

## Wholesaling Success Story: 6 Months, 20+ Property Deals & a Half Million in Profit

Host: Josh Cantwell

Guest: Cheryl Sturt

*Welcome to Strategic Real Estate Coach Radio, hosted by Josh Cantwell and Kyle Garifo. Strategic Real Estate Coaches, where the nation's leading real estate investors, brokers and agents turn to transform the way the real estate business is being done in neighborhoods across the nation. If you desire to make more money, do more deals, grow your passive income and build the lifestyle you've always wanted, you need Strategic Real Estate Coach.*

*This powerhouse team is led by Josh Cantwell, a seasoned investor with nearly a decade of experience, over 700 transactions and over \$5.5 million in fundraising generated for himself and his partners. Now, sit back, listen, learn and accelerate your business with Strategic Real Estate Coach Radio.*

- Josh Cantwell: Hi everybody. Welcome back. Josh Cantwell here and I'm really excited to be with you today to talk about marketing and to talk about wholesaling, to talk about hyper buyers and I've invited one of our superstars. Cheryl is one of our newer members this year. She's been involved in our high-end Masters elite coaching program for about six months and she is a super busy mother and investor and operator of her husband's dental office and a super successful wholesaler and investor. And so, Cheryl, thanks for joining us today. How are you?
- Cheryl Sturt: Awesome. It's a beautiful day here in Chicagoland. That's unusual.
- Josh Cantwell: Yeah. And the weather you have today, I'll have it about 36 hours. So, thanks for ruining my tomorrow.
- Cheryl Sturt: This is beautiful right now.
- Josh Cantwell: Alright, well that's good. If it's good tonight, sometimes I talk to Kyle and for those of you that don't know, Kyle is our head coach and one of my good buddies who works side by side with me to deliver our high-end Master's elite coaching program. And Cheryl is one of Kyle's students and Kyle and I are good friends and they were up in Chicago so they have good weather that's what I get. And a 36 hours later if they got rain and snow, that's what I get. But it's good. So, Cheryl tell us a little bit about how long have you been investing and kind of what your focus is right now?

Cheryl Sturt: Okay. Don't mind me moving, but you're cutting in and out so I'm going to find a better location, but meanwhile. Now you'll see the beautiful weather that we have up, but then I go away. I'm going to try this.

Josh Cantwell: Keep moving around. It's actually kind of fun to watching you moving around at the house there.

Cheryl Sturt: I'm just trying to get by a window hoping that I get better reception. So, we'll figure it out. I promise. I've been investing for about a year now. I had a couple of deals before I started your program and then really jump started when I signed up in Las Vegas in October. So since then it was about well almost six months and I had done well at the six months mark I had done over a half million dollars in net profit and over 20 plus deals, the majority of them being wholesale deals, but the wholesale deals that I've had have been, even the fees have been higher than some of the rehabs, so it's been kind of cool.

Josh Cantwell: I would too if I were you. That's fantastic. So, we were just talking before we got going here, live that you closed the deal last month and it was a monster deal. So, let's frame that up. Give us the numbers of what you were able to get it for under contract and what you sold it for. So, let's start with that.

Cheryl Sturt: Okay. So, it was my biggest deal ever. It was my first six figure month and the deal alone was six figures. So that was really cool. It was in a city called Park Ridge, which is a really a higher end area and typically I haven't been able to wholesale in those areas as well. Most of my deals have come from more of the rental market or the lower income areas where it can be rehabbed, flipped or where it can be fixed and rented. But this one came to me on a vacant postcard and actually the woman hung up on Pat Live because she couldn't hear. So, I called back. I went there, got it under contract at a hundred grand even with me paying the closing costs. So, all she had was her tax proration and then literally that weekend I reached out to a couple of buyers, sent it over, had it under contract to close within my same 30 days at \$255,000 and double close same days in and done.

Josh Cantwell: That's fantastic. So, for those of you that don't know when you're doing a wholesale deal and there's two ways to close, you can either assign your contract, which means you have the property under contract and you could offer your contract to someone else. They step into your contract and they basically buy your contract for an assignment fee. That's the first way, the second way, which is what Cheryl just did, which is what she should have done. Because when you have a huge profit and you're really concerned that your buyer might freak out because you got it way down here and you're selling it way up here. You might want to double close it. And all that means is the property is sold from the seller to you. So that's what we call them the A to B transaction. And then you sell it from you to your end buyer, that's the B to C transaction, so as to B, B to C, and there's actually two closings with two settlement statements and both deals get funded with transactional, what's

called transactional funding. It's basically deals for a day. So, Cheryl, tell us about that buyer. A lot of the folks that are in this training are really focused on number one, finding the buyers first and then going out and finding inventory for a small group of select buyers and then kind of offering their properties to those buyers first. And if those buyers don't want the property then they can go out and do the regular local marketing. So, where the buyer for this particular deal come from?

Cheryl Sturt: This one was a builder because this one ended up being a tear down in that area because there was a little too small, and had some foundation issues. So, this builder I had found on a deal a couple months ago where I sold him another tear down, much smaller profit on that one, but you know, got the deal done in that one. I did do, as you described, an assignment fee, so I got an assignment fee for five grand on that one for tear down in Arlington Heights. And so, when I knew this was a tear down, I reached out directly to him for it because I do exactly as you described where he was a builder. I knew he liked Park Ridge, so he was first on my list. I told a couple other people about it. It was kind of a fight. And the builder, the builder one.

Josh Cantwell: So, he's sort of wanted your hyper buyers, right? He's got cash, he's got private money and he's got construction financing. He's gotten resources and experience. And so if you know, you find a deal that fits into his box, which you found those two so far, you just kind of offered it to him first, right?

Cheryl Sturt: Correct. And he has he's told me he has a couple locations that are really hot and that if I see anything in those areas that the tear down he's in, just let them know.

Josh Cantwell: Perfect. And again, this is just the first video that you watched or one of the videos and trainings that you watched inside of our program that is the essence of the concept of working with a hyper buyer. Somebody with a lot of experience, maybe a builder or experienced rehabber with resources with private money or their own cash or bank financing. And you just got to know what that person is kind of inventory they want to buy. You just got to go find that and just connect the dots. So, you said the seller came from a vacant postcard. So, tell us about that a little bit.

Cheryl Sturt: Yeah, so I do a lot of bandit signs personally and I do a lot of postcards, a bunch of different lists between the same ones you've all heard a vacant absentee owner, pre-foreclosure, probate and it was a vacant one and I Pat Live setup. And so, she had called Pat Live and she's a bit hard of hearing and the Pat Live rep couldn't hear. But since those calls are recorded and I call back all numbers, hang-ups are great ones then. And she said she would call back, but she never did and I called back that same day saying, you know, I saw we missed call from you heard that you couldn't hear on the call. I wanted to follow up. And she told me right about the house and then I went out that next day and. Got It.

- Josh Cantwell: That's great. Fantastic. So, tell me about those buyers that you have, this group of sort of regular recurring buyers that you consistently try to work with and try to find them deals. Is there anything special that you do to locate those new buyers? Or are they people that when you have, maybe you have a deal under contract in the past and they may be called on and remarketing and then you thought, wow, this is an experienced investor. I got to find as many deals for this guy or this gal as possible. But what are some of the things, if anything, maybe there's nothing special. What are some of the things that you've done to find those buyers and then stay in touch with them and sort of that top of mind reference for them, um, that you have a deal, you can get it to them, they can evaluate it quickly. What are some tips that you might have for finding buyers?
- Cheryl Sturt: I think that this builder that I found I had in the area because I knew it was the tear down and I personally had never worked with a builder. So I drove up and down the street. There were other builders, other houses being built in that area. So it was really easy when I got the contracts find. I just drove up and down the street and I started calling the builder signs and they were all very interested. But this one had the money when ready to go. I talked to a couple others. One wouldn't have the money for a few months but was very interested. I have not done as good of a job keeping in touch with him because he didn't perform for me. But once someone performs, like you said, I know he does cash, I know what he likes, I know he wants to get it done.
- Cheryl Sturt: So, he's first on my list and then I'll reach out to others. I had some that we took down with a private money and then we put on the MLS and I found another really good buyer from there. She said she's really trying to expand and you know, so we keep in touch all the time. We're like pals. She also said that I was the best wholesaler that she ever worked with. And the reasons being she I left meat on the bone. A lot of the wholesalers, I think when they're new they try and take too much of the profit versus just getting deals done. And if you make sure it's a good deal and you perform and they perform, then it's going to happen again. And you can definitely tell at that point that she's doing multiple deals. She's trying to expand and now honestly, she reaches out to me all the time going, what do you got for me? What do you got for me? What do you got for me?
- Cheryl Sturt: And I have one of those in another city that I gave it to him really cheap. I got it for 10 grand, sold it to him for 20, it was probably still worth, you know, 40 is it sat and he put 10 grand in is probably worth close to 70 and he's always reaching out to me. So, I think if you can give them a good deal, they're easy to find. I also put a lot of signs locally because I'm a sign girl so you know, cheap house this way drive and I'll put crazy posters in, not in a nice area but in some areas like is that the rental market? Whenever some gaudy signs that say cheap house, three-bedroom, two bathrooms, put the cash price right on there and my phone number and things sell in an hour, crazy.

Josh Cantwell: Yeah, because people are like, they see that. Usually if you put the price especially you don't even have to put the address there might not even be an address. It might just be marketing to buyers. So, when you put the price, because then people are like, well that that's a low price for this market. I don't know how much work it needs yet, but That's a low price I'm going to call and just see what they got. You see a lot of bandit signs for motivated sellers? That's a really cool technique to find buyers from those types of signs. What's also interesting, Cheryl, which I love, is that especially when you're talking about private lenders, but giving (inaudible) leaving, so that essentially is I give my buyers a great deal and now they're coming back to you over and over and over again to say, Hey Cheryl, what else do you have? Cheryl what else do you have?

Cheryl Sturt: They keep me working.

Josh Cantwell: About this idea of. Yeah, right. Absolutely. Now you just look, you've got half the equation solved, you've got the buyer equation solved, now you've just got to go find inventory for those buyers. Cheryl tell me a little bit about your buyers list. Most investors kind of thing. You have this, this myth, this misconception that I have to have hundreds and hundreds and hundreds of buyers on my list. It's really not the case, you know, if you have four or five or half a dozen really solid, dependable, recurring buyers and then maybe another stable of, of, of guys that you kind of market to, but you don't really need to have a monster buyer's list. So just talk about that for a second.

Cheryl Sturt: Yeah. I don't have a monster's buyer's list. In fact, I barely have a buyers list. I have the few that I've worked with and that I know what they want and they're the first ones on these that I've found from, like I said, either putting it on the MLS, driving down the road, some of the bandit signs and those that perform are automatically my top buyers and if they perform again, they're even a better top buyer. Outside of that, if they call off a sign, I mean there'll become one of my buyers. I do keep some of that information, but a lot of people I find you have to screen them like sellers, the buyers that they aren't real cash buyers all the time and I want real cash buyers. So, they tell me that by coming to one of my houses, I make them put 5,000 down of nonrefundable earnest money.

Cheryl Sturt: They become a buyer. If they can't do that, then they're not really a buyer. Ultimately, I work in a lot of different areas based on the houses that come into me. So, you know, I don't always know where they are. So, like you said, if it meets the criteria of one of my regular buyers, then it goes there. If not, then I'm going to be marketing and adding to my buyers list that way. I have not personally gone out and develop. Like you said, you know, the thousands of buyers or hundreds of buyers in any way, shape or form. And I know people that do say that they have those lists and they'll, they'll say, oh, I have, you know, hundreds of cash buyers for you. And I said already active cash buyers that can close or are they 100 neat?

Josh Cantwell: Exactly. Big Difference. Big Difference. So, Cheryl you have the small group. How do you communicate with them? I think sometimes there's this myth that you have to be some exotic marketer. I just, when I talked to my dad just text him.

Cheryl Sturt: Yeah. Most of mine at this point they're, they're text. And I mean we have some phone calls, but for the most part it's text. Hey, I've got this address, this price. And literally when they want it and a lot of people feel they're starving for deals right now. They can't find it. You literally get a yes, I'll meet you with the \$5,000. Send me the contract.

Josh Cantwell: Right, simple as that. You got to deal looks good I'll bring a check in hand with cash. Cash ready to go. Fantastic. So, Cheryl, if you're looking for just talk to me for a second about, you mentioned you love science and you mentioned direct mail. So just talk to that for a minute and then we'll kind of wrap up. So, what are some of the strategies that you're using for seller leads to get inventory to send to your buyers?

Cheryl Sturt: I'm a big sign person. I feel that people on signs, I've found them in my area to be more motivated than those on postcards. There's a lot of postcards going out. I've had people that call from postcards and I get plenty of houses. I got this one, I just told you from a vacant postcard. Sometimes I can tell you they, they'll come with, I mean stacks. They'll even give me the postcards that they get from people and I'll ask them why they chose mine. Some simple reasons. One is we put on there, it says, God bless and then believe it or not, that the name Cheryl, a girl's name on their cells. Same thing on the bandit signs. I have three different signs I've told you I have one of my regular branding signs, yellow with blue writing says we buy houses cash fast and has one phone number so that people are used to seeing that all over.

Cheryl Sturt: I have a second sign that's hand written that says, I'm let's see sell your house, no equity, no problem, and people respond to handwritten postcards and handwritten signs. And then my third sign is yellow with hot pink. It says Cheryl buys houses and that one by far performs the best and I think it's because again, there's a girl's name on it and it stands out. There's not a ton of female real estate investors and it's very powerful on that one when Cheryl calls versus anyone else. So, it's interesting if they talked to pat live, but when Cheryl calls people listen. And in fact, I had someone just yesterday say, are you the Cheryl with Cheryl buys houses? I said, yes, that's me, I'm Cheryl.

Josh Cantwell: You're a Rockstar, people love you. It's awesome. So yellow sign background is yellow. And actually, the lettering Cheryl buys houses is hot pink, right? With the phone number?

Cheryl Sturt: And kind of like A. I'm more handwritten font on that one, but the white signs, the no equity ones are actually handwritten with, with marker.

- Josh Cantwell: Got It. So just to connect the dots and kind of summarize guys, you know, Cheryl's working with kind of inventory first. She was getting deals under contract marketing, found deals. Kind of did some marketing to sell her for a couple of deals. And then now she's got those buyers performing on her hyper buyers list. Now it becomes an issue of reverse engineering the process. Now that she knows what these hyper buyers want, she can then find inventory for them. Or other ways to find hyper buyers include things like going to reia clubs, calling on other people's bandit signs, calling on other people's websites and simply finding out what exactly are they looking for. Finding that you know, in getting that sort of warm and fuzzy feeling that they're going to be able to perform and then it's just finding out what their criteria is. Are they a landlord that likes to buy rental properties? I mean are they willing to pay eighty cents on the dollar or they rehabbers that want to be a big discounted deal because they need equity to flip them? Are they builders that want to buy dirt and land or houses that are tear downs? It's just kind of vetting that out. It's very simple conversation talking to a buyer and finding out saying, hey, if I can find more deals that it's the ideal deal for you, what does that ideal deal look like? What areas? What cities, what zip codes, what price points, what loan to value or what price to value or do you want to be at? Very simple.
- Cheryl Sturt: Just so you know, I do get all, everybody calls off my signs and I do call off of all of their signs too.
- Josh Cantwell: Yeah. Fantastic. So, Cheryl, as we kind of wrap up, is there any kind of parting words or words of encouragement or final strategy? Is there anything else you'd like to add?
- Cheryl Sturt: I'm a big believer of as, you know, just taking action, just going and doing it. I think a lot of people are really scared and they want the numbers to be right and I will tell you my first deal, my numbers were all wrong and I still made money. Like now I would never have done that deal. And I think sometimes we over analyze and we work too hard and we want everything to be right. In this day and age with this market I firmly believe, get the deal, put it under contract and you know, let the market speak to you by putting it out to buyers and you'll figure it out. You have room to renegotiate, you have an inspection period. And if they're motivated, you'll get it done. It's cool.
- Josh Cantwell: Fantastic. So, there you have it guys, thanks so much, Cheryl, thanks for joining us for this quick interview on some of those real quick hitting tips and strategies. That was awesome. Look forward to seeing all of our clients and students inside of our next interview. Can't wait to read some more content that will help you build an amazing business. Thanks for being with us today Cheryl, we appreciate it.
- Cheryl Sturt: Thanks.

Josh Cantwell: Take care guys. Bye. Bye.

*You were just listening to strategic real estate coach radio hosted by Josh Cantwell and Kyle Garifo. Leave a comment on our iTunes channel and let us know what you want to learn next, who you would like us to interview, or if you just want to share some of your success stories in real estate and maybe we'll talk about it on our next show while you're there. Give us a five-star rating and make sure you subscribe so you can be the first to hear new episodes every Wednesday.*

*Follow Josh Cantwell and Strategic Real Estate Coach on Facebook and Twitter. Check out all our awesome free training videos at [YouTube.com/srecvideo](https://www.youtube.com/srecvideo). If you want to find out 55 simple and powerful ways to find killer real estate investments, go to [55 simple ways.com/podcast](https://www.55simpleways.com/podcast) right now to download our free report and get a ton of free resources on finding properties and funding properties and stay up to date on what's happening right now in the real estate industry. That's [55simpleways.com/podcast](https://www.55simpleways.com/podcast). Thanks for listening.*