



# Flip2Freedom

Escape the 9 to 5...

## Flip2Freedom Podcast

### Back to the Basics Series:

### How to Research Your Market for the Most Active Cash Buyer Zip Codes

*Hosted by: Sean Terry*

Sean: Welcome to the Flip2Freedom Podcast. I'm your host, Sean Terry.

Hello again. This is Sean Terry from the Flip2Freedom podcast and we are on episode number 120. And, in this episode, we are going to start, actually kickoff a series on how to go out and get your first check in a step-by-step fashion. We are going to cover every single step, from researching your market to obtaining your list step-by-step to selecting your direct mail piece to setting up your telephone numbers, so you can track the calls that are coming in... From mailing out, and actually then, waiting for the calls... What type of tracking should you do? What type of expectation should you have? How many calls should you get? All the way down to talking to the sellers... What to say? What to listen for on the phone? And then, how to actually then decide to go on an appointment? We're going to talk about what to bring on the appointment. What to... How to negotiate? What to look for in the property? How to write and get a contract? How to write it up with all of the clauses you need in the contract? And then, actually getting that contract and then, marketing it... Finding buyers... Where do you find the cash buyers out? How do you market a property and get it sold quickly? And then, turn around and close on the deal and make a profit. So, we're going to go through. This is a big series, back to the basics... We're going to go through a specifically step-by-step, each step in detail, so you can follow it from start to finish and learn exactly what it takes to go out and get your first check.

So, this particular episode, we're going to talk about how to research your market. It's the first thing you want to do. Any market you go into, you want to research it and find out the most active cash buyer zip codes, so you can laser target your marketing and get the most effective bang for your buck. Okay. So now, here's the thing, if you guys are joining us for the first time... I mean, you don't know what the heck I'm talking about, I'm talking about wholesaling. Wholesaling is a very small niche in real estate, where you can make money in real estate without using any cash or credit. It's flipping houses,



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wholesaling houses... You can call it whatever. But the bottom line is, is that we target a very small niche in the marketplace: three to five percent of the people that are in distress, and they want to sell, and they don't want to list with a realtor. It could be an absentee owner who has a tenant who just trashed the place. It could be an inherited situation, a probate situation, a divorce situation... They just wanted to get rid of the house. It could be an unwanted property that, you know, that some of them may have the... They... They inherited, whatever situation. It could be a fire damage property. There is a ton of different reasons why people sell, but we can target those through direct mail, through online advertising, and we can provide an outlet for the seller that doesn't want to go the traditional route. Most people are just "list the house for the realtor." A very small percentage, three to five percent, will actually sell to guys like us. So what happens is, we will go out, we'll meet with them, we'll negotiate, we'll give a contract, and we can get, let's say a \$100,000 on our house. We can get that contract, you know, for safe, \$50,000.

Now... Now, we have an important instrument. We control the property with a real estate purchase contract. That gives us equitable interest on the property. Now, we can then market the property, right...? To a buyer. And we're looking not for an FHA buyer, or conventional buyer that's going to go out and get an appraisal and go through the whole process. We're looking for people that are cash buyers, people that can make a decision quickly... They're making a decision based upon the equity in the property... How much of it there is? Making a decision based upon the cash flow of the property... How much of it there is? So, they are making quick decisions and they're going to either pay cash, or they're going to use private financing or hard money. Now, some of our best client cash buyers are guys that buy down in bid on properties down at the auctions at the courthouse steps. These guys typically put up \$5,000 - \$10,000 deposits and close cash within 24 hours. And, that's how banks liquidate their properties, and they sell thousands and thousands and thousands of properties all across the entire country of... via that method. So, those are our best, you know, clientele people that buy at the courthouse steps at the auction. So anyways... So now that we do that, we find that buyer least that we do it for... Buy... Find that buyer for \$60,000. We have a contract with the seller for 50. We bring it to a closing agent and instruct them to do an assignment or double escrow, and what happens is, the buyer wires in 100% of the



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money. He wires in \$60 grand of which \$50 grand goes to the seller, and the difference between the two contracts is \$10,000 that goes to you for putting the entire transaction together.

Now, you can do this one time a month and make \$10,000 a month, and do it 12 times a year, that's \$120,000 a year. Well, guess what? The average American only makes like \$30,000 something, \$40,000 something a year. So, if they do one deal, that's a huge... huge benefit. If you do one deal a month, it's gigantic. So, what if you do five deals a month, 10 deals a month, 15 or 20 deals? That's what I do in Phoenix. We do anywhere from 15 to 20 deals a month here in the Phoenix market. And, this is my entire business. This is all I do, is I market for distressed sellers, get them under contract, and turn around and flip them, or I fix and flip them, or I hold them for rentals. It just depends on the property. So this particular episode, we're going to talk about what to look for if I was going to go into any market blind. What would be the first thing I would do to determine where I'm going to target my marketing? Okay. So, we're going to talk about the cash buyers' market research. We're going to go into detail in that today. All right. So, if you want to learn more from me, I actually wrote a book from the entire process. It's a 129-page book. I've had time and people tell me, they spent well over a thousand dollars for the same information that I give for free. So, you can go to [flip2freedom.com](http://flip2freedom.com), you can download it, and that's flip, the number two, freedom dot com. You can download it on the website there, see a video of me, and a place to enter your e-mail. What I'll do is, I'll send you a copy of this book absolutely free. You can read it from cover to cover. It's packed with a ton of great information.

All righty. So, let's get into the meat. We're going to talk about how to research the market and find the most active cash buyer zip codes in your particular market. And, this is part one of how to get a... your check as fast as humanly possible in this series. All right. Okay. So, follow me here. You either going to want to... either follow me step-by-step... So, let me give you a website to go to, step-by-step exactly what to do. Or, what you can do is, you can write these steps down or I'm actually going to give you a website where you can watch a video on exactly how it can be done, so you can follow step-by-step.. So, the first thing we're going to do is we're going to go to a website called [listsources.com](http://listsources.com). Listsources.com. And what they do is, they pull county data from the



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county assessors and the market recorders all across the entire country. And what they do, what they'll do is, you can easily pull data online. You can get your mailing list from there. You can target cash buyers from there. You can target motivated sellers in there. And, we'll go through it in detail specifically how that works. But, the bottom line is, you can set up a free account there at list, L-I-S-T... Source, S-O-U-R-C-E, dot com, and set up a free account.

Now, once you are inside the dashboard when you login, you will find up in the right hand... on the right hand side, a tab that says "Investor and Foreclosure Services," "Investor and Foreclosure Services." If you hover over that, I think it's a blue-like link... If you hover over that, you'll see a dropdown, and the first one will be "Absentee Owners." Now, so you know, absentee owners are... are... are... is an investor or an owner of a property that lives in one state and has a property in the state you're in. So for example, I'm in Phoenix. Let's say an absentee owner would live in Las Vegas, live in California, live in... You know, somewhere other than Phoenix and they would own a property in Phoenix. That is one type of absentee owner. That's an absentee owner that's an out-of-state absentee owner. There's also an in-state absentee owner. And, an in-state absentee owner is someone who has a rental property but lives in the same state. So, we want both, right? Because that's going to give us an idea that it's an investor or someone that maybe has purchased a second home. All right. So, that's the thing. We're looking for "Investor and Foreclosure Services." Click on "Absentee Owners."

The next thing that we'll do is show a screen that will look like a search field, up in the left hand corner. There'll be a "Count", and it'll be zero when you first... when you first... when you're starting out. So what will happen is, its geography is basically your first search criteria. Or, search... Basically, criteria that you're looking at. And, you're going to select "County," and then, you're going to select your "State," and then, you're going to add your county to the search. So for me, I'm going to look at "County." I'm going to select "County," and then, it's going to come up like two different boxes, you'll see. Then, I'm going to select down my state. It's going to be Arizona, of course. And then, I'm going to select Maricopa, and then, I'm going to add that, and what it's going to do is, it's going to give me every absentee owner or an investor buyer in Maricopa County



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at the current moment. Now, my number that I see is about 254,000 absentee investor owners in Maricopa County. For you, it could be 30,000, 10,000, 5,000, six, whatever the number is. And it's... You know, in California, it could be, you know 900. It could be a million, whatever the number, it doesn't matter. So just so you understand, step four, for property is this. So, what you're going to do is, you're going to... After you do that, there's a... on the bottom, there you're going to click "Next," and it will take it to a next page.

And, the next page is several different options that we're going to go through, and it's really, really easy... really simple. It's "Property Type," and you're going to select "Residential: SFR." So, what we're looking is... are for absentee owners, right...? Investor buyers that have purchased single-family residence. Now, this is the interesting thing. You can also do this for duplex, triplex, fourplex... You can do this for commercial. You can do this for land. You can do this for multi-unit apartment complexes. You can do it for either, you know, any different segment of the market. So right now, we're just going to target "Residential: Single Family Resident." Now, step five is, under the "Last Market Recording Date." So, that's going to be the first box that's on the top. And then, you're going to scroll down a little bit, and you're going to see "Last Market Recording Date." Okay, "Last Market Recording Date." So, this is when the actual transaction has happened, right? And, what we're going to do is, we're going to look back anywhere from 6 months to 12 months. So, we want to see in the last 12 months, how many investor buyers purchased, right...? Properties in our specific county, and in what zip codes. It will give the zip codes here in a second. So what you're going to do is, that count is going to go from 254,000, you know, all the way down. For me, I think in the numbers in like the 8,000 numbers. So, it goes from 254 down to 8,000. That means there's... you know, 8,000 or 9,000 transactions that have happened in the last 12 months in Maricopa County that were to investor buyers.

All right. Now next, step six, is under "Options." So what you're going to do on that particular point, you going to click "Next," right? It's going to bring you to the next page, and on the top, it's going to say "Options." So, you're going to scroll down, and it's going to say "Corporate-owned Properties," right? It's going to be automatically selected for you to "Exclude," but we don't want "Exclude" corporately-owned properties. What we



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want to do, is select "No Preference." Now what that's going to do is, that it's going to add all the properties that were purchased by LLCs, okay? Or, investors that purchased an LLC. So, I do all my deals with an LLCs. Larger investors do all their deals with an LLC, so we don't want to exclude them. We want to include them. So, that's number six. Now, once you're done there, that's the last step, okay? And actually, selecting and basically, taking your list, and narrowing it down to specifically what you want. So, at the bottom there, you're going to click on "Purchase List," okay? Now don't worry, it's... you know, it's not going to charge your credit card or anything like that.

Just click "Purchase List," and this is step number seven. Click "Purchase List," and then, what you're going to do there is, you're going to see a yellow bar across the top. Just look at a couple tabs, and you're going to click on "Purchase Partial List." And then, you're going to select "Custom Selection," and there's going to be a little dropdown, and you're going to go down to "ZIP Code." So, this is on the purchase page, right? You're going to click partial list. Now, you're not going to buy, don't worry. It's you... This is for free [Laughs] I'll show you here in a second. You're not going to buy the list, so don't worry about it. So, click the... "Purchase Partial List." Select "Custom Selection", "ZIP Code..." And then, step eight, click on "Export," and type in your e-mail twice. So, it will be an "e-mail from" and an "e-mail to." So, type in your e-mail twice, and ListSource will send you a spreadsheet, an Excel spreadsheet with all the zip codes, the transactions, and how many transactions happen in each zip code. It's pretty cool.

So now what's going to happen is, you'll wait about 30 seconds, you'll get an email from ListSource with an attached spreadsheet of all the different transactions, the amount of transactions that happen in each zip code. So, what you're going to do next is, you're going to sort this Excel spreadsheet, and you're going to sort it by say "Column B," right? From highest to lowest. And what this is going to do, is give you the zip codes with the highest transactions to the lowest transactions. So, you know, for example, I'm looking at the page right here. I just printed it out. 85375 in Maricopa County, there's 280 investor transactions in that particular zip code. The next one is 85374 at 264, 85255 at 217, and so on. So what it's going to do, is give you a list from, you know, ascending from highest to lowest of the amount of transactions from investors that purchased in that particular area.



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Now, what this is going to do for you is, in the next episode, we're going to actually go through how to select the best-performing list to mail. And, we're going to zoom in and only purchase the top 10 zip codes. So, why would you mail a zip code, like here in this list right here? It's right from my paper shuffling. But, like here, there's... I mean, there's like three or four or nine in 85210, you don't know. But if you just pick the whole city, or if you pick just the whole... the whole county, or if you pick the... you know, the whole city, you know, there's one area that only has one or two or three transactions, and the number one has 280... Why would you mail one, you know, that is a low probability of selling the property? You only want to be able to target the top 10 or 20, depending how big you want your mailing list to be able to focus on those as your target, as your target market. So then, what you can do is really narrow down your list.

So next week, we're going to talk about predictability factors, okay? And, a predictability factor is the predictability of your potential client, the person you're mailing to respond and be able to do business with. Okay. So, what we're going to do is we're going to increase that predictability factor by adding different components of where... of either distress or situations. It might be a divorce situation, tax deed, pre-foreclosure. But, we're going to add in these predictability factors along with where the most transactions are happening. And what that will do, is give us a razor-sharp, refined list that we can target, where we can get the most amount of results. And, we get that 3-5% of the people. So, you know, when we do a mailing, we're getting only people that are calling us, that are interested, or there is some sort of situation that they want to sell. Now, think about this, what... You know, you could mail 10,000, right? In Phoenix, right? Or you could nail down, and Phoenix has... I don't know, 60 different zip codes. Or you could nail down, you know, the top 5 zip codes in Phoenix, drop your mailing down to a thousand or maybe two thousand and be laser-targeted in that specific area. And then, add another layer of predictability, right? On top of their predicted behavior... On top of that. So we're... So then, you can... you know, pretty much figure out exactly the type of person you're targeting.

Now, what we do in our marketing, we track demographic details on a... And we try to... You know, when we're... Every seller that we do a deal with, we'll go back and ask them questions, and try to find out their age, try to find out their occupation, try to find out...





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You know, obviously the number one reason why they're selling the property. And, you know any other data... Their hobbies, anything else that we can put together. So, when it comes into selecting a list, then we can refine our list and be highly targeted. Now, there are times to be highly targeted and also other times not to be highly targeted. We do what's called "blanket mailing," and we're just trying to open up our universe and hit as many as we can. But when we do our blanket mailing, we specifically target specific zip codes. And, we don't hit everybody. We want to hit the top 10 or 20 of the highest cash transaction zip codes, and we're hitting everybody in the area that has owned the property for the last 10 years. So, we'll get into that. That's a little bit more advanced, a little bit more down the road. Right now, we just want to focus on getting your first check and spending the least amount of money on marketing, to get the most amounts of results.

And, we'll talk about the three of the highest performing marketing campaigns that you can do to get the... to produce the best results. So, this is a series... I don't know how long the series is going to be. We're going to go through a lot of details, specifically and exactly how to make that work. So, to get a video on exactly how to do this, go to [flip2freedom.com](http://flip2freedom.com). Flip, the number 2, freedom dot com/zipcodes. Z-I-P-C-O-D-E-S. [Flip2freedom.com/zipcodes](http://Flip2freedom.com/zipcodes). If you go there, you can see a video of this live. So, you can see exactly how it works, or you can just takes notes through this podcast and just follow step-by-step exactly how to do it. All right. Now, I always try to end with something motivational, something that's going to inspire you, something that's going to get you to burn, just something that's just going to get you to push yourself over the edge. Because here's the deal, it's that... You know, a lot of people listening right now, maybe you have a job and you're working 9:00 to 5:00, and you have your house and your family and your kids in your car, and you're in this comfortable lifestyle, but you're bored out of your mind. And, you want to do something more. You want to get involved in real estate, but you've got to... You've got to give yourself something to push... You know, to get over that edge.

And, you can do that by asking specific questions like, you know, "What if you don't do it?" You know, "What if you don't follow your dreams?" You know, "What if you're in a situation and you... died at the age of 65 to 70, and you never accomplished whatever





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regrets you got to have?" Or, "How could you accomplish ten... or your 10-year goal in six months?" That's a big question. "What would it take to accomplish your ten-year goal in six months?" Everything you wanted... Now, what if your 10-year goal was you wanted to put a \$1 million cash away? What if your 10-year goal was to put, you know, \$200,000? What if you could do it in six months? And, this was the opportunity that you could do it. See, they're things that happen... There's mind shift... Things that happen with inside us that give u a spark or the excitement where... you know, you can't sleep at night. You know, so many people are going through life asleep. They're mundane, and tired, and blah. This... And... And, just everything just same old, same old. Who wants same old, same old when you have the life? You only live once. That's it! You know.

So, I happen to hear this on YouTube, and I pull the audio out of it, and you've got listen to it. It just gives you the inspiration because you can do it. See, here's the thing, I know for me... You know, if I can do it, anybody can do it. I'm just going to leave you with that. But, just listen to this real quick, and it's quick, like two minutes. And, it'll get you fired up and pumped up, and ready to go out and take some action. So, listen to it right now.

"Don't ever let somebody tell you can't do something. Not even me."

"Cause if you're willing to go through all the battling, you got to go through to get where you want to get, who's got the right to stop you?"

"When people can't do something themselves, they want to tell you, you can't do it."

"But until you stop believing in yourself, it isn't over."

"And I guarantee a week won't go by in your life you won't regret, walking out letting them get the best of you."

"Let me tell you something you already know. It's real simple."

"In any fight, it's the guy who's willing to die whose going to win that inch."

"You demanded more of us. You demanded perfection."



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"To me, being perfect is not about the scoreboard out there."

"I ain't saying that I'm perfect, 'cause I'm not. And. I ain't going to never be. None of us are."

"We're in hell right now, gentlemen. Believe me."

"One game to be the best that you can be. To fight and die for that edge."

"If you can do that gentlemen, you end up perfect."

"I'll ask you one last time. If you put your effort and concentration in the plan to your potential, that's going to make the difference between winning and losing."

"This is your fight."

"If you want something, go get it. Period."

Now, if that doesn't get you fired up, I don't know what will! You know, I used to be a Marine, and I'm telling you, that guys in your face, and they motivated you out of fear, right? Motivated you, that you're going to step up and make it happen no matter what. They're going to be in your face or you're going to have to get in the quarterdeck, or you're going to have to dig a ditch out of the middle of the hot sweaty summer with sand fleas eating me alive... You know, at the Parris Island, in South Carolina. So the bottom line is, is that they gave you motivation to move and to push yourself beyond what you thought you could accomplish. And, that was one of the great things I learned in the Marine Corps, that... You know, you can do more than you think you can. If you just... If you're just going to put yourself to the test, right set of vision that is so grand, and set in motion, progress in what... what... See, this whole series that we're talking about... This whole series that we're... You know, that we're going to be going through, the step-by-step... What I want you to do is, I want you to follow along in the series with me. I want you to follow along on it. And then, do the actual action steps with me. You know, find out your market, find the zip codes...



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Next week, we're going to talk about pulling the list. We're going to talk about actually sending out direct mail. I'm going to give you a free resource you can use. It's amazing. But, what's going to happen is this. It's that, what you'll be able to do is be able to go out, and take this idea and create momentum. And, momentum is incredibly powerful because as you gain this momentum and you work with me, you listen to the information, you apply it, and you gain this momentum, you gain confidence. Then, you gain excitement, and then you get that first check. And, it's exhilarating because... You know what? There's people that are going to tell you, you're crazy. There's people that will tell you, "Oh, that stuff doesn't work." You know, those people will tell you... They tell you that, you know, "You'll never accomplish success," right? And you get two choices, you can listen to other people's opinions, or you can prove them wrong. Everybody that I talked told me I was nuts, "You can't flip houses. You can't sell a house you don't own. You can't make money off it if you're not making or having any money. You can't do that!" People told me I was nuts. "You couldn't do it." Guess what? I prove them wrong. Not only just once, but a thousand times over. A thousand times over. And interestingly, I'm not even friends with most of the people that was way back when I was on my quest, because things change. I mean, you know, things change.

So, what I want to do is leave you this. Go to flip, the number 2, freedom dot com. Flip2freedom.com. Download my book for free. Read through it. Get a reference of how this whole thing works. Follow along with me in these series, and we're going to go out and we're going to change your life. We're going to motivate to live the heck out of you. We're going to give you great information. We're going to... I'm going to go out there, and go through step-by-step, each thing that you need to do so you can take this information. And, you can turn around and apply it. You can go out and get results. And then, I want you to send me your video, because I can't wait to see. I love seeing people's videos coming in. They're so excited. They went out, and they did it! That's the incredible thing. So, my goal is to take you from your average \$50,000 a year job with your... You know, you got a couple of kids and a wife and a car. You go your... you know, your commute.... Your traffic in the morning and come back at night, and you're just exhausted and... And... And that's your life.... To something exhilarating.



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Well, guess what? You know, when you plan a trip, money becomes not an option, right? You want a five first-class? Five first-class. If you want to go and stay at the Plaza Hotel for 10 days, then stay at the suite, at the top overlooking that thing. You can go do it. You want to go to Hawaii and stay in a mansion, you know a \$5 million mansion overlooking the ocean? You can do it if you want. You want to go on a cruise, and do the best cruise out there instead of taking the cheapest cruise out there, looking for the cheapest room and the cheapest tickets? Why not go to the best and do everything first-class? If you have a choice, what would you pick? Of course, you pick first-class! Wouldn't you? The reason you can't is because of the limitation of finances. Let's get... Let's eliminate that! Let's make that a decision that at 2015, it's over. You're going to take control, and we're going to go out and make a fortune together. So, make sure that you subscribe to the podcast. Go out to [flip2freedom.com/zipcodes](http://flip2freedom.com/zipcodes), watch that video. Go over to [flip2freedom.com](http://flip2freedom.com) itself, and just download my book. And, I will see you next week on the episode and we'll dive deep in exactly how to pull your mailing list. And, I'm also going to give you a mail resource that you can use. It actually sends out your mail for free. It's actually using my mail pieces. So, I'll actually give that to you for free. It's awesome. So, take care. God bless and I'll see you next week. See you!