**IF IT SOUNDS TOO GOOD TO BE TRUE … RUN, DON’T WALK TO THE NEAREST EXIT!**

Most people know that most television shows are fiction, and those that aren’t fiction are fictionalized. But, they seem to forget that when the shows are about making fortunes flipping houses. When inexperienced people started entering the industry, sharks (Education Companies, Flipping Clubs, Property Brokers, Tax Lien specialists, unscrupulous Contractors, and just plain thieves) smelled blood and flooded the market. Many of these companies say they’re flippers, but all of them have one thing in common. They want your money, and most of them have found many different ways to insure that you keep paying.

We’ve been in the construction business for many years, but it’s only been over the past few years that we’ve been approached by home buyers wanting rehabs to flip. Many have attended education courses that never deliver what they promise at costs approaching one hundred thousand dollars. If these sharks would tell people the truth and deliver what they promise, we wouldn’t be so ANGRY!

We’ve spent the time and money to attend many of these education programs, to go to flipping clubs, to review contracts offered by both brokers and contractors. From all that we focused our anger on identifying a list of warning signs. If you experience one of them, RUN … DON’T WALK TO THE NEAREST EXIT!

1. NO MONEY OR CREDIT NEEDED: How can you buy a house to flip if you don’t have the money to buy it or the credit to get a loan? You can’t. When I’ve confronted instructors about this, they’ve only been able to suggest you tell a lie. “Offer a contract on a piece of property, and ask for ten days to come up with your deposit then hope you can find someone who’ll pay you more to take the house.” It seems like they should know that the base position in the industry is that of a “Bird Dog.” Bird Dogs obtain a “right to sell.” From the owner (sometimes for nothing but usually for $500 or $1,000. They then try to find someone (usually a Wholesaler or Investor) who’ll pay them to obtain the right to the house. Several instructors have tried to tell me that this is done by a Wholesaler, but they’re wrong. A Wholesaler may have to close on the house to keep from losing the money he paid for the rights, so “no money or credit” can’t apply to them.
2. THE UP SELL:
   1. In between interesting bits of information, they tell you why you need to go to the next course that only costs $\_\_\_\_\_\_\_. Our website shows you exactly what’s covered in each course.
   2. They never tell you how many courses they have or that each one costs more than the one before it. Our website shows you exactly how many courses and options we offer.
   3. The hidden story in their process is that the only thing they have to sell is information, so their motivation is to never give you all the information you need. Because if they do, they have nothing left to sell you. The end story is that you will run out of money before they run out of things to sell you. Our mission is different. We believe in the old adage, “teach a person to fish and they will feed themselves forever.” We hope to have the opportunity to teach you.
   4. And, it doesn’t end there. Once you’ve been to one of their courses, you will get frequent emails offering you “specialized” training, accounting packages, etc. It never stops. This isn’t all bad but do your due diligence. First, do you need what they’re offering? Next, do you think it will deliver everything they say or will it too require add on packages? Next, how does it compare in features and price to what you can get elsewhere? Finally, does it have an air tight guarantee and allow you to pay by credit card? The credit card is so that, if they jerk you around, you have someone else to go to for your credit.
3. WHO IS “WE”?: Speakers will often say things like, “we flipped over one thousand homes in the last three years. Who is “we”? Is that him and his company? Is that what the company itself did, or is it the total of all flips done by everyone they’ve ever taught? They never say. We are no longer flipping homes, but we meet with wholesalers, lenders, flippers, bird dogs, and contractors regularly. In fact, we don’t claim to have invented the wheel. We would rather get multiple viewpoints and teach you the best ones.
4. HOW LONG HAVE THEY BEEN AROUND?: A new flipping based television show was recently advertised touting the couple as having set up their flipping company in 2005 and having flipped 600 houses since then. We know that market very well. A quick check of the Secretary of State’s website shows that the company was actually formed in January 2017. Just because people and even publish things doesn’t make them true.
5. THE TEMPLATE: Some presenters are showing slides of pre-planned templates of kitchen and bathroom layouts with web links for the exact items and costs. A prospective client brought me one of these he’d gotten in a course that cost him fifty thousand dollars. When we clicked on the link, it took us to the Lowe’s website. Lowe’s has some great products, but we don’t think anyone needs to buy a fifty thousand dollar course to get a link to their website. That’s why we’ve sourced products that can offer you quality at a reasonable cost.
6. THE BUSINESS: None of the seminars we’ve attended have talked about the business side of this business. But while they may think this isn’t sexy, it is what you need to know to succeed. The first half day of our first course goes through the business, how to establish goals, and how to control the process.
7. THE JOBS THAT MAKE UP THE INDUSTRY: There are four (4) major positions in this industry and several more needed for support. None of the seminars we’ve attended have told people what these positions are or the talents needed to succeed in each of them. Our business section details the different industry positions so that:
   1. You know what position you want to achieve in the industry?
   2. You know where you fit in the industry now?
   3. You know the expertise you need to insure your success?
   4. You can establish a plan to get from where you can succeed now to where you want to be in the future.
8. FREE FOOD & GIVEAWAYS: We all know that nothing is really free. How can training companies fly crews around the country, pay for their room and board, and giveaway free meals and goodies of all types? They can’t, unless they charge more than they have to later. But, ask yourself … are freebies what you want your money to pay for? We don’t believe in these free lunches that raise the price of the classes that follow. Our classes and seminars include a light lunch that you eat in the classroom while we critique where you are and answer your questions.
9. COMPANY STRUCTURE: The seminars we’ve attended spell out all the functions your business has to perform: advertising for properties, sending out yellow letters, sales, project management, bookkeeping, etc. Do you really want a company with ten or more employees whose salaries, taxes and insurance you have to pay? Or, do you want a company that consists of you and your family without the headaches and expense that employees bring? We believe in the team concept. Hiring the professional services you need is much cheaper than keeping them on your staff.
10. BOOKS AND DVDS: They talk about their workbooks or DVDs. As these aren’t easily changeable, how old and current is their information. Hasn’t anything new happened in the industry since those media were created? Our program is on the web. If you aren’t sure what something means, ask us, and we’ll do our best to clarify it. If we’ve left something out that you think needs to be covered, we’ll add it.
11. BUY AT AUCTION: I’ve had clients buy properties sight unseen, but not once have they made money on them. Buyer beware! We do not recommend ever buying a property you haven’t inspected.
12. I MADE $100,000 IN TWO MONTHS: The sharks want you to believe you can make a fortune in this industry, and you can … if you know what you’re doing. The sharks are probably making more than that off of unsuspecting newbies to the industry, but you will not make that kind of money at first and maybe never. We tell you what our classes cover and cost. We don’t believe in stringing your education on and on to line the pockets of others. We want to help you make more money than you’ve ever dreamed of … safely, without unnecessary risks.
13. 15% OR $20 THOUSAND: A couple of seminars I’ve attended have said that they want their students to target the greater of 15% or $20 thousand in profit on each job. In our opinion, this is way too low, because if something can go wrong, it will. Rehabbing is the ultimate jigsaw puzzle and unexpected costs are almost always encountered.
    1. You have to deal with the house as it stands,
    2. You have to redesign it which may require architects and engineers,
    3. You have to get the approval of the governing authority. If they say no, go back to “b”,
    4. You have to specify the materials/items you want included,
    5. You have to interview and hire contractors,
    6. You have to deal with weather delays, inspector delays, etc., and
    7. You finish a beautiful house only to have it sit for a year before it sells.
14. LISTEN FOR THE THINGS THEY DON’T SAY:
    1. Commercial: None of the seminars we’ve attended have mentioned commercial rehabbing or opportunity without being asked. Just like everything else, commercial can be great or problematic, but there are segments that can be extremely profitable. Why aren’t they telling you about them?
    2. Zoning: Not once have we heard zoning discussed in a seminar. As a result, investors usually compute their return on houses and duplexes based on a continuation of what they are without checking zoning. In truth, if you find a property that is zoned both commercial and residential, it may be worth a much larger investment as a commercial property.
    3. Redesigning a home: Not a single seminar we’ve attended has mentioned how to redesign a house, but this is one of the most important factors in flipping a home. If you’ve seen Fixer Upper, you’ve seen evidence of how homes can be redesigned for today’s market. Redesigning an old home to make it seem current can generate huge profits. Let us show you how.
    4. Computing ARV: How do you compute the ARV (After Repair Value) of a project? The most important element of flipping is to have a GOOD idea of what it will be worth when it’s finished. Without that, you’re flying blind, so why don’t they tell you how? A hint: don’t use the values computed by Zillow, Trulia, and the like. As we’ll demonstrate, this topic deserves attention and can affect the players on your team. Let us show you.
15. SUPPORT:
    1. If asked, they will say they give you emails, etc. for any questions you have, but no one will give you a name or cell phone number of someone to call. Our package provides you with email addresses and phone numbers. Email us your question, and we’ll schedule a phone conference.
    2. If you’re on a jobsite, what do you do if you see a crack running through a wall? Who do you call? Email us your timing on doing a house walk-thru and you can FaceTime us in so we can see what you see.
16. BUYING TAX LIENS: You can’t listen to the radio for an hour without hearing a commercial about tax liens.
    1. General: You don’t have to take our word for it. Do an internet search, and you will find that the promises about tax liens are far from true.
    2. Make 15% to 50%: The truth is that after all costs are computed, the actual return usually falls between 4% and 7%.
    3. Legal in all 50 states; Only 36 states allow for the sale of tax liens, so it can’t be legal in all 50 states.
    4. Government guaranteed: The government does not guarantee these liens. In fact, it’s not a government sponsored program.
    5. No risk: Everything, from getting out of bed in the morning to driving your car, has risk. Just because they say it does not make it true.
17. WHOLESALER OFFERS: Once you get established, you’ll get frequent emails offering you properties and listing the purchase price, the rehab costs, and the ARV. This is the same as selling snake oil. The purchase price is what they want to charge you, but what about the rest.
    1. They have no idea what your design or specs will be, so how could they know what your rehab costs will be?
    2. Without knowing your design, how could they know what your ARV will be?
18. WHOLESALERS vs BROKERS: Wholesalers and brokers are salesmen wanting as much for a property as possible. Don’t believe the values they set. Whether a wholesaler gets a property from a Bird Dog or directly, they will make a profit. Don’t agree to their price. Instead offer them a reasonable percentage more than they paid. Brokers are far worse. I experienced them selling a house in Atlanta for $98,000 that was listed on the market for $39,000. Let us show you how to save tens of thousands of dollars by not falling into these traps.
19. NON-REFUNDABLE DEPOSITS: If someone asks you for a non-refundable deposit, they know you haven’t done your due diligence. Don’t pay. RUN!!!
20. CONTRACTOR CONTRACTS: We’d like to be able to say that all contractors are honest, but we can’t. Contractor contracts have to be very specific, including what is NOT included. If not, you may run into the oldest scam of all … the quote for PAINTING doesn’t include the PAINT! Our program includes the forms you need to be successful. These include a contractor form that protects you.

We at MyCREWLeader are dedicated to telling you the WHOLE truth, providing ALL the information you need to be successful, and being there when you need us. If you’re tired of the hype and unfulfilled promises, you may be ready for us.