

Wholesale School Week 6 Homework

The intention of this week's homework is to:

- Make sure you've actually looked at and processed the forms, documents, and numbers from this week's lesson
- Test your understanding of this week's lesson
- Get you to actually inspect and practice writing offers on properties

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

Things to DO This Week:

[] **READ both chapter 7 and chapter 8**, available at regoddess.com/wssbeta6/. These chapters are relatively short, but contain important checklists for inspections (Ch. 7) and forms (the blank and filled out purchase agreements in chapter 8). You may want to **print out** the pages in chapter 7 that list what to look for in foundation, electric etc and keep with your inspection forms for when you look at houses.

Note: if there's anything in Chapter 7 that confuses you (like what a Federal Pacific stabloc box looks like), Google it. I can't put pictures of all of the potential issues in the chapter (it wouldn't be downloadable, and would be 200 pages long!) but you can

[] **Familiarize yourself with 3 documents**: the "Jerry inspection form" and the "repair cost list" at regoddess.com/wsswithvena and the filled out purchase agreement in chapter 7. You should basically know where to fill out what before you leave for your assignment

[] **Mail 50 more sellers**. You had an assignment in week 3 to find a source of leads—out of STATE owner, evictions, code violations, tax delinquencies etc. If you didn't find any, you'll have to drive for dollars and get & process 50 more leads—and put a postcard or letter into the mail for all of them. Returned mail from prior weeks that you can get a good address for and re-mail also counts.

This will be a consistent assignment for the remaining weeks of the class, so better to get it right now.

[] **Make appointments to see and inspect at least 3 houses**. These can be leads you got from your marketing, leads on Zillow, Craigslist, MLS, FSBO.com, etc. If possible, they should be houses with motivated sellers that need some work. If you can't find 3 such houses, go see any 3 properties that need work. If you followed instructions last week and saw 1, you only need 2 more.

[] **Figure out the ARV and repair costs for each of your 3 properties, and the proper offer to make**

Property address	ARV	Repair costs	Wholesale offer	Owner asking price
1.				
2.				
3.				

[] **For any FSBO properties, call the owner back and tell him what you can pay.** Don't worry, I EXPECT you to get rejected. The PURPOSE is to get rejected. Say it like this: "I really like your house, but I have this formula that tells me what to pay, and the formula says \$xx,xxx. I'm sorry that it's not what you wanted and I know it won't work for you, but I wanted to get back to you and tell you the results."

Week 6 Quiz:

What is the difference between a mechanical and a structural component of a property?

What are some signs that there's a problem with the foundation of a house?

You have a buyer who always thinks your repair estimates are \$10,000 too low. What should you do about that?

There are 4 steps to making sure you've even looked at a property correctly. What are they?

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

Why do you need to have an awl or penknife at your inspection?

Why carry a flashlight and camera, when your phone has both?

Go to the internet, find a picture of knob and tube wiring, and insert it here:

What does it cost to replace 11 windows in a house in Cincinnati?

What is a mitre cut in a countertop? How much would you have to add to the cost of a countertop if it had 3 mitre cuts?

Why do we not use options to buy to put properties under contract?

What name should be on the “seller” line of the purchase contract?

You’ve offered a seller \$60,000 for his house. He has back taxes and a mortgage totaling \$47,000. What price should be on the “purchase price” line of the purchase contract?

How long should you leave a purchase agreement “open”?