

# The Ultimate Creative Real Estate Investing Formula

## Quick Glance Reference Guide

1. Generate Leads	2. Qualify Leads	3. Contract	4. Deal Evaluation	5. Exit Strategy	6. Close
<p>A <b>Lead</b> is any Seller looking to sell their property.</p> <p>The best seller leads are the ones no one else knows about.</p> <p># 1—Intent Traffic Highest Quality People that are searching for you online</p> <p># 2—Advertising High Quality Advertising your message to the public</p> <p># 3—List Targeting Decent Quality Contacting list of records</p> <p>Know what's working (and what isn't). Always quantify your results!</p>	<p>Qualify each lead in the same manner by asking the same Key Questions every time.</p> <p>Only talk to the actual property owners (avoid listing agents, wholesalers, family members or other third parties.)</p> <p>Determine <b>Motivation</b> (why selling?) and <b>Pain</b> (what happens if they don't sell?).</p> <p>Do a detailed analysis of the property using every useful online tool, including public records and the MLS. Except for the physical condition, your goal is to know more about the property than even the seller.</p>	<p>Determine your offer strategy in advance.</p> <p>Use an upfront agreement to eliminate "maybe".</p> <p>Explore all seller's options and have the seller come to their own conclusion that your offer is their best option.</p> <p>Use \$10 or less for earnest money.</p> <p>Get it under contract. There is no risk in a risk-free offer. You can only make money on real estate you control.</p> <p>A deal is not under contract until the Memo is recorded.</p>	<p>Immediately after the Memo is recorded, order a full title search.</p> <p>Verify payoff amounts of liens (mortgages, property taxes, HOA dues) from the lienholders.</p> <p>Analyze the property value by reviewing all active, closed, pending, expired and withdrawn MLS comparables.</p> <p>Determine what it will lease for.</p> <p>Inspect the property thoroughly to find every problem. If it needs fix up, get repair estimates.</p>	<p>Begin your exit strategy well before you plan to close.</p> <p>Locate Retail Buyers on the MLS by using a Flat Fee Listing. Post online (Zillow, Craigslist, etc)</p> <p>Handwritten bandit signs still work great for Investor Buyers and Tenant Buyers.</p> <p>Get feedback from every person who views your property.</p> <p>Your first offeror is usually the best one.</p> <p>Control the Buyer with non-refundable earnest money &amp; always close at your closing company.</p>	<p>You have more funding options when your exit strategy is in place prior to closing and the best funding is no funding.</p> <p>Attend the inspection and the appraisal.</p> <p>Close as fast as possible.</p> <p>Don't assume everything is OK. Keep in touch with all parties regularly prior to closing.</p> <p>Closings usually bring surprises. Don't make quick, reactive moves.</p> <p>Don't be rushed to sign closing papers. Have HUD reviewed by your advisor Mistakes are very costly.</p> <p>Always get your proceeds money wired to you.</p>

**Follow the Formula on Every Creative Deal. Don't Skip Steps. Repeat.**