

REI NETWORK

Episode: 058

How to Make Money by Partnering With Realtors

Hosted by: Gavin Timms

Guest: Chris Craddock

Gavin: Hey, guys, welcome to the REI network podcast with me, Gavin Timms. Hey, guys, how are you doing, Gavin Timms with REI Network. Welcome back on this episode. I've got some really awesome joining me. And this is unique. This is something that I've not really heard about before, someone doing and I talk a lot about how to monetize your dead leads. And that's normally through creative finance, including lease options and things like that. But my guest today is doing things a little different. And I'm super excited to to to share a video for him to share it with us. I've known him for a couple of years now and mastermind's together. Great guy. Massive. Go give a go getter. So here he is. Let me bring him over. I am with Chris Craddock. Chris, how are you?

Chris: I'm great. Glad to be here with you, brother. It's so fun to be on the podcast with you. Yeah.

Gavin: I appreciate you coming on. And I'm excited because, you know, we teach a lot and do a lot of creative deals and we teach a lot on lease options. And again, one of all kind of things is, is to monetize your deadly drive. There's no such thing as a dead lead unless it's just sold or someone's life threatening to kill you or something. And even then, it's just a time thing. So it's pretty interesting. Before we jump into the stress that you're getting not only great results in your business and for the people, but let's talk about you a little bit. I mean, since first time you've been on with me on this show. So tell us a little about Chris. Give us a background few minutes on kind of how you got into the game, what are you doing? And then we'll build into it.

Chris: Yeah. So I got into real estate in two thousand. I graduated from college. My wife got pregnant. Twenty three. I was on staff with an organization called Young Life where I loved it, but I made like twenty thousand dollars a year. So it's hard to live on that. And so I started flipping houses in the early 2000s, made 12 times what I made in a year and was able to kind of live on that. I always led large teams in ministry and so I continue doing ministry and I guess with I just kept having more and more kids and as I have six kids, the money runs out real fast. And so so I started flipping houses again in like 2011. I believe during that time I go back to school, I got a doctorate in leadership again

because I love team building. Right. I love helping other people succeed and started flipping. At that time it was short sales. And so I got a real estate license because the bank was paying a commission. If you if you flipped a short sale, if you bought a short sale, they pay a commission. And if you didn't have a license, they wouldn't pay it. So I got a real estate license. And during that time somebody had given me a book, Gary Keller's book, The Millionaire Real Estate Agent. And I read it. And because I love large teams, I was like, man, I see how I could get to a net of seven figures pretty simply not easily, but but a simple path through retail. And so we started running that business and we were really trying to do really well. I mean, we got to that number, but about halfway through between starting and where we are now, I realized that investors were doing their thing and agents were doing their thing and I'd lived in both worlds. I was like, man, there is so much money on the table if we just bring them together. And so that's where it is now. It's allowed me to personally, I'm able to live a life of freedom, you know. I know Gavin, you're my RV friend that travels around the world and all the other country has freedom here for me. I'm at our house, so I'm enjoying this awesome, awesome. And able to hang with the kids and everything else. You know what? I'm not working here, so it's just been an awesome, awesome journey. So fun. Yeah. Being able to meet and hang out with great friends like you along the way. That's amazing.

Gavin: That's great. And that's is what it's all about. Right. You got a lot of kids a lot and a lot of kids. But it's good because you get again, you're at the lake house. That's where I'm heading because I'm recording this. I'm off to Michigan. We leave in the RV, we're going out to the lake house and then up to the up. We're going to be gone for about a month to five weeks. So, yeah, I get it. And that's what life's all about. And I guess then the stresses that you're doing, you've made a lot of money on the real estate side as a broker. You're in D.C., right? That's kind of y'all that's why you're located normally?

Chris: Yeah, D.C., Virginia, Maryland is kind of where my my team resides. And then I've got a an expansion team in Baltimore and an expansion team in Richmond, Virginia. Yeah.

Gavin: OK, awesome. Awesome.

Chris: I've got I've got nine other businesses that all are synergistic to my to my retail team as well, you know, fix and flip. I got a rental portfolio title, mortgage insurance, construction, legal, like there's all these different businesses that are all kind of synergistic to that as well. Yeah. Yeah.

Gavin: Smart. You utilize and pull the arms of real estate, right. To bring back into your own business. So that's great. OK, so I think we spoke for just a quick minute before we jump on here, but I think one of the main things is what I think I'm calling in this episode right. Is how to make money by partnering with realtors. So tell us how you're monetizing

these dead leads. What does that look like? What are you doing? Just educate people. And to give them some takeaways on how this works.

Chris: Yeah, absolutely. So I talked to a friend after friend after friend, actually a friend of ours who is in a mastermind together with us. He lives up in Michigan. There's about 40 wholesale deals a month. And we were we were to meet up in the back of an Uber and we were just talking. And he was like, man, it's crazy. So you're you're really monetizing these leads at a high level. He's like I send, 20, 30, 40 leads to realtors every month. And he's like, I'm more shocked when I get a referral fee, a referral payment than when I don't he's like he's like I never get paid on those things. It's like never. And so I talked to so many friends that they just don't make any money on that because they've tried it. It's just not working. Well, actually, the group that I kind of built this this program with was they been trying it for years and years. They started their own brokerage. They did all of these different pieces, all of these different things, and they just kept losing money on it then. I mean, I just like the crazy thing was I'm like, I know I can monetize these leads. I came from this world. And so it was funny. I believe persistence breaks resistance. Right. So I called them over and over and over again. I'm like, just send me some of those dead leads that you're not doing anything with. And they're like, we got a girl. She's a top KW agent. We sent her a thousand leads and she's close like six of them in the last six months because, like, it's just not worth our time. And I'm like, well, then send me some, let's work it. So finally they sent me one hundred and fifty leads. Seventy of them had been closed to somebody else, 30 of them were out of area. So I had about 40 leads that were that was left from there. And I'm like, well, if this other girl did out of a thousand closed six deals and sent referral fees, I got to close six with these forty. So I did everything I could to build to build it out where the sellers wanted to work with me. And so I kind of create a system. I closed six, I called them up and they're like, wait, you close six, we like you. We didn't want to just tell you to leave us alone. So I told the guys like, hey, give them give them one hundred fifty leads from like five years ago so it'll stop bugging us. And he's like six deals are five years old. And so I was like, yeah. So then since then we built this out to a system in that group alone. I mean literally we're paying them to send them about three quarters of a million bucks this year. So it's great that they've just been throwing away three quarters of a million bucks. I don't care how big your organization is, that's a year changer.

Gavin: Yeah. And what's your criteria then, if they didn't fail? Wholesale deal. So you talk and you talk to us as marketers. Are you saying this is like what you're doing is with wholesalers? Right. So if I was just a wholesaler doing cash deals. Right. That's what I'm marketing for. And then I got sellers that want more money or that they owe too much money or whatever, that kind of leads that you're working.

Chris: Absolutely. So so here's the deal. Let's say you send out let's just say direct mail just for ease sake. Right. You send out a ton of direct mail. You get twenty people that raise

their hand and say, I will sell. Right. Of the twenty people that raise their hand, 16 of them probably want somewhere between ninety seven and one hundred and five percent on the dollar. Right. And then there's four of them that will say, OK, I'll sell for sixty five to seventy five, 80 cents on the dollar, whatever your wholesale number is. So there's four in there and of the four you're probably going to lock up one. Right. That's at least the numbers that I'm ballpark's seeing with with people across the country. Right. You get twenty people, you get about a deal. And so with that, what happens with the other ninety, somebody is going to get paid on that. Another real estate agent, some investor that's going to pay way more than you're paying somebody getting paid. It's just not you. Right. So that's why this whole upside down wholesaling just makes so much sense, because you no longer have to do anything. You realize that it's not in your by box. You realize that they want to sell, but you're not going to be able to do it. You just you're just able to get that agent. And again, picking the right agent is so important that you've partnered with and you set that appointment for that agent. That agent just goes out and man, they close it up, you get your referral fee and everybody wins. The agent makes a lot of money and they do well because for an agent, a retail business listings are so powerful for an investor. I mean, that's just money that's sitting there dead. Like I told you, there's 60 grand a month that go into that one group that literally was sitting there dead. I've got new wholesalers. They're making more money on this than they are and they're wholesaling business. So it's just like you've got found money there that just increases your margin. How does that change a business if all of a sudden you've got an extra five or ten K a month that you can spend on marketing? It's crazy.

Gavin: Yeah, that's huge. So what makes it different in terms of you don't have to go into the nitty gritty, but what makes it different? Because you just said when you were doing this and so on, was sending these leads to a top agent and it took a thousand about six closed and you were able to do six out of one hundred and fifty given to you. So is that, though, your work ethic or is that something that you are seeing different to what that older agent would be doing just as the way are you going about it in a different way? What would the difference basis? What is this thing going? Well, it's all down to the agent. You're saying? It is, obviously, because your agent. Critical, but they must be more to it than that, yes.

Chris: So, are you picking the right agent is huge and then finding the right scripting is also huge. And so for me and I'm happy to share a bunch of this stuff with you, but that's why I created this program. So for me personally, I know I put my money where my mouth is, right. I spend I spend over one hundred thousand dollars a year on personal development because I believe paying for speed, if somebody knows the path, there's so much money to be made here that it's it's worth telling somebody, hey, step here, do this, use the script. Because every month that you don't, you leave tens of thousands of dollars on the table. So that's the whole deal. So for me, I'll jump in and I'm happy to share share everything as much as much as I can. I know we've only got a couple of

minutes here, but I'm happy to share as much as I can because I do know that there's just there's just so much to it that if you do it right, there's so much money to be made. Well, here's the deal when you pick the right agent. Right. And what is it what is it you're looking for in an agent? Somebody is happy, hungry, humble and smart. Right. If they're not happy, they're going to be mad because you're asking for a big referral fee and matter of time. If they're not hungry, they're going to work. You said work ethic. That's a that's a huge thing. If they're if they do well, you do well, you're you're literally attaching your ship to theirs. And if they close one hundred deals, you're going to make a fortune. If they close one deal, you're going to make no money. So you've got to find somebody that is hungry. Actually, there's a friend of both of ours who had an agent who was like one of his best buds, who got license. And he's like, oh, this guy's going to make a fortune. I'm going to do this program with this guy. And I'm like, what did you do last year? And he's like, well, he decided to take a year off because of Covid. And I was like, that doesn't sound like he's going to be hungry, man. I don't see a world in which I take a year off. Like, it just doesn't make sense. Yeah, I'm working hard. Like I'm what I really, really enjoy working, you know, even when I want to break, I like working. So if they're not hungry, they're not going to be your guy or girl. Hungry, humble, happy, hungry, humble. Here's the other thing. A lot of times people confuse confidence with humility. Right? You need somebody that's massively competent. One of my favorite books is The Way of the Wolf. I don't know that I love Jordan Belfort as far as like what he did as a human. You know, you watch the way of the wolf and you're like, I don't know that that's what I want. But he's a darn good salesperson, I'll tell you that much. And and he talks about like the straight line selling and that certainty scale, like when somebody is confident, they they're certain. But but there's that doesn't mean just because you're confident you're not humble. Right. So for me, I literally put my my self at the feet of so many coaches. I again, I spend so much money on coaches and mentors and mastermind's because I want to learn from people. Right. Having the first interaction you and I had was, you know, our friend Chris Arnold said, hey, you should talk to Gavin. He does a virtual wholesaling and he's really like, really, really good at that. And you should just talk to him and see what he's all about. And I was like, man, sounds awesome. He talked you up like crazy. And so I still remember your call. I was I was sixty six and massive traffic. And I was like, yeah, we just started talking and I was just picking your brain on what you do and, and how you do it. And I was like, man, yeah, Gavin's a smart dude. I'm glad, glad I can call my friend now. And so like are people humble enough to like to call, call people and just say, hey, what are you all about? How can I learn from you? How can I do this better? And then smart is one is being smarter, but two is also being a quick learner. One of my favorite books is called The Art of Learning. And the whole idea is if you can learn fast, then you can be world class. Right. So Tony Robbins refers to it as compressing decades into days. Right. Who can show you the path to move faster? And then Keith Cunningham, who is the rich dad and rich dad taught dad wrote a book called The Road Less Stupid. So that whole idea is like, we don't want to pay the stupid tax write. Let's learn from other people, has learned from

ourselves and not make the same mistakes over and over again because it costs a lot of money. Yeah.

Gavin: And I mean, I can't agree with you more, especially now with the coach in education. And it doesn't matter what level you're at. If you're not being mentored by people, then your ego is in the way because there's always growth. There's always someone out there that knows more than you in certain areas. I mean, we even have conversations a year or two back. And if you remember this regard and listings right from Flip's and you were telling me little old tactics of say, hey, what we're doing, we're going to make a decision on Monday, taking the top three and then going back saying, is this your final, the best you've made to the top three? And all of a sudden you can get us five, ten grand more just immediately. And that's what now we implement. Right? So I'm not on the retail side. I'm not licensed. So I don't see that. I don't know really how it all works and then little things. And that's why we're in mastermind's. That's why we have coaches. That's why we network with the people that we network with is because we're always learning. Right. And I'm like you, I want to go. And obviously when I go into a mass mind or into an event, I always say I'm there to give as much as I can. But also then it always comes back to you and you're always going to pick up a couple of nuggets that you need. So I think coaching huge and that in that time down is massive.

Chris: And here's something that's so crazy like I shared with you, just kind of our best practice. This is to make more money, just before that, I had shared that with with another guy who was anyway, somebody had introduced us and I was like, hey, you know, you really should implement this negotiating system. And he's like, yeah, no, we got it down. And I asked him what he does. And he I know he's losing tons of money. And I was just like, it's like, man, why wouldn't you like why wouldn't it? I mean, there's just not a world in which I talk to people and they have something great to say. And I'm not like trying to learn how to be better. And so and I think that's one of the reasons why you and I are buds, because we're both trying to constantly get better, right?

Gavin: Absolutely. Yeah. And everyone should be listening to this. Right. And some people say mismo well, there's more than one way to invest is more than one way to market. There's more than one way to to run a business or have a conversation in the woods in the way that you position yourself and present yourself in terms of the closing. And it comes down to opinions and personalities. But you're exactly right. If you can tweak of people, you're only going to grow. You can't get worse. I can't get any worse. Can I get better? So, yes, that's really good. So with this then so obviously the right age and obviously the scripts that you use and get in that communication and you've been seeing in your business, you said about a quarter of a million you're going to be given to one person. It's all right. So he said.

Chris: Oh no, this one person in my personal business, three quarters of a million bucks. Three quarters a crazy number. No. And that's saying you're not really doing much. That's different, like almost at all. It takes so little change. They're really not doing much. That's different. And they're just monetizing these leads that have been sitting there dead in their database and making three quarters of a million dollars more like it's just it's crazy how much how much money people are leaving on the table and they don't even know it. That's not.

Gavin: Yeah, that's not. That's amazing. OK, so so you're doing that. And then with your your businesses that we talked about, you were mentioning the store. I know people are going to I'm asking this for two reasons. One is selfish reason. That's why I like doing this until I know the people are going to be asking the same thing. Obviously, you have problems of the business. Right. And this is just while now you're teaching people how to do this strategy and these other arms. How are you doing that? Do you have, like, someone that's running all businesses? Do you have, what, one person in each business are you taking the partnership? Like, how does that kind of look?

Chris: Yeah, so I chose to go the partnership route. So I was I used to be with Keller Williams. I still think Gary Keller, the Gerry Keller and the Zillow people are probably two of the smartest people in the whole industry. Right. I got them everywhere. And one of the things I was I was personally mentored by Gary for a while. And and one of the things that he said was you can have as many businesses as you want as long as each business has has a manila folder. Right. And on that folder is everything with the business. And there's somebody face on the front of that folder that owns that business. And that face cannot be your face. Right. So that's the whole idea. So each of my businesses has a face that's not my face. And so except my retail business, that that is still my face. And I'm working very, very hard. I've made some key hires to put other faces in there. That's not my face. So that's really, really the key there. And that's that's how we've really grown the other businesses.

Gavin: Why not, it make sense. That's, again, my model. So I know that I'm on track because because I do the same thing. Because the more people you have, if you don't have partners that own it, then then you'll get busier. Right. And you know that like, if you were running nine businesses, you're not at the like. I think we can all agree on that. All Yeah. You sleep at the office if you're in nine businesses. OK, that's awesome. How do people then get in touch with you? How do they follow you.

Chris: Yeah. So if you're interested in the in the Revive program, just go to wholesalinginc.com/revive And we can dive in and see whether your whether your business is a good fit for this. That's one of the easiest ways. If you want to personally get in touch with me, this is one thing that I still do. I haven't outsourced to a VA. I may at some point. So if you watch this three years down the road, you may not get me. But

but for now, I'm trying to get back the way people gave to me. And so I personally am answering any DMS on Instagram. So my my Instagram handle is at @Kraddrock, an old high school nickname, cheesy. And you know, I probably should have changed it a long time ago, but it is what it is. You you come up baby and. Yeah. So I'll, I'll work hard to reply to any D.M.. But yeah. If you go to the [wholesalinginc.com/revive](https://www.wholesalinginc.com/revive) either me or somebody from our team will dive in and see if it's your business is a good fit. But I'll tell you, I think if you are bringing in leads and you are not monetizing those leads at a high level, I think it's a good fit. And I'll tell you, if you're like a lot of people I've talked to, everybody is like, oh, I can just figure this out. Probably can, but if it takes you four years to get where you could get next month, then like you're costing yourself tens of thousands, if not hundreds of thousands of dollars. And the question I ask myself, the reason why I pay six figures a year in education. Gavin, I'm curious, what would you do if you could take everything you know now, put it in a pill and give it to yourself six years ago, how much would you pay for that pill so that you can basically know everything you know today, six years ago? What would that be?

Gavin: Nothing could put an amount on it because it'd be stupid. It really would be a big amount.

Chris: Somebody said, would you pay a million dollars is like a heartbeat, like probably maybe five. Oh, now you're right now.

Gavin: Yeah, but I think it comes down to though, again, I come from a coaching background. So, you know, I thought when I got into the business and I talk about this and people that do follow me know this is that I'm not the person that's bought the courses. I'm not the person that read all the books. I'm the guy that was trying to coach and just learning the right way. That's that's just me, though, because I'm all about taking massive action on the learning curve. I can get that faster by someone that's already doing it. So I'm ready to go. And then and then people will develop. Right. And as I go through that journey and you've always got change mentors, you already are always adding mentors as you go and go through your career and grow. So, yeah. So that's really good. So, guys, make sure you go and check that out. Gunfire Chris Damn if you have any any questions on this. And it was really unique because it's kind of a catch line. No, no. Deadlee left behind. That's what we talk about. That's kind of our phrase, no dead leads left behind. And you're doing the same thing, but in a different way by utilizing rails as as wholesaler's, you're already spending the money. So if you can get to a key agent in place and obviously there's more to it than that with the right scripts to then to be giving you referrals, then obviously you might be able to turn an extra ten thousand a month, hundred thousand a year, two hundred, 300, 400, 500 plus thousand a year, depending on how many, how many you can be sending over to the right person. Just like anything else, you're only as good as your team. That's not just on a rail relative. That's anyone in your whole team from Vegas. It doesn't matter. You're only as good as

your team. So not really, really good. Chris, one last question. What would you tell us me this, but I want to ask you for anyone, one, any new people, anyone there is stuck what would you tell yourself or tell someone now someone new or someone that stuck? What would your advice be to them?

Chris: If you're stuck, your business grows to the extent you grow. Right? So it means that you're stuck because you need new information. But more than new information, I would say a new relationship in your life. And so for me, when I feel stuck, I join a new mastermind. I do something where I get people that are really smart around me so that I can learn from other people that are really smart people. I like their vibe, people that I think are just really massively, massively good at what they do. And so I work hard to get new relationships in my life because that is the number one key. They say imitate, then innovate. Right. Get people that you really think are really smart so that you can do what they're doing and then learn to think like they think. Yeah, I love that.

Gavin: I love that. So basically what you say and I call this business REI Network for a reason network is what it's all about. Get yourself around like minded people. You go and they say, I'm going to put it. I don't support it. You can't listen to people. Right. And that's not me disrespecting. And you never take advice of a person. You need to take advice of people that are winners that are positive, the ones that are that are trying to do better, not listening to your neighbor that stuck a bandit sign out and couldn't do a deal. Right. And it doesn't work. So there we are. So, Chris, I appreciate you. Thank you so much for joining me and giving us some gold here. And guys, if you are interested in working with me, OK, go to REInetwork.com/join. We'll get on the phone, see if you're good, fit for what's going on, or I can see if I can point in the right direction in any help that you need to. Chris, thank you so much. Bye and I will see you soon, man.

Chris: Thanks. Bye bye. Bye.