



Flip2Freedom

Escape the 9 to 5...

Flip2Freedom Podcast

Five Deals a Month and \$35K in Revenue: How Spencer Scaled His Wholesaling Business

Hosted by: Sean Terry

Special Guest: Spencer Shadrach

Intro: Welcome to the Flip2Freedom Podcast, I am your host Sean Terry.

Sean: Hello again, this is Sean Terry from the Flip to Freedom Podcast. And we are on episode no 128 and I've got an awesome interview for you from Spencer Shadrach at the Memphis, Tennessee. He talks about, how he, with making \$20,000 a year, got his first deal, killer, killer tips, hired a VA show the exact process of him, hiring a VA, hiring now an outside sales guy and now he is cracking doing over 5 deals a month right now and he is making more in a month than he made in an entire year. He drops some incredible knowledge bombs. You guys are absolutely going to live it. Killer, killer interview, he's in Memphis, Tennessee and he is rocking the house.

So if you are brand new, you've never heard of Flip2Freedom, where the heck have you been? I want to thank you for coming up online with us right now, listening this program is all about wholesaling, flipping house, use your nail crush, no credit, have no experience, getting in and making money in real estate. So, how do you do that? Well, what we do is we market for motivated sellers, distressed sellers through online marketing, through direct mail, through banded signs, through whatever the case may be. And what happens is that sellers will call us and we'll talk to them. And what's going to happen to some of them, are going to want retail, some are going just want to list their house with the realtor, but there's a small percentage, about 5%, of the sellers that are going want to get rid of their house and sell it quick.

Now, in Spencer's case, you have a guy that just call them and says: hey, I have this house; I want to get rid of it. Done on a contract for \$18,000, sold it a week later for \$29,000. What he did was, he met with the seller and he signs he purchase contract, gave him equitable interest. And he turned around and found a buyer for the property, a cash buyer that paid \$29,000 for the property. So after closing costs and fees and everything, he made \$10,000 on the deal. He had no cash or credit, nothing reserved of

poled, and he went out and made that \$10,000. Now he has scaled that to over \$30,000+ a month in revenue and explains exactly how he does it.

All right, so if you want to get more from me and what these guys all start with, we're going to Flip2Freedom.com, Flip2Freedom.com, if you go there, there's a book on the front page, you can download that book for free. It's 129 page book, I basically give you everything you need to get started, had people tell me they've spent over \$1,000 for the same information that I give for free in the book. Plus we have all the content, this is like the episode no. 128, we have 127 different episodes of everything about this business, success stories, from negotiating, lead types, everything you need to basically get started and I've had a talk to a guy the other day, he just used the podcast, listened to all the information and made over \$150,000, just applying that information in Florida. So, it is possible, you can do it, and this is a great success story you'll hear from Spencer on how he did it. So, let's get into the interview right now. All right, Sean Terry here and I'm back with Spencer Shadrach. That's right, right? Shadrach, Meshach and...

Spencer: Oh, yeah.

Sean: What's up man how are you doing?

Spencer: What is up?

Sean: Memphis, Tennessee, man holy cow that's a super on fire market out there.

Spencer: Man, it is so hot in here right now, I don't want to talk about the hot weather, we are talking about real estate, bro.

Sean: That's awesome. So, in Memphis, what do you think is making it so hot? Is it just the inventory levels or next to nothing or what?

Spencer: Well, as you know, back in 2008-2009 the creditor lending lent people who were... people who went in homes, right? That couldn't afford the home that they were living so they built all these brand-new homes here in Memphis.

Sean: Right.

Spencer: And then all those homes got foreclosed on, at some point or another. So you got this \$120,000 house, you got people who are just built maybe 5 or 10 years ago and they are selling them anywhere between \$30 and \$70,000. And it's a great rental market. So you got people that are flying all over the world literally, to Memphis to buy these rentals.

Sean: Wow, that's insane, insane. Wow! So let's talk about the result real quick. So this month, you've come out the gate, you've got 5 deals closing. We are going to get into that, so those 5 deals. So, will this be your best month so far you say?

Spencer: Of course, I am going to close 5 deals this month. 2-3 months ago I think I closed 4-5 deals as well, I think 2016 will be, I hope to close about 5 deals a month and the goal would be to close 10 a month, so yeah.

Sean: Right, right. Okay, cool. So, 5 deals a month, that's killer. In which your average deal size would you say?

Spencer: I'd say average deal size is around \$5 to \$7,000.

Sean: Okay. So, it's still, that's \$35,000 potentially coming in, that's pretty good, huh?

Spencer: Oh yeah.

Sean: That's cool. Cool. All right, so we'll dive into that. So tell me how you got into wholesaling?

Spencer: I started off working for a property management company 2 years ago. And I was just collecting the rents and my goal actually was to learn how to buy a house. I wanted to become a home owner at some point, so I knew if I was going to work for a property management company, I was at least learn how to buy a house. What I was doing was not that cool, I was collecting the rent.

Sean: Not that cool, yeah.

Spencer: Or the property manager for about 1000 rentals. So I got throwing into the deep real quick and so, while I was doing that, I was dealing to know real estate, getting into property owners, getting to know the 2 owners of the company who owned about 400 rentals themselves. And I just got: man, this is really cool. And these guys are, they are really smart but they are just really hard-working dudes. And I can do this; if they own 400 I can at least own 10.

Sean: Right.

Spencer: And so I thought: well, how do I get started to buy rentals? Where you got some money to buy rentals? So I said: what's the next step? So I started to investigate that, there's a guy name Clyde, in San Francisco, that was one of the property owners that we

managed for, that I would talk to on the phone. And he told me about this guy named Sean Terry, right? I said: okay, I am going to go to see what this is all about and well, I get on your YouTube website, I devoured that, I get on your eBook, I devoured that, next thing you know I signed up for your program and get the full dose of Sean Terry.

Sean: Actually it's funny, 2 weeks ago I was, I spoke at the find and flip summit there and I met Hein for the first time, which is pretty cool. He was there.

Spencer: Oh, yeah. He is a rough dude.

Sean: Yeah, he is pretty cool. Very, very cool man. He is cracking that out. So, cool, so you devoured the information, became a student, get up and going, and looking back, and how old were you at the time when that happened?

Spencer: I am 30 right now, so I've been 2 or 3 years ago, 1, 5 years ago, so 28ish.

Sean: So you were about 28ish. And at that time, did you have any prior, like entrepreneurial experience or did you have a business before or was this like your first adventure into doing your own deal?

Spencer: No experience, my experience was that I didn't have experience. Yeah, so I just, I got to the point where I began to be overloaded with information and education about all different types and ways to make money in real estate and finally just pulled down to, you've got to take some action Spencer, take some action, kick in in the full gear, spend a little bit of money and go for it.

Sean: Okay. So I want to dig in that real quick. So, there's a lot of people that maybe they have, and I get emails all the time, and people on the Facebook group, and they have devoured, they listened to every podcast, they read the book, they listen to videos, they listen to other people's, other guru stuff. And so they are listening to all this stuff and they haven't taken action yet. What was that point where you said: "I've got enough information; it's time to take action." When, do you remember that point time in your life, you actually took action?

Spencer: I don't remember the time and place to be able to answer to that Sean. But, I do remember thinking; I got half way through millionaire real estate investor. Right? And that was one of my goals; I wanted to be a millionaire real estate investor. And so if I wanted to be that, I picked up the book and begin to read it.

Sean: Right.

Spencer: And so, I mean one thing I did was get educated about you, about wholesaling, about everything and I just said, I just kind of threw out my hands and said: listen, if I try to do all these at once, I am not going to become an expert at anything and I am not going to make any money at all, so I decided to take action and pick one thing, stick to it, whether I fail, grace, I just I am failing forward versus kind of just sitting on the side lines and watching everyone else play the game.

Sean: Right, that's interesting, because what you just summed up is the essence of success. I mean, if you boil down all the minutia, all the stuff, all the education, everything, and you boil them down, to just what you said, pick one thing, continue with it, stay consistent, focus on it and then never give up on that. If people do that, whether be wholesaling, whether be buying rentals, whether be building a portfolio, whether be on their job, whatever might be, if they focused on that one thing, so that was a lot of wisdom right there and I think if people, listening to this, look at their life, look at everything they are doing and all the stuff that's going on, take and boil down that one things. If you can just make that thing phenomenal, what could happen, so that's a great, great advice. So that action that you did take, okay? And you took that action, what was that first action if you remember?

Spencer: Well, so, I was encouraged to get part of your program and to be honest of that, I can do this, I can get educated, I'll be the teacher, I'll make a trainer, I'll always been attached to figure something out of my own if someone shows me one corner of the day, I am going to find the 3.

Sean: Right.

Spencer: This got to the point, where I was soaking so much information, I just needed an actionable steps to take for someone that hears exactly what you need to do, take these steps, do this, here's what I've done, just follow, don't reinvent the wheel. You are not Einstein. And so, I think you had, I was waiting for you to get a discount on one of your programs, because I didn't have \$1,000, all I had was \$600 bucks or something. So, I just, I am going to wait till I get the discount and buy that sucker whenever it comes on sale, so you send out the email and said this half price something or rather and ended up buying the thing and started the program.

Sean: Awesome, and then from that point forward, what was that act, did you send out mail, did you knock on doors, did you put banners and signs out? I know you put banners and

signs at some point, but what was that first thing you said, "Okay, I am going to do this"?

Spencer: So, I had the success with banners and signs before, and so I thought, okay that's something, I can, there's some different marketing avenue so you can take. So I pick one marketing avenue, give it a try, at least, put out 1000 signs if I had to, and give it a try because obviously someone is doing it and it's working so I am going to give it a try. I am not going to do direct mail and create a website and do business cards and all these other stuff.

Sean: Right.

Spencer: I am just going to pick one thing; this is like I get the wholesaling, right? I am going to pick one thing, I am going to go for it and then I am going to pick one marketing avenue and go for it and then see what happens and go from that.

Sean: Okay, so you got some banner and signs and you put them out and it took you, was this something that happened quickly for you or did it take some time to basically get your first deal under the bell or what?

Spencer: It didn't take that long, I don't know what the time frame was between the time that I put out front that I joined your program to the time I got my first deal, but it was, I think it was a pretty short time list in 60 days I would imagine.

Sean: Okay.

Spencer: But, I was putting that, I was working from 8 to 5, and then I get educated about real estate from 5 to 7 and then from 7 to 11 I'll put out banners and signs at night.

Sean: Right.

Spencer: So, I've put out 25 an hour, times 4 hours.

Sean: Right.

Spencer: 100 a night. And something is bound to happen, good things that are bound to happen, you take action. So, that was kind of my thought process.

Sean: You know what? And that's another point, it takes hustle. I mean, people they come into excuses. Well, I got my job and I've got this, and I've got that, and they come up with all

these excuses of why they don't have enough time to do the thing and it's like in a perplexity because I am sitting and going: okay, you don't have time to get rich but you are going to get the time to just live month to month. Right? Is that makes sense? I am just going, okay, I am just going to continue what I am doing living month to month, because I don't have time to get rich. It's like, it's insane. So, you obviously knew that, you took that time to put the banners and signs, to get hustled, and you got your first deal. So now let's fast forward, what are we, like 18 months? 2 years from that?

Spencer: That is Sean, that is the deal he ever did.

Sean: So, what happened, what did you do?

Spencer: Well, I put out the banners and signs and a guy called me: okay, I just want to get rid of this house, for what I owe a mortgage. And I said: what do you owe to the mortgage? It was something like \$18 grand, so I looked up the address and this house was worth 35 and so I got down over there 2 hours later and talked to the guy, I was sitting in the living... It was 4 bedrooms, 2 baths. The house it's been updated, it's got a play pond in the back. It got a fence.

Sean: Wow.

Spencer: It will make a great rental, I think it would rental like \$800 bucks a month or something, or \$825 a month and so I am thinking through my head, I've been working with all these property manager and what they've been telling me is that if I found a deal that they would do 50 times the rent. Well, 50 times to \$800, it's \$40,000.

Sean: Right.

Spencer: So if I am taking this thing up for \$18,000 grand, I don't want to sound a sucker and make at least \$10 grand.

Sean: Right.

Spencer: So, I go up there and lock up the deal and the guy, he rides a motorcycle. I am like oh man, I used to have a motorcycle, I wrecked it, my parents didn't want me to have it. Now I was just talking, shoot the bull with them, we ended up sign the papers and get everything going and they even try to buy a house outside the city and so, it would just have worked out for everyone, they are happy that I bought the house and ended up calling that guy by 2 hours later sending in the pictures of the property and I think he

bought it, ended up buying it for \$19 grand or something and he signed the contract for 29. So he made it, the price was for more than 29, but I was so excited that I had my deal wrapped up and way to go.

Sean: Okay, so you made a quick \$10 grand, you were pretty excited on that first deal. So what would it take you on like a regular job, 9 to 5 job to make \$10,000?

Spencer: I can say, Jesus. I'll get paid \$15 bucks an hour, it's 40 hours a week. That's \$600 bucks a week.

Sean: Wow.

Spencer: Divided by \$10,000... Oops, that's the wrong way. \$10,000 bucks divided by \$600, that gives me 16 and a half weeks.

Sean: 16 weeks, busting your butt 9 to 5 to, for somebody else and in this deal, you put out some banners and signs which took effort, you had to do it while you were on your job. Guy called in and that's what I tell people, if you put your fishing lines in the ocean, there will be bites. A lot of bites are going to be people that want retail, they want too much or it just is not work. But there are going to be a few bites that you are going to be able to real win some \$10,000 deals, you are going to real win \$50,000 deal, and I've seen, I mean I was talking to this guy in Portland real in \$297,000 deal. So make \$300 grand, on one deal, he flipped in less like 15-20 days. So, I mean, you never know.

Spencer: That makes a lot of water, Sean.

Sean: I know, I mean it's just like, it makes you go, I am going to get like more wines in the ocean to get that big whale coming in. But, it will happen.

Spencer: Who knows what that guy did to get that deal? I mean he could have been scraping the bottom of the barrel, he could have gone out and talked to 100 sellers, but always see the result.

Sean: Right.

Spencer: And he could have got lucky, which is fine, and I'd rather be lucky than good obviously. But, if you put on the hard work and effort the past 2 years, to get up to what I am doing right now, 5 deals a month, people would say, tell me how to get there. I want you to buy my way into that, and it doesn't work like that.

Sean: Yeah, and it's funny. I have guys who say, I just want to pay you, I'll pay you \$50 grand Sean and then I want you to, I want from going doing not knowing anything about deals, anything about real estate, and anything about structure, anything, they don't want to go through the education, but I just want to hire 5 people and I want to crank it out and do 100 grant a month, within 3 months. And I am like: you can't do that. It doesn't work like that. You have to understand.

Spencer: It sounds that great. I want to do that too.

Sean: Yeah, but you want to understand the business, you've got to understand. Because guess what, these people are going to go to you and are going to ask: okay, I got this deal, what do I do and get going? I don't know. Part of this business is gestation period, where you've got to get going and start doing deals and now that you've been doing it for 2 years, you've now come across sellers, finance deals, you know how to do it. You've come across sellers, you understand the speed of implementation, and you understand you have buyers that you are working with. You understand that concept. So now, if you went, if you decided to hire people, you'd be able to answer these questions if they ask, which is a ton of them every day.

Spencer: Well, it's no difference than chicks lay, the chicks lay model where they ask you to come in and 3 years working, working at their restaurant, being a general manager, and saying: okay, if you can cut it for 2 years, you are going to learn every part of the business that you need to and then we'll give you that opportunity.

Sean: Right.

Spencer: And so, there's no difference than that, they got something cooking in their chickens, some kind of secret sauce, but...

Sean: Right.

Spencer: Yeah, so that's, it's no difference Sean. I agree with you.

Sean: Yeah, exactly. Okay, so now let's fast forward 5 deals a month, okay? So you went from doing that one deal, smoking deal, get up and going, so are you solopreneur, do you have a team right now?

Spencer: I have a team, I've got one guy who answers the phone, he determines the motivation. So the problem with Memphis is that you got 100 people that call you and you get 5

deals, or whatever the amount or number is. And then you get, your per deal is low, the amount of money you make per deal, so, if I was making \$20,000 per lead, and I'll get 15 calls, I'll take all those calls, because I can negotiate with them out there on the phone.

Sean: Right.

Spencer: But I don't have time to take 100 phone calls every 3 days determine who's worth my time or not so I've got a full-time person and virtual assistant who answers all my phone calls and determines the lead motivation if they want to sell quick, whether they want... what price they want. They just lead me to questions that they ask in, so it saves my time to do what I want to do and when I want to do it.

Sean: Now, when you took on this virtual assistant, and you are working with them, what was the process of teaching them motivation? And what I found in my business is that, if I ask you, after you talk to a seller what motivated the seller is, you'd have an opinion. If I talk to him, I'd have an opinion. If someone talks to him, so what I found is that it's very difficult to nail down that specific, so what are like, and I said, you said litany of questions, what are like a handful of questions that your VA asks the seller to determine that motivation?

Spencer: So, I've got a script and I am sure you've got a script. I got a script from you at some point and I adjusted it and kind of make it my own.

Sean: Sure.

Spencer: But my questions are just based around, doing relationship with them on the phone. You know, how quickly do you need to sell, and that might be, I need to sell in 10 days, I need to sell in 100 days. Sometimes they are going to tell you how quickly they need to sell, sometimes they don't. And so that might be one question. Another question would be do you owe anything on the property? Are you behind on anything? They might be in financial distress, so there could be a number of questions in my mind that would determine stress on a property, if it's financial distress, physical distress of the property, emotional distress to the owner.

Maybe they have a family member that died and they need to pay something, whatever the reason they are selling. So real questions that are due to what kind of project or categories that potential distress, one of might be why are you selling? Another one might what kind of repairs do the property need? Are you behind on a mortgage? And those are questions that, what kind of repairs does the property need? Well, that's a

question towards physical distress of the property. Well, if it's total beat up to crap, that property is in physical distress.

Sean: Right.

Spencer: So that is a potential motivator to get rid of the property. So, we have different questions that we ask and if there's 2-3 things that might be and can determine, they say this person might be motivated. This person is motivated, this person might be motivated, this person has no motivation in what so ever. And we kind of have a process that we handle those leads through as well.

Sean: Okay, let me back up real quick. How did you find this VA?

Spencer: So, I think there are different resources you can use online, called ODesk or how is it called now, I don't know, might Upwork or something like that, [Upwork.com](https://www.upwork.com). So I did, I just put an add there, said: hey I am looking someone to answer the phone for me to my real estate business and I probably had 20 applicants that applied and they called into my voicemail, basically bringing my script back to me. And so, so what they could read that script and follow directions, I didn't want them to call back; I didn't want to hire them.

Sean: Right.

Spencer: If they can't follow directions. And two, I want to hear what are they saying on the phone, so I can understand them and have a conversation with them. So there's 2 different people that I picked and I said: okay, great, I want to give you this script, here's Craigslist, here's Zillow, go and get, call 100 people and get experience with this list and bring it back to me and let me know what you find out. I tried a little bit of games than with somebody else, and I wanted to see if they were able to follow, again, would be baby step directions on what to do and how to do it. And in about finding someone that follow every step of the way in my directions and it's organized, and responses to me in a timely manner and so I went with them and it's gone well so far.

Sean: So, it's an interesting point and I love how you just did that. Because not only that, you had them send a voice mail, that was the first criteria. And now if you have 20 or 30 applicants, that's going to pare down there to about 5 to 10. And now those 5 to 10, you are going to give them a task, they are only going to do the task and they do it and then they come back. That's going to pair the 5 to 10 down to 2 or 3. And then those people

now rise to the top and those are the ones you want to talk to. I think that's brilliant. Now, is your VA local or are they like in India, Philippines, or something like that?

Spencer: He is in Bangladesh.

Sean: Bangladesh? Interesting. Bangladesh, I've been there. Fun place. All right, that's pretty cool, I like that. So, you have a guy that's answering phones, a real good guy and he works from 9 to 5, Monday to Friday?

Spencer: He works as much as I tell him to work.

Sean: It's just go.

Spencer: I am like, hey, here's 80 hours, you let me know when you fill it up, there's more work that much great, it's not. I turned to the person who answers the phone, so, he'll say: hey man, I'll work 40 hours this week, it will be Thursday or Friday and I am: all right, log in to the other account so I found him making more phone calls.

Sean: Cool. And how much do you pay him an hour?

Spencer: 5-50/hour.

Sean: 5-50/hour. That's a beautiful thing. That's awesome.

Spencer: Yeah, he works his tail off for sure, and I like having someone who has a family and they need a job because they are motivating to stay and stick with it. And he's got a wife, he's got a family to feed and so I hired someone who was kind of a young guy, kind of energetic, but he ended up not showing up on time, he would smoke the lead and all sort of stuff. I preferred to hire someone who if I am not able to control their environment, at least I know that they need to have a pay check coming so that's kind of a way to work hard and do that. He's a little bit older, but he's worked that great by himself.

Sean: That's awesome. Cool, cool. Okay, so you get a guy answering the phone and there's anybody else on your team?

Spencer: For a while, there had been a guy, here local, he has been bringing me a lot of deals, wholesaler, and he had bring me the deals and I was just kind of answer some questions about how did you get in your deals, where did you found these, are you doing any marketing. And basically he was just kind of networking, he wouldn't be doing any

marketing and he would spot a deal. And so I saw that he was already getting deals done, and so that for me, it was awesome, because I saw that he had the hustle and he had the drive to get deals done.

Sean: Right.

Spencer: So ended up saying: hey man, let's have a lunch and talk about you work for me, I'll hand you all my leads. You work for leads and I'll give you 20% of every deal. And he said, that sounds great. He tried to negotiate with me. But which was good, because I found he was a good negotiator.

Sean: Right.

Spencer: There's no other business in the world where you would be a sales guy and you have lead that are given to you and you are able to make a profit. I was like every other sales drawn in the world, you've got to get up and find your own need and close your own deals. And so, that was kind of my process there, and said that I go up there and meet with these people and keep the whole property for myself. But, I don't want to be able to hire someone so I can go business and we can take it to the next level.

Sean: Well, it gives you the ability to scale. It's flaming, I was in one of my master group and a guy said: well, I refuse to hire anybody. I want to do it myself, I don't want to have the responsibility of someone else's life on my hands and I refuse to hire. I said: well, are you comfortable being where you are at? And the guy's like: no, I want to scale and I want to grow. I said: well, you can't have both. You can't refuse to hire people and then be able to not hire anybody and then can grow. The only way you are going to have growth and be able to do 5-10-15-20 deals a month, is you have to have a team to do it. So that's pretty killer. Cool, cool.

Spencer: That was pretty interesting for me because, it's all about leverage, leveraging your time, leveraging people. And people say leverage is about things, I am talking about leveraging in a good way. There's a lot of other wholesalers out there that are lazy and they are sending me deals and I am like: I'll buy this deal from you right now and they don't seem to doubt anybody else. They don't send it up to the rest of their buyer's list, because they already have a buyer to hook.

Sean: Right.

Spencer: Well, I do, they are doing the work for me and I get to take in some of the profit. So when leveraging other wholesalers, other people's time, so that I can make more money and generate more profit.

Sean: Yeah. That's super smart. I mean, there's no way you can scale it. I mean, for me, running multiple different companies and business, stuff like that, I can't deal with all of them. There's just no way. If you look to any large, I mean, look at Richard Brandson, I mean the guy has some of a billion brands all across the entire country and he has a team of people. That's just the way it is. Cool, cool. So now, let's dive into these 5 deals, doing 5 deals a month. So you have a guy answering the phone, right? And you've got a guy going on the appointments. Where are the leads primarily coming from?

Spencer: So, half of the leads are coming through, I'd say 3 categories right now, or maybe 4 categories. Probably 50% come through direct mail, 25% are coming through networking and then 25% are... 10-15% are coming online.

Sean: Okay, so networking, online and direct mail. Okay, cool. So those are basically 3. So, are you done with bandit signs right now or are you kind of graduated it from there?

Spencer: There's so much effort I've put in the bandit signs, you've got to put the signs in the ground and once you pick them up and you get phone calls from neighbors. So what we do now is we go out there in the neighborhood and we stick bandit signs in vacant properties, because the link to town that they signs will stay there, is a lot longer, and you might get a call from the owner. You custom this out and you'll say: well, sorry about that you want to sell your house.

Sean: Right. I love that.

Spencer: That was your idea.

Sean: Yeah, I mean, yeah, because I am trying to kill it, and say, when I was going on appointments and running all appointments and stuff, and I had to kill two birds with one stone, I had to drive around the neighborhood, checkout the for sales by owners, for rent signs and I saw the vacant houses and I'd write them down. But instead of me having to try skip trace of them, I just take a sign in the front yard and I would get calls not only people wanting to buy the thing and build by buyer's list also, I get to sell the call and more times knocking the property in the contract, which is pretty cool.

Spencer: Oh, yeah, for sure.

Sean: Which is cool. Okay, so these 5 deals. So they came from these 3 different lead sources and so tell me about, so 5 deals a month, that's pretty good. Average, you make around \$30 to \$35,000 this month out of these particular deals. That's huge. Most Americans make \$35 to \$50,000 a year and you are able to generate in a month which is huge.

Spencer: That was what I was making working for the property management company, I was making \$30 to \$50,000 a year, or whatever the amount of money was.

Sean: So, now you are making more in a month than you were making in an entire year and there's still time left in the month so are still kicking. Cool, cool. Out of these 5, so what is the, if you are going to break down these deals and stuff, where they come from? Are they equity deals? Are they seller finance deals? Tell me about them.

Spencer: I can give you a little synopsis of every deal if you want me to, if we've got time.

Sean: Yeah, go ahead.

Spencer: So, the first deal to close this month, we got a call from a non-motivated seller, and they ended up signing a row. We can't sell your house with that amount of money. So non-motivated, this guy make them an offer on the phone, or we go ahead and mail them an offer or email them an offer. Before we get to the phone, we ask, "Do you know anyone else who is trying to sell a home?" This guy said: yes, here's the name and number and here's the contact information.

So we called them up, they had a house for sale. We negotiated with him on the phone so we can buy the property. We locked it up, I think for, I don't know what the numbers were, I think we locked it up for like \$7 grand or something, \$70,000 and I had a buyer that I sold to him the property, 3 or 4 months in the past, 6 to 7 months so I tried to sell it up to my people and he came and he wanted it and we signed in the contract and then closed, I think 10 days. So, that was I think \$6,000 assignment, I gave 20% to my negotiator, so I think a \$4,000 check was put in my bank account.

Sean: That's awesome, awesome.

Spencer: This is a fix and flipper. They are fixing these properties up, they are renting them out and then they sell them to turnkey provider. So they are doing a full rehab and then got people all over the country that are buying fully rehabbed houses for \$50 grand and they'll rent for \$750 a month, there's something like. So great deal for everybody.

Sean: Great deal for everybody, the seller was happy he got to get out of it. You made some money, they made some money and work the other way around, that's killer. Okay, and what about the other couple deals? That one was a great one because that's a referral. So everyone listening to that, always ask your sellers, do they know anybody? I mean, that is huge, if you did that, think about every single seller that called in with everyone that he met, everyone that he made an offer to if he asked him that one question: how many extra deals that you can get without marketing? I mean, without spending marketing money which is huge.

Spencer: Yep, so the next deal we did, I got a call from, there's a guy for about a year ago that I met in Memphis market. He got out of the Memphis market. He works for clever investors and he has apartments that works with him that is getting into the Memphis market and they are, I don't know if wholesaler. So, he said: I have a cash buyer list and I said: I do, I have people that can help move properties. So he sent 4 or 5 addresses, and I said, 4 out 5 won't work, but this will go. I am going to sell it for you.

So we did a profit share on that one, we locked it up for I think \$61,000 with a 3 bedroom, 2 baths house, it was actually 4 houses down from my house. So, I definitely knew the value, I thought about picking up myself, but I chose my assistant to go and show the property to all of our buyers and we got an offer in about 30 minutes and made \$5 grand in total. So he was not supposed to ask \$35,000 a piece, so basically I had to send an email to all my cash buyers what time to share with the property and when it's putting that deal 50-50 so I had a \$2,500 check.

Sean: That's awesome. Like I saw it cool again, not tight to marketing and it's leveraging contacts to be able to put deals together which is huge. Cool, cool. What about the others?

Spencer: So the next deal, I'd sell, my buyers wanted to spend about 1200, so send me out all these deals, people who sometimes respond and say: hey, I've got a deal that I want to sell, if you can make that much money on it, I'll sell it today. And I said this guy it's just in the process to buying this house Friday and I sent this house, we had \$30 grand to his sale price and he ended up pushing the property up to all of our buyers list and found someone to buy the property and he paid me a consulting fee on that one that was \$5,000. So I am supposed to close it this week.

Sean: Cool, cool. That's awesome.

- Spencer:** Networking, putting your name out there, continue to put product in front of your customers and they are going to respond to the public as well, so that's how to kind of make it work.
- Sean:** That's awesome. Now, are you typically, are you fine with doing assignments more, double escrows more? What's yours?
- Spencer:** The deals that I had so more here in Memphis, we just do assignments, we just do, "Hey, here's your owning price, I'll sell that property into that price." And I will see, I am going to tell you what profit we are making, once you get the deal signed, are you okay with that? And I say: yes. And they say: okay great, here's the amount the money. Or I can negotiate that if I am working on behalf of the owner, the kind of consultant then I can negotiate that with the seller. So that is how we do it.
- Sean:** Got you, that's killer. Cool, cool. Yeah, then you have, you can save on those double closing fees, and stuff like that. But obviously my real thumb is if it's \$5-6,000 doing assignment, if it's \$10,000 or more, definitely lean to the double escrow, trying to do that.
- Spencer:** Yeah, and before, I'll show my assignment fee to someone before like that, and I'll have 1 out of 20, 25 people have said: hey I want a price reduction. They didn't tell me it was because of the assignment, but they said, your price is too high, how do you sell the assignment and agree to the price? And I was pretty upset with that and he said; well, can you reduce your marketing fee? And I knew at that point that he saw what we were making on it and started getting but fee, court fee so it happened once in the past year and a half with assignment fee, so I don't have a problem with the assignment.
- Sean:** Probably, that's good. Cool, cool. Well you will as soon as you start doing \$50,000 deals. When you get \$20-30,000 assignment, then there typically buyers are going about that.
- Spencer:** Well, there's also something to, there's kind of a rush and mail your list with what you are getting paid on the deal, whether or not you got the balls to tell him what you are making in this. And so have fun.
- Sean:** Yeah, it is really testing your negotiation skills. Well, the cool thing is that you have 1200 people in your buyers' list and you have 7 other people that want the property, so you go, listen, here's the price, take or leave it, I've got these other people buying from me. So you can kind of play that game which is cool. Cool man, that's awesome. So, for people listening right now, what would you tell them now from where you started,

making your job, making \$35,000 a year, getting your feet wet, doing your first deal and then now, to now, what encouragement or what advice or anything that you can give them to get to the next level?

Spencer: These days the internet, there's so much information out there. You can learn so many things from different people. I would say pick a deal which is wholesaling or being property manager or real estate agent or fix and flipper, whatever you are doing, pick a field and just focus on that field. Focus on wholesale, okay? You are trying to figure out where you want to go and you kind of watch your way backwards. And so you've got to start with one deal, how do I found one deal, that's going to be through wholesalers, if it's going to be through me taking action from the bandit signs. You've got to set a goal, set a plan and stick to it.

Don't let your family or friends tell you are crazy, because that's going to happen. But, I have to say, for one, get educated, get as much free education that you can and then once you feel that you can take action, that is going to be the most important thing. I get emails and phone calls and text messages from the whole town, what advice to give? My first advice would be: what do you know? And they say: I don't know anything. And I say: well, get educated and then come back to me. And then secondly, take action, what steps can you take today? Can you make 20 phone calls today? Can you put out advertisers on Craigslist? What can you do that's free? What can you do that will take action today that will, just building blocks that will get you where you want to go.

Sean: That's awesome. Great, great, advice. Awesome, so couple of rough questions. What, so are you 30 right now, right?

Spencer: 30 years old, just turned 30 on December 31.

Sean: Cool. Hey, happy birthday. Sweet.

Spencer: Thanks man.

Sean: Right before I saw you. Actually, your birthday is on New Year's Eve?

Spencer: Oh yeah man, everyone is at the party and then no one cares.

Sean: That's awesome. All right, are married, kids, wife, fiancé?

Spencer: Single, I bought house about a year ago and I've got 2 roommates paying our mortgage so I am out to build my business, build my rental portfolio, pay off. One of my goals for

2015 was to pay off my college debt, I had over \$30 grand in college debt and as I actually provided a way to pay that out so I think I cut that down to half this year so I've got little over half left to pay that off, but thanks to your program and to what you are doing with people, has allowed me to achieve some of these goals' issues.

Sean: That's awesome. So, what's your favorite book?

Spencer: Favorite book, Goodness gracious. Well, I think that everyone's favorite book in the beginning if going to be Robert Kiyosaki, the purple book.

Sean: Reach that part out.

Spencer: Yeah, I consumed that in like 30 minutes. Right now, oh besides, Sean Terry's eBook, Flip2Freedom, right now I am reading "Getting the Money" by Sharon, something rather, I am working on that, learn how to raise money and create that business model, is what I am working right now.

Sean: Awesome, awesome. And it's called get the money or raise the money?

Spencer: Getting the money.

Sean: Getting the money, okay cool.

Spencer: I don't know what her name is that wrote it.

Sean: Okay, we'll find it and put it on the show notes and stuff like that for people so that they can have it. So getting it.

Spencer: Getting the money.

Sean: Okay, perfect, perfect. And so your 2016 goals, what would you say, what is like 2 or 3 things you really want to accomplish in 2016?

Spencer: Well, continue to finish pay off my college debt. I want to buy one rental a month, to start creating that passive income and I want to get into one other wholesaling marketing, maybe Cleveland or Nashville, or something and start selling houses there as well.

Sean: Cool man, that's awesome aspirations. Cool, cool. All right man, well, I thank you for much for your time, it was absolutely phenomenal, dropped some killer, killer advice,

mindset advice, actual step advice, how to hire a VA advice, awesome, awesome. So you delivered some great, great information, I really appreciate your time.

Spencer: Awesome, appreciate it Sean.

Sean: Now, if they want to find you or reach out to you, if you want, if you want to get on this buyer list and purchase properties in Memphis, where can they find you?

Spencer: So if you want to get on this buyer's list, in the smoking hot list, so you'd better email me quick, homebuyers901@gmail.com. And you can send an email there, say: hey, I want to get in your buyer's list, I want to buy your smoking hot properties and that's how you can get in touch with me. I am on Facebook and you can also join my Facebook group on Facebook. It's Facebook page: Memphis Real Estate Deals. We post all our deals on Facebook as well, so there's the two ways you can get in touch with me.

Sean: Cool, cool, man. We'll have those in the show notes. Sounds good, and again thank you so much for your time, your information and we are greatly appreciate it.

Spencer: Awesome, appreciate it Sean.

Sean: All right man, Thank you.

Spencer: Later bro.

Sean: All right, see you. All right Spencer, thank you so much, you did a phenomenal job, great job on the interview. I know it's a kind of nerve racking getting on and having someone drill you on your business and everything but thank you so much for sharing and delivering an awesome interview. Cool, cool. Okay, so you got his information, if you want to go in his buyer's list, if you want to get more from me, go to Flip2Freedom.com, Flip2Freedom.com.

Download the book for free. We've got tons on information out there and that book is 129-page book that shows you specifically how to go out and wholesale houses in this current market and go out and literally go from a full-time job, working part time making extra income just like he did, and then turn around in quitting your job and going full time and scaling it to 6 figures a month. That's a whole program, that's the entire deal, that's what I do, my business every single day, and it's phenomenal. So, go to Flip2Freedom.com, Flip2Freedom.com and I'll see you on the next episode. We've got

some ton of information coming up, killer, killer interviews set and I want to thank you so much for your time. Thank you for hanging out with us. Take care and God bless.