

# REI NETWORK RK

Episode: 011

## *How To Position Multiple Offers*

Hosted by: Gavin Timms

Hey, guys. Welcome to the REI Network podcast with me, Gavin Timms.

Hey, guys, how you doing, Gavin Timms here with REI Network. If you are watching on YouTube, go and like and subscribe to the YouTube channel. If you're watching on the REI Network podcast, make sure you subscribe there as well. We're going to have a lot more episodes coming out. I'm excited today about what I'm going to talk about. But before I do so, I just want to give you a couple of giveaways. Firstly, if you are looking for a lead sheet, something to track the leads while you're traveling, while you're on the phone. Okay. Something that you can take a picture and send to your VA. Go to REI Network dot com slash lead sheet. REI Network dot com slash lead sheet. I'm actually got one right here. So, make sure you go and get that. Also I got a lot of questions who I use for skip tracing lines that right now, which is back skip tracing dot com. If you use the code, GAVIN. Okay. You will get 20 percent off. So make sure you use a code, Gavin. Back skip tracing dot com for me is the best in the business in terms of skip tracing. That's what I use. We've done over hundreds of thousands of dollars using it. So again, I don't ask you to do anything that I'm not doing. Also, they have another park form as well called batch leads dot IO. If you want to go and check that out for list stacking, sending text messages. It's really cool as well. Batchleads.io, batchleads.io Slash Gavin. One dollar is going to be 500 text message two to test that as well. So batchleads.io Slash Gavin. So check both of them out. Depends if you just need to skip tracing or you need the, you know the text in the list stacking but really really cool. So go and check that out.

Okay. So what I want to talk to you about today is making multiple offers and the positioning of multiple offers. Now, this is really, really important because a lot of people in the industry there's going to be listening to this is that well I just now how to make one offer? I just don't know how to make one cash offer. And you'll hear in the end where you leave in so many leads that you'll leave in behind because you don't know how to make multiple offers. Okay. And a lot of you were in training for that. You know, you might have, you know, the lease option course and own owner finance course because you don't want to believe in them, then leads on the table. But then it's how do we actually position these these different offers? And that's kind of what I want to come to today. Right. When you're having conversations with the seller. One of the main things that you need to do in sales is to listen.

Okay. Your use in by asking questions or using the information given to you and transition in and translating that back accordingly to the offers that you need to make. So, for instance, if I'm doing three offers, let's say in these three offers, it's going to be a cash offer, a samways lease option, an assignment lease option. Okay, in these three options that I want to give and I'm talking to a lead, maybe a for sale by owner on Zillow and he is not really Mobay and he just wants to sell the property. He's not really interested in talking with me. He's not, we're not really getting anywhere. Right. Then I'm going to make three offers. Okay. And I'm going to do it fast. So while I try and get my clients to do as if the motivation is not there, the faster it is that you need to make the offer. So that's kind of a rough gauge. So, I mean, I'm talking and it could take you three minutes to make an offer. If there's zero motivation, you want to get an offer out because remember, they can always call you back. One of my clients, Gigi just did one for 24000. Exact way. She offered twenty thousand less twenty two thousand less than what the seller wanted. He said absolutely no way. Five weeks later, calls back, gets the contract she wanted. She made 24000, okay. So he should always, always make an offer. But he's looking at the speed and your time. Well, we need to do what we need to make sure we're not doing is taking 30, 45 minutes to make an offer when they're not motivated because we're spending too much time with a non motivated itself.

Now and saying that, what is motivation?

How do you know if they're motivated? Right. Normally there's four things that we kind of look for, which is the situation. Which is going to lead to motivation by knowing their situation. The timeframe that they want something to happen. The price of what they want. And the condition that the properties in. These the four kind of pillars that we need to, like, get information on. And I do a lot of cold calling and we have a cold call in script. Our VA's used to like pre screen the sellers. So they come into the pipeline for us, then it as acquisition to then speak to. Now in our cold calling script. We're not just saying close fast, pay cash, pay cash because we have multiple offers. If there's urgency that their interests in offer, their interests in selling, we then need to listen and look at the ways that we can best position our offers to make sense for the seller and actually get a deal done.

So so moving on, you know, more in depth in this is another situation. Let's say we have a conversation with a tired landlord. Right. So it's a rental property, about four years of now and no estate, they're over it and, you know, they've had bad tenants in there and they just want out. They just want to sell it. So the options that are going to be available based on the scenario and the situation that we've just been given by the seller by listening and taking notes is that he's motivated. He's over it. He wants to sell. Okay. So we know that there's urgency there. Timeframe. Sell it now. Okay. But he wants too much of a price. So the price is kind of a sticking point in this scenario. So let's look at the three offers. Right. For go into finance. Remember, I'm just picking the three that I mentioned. You can bring owner finance into play any time. But on these three offers, we have a cash offer, a summer's lease option where we stay in the middle of the deal. Okay. We make money on the front. We cash flow. We make money on the back end of the deal. Or we could do an assignment lease option.

Now, the assignment lease option is where you are signing the tenant buyer in this together. Now, we've just been told by the seller that he's over it. You don't want to deal with anymore. He just wants to sell his stock on a price. So the assignment lease option is not solving this problem because we're assigning him back to a tenant. And he doesn't want that. He doesn't want to deal with it. So he's over it. So that offer is no use to the seller right now. Right now. This minute in time. So I don't even put that on. The two offers that I'm going to make based on this scenario. Okay. Is a cash offer and a sandwich lease option offer because the cash off racking cash you out and we can make all this go away a certain price. But again, this price is the sticking point. Or the seller, you can rent it to me for a year or two with me having the option to buy it X amount, which is more than the cash offer, and I'm going to be the one responsible for it. So I'm also taking that away from his plate as well. And he gets more money.

So even though I'm not a normal tenant, I'm an investor. So I can actually maybe make this scenario work if he wants more money. Then it comes down to. No, no. I just want to get rid of it. So now we're going back to the cash offer and then we put him on to a follow up sequence until we get the deal done. So that would be another scenario of play in with them office. Okay. And actually using them when do I make one, two or three offers? And the answer is always in the conversation with the seller. So listening to what the seller needs, relating it back to your offers and then making the offer accordingly. So if it's no motivation whatsoever, nothing's up, man. We're not going anywhere. We make all three. We move on. We take the zest on Zillow and we do our formulas of cash offer. You know, it might be 65 percent. It might be 70, 75. Depend on what area. And then we do a sandwich lease option. We want 15 to 20 percent equity on the back end. So, again, we do our formula on that or we can give them what they want in the assignment. We put it together. We send it. No motivation. Send the offer. Put them on to a follow up sequence.

Now, in the flip side of this, let's say that now we get on the phone to a seller and he knows I'm an investor. Okay? And the first thing that he does is he gets mad because I'm an investor. I'm the 19th person. Call them and he goes kind of on the attack at me. And we need to control this situation as fast as possible and shut them down. So, for instance, what we would do. Hey, Mr. Sarla, this is Gary. And I see your problem that I'm an investor. So as I come out with that word, he goes, oh, you're an investor. I'm not interested. You're just gonna give me a lowball offer. Right. And soon as that comes out, I'm going to try and interject and say, actually, I'm not mis seller. I do buy houses case. But that's not what I'm actually trying to do here. And then they all go, well, oh, you're not. And then all of a sudden the guard is dropped through that that one comment. Actually, I'm looking in to see if he'd be interested in renting it for a year or two and then selling it. So now transition in a case that he's obviously got a problem with the cash offer. Now transition into, you know, renting it may be an owner finance, maybe, you know, a lease option. But I'm keeping it very simple. Hey, we rent to me for a year or two with me having the option to buy. How does that sound? Would that work? Maybe. How can you tell me more? And then the conversation obviously will start.

Now, when I made the offers on this, I'm not going to make the cash offer because it obviously upsets him. Right. So in that instance, I'm only going to make maybe one offer of a sandwich

lease option or depending on how the conversation went along with the assignment lease option. Okay. So I can play where's the offers based on the circumstances of the seller. Sometimes though, if that they don't have that reaction, I. And this is the this is my favorite thing is that when I know what they want, I will use a backup offer just to make the offer that is gonna that we want to do look better. So, for instance, if I think okay, on this scenario, he wants too much money. He's interested in renting to me. He doesn't want to do deal with any tenants anymore. So we're really lie in with the sandwich lease option. So if I want to pair that with another offer, it's going to be the cash offer. And why? Because the cash offer is lower. So the sandwich lease option now positions better with the cash offer pad with it because it positions my lease option to go. Hold on. I got another five thousand twenty five. Thirty thousand here doing this way, rather than this cash offer, it helps position the sandwich lease option and that's how I would then pay that together.

So hopefully this isn't too confusing. As you listen to this, you might have to go back over it again to understand these different scenarios. And we could be here all day, you know, creating these things. And then the genius thing is behind this guy is that if you can get in with a sandwich lease option and then the price or the terms are the sticking point, you can then quite easily transition into an assignment lease option. Right. And get the contract signed because we're always possession as investors, especially if you don't have your license that you are staying in the middle of the deal, you are looking, you know, to stay in the middle of these deals. Then if the numbers don't work, you can then transition into an assignment lease option to say they might say, hey, Gavin, look your offer seems I really like what you doing, but I just I need more money or the rent's too low and I need to I need to get more money to make this work right. So they like the concept is the sandwich lease option. They like how it works, but the price is the problem. So now I can transition into the assignment lease option. This offer has never been made yet. Right. But I'm going to now say. Okay, David, let's say, so I understand that, you know, I'm at one seven five and you want two hundred thousand right, you really want two hundred. And you know and I offer you twelve hundred in rent and you really want fifteen. Right. And you say yeah. And I'll say I don't know if I can do it, David, to be honest, I'm really not sure if I can make this work. I might be able to do one thing. I will have to look at it. Let me just say, if I'm not saying I can do this, but let's say I could get you the two hundred thousand and fifteen hundred in rent. If that was a possibility, what would you say then or would you want to do? And then I'd just stay quiet. Know what I'm looking for. Well, I'd do it. Okay.

Now all of a sudden I've just got an agreement on assignment lease option. OK. So as I go down that I will actually get that contract signed and then we'll start moving in that direction. Right. So the position is really key in the offers. So just to recap this one more time, and we've not even got to owner finance, you know, owner finance sub two. I mean, there's so many ways that you can do it. I would prefer anything from one to three offers personally and then interchange them accordingly based on the conversation with the seller. So, for instance, House is free and clear. Wants too much money. I'm thinking owner finance. That's where my head is. Go in and I'm going to ask court questions accordingly to see, you know, if that's the if that's the case, if they want to act. You know, as the bank for so many years with a balloon payment or

something like that, then that will be part of my offer. Okay. So you can really play with these guys and actually use your offers. But at the same time, make fast offers. If there's no motivation, get the offer. Take the Zillow zest. I know not everyone teaches it. I know it's not right. You also have no motivation. So you're not going anywhere anyway. Let's get the offer out. Let's put him on a follow up sequence. Remember, 90 percent of the deals that I do come from follow up. So why am I going to spend an hour of my time trying to make an offer that I already know is going to say no right now? No means not now. And all we're doing when we put him on that follow up sequence is actually waiting or looking for the situation to change. Right. Taking good notes in the CRM seiner task, say not some automation if you're using it. Okay. And then when you get back on the phone, has anything changed since we last spoke, Mr. Seller? And you can be in and out within a minute. Build good rapport. And it's all about the seller to get back off the call. So, for instance, it would be. Hey, John, how you doing? This is Gavin was both 30 days ago, 30 days ago. If you've got a minute, I guarantee you do it. Yeah. I just wanted to check here. I know we talked about your house and I made you an offer and it wasn't going to work for that time I just want to see if anything changed. Oh, no, we're still trying to sell it.

And this is where the how their response is wasn't different to their attitude before. So before it was like, no, I'm selling it. I'm not doing anything and not taking anything less. Now, is it more of a softer. Well, I thought it would sell. I really thought it'd go by now and it hasn't, but I'm pretty confident it's still well to what's happening now is we're moving in the right direction. So at this point, I've got to touch the seller again. Okay. And now I've got to work back off the phone because again, your time is important to get onto your next phone call. So the way to do that now I understand look, seems like a great house and I'm sure it's going to sell just my check and we're still interested in it. You know, if anything changes, give us a call. If you don't mind, I'll I'll check in with you in in a couple of weeks. How does that sound? Yeah, no problem. Gavin. Yeah, that's great. You know, give us a call. I appreciate you following up and then we're back out. Right. So you can do multiple lead ins from really looking at that conversation from the last time. Was the kid sick? The dog was ill. All these things that you can go when you leave. Hey, you got a. About wanted a before I ask you a question, how's the dog doing? Oh, he's much better now. Yeah, it was Carl. Thank you so much for asking. Again, this is instant rapport and actually build in, you know, rapport with a seller is going to take you above everybody else in the marketplace. No one else is doing it right.

And then through follow up, what we try and do is that we want people to do business with us. And that's what our goal is. We want to go if we're going to sell, there's willing to do any of them whether to do business with you. And we want them say that without was actually saying, hey, we do business and start trying to do that. The hard sell. Okay.

So, anyway, guys, hopefully that helps if you're interested in, you know, working with me, we do have a coaching program. Go to our REI network dot com slash coaching and you on the free downloads, you know, check out the website and the links that I've given you and hopefully this helps. And you might have watched this episode again to see how these offers actually position. I do have some role plays on the channel and on the podcast that you can check out going over

this kind of stuff. How to position a lease option is one of them. So make sure you go and check that video and like and subscribe. I appreciate you all. Have a good day and I'll talk to you soon. Thanks.