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Investor Agent Live Weekly Q&A Webinar

Welcome. In the previous sessions, we went into locating the correct neighborhoods within the correct towns, and then we went through some analyses on rentals and some analyses on flips. We also covered the 13-step process you'll use when you work with investors—one for flipping, and another for renting. They're very similar, but the middle sections have a definite difference.

If you're new to this, you don't want to overwhelm yourself with information and knowledge, but you can review those prior sessions to reinforce what you're studying on your own.

In this session, I'm going to show you some easy tools to use to find more inventory, the low-hanging fruit variety. A lot of agents know these properties are out there, but we don't always follow up. Also, I'm going to give you a letter to use to find potential sellers from court records, and I'll show you some examples of how to use it. (That letter is also adaptable to FSBOs and expireds, but I don't really recommend that. I'd rather you use it to approach people who you find in the court records and people who own rentals already.) Then I'll give you a page of Web links where you can find your particular county court records.

The Letter

You received this in your course content that's delivered from the website, and we use it from the position that we're looking to connect with people who own rental properties. You can actually use this letter for a number of different reasons, though. Remember from class, what we're doing here is boxing in the reader.

We box them in because first, they receive this letter in a plain vanilla envelope, standard letter size, nothing fancy. Their name and address is handwritten, and your return address is handwritten. Note: do not disclose on the envelope that you're a realtor. You do that inside.

So they open up the letter. It's written personally to them, and the first sentence is specific to their property: "I'm writing to you about your property located at 17 Gnome Lane." Okay. Then what you want to do is lower their defenses. "I'm not suggesting you sell your property if you don't want to." They're going to wonder, *What's this about?* Then you follow with a statement of fact: "Inventory's tight right now," followed by your power statement, "and I have clients like Mr. Madajasic or Mrs. Smith or Mr. Jones who want to buy a property just like yours, in your area."

That's a power statement. You not only tell them you have buyers, you actually name one specifically by last name (note: always get that person's permission first and only use last names). "That's why I specifically sought you out." This makes that property owner feel special.

Next you give them the soft pitch. "So even if you're just curious about what your property would sell for... not what it's worth, but what it would sell for..." In that statement you're planting a seed. "... just text or email. I'll be glad to give you a free property evaluation."

Then we list your disclosure stuff—your name, company name, address, etc, and then I always add this tagline: "We instruct, inform, and assist our clients and advisors in building wealth and income through real estate with their homes and investor properties, guaranteed."

So here's how we use the letter. First, remember you have access to your county's tax assessment databases. Every county has one though they're all named differently. There are literally 3,000+ counties in the U.S. and several hundred in Canada. In this session we'll look at the Allegheny County Real Estate and Assessment. The typical naming format is County.CountyName.ST.US. You'll have to agree to their disclaimer, and then you can look for properties. For many, you can actually search by criteria, like 3-units in a particular zip code.

BRBPublications.com is a free website for the U.S. that gives you key public record sources for legal and investigative professionals. You're not legal and you're not investigating (well, you are investigating properties, but not in the way they mean). Click on "Free Public Record Searches" then "State, County, and City Sites," then choose your state. (I'll show you what we do in Canada here in a second.)

There are paid versions, where you can actually pay someone to do this stuff for you, but I don't recommend it right now. First, I want you to learn the material and how the tools work. When you eventually get to the point where you have to start delegating things, this is definitely something you can delegate.

Let's pick Florida because I just spent several weeks there. We can see everything that's available in Florida. You can look at vehicle information, tax liens, and license information. You can search for individual, specific people who have licenses, like a chiropractor or a dentist, for example, and you can see how long they've had their license.

Now let's pick Orange County because that's where Orlando is located. Right off the bat you'll see "Circuit Court," "County Court," and "County Court Three." Lots of county courts, all right?

Look on the right under "Recorded Document Location" and choose "Visit web site." Notice other tools on this page: Free Calculators, Forms and Publications, Tax Deed Sales. Official

Records FAQ, and Recording Fees. We're looking for "Official Records Search." It's in the top banner as "Official Records" and also a bit lower on the right as "Orange County Official Records Search."

The next page has a disclaimer, and you will accept all the rules and regulations of looking for court records. This does not cost us one dime, but we're starting to see more and more counties charging a fee for access to this data. Our students in Nashville have discovered that.

Now we're going to select a date range. When you do date searches, you don't need to do more than a week at a time. You'll see that all kinds of stuff gets filed within a week. I don't know any specific names for this search, but let's pick a common one like "Wilson," because I know from being a Wilson, there are about just seven billion of us on the planet. Let's do "Exact Match."

Don't worry about "Grantor" and "Grantee" or "BookPage" or "Document Number." You'll find an example of mortgages being filed, deeds being recorded, all kinds of stuff. Obviously there are a lot of Wilsons out there. Look, "Wilson Resort Finance." There's a Wilson in Florida who does a lot of financing. Just pick one. All kinds of good information there. Here you go, book and deed. You can see the actual recording, but that's just one example. Let's go back a page.

We can also click "County Court Records Management."

One of the things we're working on for our My Investment Services membership site is creating a resource page that allows you to drill down from the country level to the state or province level, and then the county and municipalities. When that's completed you won't have to do all this hunting and pecking. You'll be able to drill down specifically to your court records as well as your county tax assessment database. Hopefully we get some cheering going on in the bleachers for that one. That's going to save you a lot of time.

Now, if you're Canadian, I want to show you Canada Assessment Links, where you can go to find tax assessment data. You've all heard of geomatics. There are GIS Data and GeoWarehouse. For most Canadian agents, the good news is your board actually pays for access to this because you're a member with your license in Canada. In any case, CanadianBusiness.com is similar to BizJournals.com in the U.S. You'll see links for Provincial Assessment Authorities, Municipal Organizations, Municipalities, and Provincial Governments. I'm going to choose Ontario because we have students in Toronto, Ottawa and Montreal.

There's an instructional video there including "Property Owners," "Municipalities," "Assessment Notice," "Assessment Update," "Property Valuation Explained," "Aggregate Sales Data," "Forms," and "Municipal."

Let's pick Municipalities, and Municipal Connect. For those of you who aren't familiar with Canada, they use GIS a lot. Now we're at a county court records database. Click on the very first one, Civil/Family Division, because that's where we find things like divorce filings, other foreclosures, you name it.

Login and click on Case Search By Date Range. Now click Select Court Type. You'll find Arbitration, Family Division, Delinquent Taxes, Federal Tax Lien, and Mortgage Foreclosure.

Let's try Arbitration and see what we get. I like to go back just a week, because I've discovered way more stuff gets filed within a week than you can possibly handle.

Let's see. "Arbors Management against Dobosh et al." "LT" stands for "Landlord/Tenant." Let's just click on one and see what we get. You'll see a docket number, the plaintiff and the defendant, their actual addresses and names. Somebody named "Spicer-Dobosh" is being evicted as the defendant. They live at 788 Village Club Drive and are being evicted by the plaintiff, Arbors Management.

What you can do is take this address where the tenant lives and go back to the county tax assessment database. Allegheny County tax assessment. This is going to open up a lot of eyes for people. Plug in the street number and the street name and click Search. You may need to take off words like "Drive" or "Street."

We find that Spicer-Dobosh is probably the combination of two tenant's last names who are being evicted from this property, managed by Arbors Management for the owners, Richard Adam and Takouhie Maldjian.

Guess what? Here you see the owners' mailing address. Now you can mail this owner specifically by name and say, "Dear So-And-So, I'm writing to you about your property located at 788 Village Club Drive. I'm not suggesting you sell your property if you don't want to. However, inventory is tight."

Remember, at this point you're not hitting them between the eyes. You're not saying, "I understand you have a tenant who's being evicted. Hey, want to sell your property because you hate real estate?"

You're simply writing them because you're interested in a property and they've got a property. As far as they know, you have no idea they're evicting a tenant, but the point is, because they're evicting a tenant, they may be more interested in seeing what their property would sell for.

See the big picture? In a matter of a few minutes, you can have a red-hot potential prospect who owns a rental property with a tenant problem, and maybe he's been through it a number of times. He might be tired of it, interested in selling, and now you write to him with this letter.

You could literally use this letter exactly the way it's worded now. Mail it to the owner's address you found in the last step, and in the body of the letter, cite the rental property address.

More Websites to Find Inventory: HUD Homes Store, HomeSteps, VRM, Fanny Mae, HomePath

Questions:

Scott's in a county where he has to actually pay for county court records. "\$35 per month fee for access to the probate, circuit in general sessions." Some counties will actually require you to come in person. They'll tell you they don't dispense this stuff over the Internet, but most counties do, particularly in areas that have 100k residents or more. Nothing wrong with going to

visit them in person, all right? When you do, you get to use their computers and you've got to pay usually for paper, stuff like that.

Margaret asks, "What information are we looking for in order to identify people likely to sell, to mail the letter to?" The first use is identifying people who own rental properties. Again, you can get really specific and look for people who are going through landlord/tenant actions because not only do they own rentals, they own rentals that are currently causing them headaches.

Another would be to research probate records. This will show you when there's a decedent, someone who has passed away, and the property is going through probate. It can be a huge pain in the neck when you get three or four siblings who can't agree on anything or nobody wants to step up to the plate and deal with this nonsense. Then here you come with this letter, naively, innocently, letting somebody know, "Hey, we have an interest in your property." You're not hitting them over the head. You're not saying, "Hey, I know your mom passed away. We'd like to buy your property." Don't do that. Go in there with a soft touch. You're there to help. You're there to service them. Don't make any comment at all about their personal circumstance because you don't know these people. Remember, you haven't established "know you, like you, trust you" yet. The only thing you've done is intrigue them because you know them by name and you knew their property by address, and you actually have a buyer who you named personally, and you're offering a free service.

Next one is divorce. That's going to be in your family court division. Finally, foreclosures and bankruptcy. Those are the main uses for the letter. In all of the latter examples, those potential sellers can be found through your county court records. What couple is going through a divorce? Somebody's filed against the other. Somebody in family court, the husband's suing the wife or the wife's suing the husband for a divorce, and that's what you're looking for.

Probate is easy. The property's got to go through probate to settle the estate. For bankruptcy and foreclosure, you'll see the same person because they're claiming both at the same time.

By the way, you can use these for expireds and FSBOs as well, but I've discovered that's a lot more work. Let's face it, the FSBOs believe they can sell it themselves. Actually, here's the trick with FSBOs. Give them what they want. They want to sell the property themselves. Give them a property sale kit and say, "Hey, you know what? Use this, see how you do on Facebook and the local publication and what have you. I'm here to help you. Here's my number. No obligation, I'll help you sell your property by yourself." About a third of the time, you're going to get those people to use you.

Expireds, on the other hand, are probably a little bit ticked off. Somebody who has an expired listing is different than somebody going through a divorce. Somebody who's going through divorce definitely wants to sell. Somebody who just had a property expire because it didn't sell is going to be ticked off at the entire real estate industry. You're already fighting an uphill battle. I'd rather see you use the letter on the examples we talked about earlier because it's much easier to get listings that way.

If www.County.YourCounty.State.us does not work, try www.CO.YourCounty.State.us. The other thing, too, is you can just Google “Okeechobee County tax assessment database,” or “Okeechobee County court records.” They’ll give you the list of websites you can go to.

Deanna asks, “Is it legal to contact donors represented by leasing tenants or property managers?” Yeah, so if you are using the letter to reach someone you know is already under contract with another broker, like property management, you do sometimes have to be careful. At the bottom of your letter, you say, “This is not an attempt to enter into an agreement with you to sell your property if you are already under agreement with another broker.” Or, “This is not an attempt to solicit your business if you’re under any agreement with any other broker for property management.” If you put that in there, you can’t get in trouble. It’s a disclosure.

Margaret asks: “Do you work these as a farm mailing monthly?” Good question. I send to the same people every single month, month after month, for 12 months. As they respond, drop them from the next mailing. So let’s say somebody responds to the third mailing. You don’t send them the fourth mailing or any other because now they’re a prospect. They’ve contacted you, they responded to something you gave them. They’re not just a lead now. They’re a prospect because they called you based on something you gave them. So send the first letter every month for 12 months or until they respond to you.

Melanie asks, “We don’t know anything about the property. Does that matter?” Correct. At this point, all you’re trying to do is establish contact. Now you’re starting off in a warm position instead of cold calling them. That’s a hard barrier to overcome. When they call you, they’re already a prospect automatically. In the case of buyers, when someone contacts me because of the marketing I’ve done, like a workshop or the booklet, I assume a transaction because all I do is I build rapport. Just like we discussed in the first part of the meeting tonight, get them in rapport. They’ve got nothing to lose. All you’re going to do is set them up on a search initially and get them qualified. I’ve never had anybody at that point say, “I don’t want to work with you.” It just never happens.

So in any case, when it comes to the other side, this side we’re talking about tonight, getting the properties, same kind of concept. When they call you, that is a warm -- that’s a prospect, a warmed-up prospect.

At that point, you’ve already set yourself apart from everybody else. You’ve identified them by name, you’ve identified the property specifically, okay? You told them you specifically sought them out. You’re not suggesting anything at all about their personal circumstances. All you’re saying is, “I have people who are interested in properties just like yours. Let’s see what your thing would sell for.” All right. Later on, you’ll do your due diligence, financial due diligence and the actual, physical analysis on any property. That comes as a normal part of the process.

Marina says: “Some towns bundle tax liens. They target large investors. For example, Lowell, Massachusetts, a bundle tax lien costs six figures.” Yeah, in large metropolitan areas, they will more likely do that. You can partner with others and act as a backer or a financier, like a lender, for example, and let other people go through all the work. As a matter of fact, my son’s learning how to do this and he’s going to be my investor. He’s going to go out there and invest my money, and earn a cut of everything I make. He’s graduating college in May, so he should be

smart enough, right? There's some risk involved, but the reward-risk ratio is actually pretty good.

Russ asks, "What do you do if your state court records are not online?" We don't really care so much about the state level. Always go at the county level. All the people we're approaching here, all those filings occur at the county level, and that's pretty much true across the board, even up in Canada.

The only thing that's filed at the locality or municipal level is usually landlord/tenant cases. If they appealed, they go up to the county level, but everything else—divorce, foreclosure, bankruptcy—those always start at the county level. The state level is going to be stuff that has evolved and appealed up to the state level. I'm really not interested in that stuff because it could take forever. If something has been appealed to the state supreme court level, I wouldn't mess around with those things because you're going to waste a lot of time. I'd rather focus on ones that are just occurring now. They're hot, they're fresh. People are scared, they're nervous. They want help, they just don't know how to ask for it. They don't know who to trust. Those are the people I want to go after. The ones who are going all the way up to the state supreme court level, are fighting the banks and fighting the state over their properties. They sure as heck aren't going to want to deal with us to help them sell it. They're obviously intent on keeping it.

Remember, these websites aren't designed for us. They are designed for attorneys, okay? That's why you hear so many agents say, "I just go to my attorney." The problem with that is the attorney is going to want something out of it. They're not working for free. They also don't have a lot of time for us, but if they can get you access and show you how to do it, that saves you a step. If not, you've got to go downtown or go to your local county seat and ask them to show you what are you looking at and how do you know what the executor is.

To find a detail like the executor's name, look for "Probate" then "Wills," and possibly "Probate Forms." Put in your date range and you'll likely find "Executor of Record." "Letters of Administration," could be a possible one there. If you're not seeing what you need, call the county record, ask for the probate division, and they should be able to help you out.

The reason I tell you to go visit in person is, like Scott's probably discovered -- and my friends up in Canada -- you get a lot further when you go visit them in person. You've only got to do it once. You do it once, and then you're good from that point on.

Peter says, "I assume you find the addresses in the county records. You have to check to see if they're within your map search rentals." Depending on how populated your area is, you might want to narrow things down. You don't want to be sending this letter out to a hundred people. So the answer is based on the population of your area, as far as how narrowed down you focus your search geographically.

Sherry asks, "Are you hand-addressing the envelope?" and Kelly asks, "Or are you keeping track of them in an Excel spreadsheet?" Absolutely. Here's what I do. I print off a list of everybody I'm sending this letter to and I absolutely hand-address every envelope. As they respond to me, I check them off my list, add the date they responded, and make a little note about how the

conversation went. Once someone responds to you from the letter, now they're a prospect, and you should enter them into your contact management system.

You don't enter them beforehand because you don't have any direct contact, but now they're a prospect. Prospects are the only people you enter into your contact management system. You don't put in cold leads because they'll just bog you down and take up all your resources. Remember, we're not going after cold leads. Let the other agents do that. We're focusing on warm prospects here. When they respond to you, put them in your database, and now you track them more accurately and profitably in your database.

Russ says, "In New Hampshire, states run the courts. Counties are very weak." Yeah, New Hampshire's going to be lightly populated. Your search can run at the state level.

I'll encourage the owner to let me list his property for him because of this one very big reason. Remember in the letter how we said, "Inventory is tight right now"? You potentially already have a motivated seller. If they are going through probate or divorce or foreclosure or bankruptcy, they're going to have to sell, actually. So what I do is I tell them, "If that's the case, if you really believe you should sell your property, let's see what it's worth, okay?" Then follow up with "Why don't we list it, because if I just connect you with one client, you're going to have one negotiation going on. However, if I can put it out there on the MLS system where many are looking for a good deal, you could potentially get multiple offers. Multiple offers means auction mentality, which means drive the price up, and Mr. Seller, wouldn't you like to have the most money possible for your property? Let's get this thing listed."

I always list the property. I know I'm going to find something for my immediate buyer client, but the bottom line is I want to help the seller get the most money he can, just like I want to help my buyer get the best deal he or she can. As a broker, I'm looking to bring the two together, but the more people I bring together, the more money the seller's going to get. Does that make sense?

Olga asks, "Is there any specific size I should look for when choosing probate property to work with, or are they all alike?" You know what? Probate is a funny business. I've had situations that were as many as 6 or 7 siblings as heirs to one house, and were all listed as co-executors. It was a nightmare. The best scenario is with just 2 or 3 siblings, with one person is named as executor. Or better yet, somebody who's a neutral third party, because those are the easiest to work with.

The most difficult probate cases are where there are a lot of heirs, and nobody will agree. Or everybody agrees except one person and they're the stick in the mud, they've got to have it their way. Probably 20-25% of them are reasonable. They'll say, "You know what? Mom and Dad lived a long time. This house is 80 years old. I don't have money to put into it. Let's just get what we can." The bottom line is you have a scenario where someone has passed away and there are people who have inherited this house who don't need it or want it.

Sherry asks, "Would you write to each heir when going through the estate?" You know, I don't know that I would. I've never written more than one letter per estate. Somebody's address has got to be listed there, and typically I use that one address because that's all I know.

Scott says, "Confidential: my cousin lives in Florida and is killing it with tax liens, something I had been interested as well. Glad you are having Ted on. He's a superstar in the arena." Yeah,

I've seen him before, actually met him before. I also know people who are doing that. But you've got to have money to start. That's why you're in the Investor Agent training program, though. Because we want to help you get cash flow.

Wesley asks: "When you search for the best location for rentals as part of Module One, now when you look through the county records, do you make sure the addresses are within the locations you mapped out from the list of data?" Absolutely. When you're in a very densely populated area absolutely make sure you're only sending letters for properties you're finding in the county records that are within your search areas. Now, if I'm in a less densely populated area, like New Hampshire, I will probably write all the people who own a three-unit building in a particular town or zip code because I might only find a couple dozen. But if I'm in Boston, I'm not going to write the hundreds of thousands of people who have a three-unit building. Just focus on the particular neighborhoods already identified as being the best areas to invest.

Now, I encourage you to solicit your market center to produce the school report. Some market centers have done it freely and readily. They've called and asked for information, and we give them the spreadsheet. Others say, "We don't know what you're talking about and we don't understand." So you've got to be able to demonstrate the value of that school report. Show them the sample from your material and let them know all their team members, every agent, can benefit from this. But when it comes right down to it, sometimes you've got to create your own. Every market center is independently owned and operated, and we can't dictate that they have to do the school report.

Margaret asks, "Do you send the same letter every month, or do you change it up a bit?" Good question. I would not change the letter because it is optimized for results. But every third or fourth month, you could also include something of value like a recent article about foreclosures, rental properties, evictions, interest rates, or real estate in general or the economy.

You could also include a list of your buyers by last name only. "Here's all the buyers I've got, guys. They're interested in properties just like yours." Or a third thing would be, if you're targeting specific types of properties in specific areas, like a particular zip code, do a search on your MLS system and send them three pages. One page is a summary of everything that's actively listed, that matches your property type, i.e. a three-unit building. Give them the same thing for what's pending, all the three-unit buildings that are pending in their area, and then all the three-unit buildings that have sold in the last 90 days. That's something very valuable to somebody who owns a three-unit building. So you can spice it up by adding that kind of information—not every single month, but every couple months.

Peter says, "I tried to do a school report, but our MLS doesn't have the school codes. What do you recommend?" See if you have high school codes. You should have something about high school name, high school code. You can even do a remark search on the high school name. You might have to go down to the MLS area level.

Wesley says, "First American Title has an app that shows school zones." That could help because it's national. Google "First American Title" and look for their app, or just go on your phone and search for the First American Title app for school zones. It might give you the district codes, but that's all going to be in your MLS anyway.

Conclusion

Success is not a matter of getting lucky. Success is a matter of applying basic principles and basic methods and techniques on a consistent basis. Repetition is the mother of learning and learning is the mother of success.

Remember I've been doing this for 30 years. When I first started using my license, I had the mindset. I knew how to look at a rental, knew how to look at a flip. Not because I was an expert, but because I owned a couple of them.

So look at the information in Module Two, and don't let that be a stumbling block. Practice those tools and get out there. Roll up your sleeves and hit the ground running. I can't emphasize enough how important it is to just take action. You can't worry about, "What if it doesn't work?" That's a mental block that'll stump you up every time. You've got to be asking yourself, "How can I make this work?" The answer is by actually doing it, by practicing and doing it. You might strike out three times, but when you hit gold, you're going to hit gold and you'll consistently get better and better and better.

Everybody works at their own pace, but the people who take action get results. I mean, we have people from the program early on who were getting multiple transactions—two-digit transactions per month, and it hasn't even been a year. If that's your goal, write it down, stick it on your bathroom mirror, and make sure you've got a mission statement.

I just want to get you in the game, swinging the bat. Don't worry about how successful you are the first time out. What you think about is just getting it done because you're going to learn the value is in the exercise. Focus on what you're doing and not the result. The result will come if you focus on what you're doing, I can promise you that.

If you haven't done a strategy call yet, just let me know when you are ready. We will go through your particular circumstances and get you started.

If you are interested in other real estate investing strategies: flipping properties, wholesaling, and property management, please call 1-800-931-2605.

You can email me directly at Gary@myinvestmentservices.com, or visit our website, myinvestmentservices.com.