YOUR ONLY JOB IS TO INTERVIEW THE SELLERS. It's not to find a deal, make an offer, etc. It's a skill-building exercise and a chance to see that sellers range from super-friendly to somewhat annoyed by your questions and to evaluate this question:

For each seller you talk to, tell me:

Why is he selling?

- 1.
- 2.
- 3.
- 4.

On a scale of 1-5 (1=not motivated),
How motivated do you think he is
To take a low offer?

- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

What to do if you actually find a possible deal, and don't know how to estimate repair costs/write offers:

1. Comp it to make sure the seller's asking price is significantly less (50% less would account for a mid-level repair budget) than the ARV of the property
2. If so, go see the property and write down everything you see that's wrong, also take detailed pictures
3. Send an email to WholesaleSchool@gmail.com with POTENTIAL DEAL in the subject line and I or one of my staff will try to take a look at it next week
4. OR find someone in your market with more skills than you in this arena and make a deal to split the profit if he/she will go to the property with you and negotiate the deal

Week 4 Quiz:

There are 6 hurdles that you may have to overcome to wholesale on-market deals. What are they?

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

What are the advantages and disadvantages of getting a real estate license?

What does REO stand for?

What is the #1 thing you need in order to successfully deal with hedge fund properties?

What are 3 of the problems with "wholesale joint ventures"?

How many ways of finding deals should you ultimately target to be doing at the same time?

What should the final step of setting up your deal-finding machine be? How do you see ultimately doing that?