



Flip2Freedom Podcast

9-Step Seller Conversion Sequence (Steps 3 & 4)

Hosted by: Sean Terry

- Intro:** Welcome to the Flip2Freedom Podcast, I am your host Sean Terry.
- Sean:** Hello again, this is Sean Terry from the Flip 2 Freedom podcast and we are on episode number...136?
- Man:** 136.
- Sean:** 136 it is. So number 136 and this is part two of a four-part series and we are talking specifically about the Nine Step Seller Conversion Sequence. Lot of S's in there. Nine Step Seller Conversion Sequence, there's nine steps. Last week we covered... of the 9 steps... Step 1 - Preparing your File and Pre-appointment Intelligence. So go back, listen to episode 134 (actually 135) if you want to hear the first part of the series there should be a link in the show notes there if you go to Flip2Freedom.com, Flip2Freedom.com, check out the show notes there. You should be able to see that and be able to listen to the first episode.

So what is the Nine Step Seller Conversion Sequence? It is, it is basically what we do to convert sellers. So, you send out mail to distressed sellers, calls come in, you book appointments or this could be done over the phone, it's a little bit harder to do it over the phone. But now you go meet with the seller and now it's everything that happens when you meet with that seller. So what we are going to talk about today is step 3, is Meeting the Seller, Strategic Leading Questions and Building Rapport.

And then we are going to talk about Evaluating Repairs. I mean that is critical to the business, okay? So that's we are going to talk about today, step 3 and step 4. And then we got the rest of the Nine Step Seller Conversion Sequence coming up in the future episodes. So if you are brand new to the podcast and you've never listened before, you have no idea what this podcast is about, we talk specifically about flipping houses or wholesaling houses.

FLIP FREEDOM

If you don't know what that is, essentially what we do is...you can get into real estate. You can get started in real estate with no cash and no credit. Okay? That's how I got started. When I first got started, I thought you had to have a bunch of cash to buy either a property, put a bunch of money into it, fix it up and then turn around and sell it. Or I thought you had a bunch of money to turn around and buy a rental property, wait for the appreciation and then make some a couple of hundred dollars a month cash flow.

So here was the problem. I didn't have the cash or the credit to do any of that so I thought I was out of real estate. So my wife said, why don't you want to be a real estate agent. So I started reading a book about being a millionaire real estate agent. I was like; I don't want to do this. I don't want to go on weekends and, you know, and show houses and represent, I don't want to get a license, I don't want to do any of that. So I didn't.

So I was driving down the freeway one Saturday afternoon and I was flipping through the radio stations and this guy was talking about how you could flip houses or wholesale houses, and I'd never even heard of the concept before. So what happened was I flipped the channel back because I thought the guy was crazy and he was insane. He actually had people on the radio show that were telling stories of how they went out and made \$10,000-15 and even \$20,000 flipping houses in less than 30 days.

Now, I thought that was insane. My mind could not conceive how that could happen so, guess what, my mind said this is a scam and I turned the channel. Well, what happened was is I had a gut feeling and I actually swerved this rabbit in the road or whatever it was and turned the channel back and I continued to listen what this guy had to say and he explained the concept of wholesaling houses or flipping houses.

So if you are not familiar with the concept, what you can do is...it's all based around the contract. So we sign contract with a motivated seller. That's the most important part. If you have a \$100,000 house and you have a seller that's distressed and they just want to get out of the deal, guess what, you can get that deal locked up with a motivated seller and you can get it locked up for say \$50,000. Happens all the time, we do it every single day and sellers are so happy to get rid of the house that they absolutely don't want and they'll sell it because they just want it off their plate and they just don't want to deal with it. So you sign a contract for \$50,00. Now you have a controlling interest in the property. A seller can only sell to one person and that is a huge asset.

FLIP FREEDOM

Now you have the right to turn around and talk to buyers about the property. So you talk to buyers, and maybe you meet some cash buyers you know down at the courthouse steps and you are doing auctions. You meet them at the real estate investor clubs or whatever, or other agents that have buyers and, guess what, you say, "Hey listen, I got this \$100,000 house on a contract." You know, I want to turn around and sell it for \$60,000. So now you get a contract from a buyer for \$60. You get a contract with a seller for \$50, you put those two together, you bring them to a closing agent, that's called the title company and they will facilitate all the paperwork and handle the closing for you.

So they will collect all the money, they will deal with all the paperwork. They will deal with the buyer; they will deal with the seller. They will deal with you, put everything together and what happens with the money, this is the most important part. How the money happens is really cool. So the buyer wires in and basically the entire purchase price is \$60,000. So the buyer wires in 60 grand. Right? Of which out of that 60 grand, \$50,000 goes to the seller and the difference goes to you, which is \$10,000.

So think about it. You just got a contract with a seller. You didn't have to run your credit. You didn't have to do anything. Then you got a contract with a buyer. You put the two together and guess what? Someone else facilitates the entire transaction and you get paid 10 grand for matching those two together. That is why I love this business because anybody can break into it. Maybe you are in a situation going, you know, hey, my chair is like falling down here, but maybe you are in a situation where you think you can't get into real estate, this is the perfect way to break into the real estate game.

So the trick becomes finding the sellers and getting the deals under contract, right? That's the, that is a huge facet to the business. There is the marketing side, right? And finding those sellers, and then there is the conversion side of where you're actually now talking to the seller and you want to convert that lead or that meeting into a contract. You are trying to get more contracts, okay? So initially, when you first start out, usually the conversion rate is roughly one in 25 leads results in a contract.

Now the better you get at what we are talking about right here, which is the Nine Step Seller Conversion Sequence, the better you get you can drive that number down. So what if you can get one in 20? What if you can get one in 15? Right now, we currently get one in 12 leads. So we send out marketing, we get leads that come in, one in 12 for us results

FLIP FREEDOM

in a contract. Okay? That's because we've honed down using this Nine Step Seller Conversion Sequence. All right, so we talked about...let's get into the right now.

If you want to know more from me, I actually wrote a book on this entire concept. I broke it down in detail. I wrote, you know, all the different leads sources and where you can get leads online and offline, different marketing pieces, where to target sellers. This is 129-page detailed book that I've had people tell me that they have spent over \$1,000 for the same book you can get for free if you go to Flip2Freedom.com. If you go there now, you can get the Nine Step Seller...or actually you can get that book which explains the entire concept and the business in detail.

All right, so now let's talk about the step 3, which is Meeting the Seller and step 4. All right, so let me set the stage here, right? So you set up some marketing. You got calls coming in; you set an appointment with the seller. So now you are going to meet with the seller, right? Step 1 is Preparing the File. That's where you get your file together. You understand what you are going to offer on the property. You write down that offer amount in the file so you know exactly where your number is. You put all your contracts together and you are, you know, have your letter of authorization, you have your comps, you have your lead sheet, you have everything prepared ready to go. You don't show up at the seller's house not being prepared. This is a waste to their time; this is a waste to your time. You've got to be prepared prior.

Now, once you do that, there what's called Pre-appointment Intelligence. This is what you do prior to the appointment. You get a feel of the neighborhood. You know, I use an app called, it's Zillow, everybody knows that, or RedFin. And what that will do is, it's location based. So you get to the neighborhood, you flip open the apps, it's location based, it will give you all the houses for sale, all the pictures, how long they've been for sale, everything. It's phenomenal.

So you go drive around the neighborhood and you look at the other comps, because guess what, the seller has done that, right? They thought about selling the house, they've driven their neighborhood. They are going to come up with an objection that is going to say, "Hey that house down the street is selling for \$X. Why don't you offer me \$X?" And if you don't know that that house is fully renovated and it's been on the market for 230 days, then guess what, you are not going to be prepared to overcome that objection. So pre-appointment intelligence is absolutely critical.

FLIP FREEDOM

So now that you've done that, you've done the pre-appointment intelligence, now you park the car in front of the house and now you are going to walk up the sidewalk and now you are knocking on the door, all right? You knock on the door, seller opens the door. What do you do? Well, first off I can tell you, when it comes to meeting with sellers, this is a people business. I see so many wholesalers, right? I've actually been to an appointment where there are other wholesalers there.

They'll walk in, they'll look around for five minutes, they'll brush right past the seller, they won't build rapport, they won't even look him in the eye. They'll just walk around and they'll say, I can pay \$X, give them a contract and walk out the door. How dumb is that? This is a people business. The better you understand people, the more successful you will become. So get in the business of reading and knowing and educating yourself on people. The better you know people, the better off you'll be.

So now when you first walk in, you knock on the door and guess what, a dog, you know, runs up and jumps on your leg and starts stifing your leg. What do you do? I am going to tell you what not to do. Don't back away, jump off to the side and say, oh my God, I hate dogs. Don't do that. Guess what? People like people like themselves. So I am in my office right here and there's windows all over the place and there is like a haircut place next door, there's like a, what's that place called, it's like a Melting Pot, they got a bar that's right down here. They got a gym up here; they got another spot, so it's like this killer little complex here, right? And I see people walking by all the time.

So they got the girls that are going to Pure Barre, which is a little gym down the way, you got the guys going to get their hair cut. You then got the sports bar that's right over here. So all the guys are walking by sports bar. So the other day, these dudes were walking by, you know, they had the black shirt on, the black jeans, they got the key chains hanging out, you know, they both have, like you know, like tomahawk type of thing...mohawks. You know, they got these big gigantic hole earrings in their ears and stuff like that, but they looked exactly the same, right? People like people like themselves.

That's why you see a group of people and guess what, they are all hanging out, they all look the same. They are all hanging out with themselves. They are all the same. So here is the thing and the funny thing is that you are the same way and your seller is the same way. So part of this business is really understanding your seller and guess what, you want to match and model them. If they are talking loud and obnoxious, and hey what is going

FLIP FREEDOM

on and I am talking like New York over here, right guess what, yeah, how's it going. You want to start talking loud and obnoxious like they do. You want to match and model who they are.

So that's the first thing when you are going in. And you got a seller and you are matching them up and stuff, you kind of want to look at them and kind of you want to model their tonality, model how they talk and walk and stuff. So, I went to this one house one time and there's a grandmother in there and I am sitting there talking to her, and I am not talking really loud like this and, "How's it going and all the stuff, hey what's up grandma? Ready to sell your house? Ready to rock?" No, I am not... going in there. So she is talking really slow and she is showing me her knitting and how she walks around the house. So guess what, I had to slow, I had to slow...shift...I had to downshift into like negative, you know, first gear, you know, just to keep up with this lady, right? But that's the thing, people like people like themselves.

Now we know that people like people like themselves and you are at the front door and you meet with the seller and you walk in, right, you kind of want to match their tonality, match how they stand, you want to match and model them. That's a Tony Robbins thing. The next thing is you are going to shake their hand. So you are going to say, "Hey Mr. Seller, how are you doing. Sean Terry here, thanks for taking the appointment, really appreciate it," and so you are going to basically introduce yourself and shake their hand. Now a handshake is incredibly important. You can read people by their handshakes, right?

Now, and I am not going to get too much in detail, specifically how it is, but why not, let's do it. So anyway, so you grab someone, so you shake someone's hand and they aggressively roll over the top of your hand. That means an aggressive Type A personality and they like to control the situation. So they take your hand and roll it over, right? What happens? Guess what, that type of person you are going to have to negotiate a little bit different because they are Type A, they want to speed things up, they want to get to the bottom line, let's get to the point here. I don't want to waste time and get right straight to the bottom line.

Some of you are listening right now, and you're just like, hey cut all the fluff out here, let's get to the bottom line. And some people are like, I want all the details, I want to know specifically everything, I want to have everything written down. Those are two different types of personalities who are listening to the podcast right now and guess what; your

FLIP FREEDOM

seller is the exact same way. But here is the deal, if you are the guy who just wants to get to the point and you are dealing with an analytical guy who wants all the details, guess what, they clash heads and the analytical guy says, "Screw you, I am not selling to you. I don't care what you say or do."

That's the thing. That's why you have to be a chameleon. That's a huge thing, got to be a chameleon. So here's the thing. You walk in, you read their handshake. The next thing, the handshake... comes in and they just shake it up and down. That means they are a win-win type of person. They are easy to talk, easy to go with, you know, and that is, a majority of people are like that. Now, the other handshake and there are several of handshakes and I am going to give you one more, is the dead fish handshake. Okay? A dead fish.

So you shake someone's hand and there is like no oomph behind it whatsoever. You shake someone's hand and it is like a dead fish, right? It's cold, clammy, wet and no oomph and they go hi. Now, listen if there is an 80 year old grandmother, they are not going to be like, they aren't going to be able to crush your hand. So don't assume an 80 year old grandmother is a dead fish just because you know, they are not shaking the hand. But if you got a guy that's in your house and he is 50 years old or whatever, and he is sitting there and is shaking your hand, that's a dead fish handshake, you know, that's an issue. So what do you do with a dead fish hand shake? That type of personality is a submissive personality and that personality you can literally tell them what to do and they will do it.

Here is the thing, is that you got to be ethical, right? If the guy owes nothing on his house and his house is worth \$300,000 and you are going to say, sign here, do this, you know they are in distress and you get them to sign a contract for \$20 grand, right, you got to have some sort of ethical basis behind you. Any smoking deal, absolutely ridiculously smoking deal that we've got, 99.9% of the time the seller has named the price. Like we got this deal, huge deal, \$300,000, we made like \$80 grand on the deal.

So he was like, if you give me \$100,000 it's a deal. You know, just give me a \$100 grand, it's a deal. Okay? So we gave him \$100,000, come to find out after looking and doing the comps and doing the research, we go holy cow man; we can sell this thing for \$185,000. Smoking deal, right? We gave the seller what they wanted. Now if you've got a grandmother and you're going to negotiate them down using these techniques we are talking about to \$20,000 when that's all the retirement money? I've walked away from so

FLIP FREEDOM

many deals where we made 2 or \$3,000 and the seller made the majority of the equity, but I knew I couldn't negotiate down to nothing.

So you've got to have, you've got to be, there is an ethical side of the business. You are going to have to answer to the Man one day and you don't want to be that person that answers and says, yeah, I stole everybody's equity. You don't want to do that. So you've got to be nice. Now, when you do that, right, now after you've matched and modeled, you've shaken their hand, now what you are doing is reading their personality. There are four personalities. Number 1 is a blue person that we call...and they are more of a social type of person. They build the relationship when they talk. The more they talk, the more they like you.

Now I met this one lady. She was in a divorce situation at this house, the house was trash, the place was a wreck. So I walk in and immediately blab blah blah blah, just started talking, all about the divorce, all about the house, all about the situation. And I literally maybe asked like four questions the entire time. She walked me around, told her entire life story and here is the deal. I listened intently. Now there's a couple of different ways to listen. Number 1: have you ever listened, right, to your wife? I am talking to the guys here, right. Have you ever listened to your wife and you are like, you are in Lala Land. You are like completely checked out.

She is talking, right, she is talking and you are sitting there glazed over, right. You are sitting there completely glazed over and she goes, are you listening to me? But you repeat back what she said but you are not listening whatsoever. I've gotten in trouble for that several times because I am not, I am thinking about other stuff. I am thinking about the deal, I am thinking about this. I am thinking about what I got to do and I literally got to get in my head. I am like; I got to focus on this situation, right.

So when I am sitting with the seller, if you are sitting there in Lala Land, they are going to be able to read that. If you are thinking about five different things and you are thinking about how do I get the contract from this person now, that's what you are thinking about when they are sitting there, you know, talking, then that's the wrong thing because people, they can tell that; sellers can tell that. They can tell that you are not listening, just like your wife can tell you are not listening.

FLIP FREEDOM

So the bottom line is that you've got to genuinely and sincerely listen to the seller, engage, with eye contact, be involved in their story, block out all the other junk that's going on and focus on them through the period of time that you are there. I am going to tell you it will pay off because I sat down this lady. She told me her whole story. I was completely engaged. I was locked and loaded on her, right? I was completely, you know, I was listening to her, I felt her situation and her story, oh my gosh, holy cow and at the end she was like, oh my gosh, I felt like I've known you.

We went back and forth on price, where we need to be, where she need to be to get her stuff done and we agreed on a price. I signed the contract, we got the deal, we sold the property. She was happy and she won, she got what she wanted. We were happy, we got what we wanted. It was a win-win situation. She goes, you know, I've met so many other people but I just seem, I feel like I know you and I just feel comfortable selling to you, right? That, see... people go, what's the edge? People go, what is the conversion? What is the secret to conversion? And you want a tactical thing.

Well if I say this, I am going to get this contract. There are objections that you can overcome and there are certain words that you can say to overcome those objections, but the bottom line is just be human. This person is in distress man. The place was in shambles, the lady was divorced. You know, sit down and actually listen to her. You are there. Listen to her and try to help, sincerely help her out with the situation and guess what? She'll recognize that, she'll know it, whether it's he, she, whatever the case, it doesn't matter. The bottom line is, they will recognize it and then they will want to do business with you. Okay? So personality type number 1 is blue, that is where they just want to talk.

Personality type number 2 is what we call social conscious. They are motivated by how their decision impacts others. So what's going to motivate them is what's going to happen; is how and when selling to you is going to make an impact to the neighborhood and to the neighbors, into the people around, what's it going to do to make an impact, right? Now, a blue personality, you'll know because they just want to talk, right? And a yellow personality is a little bit more difficult to, you know, to basically spot. They are very nonassertive; they make decisions slowly.

So if you are Mr. Aggressive and you come in there and you are, "Let's go, let's get a contract" and you'll walk around the house and give a price, but you are not going to get

FLIP FREEDOM

a contract with the yellow. You've got to nurture that person, build a rapport with that person, talk to them about what's important to them and talk to them how their decisions are not only going to impact this house. It's going to impact the neighborhood and guess what, we work with a team of people that come in with our investors, come in and fix this house up and make it brand new and have a brand new family in here.

Then now it's going to be great for the neighborhood. It's going to pull up the values and your decision is going to make a real impact in that, right? Or you can leave it in the current condition; it's now a detriment to everybody. You don't want that; do you Mr. Seller/Mrs. Seller? And they are like, no, I don't want that to happen. So it's better to...let's get a decision, let's move forward. And then help them and walk them through that process. Okay? And you've got to be patient with them because they make decisions slowly and they are nonassertive.

And what does non-assertive mean? They are not going to confront you, meaning they are not going to confront you on the situation. So what they are going to do if you name a price of \$200,000. They are going to go, "Okay, I am going to think about it" because they are nonassertive. They are not going to go, "What, are you crazy? \$200,000? What are you, crazy? I am not going to sell for that low." They are not going to say that...nonassertive. What they are going to do is they are going to go, "Well, I really want to, you know, think about it, I've got some other people I want to meet, I want to take my time here, really make the right decision," right? That's because they are nonassertive, so you have to get to the root.

You know, and yellow is that, the color of the social conscious. We got blue, the social, we got social conscious, is the yellow. With that personality type, you really have to take the time and really work with them through the process of coming up with decision, but they will make a decision. Now, with blues, blues make a decision, they are spontaneous. They are like, they make a decision quickly. If they like you, if they trust you, if they see you are a good person. They are going to want to do business with you and they'll sign a contract on the spot. Yellows, right, they will sign a contract on the spot, but you have to work them through it. Now those are the 2, blue and yellow.

The next one is green, right? I am going to talk about green. Green is analytical. Green is the engineer. It's funny because I was at an Extreme Freedom event and we brought all the personality types based upon their color on the stage. So we brought all the blues up

FLIP FREEDOM

on stage and guess what they are doing? They were talking. We brought all the yellows on stage, and they were like talking, we want to save the world, and save the whales and save the universe and stuff like that. And then we brought all the greens on stage and they actually looked, it was amazing. A couple of guys had pocket protectors and they had their, they looked, it was so funny but they were like, hey there's the greens, right? All the greens are very analytical. So how do you tell a green?

First of all ask them, so what do you for a career? Engineer, boom, green. And you go, hey so let me ask you a question. When was the house last renovated? When was the air conditioned and your heating system last replaced? They are going to say. Well, listen I've got a file for that and I have completely documented. That air conditioning was serviced in 2005 and it's good for another 15 years and I got the receipt I can show you for it. They know it inside and out, right.

When was your water heater last serviced? Well, I got the receipt for that too and it was last serviced about two years ago and they got the whole thing lined out, right? They know inside and out in detail. They also know the comps. They also know where they want to be. They've also looked on Zillow and they also know their numbers, and if you try to bulldoze a green person, they will kick you out of their house. Are you trying to bulldoze them over? So with a green person, right? They make decisions slowly, and they are nonassertive.

So they are nonassertive. That means if you say a price of \$200,000, they are going to say, "Okay, I need to do my numbers. I need to think about it and then I'll call you if I have any questions and make a decision." So they are nonassertive where, if you really understand their personality, and can walk them through the process of making a decision, holy cow, then you will separate yourself from the pack. Again, you know, this is critical because if you are a blue person and you are talking to a green person, you have and you are just talking and they want facts. Facts are what motivate a green person.

Here is the deal too. If you show up late to a green person, you might as well forget it because guess what, they are going to believe...now, it's funny, we are on stage with Extreme Freedom and I pass the mic around and say, "What if someone shows up late to an appointment? What happens?" And I pass the mic and I pass the mic to the guy and the guy is like, "The person is not serious. They are not taking the appointment serious. There's absolutely no way. I don't want to do business with them. I'd listen to everything

FLIP FREEDOM

they have to say, then I'll tell them to leave because I'll never do business with them, right."

So basically, that is pretty...just because you showed up late. Now how do you solve that? If you are going to be late, you have got to call prior or you are going to have issues. So a green person, you've got to be prompt, on time. They love prompt people and they love the facts and details. So what about when you are actually presenting the contract and you are presenting your offer? Your offer better have facts behind it. You just can't arbitrarily pull out a number and give it to him because there's nothing...no basis behind it and we are going to get it into the repair sheet next which is really, which helps that supporting argument, but you are going to have comps and show him comps and why you came up with your number and why your decision is what it is.

Also is that the green person, when you are talking about the contracts, guess what? They are going to want to go through every single line of the contract and know what it says and if you walk them through in detail every single line, you will get the contract because 99.9% of the other investor wholesalers out there, your competition, will not do it. So, if you go through that, and you go through all the contract and all the details, right, and you do all that type of stuff, you are going to separate yourself from everybody else.

Now let's get into the next personality type. It's the red personality type. Save the best for last, right? So red, I am a red/green. I am analytical/red. Actually I am red/green with a higher reference on red. So a red is typically a sharp dresser. They always want a deal. They make decisions quickly. They want to get to the point, you know, don't BS around. They don't like to waste time. They don't like the fluff, get right to the details. I want to know the bottom line. So the red personality type hated the whole front end intro of this podcast. They were like, you know, get to the point; I want to get to the meat, right? So they probably sped up the first part of the podcast and now they are getting to this point right here. So a red personality does not like to waste time, but they are the easiest to negotiate with if you know how to negotiate with them.

Now, if you ask a red person what is more important to them, building a relationship or getting a deal, they are going to say getting a deal all day long and twice on Sunday unless they have reconditioned themselves, meaning they understand the value of relationships. So the bottom line is if you, working with a red, offer a number from them, if you offer a number and the number is the number you need to be at.

FLIP FREEDOM

So remember, in step 1 we talked about preparing your file and in your file you are going to put your highest and best number that you need to be. Let's call it \$120,000, and now you are meeting with a red personality type and you say, "Hey I can do \$120,000 for the property." Then guess what, they are going to say, "Absolutely not, there's no way I am doing \$120,000." A red personality type likes to see blood. They want to beat you up so bad that they get such a smoking deal...so guess what...you being a smart entrepreneur, you being a smart investor, you are understanding how to negotiate, you can put yourself in that situation where you can negotiate.

How do you do that? How do you negotiate? First off, you start low. So if I want to be at \$120,000, my first initial offer on a red personality is going to be \$80,000. I know they are going to freak out. I know they are going to probably throw me out the door, but they are going to want to negotiate. So a red, right, they wanted 150. I need to be at 120, but I have to start at 80. So they are going to freak out and I am going to hey, you know what, based upon the comps, based upon the area, based on what's going on, \$80,000 is the best.

"Oh my God, \$80,000? What are you, crazy? I am not going to sell this for \$80,000. You are just wasting my time. I drove all the way out here, I drove my car, my wife is in the car and I am sitting out there and you wasted my time. This is ridiculous. You know, just forget it," right? 80...then you come back and say, "Listen Mr. Seller, I said \$80,000. You know what? What do you want for it? You know, tell me your number. I don't know if I can make it work, but we'll see what you need to make a deal today, if you want to get this done 'cause I... Listen, you didn't drive all the way out here, you want to get it sold, don't you? This place is sitting here vacant, right? House needs work. It's costing you money to do it. Where do we need to be to get the deal done?"

The seller goes, "I don't know. I want to be in." Remember he wants to be at \$130 or \$150. So he goes, "You know, give me \$130, it's a deal." "\$130,000. Are you crazy, Mr. Seller? \$130 grand for this house? That's insane. Do you realize the roof needs work? Do you realize the AC needs work? Do you realize the house is vacant? It's not up to 2016 standards. Do you also realize you are not paying commission or closing costs? We are paying that. You are not going to have to pay real estate commissions. You are not going to have to pay closing costs. You are not going to wait 120 days on market. You are not going to have to go through the process. You understand that, right, because we are paying cash. You get that, right Mr. Seller?"

FLIP FREEDOM

“Yeah, I understand that but still it's a matter of value. I can get five other guys who can pay that amount.” “Okay, but you know what? Five other guys aren't here now. I am right here, right now. What do we have to do to get the deal done today?” You say \$130. “You know what, I don't know if I can get \$130. I will get thrown out of my office if I bring a contract back on this house for \$130,000.” Now, you don't want that, do you? And he is going to say, “Yeah, I do, someone's got to make a deal.” So say, “Hold on, let me call my boss,” or, “Let me call my partner,” or, “Let me call my investor,” whatever.

Get out there; get on the phone, start yelling and screaming on the phone, come back in and say, “Mr. Seller, the best I can do is \$110,000. I am coming up from \$80, \$110,000. If you make \$110,000 work, we can get this house done and off your hands today. \$110,000? I need 120 minimum, \$130,000 minimum. Listen, why don't we split it down in the middle and meet in the middle? \$120 grand.” “Okay, boom, split it in the middle. You know what, make another phone call, do whatever you do and say I am going to sign this contract at \$120. I am probably going to get thrown from my office. We are not going to make a dime on this thing.”

“I don't know, you know, I am doing this for free, Mr. Seller. I am going to do this for free. So, you know, some house we're going to make money on and some houses we're not. And on your house, we are not going to be able to make money on. So what's going to happen is you get to your number for \$120,000.” So two things are going to happen. One, he's going to walk out; you are going to sign the contract. He's going to sign it, right there, on the spot and get it done. He's going to walk out to the car. He's going to go in the car, he's going to slam the door, he's going to go to his wife and he's going to say, “Oh man, I just beat the living heck out of that guy and that guy, he's not going to make a dime on this house. You know what, I ate him for lunch.” That's what he is going to tell his wife.

Then you are going to be walking to in your car going, “Pffft, I got the deal for what I wanted, \$120,000.” You had to do a little iteration and you had to do some negotiation. You had to play a little game, but that's how that personality works. They want to go to the point, guess what, you are going to get them right to the point of where you want to be. And once you do this one time, you are going to be afraid to say that \$80,000 number, because you know that personality type is going to freak out and potentially throw you out the house. But once you do it one time, you negotiate one time and let them win; you are going to be amazed to see what happens...you are going to be freaking out.

FLIP FREEDOM

So those are the personality types. That's incredibly important. Understand the seller. That is a huge, massive component to being successful in this business. Okay? Is understanding personalities. Think about it, imagine if you don't know. Now we go into detail in the Extreme Freedom Live Event of all the different personalities, we bring them on stage. We go through all the details and all the numbers and that, everything that motivates them, how to identify them, go through in depth with all this stuff. We actually have a course called Convert More Deals that goes into depth for all that stuff.

The bottom line is that you will have an edge over all your competition if you can build a rapport with the seller and you understand people like people like themselves. You match and model their tonality and how they speak and how they sit and how they stand and all that type of stuff and how they breathe and then you shake their hand and you understand the personality type a little bit more and then you start to read their personality type as you are walking around the house and assessing repairs.

All those things make you a better negotiator when it comes down because, if you are red aggressive personality type, and you sit down with a green that needs all the details and you say hey, let's just get, you walk around the house and you say 120, here let's just fill the contract, let's sign it, you are done. Guess what? You are not going to get the deal because there are going to basically, they are nonassertive and say you know, let me think about, I've got to talk to a couple of other people and we'll see.

They are going to walk, you are going to walk out, and you are going to say, I might get the deal. You are not even close to getting the deal. They will never call you back, right? The guy that gets the deal is the guy that understands the personality type and can explain it to them in detail. Or, if you are a green and you are analytical, and you are dealing with a red and you try to give them all your logic and your numbers and play out and this is what I am, they are going to blow you away. "I don't want to hear all that, just do what you got to do, look around the house and tell me your best number and I'll see if I can make it work or not." That's what they are going to tell to a green because they don't care about the numbers. Reds don't care. They don't care, right? So understanding personality types is a key factor when it comes to negotiating.

Now to step number 4, Evaluating the Repairs. So what we use in our business is what's called a repair sheet. It's basically current Home Depot pricing of pretty much everything...from the windows to what paint costs, to what a roof costs, what an AC costs,

FLIP FREEDOM

to what a wood floor costs, to what a granite countertop is, stainless steel appliances, the baseboards, new interior/exterior paint job, landscaping, the whole thing.

So what happens is our sales guys go in with this repair sheet. They go through the property and they fill out the repair sheet that results in a number, right? The bigger the number, obviously on that repair sheet, that is a negotiation tool with the seller. Now some of the best deals, and I talked about this the other day, come from houses that are older, that are 1980s, 1970s, 1960s in some states and some cities, in the 40s and 50s and the 1900s.

So the bottom line is you have these houses then in 1900s, and because they are old and they haven't been fixed up, or they haven't been touched, you can get ridiculous deals primarily because of a detailed, filled-out repair sheet. So your repair sheet on there...and on that repair sheet, go through all the details and then turn around and, boom, it's got to basically come up with a number, a justifiable number of what it's going to take to bring it to 2017 current standard. It's got to go up to those standards.

So the bottom line is that if you don't fill that out, you are not going to be able to use that number when negotiating with the seller because they are not going to understand, right? So what happens is as you walk through this house, you want to have something that you can tally up some sort of repairs with the seller so then they have an understanding. So now you take your three lowest comps and then you take your repairs off that number, and now it's going to be an offer price that's going to completely, absolutely make sense to a seller where they will/can sign a contract and understand it, right?

And that's how you do the business, that's what you do. If there is any padding, it's in the repairs sheet. The more repairs, just in case you want your error, your margin of errors. If you do a \$10,000 repairs and it's actually \$15,000, you have issues. If you do a \$10,000, I mean if you do \$25,000 repairs and it's actually \$10,000, that's where your profit margin is going to be and you better be more padded than less because you are guaranteed when other buyers come in, they are going to find stuff and see stuff that you don't see.

So it's better to pad it and have that number a lot bigger than have it smaller because then you are going to be able to negotiate a deeper discount on property and like I said, what is the number one colossal mistake that you can make as a real estate wholesaler? The number one colossal mistake that you can make is to sign a contract for too high a

FLIP FREEDOM

price. So to avoid signing a contract for a too high a price, you've got to have the three lowest comps and you've got to have a repair sheet that's going to be substantial enough that it's going to allow you to get a low enough number on the property that's going to make sense to sell the property quickly.

Because remember, you are trying to sell this property in 7 days. If the average in market is 100-200 days on market, 150 days on market and you are going to sell it in 7, the only way that sucker is going to sell in 7 days is if you get a smoking deal and that's what that repair sheet will allow you to do. It will allow you to get the foundation, the structure, the exterior, interior, roof, attic, installation, electric, plumbing, and then you are going to look at what is the base boards. It's going to get, a typical 2017 house... you've got to get 8-inch baseboards, you've got to get wood flooring, you've got to get stainless steel appliances, you've got to new cabinets, you've got granite countertops.

You've got potentially a new roof on there, you've got a new heating and cooling system. You know, the whole entire place is going to have to be gutted. The bathroom is going to have a tile surround, you know, those are going to have to be updated with granite and new cabinets and stuff like that. That is a big job for someone to do. So if you are going to say it's a little \$10,000 budget when it's really a 30 or \$40,000 budget, that means you are going to sign the contract for too high and you are going to make that colossal mistake and I don't want that for you. So Evaluating the Repairs, it is absolutely critical.

All right, whew, now, good stuff, huh? Now, in the next episodes we are going to get into step 5, the Custom Covert Intuitive Presentation. That will be a quick one. Step 6 - Surefire Closing Questions and the Objection Annihilation Method. So those are what we are going to get into in the next episode. Before we do that, I watched a movie the other day that's called Bleed for This and Bleed for This, great movie, 2016. It's a biography, a boxing biography of a guy named Vinnie Pazienza. They call him the Pazmanian Devil, and it is this young kid who gets in to boxing. He loves boxing. It's his complete passion, absolutely loves boxing and he goes out there and he wins the title. He's managed by his father. He's from Philadelphia. So he's got that whole East Coast Philly thing going, managed by his father and wins the belt, wins the championship, whatever, what's it called, wins the belt. Wins the title.

So he wins the title and he's on top of the world. Gets into a car and he's sitting there driving with his buddy...I can't remember where they are going but, boom, gets into a

FLIP FREEDOM

head on and collision and the guy is literally, practically dead. And he is lying in bed and he has to make a choice to either put a halo on his head and they drill screws into his head and they literally strap his head so he can't move his head. So they got this halo on his head for six months or he gets his spine fused together. That was his choice. And he basically chose, he didn't want to get his spine fused because then he'll never be able to box again and everyone was, "You are not going to box, you're never going to box again, are you kidding me. This is a life changing accident. It's going to be done."

So he turns around; he chooses to live with his halo, this thing screwed in his head for six months, and I don't want to ruin the movie for you, but it goes on and tells the story of how he rehabilitated himself back to getting himself in the ring. He gets himself in the ring, and I am going to leave it like that because of what happens. But it's an absolutely true, amazing story. The movie is called Bleed for This. Now, you've got to hear the end because the end is really interesting. Because he is then interviewed from a lady from the, like a reporter and he sits down with her and he clicks the tape and she starts asking questions. So I want you to listen to it right now:

Audio: "People are calling this one of the most unlikely comebacks in sports history. What do you attribute it to? [Vinny] Now, I don't know, I had a lot of help. [Interviewer] But you've also had a lot of adversity. You've had issues with management, conflicts of interest. [Vinny] Yeah, well the boxing world looks shiny from the outside. It's filled with promises that most of them turn out to be lies. You can't rely on anyone. [Interviewer] So what would you say the biggest deception was, what was the biggest lie you were told? [Vinny] It's not that simple. [Interviewer] Why not? [Vinny] No, that's the biggest lie I was ever told. It's not that simple. And it's a lie they tell you over and over again. [Interviewer] What's not simple? [Vinny] That you can't...all of it and they get you to give up. They say it's not that simple. So what's the truth? That it is. That if you just do the thing that they tell you, you can then get it done and you realize it is that simple, that it always was."

Sean: Now let that sink in. I had to actually rewind that and hear that section again because here's the deal and this is the way I look at it... is that everybody on the outside, maybe your friends, family, relatives, your school teachers, the society is telling you it's not that simple. Everybody is telling you it's not...they give you statistics like 1 in 10 businesses actually make it or 90% of businesses fail, and then you are looking at it and going, you know, how am I ever going to make it? And they make it difficult. They tell you it's not that simple.

FLIP FREEDOM

So if you basically believe that being an entrepreneur or a real estate investor is not that simple, then you are never going to try. That's what's amazing about that clip and I had to rewind, I was like, wow, because guess what? I want to tell you, it is simple. Now we are going through the Nine Step Selling. This is just to get better. But to go out and help sellers, distressed sellers, there's tens of thousands of deals all over the entire country that are trading at 50 cents on the dollar. Why can't you get one? We've got success stories from people that have no education.

Me, I didn't go to college, never went to college. I wasn't smart enough to go to college. I went to the Marine Corps because that was the only thing that accepted me and they had cool uniforms. But you don't have to be the smartest. I didn't come from a wealthy family. I mean I showed a picture of the house at Extreme Freedom, you know, in front of everybody and it's like a \$50,000 shack in Vermont. I never came from money. My dad made no more than \$40,000 a year as a police officer.

So the thing is, the entire society, the entire world, all the school systems, they say it's not that easy. Why? So you go get a college education, right? You go get a job and you work till you are 65 years old, hopefully for the same company, which probably is not going to happen. so you can get to go watch and retire, right? There's no, so you push out all your dreams and all your passions and everything you want to accomplish to the side, on the side, so because it's not that simple.

So I am here to say, listen this business is not easy, but it is simple. It is simple. I mean you find a motivated seller; you get him on the contract. You find the cash buyer, you bring the two together, you bring them to a title company and you make the spread in between. You can either assign it, you can double escrow it, you use transactional funding. You can do deals every single month, every single week if you want. It is that simple. Now why is that not easy? Because it's different. It takes energy, it takes effort. It takes different from what you are currently doing.

It's like getting on a bike but never knowing what a bike was. Remember the first time you drove stick shift? The first time I drove stick shift, man, terrible, right? I was grinding the gears, back and forth, the thing was jacking up, back and forth and stuff like that, it was terrible. But I was like, the concept was simple, you push down, you push in first, you are second, and you push up and slowly and you go. It's the concept is simple, but it wasn't

FLIP FREEDOM

easy in execution. The cool thing is about this business, just like riding a bike and just like driving a stick, is the more that you do it, the better you will get.

See, you'll be better talking to the 10th seller than you are the first seller. The first seller you are going to suck, just accept it. You are going to suck, you are going to have no confidence. You are going to be stumbling over yourself. You are going to be...it's going to be awkward; you are going to feel weird. It's okay. It's practice. The next seller, you're going to get better, the next seller you're going to get more confident. Then you are going to get the lingo down. Then you are going to understand this. Then you are going to get that, then boom, boom, boom, boom, boom.

By the 10th seller, you are going to be feeling good. Why? Because you've done it nine times before. On the 100th seller, you are going to be way better than talking to the 10th seller. Now I've talked to thousands of sellers. I've been in thousands of sellers' houses. Do you think I know a little bit more than I did from my 10th or 100 seller? When you've been in 1,000 sellers' houses and you've negotiated with sellers and got properties under contract and read personalities and understood the handshakes and matched and mirrored them and understand repair sheets, how to make comps and how to structure deals and you understand the whole concept after talking to 1000 sellers, you'll have this thing down and guess what? You'll be doing a podcast and talking exactly about it. Why? Because you are the expert.

The only difference between you and I is just time and experience. That's it. I'm not smarter. I'm not better looking. It doesn't matter if you are black, white, male or female, it doesn't matter what city you come from, it doesn't matter what state. It doesn't matter. Anybody can do this. It doesn't matter if you go from a golden spoon, a silver spoon or a charcoal spoon or a tainted spoon. It doesn't matter. You take the same cut, the only variable is you. There's real estate in any market across the country. There's distressed sellers in any market across the country.

We are going to send same postcards; same letters...the variable in the entire equation is you; whether you want it bad enough. Whether you want freedom. Imagine doing what you want to do when you want to do it, with whoever you want to do it with at any time you want to do it, and then having no money restrictions. Imagine that. Take money out of the game. You have no money restrictions; you can do whatever you want, who you

FLIP FREEDOM

want, when you want, how you want. Wouldn't that be exciting? That's what I am talking about. That's what this is.

But then your mind goes, I don't know, that's too good to be true. Okay, good, you think it's too good to be true. You think it's too hard, you think it's too difficult, and then the guy listening in the same market you're in, he'll get all the houses for 50 cents on the dollar and he'll go out and build a lifestyle on the freedom. So don't be like that, guess what, be positive. So you know what? It can work for me because if it can work for me it can work for all the other people. We're going to Flip2Freedom.com and under the topic success stories... Flip2Freedom.com, success stories and we have videos upon videos upon videos of people's success stories.

Watch them. They are from every major city across the country showing their checks and what they've done, male, female, black, white, doesn't matter. Anybody can do this. Don't get into your own head, don't think that you are not good enough or it is too difficult or it's too hard because it's not. It's simple. You can do it. So go to Flip2Freedom.com, we have an info graph we actually made, an info graph of the 9 step seller conversion sequence that you can download for free. It's all little steps and everything you need to do. So go to Flip2Freedom.com/Gift. Now if you are listening on the podcast, if you go to episode number 130...is this 6?

Man: 136.

Sean: 136. Episode 136, in the show notes there'll be a link to where you can download the infograph and have a full understanding of the Nine Step Seller Conversion Sequence. So go to Flip2Freedom.com/Gift or you can go to this actual episode streaming there will be a link in there that you can download it. But all I want to know is basically tell you this, you can do this. It's simple. Don't believe the hype, go forward, take action, follow these principles, listen to the other 136 episodes that I have and apply the information and you will get success. So take care and God bless.