

HOW I MADE \$25,000 IN 68 DAYS WITHOUT SPENDING A DIME

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The more homeowners you speak to, the more offers you can make, and the more deals you can assign.

This guide will help you if you are:

- ✓ Brand new to real estate investing.
- ✓ Want to get into wholesaling and have a lot of time but no money.
- ✓ Confused about the wholesaling process.
- ✓ Ready to work hard in order to excel in wholesaling.

If you said yes to any of these then keep reading! The two major obstacles that hold people back from wholesaling are either a lack of competence or a lack of confidence. Read that again.

In this guide I will show you the step by step process I used to land my first deal and a \$25,000 assignment fee. You will gain the knowledge, confidence and action plan you need to launch your wholesaling career.



***“Wholesaling
is simple.
Make more offers,
Get more deals,
Cash more cheques.”***

- Matt McKeever

My Name is Ammar → Elmahalawy

This year I joined Canada's fastest growing wholesale team led by Matt Mckeever and Adam JD Martin. In my first 68 days of being a wholesaler, I successfully completed my first wholesale deal for \$25,000. Since then, I am on pace to make \$100,000 in assignment fees in my first 4 months. I wrote this guide to teach you that if a 20 year old with no money can accomplish this, you can too. This guide will save you a lot of time and mistakes.



IMPORTANT: This is not for faint of heart, weak-willed or undisciplined individual. This is for the individual that dares to dream bigger than themselves; and the individual that is willing to do whatever it takes (in an ethical way) to get results.



Remember, **ACTION** always comes before **RESULTS**. So don't just read this to get some information, read this and then **APPLY** it in your lives and see the **RESULTS** for yourself.

**ACTION COMES
BEFORE RESULTS**

What is Wholesaling?

Wholesaling real estate is simply the act of locating a motivated seller, getting a property (typically distressed) under contract and then assigning the contract to the investor for a fee. There must be enough spread for your buyer to make money on the deal and for you to be able to charge a fee (more on this later).



“A wholesale deal is ultimately about creating a win-win-win situation between the current owner, the wholesaler, and the final buyer - the investor.”
- Matt McKeever

Learn the Lingo:

ARV = After Repair Value - what a property could be worth on the MLS once brought up to its highest and best use.

MAO = Maximum Allowable Offer - the maximum offer that you can put in on a property in order for everyone to make a profit

FMV = Fair Market Value - what a property would sell for today on the market in its current condition.

Unlike flipping or whotailing, a wholesaler doesn't do any renovations or additions, and carries no costs. As a wholesaler you do not close on the property. You are essentially 'flipping' a contract.



The Importance of a Power Team

What is a Power Team? In real estate, your power team are the service providers that are necessary for you to excel as a real estate investor. These include your realtor, real estate lawyer, insurance agent, mortgage agent, appraiser, property manager and contractor.

When it comes to wholesaling however the most important person on your power team by far is your realtor. More specifically your COMP REALTOR.

KEY TAKEAWAY: A comp realtor is a real estate agent that sends you comparable sales for the houses that you analyze as potential wholesale deals.

HOW TO FIND A COMP REALTOR:

When I was going through the hiring process to join the fastest growing wholesaling team in Canada; Matt McKeever asked the wholesalers on the team what advice they would give to the new guys. One of my teammates, Shaheer said something that stuck with me ever since; “Make 75 calls a day... do that and you’ll crush it”. In order to find your comp realtor, you must interact with a large number of real estate agents. This can be accomplished by calling the agents that have properties listed on Realtor.ca.

You want to call the agents that have more distressed properties on the market. Once you get them on the phone here is a great line you can use;

“Hey my name is _____. I was scrolling on Realtor.ca and came across your property 123 Main St. I’m actually in the market right now looking for an investment property. I’m a real estate investor

and I work with a large group of money partners and I'm responsible for allocating their resources. I was wondering if you know of any off market fixer upper single family or multi family property."

They will respond with yes or no. If yes, then ask more questions about the property and book a time to go check it out. If they say no then you can say,

"No worries, I'm actually looking to find a solid realtor that I can work with over the long run. Like I said, I work with a lot of money partners so we are always looking for investment properties. I'd love to meet up with you for a coffee and chat about how we can help each other out"

Some things I would suggest you look for in a comp realtor:

- ☑ **Do they have a general understanding of real estate investing?**
- ☑ **Do they seem open to a long term win win relationship with you?**
- ☑ **Are they knowledgeable in their area and market trends?**
- ☑ **Do they have time to assist you?**


What's in it for the realtor?

As a wholesaler you will be coming across a lot of properties, some are going to be intriguing to you and others are not going to fit your business model due to the price point. You can develop a relationship in which anytime you come across a property that you personally don't want to pursue, you can refer them to your realtor.

You will also be networking with many real estate investors that you can refer to your realtor as well. From a realtors perspective:

- **They will be getting free leads**
- **Access to potential clients**
- **Expand their network in exchange for something they already have access to and doesn't take up a lot of time (comparables).**

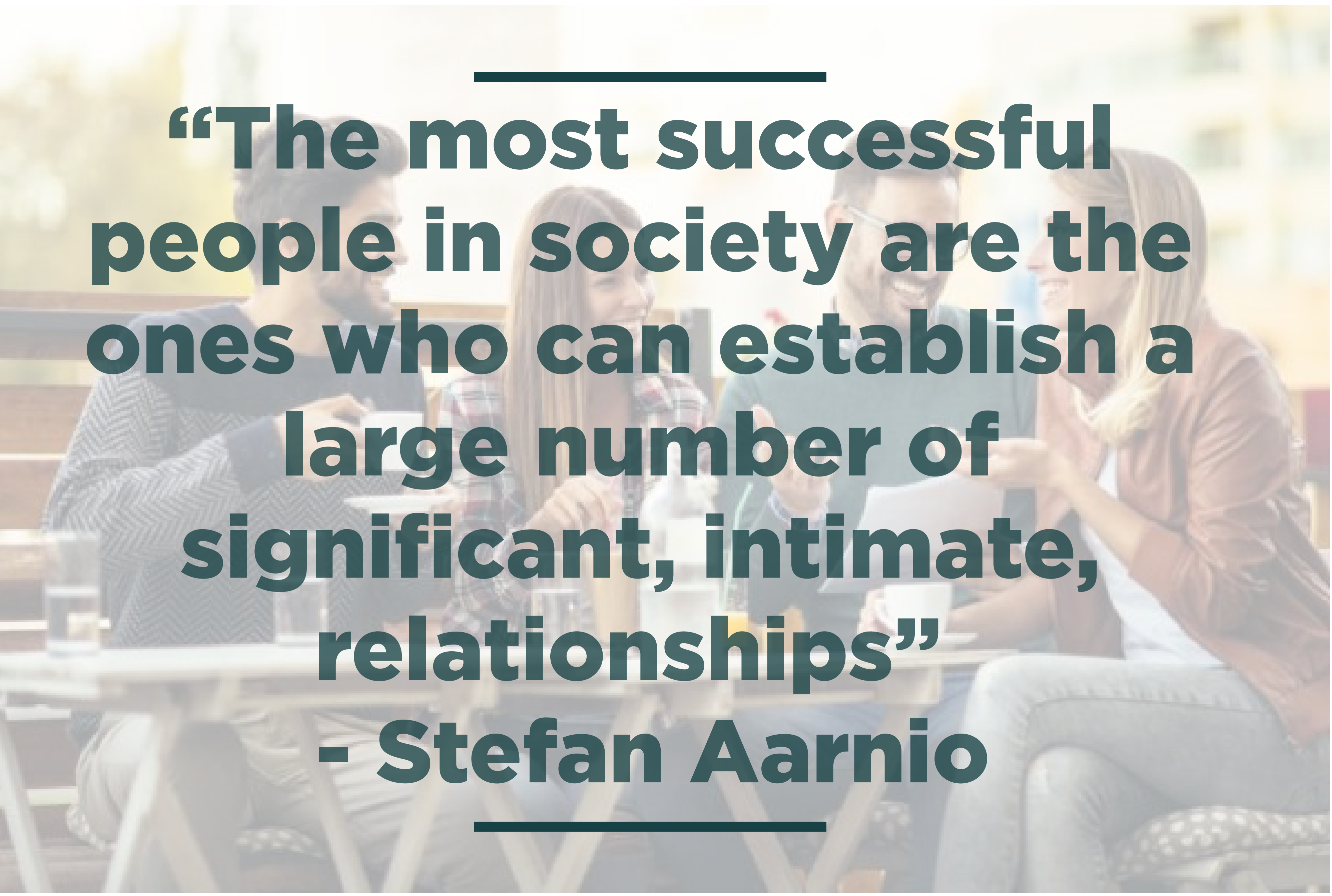
As part of the relationship you can also help them find buyers for deals that they have. And if they bring you a deal that you can assign you can split the assignment fee with them. You must approach this relationship by trying to add value FIRST by focusing on developing a long lasting relationship with them instead of approaching it as a transaction. My favourite way to do that is to take them out to lunch and get to know them.

A group of five business professionals (three men and two women) are seated around a wooden conference table, engaged in a meeting. They are looking at documents and a laptop. The image has a teal overlay.

RELATIONSHIPS trump TRANSACTIONS everytime.

Focus on adding value

by developing the relationship and helping your power team whenever you can. By doing so, you will have a strong thriving relationship with your comp realtor that will pay you many times over as the years progress.

A group of four people (two men and two women) are sitting at a table in a casual setting, possibly a cafe or office lounge, smiling and talking. The image has a light, warm overlay.

**“The most successful
people in society are the
ones who can establish a
large number of
significant, intimate,
relationships”
- Stefan Aarnio**

Building up your Buyers List

In Stephen Covey's "7 Habits of Highly Effective People" the second habit is "Begin with the End in Mind". In wholesaling, the end result is assigning the deal that you have under contract so you can actually get paid and make your money. So if we are starting with the end in mind then we realize that it is very important for you to build up a large list of cash buyers that will ultimately purchase the deals that you get under contract.

Before Covid-19, I would've definitely told you one way to do this is to go to as many meetups and networking events as you possibly can. Until networking events start up again, you must use social media to your advantage in order to network with buyers/investors.

- ★ **Join real estate facebook groups**
- ★ **Follow real estate influencers on instagram and post about real estate as well as what you are doing**

Make a post saying you're a wholesaler in X region looking to network with real estate investors in order to discuss our goals and how we can help each other get closer to our goals.

It is critical that you post often on social media and interact with other people on youtube videos, instagram posts and facebook posts. If people are constantly seeing you across all of these platforms and see you engaging with others then they will naturally want to get to know you and will want to work with you. Remember, to have the most long term success you must be relational and not transactional. So don't be afraid to interact with others on social media; like, comment, post, react to stories etc. The more people see you, the more they will associate you with being the "go-to person" when it comes to real estate.

From each buyer/investor that you interact with, you want to find out:

- What area do they want to buy in?
- What is their price range?
- What kind of property are they looking for?
- What condition do they want the property in?

I recommend meeting some of them in person or at least hopping on a phone call in order to develop that relationship. Knowing what your investors are looking for will give you a lot more confidence when walking through properties.



**Make time in your
calendar to grow
your network.
Your Network =
Your Net Worth.**

Focus on building valuable relationships that will pay you many times over. If you want to succeed....I mean REALLY succeed in this business you have to think long term; and building relationships with the right people will compound your results which will help you compress a tremendous amount of time.

Lead Generation: Best Practices

If wholesaling was a pizza, lead generation would be the dough. If you can't generate leads, you can't wholesale properties. Having proper lead flow will be critical to your success in this business.

When it comes to wholesaling there are many different marketing tools that will help you generate leads. For example:

- Bandit signs
- Flyer campaigns
- Online marketing
- Bird dogs
- Door to door
- Kijiji/Facebook marketplace

I spent \$0 on marketing and was able to make \$25,000; that is the power of Door to Door.

These are all valid forms of marketing and have brought success to many wholesalers in the past. In the context of this e-book we will focus on generating leads via door to door marketing. This can be very time consuming but it is an extremely effective way of generating leads. Door to door allows you to find qualified leads that won't waste your time; if somebody is going to let you walk through their house (a stranger that randomly showed up to their door) then there is a good chance that they are motivated to sell.

The beautiful part about door to door is that it is absolutely free. Yes, you may be spending time, effort, and dealing with a lot of rejection. But all you need is that one deal that can make you \$10,000+. For me, it took me knocking on 1,000 doors to get my first deal which made me \$25,000. I spent \$0 on marketing and was able to make \$25,000; that is the power of Door to Door.

Now let's get into some of the best practices when it comes to door to door.

What Do You Wear?

You want to look professional but you don't want to be wearing a suit because that can intimidate some people (may think you're selling God). I always found that jeans and a plain shirt work best. The most important thing is that you look clean and presentable.

What Do You Say?

When approaching these homeowners you don't want to be confrontational or aggressive with them. The line that I use is:

“Hey, how's it going? My name is _____ I was just in the neighbourhood. I'm looking to buy some property in this area and I was wondering if you knew anybody who's looking to sell?”

After that they will most likely say no and then I say:

“Ok no worries, have you ever thought about selling your property?”

At this point you must read them and gage their response. If there is any hint that they're interested than you want to dig deeper and ask them more questions. Such as;

“What do you think of this neighbourhood?”

“Why were you thinking of selling?”

You can even comment on their house, like *“Wow, I really like your garden, is that one of your hobbies?”*

It is important to be observant in their response so you can tell whether or not this person is actually looking to sell or not. If they are showing signs that, yes, selling is something they've thought about, then you want to build comfort with them so that they actually let you inside the house for a walkthrough. If they express interest, my go to line is “I'm already here, let's do a quick walkthrough” with a light friendly tone and a smile on my face.

After you're in the house for the walkthrough, you want to build rapport and be friendly with the seller while remaining professional and focusing on the home. Once I'm in the house my 2 first questions are:

Do you mind if I keep my shoes on?

Is it cool if I take pictures?

I then proceed to take pictures of the house while walking around the house and asking about the Big 5.

Roof - *How old is the roof? Any leaks?*

Electrical - *What kind of wiring? 100amps? Any knob and tube?*

Plumbing - *What kind of pipes?*

Foundation - *Block or poured concrete? Any cracks?*

HVAC - *How old is the furnace & water heater? Rented or owned? Is there A/C?*

I usually take mental notes of their answers and write them down in the notes section of my phone afterwards.

After you've taken all the pictures and gathered all the necessary information about the fundamentals of the building then you can start asking WHY they're looking to sell. This is a very important piece of information that can be used later during negotiations. After that you want to determine how much they're looking to get for their property (not everyone will tell you this but try your best to get it). Feel free to spend sometime getting to know them and building a solid relationship and tell them that the next steps are that you will run your numbers and come back to present them with an offer in X days.

ANALYZING THE DEAL

One of our mottos on Matt Mckeever's team is 'Data not Drama'. When you first start wholesaling, it's very easy to get emotional about the deals that you're hunting down or to let your emotions get in the way when you are on the cusp of a potential deal. However it is absolutely critical that you remember "Data NOT Drama". When analyzing deals you MUST focus on the DATA (comparable sales, current rents, potential rents, renovation costs etc.)



DATA NOT DRAMA

While there are many ways to value a property. When we are talking about properties that have 4 units or less, you will always look at the comparable sales in order to figure out the ARV (After Repair Value).

This ARV will then help you determine your MAO (Maximum Allowable Offer) which will ensure that after your wholesale fee, your investor will make money off the deal, creating a win-win-win situation.

You want to identify 3-5 properties that are similar (# of beds/baths, age of building, same building type, similar amenities etc.) Once you find these 3-5 properties, you will then work with the ones that are in their highest and best use and use that as your ARV. To determine your MAO you will use the following formula:

ARV - Renos - Realtor fees - Closing costs - Holding costs - Buyers profit - wholesale fee = MAO (Maximum Allowable Offer)

For example:

I am looking at a 3 bed/1 bath home with a garage. I am going to find similar 3 bed/1 bath homes with a garage that have sold in the last 3 months and I will then determine the condition of those properties and only use the ones that are at their highest and best use when calculating my MAO.

Let’s say I find three 3 bed/1 bath homes with a detached garage that are in excellent condition.



sold for 350,000



sold for 355,000



sold for 345,000

I will take the average of these 3 and use \$350k as my ARV. Once I have my ARV all the other calculations are very simple. I will determine my renovation costs that will help me get this property up to its highest and best use, lets say its \$40k for this example. Then I will factor in any profit that my buyer will make on this transaction (we use a minimum of \$30k). Then I will take 7% of the ARV to factor in my realtor fees on the flip (roughly 4%) and any closing/holding costs (roughly 3%). Finally I will subtract the wholesale fee. This calculation is very simple once you get the hang of it.

ARV - Renos - Realtor fees (7%) - Closing/holding costs (3%)- Buyers profit - wholesale fee = MAO (Maximum Allowable Offer)

350k (After Repair Value)- 40k (renos) - {350k*.07} (realtor fees, closing, holding) - 30k (profit) - 10k (wholesale fee) = \$245,000 (Maximum Allowable Offer)

So now I know that for me to be able to sell this deal to an investor and for a \$10,000 fee; the MAO can't be more than \$245,000. This is the formula used to calculate the MAO if you are trying to flip a property.

Being able to calculate the After Repair Value as well as the Fair Market Value of a property is critical to your success as a wholesaler. When advertising properties to your buyers they want to know that they will make money. The way to show them that they will is by accurately calculating the ARV and the FMV.

To learn more about calculating ARV check out this youtube video made by our team:



Search



Secret Real Estate Formula | After Repair Value | How To Calculate Renovation Costs

1,499 views • May 2, 2020

58 2 SHARE SAVE ...

<https://www.youtube.com/watch?v=zhyE6zYno2s&t=1003s>

Setting S.M.A.R.T Goals

To become a winner in your chosen field, you must master the art of goal setting. Being able to set effective goals, develop and execute on a plan of action with ferocious tenacity is what separates the people who conquer and those who just dream. Having big dreams and a vision for your future is critical. But none of your dreams will come true until you can articulate that goal on a piece of paper that outlines exactly what you need to do to get there. Enter S.M.A.R.T Goals:

S: Specific

M: Measurable

A: Achievable

R: Realistic

T: Timed

When setting goals, make sure that your goal hits all 5 of the points of a S.M.A.R.T goal. It is absolutely crucial that you write down your goal on paper, first thing when you wake up and last thing when you go to bed. This will open up your creativity and throughout the day you will start to notice new opportunities or different ways that can help you get to your goals that you were otherwise unaware of because you weren't focused on your goals.

So when writing down your goal you want it to be very **SPECIFIC** (**EXACTLY** what do I want?), you want it to be **MEASURABLE** (what indicators will tell me if I'm getting closer to my goal or not), you want it to be **ACHIEVABLE** (in my opinion there is no goal too big), you want it to be **REALISTIC** (what resources/connections do you need to accomplish this goal), and finally you want it to be **TIMED** (you must have a timeline of when you want to achieve your goals), and furthermore you want to have smaller milestones for you to hit on your way to your big goal.

Example of a S.M.A.R.T goal:

“I want to wholesale my first deal in 90 days”

This first example is a good example of a S.M.A.R.T goal because it's specific (assign deal), measurable (did you assign the deal in this time period or not), achievable (if you read this guide!), realistic and timed (90 days).

NOT A S.M.A.R.T goal:

“I want to become a millionaire with real estate investing”

The second example is a poor goal and will not help you achieve your dreams because it is way too broad. There is no timeline and it is not specific at all. There are countless different ways of making money with real estate so just saying real estate investing is too general. Also what does millionaire mean to you? Do you want to be making a million dollars/year? And if you do, is that GROSS or NET CASH FLOW? Do you want to have a million dollars in networth?

If the goal you write starts to lead to many open-ended questions then it is probably not a S.M.A.R.T goal.

Once you have your S.M.A.R.T goal written down, you're going to want to break it down into smaller goals and start setting KPI's (Key Performance Indicators)



Key Performance Indicators are specific performance measurements that will indicate whether you are doing the work necessary to accomplish your goal.

You must focus on KPIs that are in your control. In the context of wholesaling, those would be:

of Doors Knocked

of Offers Made

All the success you can achieve from wholesaling comes as a result of performing these 2 lead measures. This is also known as “The Big Domino.”

“The Big Domino” is a concept popularized by author Tim Ferris. “The Big Domino” is basically the one thing that once tipped over, everything else you want to do will become much easier or become irrelevant.

In the case of wholesaling, “The Big Domino” is....you guessed it, making offers. Without making offers, you don’t get deals under contract and you can’t assign deals you don’t have which means no money.

Your number one lead measure in wholesaling must be the number of offers made. In the plan of action that I’m about to give you; you will be tasked with using Door to Door marketing to generate leads and your goal will be to offer on as many properties as you can. When you are door knocking you must have the intention that you will get a walkthrough on a house and that you will get a deal.



SET YOUR INTENTION:

Assuming the deal before it happens allows you to show up with a higher level of confidence and poise.



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Your Plan of ACTION

In this plan of action your goal will be to knock on 1400 doors and interact with at least 70% of those people (980 conversations). These must be productive conversations, even if it's a straight no and you get the door slammed in your face, the goal is to get in front of as many homeowners as possible. The more homeowners you speak to, the more offers you can make, and the more deals you can assign.

This is also known as “The Law of Averages”, which in very simple terms means “more equals more”. When door knocking you will most likely come across tenants, in this case kindly ask for their landlord's phone number and give them a call later to see if they know anybody looking to sell.

MORE=MORE

In the first week of these 9 weeks, you will network with real estate agents in order to find your comp realtor and real estate investors so you can build up your buyers list. One of my team members, Shaheer, makes 75 calls a day; constantly building relationships with realtors and helping him find his comp realtor who has since brought him many deals over the past year.

As stated previously, make sure to take advantage of facebook groups related to off-market deals in order to connect with buyers. Post often so that people know that you are a wholesaler in your region.

From weeks 2-8 you will focus on lead generation. Go to your buyers and ask which specific areas they invest in. Print out a map of that area and choose a street to knock on everyday. Make sure to also download google sheets on your map and make a door to door tracker. It is very simple all you need are these 3 columns:

Address	Did they answer the door?	Notes
123 Main Street	no	Exterior looks rough, come back

REMEMBER

MORE=MORE

Don’t forget that your goal is to interact with at least 70% of the doors that you knock on. To make that happen you will probably have to go back and knock on doors that you’ve already knocked on in order to get an answer. That’s why it’s important to stay organized and to keep a log of all the doors you’ve approached.

Once you find an interested seller, refer back to “Lead Generation: Best Practices” to see what to do during the walkthrough. Assuming that you’ve taken the right level of action and made offers on as many properties as you could, then after having 980 conversations with homeowners you will have your first wholesale deal by week 9, which would be the week that you assign it to one of your buyers/investors.

WEEK 1	Network with Realtors and Investors (Buyers)
WEEK 2	Lead generation (knock on 100 doors)
WEEK 3	Lead generation (knock on 150 doors)
WEEK 4	Lead generation (knock on 175 doors)
WEEK 5	Lead generation (knock on 200 doors)

WEEK 6	Lead generation (knock on 225 doors)
WEEK 7	Lead generation (knock on 250 doors)
WEEK 8	Lead generation (knock on 300 doors)
WEEK 9	Assign a Deal

It is very important to stay focused while striving for your goals. That’s why I highly recommend that you use this daily tracker to help determine that you’re taking the right levels of actions in order to reach your goals.

DATE	# of Doors Knocked	# of Phone calls	# of Conversations	# of Offers Made

WHAT’S NEXT?

By now you already know that in order to succeed in wholesaling you need to

- *Network with other real estate investors*
- *Grow your power team*
- *Utilize S.M.A.R.T goals*
- *Generate Leads*
- *Be able to accurately calculate ARV*

I have no doubt in my mind that if you follow this guide you can assign your first deal in 68 days.

This process is repeatable, by no means should you stop at your first deal! Stay consistent, put in the necessary effort and like me, you can make a business out of wholesaling.

Along my journey I realized that the more content I consumed the more I became an expert in my field. Check out the below recommended resources for success and never stop learning.

RESOURCES FOR SUCCESS

Confused about paperwork? Sign up for Cashflow Tribe; a community of real estate investors that foster an environment of growth, learning and results; for a FREE 14 day training and learn from my mentor Adam JD Martin <https://cashflowtribe.com/>

Looking for more great real estate education? Check out Matt McKeever's YouTube channel <https://www.youtube.com/c/MattMcKeever>

Want to follow me on my journey? Follow me on IG @ammar.elm

Want to learn more about my first deal? Check out this youtube video!

<https://www.youtube.com/watch?v=f4ZEshCdOPc&t=562s>

I wish you the best of luck on your journey towards financial freedom. I will leave you with one of my favorite quotes from Lao Tzu.

“Opportunities multiply as they are seized”



No matter how many failures or obstacles you may encounter, always remember that opportunities multiply as they are seized. When one door closes, another one opens. Good luck.